

# The Power of Japanese ODA

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## A Quiet World Power in Assistance

People are often surprised to learn the year in which Japan received its last multilateral development loan: 1966. Two years after joining the club of advanced nations, the OECD, and successfully hosting the Tokyo Olympics, Japan received a 20-year, \$100 million “sayonara” loan from the World Bank to fund construction of the Shizuoka-Toyokawa expressway.

I feel a personal connection to that loan. My father, Raymond Goodman, was on the World Bank staff at the time in charge of Japan affairs and was responsible for preparing the loan for consideration by the Board of Directors. Still living in Washington at age 97, my father recalls being skeptical about Japan’s need for World Bank lending in 1966, since the country could already comfortably borrow in the private markets at commercial rates.

The timing of that last World Bank loan is even more remarkable when one considers that Japan had been an aid donor for over a decade. In 1954, still recovering from the trauma of World War II, Tokyo joined the Colombo Plan, a framework of bilateral assistance to the countries of South and Southeast Asia. Thus 2014 marks six decades of Japanese Official Development Assistance.

Few Americans—and perhaps not many more Japanese—are aware of the size and impact of Japan’s ODA contributions. Once the world’s largest bilateral donor, Japan remains the fifth largest, with net disbursements of over \$10 billion in 2012. Japanese loans—including a \$500 million one earlier this year to Myanmar to clear its arrears with the Asian Development Bank—have made a significant contribution to the development of fellow Asian countries. And Japan has been a leader in global development policy, for example playing midwife to the Global Fund to Fight AIDS, Tuberculosis, and Malaria as host of the G8 Summit in Okinawa in 2000.

## Time for Renewed Dedication

Yet as in other advanced countries, Japan’s ODA spending has been under pressure over the past decade due to budget cuts and dwindling domestic support. Japanese ODA spending in the gen-

eral account of the government budget has fallen by half from its 1997 peak, and Japan has slipped to 20th among 24 OECD countries in terms of the proportion of its GDP spent on ODA. Moreover, as the Japanese public has increasingly questioned the value of overseas spending at a time of economic difficulties at home, there has been a subtle shift in ODA priorities toward programs that directly benefit the Japanese national interest rather than ones aimed at broader development or poverty-alleviation goals.

This is an understandable but unfortunate trend. Japan is still the world’s third-largest economy, with important assets to offer

developing countries in Asia, Africa, and elsewhere around the world. These include Japan’s own miraculous growth story after World War II, six decades of experience as an ODA donor, and formidable expertise and resources to solve the world’s most challenging development issues. Now that “Japan is back” economically, it has an opportunity to reverse the slide in its ODA budgets and reinforce its broader leadership in global affairs.

In this context, it is encouraging to see the agreement between Japan and the United States during Vice President Joseph Biden’s recent visit to strengthen their global cooperation, including on ODA. The focus on global health and women’s empowerment are especially promising elements of the US-Japan initiative.

Japanese friends tell me how moved they were by the outpouring of support from people around the world following the Tohoku earthquake and tsunami of March 2011. That support

came not just from the United States but also from countries in Asia and Africa that have been recipients of Japanese ODA over the past six decades. Hopefully this will persuade more people in Japan that the benefits of the country’s generosity in the world flow in both directions.

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## Emergency Aid for the Philippines after Typhoon Haiyan



Typhoon Haiyan struck the Philippines on November 8 and 9, leaving behind massive devastation. The Japanese Government worked to quickly dispatch Japan Disaster Relief (JDR) Medical Teams and a JDR Self-Defense Forces Unit and issued approximately ¥60 million worth of emergency supplies, as well as committing to approximately ¥3 billion in further emergency grant aid.

Emergency treatment for the people of the impacted communities was an urgent priority. JICA assembled multiple JDR Medical Teams to help meet this need. The first group left Japan for the Philippines on November 11. JICA also provided emergency supplies including tents and plastic sheets.

JDR Medical Teams treated hundreds of injured residents following the typhoon.

The first medical team, with 27 members, was dispatched to the Philippines from November 11 to 24. The second and third teams were dispatched on November 20 and 29, respectively. The teams have treated 100–150 victims of the disaster each day at an emergency clinic set up in a park in Tacloban in the province of Leyte. Japan’s Self-Defense Forces have also sent a medical team, transportation aircraft, and three vessels.

JICA established the precursor to the current JDR Medical Teams, the Japan Medical Team for Disaster Relief, in 1982, registering over 1,000 volunteer doctors, nurses, pharmacists, and other medical professionals. In their more than 30 years of activity, these volunteers have proved their worth time and again in coming to the aid of disaster victims around the world.



## Afghan-Japan Communicable Disease Hospital Completed



The Afghan-Japan Communicable Disease Hospital in Afghanistan’s capital, Kabul, was completed in late August 2013 with the help of grant aid from Japan. The hospital will fight three major communicable diseases: tuberculosis, AIDS, and malaria. The hospital has 80 beds in all, with 56 dedicated to tuberculosis treatment and 12 beds each for AIDS and malaria patients. Construction lasted around a year and a half from start to finish, as Japanese workers labored in a precarious security situation.

Japan’s support for Afghanistan in the fight against communicable diseases dates back to the 1970s and has included technical support and the establishment of a tuberculosis center.

The hospital is expected to play a valuable role in combating disease in Afghanistan.

That support was disrupted by the conflict that broke out in Afghanistan in 1979, but resumed again in 2003 following the collapse of the Taliban regime.

Tuberculosis, in particular drug-resistant tuberculosis, requires hospitalization for appropriate treatment. As Afghanistan lacks sufficient hospitals, though, many patients rely on outpatient treatment. With no social insurance system in place, travelling to and from the hospital on a daily basis is nearly impossible for most people. This situation led the government of Afghanistan to request Japan’s support in constructing a specialized hospital in 2008.

The opening of this hospital allows tuberculosis patients to receive inpatient specialized care. The country has high hopes for the facility, Afghanistan’s first dedicated hospital for communicable diseases.



## Japan’s “Future City” Initiative Engages Developing Countries



JICA welcomed urban planning officials from 23 developing countries in Asia, South America, and the Middle East to Japan for the International Seminar on the “Future City” Initiative from October 16 to 26. This initiative works with select cities and regions to craft model communities showcasing solutions for looming concerns, such as environmental degradation and aging society, and to spread these ideas throughout the world. The Japanese Government has given priority to these policies as a part of efforts to revitalize the country after the Great East Japan Earthquake.

Participants visited Kitakyushu, designated a model city for green growth by the OECD. Kitakyushu suffered from environmental pollu-

Seminar participants view a presentation at the Kitakyushu Environment Museum.

tion as it developed through the steel industry. Learning about the city, one participant from Thailand spoke about the growing pollution problems in industrial parks near Bangkok.

Participants also visited the city of Higashimatsushima, Miyagi Prefecture, an area heavily impacted by the March 11 disaster, to observe disaster debris processing facilities. Visitors were greeted by the striking sight of workers sorting disaster debris by hand in operations that aim to recycle 97% of the separated debris.

This year marked the third International Seminar on the “Future City” Initiative. Many of the participants said that they would like to reflect the conscious concepts of the Future City Initiative in their own urban planning. JICA will seek to build on the fruits of this seminar by continuing its support for sustainable urban development in developing countries.

# TRENDS