



## Symposium on the "energy and environmental policies of the second Trump administration and trends in worker support" is held

On 29 January, the 21st Century Public Policy Institute's US Studies Project (Principal Research Director: Fumiaki Kubo, President of the National Defense Academy) held an online symposium on the "energy and environmental policies of the second Trump administration and trends in worker support." In the first half, Research Fellows Kota Matsui (Associate Professor at Kyorin University's Faculty of Social Sciences) and Ayako Sugino (Associate Professor at Musashino University's Faculty of Law) gave speeches. In the second half, Principal Research Director Kubo moderated a 4-way discussion with Deputy Research Director Kazuhiro Maeshima (Professor/Dean at Sophia University's Faculty of Global Studies), Sugino, and Matsui. Below is a summary.

### ■ Speech on "trends surrounding the Trump administration and the working class" (Research Fellow Matsui)

In his inaugural speech, President Trump expressed gratitude to automobile workers and announced that he would revise trade policies to protect workers. Reflecting on the election results, there may have been an historic reversal in trends of education and income between Republican and Democratic supporters. Factors contributing to changes in worker support include: (1) discomfort with the focus on social and cultural issues like abortion, (2) free trade that alienates workers, and (3) changes in the communities surrounding workers.



Research Fellow Matsui

The new administration is expected to take a strict stance toward labor unions, likely repealing related rules introduced under the Biden administration. However, the appointment of a labor secretary with a new pro-union stance has been welcomed by labor unions.

Within the Republican Party, there is a growing number of people, including Vice President Vance, pushing to attract worker support. This point warrants attention when thinking about the future of US political parties.

### ■ Speech on "energy and environmental policies of the Trump administration" (Research Fellow Sugino)

Four energy-related executive orders were signed. First was the withdrawal from the Paris Agreement. In the first Trump administration, municipalities and companies decarbonized despite the federal decision, but this time around, companies are no longer blindly decarbonizing.



Research Fellow Sugino

For example, some financial institutions are exiting from industry decarbonization alliances.

Second was the development of Alaska's natural resources. The Biden administration had put a hold on exploration activities in order to give consideration to the environment, but this is being removed. However, it is doubtful how much the development will progress given the risk that the project will be halted again if a new administration takes office in four years.

Third was the declaration of a national state of emergency regarding energy. It is noteworthy that the Clean Water Act and the Endangered Species Act can be circumvented to allow infrastructure projects to proceed.

Fourth, and most important, was the utilization of energy resources within the United States. This ensures that regulations are based on the relevant laws, rather than an administration's arbitrary interpretation of laws as has been the case to date. And it states that it will review the dangers of greenhouse gases, which could affect the basis



Principal Research Director Kubo

for all climate change measures.

## ■Discussion

Principal Research Director Kubo pointed out that while support for the Democratic and Republican parties remains evenly matched, their support bases have undergone major changes over the past 50 years. He questioned whether the Republican Party would adopt policies to further strengthen support from workers.

Deputy Research Director Maeshima questioned whether worker dissatisfaction might increase once the burden on consumers due to the Republican Party's traditional policies of tax cuts and deregulation, along with tariffs, becomes apparent.



Deputy Research Director Maeshima

In response, Research Fellow Matsui suggested that voters may be reacting to their real-life experiences rather than looking at specific policies. He also maintained that if the new administration continues inflation, it could lead to a backlash.

Deputy Research Director Maeshima further asked when resources newly developed in the US might reach Japan. On this, Research Fellow Sugino indicated that construction related to developments approved going forward might begin around 2030, but that the personnel and materials had yet to be mobilized.

(Satoshi Ushiyama, Senior Fellow)

# Symposium titled "Risks and opportunities facing companies: contemplating the continuously evolving economic security environment" is held

On 17 December, the 21st Century Public Policy Institute held an online symposium on "risks and opportunities facing companies: considering the continuously evolving economic security environment" with a view to disseminating fundamental content about economic security and security clearance while encouraging companies to transform their awareness. The symposium featured presentations and discussions by six research fellows as part of a report on the results of the research project on "Economic Security and Intellectual Property" (Principal Research Director: Professor Toshiya Watanabe at University of Tokyo's Institute for Future Initiatives), which was newly launched in April 2024. Below is a summary.

