

論文の内容の要旨

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論文題目 The Effects of Japanese Foreign Direct Investment on East Asian Agricultural and Food Sector
(日本の海外直接投資が東アジアの農業、食料部門に与える影響)

East Asian economies have achieved rapid economic growth and development over many decades. The newly industrialized economies (NIEs), namely Hong Kong, Korea, Singapore and Taiwan, were the first group to be successful followed by the middle-income countries of the Association of Southeast Asian Nations (ASEAN), Indonesia, Malaysia, the Philippines, Thailand, as well as China. Along with these achievements, there is evidence of a strong economic interdependence through expansion of trade and investment liberalization. This external liberalization creates “natural” regional integration in East Asia. Even though no formal or enforceable institutions have been established, the level of integration is comparable with that of NAFTA and the EU. The great contribution to the market-driven integration process in this region is the expansion of trade and foreign direct investment (FDI) linkage. This linkage has formed an “FDI-Trade” nexus, i.e., mutual reinforcement between trade and FDI. It has been led by the regional production network and supply chain of multinational enterprises (MNEs) and helped to foster economic integration in East Asia.

The FDI by Japanese MNEs has made a substantial contribution to the process of regional integration since the mid-1980s, by generating intra-industry trade and contributing to deeper economic integration. Undoubtedly, the long history of Japanese FDI in this region has fostered a natural integration through FDI-driven trade. Empirical analysis by the gravity model in this study also indicated that FDI activities by Japanese MNEs are trade-creating rather than trade-reducing. Recently, there has been a movement toward the formation of a free trade area in the agricultural market in the East Asia region. Such an integrated market could yield benefits for the agriculture sector through gains from trade, specialization, economies of scale, increasing competition. In addition, it would also benefit from positive externalities across international borders that arise through spillovers of knowledge, technology, and managerial expertise introduced with the FDI. However, Japan as the sole developed country in this region, and a heavily protected agriculture sector, did not play a major role in promoting regional integration through a top-down approach i.e., at government negotiation level. There is a need for strong cooperation and mutual understanding between countries to promote the top-down process and so achieve this goal. However, the process takes a long time due to the fact that there are conflicts on agricultural commodity trade which is the most sensitive sector. However,

FDI by Japanese MNEs has created a “natural” regional integration process through trade and their production networks. Therefore, understanding the role and effect of Japanese FDI on trade would help policy makers to form suitable policies with regard to FDI in order to reach the ultimate goal of regional integration.

This study focused on the food manufacturing sector because it has become important in the international trade system. This importance is not just because it accounts for a high proportion of trade but also because it is directly related to the agricultural sector, which is the most sensitive sector of each trade partner. The effect of Japanese FDI on bilateral food trade whether it would be a complementary or a substitution effect depends on the type of FDI, i.e., vertical or horizontal types. In the cases of the ASEAN4 countries and China, there is a complementary effect between FDI and bilateral food trade, suggesting that FDI is mainly of the vertical type, and it promotes bilateral trade especially in the case of Japan’s imports. This means that the Japanese food MNEs are mainly interested in the abundant resources in these host countries, and use the countries as production bases to produce and export the products back to their Japanese home market. The rest of the goods are either sold to the local host market or exported to the other countries, or both. However, for Hong Kong and Singapore there is a complementary effect of FDI on Japan’s exports, but a substitute effect is detected in the case of Japan’s imports. This suggests that food manufacturing FDI is of a horizontal type and results in more imports from the home country, as affiliates start to buy intermediate goods from Japan to produce their final products. It seems likely that the Japanese food MNEs in Hong Kong and Singapore are interested only in supplying those local markets and that exporting back to Japan is not their main objective. In the cases of Korea and Taiwan a substitution effect is found, indicating that the type of FDI in this group is of a horizontal type and the purpose of the Japanese food MNEs is to access the host countries’ local markets. The decrease in exports of Japanese manufactured food products may be due to the more efficient production in the host countries, which discourages imports from Japan.

In addition, this study also investigated the factors affecting growth in the East Asian agricultural sector, which is an important sector because of the large number of people who rely on it. Thus, promoting additional agricultural growth may help to lift their standards of living, and consequently can have positive impacts on the rest of the economy. This study found that in the case of China, Malaysia, Indonesia, the Philippines, and Thailand exports are the most important factor contributing to agricultural growth. Moreover, import-led growth was also detected in these countries suggesting that importing capital or intermediate goods from abroad also helps to accelerate agricultural growth. Japanese FDI also had a positive impact on stimulating the agricultural growth process, but the effects were not substantial. In contrast, in Korea and Taiwan agricultural growth was greatly affected by an increased use of land for agricultural purposes. Imports clearly had a more positive impact on stimulating agricultural growth than exports. However, Japanese FDI only had a limited positive impact on growth in these countries.

