Communication and Integration of Multiple Subjects: A Study of Japan's Developmental State

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Abstract. In the second half of the 20th century, Japan achieved tremendous economic success. In interpreting this success, the role of the government has become a key focus of scholarly attention, giving rise to the theoretical analytical paradigm of the "developmental state." Based on this model, this article, drawing on the analytical methods of state-centrism and embedded autonomy theory, organically divides Japan into three entities: the state (government), the bureaucracy, and society, using the interactive relationship among them as the fundamental analytical framework. Ultimately, the conclusion is that, based on Japan's collective social structure, a trinity of development has emerged: the government sets the development direction, the bureaucracy formulates policies with governmental approval, and society is integrated into the government system to the greatest extent through informal institutions.

Keywords: Japan, developmental state, East Asian miracle, bureaucracy, social communication

1. Introduction

In the second half of the 20th century, Japan achieved a remarkable rapid economic growth, with a general increase in national income, a steady increase in national exports, and growth in gross national product driven by technological innovation [1]. This remarkable economic growth has attracted the attention of Western scholars. In interpreting this "East Asian miracle", scholars often emphasize the role of non-market factors in economic development, thus proposing the proposition of a "developmental state".

Chalmers Johnson, the founder of this theory, took the lead in constructing an analytical framework for the developmental state through his classic study, "MITI and the Japanese Miracle." He used Japan's Ministry of International Trade and Industry (MITI) as an analytical object and systematically demonstrated the key role of Japan's industrial policy in the "economic miracle." Johnson's contribution lies not only in confirming the government's core position in economic development, but also in describing how the elite bureaucracy transforms the state's will into sustained economic momentum through institutional design [2]. Based on this theory, Peter Evans proposed an extended theory of "embedded autonomy." He broke through the state-society binary opposition framework and emphasized that effective governance requires maintaining the decision-making autonomy of state institutions and the deep embedding of social networks. Evans' innovation lies in injecting a social dimension into the developmental state theory and revealing the social basis for the effectiveness of government intervention [3]. In addition, the state-centric way of thinking has significantly provided ideological support for the two thinking modes. This theory criticizes the society-centered analytical model, arguing that the state is an autonomous entity with a structure equivalent to that of society. It holds that the state has its own behavioral tendencies and tends to resolve such externalities through coercive force when conflicts arise with society [4]. These three categories of theoretical traditions have become the conventional theoretical analysis methods for discussing developmental states. This study emphasizes the role of the state (government) in economic development and discusses how the state suppresses social opposition; it highlights the role of technocrats and situates them within nationalist theory for historical analysis; and it focuses on social communication, considers both formal and informal institutions, and examines how the state incorporates society into its governance framework.

2. The ruling group’s economic ideology

Policy network theory believes that the consensus reached by different interest groups through interest exchange is an important condition for the implementation and effective practice of policies [5]. The social structure under Japanese culture is very different from that of the West. Compared with Western individualism, individuals in Japanese culture tend to blur the boundaries between themselves and the group, and semi-voluntarily regard collective will as the ultimate form of personal will—a cognitive psychology referred to as 'group orientation' [6]. This group nature is clearly manifested in the ruling group of the national government. The ruling group of the country often has an extremely unified ideological leadership. Returning to the issue of developmental states, in terms of theoretical definition, one of the important characteristics of developmental states is that the ruling group has the desire for economic development. Based on this desire, the ruling group often actively promotes the integration of society to provide a stable order for economic construction.

Japan's economic ideology embodies a dual unity between the ruling group and the technocratic identity. Under the long-term rule of the Liberal Democratic Party, the stable 1955 system was established. This long-term stable moderate authoritarian system provides external conditions for the consistency of economic policies. Liberal Democratic Party politicians believe that as a country responsible for the war, it should cut off the path of military rise and gain international discourse power through peaceful economic development. The core logic of its economic ideology is manifested in three phases: post-war reconstruction (1950s), building an economic power (1960s), and seeking political power status (1970s) [7]. This line of thinking makes economic construction the core of its national construction line [8]. Cabinet politicians, through long-term communication with technocrats, gradually evolved into political protectors of non-interference policies, with their primary responsibility being to coordinate power dynamics between departments. This mechanism, while reducing the struggle for power and responsibility between departments, gives technocrats great policy autonomy. In the debate on the path of economic construction, the development method emphasized by technocrats to expand production and develop heavy industry prevailed, thus forming the basic tone of Japan's economic development [2]. The unity of economic thought of Japan's ruling group depends on the continuity of the group. The tradition of dirigisme thought comes from a longer timeline. Around 1920, Japan's economy was in a long-term downturn, a large number of banks went bankrupt, and social problems were prominent [9]. The theories of Marx, Schumpeter and Keynes were all borrowed by Japan [10], and the success of the Soviet Union's planned economy allowed the idea of " dirigisme " to begin to spread in Japan. The reform bureaucracy group gradually formed at this time. Most members of this group had received higher education at Imperial University (now the University of Tokyo) and were deeply influenced by national socialism and dirigiste ideas, developing a strong anti-capitalist consciousness and support for a powerful state. The reform bureaucracy with this consciousness was highly appreciated by the military. Therefore, during World War II, as key promoters of militarism, they participated deeply in economic decision-making and exercised comprehensive control over domestic resources. After the war, these dirigisme supporters, based on the economic concept of rebuilding Japan, gradually transformed into politicians and appeared in the cabinet as ministers and even prime ministers, reflecting the postwar continuation of the pre-war economic thought community. Through the long-standing line of succession designated by seniority, exemplified by the long-standing leadership of Etsusaburo Shiina, Nobusuke Kishi, and Shinji Yoshino, a group with distinct policy continuity emerged. The collaboration between politicians and technocrats charted a path for government-led economic development.

