

Aside from such specific MITI R&D and industrial development projects, there are also more general policies which affect industry. There are policies to modernize and strengthen industry, upgrade/diversify technology, designate select industries for special attention, promote structural improvement/reform and promote innovation, independence and success in industries. These use tax incentives and financial assistance policies as well as numerous financial and other activities by government banks and promotion centres. Government also offers loan guarantees, loan investment certificates and tax concessions.

The Technopolis Plan is one example of how such policies and practices come together. This plan aims to introduce technologically-advanced industries into regional towns and to raise the level of technology used by existing industries. Technology serves as the nucleus of regional economic development. Electronics companies, not surprisingly, are a major element of the plan. Along with industry, universities are important in this development approach.

For example, the Hokkaido-area plan targets marine-related industries and those using natural resources (including electronics, mechatronics and biotechnology). Measures to be taken include the expansion of the Hakodate Industry Research Institute, establishment of the Hokkaido Prefectural Order of Industrial Technology, funding of promotion centres and financial assistance to small/medium-sized industry. The project shows the coordinated action by government, industry and educational institutions typical of industrial development projects in Japan.

In summary, government activities are focused, comprehensive, well planned and large scale. They aim at long term, agreed-upon objectives supported by industry and universities. Business accepts the government lead once policies are formulated and invests heavily in development projects and activities supported by policies since it recognizes that government support for specific technological efforts has considerable leverage.

The total government effort is aimed at ensuring that the necessary government/industry infrastructure is in place to meet Japan's national electronics objectives.