Session 6: Non-Traditional Dimensions of Energy Security (II)

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Socio-Economic Impact in Northeast Asia

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Current energy security issues are broad-ranging, with considerable impact on food production and prices, economic well-being such as inflation and employment, migration and refugee problems, the living conditions of humankind as well as the socio-political stability of nations. These pose a risk of an 'energy tsunami', as quoted by one of the speakers, in particular for Northeast Asia, wherein this potential problem could be aggravated with the region's persistent dependence on imported energy resources, its diverse mix of countries with varying levels of socioeconomic development, its lagging behind of renewable energy research and development (R&D) as well as the lack of a regional energy network and policy harmonisation measures.

However, Professor Iida argued that there is still room for growth in the R&D of renewable energy in Northeast Asia, with Japan spearheading alongside Western countries, bottom-up energy transformation, as indicated in the Japanese climate change strategy 2008 which aims to further reduce greenhouse gas (GHG) emissions, although this endeavour would not be easy. In the case of Japan, part of its energy market is liberalised but is still economically and politically monopolised and hence difficult to change. The support for renewable energy use was further beset by accidents, such as the earthquake which had caused minor radioactive leakage at one of the world's largest nuclear power plants in Japan in 2007.

Nevertheless, there is still substantial social innovation at the local, national, regional and global levels, with other conceivable renewable energy sources being explored for exploitation, one of which being wind power. Denmark, which has had a comprehensive wind power R&D base, had been instrumental in associated technology and the knowledge transfer to Japan, such that the Tokyo Metropolitan Government had conceived the ambitious Tokyo Renewable Energy Strategy 2006 to achieve a 20 per cent share for renewable energy in the total energy mix by 2020, through applying the 'principle of subsidiary' for its renewable energy policy, as well as strategic collaboration between national, international and non-state organisations. With the success in this project, Tokyo would be able to disseminate wind power expertise to the entire nation.

With the close interconnection between energy security, socio-economic development and environmental protection, the welfare of end-users is linked to developments in the energy sector and the socio-economic effects of changes in energy prices could affect all nations, even though the brunt of the impact would be on the households and the individual end-user. Southeast Asia, characterised by diverse levels of income and development, is not immune to such impacts. Its endowment of abundant natural gas and coal supplies notwithstanding, the region has been heavily reliant upon oil imports since such energy sources are crucial for power generation and transportation.