

Don't Push Uniqueness

By Masuda Minoru

For a while now, some people have sought to find the cause of trade friction between Japan and the West in cultural differences rather than economic factors. The argument states that Japan's social structure and the mentality of its people, stemming from its culture which is quite different from the West, are the basic reasons for these tensions. This is the view of the so-called revisionist school. According to them, it seems, to cutback on Japan's trade surplus she must change her culture, and mental and behavioral changes will naturally follow.

If we take this a step further, to achieve global peace, the entire world would ultimately have to have a uniformed culture, with the many different cultures disappearing in favor of just one. That is to say, Japan would have to abandon its own culture and be absorbed into the West, otherwise it will be wiped out. Of course the revisionists do not go so far as to say this, but it is the logical conclusion. In fact, their arguments remind me of the loud ravings of the Nazis and Japan's ultra-nationalists of the past.

Fortunately, many oppose such revisionist arguments. Before the current round of economic tensions began, the Japanese were attracted to Western culture and adopted it at the expense of part of their own tradition. Likewise, many Westerners have shown a keen interest in Japanese culture. It is exactly cultural differences which people find attractive.

The summer issue of the U.S. magazine *Foreign Affairs* carried an article by Harvard University Professor Samuel Huntington entitled "The Clash of Civilizations?" which has drawn much attention.

Dr. Huntington asserts that with the end of the Cold War the next seeds for conflicts are likely to be cultural rather than ideological or economic. One thing which annoys me is that he identifies Japanese culture as being "unique." Revisionists also regard Japan as unique, a description some might find flattering, but, it also implies

a strange fellow different from anyone else. We should not be flattered at being labelled a unique country. But the fact is that it was the Japanese who originally propagated this idea. Again, it is the Japanese who love to explain Japan's economic success in association with its culture and tradition. But, it is not favorable to claim oneself as unique.

COMING UP

Together with the distribution system, another Japanese business practice—*keiretsu*—has long been the target of criticism from abroad and sometimes from within the Japanese business world as well. However, according to a recent report released by the U.S. General Accounting Office, U.S. businesses are now moving to adopt the practice just as Japan is shelving it.

A proper translation and definition of *keiretsu* does not really exist, demonstrating a lack of correct understanding of the practice.

In the next issue of the *Journal* we will review the practice from various angles.

Note: When this issue reaches you, there will have been some personnel changes in our office. Masuda Minoru became the chairman of the Japan Economic Foundation and the publisher of the *Journal of Japanese Trade and Industry* as of the 26th of July, succeeding Akazawa Shoichi, who has retired to concentrate on his own business activities as chairman of TEPIA, Inc.

Mr. Masuda, the new chairman, has been the president of JETRO (Japan External Trade Organization) for the past four years, after having served as a high official of the Ministry of International Trade and Industry for many years.

There has also been a change in the editing staff of the *Journal*. Ms. Misu Ritsuko, who passionately devoted her energy to the editing of the magazine since the publication of the first issue 10 years ago, has left our office as of the 30th of September. We thank her for her contribution to the *Journal*.

Correction: Due to a translation error, the Close-Up article, "Background to the 'Northern Territories' Conflict" in the August/September issue incorrectly identified Yoshida Shigeru as the prime minister who appointed Matsumoto Shun'ichi to enter into negotiations with the Soviet Union. The prime minister at the time was Hatoyama Ichiro.

The *Journal* welcomes letters of opinion or comment from its readers. Letters, including the writer's name and address, should be sent to: Editor, Japan Economic Foundation, 11th Floor, Fukoku Seimei Bldg., 2-2 Uchisaiwai-cho 2-chome, Chiyoda-ku, Tokyo, 100 Japan. Letters may be edited for reasons of space and clarity.

Rice & the Open Market

I have been a reader of the *Journal of Japanese Trade and Industry* for some three years now. Because it is essentially an official publication of the Japanese government, I initially read it with something of a jaundiced eye, always wary for articles overly supportive of the official position on any of the more contentious trade issues. Over the years though, I have been pleasantly surprised to find that not only were *Journal* articles mostly well written and informative, but that they were remarkably free of bias as well. That was the case at least until the article by Dr. Egaitu Fumio in the June/July issue, "Will the Agricultural Industry Survive?". Not only did this article disappoint by trotting out the same tired excuses for an over-protected agricultural sector, but the section on rice cultivation was filled with out-and-out lies.

