

Establishment of the Ministry of International Trade and Industry

In 1949, the Ministry of Commerce and Industry was reorganized and the Ministry of International Trade and Industry was established. Its internal subdivisions consisted of eight bureaus: Minister's Secretariat, Trade Bureau, Trade Promotion Bureau, Enterprise Trade Bureau, Textile Trade Bureau, General Merchandise Trade Bureau, Machinery Trade Bureau, Chemical Trade Bureau, and Iron and Steel Trade Bureau. In addition, four agencies, Resources Agency, Small and Medium Enterprise Agency, Industrial Technology Agency, and Patent Office; eight regional trade and industry bureaus; and four regional coal bureaus were established as external subdivisions.

1949

Road to Industrial Rationalization

After the defeat in the war, the technological level of Japan's industry lagged far behind that of the U.S. and Europe after a decade-long hiatus in exposure to overseas technologies. Japan's industry was unable to stand on its own feet in the international market. Successful recovery depended on "industrial rationalization," namely "technology innovation." The Industrial Rationalization Council was established in 1949 to undertake rationalization of the iron and steel and coal-mining sectors. In 1952, METI and the Ministry of Finance jointly enacted the Enterprise Rationalization Promotion Law, which would play a major role in subsequent modernization.

1960

Steps toward Free Trade

Japan began to see a favorable balance of payments after its accession to the General Agreement on Tariffs and Trade (GATT) in 1955, which resulted in mounting international pressure on Japan to liberalize its markets. In 1960, the Japanese government adopted the "Outline of the Trade and Exchange Liberalization Plan," which was aimed at increasing the liberalization rate from about 40% to 90% in three years. Japan's liberalization rate increased to 89% in 1963. Japan then joined the OECD and Japan's economy began operating under the open regime. This led to the liberalization of the import of vehicles in 1965.

1967

Overcoming Negative Aspects of Industrial Growth

In the beginning of the 1960s, Japan's economy began to grow due to industrial development through technological innovation and productivity improvements. However, economic growth caused social problems such as pollution and environmental destruction. Factories released hazardous substances into the water and air,

thereby posing a threat to people's health and lives. The Japanese government enacted and enforced the Basic Law for Environmental Pollution Control in 1967. The Law concerning the Settlement of Environmental Pollution Disputes and the Water Pollution Control Law were enacted in 1970. In the same year, the Ministry of International Trade and Industry established the Industrial Location and Environmental Protection Bureau to launch full-scale efforts to overcome environmental pollution problems.

1971

Direction of Japan's New Economy in the 1970s

The strong yen resulting from the Dollar (Nixon) Shock (1973) and the strong yen caused by the 1974 oil shock were major blows to the iron and steel and chemical industries that had undergone expansion in the 1960s. Japan was forced to make a major turn around in its industrial structure. A few years before that, the Industrial Structure Council announced the "Creation of 1970s Vision." The council correctly predicted the beginning of a new era, when it said that "we are in a new situation in which Japan's rapidly grown economy and the world economy are inseparably related. This is an unprecedented situation" and proposed the "concept of a knowledge based economy," a new industrial structure policy based on the understanding that "constant pursuit of expansion is a thing of the past."

1980

Moving on from the Catching up and Modernization Era

The Industrial Structure Council submitted a report "Creation of 1980s Vision" with a view to shifting to a new international trade policy based on the understanding that Japan had become an economic power accounting for 10% of the global economy and thus had to play a role commensurate with its power. Japan's manufacturing industries suffered rapid appreciation of the yen against the dollar following the Plaza Accord of 1985. However, a sharp increase in direct investments in East Asian countries led to the upgrading of industrial production in the region where labor costs were lower, thereby contributing to the high growth of East Asian economies (the "Miracle of East Asia").

1990

Local Issues Going Global

As it threatens human security and natural ecosystems across borders, the climate change issue became increasingly prominent through the 1980s both among both advanced and developing countries. Internationally, the "Framework Convention on Climate Change" and the "Kyoto Protocol" were adopted in 1992 and 1997, respectively. Under the Protocol, advanced countries are required to reduce a certain amount of emissions from 2008 to 2012 with 1990 set as the base year. Japan is expected to make positive efforts, and continues to make various economic and technological proposals to the international community.

