

# Economic Effects and Problems of Foreign Direct Investment

——Focusing on Japanese Small and Medium Enterprises——

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## **Introduction**

Professor Gary Saxonhouse of Michigan University once asked the following question at a conference held in Tokyo (Note 1) :

“How beneficial is this overseas Japanese investment for the host countries? Do Japanese overseas investments transfer skills and experience to the local economy? Do Japanese investments create or crowd out business opportunities for local residents?” And as a part of his concluding remark, he said, “the use of host country suppliers will increase sharply in the 1990s and that technology-transfer intensive activities, such as R & D, will increasingly be sited overseas by Japanese companies”. Now this comment of Saxonhouse has become my own concern after several years of observing an upsurge in Japanese outward foreign direct investments (FDI).

This paper will try to depict some characteristic activities of Japanese multinational enterprises (MNEs) in Asia and their underlying factors. In this study, economic effects and problems will be traced. One of the salient features of Japanese outward FDI wave since the late 1980s is that it reflects forced globalization of not only large corporations but also small and medium enterprises (SMEs). The underlying factor of this move was, of course, the sharp appreciation of the yen as well as trade friction with the U. S. This new trend has caused deep concern about the domestic economy, which is often called a “hollowing-out” phenomenon.

A growing number of SMEs are shifting their production sites to foreign countries, shedding light on their overseas performance; the new relationship between Japanese trading partners and local firms. What role they play is an important agenda for an analysis of Japanese MNEs' overseas activities as well as their effects on host countries.

## I. Past Patterns of Japan's Outward FDI

The globalization of the Japanese economy through outward FDI has been remarkable especially since the late 1980s. According to a survey of about 5,700 Japanese firms, over 18,200 overseas affiliates were run with 3.09million employees as of October 1996 (Toyo Keizai 1997, see Tables 1 and 2). This is equivalent to 4.8 per cent of the total employees of 64.9 million in Japan. Manufacturing affiliates alone employed 2.34 million people or over 16 per cent of the domestic employment in that sector. It was 1.58 million or 10.2 per cent in 1991. The total sales of overseas affiliates in the manufacturing industry was forecasted to be 41.2 trillion yen in the fiscal 1995 (MITI 1996a). The figure is almost equal to the

**Table 1** Number of Japanese Overseas Affiliates

	World	Asia	North America	Europe	Others
1986	8,146	3,097	2,123	1,391	1,535
1987	8,933	3,338	2,434	1,574	1,587
1988	9,859	3,770	2,766	1,805	1,518
1989	11,484	4,299	3,286	2,173	1,726
1990	12,522	4,706	3,593	2,549	1,674
1991	13,522	5,126	3,791	2,877	1,728
1992	14,238	5,496	3,896	3,090	1,756
1993	15,183	5,999	4,060	3,290	1,834
1994	16,043	6,632	4,091	3,417	1,903
1995	17,015	7,643	4,085	3,407	1,880
1996	18,223	8,813	4,118	3,433	1,859

Source: "Kaigai Shinshutsu Kigyou Souran '97", Toyo Keizai Shinposha (1997).

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actual value of 40.9 trillion yen of Japanese exports during the same fiscal year (Figure 1). These facts imply that considerable structural changes and effects have occurred in Japan as well as host countries.

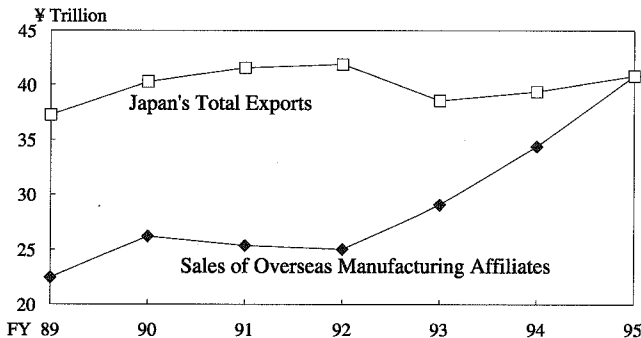
Let me briefly look back at Japan's outward FDI development since the 1960's. Japan's outward FDI remained low until the late 1960s, because it had a balance-of-payments constraint. During those days, a

**Table 2** Employment in Japanese Overseas Affiliates (‘000)

	1991	1992	1993	1994	1995	1996
World	2,356.6	2,415.9	2,559.3	2,506.2	2,867.9	3,086.2
% of (J1)	3.7	3.8	4.0	3.9	4.4	4.8
Asia	1,121.3	1,212.1	1,329.3	1,384.6	1,585.7	1,763.6
USA	509.5	541.2	557.3	582.7	599.2	631.9
Europe	332.8	265.8	283.5	255.4	305.0	313.0
Manuf'g	1,585.4	1,684.2	1,800.9	1,869.0	2,118.9	2,343.9
% of (J2)	10.2	10.7	11.8	12.5	14.6	16.2
J1 (million)	63.69	64.36	64.50	64.53	64.57	64.86
J2 (million)	15.50	15.69	15.3	14.96	14.56	14.45

Note: J1=total employment in Japan, J2=employment in the manufacturing industry in Japan.  
Source: "Kaigai Shinshutsu Kigyoi Souran '97", Toyo Keizai Shinposha (1997).

