Rise of Protectionist Pressures in Japan’s Local Regions

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Abstract

Little attention has been given to the determinants of rising protectionist pressure at the regional level. This paper examines what kind of factors can raise demands for import protection from local regions in light of political economy, from theoretical and empirical aspects. Our theoretical analysis indicates that local assembly members will respond to the local demand for safeguards if many producers lobby for the invocation of safeguards, if the producers have large expected profits from the safeguards, if many residents are not well-informed about the safeguards, and if they can influence the government’s decision about safeguards. Our empirical analysis investigates the determinants of safeguard petitions from local assemblies in Japan and basically supports the theoretical predictions. Moreover, the empirical analysis finds that the economic plight of local producers also influenced the safeguard petitions from local assemblies.

Keywords: Political Economy; Protectionist Pressure; Safeguards; Lobbying

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