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Osaka University
Japanese Agricultural Policy Studies: 
the State of the Field

James BRADY*

Abstract

With Trans-Pacific Partnership (TPP) negotiations ongoing, agriculture is at the centre of public policy debates in Japan. Japan’s protectionist agricultural policy has been examined from a number of perspectives, including political economy and political science. This paper presents an analytical overview of the most important strands in the previous literature, and also of several recent studies which offer fresh insights into the determinants of Japan’s agricultural policy. The paper draws together these various strands to create a more complete picture of current academic approaches to agricultural policy in Japan, and highlights the most fertile areas for future research.

Keywords: Japan, Agriculture, Protectionism, Preferences, Food Security

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1. Introduction

Agricultural policy is one of the most hotly contested areas of contemporary Japanese politics. The Abe administration’s decision in 2013 to enter negotiations for the proposed Trans Pacific Partnership (TPP) free trade agreement has once again exposed sharp cleavages between large business and other interests who wish to see extensive liberalisation of markets including agriculture in Japan, and those who wish to protect the rice-focused agricultural sector in its present form. While economic studies are most frequently cited in public debates, there have been a range of academic studies across a number of disciplines which have examined the origins and continuation of the highly protectionist policy regime in Japanese agriculture. This paper provides a critical review of the most important strands of this literature. It also examines some of the frontier research relating to Japanese agricultural policy, including individual-level trade-policy preference determinants, and the application of Foucault’s idea of governmentality to Japanese fish policy. Drawing together these various approaches allows us to deepen our understanding of the multitude of factors shaping the current agricultural policy regime and the TPP-related debates. The paper concludes by highlighting some areas which appear to offer fertile ground for future research, including the role of ideas in policy-making.

The basic *problematique* that these bodies of research collectively have sought to address is the fact that agricultural policy in Japan has not behaved in the manner that traditional economic or political science theory suggests it ‘should,’ particularly in the postwar period. For economists, the Heckscher-Ohlin model of international trade implies that Japan, as a land-scarce and capital- and (skilled) labour-abundant country should export capital- and (skilled) labour-intensive goods, while importing land-intensive goods, like agricultural products. Instead, Japan’s protectionist agricultural policy regime has resulted in a highly distorted market in agricultural products, in which many land-intensive crops, such as rice, are produced domestically at prices far above world market levels.

Political scientists have sought to explain why the postwar policy regime has remained highly protectionist in nature, despite the agricultural sector’s declining economic importance (accounting in 2010 for 3.7% of employment and 1.2% of GDP; World Bank, 2013), and the high costs of maintaining protectionism in a stagnating economy. One measure of support for agriculture, the OECD’s Producer Support Estimate (PSE)\(^2\), estimates that government support in Japan accounts for 51% of farmers’ income, compared to 20% in the EU, 9% in the US, and 3% in Australia (OECD, 2013). The studies surveyed below have attempted to explain

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1 Japan is 72% mountainous (68% forested), with only 12.5% of total land area being suitable for agriculture. Its population density of 350 people per square kilometre is significantly higher than world average of 53. Its arable land endowment ratio is 0.033 hectares of arable land per person, far below the world average of 0.200. In comparison, Australia has 2.14 hectares of arable land per person, the EU average is 0.21, and the United States 0.54 (World Bank, 2013).

2 PSE is defined as “the annual monetary value of gross transfers from consumers and taxpayers to agricultural producers, measured at the farm-gate level, arising from policy measures that support agriculture, regardless of their nature, objectives or impacts on farm production or income.” Percentage PSE is “PSE as a share of gross farm receipts (including support)” (OECD 2009).
both the origins of Japan’s contemporary agricultural policy and its continuation, with reference to both structural and institutional factors.

In general, Japan’s agricultural sector and policy has received less academic attention than its industrial counterpart (e.g. Johnson, 1982). Early English-language treatments of the sector included G. C. Allen’s *A Short Economic History of Modern Japan, 1867-1937* (Allen, 1946), which provided a largely statistics-based account of changes in output for major agricultural products between the Meiji Reformation and the onset of the Pacific War. Very high levels of industrial growth in the 1950s and 1960s conversely precipitated problems in the agricultural sector, which seemed to stimulate international interest in Japanese agriculture. Notably, Ronald P. Dore examined the postwar land reform policies and their effects on village life, writing from a sociological perspective (Dore, 1959).

