

Special Dialogue

“Toward a Sustainable Capitalism” A Series of Dialogues between Business and Philosophy

The 21st Century Public Policy Institute analyzes the impact that changes in the international situation, technological innovation, and the spread of infectious diseases are having on capitalism and democracy. As part of these efforts, we carry out dialogues on these issues between project leader and philosopher Takahiro Nakajima and Keidanren executives and representatives of member companies. One such dialogue has already taken place between Professor Nakajima and Keidanren Chairman Masakazu Tokura, the content of which was published in the January 2022 issue of the monthly *Gekkan Keidanren*.

For this edition, we feature a wide-ranging conversation focused on “the international order in a period of transition” and “relations between Japan and the rest of the world” between Project Leader Professor Nakajima and Shinya Katanozaka, Vice Chair of Keidanren and Representative Director and Chairman of the Board, ANA Holdings Inc.

Date of conversation: May 13, 2022

Vice Chair, Keidanren
(Representative Director and
Chairman, ANA Holdings Inc.)

Shinya Katanozaka



Project Leader, 21st Century
Public Policy Institute, and
Professor, Institute of
Advanced Studies on Asia
and President, East Asian
Academy for New Liberal Arts,
The University of Tokyo

Takahiro Nakajima

(Job titles at Keidanren
accurate at time of
conversation)

■ **Moderator Makoto Ota, Acting Secretary, 21st Century Public Policy Institute**

The world today faces a turning point in capitalism and democracy. How should we view this turning point, and what kind of a world waits around the corner, once we have made the transition? These are the rather broad issues on which I would like to focus today. My hope is that our two speakers will share their thoughts on how they see Japan's position, as well as that of Japanese society and Japanese companies, within an international order in a period of transition, and to share their views on the prospects for sustainable capitalism, or human capitalism.

But first I'd like to ask you both how you see the situation in Japan at the moment. Perhaps we could start with you, Mr. Katanozaka.



Roundtable in the United States. I think this is another major characteristic.

One of my jobs is to serve as Chair of Keidanren's Committee on Foreign Affairs, and in that capacity I was able to meet President Trump, both in Japan and at Davos. Today, as we know, the United States is divided. This was already the case during the Trump Administration, and the country is still divided into two rival camps today. This situation is very unstable. If anything happens, power control can easily go over to the other side. Even within the same Republican Party, the party is internally divided on some subjects, and the Democrats are divided too. Participation in TPP was one example, while right now, on the abortion issue, opinions are truly divided among the population on a national level.



The current situation as it affects Japan (War in Ukraine, US-China tensions, social inequalities)

■ **Shinya Katanozaka, Chairman, ANA Holdings Inc.**

At the moment, of course, the major problem we're facing is the military clash between Russia and Ukraine. If we look back further, for decades after the war the world was dominated by the Cold War between the United States and the Soviet Union. After that came a period of Pax Americana, with the United States as the sole superpower, followed by a shift in recent years to a phase marked by increasing tensions between the United States and China. When I took up my position as president, the Japanese government and the economy were being shaken by the trade war and tit-for-tat sanctions between the United States and China. In his book *Zentaishugi no kokufuku* (Overcoming Totalitarianism), Professor Nakajima describes how various topics that had remained largely unnoticed until then—things like the growing inequalities in society—suddenly rose to the surface, and how this was followed by a flood of problems including mythologized science and technology and institutional fatigue. This is something I feel entirely in agreement with. In a sense, both in Japan and around the world, I think many issues that were already problems were suddenly exposed and brought out into the open by the pandemic. That's something I feel a strong sense of myself. There is increasing attention being given to the idea of moving beyond a focus on shareholders alone to a new model that recognizes all stakeholders as important. This is becoming a key term in efforts to build a new kind of capitalism. We see this in the context of Keidanren's "sustainable capitalism," for example, as well as at the Business

For Japan, both the United States and China are extremely important, both as production bases and as consumer markets. For Japan, there is a great value in a situation in which the world is connected—particularly in terms of supply chains—and "an international economic order based on free and open rules" is a key term for Japan. This is a phrase that has appeared in speeches by Prime Minister Kishida, in the shortened form "international order."

