



A Thousand Origami Cranes to Japan

India should send its best help and wishes to Japan in its moment of crises

ROHIT KOCHHAR

The Japanese paper crane is probably the most recognisable model of origami — the Japanese art of creating three-dimensional sculptures from sheets of paper. It is believed that anyone who folds a thousand origami cranes is granted the wish of long life or recovery from an illness or injury. Today, when Japan's beauty has been torn asunder by the fury of nature itself, it needs this wish to be fulfilled more than ever.

Reams have already been written on the triple tragedy that has befallen Japan, which is no stranger to pain. Written off after the cataclysmic events of the World War II, Japan rose like a phoenix from the ashes to become a world-class producer, exporter and financier. Whether it is anime, sushi or automobiles, Japanese influence cannot be denied.

Japan has also been a long-standing ally and influence for India. Currently India's third-largest source of foreign direct investment, Japanese companies have made cumulative investments of \$2.6 billion in India since 1991. Japan also ignited the automobile revolution in India and we are now the second-largest automobile market in Asia. Several Japanese companies have manufacturing operations in India with reliance on supply of critical automobile components from Japan.

The impact of the triple tragedy in Japan has not been immediately felt in India. However, the unfortunate events unfolding in Japan have forced crippling rolling blackouts on Japanese industry. This has caused many Japanese companies to either postpone or reschedule their manufacturing



plans. The adverse impact on the supply chain of auto components, which translates in India as at least a short-term shortage of several components, may not be felt for a couple of weeks due to stock reserves. However, if the situation continues, the effects shall soon be apparent. The situation is bound to intensify by the swiftly-spiralling yen that would cause upward revisions in the prices of automobile components, thus affecting the end-product and the market India poses to be.

Similarly, Japan is a major supplier of products like logic chips, film, memory chips and similar components. Their short supply will have a domino effect on imaging and printing companies. Canon has already predicted that glitches in supply of critical components will affect its revenues from India operations this year.

Although Japan only accounts for 2% of India's exports, an adverse impact is significant for the industries that account for these exports. India is Japan's major supplier of polished diamonds with exports worth \$33.1 million. In this climate of death and loss, as the country focuses inward on rebuilding and sacrifice, the appetite

of the Japanese consumer for luxury items shall be blunted. Similarly, fears have been expressed that the \$2-billion Indian seafood export industry will be impacted negatively as several seafood factories and processing units that trade with Indian exporters were located in Sendai and have suffered considerable damage.

New Delhi should actively pursue policies to share Indian human power generously with Japan

However, all this pales in comparison with the possible effect on what Japan has generously treated India to for many years: yen loans. Yen loans have helped fund several major projects such as the Delhi Metro, the Durgapur steel plant and the Bhakra-Nangal and Hirakud dams. India receives about \$2.4 billion a year from Japanese funding. As the Japanese government plans to dedicate \$127 billion for crisis lending, there would definitely be an impact on the funds coming India's way. Hence, the collective fate of several projects, either ongoing or in conception stage, such as the Delhi-Mumbai Industrial

Corridor Project and Dedicated Freight Corridor Projects on the Mumbai-Delhi and Delhi-Howrah routes is intertwined with the fate of Japan.

Which is why India awaits the sunrise again in the land of the rising sun. Given the famous Japanese resilience, one hopes that the wait will not be too long. Once Japan steps on the road to rebuilding and recovery, any short-term losses for India should translate into long-term gains as it participates in reconstruction efforts. Also, Japanese companies with existing operations in India may consider shifting further operations to the country resulting in more employment and inflows.

Hence, at this critical juncture, it is important to not only look towards the future of India but also of Japan. Mere platitudes about Japan's resurgent nature are not enough. Over the years, Japan has been the fastest off the starting block to help any country facing a humanitarian crisis. The time has come to give back.

The greatest strength India has is its human power. We have gained considerable experience in reconstruction after the 2006 tsunami. Our social development sector has expertise in disaster management. This is a time when the human touch is not only the most important factor for Japan but also the most appreciated. Recognising this, members of some Indian companies have stayed back — not willing to abandon their extended Japanese families in their time of need.

In 1949, as a symbol of solidarity, India had gifted two elephants to the Tokyo zoo. Today, the Indian government should actively pursue policies to share Indian human power generously with Japan. We should metaphorically help Japan fold a thousand origami cranes and wish it a swift recovery in a way beyond mere words. Our actions today define our future with Japan tomorrow.

(The author is chairman and managing partner at Kochhar & Co)