

COMPUTERIZATION

Information And Globalism

IN reviewing the problems that trouble the advanced nations today perhaps the most important factor to examine is the instability of the world order, and the changes resulting from the end of the era of Pax Americana in particular. As history shows no great power can escape the fate of its inevitable decline. As the relative influence of the United States has weakened in world political and military affairs, its economic strength too has begun to wane. These developments have manifested themselves in Japan-US relations in the form of friction over trade and financial issues.

THE SCRAMBLE FOR KNOWLEDGE: Development of the service and information sectors can be expected to advance in both the United States and Japan in the years ahead, and it is quite likely that industrialized countries will switch from the present 'scramble for wealth' to a future 'scramble for knowledge'. Global rivalry for centuries characterized by the competition to control territory, shifted to friction first over trade, then over capital and we may surmise will eventually move to a struggle for information.

If we compare the progress of the computerization of social functions and the information industry in the two countries, it becomes clear that in the former realm the United States takes the lead. In the information industry the United States is strongest in the fields of design know-how and software development technology while Japan is outstanding in the realm of hardware including the production of parts and other manufactured goods.

In the endeavour to achieve a mature advanced information society it is important to take into consideration conditions in

In the industrialized nations today, the advance of computerization and automation has become a significant aspect of social and economic change. How will such developments in Japan and America influence both nations and what will be their effect on the North-South problem in the years ahead? The following is a summary of the conclusions reached by members of the softnomics research team led by Professor Shumpei Kumon of the University of Tokyo.

both countries and to make co-operative efforts to work in unison allowing the strong points of one country to complement the weak points of the other. Of course on the corporate level both sides must strive to remedy their weak points and engage in healthy competition. Only that kind of competition will bring true mutual benefit in the long-run and be in the real interest of both nations.

THE NORTH-SOUTH PROBLEM

Turning to the North-South problem we can regard the relationship between Japan and the countries of ASEAN and the Asian NICs as a model of the global relationship between developed and developing countries. Let us analyze these relationships in two dimensions the economic and the political cultural.

With regard to the economic dimension the first problem we must consider is the time lag between Japan and the Asian NICs and ASEAN in the development of information and service industries. As the development of computerization and the service industries progresses an optimal balance will be achieved between the 'hard' and 'soft' aspects of technology and

conditions in the industrialized countries, such a balance will be achieved when the per capita GNP in these countries has risen to around \$10,000. The advance of the information and service sectors will probably occur in the Asian NICs and the ASEAN countries in the first half of the twenty-first century, marking their full industrialization.

As Japan has already entered the post-industrial age and is now developing its information-processing and service industries its most important concern should be an adequate response to the time lag between itself and its neighbours. Perhaps the most desirable role Japan can play is to continue to contribute to the development of the Asian NICs and the ASEAN countries and thereby to the improvement of the Asian region as a whole.

In that endeavour, Japanese industry should work positively to promote industrial adjustment from the viewpoint of the international division of labour and strive both to open its markets to all Asian countries in the area of manufactured goods and to export information and service-related know-

ces in the form of direct investment will work to Japan's advantage in the long run. Direct investment represents a composite of labour, materials, capital and technology and this is the most suitable way that Japan whose information systems and service industries are more advanced can contribute to the international economy.

WHAT JAPAN CAN DO?—Indeed, the time has come for Japan to contribute to the creation of systems to prevent the Asian region from contracting the ills experienced by many of the industrialized nations by exporting the Japanese-style methods of management that are the cultural source of Japan's competitive strength. Of course although it surely goes without saying such a transfer cannot be forced. Therefore in order for Japanese direct investment to be accepted overseas localization—the procurement of labour materials capital and parts in the local areas themselves—will grow increasingly important.

Finally we must emphasize the importance of Japan's furthering cooperation in the political and cultural realm in the Asian and Pacific region. One of the leading ideas in this vein was the report prepared by a study group under the late Prime Minister Masayoshi Ohira on a 'Concept' of Pacific Basin cooperation. The basic principles of this 'Concept' were outlined as follows:

(1) The Pacific area is the most actively growing region in the world, and with the development of closer political and economic ties and improved means of transport and communication, conditions are ripe for the creation of a unified regional community.

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of the Pacific Basin region offers a realistic solution to the North-South problem, and will cultivate new leaders for the age of globalism (ones who can be the pillars of the new international economic order).

(3) The pursuit of nonexclusive regionalism vis-a-vis the rest of the world is a prerequisite for the achievement of these goals.

What sets this 'Concept' apart from the many other views of Pan-Pacific cooperation is its respect for the diversity of the region's countries. Although most other schemes for a Pacific community have tended to place priority on developing economic interdependence in the region the 'Concept' emphasizes mutual understanding pointing out the importance of multifaceted interregional bonds in cultural exchange educational cooperation and manpower development.

Changes which have occurred in the Pacific region and international society as a whole in the five years since the publication of the Ohira 'Concept' have been favourable to its goals of fostering stable development and a new global order through cooperation in the Asian and Pacific region. Nevertheless, some warn of the danger of estrangement between Japan and ASEAN and of political instability in the Asian nations and Japan must make haste to become an 'open information society' with the ability and will to confront such problems.

In other words while working to promote technology transfer and increased imports of manufactured goods Japan must also devote its efforts to mediation and negotiation in international politics to help achieve political stability in the Asian region and pave the way for development and prosperity in Asia from a global viewpoint. (LOOK JAPAN)