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# **Japan-China-Mekong Roundtable Meeting**

## **-Japan-China-Mekong-Potentiality of the New Regional Collaboration-**

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# **Conference Papers**

August 5, 2019  
Tokyo, Japan

Co-Sponsored by  
The Japan Forum on International Relations (JFIR)  
The National Institute of International Strategy (NIIS), Chinese Academy of Social Sciences (CASS)

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# 1. Program

<p><b>Japan-China--Mekong Roundtable Meeting</b>  <b>Japan-China-Mekong-Potentiality of the New Regional Collaboration</b>  August 5, 2019  The Conference Room of JFIR  Co-sponsored by  The Japan Forum on International Relations (JFIR)  The National Institute of International Strategy (NIIS), Chinese Academy of Social Sciences (CASS)</p>	
<b>Monday, August 5, 2019</b>	
<b>Opening Remarks</b>	
<b>13:30-13:40</b>	
Opening Remarks (5min.)	WATANABE Mayu, President, JFIR (Japan)
<b>Session I</b>	
<b>13:45-15:10 Japan-China-Mekong: LMC and New Regional Cooperation in Mekong</b>	
Chairperson	TERADA Takasshi, Distinguished Research Fellow, JFIR / Professor, Doshisha University (Japan)
Keynote Speaker A (7min.)	SATO Koichi, Professor, J.F. Oberlin University (Japan)
Keynote Speaker B (7min.)	LI Zhifei, Associate Research Fellow, NIIS, CASS (China)
Keynote Speaker C (7min.)	Khin Maung Lynn, Joint Secretary 1, Myanmar Institute of Strategic & International Studies (Myanmar)
Commentator A (5min.)	JIE Zhang, Research Fellow, NIIS, CASS (China)
Commentator B (5min.)	FUJIMURA Manabu, Professor, Aoyamagakuin University (Japan)
Commentator C (5min.)	CAO Xiaoyang, Assistant Research Fellow, NIIS, CASS (China)
Free Discussions (45min.)	All Participants
<b>Break 15:10-15:20</b>	
<b>Session II</b>	
<b>15:20-16:45 Integration of East Asia and Mekong Cooperation - Towards RCEP</b>	
Chairperson	TERADA Takasshi, Distinguished Research Fellow, JFIR / Professor, Doshisha University (Japan)
Keynote Speaker A (7min.)	YANG Danzhi, Assistant Research Fellow, NIIS, CASS (China)
Keynote Speaker B (7min.)	Sulathin THILADEJ, Director of Research Division of Institute of Foreign Affairs (Laos)
Keynote Speaker C (7min.)	URATA Shujiro, Professor, Waseda University (Japan)
Commentator A (5min.)	Nguyen Thi Bich Ngoc, Senior Research Fellow, Institute for Foreign Policy and Strategic Studies, Diplomatic Academy of Vietnam (Vietnam)
Commentator B (5min.)	SHINTANI Daisuke, General Manager, Asia China and Oceania Department, Global Economic and Political Studies Division, Mitsui & Co. Global Strategic Studies Institute of Japan (Japan)
Commentator C (5min.)	PIAO Jianyi, Research Fellow, NIIS, CASS (China)
Commentator D (5min.)	SHINODA Kunihiro, Professor & Executive Advisor, GRIPS Alliance, National Graduate Institute For Policy Studies (Japan)
Free Discussions (45min.)	All Participants
<b>Wrap-up Session</b>	
<b>16:45-17:00</b>	
Wrap-up	TERADA Takasshi Distinguished Research Fellow, JFIR / Professor, Doshisha University

## 2. Biographies of the Panelists

### **【China Side】**

#### **JIE Zhang**

***Research Fellow, NIIS, CASS***

Graduated from Peking University. Received Ph.D in the Department of History. Joined NIIS, CASS in 2002. Shi is the director of the department of Asia-Pacific Security and Diplomatic. Her current research and teaching focus on China's neighboring security and diplomacy, especially Sino-ASEAN relations.

#### **PIAO Jianyi**

***Research Fellow, NIIS, CASS***

Graduated from Moscow university, Russia, received Ph.D degree in philosophy in 1994, joined the National Institute of International Strategy, CASS at the same year. He is the research fellow and assistant to the dean, director of Northeast Asia Research Center, director of Voontemporary Mongolian Research Center now. His current research and teaching focus on Korean peninsula issue, Northeast Asia international relations, China's surrounding security environment and other aspects.