In the third section of the article headed "Rice growing protects the environment," Dr. Egaitu makes a vain attempt to show how the continued over-production of rice is not only economically sound, but environmental friendly as well. Dr. Egaitu states that rice is "Different from the cultivation of crops such as wheat or corn, [because] rice growing does not pollute the environment." It is a well-known fact that precisely because agricultural policy has so encouraged the over-production of rice through the years, most of the land used for it is thoroughly worn-out and requires some two times the chemical fertilizer needed to grow an equivalent crop of wheat in the U.S.

Apparently holding some quaint, perhaps Shinto-inspired views about the purifying properties of water, Dr. Egaitu seems to be tacitly acknowledging this concern by stating that the amount of water used in rice cultivation renders the fertilizer "harmless." Not according to any science known throughout the rest of the world. The water solubility of a fertilizer does not magically render it inert.

Hoping to further reassure the reader of the benign nature of Japanese paddy farming, Dr. Egaitu states that we also needn't worry because, not only does "... nitrate nitrogen in the fertilizer



Politics Enter New Era As Coalition Ousts LDP

Japan's politics entered a new era as a result of an election for the House of Representatives on July 18, drawing the curtain on 38 years of one-party rule by the Liberal Democratic Party (LDP) and bringing a descendant of a feudal samurai lord to the post of prime minister of a new coalition government on August 9.

Hosokawa Morihiro, 55, replaced Miyazawa Kiichi, 73, when both houses of the Diet voted him into the nation's highest political office in a special session held in August. Miyazawa's exit from the premiership symbolized the end of the LDP's uninterrupted rule since it was founded in 1955 through the merger of two conservative parties, and followed the loss his party suffered in the general election.

The election dramatically changed the face of Japanese politics, as it paved the way for the inauguration of the non-LDP coalition government headed by Hosokawa, a former two-term governor of Kumamoto Prefecture in Kyushu, who is the 18th direct descendant of Lord Hosokawa, former ruler of the prefecture then known as Higo in the Edo period.

The long period of stability under successive LDP administrations was said to have been the driving force that enabled Japan to develop into a major economic power. But the time had finally come for a new era of change.

The LDP entered the campaign stunned by the defection of two groups of rebels who later found their own political parties. It won 223 seats, down from the 272 it had before the election and far short of a majority of 256 in the 511-member lower

house. Before the LDP's defeat in a non-confidence vote that forced the dissolution of the lower house in June, it had 275 seats.

One of the parties formed by defectors, Shinseito (Japan Renewal Party), took 55 seats, Hosokawa's Japan New Party won 35 seats in its first appearance in a general election since it was established in 1992, and the other party formed by LDP defectors Shinto Sakigake (Harbinger), won 13 seats. Together, the three new parties won 103 seats. The Social Democratic Party, the No. 1 opposition party going into the election, suffered a historic loss, finishing with only 70, less than half the number it held before the poll.

After the election, the LDP sought to hang onto power by trying to lure at least two of the three new parties into its fold in a bid to form its own coalition government. The attempt failed, and ultimately, seven parties—the Social Democratic Party, Shinseito, Komeito, the Democratic Socialist Party, the United Social Democratic Party, the Japan New Party, and Shinto Sakigake, joined by a political grouping within the House of Councillors—signed in late July a policy agreement on the establishment of a coalition government.

On political reform, the issue that led to the toppling of Miyazawa's government, leaders of the seven parties and the upper house group affirmed they will pass into law before the end of the

almost entirely dissipates in the paddy water, [it] does not run off." Even if his assertion about nitrate nitrogen is true, it is not the only compound in most agricultural fertilizer. Furthermore, isn't it sometimes necessary during exceptionally wet summers to drain rice fields prior to the harvest? And even if that isn't the case, unless Japanese rice paddies are all lined with some impermeable material, a good deal of their water seeps into the water table, eventually finding its way into wells and leeching into streams and rivers.

Unlike certain members of the U.S. Congress and other trade hawks, I couldn't care less about the "rice issue." The fact is, in the larger scheme of bilateral trade relations, the matter is meaningless to America, and only the 120 million Japanese who aren't at least part-time rice farmers suffer for it. However, because Dr. Egaitzu's article, which reads like a lame attempt to shore-up Nokyo's traditional position on market opening, is the worst thing I've read about the "uniqueness" of something Japanese since I learned that "the Japanese have different intestines and therefore can't eat foreign beef" and that "foreign skis won't work on Japanese snow," it required comment.

