



2019 International Exchange and Tourism Seminar
The Future of US-Japan Friendship:
How International Exchange and Tourism Are Changing Perspectives
March 21, 2019

Opening Remarks

Mamiko Kim: Good afternoon, ladies and gentlemen. Before we begin, I'd like to let you know we offer simultaneous interpretation between English and Japanese. If you find a headset at your seat and like to tune in for English, that would be Channel No. 1 and Japanese is No. 2. If there are any problems with your headset, please visit a member of our staff. They'll be able to assist you.

Now please allow me to welcome you to today's seminar co-hosted by the Japan Transport and Tourism Research Institute which is the parent organization of the Japan International Transport Institute, or JITI, and the Japan National Tourism Organization. This event is officially being held as part of the National Cherry Blossom Festival with support from the Nippon Foundation, the Embassy of Japan in the United States, the Japan Tourism Agency, and the Ronald Reagan Building and International Trade Center.

I am Mamiko Kim, Director of Communications and Operations at JITI, and I would like to thank you all for coming today. We will now have a word from the Ronald Reagan Building and International Trade Center. Please join me in welcoming to the stage Mr. Andrew Gelfuso, vice president of Global Business Development.

Andrew Gelfuso: Chairman Shikuri, Ambassador Sugiyama, former Secretary Mineta, Mr. Seino, distinguished guests, panelists, members of the public and the business community, welcome to the 2019 International Exchange and Tourism Seminar at the Ronald Reagan Building and International Trade Center. Our company TCMA has been proudly serving as the



operator of this unique, one of a kind facility for the past 20 years through a unique public-private partnership with the U.S. General Services Administration. It's a three-and-a-half million square foot facility that has a mix of public and private sector tenants as well as 29 rooms such as this for meetings, galas, conference spaces, trade events, national days, weddings and all kinds of interesting things.

Each year we have about 2500 events here in this building and about a million-and-a-half guests from all over the world. One of the services that we have here, we host incoming trade missions and we do business matchmaking for businesses trying to find a connections or investment in the D.C., Virginia, Maryland area. Through our connections with the World Trade Center Association, we have 300 partners in a hundred countries around the world where we're able to open doors on behalf of local small and mid-size exporters to connect with new partners.

For over a hundred years Japan and the United States have enjoyed a relationship and friendship like no other. In 1912, as many of you know, the mayor of Tokyo gifted the city of Washington with the beautiful cherry blossom trees. Every year the city celebrates that friendship and those fantastic trees with an annual festival and a parade. It truly brings together the city in a wonderful celebration after what can be some fairly dark and dreary winter days here in our nation's capital.

In more recent years there was the TOMADACHI Initiative in 2011 which originated the response in the need for assistance after the Great East Japan Earthquake. Our building and our company in particular have had outstanding relationships with Japanese organizations. In 2014 we had the pleasure of hosting the Hanami After Dark with the US-Japan Council. In fact,



we still use photos of that tuna being prepared from that night in our marketing materials. In 2016 we hosted the CineMatsuri with Japan America Society for a screening of *Persona Non-Grata*. Just last year we hosted a farewell lunch for His Excellency Ambassador Sasae. These events bring together Washington, D.C. and create community engagement within the city.

I first began working with the Japanese Embassy here in Washington, D.C. when Ambassador Fujisaki had first arrived. We developed a very close personal friendship. I worked with him and later Ambassador Sasae to promote trade and tourism between the US and Japan. I'm excited to strengthen my relationship with Ambassador Sugiyama. Through my work on the Board of Directors at the National Cherry Blossom Festival, we have some exciting times coming up ahead for us. Just tomorrow night we have the Pink Tie Party here in this facility where we'll have the Mayor's Office and the State Department and about a thousand people from the city all in this building to celebrate the launch of spring. To us, that means the Pink Tie Party, so we're super excited about that.

I've been to your beautiful country numerous times. I was in the U.S. Department of Commerce for a while and I worked closely with our offices in Tokyo and Osaka. But when I had a chance to go out and have some fun, I really enjoyed my time at Kyoto and Okinawa as well. I'm thrilled to hear from the experts today on international exchange and tourism between the U.S. and Japan. It's always amazing when I see the numbers of how much revenue is tied to tourism compared to the movement of goods and services, how tourism isn't always thought of us an integral part of trade and economic development but I think those of us in this room know how important it really is.



I'm interested to learn what measures can be taken to deepen the international exchange between the U.S. and Japan. Public transportation and the rail system are absolutely world-class in the country of Japan, and I've had the pleasure to see that first-hand through many of my trips. We're excited again as I mentioned to be hosting the Pink Tie Party tomorrow. It will be interesting to see how the technology behind the maglev trains and their ability to go 300 miles per hour cutting travel times by more than half of conventional trains, and how that technology would advance, and how it will impact the world in the years ahead.