#### **LI Zhifei**

***Associate Research Fellow, NIIS, CASS***

Graduated from Renmin University of China and got Doctor degree in Law in 2009, once studied at Wasada University of Japan from September 2007 to August 2008. Joined the National Institute of International Strategy, CASS in 2009 and appointed Associate research fellow in 2013, during which worked at Frankfurt University of Germany and George Washington University of US as visiting scholar. She once also was a Post-doctor of Peking University of China from 2014 to 2017. She specialized in China's trans-boundary river issues, Climate change and water resource security, Non-traditional security in Asia.

#### **CAO Xiaoyang**

***Assistant Research Fellow, NIIS, CASS***

Graduated from Renmin University of China, received M.A. at School of International Relations in 2000. Joined Institute of Asia-Pacific Studies, Chinese Academy of Social Sciences in June 2000, and appointed assistant fellow since 2002. Received Ph.D at Institute of American Studies, Chinese Academy of Social Sciences in 2015. Her research interests are US-China relations, the U.S. Asia-Pacific policy, security issues in Asia-Pacific region.

#### **YANG Danzhi**

***Assistant Research Fellow, NIIS, CASS***

Graduated from Renmin University, China. He received Ph.D degree in School of international studies in 2005. Yang joined the Institute of Asia-Pacific Studies, Chinese Academy of Social Sciences (IAPS, CASS, the predecessor of the Institute of International strategy, Chinese Academy of Social Sciences) in 2005. Yang also worked for the Center for Regional Security Studies, Chinese Academy of Social Sciences (CRSS, CASS) and receive his appointment as Assistant of Director of the CRSS in 2015. Yang specialize in East Asia security, security regime, regionalism in East Asia and Chinese foreign policy.

## **【Mekong Side】**

**Khin Maung LYNN**

**Joint-Secretary 1,**

**Myanmar Institute of Strategic and International Studies**

U Khin Maung Lynn served in the foreign service of the Government of the Republic of the Union of Myanmar for over 36 years before retiring as Charge d'Affaires/ Minister-Counsellor at the Myanmar Embassy in Kuwait. He held various diplomatic posts at the Myanmar missions in London, Geneva, New York, Tokyo, Islamabad, Kuala Lumpur, Manila, Riyadh and Kuwait. During his career, he also served in various capacities in the Ministry of Foreign Affairs of Myanmar at the International Organizations and Economic Department, Minister's Office, and the Political Department where he served longest. He was Assistant Director of the Boundary Division, Political Department from 1993 to 1996 and served as Deputy Director in the Southeast Asia Division, Political Department, from 1998 to 2001 and as Director from 2005 to 2007. He led diplomatic missions to open new Myanmar embassies in Riyadh in 2007 and in Kuwait in 2009. He retired from the Myanmar Foreign service in January 2011 and since August 2012 he has been involved in Track II diplomacy by attending some of the conferences and workshops in the region. He was also a part-time advisor from 2012 to 2013 with the International Management Group (IMG), an intergovernmental organization, helping with the implementation of capacity building projects for personnel of the Myanmar civil service including the Myanmar Foreign Service, with funds provided by the Norwegian Government and the EU. He has been serving as Joint Secretary (1) of the Myanmar Institute of Strategic and International Studies (MISIS) since its formation in 2013.

**NGUYEN Thi Bich Ngoc**

**Senior Research Fellow, Institute for Foreign Policy  
and Strategic Studies, Diplomatic Academy of Vietnam**

Received PhD of history of international relations and foreign policy from Russian University of People's Friendship in 2010. Joined the Ministry of Foreign Affairs in 2011. Participated in various research projects, including Policy recommendation to the Government and Ministry of Foreign Affairs, and Publications in various newspapers, journals. Her research area is Non-traditional security issues in East Asia, ASEAN, Russia's foreign policy.

## **【Japanese Side】**

**WATANABE Mayu**

**President, JFIR / President, GFJ**

Graduated from Chiba University. Received M.A. in Education from the Graduate School of the University of Tokyo in 1997. Joined the Japan Forum on International Relations (JFIR) in 2000 and appointed Senior research fellow in 2007, during which period she specialized in global human resource development and public diplomacy. Appointed Executive Director in 2011 and assumed Senior Executive Director in 2017. She has served as President since 2018. Concurrently serving as President of the Council on East Asian Community (CEAC) and President of the Global Forum of Japan.