**Figure 1** Sales of Overseas Manufacturing Affiliates and Japan's Exports



Source: MITI (1996) "Overseas Business Activities by Japanese Firms" and Monthly Statistics of BoP.

Note: The figure of sales in FY1995 is forecast.

large portion of Japan's limited FDI outflow was primarily intended to secure supplies of natural resources such as petroleum drilling in Indonesia and copper mining in the Philippines. The textile industry was among the first group which experienced overseas operation in the manufacturing sector in the early 1960s. Toray Corp., a synthetic fiber manufacturer, started manufacturing operation in Thailand in 1963 following an incentive law to promote industrialization and substitute imports.

Toward the end of the 1960s and thereafter, Japan faced an increasingly difficult trade problem with the U. S. The problem was caused by Japan's growing trade surplus resulting from some specific products like textiles in the early 1970s. In order to evade this problem, those industries had to shift production abroad. Other Asian countries, among others, offered a favorite production site as for Japanese firms.

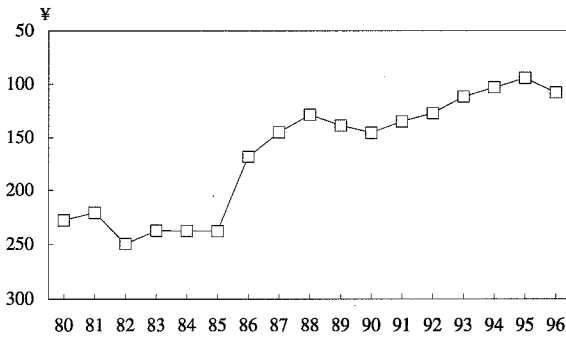
During the 1970s and 1980s, export-oriented firms, particularly those in the automobile and electrical machinery industries, showed Japan's competitive advantage. Those sectors played a major role in expanding Japanese exports and consequently its huge trade account surpluses. The rapid appreciation of the yen since the Plaza Accord of 1985, along with continuing and intensified trade conflicts with the U. S. were the driving forces of outward FDI by Japanese firms. Electrical machinery firms, followed by automobile manufacturers, accelerated the increase in Japanese FDI in the Asian region from the late 1980s through the early 1990s. The increase in Japanese FDI in the Asia has been partly supported by the liberalization of foreign capital or, more specifically, the pro-FDI policies which have been taken by several countries within the region. (Figures 2 to 7).

During the past decades, preferable host countries for the Japanese manufacturing industry have shifted from NIEs to ASEAN, then most recently to China (Figure 8). It is interpreted that Japanese firms have

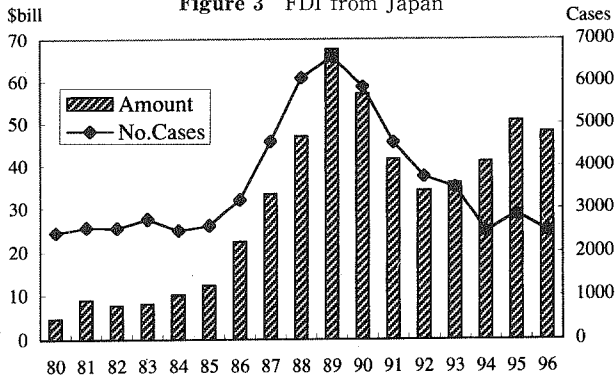
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shifted production sites as they evaluate the changing trends in labor cost and other factors such as Government policies on foreign capital, the level of infrastructure in a broad sense including the availability of supporting industries.

