

JAPAN

Hokkaido targets tourism to help economy

MONZURUL HUQ writes from Tokyo

LIKE everywhere in Japan, country's northernmost island prefecture Hokkaido is also facing economic downturn resulting in job losses and shrinkage of revenue income. In recent years the prefecture has seen more businesses closing down than the number of new business ventures being set-up. The trend has obviously helped unemployment figure jumping upward keeping pace with the national rate of around 5.5 percent. Presently, unemployment rate in the prefecture stands slightly lower than that of the national figure, but the situation nevertheless is equally alarming.

Various measures are being taken in recent years by the prefecture government to revive the region's economic health. In Japan public works expenditure has always been considered an important factor to stimulate the economy when things start turning bad. Hokkaido is also no exception. Official figure for 1996 shows that Hokkaido's public sector expenditure during the fiscal year accounted for 24.9 percent of the total demand of the prefecture, a figure higher than the national average of 18.9 percent for the same year. As a result, regional economy of Hokkaido is dependent more on the public sector than other prefectures and is easily affected by public investment.

As Japan's economic system is undergoing a drastic change in recent years, Hokkaido started to face greater competition from imported products and rivalry in conventional sectors like tourism and service oriented industries. In addition to that, the region has also marked a decreasing trend in the number of corporate start-ups. As a result, Hokkaido industries are seeking ways to survive the changes by strengthening sectors considered regional and also by fostering new industries that would meet the challenges associated with the change in social structure. And here the local government of Hokkaido sees tourism as a sector that can boost demand as well as create new opportunities in a troubled time.

Hokkaido is blessed with an abundance of tourism resources such as dynamic natural scenery, distinctive color-

ful seasons, magnificent snow-covered mountains, fresh supply of vegetables and seafood, and relaxing hot spring resorts. As a result, the island-prefecture had always been one of the most popular tourist destinations in Japan. Every year during the high season for tourism from June to September, the region attracts more than half of the total number of tourists who visit Hokkaido throughout the year.

Tourism Promotion Division of the Hokkaido government is actively involved in finding ways to expand region's tourism opportunity by crating new facilities as well as inviting tourists and visitors from other parts of Japan and from overseas. The policy guidelines adopted by the government call for developing new scope in tourism that would allow visitors to enjoy the nature in its purest form. One such idea is that of 'green tourism', a package program where visitors are able to stay in rural villages experiencing farming life by actually working in farms and ranches. In the fast disappearing world of rural lifestyle in Japan, this initiative has attracted attention of urban dwellers from all over the country.

At a recent press briefing for Tokyo-based foreign journalists, chief of the Tourism Promotion Division of the Hokkaido government, Yasunori Kato, outlined the initiatives being taken by prefecture government to boost further an industry that in fiscal year 2000 attracted a cumulative tourist spending of 1.2 trillion yen. Two new projects being launched by local authorities for tourism promotion also involve massive expenditure on part of the government.

The Sapporo Dome, the brand new stadium fitted with state of the art high-tech technology, required a total expenditure of almost 54 billion yen and the local government is optimistic that the Dome would bring back the investment in due course. Three first round matches of World Cup 2002 are scheduled to be played at the Sapporo Dome. In addition to international and domestic football matches, the stadium is also trying to win franchise of a baseball team playing in country's premiere league. One possible candidate being the Nippon Ham, possibilities for the Dome to attract spectators on a regular basis seems to be realistic. The all-covered stadium was formally opened in June last year and various sporting events and music concerts held at the venue were

able to attract significantly large audience.

The second new project is to build an international convention center capable of facilitating events like conferences, trade shows and other large-scale display or gatherings. The under-construction three-storied building at Sapporo's Shiroishi Ward will have a total floor space of 20,000 square meters. Not only its massive size but also the combination of facilities would enable the center to host international conferences and exhibitions of grand scale. The Sapporo Convention Center is scheduled to be open in June 2003 and the city administration is hoping that by attracting important international conferences and trade shows the center should be in a position to help the regional economy in a significant way.

