Message from the President

The author sincerely thanks you for your continued understanding and generous support of the activities of the Kajima Institute of International Peace (KIIP). Thanks to your support, KIIP celebrates its 60th anniversary in 2026. My grandfather, Morinosuke Kajima, born in 1896, experienced four wars—the Russo-Japanese War, World War I, the Sino-Japanese War, and the Pacific War—and established KIIP with the aim of "securing peace with indomitable determination." My father, Wataru Hiraizumi, who succeeded him, was born in 1929 and also lived through wartime until the age of 16 at the end of World War II. Determined to prevent war, he became a diplomat.

Today, however, the permanent members of the UN Security Council—the United States and Russia—entrusted with nuclear weapons and veto power to stop wars, have instead initiated conflicts unilaterally. China, dissatisfied with the existing international order in which it did not originally participate, has ignored rulings of the International Court of Justice. It can be said that we are now in a situation where war could break out anytime, anywhere.

In light of this, KIIP has set the theme for its 60th anniversary as *"The Collapsing Postwar International Order and the Looming Fiscal Crisis in Developed Countries,"* and aims to generate ideas to "secure peace with indomitable determination."

In last year's annual report, the author characterized the second Trump

administration as a political manifestation of an as-yet-unverified Fifth Great Awakening movement. The author assessed its economic (trade) policy as mercantilist; its domestic governance as quasi-absolutist (an expansion of executive power); its social policy as anti-Enlightenment and anti-progressive; and its foreign policy as reactionary, regressive, restorational, and a return to a pre-international-law era. Based on the duration of previous awakenings, the author suggested that Trump-style "America First" administrations might persist until around 2040, proceeding from the premise that the movement was sparked by CNBC reporter Rick Santelli's comments during a live broadcast on February 19, 2009, and later manifested itself in the Tea Party movement that became prominent during the 2010 U.S. midterm elections.

One year later, the reality has proven far more disastrous than anticipated. The United States—entrusted as a permanent member of the UN Security Council with stopping wars—has unilaterally attacked Venezuela and kidnapped its prime minister, launched war against Iran alongside Israel, hinted at annexing Canada and Greenland, and suggested possible attacks on Cuba. Rather than upholding President Woodrow Wilson's post–World War I principle of self-determination, the United States has transformed into a multi-national empire asserting dominance over the Western Hemisphere.

This imperial structure—comprising a "multi-national plus sphere of influence"—is similarly seen in Russia (with Ukraine and Georgia) and

China (with Xinjiang and the Scarborough Shoal in the South China Sea). The United States can thus be seen as aligning not with self-determination, but with empire. Does this mean the world will be divided under a "new Yalta system" among three great empires—the United States, China, and Russia? What will become of Taiwan? And Japan? The United States, being driven by little intrinsic value and focused on maximizing its own interests, may not hesitate to use Taiwan and Japan as bargaining chips in a "deal" with China and Russia. In any case, there is no longer any nation capable of stopping war, and conflict could erupt anywhere at any time.

If further explanation is needed: the United States has failed to pay its UN dues, criticized military alliances such as NATO as "free riding," and hinted at withdrawal. It has ignored the core postwar values of self-determination, free markets, and democracy—advocating the Monroe Doctrine, imposing tariffs, expanding executive power, and abandoning DEI (Diversity, Equity, and Inclusion) policies. Rather than sharing our values, it appears closer to those of China and Russia.

Donald Trump became president by faithfully adhering to the "Roy Cohn Rule," taught to him by Roy Cohn—famous for his role in McCarthyism—who helped settle disputes over alleged discriminatory practices in Trump's real estate business. These rules are: (1) never admit fault or apologize; (2) attack, attack, attack your critics; and (3) always claim victory to the press at every stage. He continues to govern by these

principles. Even if he loses midterm elections or faces impeachment, he dismisses election results as fraudulent and remains unremoved due to failing to meet the two-thirds Senate threshold. Thus, he will likely continue these policies throughout his term and has even hinted at a third term.

After the Venezuela attack, he reportedly declared, “I do not need international law. The only things that can stop me are my own ethics and conscience.” For Trump, the “Roy Cohn Rule” represents a formula for success in the United States: never reflect on problems; maintain an aggressive stance and they will resolve themselves.

