



Significance of Export Control Systems under the Export-Oriented Economy

Yuzo Murayama

President of JAIST (Japan Association of International Security and Trade)

Professor, Doshisha Business School

February 17, 2009

Asian Export Control Seminar



JAIIST

- Established in 2005
- 182 members
- Membership: 67%-Industry
20%-University
10%-Government
CISTEC
3%-Others
- Symposium: twice a year



Symposium Topics

6th Research Symposium (March, 2008)

- ◆ The US Re-Export Control
- ◆ Deemed Export Controls and Technology Transfer

7th Research Symposium (Sep., 2008)

- ◆ Export Control Practice of Japanese Universities
- ◆ Security Restrictions on M&A and Foreign Direct Investment



Export Control by Japanese University

- Important, but sensitive topic
- Publication of guidance by METI
- Series of sessions at JAIST
- Establishment of university membership by CISTEC
- Model case of the cooperation among industry, government, and academic association



Export Control for Japan

- Japan as a Trading Nation-based on economic and trading activities
- Limited roles on military side
- Economic Security: Economic and technological means for national security-Export controls are important policy tools
- Contribution to world's peace-making efforts



Foundation of Free Trade

- Free Trade Environment-Vital for Asian region
- Free Trade of “Goods”, not “Bads”
- Control of “Bads” trade is necessary
- “Bads trade”-violation of rules-hurts economic interests
- Logic is well-understood by rational government and scholars on political science (not economists?)



Costly Export Control

- Private company's business is to do business, namely to export
- Export control-Extra cost + Loss of business opportunities
- Why do we have to control export?
- Government's coercion? — This should not be the answer



Differed Interests: Export Controls of Private Companies

- Doshisha Business School-Rare school to teach export control issues
- My personal experience-reasoning by political science is not well accepted
- What is the meaningful logic for business people



Logic of Export Control

- Matured companies should positively engage in export control activities
 - 1) Risk Management
 - 2) Corporate Social Responsibilities
- Gain respect from investors



Export Control in Export-Oriented Economy

- Different interests of government, industry and scholars (different from nuclear states?)
- How to balance interests (economics vs. security)
- JAIST - “Ba(place)” for dialogue and information / knowledge sharing
- Future Plan-Extend discussion circle to Asian region