At the moment, the world is in a state of upheaval and confusion, between a Western bloc that adheres to these values and other parts of the world—China and the Middle East, for example. Right now, the situation with Russia and Ukraine is symbolic of this fragmentation and division. Almost as soon as the invasion began, companies in Europe and North America announced they were backing out of their business in Russia. In Japan, there are some things that cannot be given up so easily. The Sakhalin 2 energy project is an example. Japan has continued some of its business, because of the energy situation. These issues are causing chaos and disruption in all kinds of ways, including escalating grain prices. It's genuinely a critical situation.

Then there's the issue of social disparities and income gaps. First of all, between advanced and developing economies. One way of correcting this gap is through handicaps. Imposing tariffs on trade is one example, and WTO measures and policies is another. On carbon neutrality, China and other countries keep putting off getting serious about targets, claiming to be still developing economies. There again, you can apply handicaps.

In the past, efforts to deal with handicaps and other preexisting disparities have been dealt with through

conferences and FTAs and other international agreements. But I get a strong sense that there are two things that no country will yield ground on: territory and religion. I think the subject of territory, and a refusal to compromise on the subject, is something that we will return to later in our discussion. The wider world is a non-negotiable territory shared by all humanity, and we're now again close to war. So that's my basic thinking on the issues at the moment.

■ Moderator Makoto Ota, Acting Secretary, 21st Century Public Policy Institute

Thank you. Professor Nakajima, you've analyzed the current international situation from the position of philosophy. On to the situation in Ukraine, in particular, you have asked some perceptive questions, such as: What is Europe? This is something that was raised just now, should Russia be included as part of Europe as well? Perhaps I could just ask you to talk freely about these topics in general, as you like, including these subjects I've just raised.

Relations between Japan and the rest of the world: The importance of dialogue

■ Nakajima

I totally agreed with what Mr. Katanozaka was saying just now. I agree that the problem of divisions is extremely serious.

Divisions within American society were already a problem before Donald Trump became president. And now, after the Trump administration has been replaced by the Biden administration, a deep and unfathomable gulf continues to divide the society in two. How will it be possible to overcome this divide? I think that now is really a moment that will challenge the ingenuity and wisdom of policymakers and others trying to overcome this division.

Even so, as far as the United States is concerned, there are aspects of the situation that serve as a reminder of how strong democracy is in that country. I think de Tocqueville remarked on how well the checks and balances and the separation of powers worked in the United States is because of the strength of its systems. He said that thanks to the separation of powers within American democracy, the country was able to avoid the worst-case scenario. In looking at the contemporary United States, I think we can focus on the systems that support democracy and draw out the strengths and positive aspects of those systems.

We knew that these problems were there, but there was no way to tackle them. The pandemic brought a lot of these issues into the open and also served to exacerbate them. I think that's quite right. If we ask whether the care steps taken by democracy to respond to these issues were adequate or sufficient, I think all countries found it difficult to take steps that their people could approve of and go along with. Even in Japan, too, some people suggest that we need an update on our democracy, in particular an update on the systems and systematic aspects of our democracy. If we can do that, we might find it easier to move away from a view of the world that sees it as a simple struggle between democracy and dictatorship.



The reason I say this is that people often use the word “dictatorships” to describe countries like China and Russia. But in China, for example, in local politics a kind of democracy is in operation in a certain sense, and there are even elections. But in terms of national politics, that is not the case, and the legitimacy of the Communist Party is always being questioned. But the Communist Party claims to represent the “general will” of the people as Rousseau might have called it, in the form of the party state, and says that the party is essentially equivalent to the state. The Western countries don't take these claims very seriously, but I think it is true that China is trying to update democracy in its own way. I feel that we could do more to open channels for dialogue in that kind of area.

I feel the same is true with respect to Russia. Right now, Russia is the global baddie, and is facing a more or less total decoupling from the world as a result. Whether this is really viable is a serious question, I think, particularly in the business and economic spheres. Of course, it is certainly true that the Russian invasion of Ukraine is an intolerable act of aggression. I don't think we should recognize or accept it. But looking back over history, there have been regional conflicts before. Russia has carried out similar actions in Afghanistan, Chechnya, and even in Syria. And in Ukraine, it has been involved in aggression since its annexation of the Crimea in 2014. But on these previous occasions, there was not the same kind of all-out criticism of Russia as we have seen this time. The world didn't come together in the same way.