**Figure 2** Yen per US dollar Rate

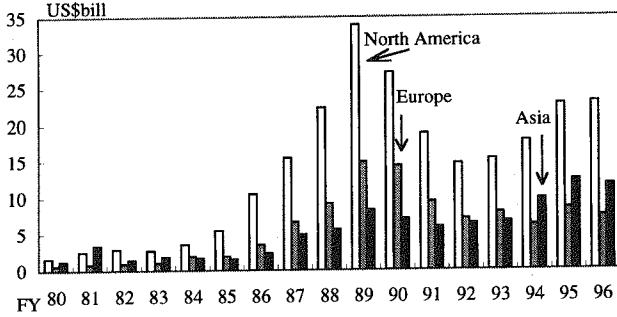


**Figure 3** FDI from Japan



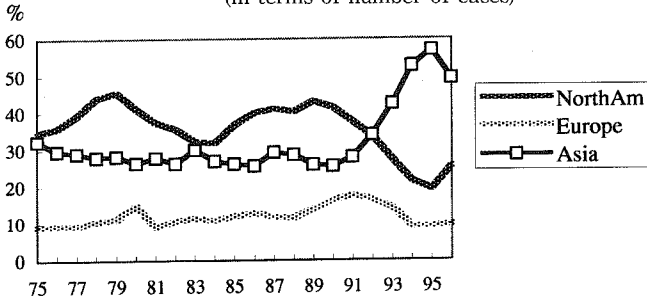
Source: Ministry of Finance

**Figure 4** FDI Amount from Japan by Region  
(All Industries)



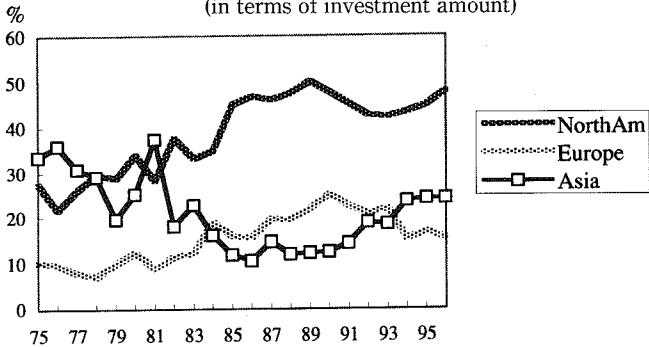
Source: Ministry of Finance, Reported Foreign Direct Investment

**Figure 5** Regional Share of Japanese FDI  
(in terms of number of cases)



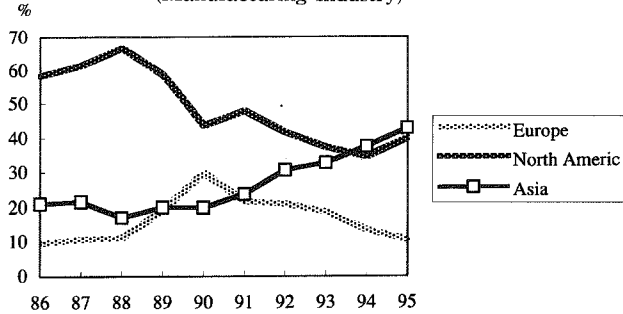
Source: Ministry of Finance

**Figure 6** Regional Share of Japanese FDI  
(in terms of investment amount)



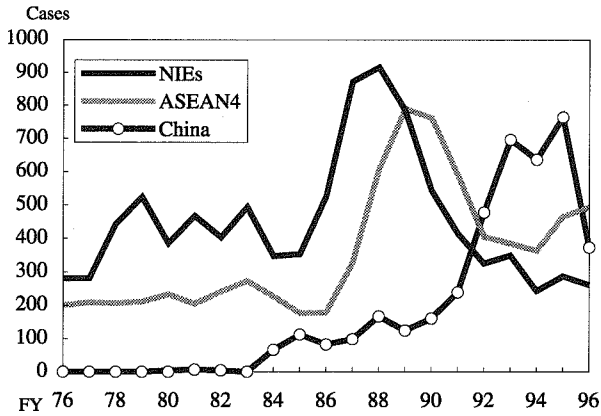
Source: Ministry of Finance

**Figure 7** Regional Share of Japanese FDI Amount  
(Manufacturing Industry)



Source: Ministry of Finance

**Figure 8** Japanese FDI in Asia by Selected Area  
(Number of Cases)



Source: Ministry of Finance

Considering the significance of the recent surge of Japan's FDI in the Asian region, it will be safe to say that a new era has arrived in the post-war economic history of Japan.

## II. "Hollowing-out" Debate

The increasing outward foreign direct investment is often regarded as a factor for a declining domestic industrial base. This is called the "hollowing-out" of industry. In light of the yen's appreciation, whether or not the hollowing-out of the Japanese manufacturing industry will occur has attracted many views from both the academic community and business journalism in recent years.

The shifting of production sites overseas, particularly by the firms in home electrical appliance or automotive component industries, has been received with worries. Because it would have significant negative effects on the areas the plants are located.

