TPP and Okinawa

Panel: Sustainable Growth

The Trans-Pacific Partnership Agreement (TPP) is expected to boost economic liberalization in the Asia Pacific, and currently under negotiation. However Japan has been reluctant to scrap tariffs on key farm products, including sugar. Sugar is produced mainly in Hokkaido and Okinawa, and the population of sugar farmers is a few in Japan. Even if Japan opens up the sugar market, labors affected should be ignorable. Of course, opening the market can be indicated that the sugar farmers and sugar refineries will be dismissed, which must have an impact on Okinawa’s economy and society. Meanwhile, Japan faces a serious situation with large fiscal deficit in fact. Thinking from the view of economic rationality, it is nearly meaningless that the Japanese government protects sugar farmers by the government aid. Why does Japan intend to keep protecting sugar? The paper will examine the TPP from the point of view of Okinawa’s history and sugar industry.