We need to think about what has changed during this current war in Ukraine. Why have we entered this new phase? I think, as has already been suggested, that the question of Europe is a large part of the reason. Previous regional conflicts were not part of Europe, they took place outside Europe or in peripheral areas. I think the consciousness of Ukraine as part of Europe has been a strong element in the response to this latest aggression.

What is Europe? And what makes it different from Japan?

■ Nakajima

Here we come up against the question: What is Europe? Russia itself is apparently excluded from the concept of Europe, but this is nothing new. The question of whether Russia is part of Europe or not has been asked repeatedly going back 100 years to the Russian Revolution and even further. In recent times, there have been efforts to drag Russia into Europe in some shape or form. But now it

looks as though Europe is looking to discard this completely. As if the conclusion has been reached: Russia is not Europe. What is more doubtful is whether this logic will be enough in the years to come. Naturally, we can agree that Ukraine is in the right. But does justice lie with Ukraine because it is part of Europe, or for some other kind of moral reason? That is the question that needs to be answered. I personally think that the concept of Europe should be used again as a new philosophical idea, as the name of a place that is open to people from all around the world. This was the philosophy that was espoused by former Chancellor of Germany Angela Merkel when she decided to accept the refugees, and I think it is an admirable philosophy.

Rather than a kind of closed Europe—for example, as a place with a Christian background, that shares a certain kind of Western modern values, setting it off from the outside, I think it would be better to redefine that identity as a Europe that is open to the outside world and is ready to accept refugees and others. We don't know how this war will play out, but it will inevitably end at some time, and I think the concept of what Europe means will play a large part in deciding what kind of order is reestablished after the war. On that subject, I'd like to hear your views on how you see the world order after the Ukraine war, especially since you also serve as Chair of the Committee on Foreign Affairs at Keidanren.

■ Katanozaka

Europe has an outward bound spirit of adventure and exploration, and can be quite tough-nosed. It's a place that makes rules and presses other parts of the world to follow them. On climate change, for example, Japanese companies have to follow these regulations as binding rules. These things come from Europe. That's true for things like the certification of origin system as well. For wine made in Hokkaido to be labeled as "Hokkaido wine," it must be made from grapes grown in Hokkaido.

Historically, as everyone knows, European countries had the energy, despite their relatively small size, to go out into the world and expand their territory. Alexander the Great, *The Travels of Marco Polo*, the East India Company, the British Empire, and so on. And even today, as the EU—albeit without the UK since Brexit—Europe still takes the lead in calling on the world to impose economic sanctions on Russia. It's a part of the world that you can't afford to take your eye off, both in terms of business and in politics.

■ Nakajima

I think you're quite right. I read an interesting book recently on *Edo no uchuron* (The Cosmology of the Edo Period). It was quite fascinating. It was about how European thinking of the time, particularly cosmology and astronomy, came into Japan via the official interpreters employed by the shogunate to act as intermediaries with the European traders in Nagasaki. They had an understanding of the Copernican system and Newton's laws of mechanics and things like that through this conduit. The view of the Japanese at the time was, as you just said, that the Europeans had an extremely strong sense of enterprise and initiative. They went out into the world, carried out thorough surveys, and built up their positions

based on experience. This approach was discussed as a method that was worthy of respect and admiration. That was the situation with regard to Europe as seen from Japan at the end of the eighteenth century. And in a sense, I think that continues today.

■ Katanozaka

The Europeans are a people who are extremely gifted at movement. They have a certain spirit in that respect. They migrated to America and founded new countries there in the New World. And today America is the center of the world.

What about Japan? In fact, Japan too went out into the wider world, from the era of the kingdoms of Silla and Paekche on the Korean peninsula. Japan sent embassies to the Sui and Tang China, and Yamada Nagamasa ended up living in Siam (current Thailand) after traveling there as part of the Red Seal shipping trade that flourished in the first half of the seventeenth century. Japan was also on the receiving end of invasions, such as the Mongol invasions of the thirteenth century. In the period before the Sakoku policy of isolation, Japan had quite lively and active exchanges with other countries in Asia, but there's also quite a strong introspective tendency in Japan as a country, perhaps because it is an island country. You can see this in immigration policy, where there's a strong element of wariness or distrust of foreigners, I think.

