

【書 評】

通商産業政策史編集委員会編，尾高煌之助著

『通商産業政策史 1 総論』

経済産業調査会 2013.1 646 ページ

In the first, overarching, volume of this new 12 volume series on Japan's trade and industry policy over the period 1980-2000, Professor Odaka has drawn on the more detailed findings embodied in the other volumes, but has also sought to complement them through focussing on the ideas behind policy and locating the policies and decisions of the 1980-2000 period in the longer term trajectory of Japan's economic development. The result is an impressively wide-ranging picture of how policy makers and bureaucrats, particularly in the Ministry of Trade and Industry, articulated and implemented policies and responded to changing domestic and global imperatives since the Occupation period. While industrial and macro-economic policy came under the same ministerial aegis only with the absorption of MITI into the new Keisanshō in 2001, this rich account shows the close integration of the two long before then. The author acknowledges that analysis of the outcomes of the policies described here lies beyond the scope of this volume. In many cases the time period is too recent to allow for a proper evaluation, and the questions of how far the objectives were appropriate at the time, and how far the outcomes delivered on those objectives remain to be fully addressed. Nevertheless, this meticulously researched volume will without doubt be essential reading for anyone concerned to understand better the evolution of Japan's trade and industry policy and the ideas behind it.

This volume is composed of two main parts. An introductory chapter introduces the methodology, sources and focus of the project, and outlines the successive 'visions' articulated by the authorities. Section 1 (chapters 1-5) starts from the premise that trade and industry policy is dependent upon three main tools: funds, rules (regulation and legislation) and organisation. Starting with a discussion of policy ideas and methods, the chapters then look at policy tools such as budgeting, investment, loans, legal frameworks and taxation, and the organisational and personnel frameworks characterising relevant ministries, agencies and subsidiary organisations. Section 2 (chapters 6-12) offers a more specific breakdown of different policy aspects, drawing in many cases on the more detailed analyses presented in other volumes of the series. A concluding chapter confirms the main findings of the project.

By embedding the last two decades of the 20th century in the longer term Professor Odaka highlights the extent to which these decades marked an enormous transition in Japan's economy and its global position. The contextual factors for this transition were both internal and external. At home, in the wake of the rise of the yen, the bubble economy and worsening government finances during the 1980s, policy-makers had progressively less freedom to make use of tools such as tax-breaks, interest rate support and subsidies that had characterised trade and industry policy during the high growth rate era. The Big Bang, the freeing up of financial markets and the eventual privatisation of postal savings contributed to the declining importance of investment and loans as policy tools, especially into the 21st century. Officials therefore needed to focus on alterna-

tive tools for the achievement of policy objectives. Policy implementation became less dependent on 'administrative guidance' and more on legislation. More fundamentally, the policy objectives and ideas behind them had to change as Japan was increasingly shown to have 'caught up' with the world's leading industrial powers. The original focus on infant industry protection, the protection of small/medium businesses and the establishment of internationally competitive industries became not only increasingly redundant for Japan's changed situation, but also a core element in trade disputes, particularly with the United States. The very success of Japan's earlier postwar economic growth, and, by implication, of some of its earlier trade and industry policies, therefore ultimately necessitated changes in those same policies. Political change was also a major factor. Significant administrative reform was associated with increased political involvement in policymaking through the 1990s, and the much-famed collaboration between politicians and administrators that characterise many accounts of trade and industry policy in earlier postwar decades was less and less in evidence. Politicians were often only around for short periods, and could never be regarded as having a neutral agenda, while much of the resources and knowhow remained with the bureaucrats. In 2001 a radical new personnel system at the new Keisanshō strongly confirmed a move away from the generalist bureaucrats of earlier generations. Japan was not alone in this growth of tensions between the political and the administrative, but it has contributed to declining public expectations regarding the role and the effectiveness of government, as the author makes clear.

These changes in the domestic macro-economy, and Japan's political economy, did not, of course, occur in isolation from external

factors. The years after 1980 brought an accelerated exposure to external influences and pressures, and a globalisation process that necessitated a more flexible response on the part of policymakers, and drove major shifts in thinking about the objectives behind trade and industry policy, what it should focus on, and what its main tools should be. In practical terms bilateral trade frictions had to be addressed, as well as the greater global integration of trade rules and the existence of international bodies such as the WTO and APEC, which placed concomitant constraints on Japan's freedom to pursue independent initiatives. Nor could 1990s Japan, wrestling with economic problems following the collapse of the bubble economy, expect to remain immune to external intellectual currents, including the so-called 'Washington consensus' emphases pioneered by Ronald Reagan and Margaret Thatcher. One of the author's main themes in this analysis is the environment of regulatory reform and the transition away from market-manipulating policies of the kind referred to by Alice Amsden as 'getting the prices wrong' and towards market-conforming policies. There was more consideration of competition and a recognition that enterprises needed to bear more market risks themselves. This change of direction did not, Professor Odaka argues, render trade and industry policy redundant, but rather gave it new directions. It left behind the central focus on industrial growth, seeking instead to ensure that markets functioned more efficiently, at the same time addressing domestic social policy issues and the provision of human capital, and the new global concerns about environmental protection, resource use and climate change.

In line with this shift of emphasis and need for flexibility, policy became more responsive and less proactive, responding to problems rather than seeking to pre-empt them. Industri-

al policy in particular became less concerned with the building up of particular industries, looking instead to limit industrial hollowing out and focussing on industries in which Japan might obtain comparative advantage through the improved application of science and technology. The promotion of leading edge technologies, often through cooperation between universities and the private sector, and the need for Japan to develop frontier research and development, became a feature of policy from the 1980s. A less acknowledged shift beginning in the 1990s was towards consumption and away from production. Legislation strengthened consumer protection, while the repeal in 2000 of the Large Store Law that had protected small retailers since 1973 was closely associated with changing views of the interest of consumers. Small and medium business overall faced a dramatically different environment following legislative change in 1999. A focus on energy and energy-saving, already conspicuous from the first Oil Shock, became far more pronounced from the 1980s, and accounted for a major part of all trade and industry policy-related expenditure.¹⁾ At the same time, the energy sector was subject to deregulation, though the 2011 disaster at Fukushima not only brought disarray in energy policy, but has also cast doubt upon the effectiveness and value of such deregulation. A new emphasis on recycling and environmental considerations characterised policy initiatives in a way never seen up to the 1970s.

It is impossible within a short review to do justice to the wealth of information and sensitive analysis in this volume. Its approach to historical change as a continuous dynamic, and its ability to locate the policy specifics within the broader economic, social and political context, within Japan and globally, will ensure that it remains a seminal work on the topic for many years to come. Historians, economists and

political scientists all have reason to be grateful to Professo Odaka and his colleagues for the production of this series.

Note

1) Total expenditure = both general budget and special accounts.

[Janet Hunter]