But with that, I hope that any of you who are available can join us for the Pink Tie party tomorrow. I wish you a fantastic day today. I'm glad to see you all here at the Ronald Reagan Building and International Trade Center. Thank you so much.

Mamiko Kim. Thank you, Mr. Gelfuso. To open our seminar, Mr. Masufumi Shikuri, the chairman of the Japan Transport and Tourism Research Institute, would like to make some remarks. To briefly introduce Chairman Shikuri, before assuming the current position in June of 2018, he held many executive positions at the Ministry of Land, Infrastructure, Transport and Tourism of Japan including positions of Vice Minister from 2008 to 2012, Deputy Vice Minister, the Minister Secretary, and many more. Since April of 2014 Mr. Shikuri has also served as the Chairman of the International High-Speed Rail Association. Without further ado, please welcome Mr. Shikuri.

Masufumi Shikuri: Good afternoon ladies and gentlemen. I am Masufumi Shikuri, the Chairman of the Japan Transport and Tourism Research Institute. I would like to express thanks for the attendance of the Honorable Norman Mineta, the former Secretary of Transportation; and, the Honorable Shinsuke Sugiyama, Ambassador of Japan to the United States. Also, I'm



delighted to have all of the distinguished speakers and guests from both the U.S. and Japan participating in our seminar. In addition, I would like to extend my appreciation for the support from our co-sponsor President Satoshi Seino, the President of the Japan National Tourism Organization, JNTO. On behalf of the hosts of this seminar, I welcome you all here today.

This year's National Cherry Blossom Festival officially opened yesterday inaugurating a season of spring's celebration at the events in the D.C. areas. While the cherry blossoms began as a symbol of spring in Japan, I have heard that they are now loved by Americans in Washington, D.C. and across the United States. At this commemorative moment of the cherry blossom season, we hold this seminar as an opportunity to discuss from various perspectives the future of international exchange and tourism between the United States and Japan.

More than one hundred years ago Japan gifted the original cherry trees to Washington, and in exchange Japan received America's iconic dogwood trees, which people across Japan still cherish to this day. Just like these trees travelled across the Pacific Ocean, it would be my lifelong dream for exchange to extend and the friendship to continue blossoming between our two countries.

The strength of the relationship between the U.S. and Japan has continuously grown. About 8 years ago, in the aftermath of the Great East Japan Earthquake of March 11, 2011, the United States Military and the Japan Self-Defense Forces successfully worked together on Operation Tomodachi to provide immediate humanitarian relief to the Tohoku region. Built upon these foundations of cooperation and spirit of friendship, the United States Embassy in Tokyo under the leadership of Ambassador John Roos and the US-Japan Council did a launch of

the Tomodachi Initiative. To this day many Japanese people are extremely grateful for this initiative.

Another initiative encouraging the U.S.-Japan friendship is Japan 2019 hosted by the Japan Foundation in close collaboration with the Embassy of Japan in the United States. This program aims to broaden understanding and interests in Japanese culture in the United States, and features a series of events, including the Life of Animals in Japanese Art at the National Gallery of Arts in Washington, D.C. from May to July. The U.S.- Japan relationship is one of most intimate relationships in the world and has continuously deepened over time, thanks to numerous initiatives such as these.

Even in the area, with the spread of IOT, internet of things, people-to-people exchanges and face-to-face communication plays a great role in international relations as well as human relations. It remains unchanged that the people's diplomacy is given equal weight as government diplomacy. Comings and goings of people between the United States and Japan, which now exceeds 5 million per year, has become the concrete pillar of exchange between the two countries. The United Nations World Tourism Organization, UNWTO, asserts that tourism can play a key role as a catalyst for world peace and development. In this sense, international exchange and international tourism serve the same function. International tourism maybe said to be the beginning and part of international exchange.

With the awareness of these issues, we have prepared today's seminar, *The Future of US-Japan Friendship: How International Exchange and Tourism Are Changing Perspectives*, which I will introduce briefly. During the first part of today's seminar, former Secretary of Transportation Mineta and JNTO President Seino will give keynote speeches. Secretary

Mineta's career has included extensive experiences in public services including being the Secretary of United States Department of Transportation and the Secretary of Commerce as well as various executive positions such as Honorary Chairman of the Board of Trustees for the Japan American Society of Washington, D.C.

After the speeches, a panel of experts from the U.S. and Japan will continue the discussion of how international exchange and tourism are changing the perspectives of the U.S.-Japan friendship. We have invited them to express their thoughts on the current situation and issues of exchange between the United States and Japan. I myself am looking forward to hearing the discussions of our specialists today. As a host, I believe that today's seminar will be fruitful for all people in related fields and will produce beneficial solutions towards creation of a new dawn for international exchange and tourism between the United States and Japan. Thank you very much.