A significant and comprehensive contribution came in *Agricultural Developments in Modern Japan*, a multiple-authored work arising out of a symposium, and published in 1963 under the auspices of the UN’s Food and Agriculture Organization (FAO) (Ogura (ed.), 1963; 2000). Based on existing research published in Japanese during the 1950s, this volume aimed at explaining the economic development, legal framework and technical aspects of Japanese agriculture to an international audience, and offered policy-focused observations on the relevance of Japan’s agricultural experience to other Asian countries (Hunter, 2000, p. vii). A range of studies on agricultural productivity and development in Japan and other East Asian countries by the agricultural economist Yujiro Hayami (e.g. Hayami and Ruttan, 1970) further raised the international profile of Japanese agricultural policy studies in the 1970s, but it wasn’t until the 1980s that Japan’s agricultural trade policies becomes established as a separate field of study in the English-language academic literature, through the political economy work of Yujiro Hayami, Kim Anderson, Masayoshi Honma, and others. *The Political Economy of Agricultural Protection* (Anderson and Hayami, eds, 1986) and *Japanese Agriculture Under Siege* (Hayami, 1988) were among the foundational works. One of the contributors to the 1986 volume, Aurelia George Mulgan, subsequently developed an alternative approach from a political science framework, termed an “empirical-historical” approach. The following section offers explanations and critiques of both these approaches, before going on to consider more recent studies which take alternative approaches to explaining the puzzle of agricultural policy in Japan.

2. Four approaches to Japanese agricultural policy

2.1 The political economy approach: economic growth and structural change

The assertion of proponents of political economy is that it can predict global patterns of agricultural distortion where traditional economic theories fail, by accounting for elements such as economic structural factors, and the ways in which structural changes impact on issues like the costs of distribution and distortions
arising from protection, the intensity of political activities, and the ability of groups to organise politically and
influence governments (Swinnen, 2010). Political economists apply micro-economic and choice-theoretic
approaches to the political marketplace.

From the mid-1980s, certain political economists began to analyse a puzzling empirical observation: that
agriculture in poor, developing countries was taxed by governments, whereas in rich, developed countries, it
received protection and subsidies. The fact that three rapidly-developing East Asian countries - Japan, Korea
and Taiwan - had moved during the previous decades from being relatively poor but open to agricultural trade
to being relatively rich yet pursuing agricultural protectionism, just as many European countries had done in the
nineteenth century, suggested that structural factors may have been at work (Anderson and Hayami, 1986, p. xi).
Based on the East Asian experience and drawing on trade and development theory and a Downsian
economic model of the political marketplace, Anderson et al developed an economic growth and structural
change (EGSC) theory of agriculture in a developing economy. The theory is discussed in detail below.

Approach

The EGSC theory builds on a model of an economy with three factors of production (agricultural land, non-
farm capital, and intersectorally mobile labour) and two sectors (agriculture and manufacturing). Initially
employed in food production, agricultural labour begins to move into the manufacturing sector as capital
accumulates domestically or flows in from foreign investors. Eventually, some labour-intensive manufacturing
sectors become internationally competitive, which changes the country’s trade pattern from solely agricultural
exports in the direction of industrial exports and some agricultural imports. Three complexities are then
introduced to make the model more realistic (a non-food primary sector, the need for capital in primary
production, and a service sector), and the method by which each of these can contribute to agriculture’s
further decline relative to other sectors as the economy grows is explained.

Two conclusions are drawn: (1) that agriculture moves from being the most important economic sector in a
poor economy eventually to become import-competing, with this process happening more rapidly in countries
with poor land-endowments; and (2) that agricultural output and employment are likely to grow less quickly
than industrial and service sectors in a growing economy, and thus will decline in relative importance.
Furthermore, since the income elasticity of the demand for food is less than 1, the importance of food prices to
(now mostly urban) consumers will decline, from a relatively high proportion, as income grows. In the initial
period of industrialisation, the direct effect of food prices on urban unskilled workers (as part of the household
budget) and their indirect effects (in terms of pushing up wages for unskilled agricultural workers) will cause
urban employers to exert political pressure in order to keep food prices low. The necessity for this decreases
as urban unskilled wage levels rise, making it less difficult for agricultural wage rates - and thus agricultural
prices - to rise.

To analyse the political effects of these structural changes, the EGSC theory then utilises an economic theory
of the political marketplace, after Downs (1957), in which political leaders design policy packages that maximise their chances of staying in power; individuals and groups who would expect to gain from a certain policy will lobby for it until the expected net benefits of further expenditure is zero; and those expected to lose from the policy will lobby against it until the expected marginal net return is zero (Anderson and Hayami, 1986, p. 3).