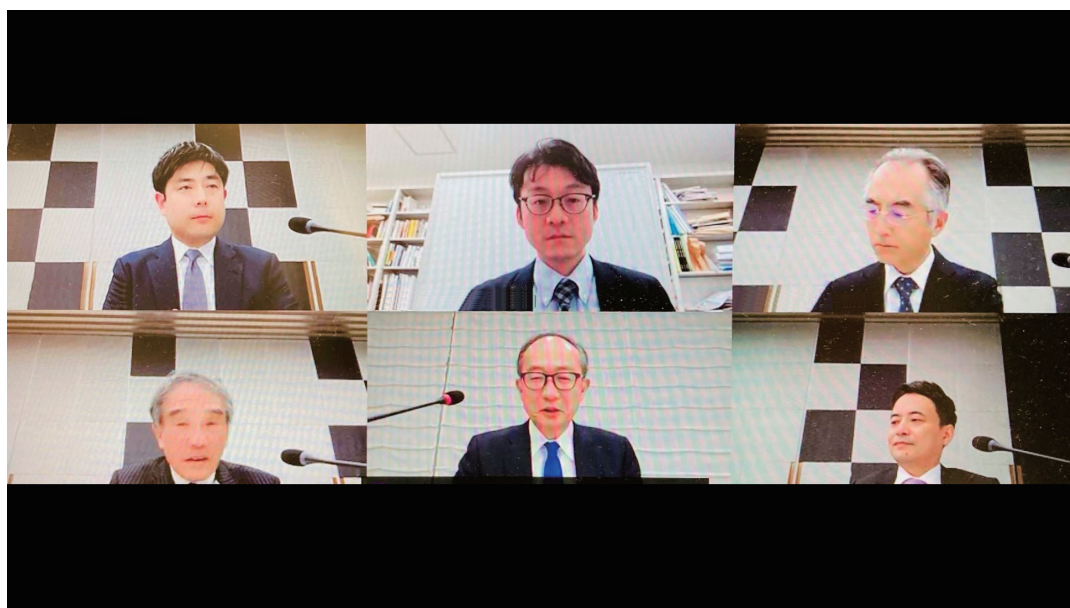
## ■Presentation

At the beginning, Principal Research Director Watanabe touched on the significance and positioning of the research project, explaining the definition and policy context of economic security, the basic content of the

security clearance system legislated in Japan with a lag to other countries in 2024, and the impact these measures could have on companies, based on both risks and opportunities.

Research Fellow Kenji Minemura (Senior Research Fellow at The Canon Institute for Global Studies) explained the lengths to which foreign countries are going to target the technology of Japanese companies. He noted that the thinking around economic security underpinning the actions of foreign countries differs between Japan and Western nations and that the economic intelligence within companies to counter this is important.

Research Fellow Kazuhide Ueno (Partner Attorney at TMI Associates) explained various laws and policies related to economic security, specifically citing the semiconductor industry. He discussed concrete measures and ideas companies should pursue such as recognizing their critical technologies, implementing measures for protection and disclosing the content of their actions to



Clockwise from center bottom are Principal Research Director Watanabe, Deputy Research Director Nagasawa, Research Fellow Ueno, Research Fellow Yoshioka-Kobayashi, Research Fellow Mori, and Research Fellow Minemura.



the necessary extent to turn risk into value.

#### ■Discussion

The presentations were followed by a discussion and Q&A session with six participants, including Deputy Research Director Kenichi Nagasawa (Advisor at Canon Inc.), Research Fellow Toru Yoshioka-Kobayashi (Associate Professor at Hitotsubashi University's Institute of Innovation Research), and Research Fellow Tatsuya Mori (Managing Expert in the Intellectual Property Department at Mitsubishi Heavy Industries, Ltd.).

In response to questions from participants about company challenges in recognizing their critical technologies and

measures against information leaks, specific examples of cross-organizational efforts within companies were cited. Post-event surveys confirmed that a certain level of understanding was achieved with respect to the intended goals. The content of the discussions will be detailed in the 21st Century Public Policy Institute's pocketbooks scheduled for release this spring.

Given the need to examine the hot topic of economic security from various perspectives, the 21st Century Public Policy Institute plans to carry out multifaceted activities and reports centered around this research project while coordinating with other research projects.

(Kota Aono, Senior Fellow)

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## Seminar titled "Contemplating Capitalism - from the respective perspectives of Japan and the UK " is held

On 19 December, the 21st Century Public Policy Institute's Capitalism and Democracy Research Project (Principal Research Director: Takahiro Nakajima, Director and Professor of the Institute for Advanced Studies on Asia at the University of Tokyo) hosted an online seminar on "Contemplating Capitalism - from the respective perspectives of Japan and the UK " with the support of Oxford University's Japan Office, inviting Professor Hugh Whittaker of the Nissan Institute of Japanese Studies at Oxford University's Oxford School of Global and Area Studies to the event. Following individual speeches by Professor Whittaker and Principal Research Director Nakajima, a dialogue between the two was held. Below is a summary.

#### ■Japanese Capitalism in Turbulent Times (Professor Whittaker)



Professor Whittaker

Capitalism relies partly on a sense of community, yet it has been criticized for undermining that very sense. In the US and the UK, the criticism is that excessive individualism has led to a focus solely on personal rights, eliminating any sense of community. So how does Japan, which traditionally integrated sociality and the economy, compare?