In addition to developing infrastructure that would boost tourist inflow, the tourism industry of Hokkaido is also trying to attract overseas tourists in various other ways. Region's unique natural and climatic condition is one particular aspect that has proved to be quite helpful in this regard. In recent years Hokkaido has seen a continuous rise in the number of foreign visitors coming to the region. A large number of those tourists are from China and Taiwan. Tourists from Taiwan are particularly attracted by Hokkaido's snowfall and ski resorts, which they do not find in their own country. The fiscal 2000 saw the arrival of more than 167,000 Taiwanese tourists in Hokkaido. The figure represents more than 50 percent of the total foreign tourist arrival in the region throughout the year.

Tourism Promotion Division of the Hokkaido government is applying all possible means to increase further the flow of overseas tourist to their prefecture. In a sightseeing tour at a preserved village of Hokkaido's indigenous Ainu people, visitors can suddenly come across Taiwanese girls dressed in Ainu clad. They have been employed by the tourism division of the government for helping Taiwanese visitors being briefed about different aspects of village life in their own language. The fruits of such endeavors are obviously easing the pressure on troubled economy a little. But the prefecture government is convinced that Hokkaido's economic recovery is to come also through such unconventional ways like boosting tourism and other service oriented industries.

AFGHANISTAN

Precariously balanced

IQBAL KHATTAK

HALFWAY through his 6-month interim tenure, Hamid Karzai's international stock may have gone up but the situation at home remains alarming.

Karzai, a Pashtun, has travelled extensively to restore Afghanistan's image, but experts say real work lies on the home front. "His foreign trips were necessary but the ethnic cleavage at home is what needs to be addressed," says one analyst.

Afrasiab Khattak, a Peshawar-based Pakistani observer of Afghan affairs, told TFT: "He [Karzai] has been quite successful on the foreign policy front, but has not effectively addressed the domestic troubles."

No one is looking for miracles, though in a totally devastated country where the war is still going on and the minority non-Pashtun ethnic groups have got lion's share of power in the new administration. Yet, there is a sense among experts that without a broad-based understanding among power centres and a realisation by the international community that Pashtun dominance is a reality, Afghanistan cannot be expected to return to normalcy, with or without massive international aid.

Afrasiab points out that the Karzai government's writ does not run outside Kabul. Al Qaeda and Taliban pockets are still holding out in some parts of the country. Besides, local chieftains are now making their presence felt. "In fact, local rivalries make the process of reconstruction really difficult," says Khattak.

But he does think that the common Afghan has faith in Karzai. "They are returning to Afghanistan and that's a good sign," says Khattak. Since the change of government in Kabul, almost 100,000 Afghans have returned home and many more are packing up to move. But

Afrasiab, who is also chairman of the Human Rights Commission of Pakistan, is also alarmed by the speed with which so many Afghans are returning home. "I fear their return may cause chaos because it is not happening in an organised manner."

For his part, Karzai has already pressed for more peace-keeping troops that can be deployed in other parts of Afghanistan. The interim Afghan leader has asked for the deployment of a UN-mandated international force to help extend the government's rule beyond the capital. But his calls seem to have fallen on deaf ears in the major capitals of the world, including Washington, London and Berlin.

A non-Afghan observer summed up the problem caused by the international community's unwillingness to listen to Karzai's calls for help: "It leads to apprehension that the major powers are not sincere on Afghanistan. They want something different to happen this time to this country. Since Kabul is demilitarised Afghanistan does not need the 6,000-strong ISAF (International Security Assistance Force) in the Afghan capital only."



Courtesy: The Friday Times of Pakistan.

US AND NORTH KOREA

Meltdown

JOHN LARKIN AND MURRAY HIEBERT

TWO NUCLEAR REACTORS to be erected at a remote part of North Korea's eastern coast are starting to cast an ominous shadow, and the concrete hasn't even been poured yet. As the payoff for Pyongyang's undertaking to freeze its nuclear weapons programme, the reactor project has dominated international policy toward the hermit nation for nearly 10 years. But it's a troubled endeavour. The next year will determine whether the reactors will be built at all, and more importantly, it will decide whether the Korean peninsula is plunged into a security crisis even more threatening than the tense stand-off in which the reactor project was forged.

