

Turning Strategy into Action through 3Cs: Creativity, Collaboration and Connection
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Turn Crisis into Opportunity: Time to Shape and Create for New Generation Diversity

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GOOD MORNING, Distinguished guests, friends, ladies and gentlemen.

I am truly happy to be here with you all today, and thank you Broussard-san and Tatebe-san for inviting me to this wonderful gathering.

1. INTRODUCTION

I would like to begin by thanking each one of you for your thoughts, prayers, actions and encouragements to the people of Japan. In this difficult time, your sympathy and compassion have been so valuable to the families of more than twenty thousands people who lost their lives, their homes and their livelihoods to the Great Tohoku Earthquake and Tsunamis of 3.11; as well as to those who have suffered as a result of the Fukushima Daiichi Nuclear Disaster. Thank you.

2. ABOUT ME

My view today may seem quite contentious amongst ordinary Japanese, but as you see in my brief biography in the program, my career is considered out of norm in Japan to

begin with. I spent 14 years of my professional career in the US as a physician in US universities, where the career path is very competitive for the sake of quality. But the US was 'FAIR' and kind to me, and helped me to pursue my career as to become a professor of Medicine at the UCLA School of Medicine in 10 years. I returned to Japan and I was elected to become the Professor and Chair of Medicine at the University of Tokyo School of Medicine, my alma mater. I was also elected to become a dean at Tokai University, I served as president of the Science Council of Japan and various professional societies; and I was also the first and only scientist to serve as Special Advisor to two Prime ministers of Japan, Mr. Abe and Fukuda – 5 years and 5 prime ministers ago.

More recently, I was surprised when I was chosen as the 2010 Person of the Year of ACCJ, for my efforts to open up Japan to the world and had the privilege of delivering my acceptance speech to the ACCJ in this room in February. For this honour I am truly grateful.

I have not changed a bit since my return to Japan 20 some years ago, but the world has changed since then and it has pushed me to several prestigious positions which called for my duties. I have been fortunate to be surrounded by amazing opportunities; I owe much to my friends in Japan, the US and elsewhere. As a result, I sense this is my duty and mission to return what I owe by opening Japan to the world, helping the youth at every opportunity, and by sharing my experiences with them.

Yes, my view has been regarded as a bit crazy by many Japanese, but it isn't perceived

that way at all by the global community; and I often feel that my driving force has been my desire to share, with my home country, what I was given in the US. Thus, my apologies for some of my seemingly rude comments, but they are what I would like to contribute to the future of Japan. Furthermore, I am primarily addressing my comments to the youth -- the young men and women, boys and girls -- to those who will have to shoulder the future of Japan in Uncertain Times to come.

3. IMPACTS OF 3.11

The 3.11 disaster exposed to the world the strength and weaknesses of the Japanese people and our society. Japan's strengths clearly rested in the power and spirits of the common people who coped, and are still coping with, this tremendous tragedy with such calmness and discipline. Everyday these people continue to reconstruct their daily lives, despite the weak leadership of our nation.

The weakness of Japan was clearly seen in the leadership of the establishments – be it the government, big corporations, media, or the academic community – as they display poor skills in communicating to the world and an utter lack of transparency. This weak leadership has caused the credibility of Japan as a nation to fall and, it is still continuing to fall, unfortunately. This could have been prevented had our government asked for the expertise of the rest of the world, and tried to learn and share lessons from the disaster. Fortunately for us, there is still time to do so.

4. THE WORLD HAS CHANGED – GLOBALIZATION AND FURTHER

It seems very apparent that the world has become quite different to what we knew just

10 years ago. It seems that we are wandering into “Uncertain Times” of One Global World. Did we ever imagine even 5 years ago, that a financial crisis of this magnitude would affect the EU, the US and so many other leading nations?

Exactly 20 years ago, in 1991, the Cold War ended and we entered into the global market economy. In the same year, the world-wide-web was introduced. Desktops and laptops were connected to the Age of the Internet. New businesses followed, such as Amazon, e-Bay, Yahoo, Netscape, then Windows 95. In 1997, two students from Stanford started Google. The concept of “human capital” replaced that of “human resource”, indicating the rapid impact a few individuals can spread in the global market. The globe became more interconnected than she had ever been, and perhaps the first world felt invincible in some ways.

However, as a result, our issues and challenges have also become much larger and global. The status of the world has become, as Thomas Friedman said, “Hot, flat and crowded” -- a very challenging state, created by what we call PROGRESS.