■ Nakajima

But in Japan's case too, it would be a mistake to claim that Japan has never tried to be a rule-making country. After all, Japan too was an empire into the first half of the twentieth century. During its imperial phase, Japan caused terrible suffering to countries around Asia. There is no question that the dark side outweighed the positives. But Japan did try to make an effort at rule-making in those days. Unfortunately, they were not rules that could be shared widely, but closed rules that only applied within Japan and Japan's sphere of influence. The situation in Europe is different, as Mr. Katanozaka says. They are good at making rules, and I think this is at least partly because there is a kind of universality behind their rules. I sometimes wonder what explains this fundamental difference.



■ Ota

The subject has come up of the relations between Japan and the wider world, including with regard to international rule-making. Mr. Katanozaka, I know that you have often spoken about the issue of homogeneity in Japan. Perhaps you could speak a little about that and related issues.

Homogeneity and a sense of fairness: Edo-period diversity and growing homogeneity after the war

■ Katanozaka

During the pandemic, people's movements were restricted. This was not a legally binding requirement. The government asked people to avoid traveling from one prefecture to another, and asked them to avoid traveling for business unless it was absolutely necessary. And people went along with these requests. In Japan, for example with school trips, if case numbers are rising in a certain prefecture and one school decides to cancel a trip to that prefecture, in no time all schools around the country will also cancel their trips to that prefecture. I think this pandemic brought out just how strong this sense of homogeneity is in Japan. This characteristic is a problem in Japan today. You can see the same thing in the government's stance on Russia. In a sense, they're simply deciding to go with the flow and follow the Western countries. Rather than thinking for ourselves what moves Japan should make, because this is what I call a "like-minded country," I feel we end up going along with western decisions out of that sense not wanting to rock the boat.

■ Nakajima

In the Edo Period, each domain was quite autonomous both culturally and economically. The language was quite different too. In that sense, I think Japan had quite a unique way of running the country that wasn't homogenous at all. Homogeneity might have existed within individual domains, but in terms of the country overall I think it was a system in which heterogeneous elements coexisted.

I feel it was only after the war that homogeneity became stressed in such a strong way. It was only really an issue that arose in the postwar years. Before the war, Japan was an empire, and because of that included heterogeneous elements. In other words, Japan too has a history of a period in which it was not completely homogeneous but also incorporated heterogeneous elements, or at least dealt with heterogeneous elements at a certain stage in its history. I think we need to remember that again now. Unless we can avoid excessive homogeneity, there is a danger I think that it could sap the energy and vitality from our society.

■ Katanozaka

In the Edo period, each region had its own *juku* academies where children and young people could study. After the war, the Ministry of Education started to demand homogeneity from all the nation's children. I'm originally from Kagoshima, and generations not long before me were forced to learn standard Japanese in school. They weren't

allowed to speak the local Kagoshima dialect. That was the kind of education that was in place. I think that was part of what bent people into shape and brought them into line with homogeneity. In a sense I suppose that raises the standard of education, and I think it was done at least in part to lift the general level of society in general, but there's no doubt that that comes out of the modern state of the postwar period.

■ Nakajima

When you're trying to form a national people, basically a mass of homogeneity, the problem of language is a big one. In the military, if orders aren't understood then you can't do anything. And if people are using dialect, they won't be understood, so you must force them to use the standard language. These were the circumstances at the time.

By contrast, in Europe I feel quite a lot of regional autonomy has been preserved. France is often described as a centralist state, but even so the regions still retain quite a lot of their own distinctive culture and autonomy.

■ Ota

At this point, I'd like to ask you both how you see the issue of freedom of movement. Perhaps I could ask you to go first, Professor Nakajima.

Liberty in Japan, from the perspective of freedom of movement

■ Nakajima

Freedom of movement can be described as the basis of all modern liberties and freedoms. People are not confined in the place where they happened to be born and grew up, but can move freely. This is a kind of liberation of humanity in the modern era. Various other liberties are built on top of this, including freedom of expression. I think freedom of movement lies at the foundation of human beings' ability to live in a human way as they see fit, rather than simply existing as other animals do. And so any restrictions on that freedom should be avoided, unless there is a really pressing need for them.