In post-war Japan, labor-management relations were central to corporate management, easing friction and fostering cooperation, which enhanced competitiveness. However, since the 1990s, corporate management has shifted its focus to corporate governance and investor relations (IR), and this structural change has reduced investment in people. According to data on corporate finances<sup>(Note 1)</sup>, cash holdings and ordinary profits doubled from 2000 to 2020, and dividends increased sixfold, while personnel costs and capital investment remained flat – an astonishing statistic. Subsequently, reports like the “Ito Report for Human Capital Management”<sup>(Note 2)</sup> were released, with the importance of human resources coming to be fully recognized again. Nevertheless, there is a need to go beyond simply remembering employees when implementing corporate governance. Fundamental changes are also necessary. This is not to say that corporate governance or IR are bad, but rather that there is a need to consider a new form of distribution that is not shareholder-centric. This should be openly debated beyond corporate boundaries.

#### ■Rethinking ethics in capitalism (Principal Research Director Nakajima)

The discussions of University of Bonn Professor Markus Gabriel and Oxford University Professors Colin Mayer, Paul Collier and Hugh Whittaker, who have engaged in dialogue under the research project to date, have been characterized by the pursuit of an ethical capitalism rooted in the fundamental sociality of humans. Notably, Professors Gabriel and Mayer referenced Adam Smith, arguing that “sympathy,” which embodies the basic sociality of humans, functions as the “invisible hand.” This is why it is necessary to reevaluate capitalism through the lens of human sociality.

Recently, I have advocated the concept of “Human Co-becoming,” a view of humanity in which people become humane in collaboration with others. I believe this perspective is embedded in East Asian traditions, and that



Principal Research Director Nakajima

it should be revisited when considering capitalist activity and ways to create a society that place importance on the fundamental sociality at its foundation. The issue of ethics in capitalism has been debated repeatedly in new forms, and this could potentially point to a new direction for capitalism.

#### ■Dialogue

Professor Whittaker remarked that Japan still retains a notion, though diminished, of capitalism embracing sociality, as evident from the proposals of Keidanren. For this reason, he expressed high expectations for Japan. Principal Research Director Nakajima stated that investments in people should go beyond wage increases and aim to enrich lives more fully. He also emphasized that universities should play a role as knowledge redistribution centers.

Note 1: Trends in the Finances of Large Corporations, “Data on Wages and Human Capital” (November 2021), Secretariat of the Headquarters for the Realization of New Capitalism, Cabinet Secretariat

Note 2: “Ito Report for Human Capital Management: Report of the Study Group on Improvement of Sustainable Corporate Value and Human Capital” (September 2000), Ministry of Economy, Trade and Industry; “Ito Report for Human Capital Management 2.0: Report of the Study Group on Realization of Human Capital Management” (May 2022), Ministry of Economy, Trade and Industry

(Arisa Nishimura, Fellow)

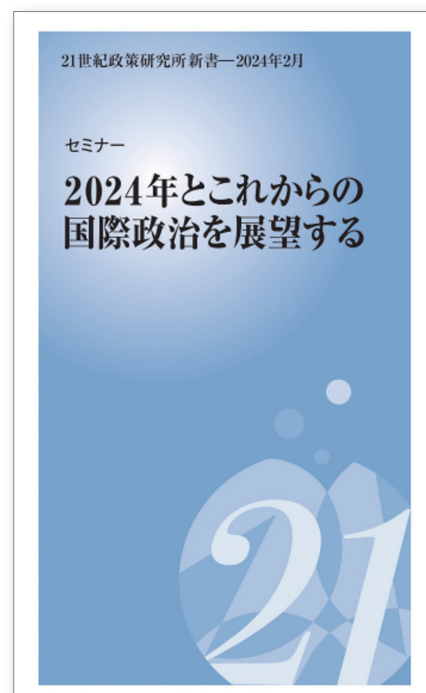
## Publications introduced

The 21st Century Public Policy Institute holds symposiums, seminars, and dialogues, as appropriate. The content of these events is compiled into pocketbooks and videos, which are made available to the public. These materials record the day's speeches, Q&A sessions, and

panel discussions, enabling those who could not attend the events to experience them at a later date and serving as an archive of past discussions. Full contents are available in Japanese on the institute's website.

### Pocketbooks:

- Seminar on "outlook for international politics in 2024 and beyond" (held in February 2024)
- Symposium on "challenges and outlook for the Chinese economy" (held in March 2024)
- Symposium on "China's industrial policy and national security strategy" (held in May 2024)
- Symposium on "social structure in China and new developments in international relations" (held in July 2024)
- Symposium on the "2024 US presidential election and future of the international order" (held in September 2024)



The 21st Century Public Policy Institute pocketbooks  
(Japanese language site)  
<http://www.21ppi.org/theme/pocket/index.html>



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