The 21st Century began with 9.11 (-happens to be my first birthday of the Century) and currently we must face regional conflicts, climate crisis; problems of energy, food, water and natural resources; we must adjust to the changes resulting from the replacement of G8 by the G20; 10 months ago the Arab Spring began and we have yet to see how this will affect the global economy and dynamic. Facing such a magnitude of global challenges, it seems impossible to overcome them all, and it is tempting to simply leave our planet earth for future generations to think about.

5. 'JAPAN INC,' GLOBALIZATION AND WEAK LEADERSHIP

'Japan Inc.' certainly feels this way now, as it has not been able to adapt sufficiently to the dramatically changing pace of the world. We have the oldest population on the globe; we face issues of widening income disparities, unemployment, a stagnant economy, a huge national debt, and there is always more. However, we have always been doomed to face these problems long before 3.11. Our leading establishments have never been able to steer through these difficult situations effectively for the past 20 years, except for perhaps during the 5 years under Prime Minister Koizumi, who demonstrated some signs of change.

The weakening of the political leadership became increasingly apparent after Mr Koizumi, who was followed by 3 LDP Prime Ministers who only served for 1 year each. They were then followed by a land-slide historical victory by the DPJ, but now 3 of their Prime Ministers have come and gone, and the sad reality of Japan is that we have had 6 Prime Ministers over a short period of only 5 years. What is wrong with our leadership?

The reign of the LDP leadership with closely netted ministries, a history of partnering with big corporations and Keiretsu, the effects of the media -- all of this can be referred to as the 'Cartel of the Mind or Japan's Intellectual Closed Shop', as Professor Ivan Hall, an expert on Japan, wrote in his book. This certainly stirred up the pot for problems.

Also, those who are in the leadership posts are mostly those who came up the male dominated, single-track, seniority-based promotion ladder. The majority of them are

of course good individuals, but this is not necessarily a ladder which is merit-based, and thus the environment is often not truly competitive when compared to organizations and institutions in the global arena.

Many of these 'leaders' came from elite universities like the University of Tokyo. They all go through the process of taking a competitive entrance exam to get into a good university, but thereafter hard studies are not imposed upon them -- in essence, they all go through just 4 years of moratorium. A large number of them may have studied at graduate schools in the US and elsewhere, but they were chosen to be sent by big corporations and ministries, and would have been guaranteed elite postings upon their return. Most of them would not have gone through an open competition to go abroad as 'AN INDEPENDENT INDIVIDUAL'. As a result, they would have returned to their respective organizations, and simply resumed their positions on the promotion ladder.

On the other hand, the few who were courageous enough to leave their organizations and the secure ladder became very successful entrepreneurs, such as Mikitani-san of Rakuten. Consequently, they are often called 'misfits.' These, however, are the people who do have a good idea of what should be done now though.

6. WHAT CAN BE DONE?

Necessity is the mother of invention. A crisis can be an opportunity, as it often leads to practical solutions and often radical changes. These changes are what we call innovation, or the creation of new social values. When we really meet the need for action, we may become innovative and creative. This will be led, more often than not,

by the crazy ones, those who think DIFFERENT.

Think of Honda, SONY, Kuroneko-Yamato, Ito-yokado of 40 years ago; many of them were 'Misfits' from the outset, and thus they were challengers, who became CHANGE MAKERS -- GAME CHANGERS. Currently they include Yanai-san of UniQlo, Son-san of SoftBank, Mikitani-san of Rakuten, Niinami-san of Lawson, and many others, but they were generally not recognized as a part of the main stream of Japan Inc. until recently. We need individuals like these, DESPERATELY though.

At this point we must also pay tribute to Steve Jobs, the most creative of the "crazy ones" of the 20th century, who changed the world with the first desktop computer – the Apple 2 in 1977, followed by the iPod, iTunes, iPhone, iPad in just the last 10 years. Infants are now born with touch panels and even touch screen TV to change programs. Apple is now the most valued company in the US. Jobs left a truly astounding legacy when he passed away 3 weeks ago -- he made the third apple of our civilization, the first being the apple of Adam and Eve, the second of Newton, and now the iApple which truly moves the world.

So, Japan must respond to the 3.11 disaster as a great opportunity to muster the courage to make bold moves and hard decisions, in order to adapt to globalization and the reality of geopolitics. Otherwise, Japan will fall completely behind and will never catch up.

7. FOCUS ON STRENGTH, RECOGNIZE WEAKNESS

We must think about, based on our legacy, where our strengths currently lie and focus on them. And in the context of this highly interconnected and interdependent world, when I say “we”, I mean humanity.

Japan’s strength lies in its population’s admirable pursuit of precision and perfection -- Nebari, Kori-sho. Why are there are more Michelin stars restaurants in Tokyo than in Paris? Many try to be perfect, go beyond just original. In the end, we are also the nation of Sony, Honda, Toyota and the bullet train. Our people are known for their diligence and their good work ethic. These are examples of our strengths and selling points to the world, which we can take pride in.