But in the case of Japan, there have been no legal restrictions on movement. They were limited to calls for "self-restraint" and requests for people to refrain from traveling. And then the kind of pressure of homogeneity we have just been talking about gets to work, and basically everyone goes along with the request. I wonder though if we are really succeeding in avoiding the sacrifice of something essential to our human nature in this way. In limiting the freedom of movement, what is it we are trying to protect? Of course, we are trying to protect lives, but if life means people not being allowed to visit their parents on their death bed, is that really a life we want to be living? I think this is a serious question and quite a big debate.



Updating capitalism: Dialogue, and the importance of the power of language

■ Nakajima

I see a shift from a capitalism of things to a capitalism of experiences and other intangible things, and a shift to a kind of human capitalism. I think it will be extremely difficult to maintain capitalism as it is now in its current form. The reason is that excessive production and excessive consumption has already gone beyond the limits of what is sustainable for the planet. In the future, ethical consumption and measures to consider sustainability will be absolutely indispensable.

Up until a certain time, there was a kind of faith in neoliberal ideas. People thought if we left everything to the market, the market would regulate everything and straighten everything out. This was held almost as an article of faith. But it has now become clear that this was not in fact the case. We know that the market itself is not an autonomous thing, but something that functions because it is to some extent protected by the state. What do we need to do to make the market itself healthier? This is one of the major points of debate.

Another is what happens outside the market. How does capitalism think about what exists outside the market? For example, in his concept of “social common capital,” Professor Hirofumi Uzawa cites healthcare and education as examples of “social common capital,” and says that these kinds of things cannot and should not be subject to transactions on the market. But some of these things have been commercialized. Things that exist outside the market fulfill extremely important conditions for our existence as human beings, and are necessary to make our lives rich and full. So I think we need to reforge capitalism into a form that is able to protect these important things.

■ Katanozaka

In the early stages, a lot of people were dying from the virus, and the necessary medical system was not yet in place to deal with the emergency. Trends and information come in to us from around the world. I think it was probably right to introduce strict border controls during the early stages of the pandemic. But today, looking around the world, Japan stands out by the toughness of its controls, after other countries have relaxed their restrictions. Business is all right. But tourist travel is discouraged. Recently, it’s been the case that Japanese people can travel overseas, but we’re still telling foreigners not to come to Japan. In terms of being global citizens, in terms of not building walls, I think a lot of Japanese businesspeople working overseas feel quite embarrassed about the current situation. People are accusing Japan of having reintroduced a policy of self-isolation (sakoku) like the one in the Edo Period.

■ Nakajima

Discriminating between Japanese people and foreigners like that clearly goes against the principle of equality. In academia too, there are many students who want to come to Japan to study at the University of Tokyo. These are people who have been accepted to graduate school and have all the necessary papers ready. But they can’t get into the country.

As educators on the frontlines, this is a really difficult situation for us. We have to provide a proper opportunity for these people to study. I think we need to adhere to the principle of equality and fairness, but it’s not easy. We’re struggling with that. It’s a real problem at the moment.

■ Ota

I think Professor Nakajima has raised an extremely weighty problem, and that is: What is equality and fairness? Mr. Katanozaka, I know, has also spoken about problems with political systems, issues concerning communism and capitalism, the question of communism within the context of an ideological stand-off between competing systems, as well as opportunities for co-creation, equality and fairness. I wonder if we could shift the perspective now and move the discussion onto these subjects, including capitalism and liberalism.

■ Katanozaka

In your book *Hito no shihonshugi* (Capitalism for Human Co-becoming), there was a passage in which you wrote that humanity has not yet understood capitalism properly. I felt happy to read that, or perhaps “relieved” would be a better word.

There’s something I’d like to ask you. There’s a marketing term that has become quite widespread and established over the past 10 years or so: “differentiation strategy.” It is still an important term today. Improving your competitiveness by differentiating your products and services from those of your competitors. This is a classic aim of corporate marketing. I suppose this is going to change too.

■ Nakajima

I think so. I refer to this as the capitalism of intangible things. In reality, the difference might be small. But you highlight a contrast and come up with something somewhat distinctive, and sell that. Business class and economy seats on a plane are a good example. In the sense that you’re sitting in a seat, there’s no difference. But you make a little difference and highlight that. And the strategy is to produce a profit out of that differentiation.