As mentioned above, in the recently growing idea of regionalism Japanese FDI still plays an important role and can help East Asia to reach the goal faster. Thus, it is still important for host economies to attract Japanese FDI. Therefore, understanding the Japanese MNEs' motives for undertaking FDI, problems related to Japanese FDI, as well as their future plans would provide useful information for policy makers in formulation of FDI-related policies. A survey conducted by Ministry of Economy, Trade and Industry (METI) Japan, found that Japanese firms have various motives for investing abroad. One of the most common motives is to expand their sales in local host markets. Moreover, the abundant resources of the host country, such as cheap and good quality of raw materials and resources, induces Japanese MNEs to undertake FDI. These cheap resources enable Japanese MNEs to gain a relatively low cost advantage and help them gain price competitiveness internationally. The main problems often faced by the Japanese MNEs during their operation in a host country are labor shortages, both quality and quantity, insufficient infrastructure, and difficulty cooperating with local partners. Nonetheless, although there are some obstacles in doing business most Japanese still recognize East Asian countries as a significant region for undertaking FDI. In an empirical study of the factors determining Japanese food industry FDI, the main factors, especially in the ASEAN4 and China, were the gain of relative price and wealth effect by depreciation of host country currency or appreciation of Japanese Yen. In contrast, the expansion of NIEs' economies and increase of their purchasing power are the factors that determine Japanese food industry FDI. In the case of China, its economic expansion makes it attractive for Japanese food MNEs to undertake FDI.

Based on the empirical results, this study has demonstrated the role that Japan plays in promoting regional integration, both from the bottom-up approach through trade and investment led by Japanese MNEs, and the top-down approach, although the latter still needs more time to be completed. By focusing on the agricultural sector, the study suggests that to achieve the goal of regional integration substantial structural reforms are necessary. Japanese domestic production may no longer be competitive in the global market. Japanese firms need to change their attitudes to meet this new challenge in order to gain competitiveness. Promoting FDI into the agriculture and food sectors of East Asian countries would yield benefits not only to the Japanese MNEs, but also to the East Asian community. This is because the FDI by Japanese MNEs can help promote agricultural trade through their production networks and supply chains, and thus help to "naturally" create deepening regional integration.

Japanese FDI benefit from being able to utilize their assets and resources efficiently. The FDI recipients also benefit directly from the impact of the FDI on their economic growth and through international production and trade networks, and indirectly from positive spillover from advanced technology and managerial skills brought in by the FDI. The findings of this study have important implications for policymakers for the future development of Japanese FDI to East Asian countries. East Asian countries' policymakers need to coordinate their FDI and trade policies to maximize their synergies for economic growth and development. Promoting inward Japanese FDI policies should not solely focus on the attractiveness of the local economic

conditions of the host countries, such as the relatively low wage rate, but should also consider trade policies that reflect different types of Japanese FDI. Since trade and FDI are closely linked, the type of FDI may be important in determining the effect of policies, and therefore should be considered in the decision-making process.

In terms of trade, countries with high levels of food trade, such as China, Indonesia, Malaysia, the Philippines, and Thailand, should promote bilateral trade with Japan because it will in turn bring about more inward Japanese FDI. In contrast, in Hong Kong, Singapore, Korea and Taiwan food manufacturing trade promotion policies with Japan should be considered a lesser priority when trying to encourage FDI. In terms of agricultural growth, the findings of this study will help policy makers better understand the implications for possible policies in the future. The agricultural sectors of these countries cannot rely solely on internal factors, such as land and labor, to promote agricultural growth. Rather, growth of this kind requires more trade liberalization, especially when imports play an important role in promoting growth. Attempting to lower imports, e.g., implementing import substitution policy, would lead to a reduction in overall agricultural growth. Meanwhile, effective policies to attract Japanese FDI into the agricultural sector are also important in order to help accelerate the growth in this sector.

To attract Japanese FDI, host countries should focus on improving their local conditions, for instance improving infrastructure, creating supporting industries for direct investment, as well as providing a good quality of labor. However, it should be noted that high relative wage rates were not an obstacle to attract Japanese FDI because these wage costs were offset by the benefit from cheap relative price of their abundant resources and from access to host country market. Therefore, trying to make low wage rate policies to attract FDI is not effective and would exacerbate income distribution problems.

In order for both Japanese MNEs and host countries to gain benefit this study suggests the following policy, taking into account that most of Japanese MNEs have plans to expand their business in this region. Host country should have policies aimed at local content, technology transfer and export requirements because these are not major obstacles preventing Japanese MNEs from undertaking FDI. Such policies will help the host countries to utilize their resources efficiently as well as to gain benefit from advanced technologies and knowledge brought in by Japanese FDI, which ultimately would have a positive spillover impact on their economies. At the same time, the host country should offer good and reasonable incentives for Japanese MNEs to undertake FDI, such as tax policies or deregulation of capital and remittance transfers that can help them to export their products within the region, to a different region, or to export back to Japan. However, the host countries should take account of the type of Japanese FDI i.e., vertical or horizontal, before making any policies to attract Japanese FDI. This consideration is important because the incentive for investing abroad varies depending on the type of investment, and so formulating different policies that best reflect the type of FDI would maximize the benefit for the host countries.