How the Global Industry of Ideas Has Spread in Asia

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Chinese think tanks have a short history and are associated with the government. But there is hope as independent think tank numbers grow.

Warren A. Stanislaus
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Seeking an Independent Voice: Japanese Think Tanks
By Warren A. Stanislaus

The role of think tanks in Japan has long been played by the government bureaucracy or government-backed bodies, never developing the critical voices that might formulate alternative policies. This lack of independence has hampered the ability of the country to respond to decades of economic stagnation and decline, writes Warren A. Stanislaus. Without a vibrant think tank culture, Japan is losing out in the global competition for ideas and influence.

TO DATE, the role of think tanks in Japan has been limited. Japan’s “policy community” refers almost exclusively to the government bureaucracy that holds a monopoly over policy research and formulation. The policy-making process has traditionally been viewed as a concern only for the government and there is scarce room for access from potential external actors. Kasumigaseki (an area in Tokyo where most government ministry offices are located) has effectively operated as the nation’s think tank.

Nevertheless, according to the 2014 Global Go To Think Tank Index Report, Japan has an estimated 108 think tanks. In a table that shows the countries with the largest number of think tanks, Japan is ranked 9th behind the US (1,830), China (429), the UK (287), Germany (194), India (192), France (177), Argentina (137) and Russia (122). Despite being a major world economy, the number of think tanks in comparison to other G-20 countries is meager, further pointing to their narrow role in Japanese society.

That is not to say that the institutions that do exist are irrelevant, but the overwhelming majority of think tanks in Japan are either arms of the government or of industry. Jun Kurihara, research director at the Canon Institute for Global Studies, calls these the “kasumigaseki type” and the “marunouchi type” (marunouchi is the name of Tokyo’s commercial center), providing information, data and analysis either to their government or corporate sponsors. This intellectual infrastructure of dependence, however, has created an environment where objective critical reviews of government policy and competition among the several policy actors to provide alternatives, are either unwelcome or go unacknowledged.

THINK TANK DEVELOPMENT IN JAPAN
What brought rise to this policy climate? The overwhelming political dominance of the Liberal Democratic Party (LDP) since the end of World War II, known as the “1955 system,” and the subsequent absence of two-party politics is perhaps the chief cause of this deficiency. In other words, the “kasumigaseki tank” has essentially been the think tank and fine tuner for the LDP, which was able to operate without any real policy challengers. Hence, Japan lacks the independent public policy institutes that are common to the West.

The late 1960s gave rise to the first think tanks in Japan, with a boom in the 1970s. At that time, their primary function was to assist the nation with its miracle economic growth and catch-up capitalism, paying little attention to security matters or Japan’s involvement in the international community. As Takahiro Suzuki, a regular commentator on think tanks in Japan, has argued, the country’s model of think tanks played a role suited to their time — that of a “postwar free ride.” However, in the 21st century there is an urgent need for policy institutes that take on broader functions.

To be sure, the call for independent think tanks in Japan is not new. Since the end of the Cold War and the bursting of Japan’s bubble economy, there have been several attempts at establishing new models of think tanks and raising awareness of the key role that they can play in shaping the future of Japan. Behind these petitions was a growing sense that the policies of the LDP were not sufficient to end Japan’s “lost decades” of economic stagnation, address complex social issues and halt the country’s decline. This brought a demand for alternatives from outside the establishment, and for the first time the LDP’s control on policy formation was tested. This disillusionment with the status quo paved the way for the Democratic Party of Japan’s (DPJ) landmark victory in 2009. However, Japan’s largest opposition party could only offer a wish list, as opposed to viable policy alternatives. This ultimately led to its loss of power in 2012 and current fall into disarray.

Viable alternatives can only be realized through a process of objective critical review, the drawing out of key lessons and providing solutions based on this process of examination. The ability to offer objective criticism is closely tied to independence. In essence, the intellectual infrastructure of dependence that exists within Japan’s policy community has precluded the emergence of much needed alternatives. Now more than ever, this capacity for independence needs to be rebuilt.