**TERADA Takashi** *Distinguished Research Fellow, JFIR / Professor, Doshisha University*

He received his Ph.D. from Australian National University in 1999. Before taking up his current position in April 2012, he was an assistant professor at National University of Singapore (1999-2006) and associate and full professor at Waseda University (2006-2011). He also has served as a visiting fellow at University of Warwick, U.K. (2011-12), a public policy scholar at Woodrow Wilson International Center for Scholars, Washington D.C. (2012) and an operating adviser for the US-Japan Institute (USJI) (2011-present). His areas of specialty include international political economy in Asia and the Pacific, theoretical and empirical studies of Asian regionalism and regional integration, and Japanese politics and foreign policy. He is the recipient of the 2005 J.G. Crawford Award.

**SATO Koichi** *Professor, J.F. Oberlin University*

Received his Ph.D. in International Studies from Waseda University. Served as Sales Engineer of Itachi Chemical Co. Ltd., Research Fellow of the Japan Institute of International Affairs (JIIA), and Lecturer of the Tokyo University of Foreign Studies. Concurrently serves as Lecturer of Japan Maritime Self-Defense Force (JMSDF) Staff College, Policy Adviser to Japan Coast Guard, Lecturer of National Institute for Defense Studies (NIDS), Research Fellow of the Center for Study of South China Sea, Doshisha University, Visiting Fellow of the Research Institute for Oriental Cultures, Gakushuin University.

**FUJIMURA Manabu** *Professor, Aoyamagakuin University*

He received his Ph.D. in Economics from University of Hawaii at Manoa. His main research focus has been on the economic impacts of cross-border infrastructure development in the Mekong region. He has extensive professional experience, having worked as an economist in the Asian Development Bank for five years, as a research associate at University of Shizuoka for three years, as a degree-fellow at the East-West Center in Hawaii for four years, and as a staff at the Japan External Trade Organization (JETRO) for five years.

**URATA Shujiro** *Professor, Waseda University*

Received B.A. from Keio University in 1973, M.A. in 1976 and Ph.D. in 1978 from Stanford University. Served as various positions including Research Associate of the Brookings Institution, Economist of the World Bank, and Director General of Research Institute at People's Finance Corporation. Concurrently serving as Research Fellow of Japan Center for Economic Research, Senior Research Advisor at Economic Research Institute for ASEAN and East Asia (ERIA), and Faculty Fellow of Research Institute of Economy, Trade and Industry (RIETI).

**SINTANI Daisuke** *General Manager, Asia China and Oceania Department, Global Economic and Political Studies Division, Mitsui & Co. Global Strategic Studies Institute of Japan*

Joined MGSSI in 1999, he has researched mainly on ASEAN and India's political economy, to make business strategies and analyze country-risks for Mitsui & Co Ltd. From April 2010 to June 2014, he had stationed in Singapore that is the regional HQ of Mitsui & Co Ltd, and worked as ASEAN representative for MGSSI. One of his recent concerns is ASEAN's integration. He is also an expert of CSR related issues. Lecturer of Graduate School of Social Design Studies at Rikkyo University (2006-2013). Major Publications are "Asian CSR and Japanese CSR" (JUSE2008), etc.

**SINODA Kunihiko**

***Professor & Executive Advisor, GRIPS Alliance,  
National Graduate Institute For Policy Studies***

He received M.A from University of Tokyo in 1988 and M.S.I.A from Carnegie Mellon University in 1994. Before taking up his current position in 2019, he joined Ministry of International Trade and Industry in 1988 and was Director (APEC&FTA), Trade Policy Bureau, METI (2005-2008), Director, Financial Cooperation Division, Trade and Economic Cooperation Bureau, (2008-2010), Director, Asia and Pacific Division, Trade Policy Bureau (2010-2012) and Deputy Director-General for Trade Policy, Trade Policy Bureau (2017-2019). He also worked for the Embassy of Japan in the Philippines (1996 -1999), JODC Bangkok Office (2005-2008), JOGMEC Beijing Office (2012-2014) and Japan-China Economic Association Beijing Office (2014-2017). His areas of specialty include EPA/FTA and economic cooperation in East Asia.

*(In order of appearance in the "Program")*

### 3. Participants List

#### **【China Side: NIIS, CASS】**

JIE Zhang	Research Fellow, NIIS, CASS
PIAO Jianyi,	Research Fellow, NIIS, CASS
LI Zhifei	Associate Research Fellow, NIIS, CASS
CAO Xiaoyang,	Assistant Research Fellow, NIIS, CASS
YANG Danzhi,	Assistant Research Fellow, NIIS, CASS

#### **【Mekong side】**

##### **【Laos】**

Sulathin TILADEJ	Director of Research Division of Institute of Foreign Affairs
Souksavanh VICITTAVONG	Director of International Cooperation Division, Institute of Foreign Affairs
Bounphieng PEUAPETLANGSY	Academic officer of Research Division, Institute of Foreign Affairs

