

# Japan's JAPIC public works programs build infrastructure for future growth

by Daniel Sneider in Tokyo

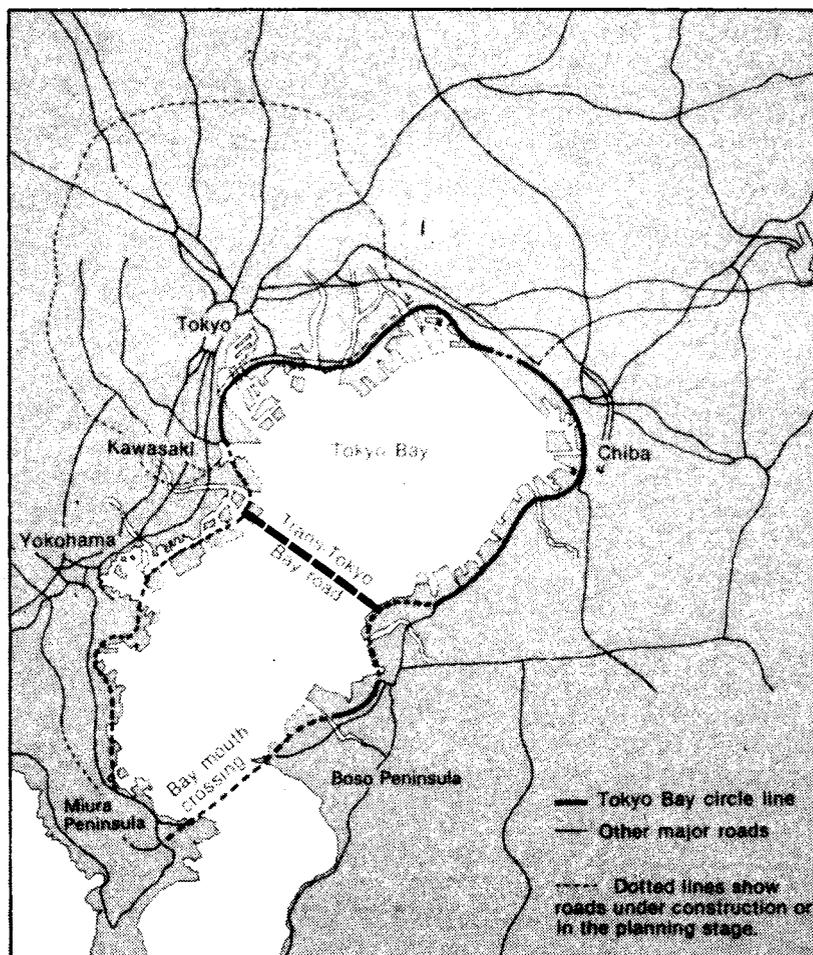
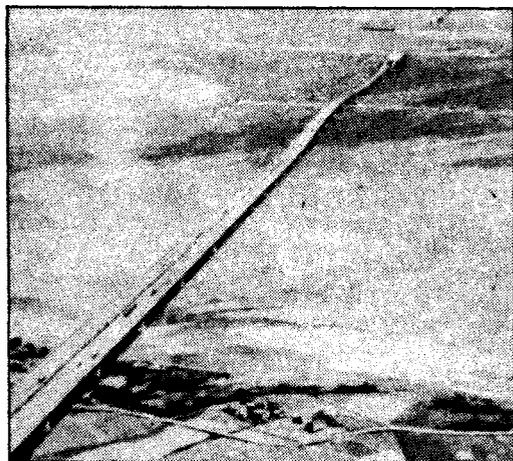
Large-scale public works construction projects in the United States almost immediately bring to mind the image of the pork-barrel project, slipped through Congress without much thought and fought over by various companies for the juicy contracts involved. Here in Japan, public works projects, like everything else, are done in a highly organized fashion. Large public works projects are discussed thoroughly, until

fabled "consensus" is reached between various government ministries, engineers and technocrats of the bureaucracy, and the private sector companies.

It is this approach to public works which is evident in an organization founded in 1979, and just recently given government-approved status—the Japan Project-Industry Council (JAPIC), a private body composed of industry associa-

## Plan of Tokyo Bay Circle Line

At right, the location of the Tokyo Bay Circle Line, one of JAPIC's projects, which will provide a new transport link for the world's most heavily populated urban area. Below, an artist's depiction of the 15-kilometer road, shown on the map, for which an unusual combination of underwater tunnel and bridge is being considered.



tions covering the steel and construction industries. JAPIC is headed by Eishiro Saito, the president of Nippon Steel, the largest steel company in Japan. It has the aim of promoting large scale infrastructure projects in Japan, like dam and water development projects, bridges across Tokyo Bay, or a new international airport for Osaka. The organization was founded with the slogan, "Higher aboveground, deeper underground, and farther offshore."

