

Visions for Tokyo 2020 and Beyond

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David Warren

Good afternoon, ladies and gentlemen, and welcome to Chatham House. It's a great pleasure to see so many of you here today to hear Governor Masuzoe. My name is David Warren, I'm an associate fellow of Chatham House. I was, until the end of 2012, the British ambassador to Japan.

This meeting will be held on the record, the governor's talk followed by the question-and-answer session. I should like to remind everybody here that it's possible to comment on Twitter on #CHEvents.

It's a great pleasure and a great privilege to welcome the governor of Tokyo to Chatham House today. Governor Masuzoe has had a distinguished political career. I recall, when I was British ambassador in Tokyo between 2008 and 2012 – governor, I hope I'm not going to embarrass you, but when politicians had popularity ratings in the opinion polls, Governor Masuzoe was way ahead of many of his colleagues. We saw in the election for the Tokyo governorship at the beginning of this year, Governor Masuzoe's success in the face of some very strong competition, including the previous prime minister.

So it's a pleasure to welcome the governor to London this week and to Chatham House today, to talk about the road to Tokyo 2020. This month, October, we have been celebrating the 50th anniversary of the first Olympic Games to be held in Tokyo, in 1964: the hinge event which helped to bring Japan back into the world internationally following the Second World War. Now we have the Tokyo Games to look forward to in 2020, and the radical and exciting measures that are being put in place in Japan to prepare for that Olympiad are very much the responsibility of the governor of Tokyo, who is with us today. So please join me in welcoming Governor Yōichi Masuzoe.

Yōichi Masuzoe

Thank you very much. Sir David, Dr Robin Niblett, Dr John Sebastian Wright, ladies and gentlemen: I'm very honoured by this opportunity to speak before you here today at Chatham House. It is an immense pleasure and privilege to stand here at the same place where so many leading figures of the world have spoken passionately about their visions.

One of the first things I did after arriving in London was visit the Queen Elizabeth Olympic Park. It was beautifully developed and I was very impressed by the fact that the facilities are being fully utilized after the games. My congratulations to London. Also, I wasn't able to ride on a Boris Bike with Boris Johnson, but we were able to enjoy a nice talk while walking through the park. This was the first time for us to meet but we got along very well. Maybe we have a lot in common, except in our hairstyles.

I'd like to point out that what moves the world today is a few cities. According to the global ranking by *The Economist*, London ranks second in the world, following New York. According to *The Economist* survey, New York is tops, followed by London. We are number six. But early this month, a Japanese think tank called Mori Memorial Foundation announced its Global Power City Index. London ranked top and Tokyo was fourth: London, New York, Paris, Tokyo, and Singapore is catching up with Tokyo. London was number one following the Olympic and Paralympic Games, and this year came out far ahead of the other cities.

Tokyo wishes to learn how London was able to continue developing after the games. I believe this lies in the various mechanisms that create the appeal of London: society, economy and culture. We want to learn

from London, and I said to Boris: I will beat London. Sorry about that. That's the reason for my visit. Tokyo aims to take the opportunity presented by the 2020 Games to rise to the number-one spot.

Now, please allow me to speak about my future vision for Japan. The current gross domestic product of the city of Tokyo alone is still almost as much as the GDP of Spain, and also is equal to that of South Korea. You can see that. The US, China and then Japan. The UK here – Germany and France, Brazil, UK, and Tokyo is almost the same figure as Spain, Mexico and South Korea. The Tokyo metropolitan region will continue to hold the largest population in the world, which is estimated to be 37.2 million by 2030. The number of overseas visits to Tokyo is increasing significantly, recording 22.5 per cent growth this year over the previous year. According to TripAdvisor, a travel site I'm sure you are all familiar with, Tokyo ranked top as providing the best overall experiences for foreign travellers.

Prime Minister Abe has visited London twice since last year, and on his recent visit strongly conveyed the message that Japan is back. Prime Minister Abe and I are always in contact with each other in promoting policies. Abenomics is bringing about the steady recovery of the Japanese economy and Tokyo is a locomotive to pull the other regions of Japan and enhance this economic trend.

As you know, in September last year, Tokyo won its bid to host the 2020 Olympic and Paralympic Games. The future looks even brighter with this huge project now ahead of us. I hope to give you a solid sense of the true strengths of Tokyo and how Tokyo will become a city that is open to everybody all over the world. As Tokyo creates a future, this is my vision.

My goal is to make Tokyo the best city in the world. Today I will focus on my three priority policies. Priority number one is to deliver the best Olympic and Paralympic Games in history in 2020, and to use this opportunity to dramatically improve our city's functions. Priority two is to further invigorate the economy and to make Tokyo a city that gathers people, money and information from around the world. Priority three is for Tokyo to become a role model for a major city by achieving a living environment that is present and comfortable. As you know, [indiscernible] ministry of health and welfare have worked so hard in order that all the environment and the situation in which aged people, kids and everybody can live very comfortably.