##### **【Myanmar】**

Khin Maung LYNN	Joint-Secretary 1, Myanmar Institute of Strategic and International Studies
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##### **【Vietnam】**

NGUYEN Thi Bich Ngoc Senior Research Fellow, Institute for Foreign Policy and Strategic Studies, Diplomatic Academy of Vietnam

NGUYEN Le Ngoc Anh Fellow Researcher, Institute for Foreign Policy and Strategic Studies, Diplomatic Academy of Vietnam

(In Alphabetical Order of Country Name)

#### **【Japan side】**

TERADA Takasshi	Distinguished Research Fellow, JFIR / Professor, Doshisha University
SATO Koichi	Professor, J.F. Oberlin University
FUJIMURA Manabu	Professor, Aoyamagakuin University
URATA Shujiro	Professor, Waseda University
SINTANI Daisuke	General Manager, Asia China and Oceania Department, Global Economic and Political Studies Division, Mitsui & Co. Global Strategic Studies Institute of Japan
SINODA Kunihiko	Professor & Executive Advisor, GRIPS Alliance, National Graduate Institute For Policy Studies

(In order of appearance in the “Program”)

##### **【JFIR】**

WATANABE Mayu	President, JFIR
YANO Takuya	Director and Research Coordinator, JFIR
KIKUCHI Yona	Director and Senior Research Fellow, JFIR
TAKAHATA Yohei	Senior Research Fellow, JFIR / Vice President, GFJ
TAKEDA Yuki	Research Fellow, JFIR



## 4. Presentation Papers

**SATO Koichi**  
**Professor, J.F. Oberlin University**

[Not for Citation]

**Japan-China-Mekong Roundtable Meeting**  
**Japan Forum on International Relations (JFIR), August 5, 2019**

**Talking Points: Issues of Japan-China-Mekong Cooperation - A Japanese View -**  
**Koichi Sato, Professor, J.F. Oberlin University**

The 4,909 km Mekong River runs from Tibet in China through Myanmar, Laos, Thailand, Cambodia and Vietnam.<sup>1</sup> Much has been said about the developmental cooperation of the Mekong region, though we cannot utilize river transportation continuously, because of the existence of many waterfalls upstream. If so, the road and railway developments shall be important for all the cooperation partners. In this presentation, the presenter would like to survey the Japanese and Chinese cooperation initiatives, and the issues of their cooperation from the viewpoints of Mekong countries.

Japan and five “Mekong countries,” namely, Cambodia, Laos, Myanmar, Thailand, and Vietnam established Mekong-Japan Summit in 2009.<sup>2</sup> The leaders of Mekong countries and Japan met in Tokyo on 9 October 2018 for the tenth Mekong Japan Summit. They highly valued the contribution the Mekong-Japan cooperation has made to the peace, stability and prosperity in the region since 2009, and the Mekong countries’ leaders commended the achievements of the “New Tokyo Strategy 2015,” and Japan’s commitment to implement official development assistance (ODA) on a scale exceeding 750 billion Japanese Yen (US \$ 6.6 billion) during the last three years and promotion of connectivity enhancement through quality infrastructure.

In “Tokyo Strategy 2018,” leaders decided to establish three new main pillars of Mekong-Japan Cooperation: Vibrant and Effective Connectivity, People-Centered Society, and Realization of a Green Mekong. Premier Shinzo Abe noted that investment by Japanese companies in the Mekong region in the last three years exceeded two trillion yen (US\$ 17.7 billion).<sup>3</sup> “To realise even more private investment

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<sup>1</sup> Supalak Ganjanakundee, “The tussle with China in the Mekong Basin,” *The Straits Times*, 17 November 2018, <https://www.straitstimes.com/asia/se-asia/the-tussle-with-china-in-the-mekong-basin>, accessed 28 July 2019.

<sup>2</sup> “The 10<sup>th</sup> Mekong-Japan Summit Meeting,” *Ministry of Foreign Affairs of Japan*, 9 October 2018, [https://www.mofa.go.jp/sa/sea1/page4e\\_000937.html](https://www.mofa.go.jp/sa/sea1/page4e_000937.html), accessed 28 July 2019.

<sup>3</sup> Walter Sim, “Japan vows to boost quality infrastructure in Mekong area,” *The Straits Times*, 10 October 2018, <https://www.straitstimes.com/asia/east-asia/japan-vows-to-boost-quality-infrastructure-in-mekong-area>, accessed 28 July 2019.

than before, Japan will use public funds such as overseas development assistance, as well as overseas investment and loans,” he added.

