# Joining the Global Village\*

#### 1. Introduction

Japan's leaders talk incessantly about the nation's growing international role. Yet at every turn they betray a provincial, shortsighted attitude that Japan's interests are fundamentally at odds with the rest of the world. This outlook, and the elite that molds it, are hopelessly outdated.

Internationalization is the political buzzword of the 1980s here. Mention of it is practically de rigueur in speeches, press conferences, essays and articles. Yet the opinion leaders who bandy the word about seem totally in the dark as to why or how Japan should integrate itself into the global community.

Internationalization has become a cliche, a stock bit of rhetoric devoid of content. Most Japanese seem to think it will occur spontaneously if our leaders invoke it often enough.

Only concerted effort will accomplish the revolutionary changes needed to bring our customs, institutions, and policies into harmony with the rest of the world. In the long run, this undertaking will benefit us the most.

# 2. Misguided Efforts

One school of thought, endorsed by the Nakasone administration in the mid-1980s, says that Japan must reaffirm its cultural identity before it can win acceptance. This paradoxical proposition might hold water if the world revolved around Japan. Obviously, it does not.

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Japanese modernization since the 1868 Meiji Restoration has been the story of rapid, sometimes radical, Westernization. Our leaders have had few qualms about forcibly altering or discarding hallowed customs and practices when it suited national economic or military goals. Now, they say the way to internationalization lies in asserting our 'Japaneseness.' Strange logic.

Recent attempts to impress the West with the wonders of Japanese culture have met with superficial success at best. Understandably, the average American fails to grasp the connection between the civilization that created Noh and the tea ceremony and that which now inundates the U.S. market with Walkmans and Toyotas.

Unfortunately, even as our words have extolled the virtues of internationalization, our deeds have led us inexorably down the road to global isolation.

Trade friction has triggered a crisis in relations with our most valued partner, the United States. The growing perception of Japan as an economic menace rather than a trusted ally has spurred Western Europe to form a massive trading bloc that may leave Japan out in the cold. Bitterness over Tokyo's 'economic aggression' and reluctance to transfer sophisticated manufacturing technology has soured relations with South Korea and the other newly industrialized economies (NIEs) of Asia.

With nations as with individuals, wealth and power inspire resentment, not admiration, unless used wisely. Mindlessly doling out dollars is not enough, although economic assistance is sometimes called for. Real aid means providing goods, service, people, and technology. It also means helping to maintain such common assets as the free trade system, world peace, a stable energy supply, and a healthy global environment.

Other countries are constantly signaling us what they need and expect, and these signals change over time. Internationalization means responding quickly and appropriately.

This is not Japan's strong suit. We have been far too absorbed in supporting entrenched domestic interests and perpetuating our peculiar social and economic practices to watch which way the wind is blowing beyond our shores. No wonder our occasional efforts at internationalization fall flat.

# 3. No Moral Obligation

Many opinion leaders have tried to persuade the public that it is Japan's inherent duty as an economic superpower to make trade concessions, protect the global environment and expand and diversify development. This line of argument misses the point.

Although every country has an obligation to help rectify the environmental damage it has caused, there is no moral imperative to offer handouts commensurate with its wealth. Foreign governments that act as if aid from Tokyo were an inalienable right should bear this in mind.

Japan does owe a moral debt to the victims of its aggression before and during World War II, but that is a separate issue.

Nonetheless, our leadership and mass media piously urge us to shoulder international burdens nobly as befits a major economic power. The assumption seems to be that preventing environmental catastrophe, defending democracy, protecting free trade, and guaranteeing national security are not in Japan's own interest.

If the free trade system degenerates into trading blocs, as seems to be happening in Western Europe and North America, resource-poor Japan could find itself economically isolated, without sufficient energy or food to support its population and industry.

Expenditures aimed at averting such a disaster are enlightened self-interest, not sacrifices.

The same logic applies to farm-import liberalization. Yet Japan's leaders, while supporting free trade in principle, stress that all countries make an exception of agriculture.

Japan is in no position to excuse its own sins by pointing to those of others. Moreover, such a justification supposes that the average citizen some how profits from restricting foreign meat and fruit.

In fact, liberalization would benefit all Japanese consumers through access to rice and other food-stuffs produced more cheaply elsewhere. The other side of the free-trade coin is that cameras and other high-quality goods manufactured here at relatively low cost are available overseas.

Internationalization may entail short-term sacrifices but it assumes a long-term mutuality of interests.

### 4. Failure of the Elite

Although perceptive responses are essential to earn global respect and acceptance, a country of Japan's stature should take the initiative, not just react.

Consider the chlorofluorocarbons (CFCs) commonly used in aerosols and refrigerators. Bombarded with the message that CFCs are destroying the ozone layer and exposing all life to harmful ultraviolet rays, Japan eventually agreed to phase them out by the end of the century. This is all very well, but why were we not the ones urging others to abandon CFCs?

This same lack of initiative is glaringly evident in international politics. As a major purchaser of Middle East oil, Japan could have played a key diplomatic role in negotiating an end to the Persian Gulf war. Yet the Takeshita administration did practically nothing. Why is Tokyo always a spectator?

The fault lies with an anachronistic ruling elite. Japan's political institutions can no longer adapt to domestic changes, let alone developments overseas.