MORE IMPORTANTLY, HOWEVER, WE MUST RECOGNIZE OUR OWN WEAKNESSES, this is absolutely critical – **bar none**.

We place too much trust in homogeneity, conformity, hierarchical values or tateshakai shinkou, okami-ishiki ; even ‘amakudari’ -- or descent from Heaven. This closed mind-set, which most Japanese think led to the economic success of the 60s to the 90s, is the major set-back of current Japan. Cross generational resistance is also very strong as a result. Despite the famed Japanese attention to detail, the general population also fails to think about the BIG PICTURE.

These are the targets which need INNOVATION. We need to fuel demand driven innovation and open innovation, not adhere so much to small changes based on conventional, supply side views. By recognizing our own weaknesses, we can in turn

seek optimal partners who could compliment the strengths that we do have. We can connect and collaborate for the purpose of INNOVATION, for the creation of new social values in the globe, as a whole big picture. Such new combinations are the basis of Schumpeter's or Neues Kombinationes' concepts of innovation.

Why shouldn't we nurture each other's strengths? Why shouldn't we provide each other with support where we are weak and learn from the strengths of others? Work with your friends from your high school or college when you are 'independent' existence -- they are the partners for you. Don't limit yourself because you think you have to. Share common values, make connections and don't hesitate to create and seize new opportunities for collaboration.

If you want to develop your business in new emerging markets like India or Ghana, go for it! Cater to those local markets' needs with locally affordable prices. Be creative! Think big to start with, and then think about what you can actually do now, based on those initial big ideas.

Of course, to ensure that these good ideas meet the need and bear fruit – in order to make a strong career in this uncertain future -- you need, besides good collaborators, education.

What is the state of education for our children who must face these very uncertain times? In Japan, is traditional education good enough? Isn't it where INNOVATION is needed the most in some ways?

When the Nobel Prize celebrated its centennial, the main theme was CREATIVITY. At the celebration, King Gustaf said on creativity, “A child is not a vessel to be filled, but the fire to be lit.”

8. EDUCATION

Every child is born curious and creative. Think of children in kindergarten, they are curious; they collaborate for common interests so naturally; they show such creative intuition. Notice how children follow their intuition and play with the iPad much better than you do. Their behavior may just look cute, but we should learn from their curiosity.

Why have we become less curious as adults? In Japan, our education systems don't leave much room for it, so that we don't stray from the social norm. But our society itself must adapt to Uncertain Times. So how can we maintain our curiosity and creativity so that we can adapt to changes unforeseen?

Followings are of critical importance

1. Let children and youths experience living and studying abroad. Provide them with opportunities to meet people from different backgrounds. Let them recognize differences in language, religion, culture, but also similarities, such as love of family and pride in one's own culture. They will realize the value of having a good command of spoken broken English or Globish – which is very weak in many Japanese leaders.

2. Such experiences will allow them to accept DIVERSITY and form life-long friendships with each 'patriotic' sense for own legacy. Through such experiences from a young age, of the world and its tools -- such as facebook and twitter -- will help them stay connected all the time. Together they will collaborate and connect the DOTS.
3. It is critically important for youths to participate in social engagements, such as community service, volunteering and NGOs, to work and help those who are less privileged. Adult must do and show such activities.
4. These experiences will make them aware of the fact that they are actually a part of One global world. They will recognize how something simple can have so much IMPACT in poor community. They can then pursue their aspirations to make such meaningful impacts through high school and college. Now, many leading colleges of the world provide more and more programs for students to go abroad, particularly to poor countries so that they can experience the reality of the world. Then, some of them start absolutely creative and innovative services and businesses to help solve global issues. Kickstart International, D-light, A-Z patient capital are a few good examples.
5. Engaging in teaching others, not necessarily as a teacher, but as friends, brothers and sisters, colleagues. Such experiences in your own community, country, or abroad, can broaden an individual's scope and awareness of social issues. These encounters will also help individuals to recognize the values of diversity, creativity and collaborations. They are the 'DOTS' which will connect in the future.
6. Finally, this will make them leaders. Teach for America has become the No 1 most popular career choice, providing two years of experience as school teachers in

underprivileged communities. Outstanding fresh graduates of leading American universities, 18% of Harvard, 14% of Yale and many others apply. Many of them also follow this by entering into the Peace Corps.

9. DEMAND DRIVEN INNOVATION

What are the social values of the world? What are the problems in our global society?

How about poverty in Africa and India? How about the need for cheap and clean energy? These could be areas where innovation can create powerful, positively life-altering tools like the World Wide Web.