How about the cooperation between China and Mekong countries? In 2012, Thailand proposed the initiative of sustainable development of the Lancang-Mekong Sub-region, which got positive response from Chinese side.<sup>4</sup> At the 17<sup>th</sup> China-ASEAN Summit held in November 2014, Chinese Premier Li Keqiang proposed the establishment of the Lancang-Mekong Cooperation (LMC) Framework, which welcomed by the Mekong countries. On 23 March 2016, the First LMC Leaders’ Meeting was held in Sanya of China’s Hainan Province. The meeting, with “Shared river, Shared future” as its theme, released the Sanya Declaration of the First Lancang-Mekong Cooperation Leaders’ Meeting – For a Community of Shared Future of peace and prosperity Among Lancang-Mekong Countries, and officially launched the LMC mechanism. Premier Li Keqiang announced that China will offer preferential loans of 10 billion yuan (US\$ 1.46 billion) and credit lines of up to US\$ 10 billion to fund infrastructure and improve connectivity among LMC countries.<sup>5</sup> The Mekong countries also can expect the cooperation effect of the Belt and Road Initiatives (BRI) led by China.<sup>6</sup>

The Japanese and Chinese cooperation initiatives sound nice. What are the local opinion leaders’ saying in the Mekong countries? The presenter met Cambodian, Laotian, Thai, and Vietnamese scholars in Mekong countries and Japan from 2017 to 2019. A Cambodian scholar said, “Japan’s feasibility procedure is slow, and you are too much concerned about environmental issues and human rights. Our government cannot wait long. China never takes care of the accountability, and their action is fast. If you won’t act fast, Cambodia will be Chinatown in the future.”<sup>7</sup>

Thailand accepted the high-speed railway project from Nong Khai to Bangkok, but they refused the Chinese requirement of railway attachment site, and they are also resisting falling into rail debt trap.<sup>8</sup> There is another high-speed railway project from Chiangmai to Bangkok. Thai government expects the Japanese company’s application. Thai scholar told, “the quality of Japanese suggestion is always highly

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<sup>4</sup> “A Brief Introduction of Lancang-Mekong Cooperation,” *Lancang-Mekong Cooperation*, [http://www.lmcchina.org/eng/gylmhz\\_1/jj/t1519110.htm](http://www.lmcchina.org/eng/gylmhz_1/jj/t1519110.htm), accessed 28 July 2019.

<sup>5</sup> Teo Cheng Wee and Tan Hui Yee, “China woos Mekong states with loan pledges,” *The Straits Times*, 24 March 2016, <https://www.straitstimes.com/asia/se-asia/china-woos-mekong-states-with-loan-pledges>, accessed 30 July 2019.

<sup>6</sup> “Full text: Action plan on the Belt and Road Initiative,” [http://english.www.gov.cn/archive/publications/2015/03/30/content\\_281475080249035.htm](http://english.www.gov.cn/archive/publications/2015/03/30/content_281475080249035.htm), accessed 31 July 2019.

<sup>7</sup> Author’s interview with a Cambodian scholar.

<sup>8</sup> Pongphisoot Busbarat, “China’s “Shame Offensive”: The Omission of Thailand’s Prime Minister from the Belt and Road Initiative Summit 2017,” *Perspective*, 2017, No. 54, ISEAS Yusuf Ishak Institute, 19 July 2017, pp. 1-9, “Thailand resisting falling into rail debt trap,” *Bangkok Post*, 25 April 2019, <https://www.bangkokpost.com/thailand/special-reports/1667000/thailand-resisting-falling-into-rail-debt-trap>, accessed 31 July 2019.

appreciated, though it is expensive. You shall make your price down!”<sup>9</sup>

The Laotian government accepted the Chinese high-speed railway project, though some Laotians still prefer the road construction.<sup>10</sup> If the local people who have automobiles, the road transportation is more convenient than the railway transportation which depends on the time table. A Japanese scholar once pointed out that, “if there is no increase of foreign direct investment in Laos, the completion of East-West corridor means that Laos just become the path from Vietnam to Thailand,” so the Laotian people badly needs the foreign investors’ arrival.<sup>11</sup>

The Japanese and Chinese governments stressed the regional cooperation, but it seems that these countries’ cooperation initiatives attach importance to the bilateral approach, and their ideas on multilateral approaches are not clearly visible. This is also true at the side of the Mekong countries. If so, we can safely say, “principles and practice often differ.” We need to establish trilateral approach to promote regional cooperation such as the Japan-China-Mekong Summit.<sup>12</sup>

In general, many Japanese scholars say, “the hardware assistance for developing countries is not enough, because it means just the export of construction materials. We need the software assistance to localize and maintain the ODA projects in recipient countries.” Yes, it is true, and it is difficult. The localization of the Mekong development cooperation is preferable, though the Mekong countries are facing the shortage of the human resource for development. So, we badly need the developmental education assistance of the local people.