However, the negative effects of FDI outflow on domestic employment have turned out to be less significant than anticipated. This is shown by the current employment situation in Japan (Figure 9). Generally speaking, the employment condition has not worsened drastically in the manufacturing sector in recent years, although an accelerated downward trend has been observed in the textile industry (Figure 10). The textile industry in Japan has continuously weakened its international competitive-

Figure 9 Employment Index (1990=100)

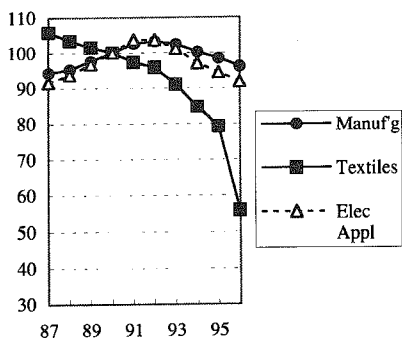
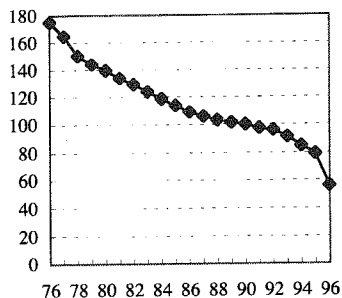


Figure 10 Employment Index <Textile Industry>



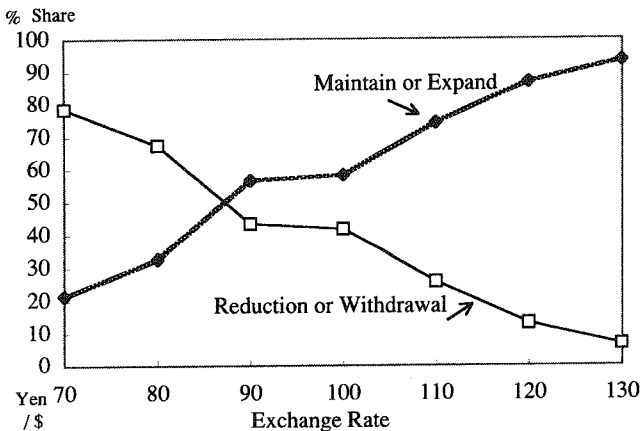


ness since the mid-1970s. From upstream to downstream, the textile and clothing industry in Japan has faced an increasingly competitive situation. The domestic employment situation in this industry would hardly be much better even with less FDI.

A simple fact tells the point. The value of imported apparels was only \$1.53 billion in 1980, and 14 years later it went up ten times to \$15.25 billion in 1994. Thus the recent hike of the yen has only resulted in pushing further the industry toward overseas and slashing domestic production facilities.

The underlying reason why the “hollowing -out” has not occurred is partly because of the correction of the overshooted appreciation of the yen and the efforts made to minimize damages caused by factory relocation overseas. Firms simply try to avoid total disastrous bankruptcies which would bring about a fatal blow to the local area. Therefore, with all their efforts, they have managed to survive thanks to lower production cost in Asian countries such as China, and maintain shipments and

**Figure 11** Corporate Policies on Domestic Production  
(Manufacturing Industry)



Source: MITI, Survey of Corporate Overseas Development (Nov. 1996)

employment in home town to some extent.

This view is also supported by the results of a survey. According to a survey of 432 manufacturing firms conducted by the Research Institute of the Export-Import Bank of Japan, these firms which answered that “surplus labor would rise” declined from 21.3 per cent in FY1995 to 11.5 per cent in FY1996 (Note 2). And regarding the exchange rate movement, those firms which answered that “international competitiveness declines” decreased significantly from 79.8 per cent to 26.2 per cent (Note 3). Another survey by MITI (MITI 1996b) showed a change in domestic production strategies of Japanese manufacturing firms (Figure 11). Respondent percentages clearly and very sensitively reflected the level of exchange rates in their operation policies for general-use products. At the level of 130 yen to the dollar one year ahead, 93.3 per cent answered that they would maintain or expand domestic production.

Thus considering the adaptability of firms in many ways, it is not appropriate to conclude that the transfer of production site overseas straightforwardly leads to a hollowing-out of either domestic industry or related regions.

### **III. Effects of FDI on the Economies of Host Countries**

The substantial amount of FDI by Japanese multinationals is expected to have various impacts on the economies of host countries.

The important role of FDI is well depicted by the following words by Chia Siow Yue (National University of Singapore).

