Simonis, Udo E.

Book Review


Internationales Asienforum

Provided in Cooperation with:
WZB Berlin Social Science Center


This Version is available at:
http://hdl.handle.net/10419/112391
The reviews in Internationales Asienforum try to give a brief evaluation of recent German publications


This is the first of an optically and technically attractive new series with two main intentions: first, to give reliable information about research and new currents of thought to those interested in Far East economics and social studies and second, to prompt European (German) economic and sociological studies of the Far East. The necessity of all this is apparent: the Far East has gained in recent times an importance of world-wide dimension through its growth and structural change; and while the lingual aspect in Far Eastern studies has been emphasized, complementary fields have been neglected. In the future it will be necessary to give them equal weight, i.e. to “walk on two legs”.

The volume reviewed here includes contributions from Japanese experts on the problems of Japanese economic growth. These are arranged under the following headings: special features and decisive factors in economic growth, structural changes in agriculture, industry, money and finance, foreign trade, and structural changes in the labour market, employment relations and social policies.

K. Okochi’s introductory chapter underlines three results of rapid economic growth in Japan: (1) the increasing alienation of the individual from his work, (2) environmental disruption, (3) inflation. Unfortunately, none of these problems which are doubtless of intrinsic importance for the stage of social and economic development now reached, is explicitly explored in any of the other contributions to the volume. The sceptical but realistic picture which Okochi has delineated, is hardly developed by the other authors, who still seem fascinated by the success of economic growth. Structural crises are watered down to conjunctural phenomena or to mistakes in stabilization policies. Certainly, the worsening of environmental conditions and other impositions on the quality of life are often gradual processes and remain accordingly under the tolerance threshold. This threshold also rises with familiarity; conditions which are objectively insupportable become in time subjectively acceptable. One could have expected, however, that this mechanism would have been recognised and that the authors would have adhered more closely to the interpretation of the problem as presented in the introductory chapter. Or is it that only an outsider can form a really critical estimation of the quality of life in a particular area? The same question comes to mind when, in connection with the future of Japanese agriculture, the opinion is expressed that the spread of grazing pasture will become the central problem (p. 93).

Chie Nakane once characterized in the following way the ability of her fellow countrymen to make abstractions: “If a man hates a monk he will also hate his clothes; if a man likes a monk he will also like his clothes”. Applying this to economics, where we find growth policy justified, we also find a tendency to accept its consequences.

These remarks should not detract from the merits of this volume. Not only does it furnish a great deal of otherwise virtually inaccessible source material, but it also supplies important information and insight into the self-assessment of Japanese economy and Japanese science, particularly in regard to foreign trade and investment abroad, and the relationships between Japan and the third world countries.

T. Shimano argues that the most significant factor in Japanese direct investment abroad is
the opening up of raw material sources (p. 194). Here two strategic points of departure are usual: mining investment is made by first exporting the machines for working the mines, the cost of which is covered by the materials produced. Investments of this type are acceptable even to nationalistic developing countries, since they involve “no transference of rights of ownership or prospecting rights” (p. 194). Apart from this, Japanese investors finance the development of minerals intended for direct import to Japan. According to T. Shimano this method is necessary since, with the exception of oil, most of the important raw materials are controlled by American or European capital. As their production has, in reality, already been monopolized, this way can be seen as “the second best solution to the raw material problem” (p. 195).

In the case of the manufacturing industries, Shimano sees the reason for the concentration of Japanese direct investment in the developing countries as the need “to ensure export markets”. As many developing countries impose import restrictions in order to protect their own industries, Japan finds herself forced to secure her export market by direct investment, i.e. by production within those countries (p. 199).

Shimano explains the heavy concentration of Japanese direct investment in South East Asia in terms of structural as well as conjunctural policy. Partly it is a result of the activity of the labour intensive textile industry and partly a result of the relative turn away from the highly inflationary Central- and South American economies. Not least, it was the result of the Vietnam war, which had led to high growth rates in the neighbouring countries. In general, however, Shimano confirms an imbalance between the international competitiveness of Japanese industrial products and the level of Japanese direct investment abroad; Japan, he believes, still lags behind the Western industrial nations in management, know-how and creativity (p. 200).

When one reads the first book in this new series, several questions arise in connection with the potentially high communicative significance of a series of this sort for theory and practice. The question as to whether it will help to achieve the aims cited above, should in all fairness be left to a later date and to the evaluation of the further volumes. However, a true cooperation between Asian and European (German) scholars should be one basic precondition of the second aim. As to the translation, the quality with which the semantic hurdles were taken by the various translators is very varied. A closer final editing is sadly lacking. This will be important for the future of the series, in order to avoid not only the simplest printing errors, but also the verbiage, ambiguities and other lingual curiosities.

Udo Ernst Simonis