METI has a long history from the postwar years of recovery to the present day.

METI has been transforming itself to respond to the needs of the times.

METI has a history of responding to the changing needs of society. Therefore, its history is the history of Japan's progress.

History surrounding METI

Revival of the Ministry of Commerce and Industry, establishment of the Trade Agency and the Coal Agency	1945
Adoption of the Priority Production System	1946
Establishment of the Small and Medium Enterprise Agency and the Industrial Technology Agency	1948
Establishment of the Ministry of International Trade and Industry	1949
Launch of People's Finance Corporation and the Council for Industrial Rationalization	1949
Mine Safety Law, Industrial Standardization Law	1949
Foreign Exchange and Foreign Trade Control Act	1949
Operation of Export Credit Insurance begins	1950
Commodity Exchange Law, Explosives Control Law	1950
Chamber of Commerce and Industry Law, Small and Medium Enterprise Credit Insurance Law	1951
First Rationalization Plan for the Iron and Steel Industry	1951
Measurement Law	1951
Electric Power Development Promotion Law, Enterprise Rationalization Promotion Law	1952
Inauguration of Japan Finance Corporation for Small and Medium Enterprise, Credit Guarantee Association Law	1953
Gas Utility Industry Law	1954
Atomic Energy Basic Law	1955
Second Rationalization Plan for the Iron and Steel Industry	1956
Law on the Prevention of Delay in the Payment of Subcontracting Charges and Related Matters	1956
Patent Law, Utility Model Law, Design Law, Trademark Law	1959
Liberalization Plan for Trade and Foreign Exchange	1960
Commerce and Industry Association Law	1960
Installment Sales Law, Electrical Appliance and Material Control (Safety) Law	1961
Household Goods Quality Labeling Act, Shopping District Promotion Association Law	1962
Small and Medium Enterprise Basic Law	1963
Industry Structure Council Launched	1964
Electricity Utilities Industry Law	1964
Liberalization of import of finished vehicles	1965
Basic Law for Environmental Pollution Control (abolished in 1993)	1967
Basic Law on Consumer Protection, Air Pollution Control Law	1968
Waste Disposal and Public Cleansing Law	1968
Water Pollution Control Law, Law on the Promotion of Subcontracting Small and Medium Enterprises	1970
Interim Report of Industrial Structure Council's "Creation of 1970s Vision"	1971
Establishment of the Agency for Natural Resources and Energy	1972
Petroleum Supply and Demand Adjustment Act, Consumer Product Safety Law	1973
Law on the Promotion of Small and Medium Retail Business	1973
Sunshine Project (R&D project on new energy)	1974
Oil Stockpiling Law	1975
Very Large-Scale Integrated Circuit Project	1976
Door-to-Door Sales Act (Specific Commercial Transactions Law)	1976
Moonlight Project (R&D project on energy saving)	1978
Act on the Rational Use of Energy	1979
Industrial Structure Council's "Formulation of 1980s Vision"	1980
Law concerning Promotion of the Development and Introduction of Alternative Energy	1981
Voluntary regulation of auto exports to U.S. begins	1981
Telecommunications Business Act	1984
Law for the Facilitation of Research in Key Technologies	1985
"Challenges and Prospects for Economic and Industrial Policy in the 21st Century"	1986
Maekawa Report	1986
Action Program to Arrest Global Warming	1989
Asia Pacific Economic Cooperation (APEC) is inaugurated	1989
Unification of East and West Germany	1990
Law for Promotion of Effective Utilization of Resources	1991
Collapse of the Soviet Union	1991
Signature of the United Nations Framework Convention on Climate Change	1992
The Treaty on European Union comes into effect	1993
Product Liability Act	1994
Containers and Packaging Recycling Law, Science and Technology Basic Law	1995
The World Trade Organization (WTO) is inaugurated	1995
Adoption of the Kyoto Protocol	1997
Asia-Europe Meeting (ASEM) is inaugurated	1996
Asian Currency Crisis	1997
Law concerning the Measures by Large-Scale Retail Stores for Preservation of Living Environment	1998
Act on Improvement and Vitalization in City Centers	1998
Guideline of Measures to Global Warming	1998
Act on Special Measures for Industrial Revitalization, Civil Rehabilitation Act	1999
European single currency "euro" is born	1999
Basic Act on the Promotion of Core Manufacturing Technology	1999
Basic guideline for a global warming countermeasures	1999
Basic Act for Establishing a Sound Material-Cycle Society, Alcohol Business Law	2000
Reorganization of government ministries into 1 cabinet and 12 ministries	2001
MITI was reorganized to the Ministry of Economy, Trade and Industry (METI), Foundation of the Nuclear and Industrial Safety Agency	2001
Nippon Keidanren is inaugurated	2002
The first Economic Partnership Agreement (EPA) with Singapore goes into effect	2002
End-of-Life Vehicles Recycling Law, Basic Act on Energy Policy Act	2002
Corporate Rehabilitation Law, Intellectual Property Basic Act	2003
Japan filed the second largest number of international patent applications	2003
Industrial Revitalization Corporation of Japan launched	2003
"New Industry Promotion Strategy"	2004
Kyoto Protocol Target Achievement Plan	2005
The Monodzukuri Nippon Grand Award Awards begins	2005
The Kyoto Protocol comes into effect	2005
Companies Act	2005
The first East Asia Summit (EAS) is held	2005
"New Economic Growth Strategy," "Outline of Economic Growth Strategy"	2006
Japan holds the Exposition of Global Harmony	2006
"Cool Earth 50"	2007
Act on Formation and Development of Regional Industrial Clusters through Promotion of Establishment of New Business Facilities, etc.	2007
Price of gasoline reaches a record high amid skyrocketing oil prices	2008
"Cool Earth Promotion Program"	2008
Revision of New Economic Growth Strategy	2008
Subprime crisis	2008
Act on Promotion of Collaboration between Agriculture, Commerce, and Industry	2008