Applying this theory to the case of agriculture in a developing economy such as Japan’s, a number of points are made: (1) the relatively small size of industry, combined with tax collection inefficiencies and corruption problems, makes it impractical to supply protection to farmers at low levels of development; (2) education levels and geographical concentration in cities help industrial capital owners in lobbying government at low development levels (whereas lower transport and communications costs at higher development levels help farmers organise and lobby); (3) the free-rider problem in political lobbying is smaller for industry at lower development levels when there are fewer firms, making lobbying a more attractive proposition in that period; and (4) urban employers have an interest in lobbying to keep agricultural wages and prices low, since these affect urban unskilled workers directly and indirectly.

The structural changes that result from economic development alter the incentives for groups seeking or opposing protectionism, shifting the balance towards those in favour of protectionism so that agricultural protection now becomes politically viable. In an advanced economy, the percentage of the labour force employed in agriculture is small relative to industry, and urban workers’ budgets are less sensitive to food prices, so agricultural protection becomes economically viable; agricultural protectionism can be provided by less visible means, through import restrictions; and food security, food self-sufficiency and similar concerns can reduce the political cost of providing agricultural support.

While accepting that the given model “is premised on a highly simplified description of the political process” (Anderson and Hayami, 1986, p. 16), Anderson argues that the model has explanatory value, since it produces four hypotheses about the changing political economy of protectionism in developing economies: (1) that distortionary price and trade policies are biased against agriculture in poor agrarian economies; (2) that policy bias gradually shifts to favour agriculture as the economy grows, particularly if growth is accompanied by declining comparative advantage for agriculture; (3) the switch to favour food producers occurs at a lower level of per capita income in countries with less comparative advantage in food production; and, (4) the switch will take place more rapidly with faster economic growth and a more rapid decline in the comparative advantage of food production.

The subsequent studies in this strand of literature find evidence for these hypotheses, and summarise the five characteristics of an open, growing economy that explain the shift from taxing to assisting agriculture: (1) the declining importance of agriculture as an employer, in relative and subsequently absolute terms; (2) agriculture’s declining share of GNP; (3) the decreasing importance of farm prices in non-farm households’
expenditure and real wages; (4) the decline in agricultural comparative advantage and food self-sufficiency for almost all countries; and (5) the decrease in transportation and communication costs for rural areas that accompanies development (Anderson and Hayami, 1986, p. 112).

Critique

This theory and body of work has been of great importance in developing the field of study of the political economy of agricultural protection in general, and Japan’s protectionist agricultural policy in particular. The high degree of fit between the the economic growth and structural change model’s predictions and observed global patterns of sectoral bias is so close that the approach must be taken seriously (Moore, 1993, pp. 105-106). However, the model contains a number of short-comings. Some of these relate to the exclusion of important political actors from the model, others to the assumptions made in the model.

One criticism from political scientists is that the theory fails to fit observed historical experience in particular periods in each of the countries from which it was developed: Japan, Korea and Taiwan (Moore, 1993; Mulgan, 2000). Another is that the approach offers a poor account of the state as a political actor and of the policy choices of various actors (Moore, 1993, p. 110). Thirdly, it has been argued that by taking the nominal rate of protection (essentially, the rice tariff) as a proxy for the real rate of protection, the approach underestimates other kinds of government assistance to the agricultural sector, such as through the agricultural associations and cooperatives (Mulgan, forthcoming). More fundamentally, there is an accusation of ideological bias, that “Anderson and Hayami are not political scientists, but neo-classical economists seeking intellectual and empirical support for a particular line in economic policy: reductions in the high levels of agricultural protection prevalent in East Asia” (Moore, 1993, p. 94).

For economists (and, by extension, political economists), theoretical models “should be tested primarily by the accuracy of their predictions rather than by the reality of their assumptions” (Downs, 1957, p. 21); even when incorrect, they can offer insights and methods for problem solving, allowing quantification, calculation, and verification (Varian, 1989). Vogel (1999, p. 201) notes that “as theorists from Milton Friedman to Kenneth Waltz have stressed, assumptions in and of themselves are not right or wrong, but rather useful or not useful.” Engaging critically with the economic growth and structural change theory on its own terms, one can still find shortcomings and ways in which the model can be revised and improved. Three areas in particular stand out: (1) over-simplification of the original Downsian economic model of politics, such that some of the underlying logic has been lost; (2) the need to refine the Downsian model of the political market-place, growing out of the Grossman-Helpman literature on the political economy of trade policy (Grossman and Helpman, 1994); and (3) the failure of certain predictions from the Anderson-Hayami literature, including the prediction that there should be a structural turning point in the success of demands for protection as agriculture declines when agriculture’s share of the labour force was 4-5% or when its share of GDP was 3-4% (Honma, 1993). The present values are 3.7% and 1.2% respectively, but there has been no significant decline in protectionism in
Japan. Taken together, these critiques from both outside and inside perspectives support the view that reassessment of the theory is appropriate, and that other approaches are worth considering.