In particular, much of the discussion has been centered on the demand for non-governmental foreign policy and security think tanks. There is a general consensus that in addition to providing policy alternatives and stimulating public debate, the new model of independent think tank should also offer a soft power element in order to increase Japan’s international presence beyond “checkbook diplomacy.”

ENCOUNTERING DIFFICULTIES
This undertaking has been fraught with difficulties over the past 25 years with a negative cycle of repeated proposals and few outcomes, leaving some in Japan to question the actual necessity of such think tanks. Notwithstanding the successful establishment of a limited number of independent think tanks, they have failed to garner the level of domestic and international influence enjoyed by their counterparts in the US and Europe. Indeed, global measures suggest that Japanese think tanks as a whole still lag behind other countries. In the 2014 Global Go To Think Tank rankings, Japan’s highest entry was the Japan Institute of International Affairs (JIIA) at No. 13, but only three others (Asian Development Bank Institute, Institute for International Policy Studies, National Institute for Defense Studies) made it into the top 150. Compare this to the US with 12, Germany with 12, the UK with 16 and China with eight in the top 150. While such tables may not provide accurate measures, and
the process of ranking itself is often a subject of criticism, the figures still suggest that Japan is being left behind in the global war of ideas.

Further evidence of this struggle for significance can be witnessed in recent funding patterns. In a 2012 report on foreign policy think tanks submitted to then Foreign Minister Koichiro Genba by an advisory panel, it was discovered that in the 10 years between 1998 and 2008, the funding available to the five largest policy think tanks in Japan dropped by a dramatic 40 percent, from around US$30 million to US$15 million. On the other hand, the study found that in the same time period, five of the leading think tanks in the US received a 150 percent increase in funding, not to mention a rapid expansion of their activities, including the establishment of centers overseas. The same report found that the publicized annual budgets of five prominent think tanks in Europe and ASEAN countries were as much as 4 and 1.5 times, respectively, more than that of those surveyed in Japan. Indeed, between 2008 and 2011, the explosion in the number of think tanks in BRICS countries from an estimated 419 to 985 institutions, and the establishment of the transnational BRICS Think Tanks Council in 2013, demonstrates a global recognition of the growing importance of think tanks in society. While other nations are aggressively attempting to expand their think tank capabilities, Japan is conversely experiencing a decline.

Other reasons for this regression have to do with structural restrictions on non-profit organizations, a lack of tax incentives and a culture that is generally not inclined towards philanthropic activities. Another key challenge that is often overlooked is the shortage of qualified personnel. In the US and Europe, working in a well renowned think tank is considered to be very prestigious. Particularly in the US, where think tanks serve as a “revolving door” between government positions, being affiliated with a think tank can be a fundamental part of one’s career progression. However, the relatively low status of think tanks in Japan has meant that the most talented researchers will opt for what are perceived to be more secure and respected careers in government and academia, or more lucrative positions in private firms.

To be sure, at the heart of think tanks’ limited role in Japan is the persistent lack of recognition of the essential purpose they serve in society and policy formation vis-à-vis the dominance of government bureaucrats. This is combined with the lack of awareness and slow response to the emerging global trajectory of multiple non-governmental actors playing an increasingly significant role in shaping society and the international milieu within which nations must operate. Discussing this trend, Toshihiro Nakayama, a professor of foreign policy at Keio University, says Japan can no longer pursue a “reactive foreign policy” that merely responds to external developments. In today’s world, even Japan’s minimal national interests can only be protected by proactively participating in the global marketplace of ideas and the rule-making process that determines the shape of the international environment.