Honorable Guest Remarks

Mamiko Kim: Thank you, Chairman Shukuri. Now I have the honor to introduce to you the Ambassador of Japan to the United States, Shinsuke Sugiyama. Ambassador Sugiyama presented his credentials in March of 2018. He has served in a variety of high-ranking posts in the Ministry of Foreign Affairs such as Vice Minister for Foreign Affairs and Director General of the Asian and Oceanian Affairs Bureau. In addition, his overseas assignments have included multiple positions at Embassies of Japan all over the world such as Political Minister at the Embassy of Japan in Korea and deputy chief of Missions at the Embassy of Japan in Egypt. We are appreciative that he was able to be here with us today and we are delighted to welcome him. Please join me in welcoming Ambassador Sugiyama.

Shinsuke Sugiyama: Well, thank you for your kind introduction. The previous speakers, in particular Andrew Gelfuso, seemed to have already said some points which I was about to try to say. One thing is that today's a rather rainy day unfortunately, but this means that the spring seems to be coming up. This year is my first year. Actually, in two days from today, this Saturday, my beloved, my Yoko and I shall be in Washington, D.C. as an envoy and envoy's wife for one year. Twelve months. I don't think I knew how bad it was last winter, but I can tell you that this winter was really stupidly bad. The low temperature was as low as 6 or 7 and the highest temperature amazingly was as low as 16 or 17 or something at some point in time.

But these very sudden heavy winters seem to have given us a great opportunity. Why? Because the cherry blossoms seems to be able to wait until the time when we are celebrating, that we are hosting the celebration and we are having events and something in the midst of presumably and hopefully colorful full blossom of cherry trees. I was told that at the time of Fujisaki or even Sasae that normally cherry blossom trees have gone at the time. And we are celebrating that by the middle of March or something, so it is in a sense that we are very unlucky to have this really dreadfully chilly weather, which is really dreadfully chilly but in a sense we are being given luck to able to celebrate in the midst of cherry blossom tree.

Now Secretary Mineta, Mr. Shukuri, Mr. Seino and friends old and new, the distinguished guests, ladies and gentlemen, good afternoon and thank you for inviting me to a very important and memorable kind of occasion. This is something which Andrew Gelfuso said something about, you know, ambassadors normally don't wear pink ties like me. I didn't go until tomorrow, the day after tomorrow or something. Normally I wear something subdued and nice, subdued blue or red and something. But because of this, it's the beginning of cherry

blossoms, specifically my wife told me you must wear a pink tie. Actually, for that matter, I went to some tie shop to select a couple of neckties.

But in two days we have the official opening of the National Cherry Blossom Festival. I'm wearing another pink tie to celebrate the beginning of that season on this coming I think Saturday at the Warner Theater. It's something which I did last time. This seminar is truly in the spirit of the festival. The National Cherry Blossom Festival is the largest and most public expression of U.S.-Japan friendship.

Now usually when I give remarks on the US-Japan friendship, I talk about our economic partnership in trade or security alliance and something to do with DPLK and elsewhere. I also talk about our shared values, diplomacy, freedom of speech, market economy, free trade, and how those values bind us together. But today I want to say a few words about the bond created not by economics, not by trade, not by security, not by treaty, not by certain interests but the bonds created by the understanding through travel.

Speaking as an ambassador, I believe in the understanding that comes from travel advances the cause of diplomacy. This is why our governments believe so wholeheartedly in cultural exchanges. When Japanese and Americans meet, it puts faces and friendship where before there was only a general perception of national policy on papers. For example, I understand 850,000 Americans work directly in Japanese-owned factories and offices here in the United States of America. Now what is the outcome of that? The result is that Japanese and Americans are working side-by-side on a daily basis on the same spot. They are coming to know each other and trust each other. They are people not just a thread to hold policy. Not

just a treaty paper but the people. Those connections are important to our larger relationship and friendship.

Now the same is true when Americans and Japanese meet while travelling. Americans became real to me when I lived in Washington for the first time some 37 years ago or something and this time too. Egyptians became real to me when we started living in Cairo. South Koreans are whom I love because of the rich history, we say they are more than four-years-and-a-half or something, became real to me when we lived in Seoul. The English or British became real to me when I later went into University College at Oxford. Other people became real to me when I travel to their each country.

They say that to see is to believe. You read things. You see some video or something. It is only one thing. But to be there, to live there hopefully, but to be there for two days, three days, one week, 2 weeks make a whole sort of total difference. That is the meaning of living there. That is the real meaning of travelling up around the countries or regions and somewhere. Actually, I'm being instructed by my prime minister and the leadership that I must not stay only inside of this belt in Washington, D.C. I must go all around the 50 states to see the governors, or lawmakers, or the local people or whatever. After all, this is *the* United States of America. A passport, I don't think I need a passport to go to Hawaii or San Francisco.

