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**JAPAN: WHO GOVERN ? THE RISE OF THE
DEVELOPMENTAL STATE**

by Chalmers Johnson

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This is an amazing book by Johnson about Japan's developmental state. He claims that the study of Japan's political-economy is actually a study on a new form of capitalism. Japan - a capitalist developmental state-is quite distinctive from a socialist (Leninist) developmental state. Japan is also not purely 'market rational' as many Americans claimed it should be. Thus, the question put by Johnson is: who actually governs Japan's post-war high-speed economic growth? Thus, the question put by Johnson is: who actually governs Japan's post-war high-speed economic growth? Who make up the major player behind the state, gearing it towards achieving its "national interests"? Who enabled Japan amount its defense dilemma? Met its external challenges (in the form of hegemonic actions and pretensions of the United States)? Who is responsible for Japan adapting its policies vis-à-vis mainland China's success in consolidating the latter's political revolution and success as a nuclear power? Who is actually behind Japan finally facing up to the emergence of the "new regional order" (a new version of the "Greater East Asia Co - Prosperity Sphere")? The answer the state's elite bureaucracy. The answer seems straight forward enough but the manner in which the official bureaucracy works needs greater analysis and a brilliant analysis is what Johnson has given us in his book.

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This book is divided into three parts.. **Part I (Economics)** consists of five chapters . This part discusses Japan's history and political economy. In **Chapter One**; "La Serenissima of the East", Johnson compares Japan, a "trading state" that uses economic policies to achieve what other nations attempt to secure through military means, to medieval Venice. In this, the emergence of the ideology of **Nihonjinron** (the science of the Japanese), which to Johnson is different from the Western "economic science", is instructive Japan is a modernised society, but it also offers a challenge to the "modernisation theory" at every turn of its modernisation process. This is what is unique about Japan 's Nihonjinron.

Chapter Two is an essay on "Social Values and the Theory of Late Economic Development in East Asia". This chapter considers the relations between religion and capitalism, a subject that has also been studied by many other Western theorists. Johnson rejects the idea that "creative Confucianism" is the East Asian equivalent to Weber's version of Protestantism. According to Johnson the most significant theory that explains the "late economic development" is one that supports the "industrialise through learning" concept. This is perhaps best represented today in the books of Alice Amsden and Jung-en Woo on Korea and Robert Wade on Taiwan. The late developers differ from the original developers in the "sorts" of industrial revolution that they experience. For instance, in the Japanese industrialisation process, Johnson claims that the socio-economic factors such as the rise of the bourgeoisie, private investment, entrepreneurship and Protestantism, were not as important as the conscious political decision made by Japanese policy makers. Japan is perhaps best presented as a model of developmental state under the rubric of the Meiji- Bismarckian pattern of development. The discussion on this is found in **Chapter Three** of this book.

Chapter Four is about the issue of "revisionism" and its influence on the Japanese-American bilateral relationship. As a revisionist, Johnson argues that Japan has a political economy which is different from that of the Anglo-American countries in

terms of institutions, the role of the state, and the weight of economic nationalism. The pattern of Anglo American capitalism is in accordance to the orthodox norms. The orthodox trade theorist, Robert Kuttner, insists that laissez-faire is the best route to economic growth, but Japan's capitalism is different from the alleged norms. Through **Chapter Five**, Johnson suggests that Americans must "learn from Japan" in all respects in order to correct the US-Japan trade imbalance or to improve upon the future of the relations between America and Japan.

Part II addresses Japanese politics and bureaucratic government. **Chapter Six**, "Japan: Who Govern ?" is presumably designed as Johnson's contribution to the empirical and inductive study of the Japanese political system. The elite state bureaucracy is actually the one that governs Japan. The officials are mostly recruited from the top ranks of the best law schools in the country. The bureaucracy drafts virtually all laws, ordinances, orders, regulations, and licenses that govern society. In addition, it also has extensive extra-legal powers in the form of "administrative guidance". This, in a way, is unrestrained in any way by the judicial system, both in theory and in practice. The power of the Ministry of International Trade and Industry (MITI), for instance, shows that Johnson analysis is indeed correct.