Having read so many useful articles in the *Journal*, including some quite critical of the government's stubborn and costly protection of the rice market, I am really quite surprised that you let this one slip by. Given that agricultural issues remain one of the most persistent sticking points in the current round of GATT, one would think that MITI would use its sole English organ more carefully and publish only those articles which treat the subject in a serious manner.

Sincerely,
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The coalition government includes members of seven parties and an upper house group. For the first time since its creation, the LDP finds itself in the position of the opposition party.

Photo: Kyodo News Service

year a political reform bill featuring a combination of single-seat constituencies and proportional representation. At the same time, they agreed to uphold existing foreign and defense policies and to maintain the Japan-U.S. Security Treaty and the treaty on normalization of relations Japan and South Korea.

It was against such a background that Hosokawa was picked to succeed Miyazawa as Japan's new prime minister. Though a former prefectural governor, Hosokawa is not a new face on the national political scene. Before becoming governor, he was a member of the House of Councillors. He had been elected to the upper house again last year, shortly after he founded the Japan New Party, but gave up his seat to run successfully in the lower house election. The late Prince Konoe Fumimaro, a prewar prime minister, was his maternal grandfather. His younger brother, Tadateru, who was adopted into the Konoe family, is an executive of the Japan Red Cross Society and is married to the eldest daughter of Prince Mikasa, an uncle of Emperor Akihito.

In another political development, Miyazawa assumed responsibility for the election loss and stepped down as LDP president. The party elected Kono Yohei, 56, as his successor on July 30. Kono, who beat former Foreign Minister Watanabe Michio for the post, is himself a former defector from the LDP, having quit in 1976 in the wake of the Lockheed payoff scandal. Unusually, he is not the head of a party faction, and his selection appears to demonstrate the LDP's determination to forestall any more splits and a wish to reinvigorate the party's organization while in opposition and to try to regain the reins of government.

But the LDP stuck to its old ways in the appointments of three key party executives, including secretary general, picking them from influential party factions. All will not be rosy for the Hosokawa government. The new premier saw trouble right at the outset of the Diet session in early August when the LDP, making its debut as an opposition force, adopted a fighting stance and forced Hosokawa to delay the formation

of his Cabinet to a few days later than originally scheduled.

Female Graduates Face Bleak Job Prospects

Students graduating from universities and colleges in Japan next March are facing an increasingly severe job market as the economy continues its struggle to recover from the recession. Surveys show that female students in particular can expect to run into a buyer's market.

On July 1, 1993, the Ministry of Labor conducted a survey of about 13,000 companies, which revealed that, compared with 1993, they planned to hire an average of 27% fewer office staff and 24% fewer technical staff in the spring of 1994. In terms of junior college graduates, which are overwhelmingly women, these firms plan to take on an average of 41% fewer office staff and 26% fewer technical staff.

According to a private research organization, the ratio of vacancies to job seekers for students graduating next spring will be 1.81 for male university students (1.81 vacancies for every job seeker), but only 0.79 for female university and junior college students. The ratio has declined for both men and women for three consecutive years and now has reached the lowest level since the organization began keeping record in 1974. The number of vacancies for female graduates has dropped by 13.7% from this year. (This survey, conducted in June and July 1993, targeted 8,499 companies.)

According to the results of a survey by another private research organization, which gained responses from

about 630 individuals, 41% of university seniors who were looking for employment had received promises of a job as of July 1, down nine percentage points from the figure for last year. By sex, the figures were 48% for males but only 30% for females, which shows again just what a hard time prospective female graduates can expect.

The restraint being shown by companies in their hiring of female graduates can be seen in the examples of NEC Corp. in the electronics field and Japan Travel Bureau Co. in the tourist industry. NEC, which hired 600 general employees in 1993, a decline of 100 from the previous year, plans to further reduce the number by 200 next year. JTB, meanwhile, recruited 150 junior college graduates this year but has decided to put off its hiring of such graduates entirely in 1994. One of the reasons for these declining figures is that the recession is causing fewer workers to resign.

Perhaps in response to the private sector's backpedaling, the number of female candidates for the upper-grade civil service examinations of governments reached 21,079 this year, a dramatic increase of 39.8% from a year earlier. But there is more bad news. Since the number of civil servants scheduled to resign next year is low, 29 prefectures already have announced that they plan to reduce the number of new recruits next spring.



The continuing recession has created a buyer's market with females losing the "job-hunting war" in numbers greater than ever before.

Photo: Asahi Shimbun