

US-Japan trade agenda towards 2009 and beyond

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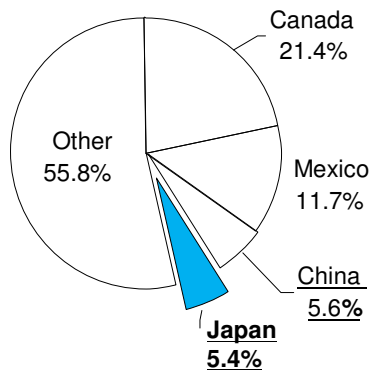
Trade relationship between Japan and the U.S.

– mutually complementary relationship matured

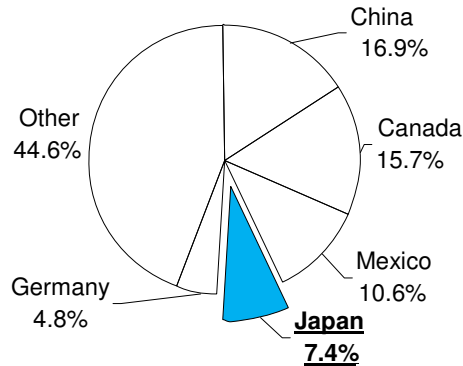
U.S. 2007 trading partners

For US, outside NAFTA,
JP is the 2nd largest export and import partner

US export partners(2007)



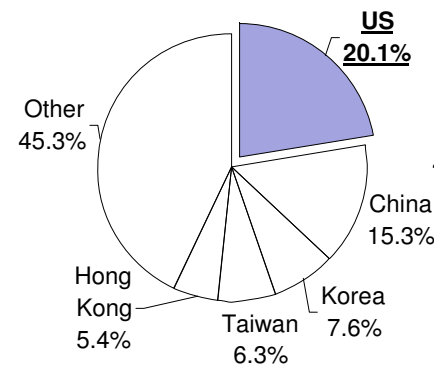
US import partners(2007)



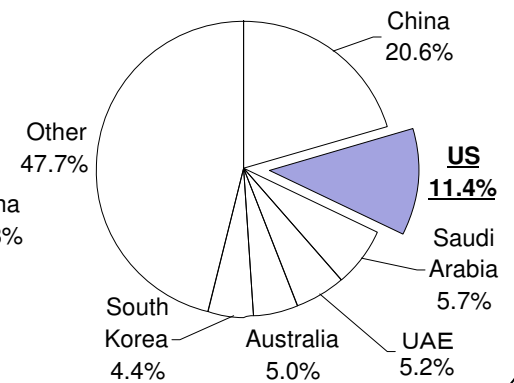
Japan 2007 trading partners

For JP, the U.S. is the largest export market & 2nd largest import source

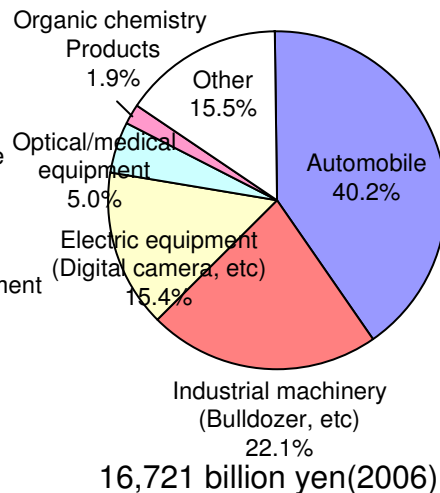
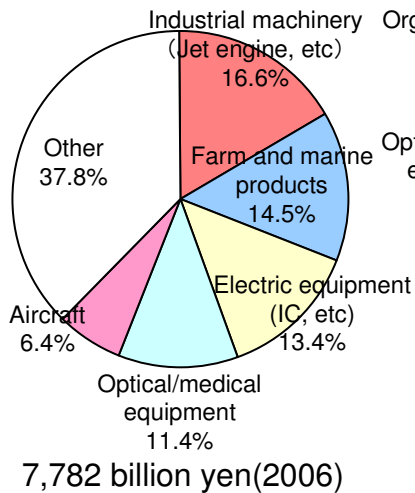
Japan's export partners(2007)



Japan's import partners(2007)

