

## Stanford Japan Program at Shorenstein APARC

The Stanford Japan Program was formally established in November 2011, renewing the Walter H. Shorenstein Asia-Pacific Research Center's commitment to this important field. As an integral component of the Center, SJP facilitates multidisciplinary, social science-oriented research on contemporary Japan, emphasizing both academic scholarship and policy-relevant research. The program aims to become a central platform for Stanford students and the broader community for understanding and engaging with Japan.

## Research and Program Activities

Program activities include the Japan Colloquium Series, conferences to further cutting-edge research and address critical contemporary policy issues, and public seminars. The goal of Japan Program is to become an eminent platform to foster intellectual exchange among scholars, experts, top-tier professionals, politicians, and students.

## Message from the Director



February has gone by very quickly. As I mentioned in the last newsletter, we started the month with a panel discussion “Silicon Valley and Asian Economies” for NHK World’s Global Agenda program on February 2. NHK has now finished producing a 50 minutes program out of the panel discussion and will start broadcasting in the first week of March. First, the broadcast will be available on NHK World’s website (<http://www3.nhk.or.jp/nhkworld/en/live/>) in the following times (all in PST): March 4 (Fri) 4:10 – 5:00 PM and 10:10 – 11:00 PM, March 5 (Sat) 4:10 – 5:00 AM, and 10:10 – 11:00 AM. After that, the episode will be uploaded and available on demand at <http://www3.nhk.or.jp/nhkworld/en/vod>.

The Japanese language version of the symposium will also be broadcast in Japan via NHK BS1 in mid-March but the schedule is not set, yet.

On the very next day, we followed up with another event on Silicon Valley and Japan. We invited Mr. Masa Ishii, who has been active in Silicon Valley and helped promote Japanese companies in this area, to talk about the past and the future of the Silicon Valley-Japan relation. Although Japanese companies made many mistakes in the past and often failed to utilize the Silicon Valley ecosystem, Mr. Ishii was optimistic about the future of young entrepreneurs coming over to Silicon Valley from Japan (more on this

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# APARC

Walter H. Shorenstein  
Asia-Pacific  
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seminar on p.3 of the newsletter).

I visited Japan from February 11 to 22. The main purpose of the visit was to attend a memorial conference for Masahiko Aoki held at University of Tokyo. Economists in Japan, who were students of Masa, collaborators of Masa, or otherwise deeply influenced by Masa's work, got together, and discussed the legacy of Masa on recent and future research on various aspects of the Japanese and Asian economies. A report on the conference (in Japanese) will be published in the next issue of Keizai Seminar.

During the trip, I visited many organizations in Japan including the Development Bank of Japan, which used to be a Corporate Affiliate of the APARC. For the last several years when the bank has been in a transition from a government financial institution to a private entity, the bank temporarily dropped out of the Corporate Affiliate Program. So I was glad to hear that the DBJ will come back as a Corporate Affiliate next academic year. The DBJ will also sponsor our Silicon Valley-New Japan Project. Welcome back!

A topic that many people discussed in Japan was the negative interest rate policy of the Bank of Japan. In late January, the BOJ announced that it would start paying negative interest (or de facto charging fees) of 0.1% on the part of bank reserves that exceed certain amounts. Thus, the BOJ joined central banks in Europe (the European Central Bank, the Swiss National Bank, the National Bank of

Denmark, and the Swedish National Bank) to experiment with yet another unconventional monetary policy tool. By charging banks' excess reserves at margin, the policy tries to let banks increase the demand for alternative assets that they can hold such as government bonds and eventually to lower the interest rates on many assets possibly to negative region. The policy if successful would also depreciate yen against the other currencies. The yen indeed depreciated following the announcement of the policy, but later appreciated again. Many people doubt the negative interest rate policy to be effective in stimulating the Japanese economy, but the policy has just started and we need to see how the impacts work through the financial markets. Depending on how the policy seems to be working, the BOJ may have to cut the interest rate more into negative.

After coming back from my Japan trip, I interviewed students who applied for the internship positions at four organizations in Tokyo that I helped set up last year in Stanford's Global Studies Internship and FSI Policy Internship. More than 25 students with impressive resumes applied for these internships in Tokyo. I was very glad to find that Tokyo is becoming a very popular destination of summer internships for Stanford students.

# NHK Global Agenda

## Silicon Valley and Asian Economies Broadcast Dates

Silicon Valley and Asian Economies Symposium, an event co-sponsored by the Shorenstein APARC Japan Program, NHK World, Global Agenda, the Center on Democracy, Development, and the Rule of Law, was filmed at Stanford University on February 2, 2016.

The broadcast of the symposium will be available at the below dates and times on the NHK World's website via the following link: <http://www3.nhk.or.jp/nhkworld/en/live/>



**March 4, 2016**  
4:10pm-5:00pm  
10:10pm-11:00pm



**March 5, 2016**  
4:10am-5:00am  
10:10am-11:00am

Please note all dates and times are PST

If you are unable to watch the show at any of the above times, the episode will be uploaded and available on demand (<http://www3.nhk.or.jp/nhkworld/en/vod>) after March 5th.

Further information regarding the symposium is available here:  
<http://aparc.fsi.stanford.edu/japan/events/silicon-valley-and-asian-economies>

Japanese language version of the symposium will be broadcast in Japan via NHK BS1 in mid-March (broadcast dates TBD)

## Big Change, No Change, or Evolutionary Change?:

### Implications of the New Japanese Security Laws

Despite strong domestic resistance, a new set of Japanese national security laws passed the Japanese parliament in September 2015. In order to comprehend the implications of this change, **Dr. Booseung Chang**, Shorenstein Post-Doctoral Fellow for 2005-2016, visited Tokyo in October 2015, and had interviews with Japanese officials and experts. As a result of the interviews, he reached a conclusion that, the new laws, which allow the right of collective self-defense into Japanese security policy for the first time since the end of the Occupation in Japan, are an important normative change. It may take more time for Japan to produce a distinct set of actual foreign policy outcomes after this amendment. But, later, the Japanese may remember September 2015 as a month in which an epochal change began in the modern history of Japanese foreign policy.