2.2 The empirical-historical approach

An alternative approach to Japan’s agricultural policy regime is the “empirical-historical” approach, which aims to construct a factual account of Japanese agriculture without necessarily erecting a theoretical framework around it. Although it may not be appropriate to describe it as a “theory,” it does amount to a separate model of Japanese agriculture, in which interest-groups play a central role in influencing policy to their own benefit, and in which there exist complex and multifaceted relationships between the holders of power and those who seek to influence them, both from within governmental structures and from without. This approach has been developed by Mulgan, who articulates it as a “traditional, political science perspective,” in which societal groupings (defined in terms of their membership of particular political, institutional, social or economic organisations or categories) are broadly conceived as pursuing their interests in politics; and the extent to which the interests of any particular societal grouping are realised will depend on the relative power of these groups (Mulgan, 2000, p. 37).

At the core of this approach is the view, similar to Johnson (1982), that Japan is inherently an interventionist state, and that agricultural protectionism represents one manifestation of this. At the same time, the political system exhibits interest group pluralism and organisational heterogeneity (Mulgan, 2000, p. 39). In this account, the devil is always in the detail, and in Japan’s agricultural policy regime, the devil has three horns: the agricultural ministry, the agricultural co-operative organisation Nokyo, and politicians.

The Ministry of Agriculture, Forestry and Fisheries (MAFF) plays a central role in policy formation as well as policy implementation. The MAFF derives its power, status, and financial resources from implementing a complex regime of protectionist policies which both sustain and perpetuate an inefficient, small-scale farming sector. MAFF bureaucrats follow a path of “intervention maximisation,” because of the financial and status benefits that this brings both to the ministry and the individuals involved. For these individuals, a significant proportion of their total career earnings comes from lucrative post-retirement amakudari jobs in gaikaku dantai (semi-governmental affiliated agencies) created by the ministry itself or private companies who benefit from rural public works projects (Mulgan, 2005).

The MAFF’s intervention-maximising calculus determines its priorities and positions on a range of issues (Mulgan, 2006, p. 20). Thus, agricultural protectionism is as much a supply-driven process on the bureaucratic side as a demand-driven process on the farmers’ side. The MAFF has been successful in
achieving its primary goal, “to protect and preserve the inefficient, small-scale, family-based, land-holding system… it wants a viable but dependent farm sector, one requiring bureaucratic intervention in order to survive.” (Mulgan, 2006, p. 130). Maximal intervention creates a “web of vested interests” (Mulgan, 2006, p. 150): for farmers, who receive many economic and political goods; for Nokyo, who receive monopoly rents; for the LDP (when in power), who received votes, support, and help; for the gaikaku dantai, whose existence depends entirely on high levels of ministry spending; and for private firms, such as construction firms, who often end up benefitting more than do farmers, from the pork of rural infrastructure spending.

Farmers have held a disproportionately high (and self-perpetuating) degree of political influence. In light of the small-scale, mechanised, largely part-time nature of farming in Japan, farmers have sought and received high levels of subsidies. The vehicle through which this has been achieved is Nokyo (known in English as ‘Japan Agriculture,’ or ‘JA’), the multi-faceted, multi-functional agricultural cooperative organisation (combining pressure-group, electoral, governmental, industrial, distributive, retail, and banking functions), which has deeply entrenched interests and is a powerful advocate against reforming the protectionist regime. Nokyo grew out of government-organised co-operatives in the prewar period, and in the postwar years gained a privileged position in relation both to the government and the farmers. In addition to its role of pressure group claiming to represent farming interests politically, it was an agent for the implementation of agricultural policy, a monopoly provider of all manner of agricultural inputs, a provider of banking services and credit, a monopsony purchaser of rice, and a political kingmaker at the local level, among other functions.