— The crucial role of FDI in the Singaporean economy is well demonstrated in the case of the manufacturing sector (Table 3). First, wholly-owned firms, which account for only 16% of total establishments, contribute almost two-thirds of the manufacturing sector’s output, value added, and investments and over 75% of exports. In contrast, wholly-local-firms

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account for only 16% of output, 18% of value added, 20% of investments and 9% of direct exports.— (Chia Siow Yue, 1996. p.713)

Another study will help understanding a general picture of the theme. Premachandra Athukorala (Australian National University) and Jayant Menon (Monash University) stressed that export-oriented FDI has brought significant returns to Malaysia as indicated in the Table 4. The

Table 3 Singapore-Foreign Firms in the Manufacturing Sector, 1993

	Total Manufacturing	Wholly Foreign	Less than half foreign	Wholly local
Establishment number (# <i>E</i> )	3993	639	319	2,816
Output (S\$million)	87,693.0	57,485.1	7,438.1	14,372.2
Net value added (S\$million)	21,085.5	13,468.2	2,330.0	3,801.9
Employment ('000)	335.2	166.9	42.5	116.8
Total sales (S\$million)	87,549.7	57,256.7	7,596.4	14,399.8
Export sales (S\$million)	53,022.3	40,694.1	3,225.7	4,637.9
Net fixed assets (S\$million)	22,338.4	13,453.5	2,383.3	4,447.5
<b>A. Percent distribution:</b>				
Establishment number	100.0	16.0	8.0	70.5
Output	100.0	65.6	8.5	16.4
Net value added	100.0	63.9	11.1	18.0
Employment	100.0	49.8	12.7	34.8
Total sales	100.0	65.4	8.7	16.4
Export sales	100.0	76.7	6.1	8.7
Net fixed assets	100.0	60.2	10.7	19.9
<b>B. Ratios:</b>				
Output / # <i>E</i> (S\$million)	21.9	90.0	23.3	5.1
Net value added / # <i>E</i> (S\$million)	5.3	21.1	7.3	1.4
Value added per worker (S\$000)	62.9	80.7	54.8	32.6
Net fixed assets per worker (S\$000)	66.6	80.6	56.1	38.1
Exports/total sales (%)	60.6	71.1	42.5	32.2

Source: Chia Siow Yue (1996), p.712, some items ("More than half foreign" etc.) are excluded by the author. Based on Singapore Economic Development Board, Report on the Census of Industrial Production 1993.

production share of foreign firms in Malaysia accounted for 47.62 per cent in the year of 1992 compared with 35.75 per cent in 1985. And the employment share was 42.46 per cent in 1992 while it was 29.60 per cent in 1985. As these data show, foreign firms have contributed to increases in production and employment and to other ripple effects. (Premachandra Athukorala and Jayant Menon, 1996).

Further, a table prepared by S. Urata (1996) presents an overview of the trading structure of Japanese affiliates in the Asian region (Table 5). It shows export and import amounts of Japanese affiliates by countries in

**Table 4** Share of Foreign Firms in Production and Employment  
by Industry in Malaysia (% share)

	Production		Employment	
	1985	1992	1985	1992
Food	18.71	23.64	16.92	14.94
Textiles	43.38	47.06	32.87	33.48
Apparel	44.19	39.61	39.85	38.72
Leather products	0.00	33.33	3.03	38.89
Wood Products	7.55	10.26	5.77	11.58
Furniture	2.00	32.50	3.06	27.17
Paper,printing	4.74	10.26	3.44	10.59
Chemicals	20.37	25.27	30.00	31.18
Petroleum,coal products	88.13	95.26	32.69	40.00
Rubber products	41.63	42.46	33.67	42.71
Plastic products	7.09	19.59	8.10	22.40
Non-metallic minerals	13.91	17.97	10.53	19.12
Basic metal products	32.81	35.62	15.57	26.03
Fabricated metal products	11.92	16.38	8.88	17.17
Machinery	28.49	62.35	16.78	47.98
Electronics	80.07	85.52	80.13	85.09
Transport equipment	14.38	13.30	6.67	10.93
Scientific equipment	96.36	100.00	95.04	100.00
Miscellaneous	56.86	58.82	62.07	75.81
<b>Total</b>	<b>35.75</b>	<b>47.62</b>	<b>29.60</b>	<b>42.46</b>

Source: P. Athukorala and J.Menon, "Foreign Investment and Industrialization in Malaysia: Exports, Employment and Spillovers", *Asian Economic Journal*, 1996. Vol.10. No.1. p.39.

Original source: Computed using unpublished returns from Malaysian Department of Statistics, *Annual Survey of Manufacturing Industry*.