The slides from his presentation on January 27 can be found here:

[http://aparc.fsi.stanford.edu/sites/default/files/public\\_presentation\\_big\\_change\\_no\\_change\\_or\\_evolutionary\\_change.pdf](http://aparc.fsi.stanford.edu/sites/default/files/public_presentation_big_change_no_change_or_evolutionary_change.pdf)



## Chronicles of the Silicon Valley - Japan Relationship and Lessons Learned: An insider's view of large firms, startup firms, and entrepreneurs since the 1970s



On February 3, **Masa Ishii**, Managing Director of AZCA, Inc and Visiting Professor, WASEDA Business School; Graduate School of Engineering, Shizuoka University, gave an insider's view of large firms, start-ups, and entrepreneurs between Japan and Silicon Valley over the past 30 years. Ishii started with an overview of Silicon Valley and its evolution since the 1970s. He then addressed the Silicon Valley-Japan relationship, and its progress over the same time frame. Lastly, Ishii delved into the chronic issues such as attitude towards risk and approach to innovation that Japanese companies face as they attempt to leverage the Silicon Valley eco-system.

A full video of the seminar is available here: <http://www.stanford-svnj.org/forum/>

## Understanding Investors and Preferred Stock Financings in Silicon Valley



On February 23, **Joseph Perkins**, Partner at Orrick, Herrington & Sutcliffe LLP, discussed various aspects of the fundraising process for startups, including how to choose your investor and prepare for a term sheet, key terms to look for in the financing, and how to close as quickly as possible. He also delved into the different types of investors, what they look for in their potential investments, and what they bring to the table in accelerating a startup's growth. Perkins also reviewed specific scenarios and how various liquidation preferences can impact a company's exit.



A full video of the seminar as well as the presentation slides can be found on the Silicon Valley New Japan Project Website: <http://www.stanford-svnj.org/forum/>



## A new lecture course on Japan taught by the Japan Program faculty

[Takeo Hoshi](#), Director at Japan Program, and [Phillip Lipsky](#), the Thomas Rohlen Center Fellow at Japan Program and Assistant Professor of Political Science, will teach a new course titled, [Japan & The World: Innovation, Economic Growth, Globalization, and International Security Challenges](#) in the Spring quarter. The course is part of the project supported by the Japan Foundation Center for Global Partnership (CGP) to introduce Stanford students to the economy, politics, and international relations of contemporary Japan.

The course puts a particular emphasis on several emerging issues in Japan including innovation and economic dynamism, Japan's contributions to international peace and cooperation, and Japan's response to international economic and geopolitical challenges. The course will invite several guest instructors who are up and coming researchers on contemporary Japan in the US as well as prominent scholars in Japan, to give lectures in addition to the main instructors. The guest lecturers will also join other activities such seminars and lunch discussions at our Japan Program. Stay tuned for more information on the public seminars by our guest lecturers.

## Former editor-in-chief of the “Asahi Shimbun” to receive 2015 Shorenstein Journalism Award

Yoichi Funabashi, former editor-in-chief of the Asahi Shimbun, has been named the 2015 recipient of the Shorenstein Journalism Award. The award, given annually by Stanford University's Walter H. Shorenstein Asia-Pacific Research Center (APARC), is conferred to a journalist who has produced outstanding reporting on Asia and has contributed significantly to Western understanding of the region.

Funabashi will receive the Shorenstein award at a special evening ceremony at Stanford's Bechtel Conference Center on May 6. He will also lead a panel discussion earlier that day examining contemporary U.S.-Japan relations. The panel discussion is open to the public.

Asahi Shimbun Announcement, February 17, 2016: [http://www.asahi.com/articles/ASJ2H31X7J2HUH-BI00N.html?iref=comtop\\_list\\_nat\\_n02](http://www.asahi.com/articles/ASJ2H31X7J2HUH-BI00N.html?iref=comtop_list_nat_n02)

Shorenstein APARC announcement: <http://aparc.fsi.stanford.edu/japan/news/former-editor-chief-asahi-shimbun-receive-2015-shorenstein-journalism-award>

# Upcoming Events

## **Back to the Source: Yamaha Motor's Challenges on Business Development**

**Tuesday, March 8, 2016**

4:30pm-6:00pm

*Philippines Conference Room  
3rd Floor Encina Hall  
616 Serra Street, Stanford University*

For more information or to RSVP go to:

<http://www.stanford-svnj.org/svnj-public-forum-march-8-2016>

## **The Great Tohoku Earthquake & Tsunami and Fukushima Nuclear Disaster: 5 Years Later**

**Thursday, March 10, 2016**

12:00pm-1:30pm

*Philippines Conference Room  
3rd floor Encina Hall  
616 Serra Street, Stanford University*

For more information or to RSVP go to:

<http://stanford.io/1K7pW6Q>

## **Learning from a Disaster: Nuclear Safety and Security Five Years after Fukushima**

**Friday, March 11, 2016**

3:30pm-5:00pm

*CISAC Central Conference Room  
2nd floor Encina Hall  
616 Serra Street, Stanford University*

For more information or to RSVP go to:

<http://stanford.io/1L6aPvi>

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