Through this combination of activities, Nokyo grew immensely wealthy and politically powerful - although it also became increasingly reliant on the LDP’s distribution of largess - and though it is no longer what it once was, its political power and capacity to organise the rural vote declining somewhat since the 1990s, it remains a credible and influential political actor, actively and (so far) successfully opposing proposed liberalisation measures flowing from recent FTA negotiations. The fact that Nokyo can and does operate simultaneously in the administrative sphere as an auxiliary government agency, in the political marketplace as an interest group, and in the Diet and political parties through the activities of its executive leaders means that it is difficult to fit it into standard Western categorisations such as ‘interest group,’ ‘lobby,’ or the public/private dichotomy (Mulgan, 2000, p. xviii). The ability of Nokyo and other farming organisations to organise and direct the farm vote has been important in increasing its coherence and strength (Mulgan, 2000, p. 471). Although the farming population has declined quite steadily in recent years, farmers’ political power was declining only very gradually - in part because the urban vote, though increasing in number, lacks the electoral coherence of the rural vote.

Politicians have traditionally chosen policy regimes which favour farming and rural interests, even at significant costs to consumers and urban voters, because of the value of the farming vote as a large, stable electoral base. The failure to reform electoral districts after mass urban migration in the postwar decades
resulted in electoral misapportionment, making securing the rural vote of central importance for any party wanting to win power. Mulgan asserts that most important factors in this regard have been the absolute size of the national agricultural electorate, the magnitude of the electoral bias in favour of farm votes, and the extent to which the LDP was dependent on these votes. The seniority system of promotion in the political hierarchy meant that politicians with stable agricultural support bases could, by virtue of longevity (rather than ability), rise to positions of influence in government, and implement further policies advantageous to rural interests (Mulgan, 2000, p. 377).

In this view, the origins of postwar agricultural protectionism lie, not simply in changing welfare payoffs to different sectors as Japan’s economy industrialised, but in institutional and policy precedents established in the first half of the twentieth century. The postwar agricultural cooperative movement and its many functions have roots in the prewar tradition of intermediary agricultural organisations such as nokai and sangyou kumiai (government-linked agricultural cooperative organisations), and Nokyo continues to function in organising and delivering votes to Diet members (Mulgan, 2000, p. 380-81). The legal framework on which postwar agricultural policy has been built also has prewar origins. For example, the Food Control system, which became a policy cornerstone of the postwar years, was established as a temporary war measure in 1942.

Some of the main conclusions of the empirical-historical approach are as follows:

(1) the electoral power and political strength of the farmers and their lobby-group gives them a very significant influence over policy-makers, and in particular helped shape the pro-rural, anti-urban bias of the LDP in the postwar era; (2) in terms of the organisation of farmers’ interests and their access to politicians, the system is “strongly pluralist”; (3) “interest-groups’ penetration of political institutions is counterbalanced by bureaucratic penetration of interest groups through corporatist models of interaction, with varying degrees of state sponsorship and interest group capture,” which is consistent with corporate modes of interaction seen in certain Western European and North American states; (4) institutional interest groups (gaikaku dantai) go beyond their foundational administrative functions to seek to defend and expand their own powers; (5) the existence of so many statutory and institutional interest groups has itself institutionalised the protectionist regime, increasing the political costs of reform and acting as a bulwark against it; (6) the organisational foundations of agricultural support reflect and reify the nature of small-scale, family-farm based nature of agricultural production, so that production and protection are deeply interlinked (Mulgan, 2000, 645-647).

Critique

Just as the revisionist accounts of Japan’s apparent uniqueness by Johnson, van Wolfren, Fallows, Prestowitz and others in the 1980s and 1990s were countered with evidence that its political system shared fundamental similarities with other systems, so too is there evidence that the empirical-historical account of the uniqueness of aspects of Japan’s agricultural policy regime may be overstated. The cases of Taiwan and Korea provide useful evidence. Moore highlights Taiwan’s Joint Commission on Rural Reconstruction
(JCRR), a sort of substitute agricultural ministry, which controlled most agricultural investment, undertook planning and policy-making, implemented policies through other agencies, whose employees sought to maintain their commission’s special status and whose salaries were much higher than those of regular bureaucrats (Moore, 1990, pp. 101-102, 109). While it was not an exact analogue of Japan’s MAFF, the JCRR clearly shared some functions which went beyond what would be expected of ‘regular’ agricultural ministries. Korea also had a system of retiring bureaucrats finding second careers in organisations active in the sector in which the bureaucrats had formerly worked (Moore, 1990), a practice that sounds identical to the Japanese practice of amakudari. Thus, it seems fruitful to look for partial (if not complete) analogues in the agricultural regimes in other countries, and use these to identify conceptual commonalities between Japan on other countries.

Secondly, eschewing theory-constructing aspirations has the effect of placing limits on the ability to use the findings relating to Japan’s agricultural experience to draw broader conclusions about the way the world works, in terms of the political and economic phenomena at play in giving rise to and maintaining protectionist agricultural policy.