3. Participatory cultivation of technical bureaucratic capabilities

Technocracy, as a specialized form of intellectual participation in policymaking, has made a decisive contribution to Japan's economic development. Its key characteristics include a strong university education and experience working in technically oriented positions, thereby minimizing interference from private interests. It is important to note that technocracy is not a fixed political role, but rather an expression of the extent of individual intellectuals' political participation. Therefore, the role of Japan's technocracy depends heavily on the political system's capacity to accommodate intellectuals—in other words, institutional inclusion. Such inclusion fosters both the growth of technocracy and non-institutional social communication.

From a long-term perspective, technocrats have always held a prominent position in Japan's policymaking. Specifically, Japan's institutionalized efforts to integrate civilian intellectuals began with the promulgation of the 'Rules for the Employment and Training of Civil Service Examinees' in 1893, marking the initial formation of the higher civil service examination system. The requirement for higher education for applicants ultimately led to the formation of an elite bureaucracy characterized by a closed-off culture and specialized knowledge. As mentioned above, this technocratic group grew during the complex economic crises of the late Taisho period and early Shōwa period, which fostered a wave of ideological support for " dirigisme " of the national economy. After entering officialdom, reformist bureaucrats, drawing on foreign experience, enacted the 1931 Law of Regulations of Important Industries, mandating the formation of state-directed cartels in key industries. The government reinforced this policy through financial support, quotas on raw material imports, and tax incentives. The July 7 Incident of the same year, which led to the invasion of Northeast China, turned Manchuria into a social experiment. Here, reformist bureaucrats established the Central Bank of Manchukuo, formulated laws such as the 'Manchurian Economic Construction Outline', 'Important Industry Control Law', and 'Foreign Exchange Control Law', and for the first time established an integrated industrial management system—encompassing finance, taxation, banking, and foreign exchange—outside of Japan. This dirigiste concept and the development of the reformist bureaucratic system reinforced each other, together shaping Japan's post-war economic development model. The reformist bureaucrats generally served in Manchuria, forming a common resume in the university, Manchuria and the mainland [11]. This dual relationship between alumni and colleagues effectively promoted the identity and ideological identification of the reformist bureaucratic group. During World War II, the reformist bureaucratic system was incorporated into the country's highest management system and became the actual maker of the national economic plan. In 1934, the Cabinet Planning Council was established, and then merged with the Cabinet Investigation Bureau in 1937 to form the Cabinet Planning Agency. Its core functions included formulating material mobilization plans, coordinating military production, and planning wartime economic policies. The most iconic achievements of this agency included the National General Mobilization Law, promulgated in 1938, which granted the government special powers to requisition labor, allocate strategic materials, and control the financial system without parliamentary review; and the more practical Material Mobilization Plan, which implemented import controls on 88 strategic materials—including steel, oil, and rubber—through a foreign exchange quota system. Subsequently, the Cabinet Planning Agency cooperated with the Ministry of Munitions, the headquarters of the reform bureaucracy, to formulate 17 industrial control bills between 1937 and 1939. The sophisticated economic control methods were successfully brought into the post-war period, and the "old-fashioned" methods played a huge role in post-war reconstruction [12]. In the Economic Stabilization Headquarters, which was headed by GHQ and was responsible for postwar reconstruction, the control faction bureaucrats held an absolute advantage. The priority production system proposed by the agency continued the economic control methods used during the war. Specifically, it took the coal and steel industries as core projects, set short-term production targets, and provided the greatest policy support. At the same time, everything from industrial resources such as oil and steel to daily necessities such as coal and rice became the objects of control. This policy was not completely abolished until 1958 [12]. The control of banks, foreign exchange and foreign trade also continued the existing policies. The Ministry of Commerce and Industry led industrial policy, while the Ministry of Finance led banking and finance. The two worked together to formulate economic strategies such as the Enterprise Rationalization Promotion Law, the Foreign Exchange Management Law, and the Japan Export-Import Bank Law [2] around 1955, building a trinity of administrative guidance, foreign exchange and import and export control, and financial control, and achieving complete control over the direction of industrial development. As a result, the government-led market economy was able to continue.