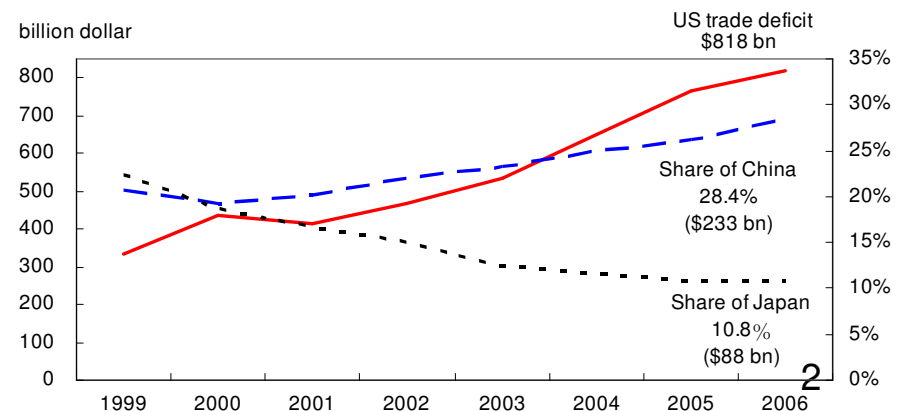


US exports to Japan Japanese exports to the U.S.



U.S. trade deficit

The portion of US trade deficit towards Japan is declining



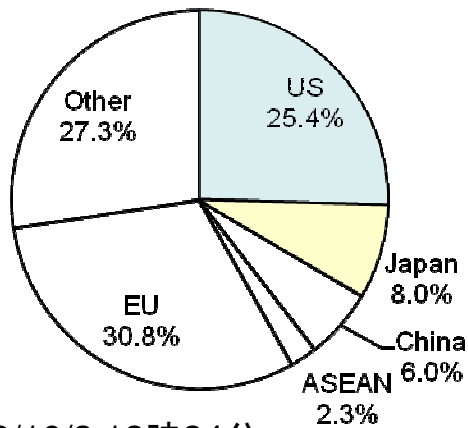
The importance of JP, U.S. relationship ~ world's leading economies

JP, U.S.: large economies

The combined GDP of Japan and the U.S. is around a third of the world total

GDP in major country and region

country	billion dollar	share
US	13,811	25.4%
Japan	4,376	8.0%
China	3,280	6.0%
Asean	1,261	2.3%
EU	16,750	30.8%
Other	14,869	27.3%
TOTAL	54,347	100.0%



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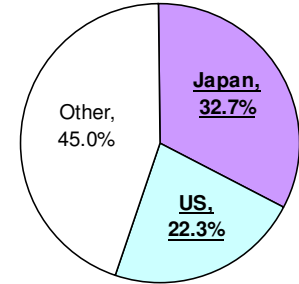
Source: WDI(2007)

JP, U.S.: large innovators

JP & U.S. account for 55% of patent registrations by country

Patent registration number according to nationality

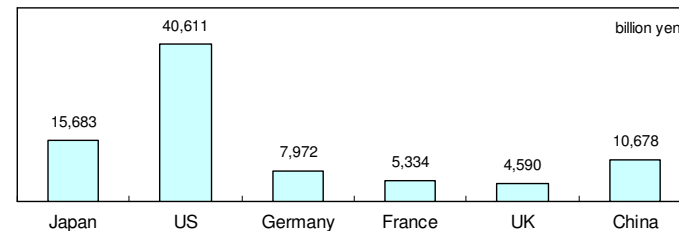
country	registration number	share
Japan	182,543	32.7%
US	124,506	22.3%
Other	250,914	45.0%
TOTAL	557,963	100.0%



Source: WIPO statistics

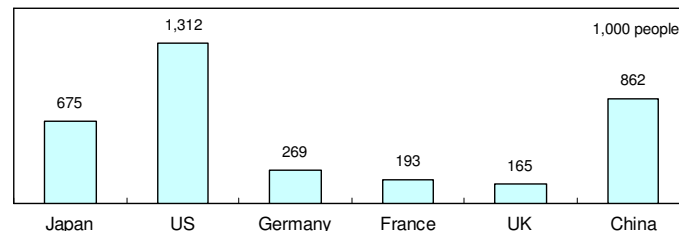
Internationally, the U.S. & JP are ranked 1st & 2nd respectively in research expenditure, and 1st & 3rd in the number of researchers.

