

Kobe University and Bruegel Symposium

# Sustaining Globalism and Multilateralism

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# 1. Introduction

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- Suffering under Covid-19 (life, economies, education, tourism, sports and entertainment events).
- New Normal after Covid-19 (ways of living, application of new technologies, urban-rural relations).
- Two important questions.
  - i) Will globalism recede?
  - ii) Will multilateralism continue to work?

## 2. Globalism: Sustaining and reinforcing (1)

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- Possibilities of adjustments even prior to Covid-19 due to
  - i) security and geopolitical considerations,
  - ii) protection of technologies,
  - iii) second option to prepare for supply chain disruptions
  - iv) US-China disputes.
  
- Some adjustments to “hyper globalization” may have been necessary anyway. These adjustments may be accelerated by Covid-19.

## 2. Globalism: Sustaining and reinforcing (2)

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- Yet, globalization can not and should not recede very much.
- Trade and interaction of people have been the most important elements of the development of human society.
- Today's globalization is the extension of developments since the World War II supported by such institutions as GATT, WTO, and IMF.

## 2. Globalism: Sustaining and reinforcing (3)

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- Digital technologies, container ships, and higher income have further promoted globalization in terms of supply chain, service trade, agriculture trade, and tourism.
- Asia (after adopting external-oriented policies) and Europe (especially after the fall of Berlin wall) have been main beneficiaries of globalization.

## 2. Globalism: Sustaining and reinforcing (4)

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- Need to sustain and reinforce globalization through such arrangements as TPP, RCEP, FTA between Asian countries and EU/UK.
- With due regards to intellectual property rights, use and protection of data, and fair competition.

### 3. Multilateralism: Challenges and ways forward (1)

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- Looking back to the post World War II history and consider the future of multilateralism.
- The US has been the most important contributor to global stability (*pax Americana*), and to values such as liberty and market economy.
- The US is becoming more inward-looking and closer to unilateralism, while it has never been really multilateralism oriented.

### 3. Multilateralism: Challenges and ways forward (2)

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- Europe has been a great promoter of regional multilateralism through EEC, EU, and euro as well as NATO, and geographical expansion of them.
- Europe is being challenged by euro sovereign debt issues, BREXIT, immigration issues and right-wing movements.

### 3. Multilateralism: Challenges and ways forward (3)

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- Japan and other Asian countries have enjoyed the US commitment to the region in security arrangements. ASEAN framework has played important roles.
- Japan has been a great contributor to multilateral cooperation among Asian countries through diplomacy, ODA, trade, and FDI, partly reflecting its deep remorse regarding its war in Asia.
- Cooperative circumstances in Asia are being challenged by China's growing assertiveness and the US-China disputes.

### 3. Multilateralism: Challenges and ways forward (4)

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- Sovereign states are foundations of democracy, backed by voters and taxpayers.
- But multilateralism is indispensable to tackle common and global issues.
- Need to address widening income gap and social divide within countries as root causes of the inward-looking attitude.
- Multilateral cooperation is needed including in such areas as taxation, climate change, gender equality, and infectious diseases.

## 4. Case for enhanced cooperation between Japan and Europe (1)

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- Roles of Japan and Europe to sustain globalism and multilateralism are significant as they have been great beneficiaries of them.
- They also share common values like liberty, social equality, democracy, human rights, and market economy.

## 4. Case for enhanced cooperation between Japan and Europe (2)

- After Japan started Meiji modernization in 1868, it, on its own, established the cabinet system in 1885, the parliament in 1890, and the suffrage among males in 1925 (female suffrage in 1945).
- Until aggressive militarism and expansionism from the 1930s, Japan had been committed to multilateral cooperation. Free economic activities and creative entrepreneurship had been bases of economic development uptil then.

## 4. Case for enhanced cooperation between Japan and Europe (3)

- Together, Japan and Europe must;
  - i) advocate China to continue to pursue moderate policies for its own national interests,
  - ii) urge the US to understand that US commitment to multilateralism is needed for global stability and its own prosperity, and
  - iii) continue to promote globalism and multilateralism within Asian and European regions, and through frameworks encompassing the two regions.

## 4. Case for enhanced cooperation between Japan and Europe (4)

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- Looking forward to fruitful discussions at this meeting regarding how to strengthen cooperation between Japan and Europe for the stability and prosperity of both regions and the world.

Thank you !

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