But a passport is not just a book with stamps of the countries someone has visited. A passport is a book of understanding and appreciation. This is why promoting inbound tourism has been one of most important initiatives and policy target for the Japanese government within the frame of so-called Abenomics.

Total number of foreign tourists visiting Japan reached a record high of about 31.2 million last year. Actually, the target was much, much below. We didn't anticipate that this much was able to be materialized. The Japanese government now hopes to reach the goal of 40 million tourists for 2020, the year that Japan is hosting the Olympics and Paralympics. I believe this is not a dream. I believe this is something doable and we are now heading for that goal.

You already know the numbers we got in travel between U.S. and Japan, so I will not repeat those. For those Americans who cannot travel to Japan, maybe I have to be rather a propagandist on the part of my government. Yet, this day's Cherry Blossoms Festival is not a part of Japanese Embassy's official propaganda. This has been done primarily by the standing committee of American people. We are here to help them do things. The majority of the financial sources come from U.S. industries, not Japanese industries. Of course we are to help them, but more of the majority's coming from the American companies.

So for those who cannot immediately make a travel to Japan, the Cherry Blossoms Festival is a wonderful occasion of learning about Japan. Visitors to the festival really do get a taste and sense of Japan. I was thinking the other day the only thing that I could make the festival more Japanese would be if and every one of those thousands of cherry trees we put a Japanese persons. A cherry tree is great but a person is even, much, much better. And that is the value of travel.

So let me bring this to a close by saying thank you for inviting me today and thank you for all you're doing to increase the travel and ties between our two countries closer. Thank you very much indeed.



Keynote Speeches

Mamiko Kim: Thank you, Ambassador Sugiyama. Now let's begin our program. As you see on the agenda, the seminar consists of two sessions - the keynote speeches, and the panel discussion and audience Q&A. For the first session we have assembled two speakers who have a great knowledge of the U.S.-Japan relationship and the importance of international exchange in solidifying this connection. A coffee break will follow the keynote speeches, and then we'll have a panel discussion starting with short presentations from our panelists and followed by questions from our moderator and then the audience.

Our first speaker today is the Honorable Norman Mineta, former U.S. Secretary of Commerce under President Clinton and former U.S. Secretary of Transportation under President George W. Bush. His career has included accomplishments in economic development, foreign domestic trade, civil rights and more.

A Presidential Medal of Freedom recipient, Secretary Mineta built trust in transport as he guided the creation of the TSA which is an agency with over 65,000 employees making it the largest mobilization of a federal agency since World War II. He is currently the president and CEO of Mineta and Associates, and Honorary Chairman of the Board of Trustees at the Japan America Society of Washington DC. We are honored that he was able to take time out of his schedule to speak with us today. Please join me in welcoming Secretary Mineta.

Norman Mineta: Kim, thank you very much for your kind and generous introduction. Let me first thank all of you for taking time from your own busy schedules to be here at this very important and wonderful conference. When you think about international exchanges and tourism, I think about transportation because it's really the basis for international exchange in

both trade and transportation as well as tourism. So, I thank all of you for taking time from your busy schedules to be here.

Then I want to thank Chairman Shukuri and my wonderful friend, Ambassador Sugiyama. It's not on the program but his middle initial is J and he's very proud of that, and the J stands for John. But in any event, Ambassador Sugiyama has indicated he does travel a lot and he's doing so much to promote the U.S.-Japan relationship.

For me, as an American of Japanese ancestry, I'm proud to be an American and I'm also proud of my Japanese ancestry. But Ambassador Sugiyama has done so much to try to bring the Japanese-American population into events at the Embassy in any way he can to promote the U.S.-Japan relationship. For that reason, I am so grateful to the wonderful work he does and especially in all his travel around the country promoting U.S.-Japan relationships. Then of course with President Seino, again thank you very much for your part in this meeting.

Let me just briefly talk about transportation because no matter what we do, what we eat, what we wear, whatever we do is dependent on transportation. Some of it may be on four wheels. Some have propellers. But even those propellers have four wheels on them because they've got to land somehow. But in any event, in this exchange or in this conference, when you're talking about international exchange and tourism, that whole discussion is based on transportation and how important it is. There is no question that Japan is the leader in the field of transportation, especially high-speed rail. So we have a great deal to learn really from what the Japanese have done over the years.

When you think about the *Shinkansen*, I believe it started in 1974? '64, I'm sorry. '64. Since then there has not been a loss of life due to the operation of the *Shinkansen*. There have

been other factors, earthquakes and others, but there has not been a loss of life from the operation of their *Shinkansen*.

When you think about the fact that you have a train going let's say 250 kilometers or 250 miles an hour and they can stop that train in a very short time period because they're always sensing Earth movement. As soon as they detect Earth movement, they start slowing the trains down. So the faster it goes up in terms of the intensity of the movement of the Earth, the faster that train is stopping. It's that technology that we have not yet mastered. So all of us have a great deal to learn from the experience of what the Japanese have done in high-speed rail.