Call them the reactors diplomats

built. In 1994 former United States President Jimmy Carter brokered a deal with North Korea which defused a potentially explosive military showdown. Washington had readied plans for strikes on North Korean nuclear facilities after Pyongyang refused inspections by the International Atomic Energy Agency and prepared to step up processing of weapons-grade plutonium. The Carter deal replaced North Korea's Soviet-era reactors with two so-called "peacetime" reactors less easily used for weapons.

Now that pact is at a crucial turning point at which it will either unravel, igniting a security crisis, or emerge stronger. U.S. President George W. Bush is expected soon to follow up his inclusion of North Korea in the "axis of evil" by for the first time refusing to certify that

Pyongyang is complying with the 1994 nuclear deal, called the Agreed Framework. The catalyst was North Korea's refusal to admit inspectors to ensure it hasn't hidden any weapons-grade plutonium--which it must demonstrate before the core components for the reactors are delivered. Certification is a step Washington must take yearly to release funding for heating oil it agreed to provide Pyongyang until the \$4.6 billion reactors are built.

The deliveries will still happen, as the White House has issued a waiver which allows it to meet its side of the bargain. But the decision has sent a strong signal to Pyongyang that it is running out of time to admit inspectors. "If they have nothing to hide, why aren't they opening up?" says a Bush administration official. If Pyongyang doesn't open up, the administration will be

under heavy pressure from Congress to cut off the heating oil.

December elections in South Korea hold the prospect of a conservative government less enamoured with engaging North Korea than President Kim Dae Jung's administration--one that might wish to review South Korea's leading role in the multinational consortium building the reactors. "It sets [Washington] up to turn the screws when the conservatives in Seoul are elected," says Marcus Noland of the Institute for International Economics in Washington. "If the Bush administration refuses to certify and refuses to deliver the oil, the Agreed Framework is dead."

The pact's fate hinges on Pyongyang's response. Next year will be crunch time. It marks the original completion date of the reactors, which are now far behind

schedule: Basic infrastructure is in place but construction isn't scheduled to begin until August. It will also mark the end of North Korea's self-imposed moratorium on missile tests. Pyongyang has already demanded compensation for the delayed reactors. It may add threats to resume missile tests, or even abandon the Agreed Framework by unpacking nuclear fuel rods. "That indeed would take us down the road of June 1994, probably even faster," says North Korea expert Victor Cha of Georgetown University.

It doesn't have to be that way. The White House's refusal to certify may actually force the rehabilitation of the Agreed Framework, which leaves the timing of inspections open to interpretation. The deal requires North Korea to fully comply with International Atomic Energy Agency safeguards when "a signifi-

cant portion" of the project is completed. That, according to those building the reactors, will be around May 2005. As inspections will take at least three years, Pyongyang has at most two months to admit inspectors if it wants to meet that deadline. In other words, Pyongyang must admit inspectors now, according to the pact. But North Korea believes the agreement requires it only to start inspections by May 2005, rather than be fully compliant by then.

If that happens, inspections will be pushed back by years, and when they come they may be deemed less of a priority than finishing the projects and collecting on billion-dollar contracts, warns Henry Sokolski, a staunch critic of the Agreed Framework.

North Korea has some legitimate complaints too. The reactor con-

struction is behind schedule, as are Washington's oil deliveries. In fact, technically the U.S. is more obviously violating the pact's spirit than Pyongyang. "It raises questions about how committed this administration is to the Agreed Framework," says an aide specializing on Asia for a Republican congressman.

But if Pyongyang wants the reactors it can put them back on track simply by admitting inspectors. The logic of early inspections is hard to refute. Resorting to missile and nuclear brinkmanship might be

tempting, but Pyongyang's hand is weak. "Bush is less inclined to blink," says Sokolski.

The joke around Washington is that Pyongyang never misses an opportunity to miss an opportunity. But missing this one would prove to many that it's not willing to change. If the reactors never send power flowing throughout North Korea, they will at least have accomplished that much.

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