Thirdly, while drawing attention to the need for a “complex multifactoral account of the diverse political, historical, economic, bureaucratic, ideological and other factors involved” (Mulgan, 2000, p. 1) in Japanese agricultural policy, Mulgan’s own work focuses largely on the actions of policy-makers and interest groups, and does not deal in significant detail with certain other influences that can be investigated within “traditional political science;” such as ideational factors.

As such, the empirical-historical approach has produced an important body of research, giving rise to its own account of Japan’s agricultural policy system, but there remains space for future research to focus on factors not treated in detail thus far, and to do so in a way that is more comparative and theoretic in aspiration.

2.3 Policy preference approaches

The two approaches considered in detail so far offer accounts of agricultural policy development and policy-making with specific reference to structural factors (political economy) and institutional factors (empirical-historical). This section examines literature which offers important insights into attitudes and preferences regarding agricultural policy from the perspective of voters or consumers. The studies range from political science to economics, and some of the research is interdisciplinary in nature.

Steven K. Vogel (1999) studied the policy preferences of Japanese consumer groups from a political science perspective, and suggested that they offered a “cautionary tale” to those who assume that preferences can be deduced a priori through assumptions about economic interests. The consumer groups studied had “repeatedly advocated policy positions at odds with their basic material interests in lower prices, higher financial returns, greater choice, and a more efficient system” (Vogel, 1999, p. 187). They had not only failed to promote
important liberalisation or deregulation, but had been quite successful in opposing them. Consumer groups fought vigorously against US pressure for agricultural liberalisation in the 1980s on the grounds that it would undermine food self-sufficiency, increase the risk of contamination or disease, and threaten farmers’ livelihoods (Vogel, 1999, p. 193). This research suggested that Japanese consumers have distinct preferences, and discounted price as a factor in making both political and economic decisions. In politics, they discount price relative to other concerns such as environmental protection, social stability, and fairness in competition (Vogel, 1999, p. 195). Vogel linked this to modern Japan’s historical experience, in which governments sought to convince consumers to sacrifice short-term interests like lower prices in favour of national goals such as economic growth, military strength, and postwar recovery. In addition, consumer groups’ behaviour was influenced by allegiances with other groups including farm groups forged through participation in national campaigns and other activities, and they also had a tendency to identify with perceived ‘weak’ groups like farmers as their allies (defined against perceived ‘strong’ groups like big businesses and foreign governments). Vogel argued for a broader understanding of rational behaviour, and cautioned against assuming, rather than empirically proving, the link between economic interests and preferences.

Seeking to explain the differences in attitudes towards free trade between economists (who almost universally favour free trade) and general public opinion (among whom 60% or more express anti-trade sentiment in opinion polls3), the economists Anna Maria Mayda and Dani Rodrik (2005) studied why certain people and countries are more protectionist than others, and found that attitudes towards trade are influenced by a complex set of determinants, both economic and non-economic in nature. One important factor was educational attainment and skill: highly educated individuals in countries with high levels of human capital tended to be pro-trade, although highly educated individuals in countries with low human capital levels tended to be against trade. Trade exposure of an individual’s employment sector was important, with those in non-traded sectors likely to be the most pro-trade, while those in sectors with comparative disadvantage were on average more protectionist. Relative economic status also mattered, with those who identified themselves as “upper class” being significantly more pro-trade. Finally, non-economic determinants, such as values, identities and attachments, “play a very important role in explaining variation in preferences over trade” (Mayda and Rodrik, 2005). Neighbourhood attachment and nationalism/patriotism were associated with protectionist tendencies, while “cosmopolitanism” was correlated with pro-trade sentiments.

Studying US consumers, Mansfield and Mutz (2009) found that individuals’ attitudes to trade were formed sociotropically and influenced by media and elite discourse, rather than being determined by an individual’s occupation. Building on this, and with reference to Japan, Naoi and Kume (2011) conducted a survey study that investigated individuals’ expressed policy preferences after they had been primed by visual stimuli to

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3 While these figures refer to the US, similar percentages were reported in surveys of public opinion in Japan. See Vogel (1999, 193).
consider their roles either as consumers or producers. Consumer role-focused priming was found to have no effect, but producer role-focused priming was found to increase respondents’ opposition to food imports. This effect was particularly strong among individuals who themselves felt job insecurity, creating what the authors termed a “coalition of losers” between producers and consumers that sustains protection for uncompetitive sectors (Naoi and Kume, 2011, p. 791). Further investigation examined two possible mechanisms by which these sentiments might be conveyed: sympathy for farmers, and projection of the respondents’ own job insecurity. It was found that projection was statistically significant.