In tourism, too, you sell certain events or happenings bundled together as a kind of package. That is an extremely important strategy for capitalism. But the problem lies with what happens next. I think we need to think about how the strategy of differentiation connects with our happiness. Does creating difference and creating profit out of these differentials really contribute to our happiness in life? I think it's more likely that happiness is eroded and consumed by these differentials. There is a kind of greed that is stimulated, a desire to possess these little differences, and that can become limitless.

I think that there are many ways of defining happiness, but essentially it boils down to richness of human relationships. It's the richness of human relationships that enhances the way a person lives his or her life. This is the key to happiness. And capitalism can support that. And I feel maybe that's the kind of thing we might see in the future.

■ Katanozaka

Recently, we've been hearing a lot about the term "well-being." I sometimes think the question is whether humanity can succeed in making all human beings happy. In free competition, there will always be winners and losers, and Person A's happiness will be obtained at the price of Person B's unhappiness. The end result is inequality—even if we are said to have equal opportunities.

But we want to make all people equal. We want to make people citizens of the world. We might say that "happiness consists of contentment." In an ideal world, even if there are differences in terms of satisfaction, everybody is happy. Even if some people doing the same work earn less than others, if they are satisfied, then both sides are happy.

■ Nakajima

I think we tend to think of things in terms of ownership. But in terms of happiness, there are some things that cannot be adequately picked up by thinking about ownership. Rich human relationships, for example, are not something we can own. It sounds strange to speak of someone "owning" human relationships. There is something about human interactions that makes them decisively fundamentally different from objects we can own, I think.

I wrote in *Hito no shihonshugi* (Capitalism for Human Co-becoming) about what changes when human relationships become richer. I think a person's whole life and way of being changes in a positive direction. You are no longer the person you were yesterday. You have become a different version of yourself, someone who feels and thinks about things in a totally new way. This kind of change and transformation is something really precious.

But ownership doesn't easily allow people to change in such a thorough way. In fact, in terms of change, ownership of things is likely to get in the way and make that change more difficult. Sometimes it's only by truly throwing something away that you can gain something else. I think if capitalism is going to move in the direction of truly making people's lives happy, it will need to change into a kind of capitalism that can contribute to

making human relationships richer, and to facilitating true encounters between people.

■ Katanozaka

In any kind of relationship, the important thing is dialogue. Giving courage to a person, or perhaps the strength to stop and think. I think relationships that value this kind of thing are going to be extremely important for the world in the years to come, in an age when the world is riven by divisions. We should engage in dialogue with China, and in dialogue with Russia as well.

I say, "Russia," but actually what is Russia? People often talk about Russia when the image they have in their minds is of Vladimir Putin. But of course, Russia has its own rich history and culture. There's ballet, and the arts. I have great respect for Russia as a country.

The actions being taken by the current Putin regime and the reality currently unfolding are hard to accept, but if we only concentrate on the typical axis of confrontation, all that happens is that this amplifies our negative impressions. If this gets passed on, it can easily turn into a lingering resentment or feud like the one that used to exist between the Aizu and Satsuma domains, and became a kind of negative inheritance.

■ Nakajima

I agree that language is something very powerful. Sometimes words can act like a knife. The language we hear about the invasion of Ukraine help aid and abet the divisions, but at the same time I think that language has the power to overcome these kinds of divisions. The question is what kind of language we can come up with, with what kind of power to overcome divisions. I think unless this is something based on human experience it will not have any power to convince people. It's often said that experiences become sublimated. I feel that a given experience lies in the background behind most words and language, and language is the crystallization of that experience. The greatest gift we can receive in our human relationships is to receive that kind of word or language, or a hint at the experience that lies behind it.

■ Ota

You've spoken about how we might look to overcome the negative sides of capitalism. If we turn our focus back to the economy and the corporate sector, Mr. Katanozaka I know you've emphasized in the past that the most important assets a company holds are its employees. Could I get you to speak a little more about the relationship between employees and a company?



Flourishing amid significant changes

■ Katanozaka

Running a company has become extremely difficult during this pandemic. In interviews and on other occasions throughout the pandemic, I have said that we will protect jobs but that we may need to ask for patience and forbearance on pay. I've had to say all kinds of things, but the thing that has impressed me most as company president throughout this situation is really the value of our employees.

The crisis has really brought home to me the deep strength and underlying resilience of ANA Group employees. More than 1,500 of our employees are currently active outside the company at other places where we have placed them temporarily. The admiration I feel for the hard work of our employees in these challenging circumstances and the resilience they have shown is based on the condensed experience of the two years in which we have faced the challenges of the pandemic.

