

## **“Keidanren North America Mission to South Carolina”**

July 2015

Consulate General of Japan in Atlanta

The Japan Economic Federation (Keidanren), chaired by Sadayuki Sakakibara, who also serves as Executive Counsel for Toray Industries(Toray), sent a large delegation of 100 members on an economic mission from June 28<sup>th</sup> to July 3<sup>rd</sup> this year to the United States. The delegation’s three groups visited ten states and fourteen cities. At each destination, policy discussions were held with state and local representatives, members of the legislature, as well as scholars and representatives of local Japan-America societies.

Chair Sakakibara commented in a press conference the day before departure that this type of large scale economic delegation visiting multiple states in the U.S. by Keidanren was a first, and as the political and economic relationship between Japan and the United States is of the utmost importance, and that the goal was to contribute to the further strengthening of that relationship. (Keidanren Archives “June 25 Press Conference”)

Of the three groups, the group led by Chair Sakakibara visited Washington D.C., Maryland, Virginia, and South Carolina. Within the Southeast, a mission to South Carolina had been undertaken by a three part economic-investment mission in 1986, which also included Mississippi, Florida, and Louisiana. However, according to Keidanren, a visit by a delegation led by the Chair of Keidanren, specifically to South Carolina was a first. During this visit to South Carolina, the delegation while in the state capitol of Columbia, attended inter-exchange events with the state government, members of the legislature, as well as persons involved in business and education, and held talks with the legislature and the head of the Department of Commerce at the South Carolina State House. The delegation later traveled to Charleston, and visited Boeing’s aircraft manufacturing plant.

On July 1<sup>st</sup>, the delegation which had arrived as planned at Columbia Metropolitan Airport made their way to a reception and dinner hosted by the state of South Carolina. The venue was a cotton textiles plant which had opened in 1894, and had since become a registered historical artifact and museum, operated by the state. The reception was held in Planetarium Hall where Secretary of Commerce Robert Hitt and Deputy Secretary Jennifer Noel greeted and shook hands with Keidanren chair Sakakibara. Over 100 people representing state government, the legislature, Congress, state and local economic development agencies, members of the Chamber of Commerce, major Japanese and American companies,

and educators, were in attendance. The reception was sponsored by Fuji Film whose activities in the state have celebrated 27 years. The dinner was primarily sponsored by local textiles company Pacolet Milliken Enterprises of the Milliken Group, who have been in business for 150 years. And the evening was planned and executed through the cooperation of the South Carolina Department of Commerce and other organizations, corporations and entities.

After the reception, the adjacent Museum Hall served as the location for the dinner. There, Secretary Hitt gave the greeting and note of welcome, reported on the recent economic developments of South Carolina, and explained that as a result of the untied efforts of the state government and the people that South Carolina has truly become an attractive investment destination for both foreign and domestic corporations. The total investment amount in the past four years was \$5billion, and export growth is at a record high. He noted that the strong economic development is in part thanks to the relationship with Japan, and for this he extended sentiments of gratitude.

In turn, Chair Sakakibara thanked the State of South Carolina for the warm welcome and noted that approximately 180 Japanese companies and branches employ 17,000 people. Further he noted that Toray has plans to establish a carbon fiber factory in Spartanburg County over the next 10 years, which would equate to a one hundred billion yen (approx. \$800 million USD) investment and that Toray would be proud to become an active member of South Carolina. Therefore it is his wish that the relationship between South Carolina and Keidanren become ever stronger moving forward. Next, he delivered a speech titled “Revival of the Japanese Economy and the U.S. – Japan Relationship” which highlighted the current situation of the Japanese economy and Abenomics Policy, the economic relations of Japan and the U.S. in general, and efforts by the Keidanren for the purpose of strengthening U.S.- Japan relations.

Next, Co-chairs Craig Lundgren and Isao Ito of the Japan America Association of South Carolina gave the toast and all in attending raised glasses of Nihonshu, a traditional Japanese wine, which had been prepared by the same association.

After dinner, the Consul General of Japan to Atlanta, Kazuo Sunaga gave a greeting reiterating sentiments of gratitude for the warm welcome to the Keidanren delegation by the state government. Briefly touching on the shooting incident that had occurred two weeks prior, the Consul stated that the governor’s and the people of South Carolina’s response after the shocking incident was that of unity and strength. He went on to say that these traits are at the heart of South Carolina making the state all the more attractive to Japanese people and corporations. He closed by saying that due to the expansion of the Panama Canal, normalization of U.S. - Cuba relations, and progress of the TPP negotiations, the economic importance of South Carolina, and the Southeast will continue to grow.

The evening closed with Secretary Hitt offering Chair Sakakibara a statement by Governor Nikki Haley proclaiming July 1<sup>st</sup>, 2015 “Keidanren Day” to commemorate the meaningfulness of Keidanren’s visit to the state.

On the following day, July 2<sup>nd</sup>, at the State House, a meeting was held with the South Carolina Coordinating Council for Economic Development. Representing South Carolina, Senator Hugh Leatherman, who was instrumental in the inviting Boeing, as well as Deputy Secretary Noel were in attendance. Leatherman, who had previously visited Japan eight times as the Japan/ US Southeast Associations Meeting’s South Carolina delegation leader, and through other roles, welcomed the mission to South Carolina lead by Keidanren Chair Sakakibara and emphasized that as Japan - South Carolina relations have reached nearly 50 years that this mission was especially meaningful to the development of the economic relations. He further mentioned Honda of America, operating in local Florence, as an example of quality labor, corporate system supported by civilian-government cooperation, which is indicative of the superior business environment of South Carolina. He expressed high hopes for the further strengthening of relations with Japan.

Chair Sakakibara, touching on Toray’s plans regarding the carbon fiber plant, stated that the alliance with America’s largest airplane manufacturer symbolizes the success of Japanese and American Industries’ strategic cooperative relationship and that he looks forward to visiting Boeing’s plant in South Carolina. He affirmed the deep value in the relationship with the state of South Carolina and reiterated the importance of continued discussions with South Carolina state representatives.

Afterward, members of the delegation, Deputy Secretary Noel, as well as persons in attendance from South Carolina State University, offered suggestions and exchanged information for the purpose of strengthening Japan-South Carolina relations moving forward.

The delegation, next moved from Columbia to Charleston in the eastern part of the state, and visited Boeing’s North Charleston facility. The delegation departed on the following day, July 3<sup>rd</sup>.

The mission to the United States was featured in the Keidanren publication, “Keidanren Times Weekly”, dated July 9, 2015, Issue 3231.

See <https://www.keidanren.or.jp/en/policy/2015/069.html> (Excerpt below)

### 3. Achievements

(1) The three mission groups visited Washington D.C. and a total of 10 states and 14 cities that have a deep relationship with Japan. Through policy dialogue with federal government senior officials, members of Congress, state governors and legislators, executive members of counties

and cities, various experts and America-Japan Societies, the mission succeeded in further cementing Japan's relationship with the US, which is the most important partner and a "steadfast ally" of Japan.

(2) Through a series of opinion exchanges the mission was able to transmit Keidanren's views on the current status of the Japanese economy, including Abenomics, and the strategic importance of the US-Japan relationship. The mission was also able to promote a shared awareness on the importance of an early conclusion of the TPP, further strengthening of US-Japan relations, and a need to continue supporting Japanese companies operating in the US.