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**Table 5** Foreign Trade of Japanese Affiliates in Asia (FY1992) \$ million

	All Industries			All Ind.Excluding Commerce Sector		
	Exports	Imports	Net Exports	Exports	Imports	Net Exports
Malaysia	4,331	2,524	1,807	3,210	1,887	1,323
Singapore	19,518	17,525	1,992	6,256	4,683	1,573
Thailand	2,025	2,239	-214	1,744	1,553	191
Indonesia	271	380	-109	175	319	-144
Philippines	512	500	11	397	396	2
Hong Kong	13,074	20,790	-7,716	1,970	2,155	-185
Taiwan	3,252	3,782	-530	1,897	1,662	235
Korea	950	590	360	912	533	379
China	248	265	-16	137	190	-53
Total	44,180	48,595	-4,415	16,698	13,378	3,320

Source: S.Urata, "Determinants of FDI and Effects on Host Countries" (in Japanese), in Sekiguchi and Tanaka (eds), *FDI and Japanese Economy*, 1996, p.74.

Original source: MITI, "Basic Survey of Business Activities 1992", (1994).

Asia for fiscal 1992 based on the Basic Survey of Business Activities 1992 (MITI, 1994). The figures on the table show that net exports, excluding the commerce sector, recorded surpluses of significant amount in such countries as Singapore and Malaysia. On this ground, Japanese affiliates can be said to have contributed to net exports earnings in these countries. These results are brought about by foreign affiliates' strong motivation for exports. This is generally required by the Government policies of host countries, but even without Government requirements it seems an inherent driving force for growth of those Japanese overseas affiliates. This is also shown by another survey conducted by JETRO in early 1996: Of the 78 Japanese manufacturing affiliates in Singapore surveyed, 33 per cent, or one out of three, answered that the ratio of their exports to sales ranged from 70 to 99 per cent. And over 70 per cent of those affiliates reported that their export ratios were more than 50 per cent (JETRO 1996).

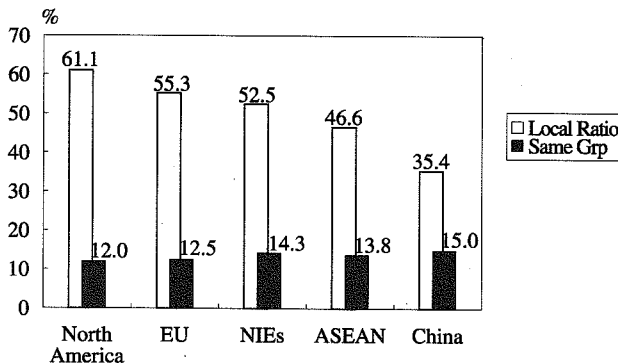
#### IV. Some Difficulties in Overseas Operation

##### —Stagnant State of Local Procurements—

According to a survey conducted by the Ex-Im Bank of Japan (Note 1), local procurement ratio of Japanese affiliates is relatively low in Asia (see Figure 12). Japanese affiliates in North America recorded 61.1% of local procurement ratio for fiscal 1995, while it was 46.6 per cent in ASEAN and 35.4% in China. On the other hand, their shares of purchasing components from the same group companies in the host country were rather higher in the Asian Region than in North America or EU. In fiscal 1995, it was 13.8% in ASEAN and 15.0% in China, whereas it was 12.0% in North America and 12.5% in EU. Those figures show relative difficulties of raising the local procurement ratio for Japanese affiliates operating in Asia, and they tend to depend on the same group firms for necessary inputs.

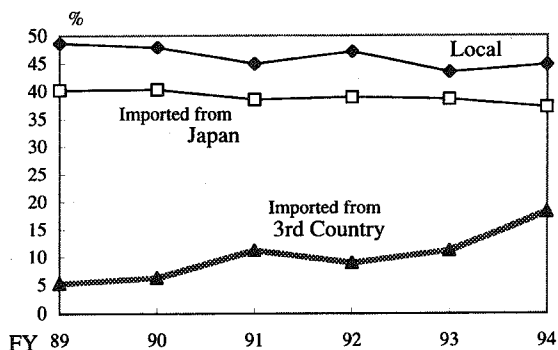
We must be cautious in telling that the local procurement ratio of

**Figure 12** Local Procurement Ratio of Japanese Affiliates by Region (FY1995)



Note: "Local Ratio" is total local procurement ratio in the host country, "Same Grp" is the ratio of local procurement from the same firm group to total.  
Source: Ex-Im Bank of Japan, "Kaigai Toshi Kenkyusho Ho", Vol.23, No.1, Jan. 1997, FY1996 Survey, "The Outlook of Japanese Foreign Direct Investment", pp.44-45.

**Figure 13** Procurement Share of Japanese Affiliates in Asia



Source: MITI, White Paper on Trade 1996, p144.  
 Original source: MITI, *Overseas Business Activities by Japanese Firms*, figures are adjusted.

