

**Prof. Satoshi Morimoto Faculty of International Development,
Takushoku University**
“Energy problems and Regional Cooperation in Northeast Asia”

There are three kinds of viewpoints in considering energy problems and regional security and energy cooperation in Northeast Asia.

First problem is that we cannot be optimistic about the future supply and demand balance of energy in Asia, particularly in terms of energy supply. In Asia, imbalance and gaps have been created due to the economic development, and these are expected to further widen. The imbalance and gaps in the energy supply and demand will also widen in line with such an imbalance and gaps in economic development. On the premise of such an imbalance and gaps in energy supply and demand, energy trade based on the principle of free economic competition in the conventional sense is doubtful in the future. For example, the total population of China and India combined is forecast to reach 3 billion by 2030. When these two big nations begin to work to secure resources like energy, food and so forth, the problem is whether it is possible to solve the resulting problems through regional cooperation in Asia or not.

Second, the Asian region will continue to depend highly on the Middle East for energy, and at the same time it will depend more on Russia and the Commonwealth of Independent States (CIS) region as new sources of supply of energy. However, at present, the Middle East, Russia, and the CIS are politically, economically, and militarily unstable and there are no indications that this unstable situation will change for the better in the future. Admitting the instability, the problem is whether such nations like China, Japan, India, Korea, and other ASEAN nations may get into the competition in order to secure the oil resources.

Thirdly, considering the framework of dialogue and inter-regional cooperation in order to solve problems described above, Northeast Asia is the only strategic area in the world where China, Japan, the United States and Russia have “contact points.” As Northeast Asia depends highly on other regions for energy, multi national cooperation from a long-term standpoint is required to solve this energy problem.

“Japan’s energy security” and “regional cooperation” should be considered on the premise of these three viewpoints and concerns.

First, as for Japan’s energy security, world peace and stability are the required conditions for Japan, which depends on overseas countries for about 90% of its total energy. Therefore, Japan itself has been making financial efforts to contribute to the stability and peace of the international community, contributing to the world’s largest

share of ODA and the world's second largest UN-assessed contributions.

In reality, however, concerns about world security have been increasing, among which the following are considered to be especially important for Japan: (1) issues concerning nuclear development by Iran; (2) the politically unstable area from North Africa to Northeast Asia that the United States calls the "Arc of Instability"; (3) the global reorganization of the U.S. armed forces; and (4) the relationship between China and Taiwan, the situation on the Korean Peninsula, and Russia's response, etc. For example, as for issues concerning nuclear development by Iran, the situation in the Middle East may become even more tense and unstable depending on the reaction and responses of the United States and Israel.

Furthermore, in 2008, presidential elections are planned in U.S., Russia, and Taiwan, which may create a "structural change" in political relationships in the Northeast Asian region.

As for regional cooperation, the three plans for cooperation in the speech by Mr. Ryu of the Korean Energy Economics Institute are very important. But in reality, the framework of regional cooperation in Northeast Asia remains immature and contains many problems. In this session, China has expressed a positive attitude towards regional cooperation. This is very important. China's actual actions will determine the feasibility of cooperation in Northeast Asia. There are many fields that require cooperation such as construction of pipelines, infrastructure related to energy, oil storage, etc., and frameworks like ASEAN+3, Japan-China-Korea, the six-nation talks, and APEC should be actively utilized.