4. Penetration and integration: government social communication

The theory of state capacity is one of the core issues in contemporary political science. Its core concern is how the state can effectively exercise its authority, penetrate society and achieve governance goals. In Strong Societies and Weak States [13], Joel S. Migdal reveals the dynamic relationship between state and social forces from the perspective of "social control": when the state cannot penetrate the traditional social network, social groups may form a confrontational power structure, leading to the fragmentation of state authority. From the perspective of state penetration into society, its basic logic is to weaken the criticism of the state as a subject by absorbing potential opponents into the state system. The government can reduce dissatisfaction among opposition factions by sharing interests; by absorbing opposition forces into the political system, their interests and ideas can be negotiated and satisfied within a specific institutional framework. As a continuation of the East Asian examination model, Japan's civil service recruitment system provides social elites with a good educational background with the opportunity to participate in national governance with a clear identity. Socialization behaviors to increase collective belonging also have common characteristics. At the same time, the public sector and private associations function as absorptive groups, further enhancing their absorptive capacity. The core essence of this kind of penetration is to create clear communication channels between the government and society.

In terms of communication channels, Japan has highlighted its non-institutional side. It has become common practice for senior bureaucrats to take up positions as consultants or executives in related companies after retirement—a practice known as 'amakudari' (amakudari/descent from heaven). As of August 2000, there were 78 special corporations and 84 specially recognized corporations directly under various ministries and agencies in Japan, with a total of 916 senior cadres. Of these, 427 were from central government bureaucrats, accounting for 47% [14]. This personnel flow has built a "Kasumigaseki network" covering both the political and business circles, enabling bureaucrats to control companies invisibly. At the same time, Japan has widely established consulting agencies, which can be roughly divided into three levels according to the closeness of their relationship with the government: permanent consulting agency review committees within the government, informal consulting organizations established by government agencies or bureaucrats, and private consulting agency think tanks [15]. Such consulting agencies have become important interest coordination platforms in the policy-making process of the Japanese government [16]. In addition to mild infiltration methods, integrating ideas is also a common practice of the Japanese government. After World War II, Japanese industrial workers formed unions and launched strikes many times. The periodic "Spring Struggle" strikes could involve up to 2.4 million participants [17]. The Japanese government realized the waste of production capacity caused by such behavior and intended to reconcile labor-capital conflicts. Under the government's conscious guidance, the unions gradually abandoned the socialist ideology and succumbed to the enterprises. While weakening unions, the Japanese government also sidelined public opinion when necessary. This was evident in the forced passage of the revised 'U.S.-Japan Security Treaty' in 1960. Although the Kishi government's disregard for Japanese public opinion led to its downfall, its goal was still achieved, and the economic standing of the Japan-U.S. alliance was further solidified [18].

Through this dual mechanism of institutional inclusion and coercive integration, Japan has successfully constructed a resilient closed-loop political order. The government selectively incorporates social elites through institutionalized channels while simultaneously employing coercive force to exclude dissenting voices. This ensures that policymaking is free from external interference and maintains the dynamic equilibrium of the political system. This system essentially follows the governance logic of "selective openness and systemic exclusion." This means that society tolerates dissent to a certain extent through democratic compensation. However, at the actual institutional level, public opinion is deliberately ignored.

5. Conclusion

Japan's developmental state model successfully fueled its postwar economic miracle through a combination of a strong central government, a technocratic system, and embedded autonomy. The Ministry of International Trade and Industry (MITI) served as a core institution, coordinating public and private sectors and guiding industrial upgrading. Institutional cohesion and social coordination mechanisms ensured social support and the stable implementation of policies. However, the success of this model hinged on specific historical and social conditions, and its applicability in the context of globalization requires further exploration. Nevertheless, Japan's experience provides valuable insights for developing countries, highlighting the crucial role of government in economic development. This article is a preliminary exploration of the social coordination mechanisms of Japan's developmental state, but it remains limited. Perhaps due to a lack of cross-country comparisons, the analysis fails to highlight the unique role of the Japanese government and thus warrants further refinement.

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