Let me relate this to my own experience. If I might start with 9/11, September 11, 2001. That morning I was having breakfast with the Deputy Prime Minister of Belgium who was also the Minister of Transport. We were having breakfast in my conference room. I had with me Jane Garvey who was then the Head Administrator of the Federal Aviation Administration. About 8:25, 8:30 in the morning my chief of staff came into the conference room and said may I see you. So I excused myself and went from the conference room into my office.

At the other end of the office is a TV console. So as I walked into the room, I can easily identify the Twin Towers of the World Trade Center with black smoke coming out of one of the buildings. I go, what's that? He said, well, we don't know. We've heard general aviation into the building. We've heard commercial aircraft into the building. We've heard the possibility of an internal explosion within the building.

I went up to watch the TV and listen to the commentary. I finally said, John, I've got to get back into my breakfast meeting, so keep me posted. So I went back in and explained to Ms.

Garvey and to Mrs. Durant what I had just seen and heard. About six, seven minutes later John came back in and said may I see you. So, I excused myself and went back into my office, and he said it's been confirmed. It was an American Airlines that went into the building.

So, I went up to the TV and started listening to the commentary while watching what was going on. As I'm standing there, all of a sudden I see this gray object go across the screen, disappear, and then from the left-hand side of the screen this white, yellow, orangey billowy cloud. I said, wow, what the heck was all that about or words to that effect. So, then I really started to watch and listen to what was being said. Finally, after seven to ten minutes, I went back into the conference room and I said, Mrs. Durant, I don't what's going on in New York but obviously it's going to involve this department. And Jane, you've got to get back to the operations center of the Federal Aviation Administration.

By the time I got back into the office, someone had called from the White House saying get over here right away. So, I put some manuals and other things into my briefcase and went to my car. We're driving on West Executive Drive at the White House and people are running out of the Old Executive Office Building and they're running out of the White House. I said to my driver and security guy, I said is there something wrong with this picture, we're driving in and everybody else is running away.

So, I went into the White House and the guard said Mr. Smith, Dick Smith, the Security Advisor to the president, is in the room to brief you. So, I went in and got briefed. It wasn't much more than what I had just heard on television. Then he said he you've got to be in the PEOC. I said I have no idea what the PEOC is. He said it's the Presidential Emergency Operations Center and that's the bunker way under the White House. I said I have no idea

where it is. There was a Secret Service agent there and he says I'll take you. So, we went there and of course this is undoubtedly a nuclear bomb-proof facility, and of course we hope we'll never have to test that theory.

There's a table down there roughly about 30, 40 feet long and about 12, 15 feet wide. So, I put myself in the middle of that table, across from the vice president. The table has chairs all around, and between each of the chairs there's a phone. So, the phone on my left side I set up with the Federal Aviation Operations Center. I said don't hang up, leave this line open. And with my right phone I had then go to my office and said keep the line open. So, from about 9:30 or so I worked those two phones until about quarter to six that evening when I finally left the bunker.

But a military assistant came in and said to the vice president there's a plane coming towards D.C. So, I said to Monte Belger who I was on the phone with, who is number two at the FAA, I said, Monte, what do you have on the radar of a plane coming towards D.C.? He said, well, we're following one target but the transponder has been turned off. Well, in my office, on my credenza I had a monitor with an outline of the lower 48 states and Alaska and Hawaii. It was peppered with dots. If I took my mouse and put it on a dot, then a flag would come up and it say UA 123 - United Airlines flight 123. Then it would say PDX and then a number of navigational points and then it would say ORD. So, you knew it took off from Portland, Oregon. These are the navigational points through which it was flying and the destination was ORD, the ORD Airport at Chicago. The next line would say B739, a Boeing 737-900 series. It would give you the compass direction of the plane, status of fuel on the plane, and give you all the details about the plane.

But the transponder on this plane that they were following had been turned off, so they couldn't identify the nature of the airplane. They were just following that blip on the 13-second sweep of the radar. So, I said, Monte, roughly where is that plane? Because it's hard to relate to a radar screen to a point on the ground. He said, well, probably somewhere in the middle of Pennsylvania. So, every so often I'd say, well, where is the plane now? Probably north of Baltimore. Where is the plane now? I don't know. Maybe somewhere between Pentagon City and National Airport. Where is the plane now? Oops. Oops what? Oh, we just lost the boogie. We just lost the target. Where'd you lose it? Somewhere between Pentagon City and the National Airport.