2.4 Food security and governmentality

One of the most recent studies relating to Japan’s agricultural policy is narrower in scope (focusing only on fishing policy), yet it broadens the research field in a significant new direction, by using ideas as a central explanatory variable. It also offers a possible way to bridge the divide between structural and institutional accounts and individual preference-based explanations. Barclay and Epstein (2013) examine “the underlying rationale with which Japan has framed, justified and garnered support for its food security policies” (Barclay and Epstein, 2013, p. 223). The study begins by highlighting a fundamental paradox: Japan is a proponent and beneficiary of free trade regimes, yet clings stubbornly to protectionist policies to protect its agricultural sector, with “food security” often cited as the justification of this.

The authors then undertake an analysis based on Michel Foucault’s idea of governmentality, which is a counterpart to the traditional concept of sovereignty (that is, securing a territory and a population); governmentality and sovereignty are represented as the two conceptual poles that frame the range of the modern (neoliberal) state’s activities. Governmentality aims to capture the expanded functions of the modern state and the ways in which it has progressively penetrated the economy. One aspect of this is biopower, referring to the idea that the government has the power and the role to intervene and enhance the life of its citizens. Governmentality gives rise to an account of the historical trajectory of the liberalisation of food markets (in Europe, but transferable to Japan) that is quite similar to the economic growth and structural change account, but which also accounts for the move towards autarchy in the 1930s (Barclay and Epstein, 2013, pp. 218, 220).

The idea of food security in a modern state, the authors contend, resonates strongly in contemporary politics because it “mobilises both sovereignty and governmentality.”

Towards the sovereignty pole, it accounts for the framing of the issue in terms of security, because it illuminates a state that continues to cater to its traditional sovereignty obligations to secure a population

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4) As the authors note, at the WTO and in general discourse, “food security” means simply the ability of an individual to access sufficient food as to exist on a daily basis; the source of the food is not considered. A distinct concept is “food self sufficiency,” meaning the ability of a country to domestically produce enough food to feed its population. In policy discourse in Japan, “food security” and “food self-sufficiency” are equated to mean the same thing.
against, in this case, insufficient food supplies within the territory. Towards the governmentality pole, food as an area of governmental intervention constitutes both a productive sector of the economy in its own right, and one that hailed more fundamentally the chief purpose of governmentality, enhancing the population’s productive capacities. (Barclay and Epstein, 2013, p. 219).

Echoing the empirical-historical view, the authors note that gaikaku dantai in the fisheries sector carried out functions that in many other countries would have been done by the government, such as the regulation of fisheries, and also functions that might elsewhere have been done by the private sector, including human resources and payroll services for fishing companies (Barclay and Epstein, 2013, p. 220).

These ideas about food security have traction because, however instrumentally they may have been used by some actors, the ideas themselves are credibly in the public interest, and capture the concerns of many people beyond those who cynically benefit from practices carried out in the name of those ideas. In other words, they tap into deeper governmentality rationales underpinning the modern Japanese state. (Barclay and Epstein, 2013, p. 228)

Thus, in this view, the idea of government intervention to provide food for the nation becomes an essential element of the basic conception of the role of the modern state. In the Japanese context, the quasi-governmental functions of the gaikaku dantai in the fisheries sector (which have very close equivalents in the agricultural sector as a whole) means that the idea of government intervention in this sector is deeply entrenched from a historical perspective. And from a contemporary perspective, the idea of food security resonates with broader conceptions of the national interest. This message is re-enforced consistently by politicians, agricultural bureaucrats, prominent non-governmental organisations, and in the media at large.

3. Conclusion: summary, and future research

This paper has critically reviewed two major strands of literature on Japanese agricultural policy, as well as some recent research which offers new perspectives in understanding and explaining the persistence of protectionism in Japan, despite the fact that this policy course reduces both the national economic welfare and the individual welfare of voters and consumers who have continued to support these policies, explicitly or implicitly.

