FOREWORD

The UCLA Pacific Basin Law Journal is pleased to present our Spring 1994 issue with its special section on Japan trade. Legal issues have come to the forefront as trade and business with Japan continues to expand and, inevitably, differing systems, expectations, and values clash. While Japan is slowly becoming more like us in some ways—see Yoichiro Hamabe's article on employment practices—in others the differences may be less pronounced than is generally thought, as Professor J. Robert Brown, Jr. demonstrates in his article on bureaucratic practices in securities regulation. Resolution of the conflicts that plague the U.S.-Japan trade relationship is no easy task, but two articles, focusing on the satellite and semiconductor industries, respectively, suggest win-win methods of achieving long-term benefits for both countries.

In our lead article, Professor J. Robert Brown, Jr. compares bureaucratic practices in the United States and Japan. Focusing on securities regulation, Professor Brown establishes that bureaucrats in the two countries are more similar than not. Government agencies in both countries have broad discretionary powers and often rely on informal methods, oral advice, and micro-management. Contrary to popular belief, the Japanese style of bureaucracy is neither unique nor entirely due to historical and cultural factors. Rather, bureaucratic systems in both countries follow typical modes of bureaucratic behavior.

Professor Glenn Reynolds explores the effectiveness of unilateral measures against unfair trade practices. Using the United States' dispute with the Japanese satellite industry as an example, Professor Reynolds shows that "Super 301" can be an effective tool to redress restrictive trade practices. By avoiding overemphasis on quantitative "trade increases," U.S. negotiators were able to structure a bilateral agreement which opened the industry to international competition and market forces.

In a similar vein, Charles Kaufman analyzes the 1986 Semiconductor Arrangement between the United States and Japan. This Agreement, the result of another Super 301 action by the U.S., sought to end illegal trade practices by Japanese chip manufacturers and establish a "managed trade"

relationship. However, Mr. Kaufman concludes that the Arrangement does not deserve all the credit for recovery of the U.S. semiconductor industry and suggests that alternative trade measures might prove more beneficial to both countries.

Japanese attorney Yoichiro Hamabe explores three evolving issues of law and custom in Japanese employment: erosion of lifetime employment; reduction of work hours; and growing recognition of sexual discrimination claims. Although traditional employment practices are likely to become further harmonized with those of industrial nations, the Japanese courts continue to support traditional values and practices, thereby presenting an ongoing challenge to the full evolution of Japanese employment law.

Two articles by law students return our attention to the region's giant, China. Eric Kolodner takes a comparative law approach to assess the freedom of religion in China. Using international human rights law to provide the norms for his analysis, the author examines the legal framework for the exercise, as well as the control, of religion in the country. Although he concludes that current practices violate international norms, he concedes that they do not violate China's international legal obligations.

Finally, Monica Hsiao examines China's motives for seeking to join the General Agreement on Trade and Tariffs (GATT). Using two political economy theories to provide a framework, the author examines the impacts on China's economic structure and its potential leverage after joining the GATT.

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