While maintaining this posture, Trump has systematically consolidated power—staffing the executive branch with loyalists, replacing dissenting legislators, redrawing electoral districts to favor Republicans, and reshaping the judiciary by appointing numerous judges. There have also been rumors of financial improprieties involving cryptocurrency and insider trading linked to Trump and his sons’ family business, alongside alleged manipulation of IRS leadership to avoid tax investigations.

In the face of such a Trump administration, Japan’s path forward lies in assuming that the United States will not return to normalcy in the near term and pursuing a strategy of comprehensive diplomacy, economic security, and strengthened societal resilience.

Comprehensive diplomacy means reducing excessive dependence

on the United States in security matters and on China in economic matters. In particular, Japan should deepen ties in diplomacy, security, and economics with Pacific nations that share its values—such as Canada, Mexico, Chile, Australia, and South Korea—all members of the CPTPP. This would reduce dependence on China, strengthen supply chain security, ensure resource access, and mitigate geopolitical risks.

Enhancing societal resilience includes strengthening disaster preparedness—such as improving earthquake and flood resistance, expanding earthquake insurance via reinsurance, and redistributing population from alluvial plains to more stable uplands. Above all, it requires rebuilding Japan's economy, which has stagnated for over 30 years. Approximately 60% of corporations operate at a loss and pay no corporate tax, and the profitability of leading Japanese firms (TOPIX 500) is about half that of their U.S. counterparts (S&P 500), limiting their ability to invest in innovation.

While retained earnings are often criticized, they are a natural outcome of a system where firms prioritize survival over profit, especially following the credit crunch after the bubble collapse. Without redefining the purpose of corporations in Japan, this issue cannot be resolved. With lifetime employment and seniority-based systems already eroding, it may be time to rethink a model centered on survival and employment preservation.

Amid these turbulent developments during KIIP's 59th year (FY2025), the Institute established the following five new research workshops:

- ISDP & University of Warsaw Joint Workshop: *"Japan–Central and Eastern Europe Cooperation in the Indo-Pacific (with Poland as a Strategic Lever)"* (Chair: Prof. Takashi Sekiyama, Kyoto University)
- ISDP & Prospect Foundation Joint Workshop: *"Strategic Cooperation among Taiwan, Japan, and NATO in the Indo-Pacific (Lessons and Opportunities from the Baltic States)"* (Chair: Nobukatsu Kanehara, Councilor of KIIP)
- Joint Workshop by Kyoto University, King's College London, Arizona State University, and UNSW: *"Comprehensive Security Cooperation in the Indo-Pacific"* (Chair: Takashi Sekiyama, Professor, Kyoto University)
- Workshop on Key Currencies (Chair: Tomoko Hayashi, Senior Advisor, Economic and Social Research Institute, Cabinet Office; Former Deputy Director-General for Economic and Fiscal Analysis, Cabinet Office)
- PHP Institute Joint Workshop: *"Post-Secularism and Japanese Society"* (Chair: Masafumi Kaneko, President, Thinktank PHP Institute)

Meanwhile, the following research groups successfully concluded their activities:

- PHP Institute Joint Workshop: *"Religion and the Contemporary World"* (Chair: Masafumi Kaneko, President, Thinktank PHP Institute)
  → Resulted in the publication of *"Lectures on Religions that Move the World"* (March 2026, PHP Shinsho, edited by Satoshi Ikeuchi)
- Joint Workshop on *"Comprehensive Security Cooperation in the Indo-Pacific"* (Chair: Takashi Sekiyama, Professor, Kyoto University)
  → Public seminars held on November 14, 2025 (Tokyo, International House of Japan) and November 17, 2025 (Kyoto University Yoshida Campus)

https://securityanddefenceplus.plusalliance.org/events/joint-conference-comprehensive-security-indo-pacific/

Finally, we welcomed Mr. Takeo Akiba (former Secretary-General of the National Security Secretariat and Vice Minister for Foreign Affairs) as a new board member, succeeding Mr. Masaki Senoo (former Ambassador to Norway).

We also received notice that Auditor Hiroshi Fukada, a lifelong friend of the former President since their school days and career in the Ministry of Foreign Affairs, will retire. Over the ten years since I became President, he has been an invaluable advisor. His insistence that board

meetings be limited to one hour led to the creation of pre-meeting sessions where project leaders present and engage in discussion with board members—an initiative that has proven highly meaningful. I would like to express my deepest gratitude for his many years of service.

May 31, 2026
Nobuyuki Hiraizumi
President, Kajima Institute of International Peace