

The 32nd Japanese-German Forum

Your Excellencies Prime Minister Ishiba and Chancellor Scholz,

The Japanese-German Forum held its 32nd joint meeting in Tokyo on October 30 and 31, 2024. Through three sessions and a public panel discussion that also included online participation from Japan as well as Germany, members from the two countries with diverse professional backgrounds exchanged frank and constructive opinions. We are deeply grateful to the Japanese and German governments for their continuous support to the Forum.

We would like to report the overview of our discussions at this Forum and submit our recommendations to the German and Japanese governments in the following paragraphs.

In the first session on "Current Political and Economic Situation in Japan and Germany: How to Cope with the Population Issues and the Demographic Change", the members shared information on the latest political situation, including the results of the Japanese lower house election that had just taken place before the Forum and the rise of right-wing and left-wing forces in the German regional elections. It was pointed out that (1) in Germany, voters' support is becoming less concentrated in particular political parties as in the past, and Japan may also be moving in a similar direction, and (2) under such circumstances, the consensus-building process within the coalition government and ruling party becomes more complicated, and policy formulation will take more time. On the other hand, some members stressed that the "stability orientation" of the people of both countries remains strong, as center-leaning parties occupy the first and second largest positions in national politics in both Japan and Germany.

Thus, while various views were expressed in assessing the current situation, the discussions led to a consensus that **active political participation of young people, and, closely related, democratic resilience** are important issues shared by both countries. Therefore, we recommend that **efforts be made to increase opportunities for young people to become involved in politics and policy making and to actively engage in political discussions, such as enhancing political education in schools and establishing "youth parliaments" by local governments.**

The first session also addressed demographic issues in the two countries. In Japan, in addition to the declining population and aging society with low birthrate, the accelerating influx of foreigners and the overconcentration of population in Tokyo were raised as issues to be tackled. In Germany, the members shared the view that the low birthrate and the decrease in the labor force are also important issues, while immigration and refugee issues have come to the forefront. The discussion led to the conclusion that **Japan and Germany should exchange concrete ideas on how to deal with the common problem of declining birthrate.** In addition, the members also agreed that **Japan should look to Germany's immigration policy and regional revitalization measures, while Germany should look to the utilization of senior human resources in the Japanese labor market as exemplary models from which to learn.** The discussion concluded with the view that **both public and private sectors should engage in active exchange and application of information in future initiatives.**

In the second session on "Generative Artificial Intelligence (AI): Changes and Impacts on Society and Desirable Forms of Regulation", various issues were discussed, including time allocated to a public panel discussion. The participants shared the basic understanding that while Generative AI has fundamental transformative power, **"Generative AI is only a tool to support human activities and to enhance human capabilities, and not a replacement for humans."** In terms of joint research and development activities, participants also mentioned that it is now the time to act to avoid economic and research dependence on China and the US. The following four key opinions were agreed upon from the perspective of "How to maximize benefits of using Generative AI in human society", as directions in which Japan and Germany should cooperate.

- (1) By combining with robots and automobiles, Generative AI can behave in a manner similar to that of humans, and will contribute to improving corporate productivity and developing services, such as medical and nursing care, to support an aging society. **In terms of such "industrial applications", Japan and Germany should have many common areas of interests that the two countries can collaborate more actively in applied research and human resource development.**
- (2) In order to improve the performance of Generative AI, it is necessary **to ensure the reliability of LLMs (Large-scale Language Models)**, which are bases of deep learning. In the development of LLMs, Big Tech companies in the US are currently leading the way. However,

the problem has come to light that LLMs are not being taught sufficiently about the nuances of language, culture, society, values, and other differences between countries around the world. To solve the problem, it is necessary to acknowledge the significant contribution by social sciences in assessing the impact of these technologies and to build **an international alliance to smoothly collect, organize, accumulate, and share data that more precisely captures the world's diversity, and Japan and Germany should lead the initiative in this effort.**