About that time, someone broke into the phone call and said, Mr. Secretary, we just got a phone call from an Arlington County police officer who saw an American Airlines go into the Pentagon. I said, Monte, that's the third commercial airliner that's been used as a missile in the last 1.5 hours. I said the military has something called a stand-down. So, we're going to have to bring all the planes down over the U.S. because we don't know what's going on. And at that point, there were 6,438 airplanes over the United States. So, Monte, having been with the Federal Aviation Administration for some 29 years at that point, said we'll bring all the airplanes down per pilot discretion. I said, Monte, screw pilot discretion. I want all the planes down, because I didn't want a pilot over Albuquerque or Phoenix or somewhere deciding, oh, I'm just going to keep flying into LA because I wanted all those planes down. So, we were able to get all those 6,438 planes down in two hours and 20 minutes safely without incident.

Interestingly enough, we found box cutters under the seat of one of the airplanes that landed at Austin, Texas. Now we didn't know about the plane that had gone down in

Shanksville, Pennsylvania until about maybe 10:20, 10:25. So I then informed the Vice President this plane that had gone down. Up to that point the Al-Qaeda was always talking about military power, center of military power, center of political power, and center of commercial power. So, on that day they had already hit the center of business in New York City. They had just hit the center of military power at the Pentagon. So we'll never know where that plane that went down in Shanksville was going to be going, but obviously the only one remaining was the center of political power.

That pilot took that plane straight into the ground and that hole in the ground was no bigger than the wingspan of that plane. So, I will always be eternally grateful to the people on that airplane. It had been taken over by terrorists and I remember they all said, the people on the plane said we're taking the plane back. And they did. But they were still, the terrorists, in the cockpit. So, the captain of the plane took it straight into the ground in Shanksville, Pennsylvania.

Now my wife was a 35-year retired flight attendant for United Airlines and one of her best friends was on that plane that went in Shanksville, Pennsylvania. I couldn't go to the memorial service then because of a cabinet meeting. So my wife, Deni, went to that memorial service in Shanksville, Pennsylvania. Probably the toughest thing she has ever had to do. But in any event, I will always be grateful to the people on that plane for the ultimate sacrifice that they made for all of us.

In that morning of 9/11, I pulled three people out of ACS, Aviation Civil Security, and said I want you to come over to my office at DOT and start putting together the new security regimen to let the airlines go back in the air. Because up to that point airline security or

aviation security was up to the airlines to do. They usually put it out for a request for proposal and order it to the lowest-priced contract and we never really did a good job of overseeing those contracts. Now we were in a position of having to take responsibility for security, so I pulled these three people out of ACS and brought them over to the Department of Transportation office and they started to put together the new security regimen.

When I checked with them the next day, they said the first one at the very top of the list was no racial or ethnic profiling. I said, man, that's going to be a tough one to get over. But on the next day, Thursday, there was a cabinet meeting of the House and Senate leadership, both Democratic and Republican leadership, with the cabinet. Towards the end of that meeting Congressman David Bonior from Michigan said, Mr. President, we have a very large population of Middle Easterners and Muslims in Michigan. They're concerned about all the rhetoric in the print media and the electronic media about banning Middle Easterners and Muslims from flying, from maybe even rounding up the Middle Easterners. All I could think about when I heard that was my own experience as a Japanese-American being interned in camps for the duration of World War II and forcibly removed from our homes and put into internment camps far from where we lived.

The President, President George W. Bush, said, David, you're absolutely correct; we are equally concerned about the rhetoric we're hearing and seeing in the print media and we don't want to have happen today what happened to Norm in 1942. Frankly you could've knocked me off my cabinet chair with a feather when President Bush said that. Yet on Monday, remember, he went to the Islamic Studies Center and met with a large group of Middle Easterners and Muslims. He said we know that they were not loyal Americans who did that last Tuesday and

they were not faithful followers of Islam. They were terrorists and we're going to go after the terrorists. That was his mantra for the balance of his term, go after the terrorists. So here you have an incident that you thought you'd never have to think about, Japanese-Americans being put into camps during World War II, and yet here on 9/11 we were discussing the same thing.

Yet, it's all transport-related. So how do you rebuild the security of ports, airports, seaports, trains? And that's what brings us to today. Because as we talk about international exchanges that involves trade, transportation and most assuredly tourism, we have to think about how do we advance transportation as a whole and at the same time keep an eye on security. And so I'm going to be interested in hearing the panel discussion and other discussion that will be going on during the day here about how we promote those two features of what we're all here to do.

So again thank you to JITI and to JTTRI for this invitation for me to be here. Thank you very, very much.

Mamiko Kim: Thank you, Secretary Mineta. I would now like to introduce our second and final keynote speaker for this portion of the seminar. Mr. Satoshi Seino, president of the Japan National Tourism Organization, will speak to us.

Prior to the appointment of his current position in April of 2018, he served a long and distinguished career at the East Japan Railway Company. With over 40 years of experience in such positions as the director of personnel department and executive vice president responsible for the corporate planning headquarters, he rose to the head of the organization when he became chairman of JRE in April of 2012. We are honored that he was able to travel from Japan today to speak with us. Please join me in welcoming President Seino.