International comparison of research expense



Source: OECD/Research and Development Statistics 2006/1

International comparison of the number of researchers



Source: OECD/Main Science and Technology Indicators 2006/1

Trade agenda towards 2009 and beyond

<Global>

- WTO Doha Round completion
- Energy, climate change and intellectual property

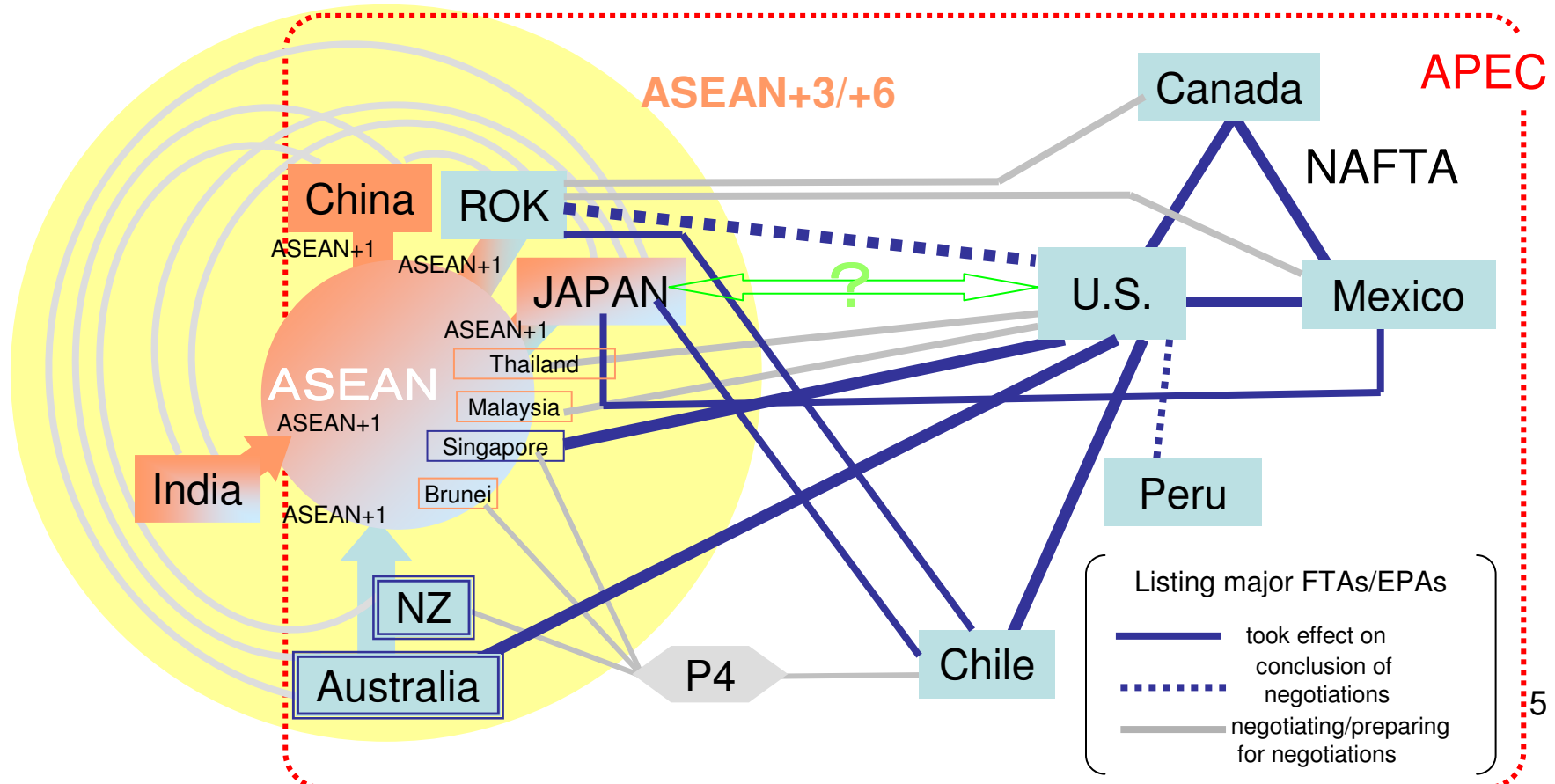
<Regional>

- APEC: trade & investment liberalization
 Chaired by Japan in 2010, the US in 2011
- CEPEA/ERIA
- P4+US

Trade agenda towards 2009 and beyond

<regional>

The Architecture of the Asia-Pacific Region (APEC & East Asia)



Trade Agenda towards 2009 and beyond

<bilateral>

- Possibility of FTA/EPA
- Practical issues: Secured trade, etc.

○The US and Japanese new administrations should:

- 1 promote freer trade
- 2 improve Investment rules, and
- 3 tackle global issues, such as energy, climate change & IPR

Impact of recent financial turmoil on Japan's economy and trade

Thank you

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