In **Chapter Seven**, Johnson explores the relationship between the government and the business interests in Japan. In many critical industries, the businessmen who have dealings with the government officials, for instance, themselves are retired government officials. In major industries dealing in steel, petroleum, electric power, and banking, there are large numbers of retired bureaucrats involved in "government-business consensus". In other words, what one is seeing is actually the movement of the same personnel from the bureau office to the board room. This could affect the attitudes of the bureaucrats and businessmen alike. The public seems aware of the existence of this pervasive "consensus" or close cooperation between the two groups in Japanese society. In this way, retired bureaucrats

continue to function as major actors in Japan's political economy.

Johnson's essay on Japanese government and political language in **Chapter Eight** - "omotelura" - explores the pervasive influence of state officials in the Japanese society. The Japanese government believes that its officials have problems with language proficiency in international negotiating situations. Therefore in these fields, the services of skilled translators are needed in order to overcome any possible cross cultural misunderstanding arising in Japan's international relations. **Chapter Nine**, "The essay on Tanaka Kakuei" (in office as prime minister from July 1972 to December 1974) deals with the basis of Tanaka Kakuei's power and his ultimate failure. Massive corruption scandals have punctuated the Japanese parliamentary system from time to time since it was created in the 1890s and Tanaka was implicated in one of these scandals.

The final essay in this part, **Chapter Ten**; "Puppets and Puppeteers: Japanese Political Reforms" discusses the collapse of the Liberal Democratic Party (LDC) in 1993, i.e. after the end of the Cold War. In this chapter Johnson offers a number of serious views regarding some Japanese analyses about political change in Japan. It also looks at the possibility of "a reform". For that reason, he includes two case studies : first, the appointment of a Public Prosecutor General (Kenji Socho) who is not a graduate of either Tokyo or Kyoto University; and second, the dismissal of a sitting bureau chief in the central state bureaucracy, by a cabinet Minister. Both cases significantly reflect the real pressure for a substantive political change in modern Japanese history.

Part III deals with "Japan's International Relations" - with China. This is especially notable in **Chapter Eleven**. Japanese defense dilemma (it is damned if it defends itself and damned if it does not) is highlighted by Johnson in **Chapter Twelve**. The chapter on "Rethinking Asia" (**Chapter Thirteen**), is Johnson's analysis of the way in which the Japanese has "adapted" itself to

the styles and needs of other nations in the Asia-Pacific region. As Johnson points out, "it [Japan] has preserved the country's independence of action and vital national interests while also accomodating its American allies and communist adversaries"(Johnson, 1995: 16). In whatever situation, Japan has always displayed nondoctrinaire diplomacy; such posture has provided itself with a very strategic position, i.e. in the context of international game theory.

In the global context, "rethinking Asia" is aimed at evaluating Japan's survival chances in "new forms of regional markets" - such as the European Community, North American Free Trade Area (NAFTA) and the ASEAN Free Trade Zone. The end of the Cold War could produce a crisis in state sovereignty and give rise to the "fear syndrome"; fear of being left out of the various forms of economic regionalism. Now, the Japanese government may be reluctant to lead the "East Asian Economic Caucus" (EAEC), to protect its current economic interests or stability. However, there is a movement towards a new Greater East Asia Co-Prosperity Sphere which is now active in promoting Japan as the possible leader of EAEC. Japanese bureaucrats are quite capable of guiding the nation towards such a goal. In fact, such decisions merely reflect a delicate sense of timing and could provide an excellent camouflage for Japan's long-range intentions. When the appropriate time comes, Japan could well emerge as the leader of the Asian Co-Prosperity Sphere. In **Chapter Fourteen**, "The History Restarted", Johnson concludes his ideas by saying, in order to understand Japan, we have to understand the way of thinking of the Japanese elites in the Japanese state bureaucracy, as these elites, not the political actors, are the actual rulers of Japan.