THE ROLE OF FOREIGN PRESSURE (GAIATSU) IN JAPAN’S AGRICULTURAL TRADE LIBERALISATION

Economic policy change within states is increasingly being driven by external political and economic pressures consequent upon the internationalisation of markets, the growth of economic interdependence and the increasing effectiveness of multilateral regimes as sponsors of trade liberalisation. In the context of Japan’s trade relations with its international trading partners, the term gaiatsu [foreign pressure] has gained wide currency to signify the demands and requests of other states for Japan to institute various policy adjustments to satisfy external interests. The historical record shows that gaiatsu sourced mainly in the United States and applied bilaterally and through the GATT has been the primary agent of transformation in Japan’s agricultural trade policies. It provided both the initial impetus and continuing momentum for market opening, as well as a convenient focus around which domestic pro-liberalisation forces could mobilise, thus influencing the domestic political equation by altering the relative balance of power between pro-agricultural and anti-agricultural protection groups and changing the calculations of the Japanese political leadership with respect to the likely political costs and benefits of change. The utility of gaiatsu as an agent of change in Japan’s agricultural trade policies illustrates how the domestic politics of a state can be penetrated by external political pressures which significantly alter the policy parameters for national decisionmakers and the relative power configurations of domestic groups. This suggests that intra-state politics is no longer just geared to domestic interests. The growth of economic interdependence and the strengthening of international trade regimes is expanding the zone of political accountability for national governments, forcing them to accommodate the interests of other state actors as well as the collective interests of international groupings.

Introduction

All states lie at the confluence of external and internal pressures. These pressures coincide and conflict in the domestic policy process, requiring national governments to balance the demands and interests of actors in both the domestic and international environments. Over time, factors such as advances in technology, the internationalisation of markets and the expanding reach of multilateral trade regimes have magnified the relative impact of external pressures on nation-states, mandating adjustments on the part of domestic authorities and in some cases undermining national systems of control (Vogel 1994, p. 3).