How do we find the economic gap among the Mekong countries? Some of them become the middle income countries, though others cannot come out from the stage of low income countries. In these 10 years, the developmental gap has remained (See Table-1). The distribution of the national income and GDP is another issue of matter.

**Table-1: Comparison of the Mekong Countries’ GDP per Capita (US\$)**

	Cambodia	Laos	Thailand	Myanmar	Vietnam	China	Japan
2008	785	835	4,094	--	1,052	3,403	38,212
2018	1,270	2,417	6,254	1,354	2,172	8,102	38,830

Source: Institute of Developing Economies

It is true that Tokyo Strategy 2018 for Mekong-Japan Cooperation includes the projects for Education for

<sup>9</sup> Author’s interview with a Thai scholar.

<sup>10</sup> Author’s interview with a Thai scholar, and a former Japanese government official.

<sup>11</sup> Author’s interview with a Japanese economist.

<sup>12</sup> Some Chinese scholar discusses Sino-Japanese cooperation, too. Bi Shihong, “Cooperation among China, Japan and Mekong countries in the interest of region,” Global Times, 21 October 2018, <http://www.globaltimes.cn/content/1123865.shtml>, 2 August 2019.

Sustainable Development (ESD) and People-Centered Society, and the presenter believes that Lancang-Mekong Cooperation includes similar projects in 3+5 Cooperation Framework, too. But these projects need time for development, so the issues that the Mekong people are worried about, remain for long.<sup>13</sup>

All the six countries in the Mekong basin utilize resources from the Mekong – such as for the construction of dams in its mainstream and major tributaries, navigation and fishery – there remains no clear procedures for all countries to ensure proper management of the environment and fair resource distribution.<sup>14</sup> Differences and sometimes disputes over water resource utilization and management have occurred occasionally over the past decade, when some of these activities led to cross-boundary impacts in the subregion. The Mekong countries and China shall manage and soften the issues.

Finally, the presenter recommends the Chinese friends that China had better withdraw maritime forces from East and South China Seas, otherwise the Japan and Vietnam cannot cooperate with China cordially.

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<sup>13</sup> “The 10<sup>th</sup> Mekong-Japan Summit Meeting,” Ministry of Foreign Affairs of Japan, [https://www.mofa.go.jp/sa/sea1/page4e\\_000937.html](https://www.mofa.go.jp/sa/sea1/page4e_000937.html), accessed 28 July 2019, “3+5 Cooperation framework,” [http://www.lmcchina.org/eng/zyjz\\_3/35hz/t1519481.htm](http://www.lmcchina.org/eng/zyjz_3/35hz/t1519481.htm), accessed 30 July 2019.

<sup>14</sup> Supalak Ganjanakhundee, op. cit.

**FUJIMURA Manabu**  
**Professor, Aoyamagakuin University**

Talking points by Manabu Fujimura

**New environments for GMS cooperation**

1. ***Opening up of Myanmar and its increasing regional integration:*** Both China and Japan would benefit from assisting Myanmar's integration with its neighbors: for China, directly through trade and investment (Northern Economic Corridor); for Japan indirectly through Japanese businesses extending from Bangkok area toward Yangon (Southern Economic Corridor)
2. ***Belt and Road Initiative:*** The Belt part initiative overlaps with two GMS economic corridors: (i) China - Indochina Peninsula – Singapore route overlaps with the Central Economic Corridor; (ii) Bangladesh–PRC–India–Myanmar route overlaps with the Northern Economic Corridor. Thus the transport sector development in the GMS program, an initiative taken by the Asian Development Bank, can benefit from additional financial resources from China, including from the Asian Infrastructure Investment Bank. However, there needs to be on-the-ground practice in working together for harmonizing the governance framework, rules and regulations for funding transport infrastructure.
3. ***Proliferation of regional cooperation initiatives:*** In addition to ASEAN, there is a proliferation of regional and subregional cooperation initiatives that involve Mekong countries: e.g., Mekong River Commission (MRC), Lancang-Mekong Cooperation (LMC), Lower Mekong Initiative, Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), and the Strategic Plan for ASEAN–China Transport Cooperation. There needs to be an institutional “traffic control” or simplifications so that bureaucratic capacity of participating member countries are not spread thin and the resources for cooperation are not wasted.

