

A New Development Model for Japan

Selected Essays 2000–2008



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Contents

Foreword

by Bill Emmott

Preface

A New Development Model for Japan

The Dawning of the Era of Megacompetition

The Year of 2000

World Peace and Okinawa's Potential	
Cyclical Elements and Structural Problems of the Japanese Economy	15
The Myth of the Japanese Model of Employment	23
Lessons from the Asian Economic Crisis	33

The Year of 2001 41

Free Trade Agreements as Constructive Regionalism	43
Last and First Decades	51
Transformation of Social Structure and Peter Drucker's Unflagging Insight into the Times	59
Open Society	63
Transparent Government, Transparent Society: A New Dawn for Freedom of Information	75
The Uncertain Energy Situation in Asia	85
It Was Only Yesterday—50 Years Since the Signing of the San Francisco Peace Treaty	95

<i>The Year of 2002</i>	103
"Global Factory" China Is Joining the WTO	105
China, Factory of the World	113
Striking Cold Iron	120
Open Society Through Justice System Reform— Transparent, Clear Rules Can Vitalize Japanese Society	129
The Competitive Advantage of Nations	139
Depopulation in Japan	149
Promotion of Tourism as a National Strategy	157
 <i>The Year of 2003</i>	 171
Redefining the National Interest for a New Era: A New Paradigm for Diplomacy	173
The Problems with a Weak-Yen Policy	181
Building Trust—Overcoming the Clash of Globalizations	187
 <i>The Year of 2004</i>	 197
Political Role of Young Japanese	199
Sure Signs of Recovery	205
Wisdom Acquired from Failure and the Pitfalls of Success	211
New Focus on Intellectual Property	215
The Future of Asia: "Possibility of Asian-Style Development, Peace Model"	219
Making a Comeback	223
The Central Bank Prepares for a Course Change	229
Interview with Minister Mentor Lee Kuan Yew	235
 <i>The Year of 2005</i>	 245
Building Blocks to Global Governance: Strengthening International Institutions	247
Seeking a Regional Framework for East Asia	255
No Future?	
Foreigners Inc.	
East Asia's Thirst for Energy	

<i>The Year of 2006</i>	279
Post Haste	281
Japan's Economy Gets Back On Track— Groping toward a New Growth Pattern	285
Lessons of the Lost Decade	295
Balance Adjusted	303
Japan as an Investment Powerhouse	311
 <i>The Year of 2007</i>	 319
Great Contradictions	321
Multilateral Cooperation for Energy Security	325
Asia Embraces Vision of Future— Financial Crisis 10 Years Ago Forced Nations to Band into More Cohesive Region	329
Population and National Power	333
Problems in the Pension System	337
Savings Spent	341
Recurring Crises in Globalized Finance	343
 <i>The Year of 2008</i>	 349
Notes on the East Asian Renaissance	351
Ideas for Pension Reform	353
Manufacturing or Finance: A Moot Debate	359

Foreword

The world we live in is far from simple. That is what makes it endlessly fascinating to anyone who is curious about human behaviour, about technology, about the forces of nature, and all the other things that affect our societies, economies and political systems. Information about all of these forces is more easily available than ever before. But that very abundance of information, along with the complexity of modern life, mean that intelligent analysis is more important than ever before. We have an information surplus, but a severe shortage of good analysis and understanding.

That is where Akira Kojima comes in. Throughout his long and varied career as a journalist, economist and public intellectual, he has understood his own role and duty with admirable clarity: to understand, to analyse, to explain, and if possible to suggest what policy recommendations might flow from that analysis—all in the service of his readers, both inside Japan and well beyond. We should all be grateful for what he has done for us. This book offers a splendid selection of the analysis and ideas with which he has served us.

Although the notion of "globalization" has become popular only recently, in truth our countries have for many decades been closely connected with one another, whether through trade, flows of capital, exchanges of technology or exchanges of people and culture. Yet too often our own thinking has not expanded to reflect that trend of international integration. In too many countries, policymakers, journalists and other commentators look only inwards, at domestic affairs and domestic examples, as if the rest of the world did not exist.

Yet it does exist, and we should be grateful for the fact. For in economics, in society and in public policy we all have so much to learn from one another. We affect each other but also our countries are, in effect, continual laboratory experiments or case studies from which we can all learn. The best analysts and policy-thinkers are those who recognize this point.

In my country, Britain, for too long debate took place that seemed to assume that no one else had relevant experiences in running fiscal or monetary policy, or health care systems, or welfare states, or education, or efforts to boost productivity. The only analytical reference was British experience and British arguments. This was a recipe for sterile argument and for policy fail-

ure. Fortunately, in recent years, the eyes of British intellectuals, commentators and policy analysts have been opened much wider: our political and policy debates now take a healthy and welcome look at what has happened in other countries, especially in Europe.

To me, what Akira Kojima represents is exactly this sort of open-minded, globally aware analysis. Just as in Britain, the policy debate in Japan is in constant danger of being parochial, insular and very inward-looking. Too many of the arguments are based only on Japanese experiences, and too many tend towards a rather cosy and thoughtless consensus—not a consensus based on deep, shared thought, but a consensus based on the avoidance of challenge and of controversy.

It is never easy nor comfortable to challenge the consensus. It is never easy to look outside the local debate and to draw upon international experience. It is never easy to offer new ideas, new analysis or new proposals. But good policy and all economic and social progress depends upon people who resist the easy course and try to take on the difficult task of thinking new things, of coming up with new ideas and often controversial proposals.

In these times of global economic turmoil, of the apparent collapse of the American banking system, of the seeming challenge posed by scarce resources and by high energy prices, of the rise of new economic powers in Asia and elsewhere, we all need clear thinking and clear analysis. We need help in navigating our way through the fog. We need people who have experience, who have seen past crises and who have a sense of how they have been resolved. We need thinkers who are willing to accept that none of us can have all the answers, that none of us can truly know what the future will hold, but who are willing to offer expert guidance and intelligent thinking at least to help us find a path along which to walk.

So I warmly commend this book of ideas, of analysis, of recommendations by Kojima Sensei. The world needs thinkers and analysts like him. Japan certainly needs thinkers and analysts like him. We all need to try to stand back and to reflect coolly and deeply about the state of the world, about the problems we face but also about the potential solutions to those problems. Kojima Sensei's book offers a fine contribution to such cool and deep reflection.

Bill Emmott

BILL EMMOTT worked as a journalist at *The Economist*, the world's most widely read economic and current affairs weekly, for 26 years. From 1993 until 2006 he was *The Economist's* editor-in-chief, during which period the worldwide circulation more than

doubled, from 500,000 to more than 1.1 million. He is the author of eight books, six of which have concerned Japan, including most notably *The Sun Also Sets* in 1989 and *The Sun Also Rises* in 2006. His latest book, published in 2008, is called *Rivals—How the Power Struggle between China, India and Japan will Shape our next Decade*, in English, or *Asia Sangokushi* in the Japanese edition, published by Nikkei.