In a recent work exploring how Asian nations seek to increase and leverage their presence in Washington, Kent Calder reveals that Japan has been largely ineffective in achieving its desired ends.1 He writes that Japan has been slow to respond to the emerging imperative of a deepening intra-Asian competition for influence in Washington that has made it necessary for all nations to play an increasingly proactive role. Compared to its regional neighbors such as China and South Korea, Japan is relatively inactive and has a low visibility outside the realm of formal lobbying. Yet, Calder argues that it is in the informal “penumbra of power” such as think tanks, NGO’s and multilateral institutions that the greatest outcomes are gained. This is due to their unique ability to rapidly acquire relevant information, articulate interests as intermediaries and provide channels of access. Recognizing the growing importance of think tanks and other non-governmental institutions in setting policy agendas, Japan’s neighbors have been successful at utilizing informal interaction and soft power. Left behind in a fiercely competitive global struggle of ideas, Japan’s future prosperity and international relevance is at stake. Japan is in crisis.
REBUILDING JAPAN’S POLICY COMMUNITY

The devastation that was caused by the triple disaster of the earthquake, tsunami and nuclear meltdown in March 2011 marked the nadir in a wider decline of Japan over a 20-year period. The events of 3/11 exposed the nature of Japan’s long-term crisis as stemming from an underlying stagnation and deficiencies in society. The Rebuild Japan Initiative Foundation (RJIF), an independent Tokyo-based think tank to which the author belongs, was initially launched in response to the Fukushima nuclear disaster, but its scope goes beyond repairing the damage of March 2011. By uncovering and examining the fundamental causes and structure of the crisis over the “lost twenty years,” RJIF intends to draw pertinent lessons and offer solutions that will contribute to the overall rebuilding of Japan based on the three pillars of “Truth, Independence and Humanity.” This is precisely the process of review-lessons-alternatives that is needed to revitalize Japan’s stagnant policy community.

This work can only be achieved by actively incorporating new and diverse actors into the policy-making process and stimulating a lively marketplace for ideas. Perhaps one of the greatest challenges for Japanese think tanks is to become intellectual incubators that act as vital networking bridges across sectors, disciplines and borders. Masao Maruyama, one of Japan’s most prominent intellectual figures of the 20th century, famously argued that Japan is a “takotsubo-gata” society (a round ceramic pot for catching octopus), meaning that groups exist in isolation without sharing any common base or intellectual foundation as would be found in “sasara-gata” societies (bamboo whisk). The complex, interconnected and borderless nature of the public policy challenges that confront Japan, demands an equally integrated response. Indeed, policy debates that have hitherto been confined to issues within Japan, have not only left Japan out of touch with global trends, but meant a forfeiting of opportunities to share Japan’s unique wisdom and experiences in order to exert a meaningful influence on the world.

Japanese think tanks have a role to play beyond a myopic national interest.

RJIF’s “Lost Decades” project is an attempt to fill this gap. Assembling an international team of experts from diverse disciplinary backgrounds, this project critically examines Japan’s lost decades with a broader aim of drawing lessons that will be relevant to the present global context, where advanced economies are facing rising public debt, deflation and demographic shifts. In this way, Japanese think tanks must strive to be thought leaders through initiating international collaborative programs that provide crucial insights into shared challenges. Ultimately, this will also ensure Japan’s presence on the global stage.

In many respects, the blueprint for Japanese think tanks has already been laid out. Yukichi Fukuzawa (1835-1901), Japan’s most influential enlightenment thinker, encouraged a spirit of “independence,” believing this to be the indispensable foundation of civil society. Along similar lines, Shunsuke Tsurumi, a prominent postwar thinker, in 1946 founded the Institute for the Science of Thought (Shisō no kagaku kenkyūkai), an intellectual club intended to be a voice for the “citizen” (shimin). Tsurumi called for Japan to carve out a path for itself in the world by “rebuilding Japanese public policy from the private roots contained in the thought of the Japanese people.” They both envisioned a society that overcomes the “octopus trap” — creating a space where different sectors can gather and freely exchange ideas with the active participation of the people. Japanese think tanks must urgently take up this role in order to be at the forefront of revitalizing Japan’s policy community and civil society as a whole.

In Focus: Stanislaus

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