

Essay on japanese industrial policy

[Business](#), [Marketing](#)



Japan's rapid growth is attributed to the state that has taken an active role in industrial development in order to catch up with the west. The market approach reveals that the traditional market forces like high saving rates, low labor costs, and heavy investments are also key factors. The main impetus to growth has been the private business investment demand, private savings, and industrious and skilled labor. Rapid introduction of technology has fuelled the high growth rates.

Administrative guidance:

This is a Japanese government practice, which includes the guidance, the recommendations, advice, and/ or any other way in which an administrative organ may look for certain actions in order to achieve the objectives.

Johnson's summary:

The explanations of the Japanese industrial policy are what Johnson refers to as "anything-but-put politics". In this approach, there are four types of analysis, which overlap. They are "the national character – basic value – consensus," the "no – miracle occurred" analysis, the "free ride" analysis, and "the-unique-structural-features" analysis, promoted by the labor relations, the savings ratio, cooperate management, the banking system, the welfare system, and the general trading co-operations.

Summary of the arguments of Patrick and Porter:

According to Porter, Japanese government model does not discriminate between competitive and uncompetitive industries. In the competitive industry, the government model usually plays little role while in the uncompetitive industry, the government model prevalent as the

interventions in competition, cartels, and co-operations. The interventions failed to work. The government model could not have been the driver of Japanese competitiveness. It was the cause of failure, and not the source of the miracle. Patrick also tells us that the Japanese industrial policy is the force towards the high tech industries. The competitive advantage of Japan continues to evolve due to the continuing spread of industrial revolution to developing nation and Japan's future growth pattern.

Works Cited

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