Japanese affiliates has increased or decreased on the basis of sporadic survey results, because of the fluctuations in the survey results (see Figure 13). For instance, according to MITI's Survey on Overseas Business Activities, the local procurement ratio in Asia was 42% in fiscal 1986 and 45% in fiscal 1994. One might simply conclude from this result that the local procurement ratio has been following an upward trend (see MITI 1996, pp. 67-68). If you check the fiscal 1987 figure, however, you will find that it was 53.7 per cent. Therefore, an opposite conclusion will be derived when you use the latter figure; "the local procurement ratio has been declining"!

Notwithstanding this kind of statistical problem, we can tell that figures from the surveys on overseas Japanese affiliates (MITI, 1996a, et al.) show that 3rd countries as a source of procurements are following an increasing trend. On the other hand, shares of procuring from local (either national or foreign) firms and importing from Japan are gradually declining (Figure 13). These survey results underscore our knowledge of recent development in East Asia, where production networks among

countries in the region have been enhancing inter-relationship of business.

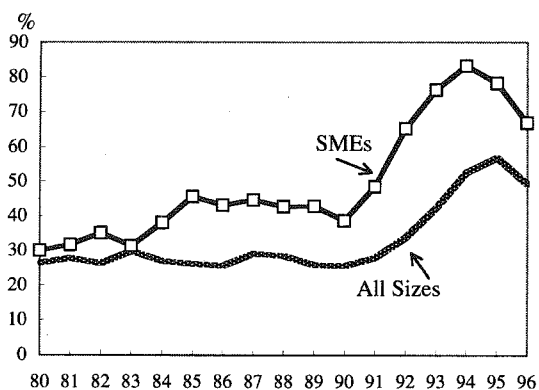
## V. Importance of the Role of Japanese SMEs in Host Countries

SMEs have contributed to strengthen international competitiveness of leading Japanese manufacturing industries in such a way as cutting costs by maintaining the quality of products to support parent companies, as if to squeeze water from a dried towel.

But as the sales growth of parent companies has been levelling off, they are forced to work out new strategies to cope with the crucial situation. As is often the case, starting overseas operation is just “Hobson’s choice”, or no other way available for these SMEs to choose. At the same time Asian economies have entered a new stage of development.. China began to open its door in the 1980s and especially Supreme Leader Deng Xiaopin’s policy for growth enhanced FDI inflow in the 1990s.

Due to strong requests of assembly manufacturers and with the

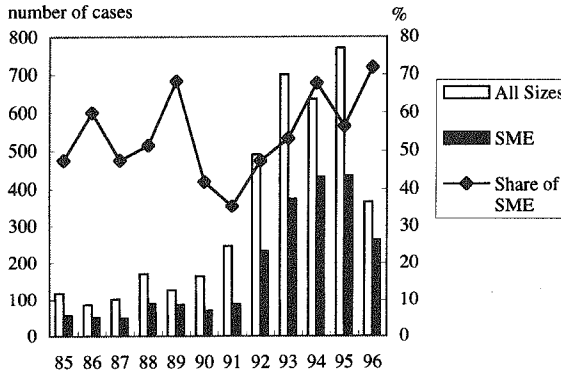
**Figure 14** Share of Asia in Total Number of FDI by Size of Firms (All Industries)



Source: Ministry of Finance,  
SME Agency, “White Paper on SME”



**Figure 15** FDI in China by Japanese Firms  
(All Industries)



Source: Same as Figure 14

expansion of upper subcontractors' overseas operation, Japanese SMEs have dared to go offshore (Figures 14 and 15). In most cases, they start their businesses to support Japanese firms as they have done in their domestic operations. But gradually, they begin to expand to other businesses overseas, because they are much more exposed to business opportunities there.

Here are some cases that show advantages of SMEs in overseas operation.

(1) Opportunities open for subcontractors

An advantage of overseas production for SMEs is to have much more business opportunities than before. There are chances to start new transactions overseas even with firms from rival *keiretsu* groups. Such transactions are quite difficult for a subcontractor in Japan. In some cases, second subcontractors succeed in trading directly with their parent companies overseas. Back in Japan such a direct trading with a parent company is difficult without first subcontractors.