Employees who entered the company expecting to work as cabin attendants have gone out to work as civil servants in local prefectural governments, or are working at companies in totally different fields of business. Many employees have said that this has helped them understand all kinds of new things, and many say this has been a good experience for them.

I think this experience will bring all kinds of new stimulus to our company in a positive sense in the future—perhaps similar to the way in which the Choshu Five and the Satsuma Fifteen traveled to Europe in the mid-nineteenth century and were stimulated by what they saw and experienced to create a new vision of modern Japan through the Meiji Restoration.

■ Nakajima

Listening to you speak brings into relief something about what kind of company ANA is. Today, various questions are asked about what a company is, or should be. Listening to you just now, I got the feeling that one way of answering that question might be to see a company as a kind of association. More than simply a corporation, it's a kind of association. An organization formed by people coming together. And because it's an association, it necessarily contains social aspects. And what supports these social aspects? Obviously, language. And experiences change. In that sense, although this situation is hardly one we would have wished for, in the end, the result has been a positive experience for many ANA employees.

■ Ota

Professor Nakajima, you've often spoken about the importance of being able to set out the issues you want to tackle. I'd like to take a new tack on things from that approach. How can people develop their ability in that regard in today's chaotic and confused world?

Developing the ability to define the issues and learning to see the future in a way that goes beyond the present

■ Nakajima

I think the important thing is to train up our imaginative ability again. Some time ago, a group of academics from China, Korea, and Japan came together and as a thought experiment tried to come up with a constitution for an East Asian community. And it turned out that the Japanese constitution was surprisingly popular. What can we do to ensure that the idealism in the Japanese constitution is passed on within the wider East Asian region? This way of defining the issues is only possible if you give free rein to your imagination and let your imagination take wing. It's not an idea that is likely to occur simply by continuing along the same path as you have followed to date. The future is not simply an extension of the present.

To really think about the future, I think we need to go beyond simply looking at the future as an extension of our current reality. What kind of future do we want to see, including things that do not exist in our current reality? We need to develop our ability to imagine that kind of thing. I think the liberal arts, especially the arts, are a tool that can help to develop our imagination and our ability to think more imaginatively about what kind of future we want to achieve.

■ Katanozaka

The key term "art" has come up again. I remember after I became company president, perhaps about four years ago we invited Kenichiro Mogi, the well-known neurologist, to give a lecture at the company. Japan's education model is still based on standard tests, but by contrast university entrance examinations around the world are changing. Applicants are asked to talk about what comes to mind prompted by a certain picture. His talk ranged over all kinds of topics and was extremely stimulating. There's a certain momentum building behind the movement to value the liberal arts, and I think that this is the moment when we should really put that into action.

■ Nakajima

I think there are a lot of things that we need to look again, including entrance exams. In companies as well, the way that companies train their human resources has also changed. I sometimes help out myself, and I know from my own experience that an increasing number of companies are looking to approach human resources training from a liberal arts perspective. But in the universities themselves, the liberal arts are hardly valued at all. In fact, the number of universities that still offer a liberal arts can be counted on the fingers of your hands.

Toward true inclusion

■ Katanozaka

As social media becomes more common, young people in Japan are starting to become more interested in climate issues. They see people like Greta Thunberg and other activists in Europe and think, “I want to do something like that myself.” But I think they should also think a little more about Japanese issues that can be at the base of their activities. I believe elementary school education needs to lie at the base of a liberal arts education, and about three years ago I gave a mini-lecture at my own elementary school on diversity and inclusion.

One aspect of inclusion involves the majority calling out to the minority, and saying, “Come and join us over here.” But some people prefer not to join the group. I told the children, sometimes people prefer to be on their own. Often, if elementary school children call out to someone to join them and the person doesn’t come, the general pattern is that they will go and bully or tease that person. To some extent this is a characteristic of Japanese society, where there is a tradition of ostracizing people in a village society who fail to follow community norms. It’s perhaps one of the typical peculiarities of the Japanese character. In that sense, inclusion can be quite a difficult subject.