How about the problem of food? Does the issue lie in food production? The food supply chain? Maldistribution? Why do we waste so much food, whilst complaining about obesity in affluent societies? How about water? We need to produce clean drinking water that is CHEAP? So much needs to be developed in these areas; we really need to start thinking about the BIG picture and reach out to alternative resources, as a post to straining the ones we already over depend on.

10. WOMEN

There is one more factor which I must mention at this point, regarding under-valued resources. In Japan, by far the most under-valued and under-utilized inherent asset is its WOMEN.

According to the UNDP and other censuses, Japan is far behind the rest of the first world in terms of gender empowerment. If you were to visit a board of any major corporation in Japan, the absence of women is all too striking. Amongst National legislators, female members amount to only 12%.

As shown by Kathie Matsui, a senior analyst at Goldman Sachs, gender empowerment could increase the economic growth of Japan by 10% - the equivalent GDP of all of Canada. Her analyses also suggest that the low fertility rate will improve, pending upon better social reform measures put in place. That can be done by carefully thinking about who will resist and how to combat them.

Moreover, remember women make 60% of the purchase decisions of the global economy. Can many men make decisions to buy their own clothes, cars, or homes, without permission of women -- be it mothers, wives or girlfriends? Are corporate executives aware of this fact of the market?

Think also of the champion world soccer team, Nadeshiko Japan, or the Gold medal soft ball team Japan in the Beijing Olympics. Just compare their performance with the Japanese men's teams in world cup and baseball.

I will not elaborate more on this issue today, since I look forward to hearing more on this from our other speakers here today. However, let me re-emphasise how now, as a result of the Japanese fervour to stick to tradition and to do things the Japanese way, even after 3.11, we are turning inwards and isolating ourselves once again. We are closing the doors to valuable foreign investment and innovative global opinions, and at

the same time we are closing the very ports of our minds, particularly that of our youth.

11. OPEN UP JAPAN TO THE WORLD

This 3.11 disaster has given us the rare opportunity to persuade the masses to accept changes, adapt and open up Japan again to the world. AND CHANGE HAS TO BEGIN NOW! Even in just small steps.

America is, and always has been, Japan's most reliable source of "gai-atsu" in modern Japanese history. America also remains the best source to help us initiate the kind of changes that Japan needs. Operation Tomodachi of 3.11 is a great example.

This time, however, we cannot rely on a Commodore Perry and his black ships to force us to open our doors. It is up to us, as I mentioned before, to open the ports of our minds and form a more globally orientated mind-set.

12. IMPACT FOUNDATION JAPAN

A small group of us have launched an initiative we call "IMPACT JAPAN." I invite you to visit us at www.impactjapan.org.

Very briefly, we began our activities 2 years ago in order to organize TED events and the Global Entrepreneurship Week in Japan. Our aim is to change Japan by cultivating a new generation of leaders, thinkers, doers and entrepreneurs. We endeavor to promote and encourage entrepreneurship, youths and women to find and pursue their

career that will be markedly relevant in this age of globalization. It is our mission to help them to connect the 'DOTS' and acquire a sense of being a global citizen, with many friends that will be future collaborators to make the world a better place.

This weekend we will host TEDxTohoku in Sendai, and next month we will host the Global Entrepreneurship Week Japan. Currently more than 100 countries are scheduled to host this event which celebrates innovation and collaboration. We also collaborate with CSIS, the Washington-based Think-Tank, on its report "Rebuilding Japan." This will be delivered in a week in both Washington and in Tokyo, and we will host a special session in Fukushima. We are also pleased to call Project Hope, the major Disaster Relief program of US, one of our major collaborators, as we began working together right after 3.11.

If you get involved, you will be guaranteed to find yourself in the company of some of the most dynamic, committed, forward-looking people in Japan. It really would be a chance to see strategy being turned into action -- through creativity, connection and collaboration. I am proud to be able to say that this is precisely how our foundation was created. We are not the result of any sort of government initiative; we are the brainchild of individual Japanese and Americans working together. We are very fortunate that Ambassador John Roos serve as our Honorary Chair.

Almost 100 years ago in 1905, President Theodore Roosevelt mediated in Portsmouth, the end of Japan-Russo War. Next year will be the centennial of Cherry Trees at Tidal Basin in Washington DC. This December will be the 70th year of the Pearl Harbour

attack by Japanese Imperial Navy led to the major disaster to Japan – you know the rest of history.

Such archives shows the real significance of the Japan-US relationship. That our two peoples were able to go... in the span of one lifetime... from the bitterest enemies that ever were... to the best of friends... is the clearest testament... to the greatness of both the United States and Japan.

THANK YOU.

[3,800 words]