The powerful bureaucracy is credited with engineering Japan's postwar success. But its methods and ideology are relics of the prewar era. Domestic and external economic changes over the past 20 years have left officialdom hopelessly adrift.

Instead of educating a new breed of administrator, we preserved the prewar system. The University of Tokyo remained the training ground for the bureaucratic elite, and the civil service continued to be a stronghold of sectionalism, red tape, and paternalistic overregulation.

An overhaul of the system is long overdue. The political turmoil since the Recruit stock-for-favors

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scandal surfaced in June 1988 is the price of neglecting reform.

After 34 years of rule by a conservative party and bureaucracy, the public is desperate for real political leadership. But neither the scandal-ridden Liberal Democratic Party nor its major challenger, the Japan Socialist Party, is trained for the role.

Japan's sociopolitical systems are woefully inadequate for a country with the world's second largest gross national product. And they are drastically out of step with the other industrial democracies.

This weakness first appeared in the late 1960s in the dispute over textile exports to the United States. The domestic repercussions were felt about 10 years later, as special and local interests protected by the government came into ever sharper conflict with the general welfare.

Today we see the dismal consequences. Income levels do not reflect sectoral productivity. The tax system is grossly unfair; land prices have spiraled to the point where it costs about 100 times more to purchase a home here than in the United States. The government is run by corrupt, inept officials who capitalize on these anomalies and inequities.

Much is made of the fact that Japan's per capita GNP has surpassed that of the United States in dollar terms. But a dollar GNP means nothing to the average Japanese family, whose food, clothing and housing are much more expensive than those in any other major industrial country.

Japan's power elite is too small and incompetent to cope with today's challenges. The domest consequences of this deficiency are bad enough, but the effect on foreign relations has been devastating, witness the constant bickering with Washington.

One glaring shortage is in qualified diplomats. Japan can no longer coast along on Uncle Sam's coattails. We must cultivate our own political and economic ties with other countries.

Effective diplomacy depends on skillful communication. Japanese diplomats obviously need to know their host country's language. Yet only a few foreign service officers are reasonably fluent in such languages as Chinese and Russian, let alone Arabic or Swahili. Internationalization requires many hours in the language lab.

## 5. Hoarding Technology

Technology transfer is another problem area. The Asian NIEs (Hong Kong, South Korea, Singapore, and Taiwan) need Japanese technology to catch up with the advanced nations. The less-developed countries depend on secondary transfer from the 'four tigers' to keep their economies moving. And the advanced industrial world increasingly looks to us for cutting-edge technology in fields like semiconductors, artificial intelligence, ceramics and fiber optics.

Japan's basic policy is to export finished products but not the know-how that goes into making them. There is a special wariness about the four tigers. Business leaders and bureaucrats fear that this time Japan may suffer the same 'boomerang effect' that hurt U.S. industry: American firms licensed technology to Japanese companies, which then flooded the U.S. market with reasonably priced, high-quality goods.

Continued withholding of the know-how behind our material success will isolate Japan. To sustain economic growth and avoid needlessly antagonizing the NIEs, we must make our knowledge available and develop new technologies.

Unfortunately, even if we had the will to do this, we lack the personnel. Japan urgently needs engineers who can pass on technical expertise and creative scientists to pioneer new fields of research.

This points to the necessity of upgrading our human resources. But higher education is utterly illequipped to produce far-sighted, cosmopolitan people. Too often, the faculty babysits adolescents until they can enter the job market. We need colleges and universities committed to learning and research.

## 6. Renouncing Submissiveness and Conformism

We have achieved economic success over the past 15 years at the expense of domestic living standards and smooth international relations. The country emerged unscathed from the energy crises of the 1970s and the currency realignment of 1985—87 by making ordinary people foot the bill.

The public's interests were repeatedly sacrificed to industry's. Companies were spared the cost of

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antipollution measures until disaster struck. Families were encouraged to save for old age and illness on the grounds that the state couldn't provide care.

After the yen rose against the dollar and other currencies in late 1985, corporations and utilities were able to buy materials overseas cheaply. But instead of passing the savings on to consumers, they kept prices high and pocketed the difference.

As business leaders are fond of pointing out, the strong yen has made Japan's wages among the highest in the world in dollar terms. No need to raise them any further, management says; just lower the cost of living. Meanwhile, companies jack up prices whenever they get the chance, using the new 3 percent consumption tax to gouge the public even more.

Trained to endure, Japanese believe that grumbling is unseemly. After all, as the mass media tell us every day, Japan is now fabulously wealthy. What is there to complain about?

Conformism and fear of ostracism have kept the people in line. Those with the temerity to suggest that all is not well have been shunned as ingrates or fanatics. Until recently, the vast majority suppressed any lurking dissatisfaction and cast their vote for the status quo.

With a relatively small defense budget to boot, no wonder our economy is such an awesome force. It also explains how the ruling elite grew fat in the process.

But now people are beginning to complain that they have been denied the fruits of economic achievement, and other countries are fed up with our trade practices. These demands coincide.

The best way to ease trade friction is for the Japanese public to renounce submissiveness and conformity and insist on their share of prosperity. When workers demand shorter hours and more vacations, and consumers demonstrate for imported goods at lower prices, internationalization will soon follow.

Japanese have gotten a raw deal from their leaders. It is time we asserted ourselves.

Japan's national interests can and should dovetail with those of the world. Bringing them into harmony would make us respected members of the global village and sustain prosperity.

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