JAPIC is largely an effort of the steel industry, which aims at stimulating domestic demand for steel and other construction materials through such projects, particularly under the present conditions of economic slowdown in Japan. As Kiyoshi Hasegawa, the managing director of JAPIC explained, JAPIC is the brainchild of the Kozai Club, the association of Japan's iron and steel producers and traders. The main role of JAPIC is to promote these projects, through public relations campaigns, and through coordination with various government ministries, like the Transportation, Construction, International Trade and Industry, and the Land Development Agency. One of the organization's founding documents stated: "For Japan, which is a small country with a large population, to provide prosperity and vitality in the lives of all its people in the 21st century, it is very important to plan and implement construction projects of sufficient magnitude to achieve effective land use and improved infrastructure." The main concept is that such large-scale infrastructure projects are key to the growth of the economy and that, in typical Japanese style, the private sector should work with the government in pushing them forward. JAPIC's promotional literature states that such large infrastructure projects are "needed to accommodate the population growth expected in this century."

The importance of large infrastructure projects is also the core of the proposal by the Mitsubishi Research Institute's M. Nakajima for the formation of a Global Infrastructure Fund (GIF) to promote such projects internationally. Not surprisingly, Nippon Steel's Saito is a big supporter of the GIF, and as Hasegawa put it, "JAPIC is the domestic equivalent of the GIF." JAPIC has, among its various subcommittees such as Urban Development, Water Resources Development and other committees, an "international projects" committee which is promoting GIF-type projects such as the construction of a second Panama Canal.

Some domestic critics of JAPIC, like the Japanese Communist Party, see it as a cynical effort to "make profits" off government projects. Hasegawa points out that these are long-term projects, taking a decade or even longer, which will not produce immediate profits for the steel and construction industries. The immediate goal, he said, is to get feasibility studies done, which the private sector is willing to help finance. As he sees it, the cooperation of the private sector with the government is necessary to "revitalize the economy" and the projects will result in a growth of tax revenues for the government, a stimulation of domestic demand, and of course, profits for private industry. In an era of "shrinking govern-

ment," a goal in Tokyo as well as Washington these days, Hasegawa sees such private sector roles in promoting public works as absolutely necessary.

The membership of JAPIC is large, encompassing many companies from the construction, steel, construction machinery, cement, and trading fields. Companies in those fields are themselves already organized in industry associations, such as the Kozai Club (122 companies), the Japan Dam Association (170 companies), and the Japan Construction Mechanization Association (318 companies). Overall, there are some 1,070 companies represented by JAPIC. The organization has officers who are elected at JAPIC conventions. The JAPIC board of directors selects the chairman and vice chairman from the board.

From there, the organization is broken down into committees, which are constituted to promote projects in specific areas. One hundred and fifty representatives from the JAPIC membership serve on the organization's six committees and 10 working groups. Once a project has been agreed upon, the JAPIC conducts research and development studies, submits proposals to the government based on the R&D studies, and conducts public-relations campaigns.

## Key projects

The JAPIC is particularly proud of two projects that it is actively promoting—an integrated water-use program for the Tokyo region, and a superhighway circling Tokyo Bay.

- **The Integrated Trans-regional Water Utilization Plan.** JAPIC says that three factors have combined to make it necessary and possible to construct a comprehensive water utilization plan for the Tokyo region. First, large quantities of water of Japan's longest river, the Shinano River, flow into the Sea of Japan during the spring and flood seasons, and this could be used for consumers and industry. Second, advances in civil engineering have made possible the construction of dams required to use the Shinano waters. Third, Japan's expensive electricity could be used in non-peak hours to pump the water.

The plan proposes to link the Shinano River to the Tone River in Kanto, pumping up some 1,000 million tons of surplus water to Japan's largest rock-fill dam, to be built in the mountains.

- **The Tokyo Bay Circle Line.** Along the coast of the Tokyo Bay are the cities of Tokyo, Yokohama, Kawasaki, Chiba, and Yokosuka, with the world's heaviest population concentration, almost 29 million people.

"The Tokyo Bay Circle Line," says JAPIC literature, "is a route looped like the figure 8, consisting of a 160 km-long 'Tokyo Bay Road' running along the coast, a 15-km 'Trans-Tokyo Bay Road' crossing the middle of the Bay by means of a bridge, an artificial island and an underwater tube, and a 'Bay Mouth Crossing.' . . . This Tokyo Bay Circle Line will efficiently link the cities, ports, and reclaimed areas along the coast of Tokyo Bay to facilitate the smooth flow of passengers and commodities."