- (3) As the use of Generative AI becomes more widespread, issues such as "copyright and privacy protection," "countermeasures against fake news," and "information protection associated with cross-border data transfers (risk of data theft)" are becoming increasingly important. Setting norms, standards, and measures such as mandatory labelling of AI should become more of a focus, and increased consideration and promotion of international norms and standardization activities could also serve as a strategic innovation factor in international competition. With regard to the development of inclusive international rules, "Hiroshima AI Process", launched at the 2023 G7 Summit, has compiled a code of conduct for developers with the support of approximately 50 countries. **Japan and Germany, as G7 members, need to follow the results of Hiroshima AI Process, make concrete rules for development and utilization in line with the principle that "lies cost money," and show them as models.**
- (4) However, it is also important not to hinder innovation and to keep the PDCA (Plan, Do, Check, Action) cycle going and revise the rules as needed. And while appropriate ethical education and awareness of the need to question things is a prerequisite, it is hoped that **young people will proactively use generative AI and become important drivers of innovation.**

In the third session on "Foreign Policy: Outlook on the International Order after the US Presidential Election", the following concerns were raised: (1) the decline of the "Transatlantic Era" – the weakening of Western influence in areas such as security - will continue, and China will likely seek to expand its economic and geopolitical influence around the world; and furthermore, (2) US support for Ukraine will likely scale down and its influence in stabilizing the Middle East will further decline. In this context, some voiced the need for Germany to play a more leading role in NATO, and some also said that it is unavoidable to expand Germany's support for Ukraine, even under tight fiscal constraint. As for Japan, while it is necessary to maintain the Japan-US alliance, which is the cornerstone of Japan's diplomacy, further efforts should be made to strengthen relations with Asian,

Oceanian, and European countries that share democratic values and security interests, which will lead to stabilizing the international order. Members voiced support for increased cooperation between NATO and Japan as its most important partner in the Indo-Pacific as well as with other partner states in the region.

Based on the above discussion, the members came to the shared understanding that (1) **Japan and Germany, as fellow trading nations, should work together to contribute to the maintenance of a free and open international order, in particular to revitalizing international organizations such as the United Nations and the WTO**, and that (2) **Japan-Germany cooperation will become increasingly important in deterring attempts to change the status quo by force**. Thus "strengthening Japan-Germany relations" became a major point of discussion in the second half of the third session.

Japan-Germany relations have seen in recent years **the convening of the "Japan-Germany 2+2 talks" and joint exercises between the German military and the Japanese Self-Defense Forces. We hope that active exchanges in the defense field will continue, which should serve as an effective message of deterrence. On the other hand, in non-defense fields, especially in industry, there remain significant challenges in expanding networks and connections across Japan and Germany. As a part of the solution to this problem, we propose that the public and private sectors work together to provide opportunities for exchange to build trust and forge constructive relationship among young professionals who will play a key role in future Japan-Germany relations** . And we would like to introduce the "German-Japanese Young Leaders Forum" initiative of the Japanese-German Center Berlin as a model case for this kind of approach.

(*) The "German-Japanese Young Leaders Forum" is an exchange program that brings together highly promising young professionals from Japan and Germany at a summer school to deepen mutual understanding through discussions on political and social topics at eye-level. Furthermore, the "Young Leaders Forum Alumni Association" holds annual alumni conferences and organizes other events such as "sustainability talks". The aim is to build a sustainable network that will drive future Japanese-German relations.

We sincerely hope that the outcome of our discussion will provide useful clues to further strengthening the Japanese-German relationship and to contributing to the prosperity of future generations.

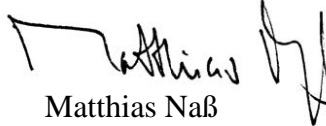
Kindly allow us to once again express our heartfelt gratitude for the continuous support that you, Prime Minister Ishiba and Chancellor Scholz, have given the Japanese-German Forum. We sincerely appreciate your strong interest in our activities.

Respectfully yours,



Eizo Kobayashi

Japanese Chairman



Matthias Naß

German Chairman