**Economic corridors in GMS**

I would say roughly 70-80 percent of the GMS transport infrastructure is more or less completed. Now that much of “hard” aspects of cross-border infrastructure have been addressed successfully over the last decade or so, major challenges have now shifted to soft aspects of movements in goods and people: e.g., simplification and transparency of customs procedure; capacity building of customs officers at each border including better communication with their central offices and familiarization with electronic declaration; further experiments of single-stop inspection at various border-crossing points; more licenses to be given to vehicles driven across borders; coordination of traffic rules across borders, etc.

## **Negative impacts of economic corridors in GMS**

Proponents of the GMS economic corridors in both public and private sectors (including myself to be frank) tend to be those who are better positioned to analyze positive aggregate effects of regional integration using available quantitative data. On the other hand, visits to various specific borders in GMS have enlightened me with many clues to potential harms that can arise from easier movement of goods and people across borders: e.g., excessive presence of casinos at border towns; induced illegal trade in natural resources and wild animals; also presumably induced illicit economic activities including trafficking of narcotics and people, etc. The problem is that these negative effects are inherently difficult to identify precisely, let alone quantify, and therefore hard to weigh against positive effects of economic corridors. Nonetheless, these negative aspects should be kept as transparent as possible and discussed openly in order to better inform the public.

## **Implicit division of labor between China and Japan in GMS cooperation program so far:**

I understand that there has been a broad, but presumably not formally negotiated, mutual understanding between China and Japan: China goes ahead with advancing transport links that connect southern China with Laos and Cambodia while Japan goes ahead with transport links that connect Thailand with Laos, Cambodia, and Vietnam, respectively. Asian Development Bank has acted as a mediator and a buffer between the national interests China and Japan, as I understand it. Very roughly speaking, geographically “vertical” integration in GMS has been driven by Chinese assistance while “horizontal” integration has been driven by Japanese assistance, with the other members of GMS playing along and at the same time wisely avoiding pitching one power against another.

Then Myanmar’s opening up to the western world and joining a full picture of GMS cooperation in 2010s may trigger a new China-Japan rivalry in “diplomacy frontier”. Chinese economic influence in Myanmar would continue to spill over from the Muse border over to Mandalay and the “upper Burma” while Japanese and Thai economic influences would continue to spill over from the Myawaddy border over to Yangon and “lower Burma”.

## **Specifically on Myanmar**

Myanmar’s strategic importance has been quite obvious to observers in Asia. Myanmar is located right between China, Southeast Asia and South Asia. While China seeks to expand its economic sphere and Southeast Asian countries seek to explore their new markets, Myanmar is best located to act as a conduit for their linkages with South Asia. Myanmar should leverage on such expectations and opportunities and attract foreign direct investments (FDI) that can support upgrading Myanmar’s economy, but at the same time avoiding being exploited on their plentiful natural resources.

Absorbing technologies and know-hows through FDI would be the best short-cut for Myanmar’s catch-up. Integration with neighbor economies in GMS is a stepping stone for Myanmar to further gain from linking with the global economy.

Challenges in pursuing that course may include macroeconomic stability as well as political stability.

On the macroeconomic front, Myanmar needs to keep fiscal situation including external debt under control so that it can control inflation as well as stabilize the value of its currency. Sustainable management of natural resources would also be important for Myanmar's macroeconomic stability. Myanmar could learn from experiences of other ASEAN countries in the past on these fronts.

### **Concerns over sustainable development of Mekong River basin**

This summer's drought situation along the Mekong River as well as last year's dam collapse incidence in southern Laos brought anew attentions of the international community to the long debate on the sustainability of the river basin.

Japan, with no land borders, fortunately has not directly experienced difficult issues involving international rivers. Nonetheless Japan has been involved in assisting the formation of Mekong River Commission (MRC) together with western partners, while China has been the leading member of the Lancang-Mekong Cooperation (LMC).

I am not an expert on hydrology or water resource management but this may be a good time for China and Japan to start discussing the framework and institutional settings for bridging the interests of MRC and LMC stakeholders.

## 4. Introductions to Co-sponsoring Organizations

### (1) The Japan Forum on International Relations (JFIR)

The Japan Forum on International Relations, Inc. (JFIR or The Forum) is a private, non-profit, independent, and non-partisan organization dedicated to improved understanding of Japanese foreign policy and international relations. The Forum takes no institutional position on issues of foreign policy, though its members are encouraged not only to analyze but also to propose alternatives on matters of foreign policy. Though the Forum helps its members to formulate policy recommendations on matters of public policy, the views expressed in such recommendations represent in no way those of the Forum as an institution and the responsibility for the contents of the recommendations is that of those members of the Forum who sign them alone.