History surrounding the world and Japan

The United Nations was founded	1945
Promulgation of the Japanese Constitution	1946
The Japan Association of Corporate Executives and the Japan Federation of Economic Organizations (Keidanren) were founded	1948
Adoption of the single exchange rate of 360 yen to the dollar	1949
Tokyo, Nagoya, and Osaka Stock Exchanges were founded	1949
Signature of Treaty of Peace with Japan and the Japan-U.S. Security Treaty	1951
Japan joins the International Monetary Fund (IMF)	1952
Japan formally joins the General Agreement on Tariffs and Trade (GATT)	1955
Japan joins the United Nations	1956
"The postwar period is over" (as expressed in the Economic White Paper) becomes a catchphrase	1956
Signature of Japan-Soviet Joint Declaration, diplomatic normalization	1956
The Organization of Petroleum Exporting Countries (OPEC) was founded	1960
Japan joins the Organization for Economic Co-operation and Development (OECD)	1964
Japan becomes an International Monetary Fund Article 8 nation	1965
Japan and South Korea sign the Treaty on Basic Relations between the two countries	1965
The Association of Southeast Asian Nations (ASEAN) was founded	1967
The European Community (EC) is inaugurated	1968
The Japan World Exposition is held	1970
Dollar (Nixon) Shock	1971
Return of Okinawa, normalization of diplomatic relations between Japan and China	1972
First oil shock	1973
Floating exchange rate system	1973
The first summit was held	1975
Second oil shock	1979
Japan becomes the world's top automobile producer	1980
Daiei becomes the first retailer to achieve annual sales of over 1 trillion yen	1981
Plaza Accord	1985
Maekawa Report	1986
Unification of East and West Germany	1990
Collapse of the Soviet Union	1991
The Treaty on European Union comes into effect	1993
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