Satoshi Seino: My name is Satoshi Seino. I'm President of Japan National Tourism Organization. Now I use this speech in Japanese, so please use this headphone.

Well, thank you very much for allocating time for me. I'd like to again thank you for your attendance. Also, Ambassador Sugiyama and also Secretary Mineta, thank you for being here. Also, Chairman Shukuri, thank you for hosting this event. Also, all the distinguished guests in attendance, thank you so much.

I'd like to talk about tourism initiatives done in Japan by using this slide. Also, I'd like to share some information regarding the current situation in Japan. Then also I'd like to talk to you about the outlook toward our future activities regarding tourism.

First off here, I'd like to talk about our organization which is JNTO. So this is our position regarding, relating to the government. We have the Japan Tourism Agency as our upper organization. This Japan Tourism Agency, they formulate policies and also negotiates with foreign governments and such.

Here is our agency, Japan National Tourism Organization. We do core missions to promote inbound tourism and also attract international visitors to Japan. Our main mission is to promote inbound tourism into Japan. These are our branches all over the world. We have 21 branches starting with New York and such. Our headquarters is located in Tokyo.

We have 21 overseas offices and those are active currently. These overseas offices are engaged with the universities, and also businesses, and then of course the embassies of the Japanese government. Ambassador Sugiyama talked about some of the initiatives done by the Japanese governments for tourism. So working with the embassies, we are hoping to attract higher number of Japanese – excuse me - international inbound tourists.

These are some numbers here accorded by the UNWTO. This is the outlook over ten years. The expectation is that the growth is about 30 percent. Especially the Asian markets will be attracting more and more visitors, and so the growth will be about 30 percent.

When we talk about China and Japan here, I'd like to consider what kind of initiatives we can do to effectively increase the number especially to Japan. And here please look at some of the recent changes. So, these are the numbers of the inbound tourism trends starting with 2015. But when you think about the great earthquake back in 2011, we have seen a steady growth from 2012 which is right after the earthquake. Also, in 2018 we achieved the highest number which is the 31 million inbound visitors.

As Mr. Shukuri talked about, the Japanese government has a goal to attract a higher number of tourists. Also, I think that tourism will be a core business to the Japanese government as well. The change has been about 8 million people up to 2010 or 2011. I think that visa restrictions have been softened to attract more people. Also, the expansion of tax exemption has been effective to attract more people. Ambassador Sugiyama talked about this. We achieved 31 million visitors, but we're looking at 40 million people for 2020. So, this is one of the goals that is set by the Japanese government.

This is something similar to the previous slide. We're seeing the Japanese overseas travelers meaning outbound visitors, from Japan to outside of the country, and then also the international visitors to Japan in red. We have been seeing 200,000 people around here, Japanese travels to foreign countries. What is interesting is that for 45 years we had a higher number of Japanese overseas travelers going to outside of Japan, but we have achieved that attracting more international visitors into Japan in the recent years.

These are some numbers coming from the UN which is the international comparison in number of visitor arrivals. I know that this is a busy slide, but this is showing the Japanese number here. I think France has been the most popular. This has been a staple of this number. Then the second one is Spain and third one is the United States. So Japan is ranked at 12 here. Even if we would achieve 40 million people, I do not think that our ranking would be moving too high on this ranking, but our commitment stays the same - to attract a higher number of inbound visitors.

This red bar shows the tourism business and also visitor expenditure in total. So, this is 4.5 trillion Japanese yen. This is in comparison to other business sectors of Japan. Then at the top is of course Japanese automobiles. The vertical axis is billion yen. So, we're seeing a 123,000. And then also the second one is chemical product. This tourism includes some assumptions in terms of cultivating out this number; however, this comes to the third one. So, we're hoping that this number will grow to 60,000 or higher. Of course, we're thinking that other sectors are also important, but maybe we can trump chemical products and then become the second one following automobile sector. So that's our hope.

So, this is the number I just showed, the 40 million by 2020. The other, the target is the expenditure consumption by visitors, currently 4.4 trillion. We would like to increase it to 8 trillion by 2020. Currently, from which country the visitors come to Japan, in 2018 in total 31.19 million visitors came to Japan out of which three quarters came from East Asian countries including China, Korea, Taiwan, and Hong Kong. Those are all neighboring countries of Japan. When it comes to the United State, it is 5th. And 1.5 visitors came to Japan. If you add India and Malaysia, Southeast Asian countries, from the East Asia and Southeast Asian countries, 85

percent of visitors came from those countries. The remaining 15 percent, they come from United States, European and others.