Please let me start by speaking about the 2020 Games. As the case with London, I not only wish for the success of the event but feel it's most important to ensure its legacies will leave both tangible and intangible assets as [indiscernible] various activities that are undertaken on the occasion of the games, as legacies for the following generations. From such a perspective, we will realize our concept of holding an 'athletes first' and competitive games while also reviewing the plans for the competition venues. Furthermore, we will advance the barrier-free environment of roads and train stations. We will make Tokyo a people-friendly city. This is not just to be accomplished by the building of facilities but through the promotion of a barrier-free mindset, people lending a helping hand to those in need.

Japan must also deal with the language barrier. Multilingual capabilities will be essential for welcoming international visitors in the run-up to hosting a successful games. We will introduce multi-language signage on public transport and in public spaces, and will build an environment where visitors can move around smoothly and in comfort. Extending hospitality to foreign visitors, to ensure their pleasant stay in Tokyo, is always important.

In addition to providing them with convenient and free wifi services in Tokyo, we will follow the example of the London Olympics by having over 80,000 volunteers – maybe I will name this Team Tokyo or [in

Japanese] Tokyo or something like that. We will introduce systems where we have tourist guides actively helping out international visitors.

The games are not just a festival of sport but also a festival of culture. London 2012 was highly praised for its cultural aspects. Tokyo will also aim for this and will hope to hold a wide variety of cultural programmes all over Tokyo. Tokyo has also established its arts council and wishes to look at initiatives such as those taken by the arts council of England for guidance.

By learning about how London engaged in their 2012 Games, this visit has been a rewarding opportunity for me to think about what Tokyo should do as we prepare for the 2020 Games. London will serve as our role model in preparing for the Olympics. Japan's proud technology will support the games, the athletes and spectators gathering in Tokyo from around the world who will sing praises for managing the games and our hospitality. This is my dream for delivering the best games in history.

Next, the second priority. Let me speak about Japan as a global economic city for successful business. To generate further vitality in Tokyo, which is now on the move, it will be necessary to build an environment that will facilitate corporate activities and ensure that opportunities abound in Tokyo. I believe you are taking note of the third arrow of Abenomics, Japan's growth strategy and the [indiscernible] promoting the special economic zone programme. Japan is aiming to [indiscernible] stock of foreign direct investment to 35 trillion yen (approximately £200 billion). The Tokyo metropolitan government is also working to attract 500 foreign companies.

I intend to accomplish three things to make Tokyo a city with a welcoming environment for business. First, we will promote development of an international business hub using the special zone programme, which eases regulations to draw out the potential of the private sector to the maximum. Ten large-scale urban development projects will be implemented in central Tokyo. Transportation nodes, convention centres and other functions will be strengthened, and centres for international business (such as pharmaceuticals) will be established.

One example is a redevelopment project in Tokyo's Toranomom area. With the easing of regulations in the international system for the vertical use of road space, it has become possible after 68 years to use the space above Ring Road 2. This road was very often called MacArthur Road, after the war. It facilitated the construction of skyscrapers which serve as an international business hub. But when a new strain of influenza arrived in Japan, I did [indiscernible] safer to contain the threat of [indiscernible] as the minister of health. That experience taught me how important it is to create new drugs to address the current threat of the Ebola virus. A drug developed by a Japanese pharmaceutical company is being used. I am paying close attention to the emerging outcome. We want to establish centres for development of drugs to better use Japan's technological strengths in that field.

Secondly, we will build an environment that will make it easier for foreigners to do business. The complex administrative procedures that need to be taken for overseas companies to set up a Japanese subsidiary will be simplified through a one-stop procedure in English, and the period from application to company establishment will be greatly shortened.

In addition, we will increase the number of serviced apartments, medical institutions and international schools accommodating foreigners in order to build a comfortable living environment for our international community. One view expressed by some foreign nationals residing in Japan is that the number of foreign executives at Japanese companies is much too low. Also there are maybe language barriers. I believe we need to work on more talent from overseas.

Even so, there are still hurdles standing in the way of foreign individuals and the companies developing business with their Japanese counterparts. Each industry has its own business practices. Many of these practices are not even known to Japanese people outside the sector. This is where we want to step in and play a central role, by providing a steady stream of opportunities for companies to be matched at.