The Forum was founded on March 12, 1987 in Tokyo on the private initiative of Dr. OKITA Saburo, Mr. ATTORI Ichiro, Prof. ITO Kenichi, and 60 other independent citizens from business, academic, political, and media circles of Japan, recognizing that a policy-oriented research institution in the field of international affairs independent from the government was most urgently needed in Japan. On April 1, 2011, JFIR was reincorporated as a “public interest foundation” with the authorization granted by the Prime Minister in recognition of its achievements.

JFIR is a membership organization with four categories of membership, namely, (1) corporate, (2) associate corporate, and (3) individual. As for the organizational structure of JFIR, the “Board of Trustees” is the highest decision making body, which is in charge of electing the “Directors” and of supervising overall activities of JFIR, while the “Board of Directors” is an executive body, which is in charge of the management of day-to-day operations of JFIR.

<b>■Board of Trustees</b> ARIMA Tatsuo AKAMADA Shigeki IRONO Ryokichi ISIGAKI Yasuji KUROYANAGI Nobuo OYA Eiko SAKAMOTO Masahiro SATO Ken WATANABE Toshio YAMAGUCI Norio	<b>■Board of Directors</b> ITO Kenichi <i>Chairman</i> WATANABE Mayu <i>President</i> ANDA aruhisa <i>Director</i> ITO Go <i>Director</i> ITO Masanori <i>Director</i> KAMIYA Matake <i>Director</i> KIKUCI Yona <i>Director</i> MORIMOTO Satoshi <i>Director</i> TAKUBO Tadae <i>Director</i> YANO Takuya <i>Director</i>
	<b>■Auditors</b> NAITO Masahisa WATANABE Kenichi

The Forum’s activities are composed of such pillars as “Policy Recommendations,” “e-Forum” “Research Programs,” “International Dialogues & Exchanges,” “Participation in International Frameworks,” “Information Gathering,” and “PR and Enlightenment.” Of these pillars of activities, one important pillar is the “e-Forum: yakka -Seiho” which means “undred Flowers in Full Bloom” (<http://www.jfir.or.jp/cgi/m-bbs/>). The “e-Forum,” which started on April 12, 2006, is open to the public, functioning as an interactive forum for discussions on foreign policy and international affairs. All articles posted on the e-Forum are sent through the bimonthly e-mail magazine “Meru-maga Nihon Kokusai Foramu” in Japanese to about 10,000 readers in Japan. Furthermore, articles worth attention for foreigners are translated into English and posted on the English website of JFIR (<http://www.jfir.or.jp/e/index.htm>) as “JFIR Commentary.” They are also introduced in the e-mail magazine “JFIR E-Letter” in English. “JFIR E-Letter” is delivered bimonthly to about 10,000 readers worldwide.

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## **(2) National Institute of International Strategy, CASS**

The National Institute of International Strategy, the Chinese Academy of Social Sciences (NIIS, CASS) is a cross-disciplined, comprehensive and trailblazing think tank directly affiliated to the State Council of the People's Republic of China. It is committed to analyzing major issues and trends in areas such as China's foreign policy, international relations and strategies, and to helping both the Party and state leaders address key challenges through collaborative solutions.

The overall mission of the NIIS includes researches on the world economic, political and social development; global governance mechanism; regional hot-spot and knotty problems; doctrines and trends of thought related with international strategy; overall and comprehensive issues with long-term trends in China's international strategy. The NIIS also puts forth scientific, forward-looking and specific ideas and suggestions to the state policy-making bodies.

The NIIS consists of 8 departments: The Department of Political Studies; The Department of Asia-Pacific Security and Diplomatic Studies; The Department of Asia-Pacific Social & Cultural Studies; The Division on International Economic Relations; The Department of Great Power Relations Studies; The Department of Emerging Economy Studies; The Department of Regional Cooperation Studies; and The Department of China's Regional and Global Strategy.

The NIIS is, on behalf of the CASS, also in charge of 6 research centers and 2 national academic associations. The research centers include: The Center for APEC and East Asian Studies, CASS; The Center for South Asian Studies, CASS; The Center for Australia, New Zealand and South Pacific Studies, CASS; The Center for Regional Security Studies, CASS; The Center for Northeast Asian Studies, NIIS; and The Center for Southeast Asian Studies, NIIS. The 2 national academic associations include: The Chinese Association for Asia-Pacific Studies; and The Chinese Association for South Asian Studies. The NIIS currently has 68 research fellows and staff members



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