Currently in Asia the economy is growing rapidly, and so we really have to appreciate all the visitors from Asian countries. But we believe that the percentage of the United States and other part of the United States is still low so we are struggling to figure out how to increase this number. We are making effort to have the people in those countries understand Japan. Also, Japan is located in a very distant location. However, there are the visitors either from Europe and the United States going to other Asian nations. So, we really have to appeal to those people the attractiveness of Japan and increasing the number of visitors to 40 million or the 60 million people. Currently JNTO is developing the promotional activities targeting the United States, Europe, and Australia. These efforts started from spring last year.

So, this describes what we are doing. I don't know whether those English are correct but the catchphrase is *Enjoy my Japan*. We would like the tourist to enjoy Japan in their own way. In Japan there are seven major interests - tradition, cuisine, city life, nature, art - maybe the very difficult to see - and next is relaxation, just have relaxing time, and then lastly outdoor. We don't think about the ski when you share the word outdoor, but there are a lot of outdoor activities other than the skiing available in the many different parts of Japan.

Currently there are 47 prefectures and then we are discussing these matters with those prefectures and ask them to develop their own plans and projects which might be appealing to foreign tourists, which include the temples and shrines. But there are a lot of things which we are not very familiar with. And then we also ask the foreigners what kind of interests they have and then what are appealing to them. Doing such research, we will pick up certain other

projects. Probably 100, 200. Then give stories to those projects and then try to attract the foreign visitors to those places.

[Video clip shown from 1:08:05 to 1:08:54]

This is the promotional video. In it there are things which are very familiar to you, but you may not have known that there are rock climbing sites in Japan. I would like to introduce some of the outdoor activities that we recommend you to do in Japan.

[Video clip shown from 1:09:38 to 1:10:38]

Now what do you think? There are a lot of projects that we can think of. We also have developed English websites that will make very easy access to those videos and pictures using smartphones. So, I encourage you to use these apps and to use the information when you plan a trip to Japan.

I would like to talk briefly about the relationship between Japan and the United States. The chart shows how many Americans are going overseas. This is the data from the United States and this compares 2014 and 2018. In total 38 million people go overseas. This does not include Canada and Mexico. More than one-third goes to Europe, and then Caribbean 20 percent, and Asia is about 15 percent. Still the percentage is low when it comes to Asia, so we would like to increase this number.

So, we see the result of our efforts. I think this year our efforts are producing fruits. This compares the statistics between 2014 and 2017. Of course, Mexico and Canada are the top countries where Americans go. When you look at Japan, when it comes to Japan, in 2014 about 800,000 went to Japan. And then Japan was ranked as 14th. However, in 2017 Japan

became 11th. In total 1.15 million people from the United States went to Japan. So, this means four times as many compared to 2014. So, we would like to increase this number as well.

This also is the data with respect to the U.S. visitors. In total 1.5 million visitors came from the United States. This number includes business people as well tourists. Blue shows business and the light green shows tourists. So, we are seeing a dramatic increase of tourists coming from the United States to Japan. The business visitors, still relatively high. However, if you look at the proportion between business visitors and then tourists, you can see that the number of tourists is increasing much more so than the business visitors.

So, what are the expectations the tourists have before the visit and after the visit? For example, tradition, culture, and history before the visit. About 40 percent. But after the visit, it has grown by 10 percent. Close to 50 percent. The last one, appreciating four seasons, before the visit -- it has increased from 18.5 percent to the 40.17 percent. This includes cherry blossom, the change of foliage, and the scenery in rural area so after the visit many people begin to get interested in those things.

The other thing is cruise. Well, cruise was very unfamiliar in Japan for a long time. We really haven't much of cruise which visit from port-to-port. The foreigners, they fly to Japan first. Then of course in Japan, Tokyo and Kyoto are the most famous cities. But they can either go to the ports of Miyako, or Kushiro, or Niigata. The cruise ship goes around Japan. In order for a cruise ship to come to the ports, the ports' infrastructure need to be improved. We think that this is very promising in the future when it comes to tourism.

Currently also air services are very important. Currently more than 500 nonstop flights between Japan and the United States. There will be more slots available in Haneda Airport, so

there will be more flights coming from United States to Japan. That will contribute to the increase of visitors.

The blue bar shows the Japanese visitors to the United States at almost 3.5 million. This number includes business people as well as tourists. Then the red bar shows the number of Americans coming to Japan. It's increasing. So, by increasing these numbers, we will be able to further deepen the mutual understanding between the two countries. Then the Cherry Blossom Festival, which will start from tomorrow, I think that that would become a very attractive thing to visit.

I'm sorry that I went over my allotted time. I'm sure that most of you have been to Japan many, many times but I encourage you to visit other places which you have never been - Hokkaido, Tohoku. We are welcoming you and we are looking forward to having you in Japan. Thank you.

Mamiko Kim: Thank you President Seino. And thank you to all of our speakers for their insightful, engaging presentations. This concludes the first session of our seminar.

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[End of transcript]