The political economy approach pioneered by Anderson, Hayami et al is a rational-choice based theory of economic growth and structural change, in which agricultural policy has changed in response to sectoral change during Japan’s economic development. Policy-makers set policies according to the political marketplace model, in response to the demands of sectoral interests. Agriculture provided the main source of
tax revenue when Japan was at a low level of development, but after the rapid industrialisation of the economy in the postwar era, now-relatively impoverished farmers had an increased incentive to demand protectionist policies, and the reduced economic cost of providing it (as well as a perceived benefit in terms of social stabilisation of rural areas during an era of rapid urban migration) led the owners of capital to acquiesce and allow politicians to satisfy these demands. This approach offers a logical (if, at times, imperfectly fitted) account of the historical trajectory of agricultural policy in modern Japan, and one which may be applied to other rapidly industrialising economies, like Korea and Taiwan. However, this theory fares poorly in accounting for the continuation of protectionism in contemporary Japan. The costs now significantly outweigh any perceived benefits, and Japanese agriculture’s employment and GDP share levels are well past the point where this theory predicted that protectionism would wane.

The empirical-historical account pioneered by Mulgan explains the postwar agricultural policy regime in terms of the intense and successful lobbying efforts of a range of interest groups - in particular, Nokyo (Japan Agriculture) and the agricultural ministry (MAFF) itself. In this account, there has been ‘institutional capture,’ with the capturing groups including non-governmental organisations (primarily Nokyo), the agricultural ministry itself, and the semi-governmental gaikaku dantai (affiliated organisations). This approach has revealed a large amount of data about particular features of the agricultural policy regime in Japan, and implies that the protectionist regime and the small scale of farming in Japan are together self-perpetuating. However, the approach does not offer a formal theoretical model, and its deep focus on one country seems to come at the cost of comparative applicability. In addition, there has not yet been detailed treatment of some of the factors deemed to be important explanatory variables, most notably ideas. Both the political economy and the empirical historical approaches explain Japanese agricultural policy in terms of the actions of policymakers and sectional interest groups, and concern collective action problems involving well-organised interest groups who capture agricultural policy, doing so against the economic welfare of voters and consumers.

In contrast, the policy preference determinants studies examined in Section 2.3 shed light on individual preferences regarding agricultural policy in Japan. This is essential in explaining why individuals - both as voters and as consumers - explicitly or implicitly favour protectionist agricultural policies that reduce their own economic welfare5. These (mostly) more recent studies share a more nuanced approach to policy preferences, and the multiple and complex factors which shape them. Individuals are not automatons whose policy preferences are determined in a Marxian fashion by material interests. Usually, they are producers as well as consumers, and their opinions and policy preferences are influenced to various degrees by their education level, sector of employment, food safety issues, environmental concerns, social concerns, and even projection of feelings of job insecurity onto others - in this case, farmers, whom they perceive as being in a

5 Naoi and Kume (2011, p. 772) found that 55% of Japanese people thought that import liberalisation of agricultural products should not be accepted “in order to maintain Japanese manufacturing exports,” while only 38% believed that agricultural imports should be liberalised.
similar situation. Indeed, attitudes towards trade are not necessarily fixed, and can be changed by priming an individual to focus on one of their roles or concerns rather than another.

Finally, the food security and governmentality approach discussed in Section 2.4 argues that government intervention to secure food supplies has such strong resonance because it fulfils both traditional sovereignty-related notions of the role of government to provide security to the nation (in this case, security from food shortages), and also the modern governmentality-related notions about the role of government to enhance what is termed the ‘life-capacity’ and productive potential of the nation through economic intervention. This approach incorporates the institutional capture described in the empirical-historical approach, but suggests that the broad consensus among policy-makers and the general population in Japan in relation to agricultural protectionism can only fully be explained through reference to the role of ideas.

As I hope this survey has shown, the field of Japanese agricultural policy studies is an extremely fertile one at present. The two major approaches have served well in explaining many of the features of the historical development and ongoing continuation of protectionism in Japan, but neither fully explains the entire picture. The policy preferences approaches could be advanced by further studies into the determinants of preferences to confirm the findings of Naoi and Kume (2011), and by their replication in less ethnically and culturally homogenous societies (Japan being perhaps the most homogenous of all nations in these regards). More broadly, developments in this strand of literature may have significant implications for how we assess if a policy is ‘rational,’ given that deductively assuming individual policy preferences purely through economic welfare calculations no longer seems satisfactory. Finally, the food security and governmentality approach offers a possible bridge between structural and institutional accounts and individual policy preference explanations. Although this work is based so far on only one paper, it builds on the foundations of two more established fields of study - governmentality on one hand, the empirical-historical strand on the other. The findings with respect to the fishing sector amount to a very convincing argument. This study opens the door for further work on the role of ideas in policy-making in Japan, and to the extension of this approach to the whole of Japan’s agricultural sector, beyond fishing. In particular, exploring the idea of rice, which seems to have a strong resonance in policy debates, could prove fruitful.

References