Thirdly, we will make Tokyo a global financial centre on a par with the City of London here and New York's Wall Street. Finance is the lifeblood of the economy. I was successful in receiving the support of the national government and the private sector. We have been able to establish a system supported by the whole nation to make Tokyo an international centre. In the future, we will have Tokyo function as the point where capital flowing into the country is received and overseas investments are made, creating a mechanism abundantly supplied with domestic and foreign funds. We will urge the central government to implement through deregulation, including an overseas investment-friendly path through the taxation system, and create a cooperative framework to make it easier for foreign financial institutions to produce funds in Japan.

Tokyo will hold international financial confidence. In addition, I want to provide a forum for domestic and foreign financial institutions and companies to communicate and share information. Maybe it should even be called the Tokyo financial forum. We'll advance the three types of initiatives bringing together the expertise of the entire country, as well as the public and private sectors. Later today I am going to be visiting the City to speak with experts in finance. I hope to hear what they feel Tokyo should do to become a global financial centre.

Now the third priority I would like to speak about: how Tokyo will, as a major city, be a pleasant and comfortable place to live. There are many elements that make city life pleasant. These include crime prevention, disaster control, welfare and healthcare. But today I will speak about the environment, centring on energy policies which make the sustainable growth of the city possible.

We'll begin by spreading the use of hydrogen, which is a promising next-generation source for energy. Japan will soon be achieving this with the marketing of [indiscernible] vehicles that are comparable in performance to gasoline-powered vehicles. I tried one myself – superb. At the 2020 Games we hope to attract attention to the advent of a hydrogen society by providing visitors with a fleet of vehicles running on hydrogen.

We will also advance the expansion of the renewable energies through a diversity of measures, including the use of [indiscernible] energy, wind energy and sewage heat recovery. We will fully use Japan's strong technology to come up with ways to expand the use of such sources of energy. In the future we hope to progress to bring a CO₂-free hydrogen society that produces hydrogen through renewable energy.

Initiatives to reduce the energy consumption of the cities are also crucial. The Tokyo government was the first in the world to institutionalize the cap and trade system to curb carbon dioxide emissions. In order to mitigate global warming, we also want to encourage more aggressive energy-saving policies, in cooperation with the world's cities. Modernization has traditionally encompassed a history of motorization, but I believe that from now on the world's major cities will move towards de-motorization. I understand that here in [London] the use of bikes increased after the 2012 Games, the so-called Boris Bikes. Tokyo would also create a better environment for bicycle use and promote bike-sharing.

In order to achieve these three priority policies, I am pushing forward with city diplomacy. Even when difficult issues exist between countries, cities can build possible relationships and can at times even help diplomacy at the national level. As the ambassador will know very well, this current issue is

[indiscernible] countries. So with such thoughts I visited Beijing in April and Seoul in July, and rebuilt relationships with our important partners in Asia.

I have visited London this week. This year marks the 20th anniversary of our friendship-city relationship with Berlin, Germany. I visited the German capital the day before yesterday and signed a memorandum of understanding on exchange and cooperation. I was surprised that there is no such agreement between London and Tokyo yet, unfortunately not. So I discussed with Boris and we agreed to strengthen our partnership further. Maybe he is coming to Tokyo next year. I welcome him and we can sign some things like that. We have a partnership with Paris, New York, Beijing, Seoul, Moscow and Berlin. We used to have this kind of very loose cooperation partnership or something like that, but nowadays there is nothing like that. For cities to deepen their friendship and address common challenges, it will benefit them and their citizens. I plan to build a win-win relationship with cities around the world and thereby strengthen Tokyo's appeal.

I'm very happy to hear that Japanese food and sake is popular in London. There may be some misunderstandings that prices are high in Tokyo but you can eat delicious food at really low cost – 2 pounds will be more than enough to eat udon, a bowl of rice topped with beef. Very cheap. You would not be disappointed also by the taste of the price. Shopping is also a good deal. Perhaps due to Europeans, Ginza, a high-end shopping district, is bringing us international tourists, especially Chinese buyers of Japanese goods. It is one of the good achievements of my visit to Beijing. They buy many things in Ginza department houses and big shops and they pay much money, and these shops pay much tax to me and I can use this money to make our games successful, right? So please come to Tokyo and pay much money for me. Please don't miss this chance, the pound is very strong, okay?

Making the most of the opportunity provided by the festival of sport, the Olympic and Paralympic Games, Tokyo will become a city full of business opportunities, with a high possibility of success in a city that will continue to develop substantially. That is my future vision of Tokyo. We have recently presented an outline of this vision through the [indiscernible]. Sports has the power to change the world and the future. Japan changed in 1964, as you know. Fifty years ago we held such a beautiful Tokyo Olympic Games. This inspires the world in 2020.

The 2012 Games changed London, as you know, significantly. Tokyo will also change. The world will be changed. Tokyo creates the future. This is my vision. Be sure to keep your eyes on Tokyo as it soars toward the future, and maybe in six years we will beat London. Thank you very much.