

Amakudari: The Hidden Fabric of Japan's Economy

by Richard A. Colignon and Chikako Usui. Ithaca, NY: ILR Press: Cornell University Press, 2003. 224 pp. \$35.00 cloth. ISBN: 0-8014-4083-1.

HAROLD R. KERBO California Polytechnic State University hkerbo@calpoly.edu

American sociology has come a long way since modernization theorists of the 1950s concluded that Japan would have to become like the United States if they were to achieve advanced industrial nation status. Still, one wonders how far we have come when comparative sociologists include Asian countries in their quantitative data sets with no apparent recognition that some of the numbers may be misleading. It is for reasons such as these that sociologists interested in comparative political economy will find this book extremely useful. The current debate over the nature of "welfare capitalisms" would be greatly enriched with more material on Asian nations such as that provided by Colignon and Usui. Japan scholars, however, will also find this book extremely useful, not because of new ideas about the Japanese political- economy, but because of a wealth of new data confirming much of what we had already suspected. In no industrial society today do we find a power elite as united and commanding as in present day Japan.

Japan's power elite, or "iron triangle," consists of top executives from the largest firms in the keiretsu corporate groupings, senior politicians from the dominating Liberal Democratic Party, and high officials among the bureaucratic government ministry. Within these three pinnacles of power there has been little disagreement that top officials in key government ministries are most influential. These are people who graduated from elite universities (most important, from the law faculty at Tokyo University) to enter the "career fast tracks" in the most respected government ministries (such as Ministry of Finance and Ministry of International Trade and Industry), and ending up in the most senior positions by their mid-fifties. These are the bureaucrats, for example, who write most of the laws passed by politicians in the Japanese parliament (Diet), and who are then given broad authority to administer these regulatory laws in guiding almost all aspects of the Japanese society.

Only with this understanding of the Japanese political-economy are we able to then understand the significance of the amakudari, which is the subject of this book. The term is usually translated as "descending from heaven." In the Japan of old, the concept had a more literal meaning: The emperor was considered a god and his agents were those who staffed his government ministries. When these officials left their positions for more "worldly" positions in other sectors of the society, they were "descending from the heavenly world" of the emperor. Today the term amakudari is most specifically reserved to describe top ministry officials who retire to positions in major corporations. Yokosuberi is used to describe those ministry officials who retire to public corporations and other government agencies, while seikai tensin refers to ministry officials who retire and run for political office. But as Colignon and Usui explain, all of these linkages are a part of a wider hierarchy with higher positions strongly connected to lower positions in all sectors of the Japanese society.

This book provides the most complete data to date on the extent of movement from top ministry positions into corporate boards, public organizations, and political positions. The use of multiple data sources is also instrumental in showing us that the practice of all forms of amakudari have changed little since World War II. For example, while the National Personnel Authority of Japan tells us that the extent of amakudari has been reduced due to public criticism, Colignon and Usui are able to show us this official view is very misleading. There are as many corporate board members of major Japanese corporations who are retired ministry bureaucrats now as there ever were. The only difference is that these retired ministry officials move to major corporations after a two or three year stop in semi-public government organizations. Indeed, they are able to show that the number of retired ministry officials now in politics (seikai tensin) is even greater than in recent years, though the

number of those rising to the position of prime minister has dropped dramatically because it now takes much longer to move to the leading position within the Liberal Democratic Party.

The book's only significant weakness comes in the concluding chapter. The authors' attempt to explain "amakudari as a power structure" misses much of the recent literature on the nature of power structures in modern industrial societies. It also misses an opportunity to consider how the nature of elites in Japan presents us with puzzling questions that confront our assumptions of power elites. From the American situation, for example, one can ask "if these guys are so powerful, why aren't they rich?" Colignon and Usui present the most recent income data showing that top ministry officials continue to have very modest salaries, even by Japanese standards. These elite ministry officials, who dominate almost all aspects of the Japanese society, have salaries that range from \$60,000 to less than \$90,000 a year by the time they are ready for retirement. And in contrast to some Japanese politicians, there are extremely few cases of ministry officials lining their pockets from bribes. True, these top ministry officials can receive something like \$200,000 in severance pay and perhaps \$300,000 to \$400,000 for a few years in a top corporate position after their amakudari. But there is nothing like the \$10 million annual compensations received by American CEOs. For what purpose is their power used if not to secure a high standard of living for them- selves? Are Japanese ministry officials more motivated by status rewards? What are the mechanisms that keep the incomes of Japan's elite comparatively low? Is their power employed mostly to protect and direct the nation as they define national interests? And what have been the effects upon the Japanese society of a ruling elite more united and interlocked than that of any other industrial society? These are questions not well considered in the concluding chapter, but these are questions that Colignon and Usui will help us to explore in future works because of their excellent analysis and new data on the nature of amakudari in the Japanese political economy.