(2) More chances for new product development

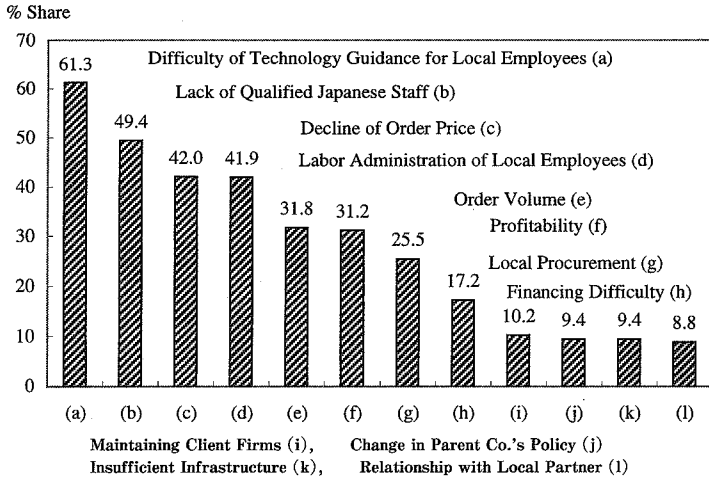
For small and medium processing firms, it is a desired goal to have their own final products but it is not an easy task. By operating in other Asian countries, however, they can produce cheaper products competitive in Japan. So some of these processing firms can expand their business horizon due to changes in factors of production. Company S has been a urethan foam processing firm and went to China in 1986. Since the Chinese market for quality industrial intermediate goods is expanding in response to its rapidly growing economy, the firm has increased sales of unfinished urethan within China. It is necessary, however, to earn foreign exchange to use imported materials. So it started to manufacture a kind of legless chairs (“zaisu”) for Japanese tatami floor use. The product has been accepted in the Japanese market, as it is lower priced and mainly sold by supermarkets in the midst of a harsh price war.

### (3) Hiring better employees results in a new business

SMEs operating overseas can hire better educated people in Asia. In Japan, hiring higher educated employees is quite difficult for SMEs compared with larger companies. There is a typical case in which business fields have developed to higher levels owing to overseas operation. A data processing company D started operation in Shenzhen of China in 1985, as it had been increasingly difficult for such a simple data entry company to hire necessary employees in Japan. Company D further shifted its location to Shanghai in 1989 in order to use ample labor force. There it can hire a few dozen of local university graduates among several hundreds employees. With this capability, it started a new business of the software development aside of traditional data processing. The development was successful and the new business has contributed additional sales revenues to the firm.

These cases illustrate some advantages of overseas production by SMEs. If they chose to stay in Japan, none of these advantages would have been realized. (Cases cited above are mainly based on Seki (1995))

**Figure 16** Problems of SMEs' Overseas Production



Note: Percentage share by multiple responses of total 3664 small and medium firms in the machinery and metal industries surveyed in August 1994.

Source: Shoko Chukin, "The 5th Survey Report on the Division of Labor Structure of Small and Medium Firms in the Machinery and Metal Industries", March 1995, p.149

There must be many difficulties and pitfalls in overseas operation (Figure 16). But the contributions of SMEs to local economies will be increasingly important as they build closer business relationships with local firms.

## Conclusion

Although there have been many years of experiences for Japanese manufacturing firms in operating overseas especially in Asia, "localization", which is typically represented by the local procurement ratio has not significantly increased. Japanese firms maintain that the problems lie in the quality control capability of local firms, while local firms place the responsibility on Japanese reluctant attitude toward technology transfer.

It seems not easy to fill this gap. However, a clue to the solution of this problem may be found in the activities of foreign affiliates of SMEs.

There are some arguments that foreign affiliates of SMEs play a key role in transferring technology to developing countries (Note 4). As far as Japanese SMEs are concerned, this claim has not been well grounded by facts. The surge of FDI of Japanese SMEs has started only recently and adequate objective data and facts to prove it are not available, as yet. But some limited case studies suggest that foreign affiliates of Japanese manufacturing SMEs will tend to tie up with local firms much more closely than larger Japanese affiliates do because of their strong motives for growth and a weaker binding of their parents' business groups. Therefore, there will be a steady increase in the contributions of Japanese affiliates of SMEs to local economies. Certainly the contributions will not be negligible.

## Notes

1. The Second Asia-Pacific Conference held on May 9-10, 1991, on "The Asia-Pacific Region in the 1990s — Cooperation for Sustainable Development and New World Order —", sponsored by FAIR.
2. Based on a survey of 432 Japanese manufacturing companies with 6,730 overseas affiliates conducted by the Ex-Im Bank of Japan in 1996, see Ex-Im Bank Japan 1997.
3. Here, original items of "declines" and "largely declines" are combined as a single item of "declines" for respective years.
4. See "Main findings of the volume", UNCTAD 1993, p. 3. '*Developed-country SMEs can contribute to growth in developing countries, especially by improving the rate of innovation, exporting capabilities and management skills*'.

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## 追 記

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