Diversity is a way of acknowledging other ways of doing things, of recognizing that other things are important. But when the world moves toward solidarity and togetherness, if all kinds of diversity are still in place, it is difficult for the world to move toward cohesion and unity in the right direction, so I added that perhaps some more discussion was necessary on this point. In any case, I think that we should do more to encourage a liberal arts style education, and that it needs to start from elementary school level.

■ Nakajima

I agree with what you suggest about possible problems with the ideal of inclusion. Sometimes there can be a kind of inclusiveness that implicitly excludes certain options and possibilities.

■ Katanozaka

“No one left behind” has become a common phrase, but I think this way of thinking has also led to various problems. There might be an old man who wants to live on his own on top of a mountain, but Japan with its dwindling population might tell him, “We’re building a new compact city, so come down from your mountain and join the rest of the community here.” One problem that comes up is that if you try to provide postal services and other public services in a completely equal way, then this involves all kinds of costs. You might have a compromise situation—if not with water and sewage, then perhaps with the mail. You might say, I don’t mind if my letters and parcels take two days longer to reach me. That’s the kind of contentment we spoke about a little earlier. Sometimes I feel it doesn’t matter so much if there are small differences in terms of satisfaction and contentment levels, so long as the basic things are in place. But of course, inclusion is quite an important issue.

And that’s why I think it’s important to examine what we mean by some of these terms we use. Inclusion, for example.

I want to do more within the company to think about what this term really means, and the various connotations and implications behind the term—and that means more than translating an English loanword into Japanese by coining an equivalent term by stringing some difficult kanji together!

■ Nakajima

One hundred years ago, the world went through a similar experience with a pandemic and a major war. Following this, parts of the world fell into totalitarianism. Totalitarianism also espoused a kind of inclusion. That was part of its appeal. In Germany, they emphasized the idea of community and togetherness. We have repeatedly said “No” to the violence inherent in that kind of totalitarianism in the years since. I think we must be careful not to forget that history. So when people talk about inclusion and absorbing people into the community, I think it’s important to ask how refined and well thought out the methods that they’re proposing to use to achieve this are.

■ Ota

Finally, maybe I could get you both to say a few words about what kinds of systems we should aim toward for the society of the future, and perhaps to get each of you to give a brief message to the next generation.

Message to the next generation: Form policies of your own

■ Nakajima

Human happiness comes from the richness of a certain kind of capital made up of social relations. People meet other people, and exchange the gift of precious words, and by doing this transform themselves and make their lives better. I think we want to achieve a society that encourages this. I think that we as adults should aim to create systems that will support such a society. That's my view.

But it is young people who will open up and build the future. I hope they will work to refine the imagination that will serve as the tool they use to open up the future. By doing so, they will be able to acquire a new type of language and open up a new world. Adults will help to create the systems to support them. I hope that young people will be ambitious and spread their wings wide.

■ Katanozaka

I totally agree. Maybe I'm an idealist, but I think when a people are happy, they identify with the entire planet, with all humanity, and become a citizen of the world. It is often said that wars will only stop when we come under attack by aliens and have to unite to fight a common enemy. But I believe that we should create a sense of unity and aim to create a society where all human beings are happy, a society that goes beyond nationality or ethnicity. I'm convinced this is the goal we should move toward.

Happiness may not be equal. There may be small differences between one person and another, but both can be happy. Happiness consists of satisfaction. I think we should aim for a society that will create the conditions in which as many people as possible can be satisfied.



In my case, I would perhaps like to add the word “Japan’s” to terms like “young people” and “the next generation.” I’m sure there must be many people who would excel at solving problems. I want them to work to discover their own ideas, and to think for themselves. What are the issues facing the world, what are the major topics in their lives? As society changes, for example, a person might notice that some of their peers are not able to receive an education under the care and protection of their parents. How should they respond to that? Not by bullying or teasing that person, certainly, and perhaps not by trying to look after or protect them in a condescending manner either. My hope is that more young people will think for themselves about the best thing they can do in a situation like this, and work out their own policy on the matter.

If young people do that, I think that Japan can become a country that does not simply follow along behind one side or another with no clear opinion of its own. Instead, I hope the country can have a policy of its own and will engage in dialogue with the countries of the world. I hope it will develop into a country that will call on the world to listen to its ideas as Europe does—a country that can make its own rules for the world. I certainly hope that the next generation will do their best to make this kind of future a reality.