

**KAKAZU, HIROSHI**, Professor Emeritus, University of the Ryukyus, OKINAWA

**New Waves in the Ocean: Cross-jurisdictional Challenges and Collaborations  
-Networking of Taiwan and Islands of Okinawa-**

Panel: Sustainable Growth

**Background**

Okinawa is much closer to Taiwan (394 miles) and Shanghai (512 miles) than to Kyushu (625 miles) or to Tokyo (1,000 miles) on which the Okinawan economy heavily depends today. If geographical proximity were a key factor for a successful regional socioeconomic networking, since it implies lower transaction costs such as for travel, transportation, and communication, then it would be natural for Okinawa to have much closer economic ties with Taiwan and islands of Okinawa and Amami. It takes only an hour by airplane from Naha to Taipei, and on a clear day we can see Taiwan's highest mountain "Gyokuzan" from Yonaguni, the westernmost island of Japan.

**Methods and Results**

This paper demonstrates how the models of networking and "growth triangle (GT)", developed by this author, can be applied to island-to-island socioeconomic networking given certain conditions. This paper is an advanced version of my keynote presentation at the first ISISA meeting, held in Okinawa twenty years ago. GT can be defined as transnational economic zones spread over well-defined, geographically proximate areas covering three or more island regions where differences in socioeconomic endowments are exploited to promote socioeconomic exchanges. GT is also referred as "natural socioeconomic territories". As success story is found in the "SIJORI GT," comprising Singapore, Malaysia's Johor State and Indonesia's Riau Islands.

Yonaguni, a "sister city" with Taiwan's Hualien, has proposed a "Yonaguni-Taiwan Cross-border Exchange Special Zone" to the Japanese Cabinet Minister. The Special Zone aims at Yonaguni's sustainable development through direct socioeconomic exchanges between Yonaguni and Taiwan, particularly through direct trade. Yonaguni prospered through direct trade with Taiwan until the early 1950s. In September 2010, the Yonaguni-Hualien Exchange Development Association (YHEDA) assisted Yonaguni farmers to import fertilizer from Taiwan, which was 30-40% cheaper than imports from mainland Japan. The YHEDA is planning to import other basic goods from Taiwan. Yonaguni's innovative idea should be extended beyond Yonaguni-Taiwan bilateral trade to form a Taiwan-Okinawa-Kyushu GT (TOK-GT).

**Issues and Discussion**

Although economic and cultural ties between Taiwan and islands of Okinawa have been on the rise in recent years, there are many hurdles to be overcome in order to realize meaningful networks between two regions. Particularly, issues such as regional initiatives to form a GT networking, socioeconomic complementary relationships among the regions, regulations, commercial practices, border disputes over the Senkaku/Diaoyu/Diaoyutai islands, and above all diplomatic relations must be discussed.