

Jonathan Kushner, Governor of the American Chamber of Commerce in Japan (ACCJ),  
Chairman of the 2020 Tokyo Olympics Task Force

# Tokyo Could Become a Magnet City by 2020

Interviewer: Naoyuki Haraoka Writing: Richard P. Greenfield

In November 1942, when Britain had beaten the German and Italian forces in North Africa at the Battle of El Alamein, British Prime Minister Winston Churchill famously commented: “Now this is not the end. It is not even the beginning of the end. But it is, perhaps, the end of the beginning.”

That quote perfectly describes Tokyo, and all Japan, after the IOC made the decision to hold the 2020 Summer Olympic Games here. There were many designs and proposals the IOC looked at, and now, with the decision made, there will be many more. For those who had been involved with the proposal, with helping Japan to get its message out to the world, with making sure that the preparations for the games, at all stages, involve the international community as well as international business, it was truly “the end of the beginning”.

Jonathan Kushner, managing partner, Japan, at Kreab Gavin Anderson, a worldwide strategic communications advisory firm, and a member of the Board of Governors of the American Chamber of Commerce in Japan (ACCJ), chaired the 2020 Tokyo Olympics Task Force for the ACCJ which meant liaising with other chambers of commerce, Japanese companies (including sporting goods companies) and the Japanese Olympic Committee. *Japan SPOTLIGHT* interviewed him to get his reactions and views on the challenges and opportunities that the Olympics will present for Japan.

**Haraoka:** Can you tell us a bit about your background?

**Kushner:** I guess I've been involved with Japan for at least the better part of half my life. I first came to Japan when I was 16 as an exchange student in a hot and humid summer but it did not deter me from coming back. I taught on the JET program after graduating from undergraduate school. Then I went back and I studied about Japanese and international business at Columbia University's School of International Affairs. I ended up working with a Japanese bank in New York, the Industrial Bank of Japan. I was transferred to Tokyo to the head office in 1997. I've been out in Asia ever since, most of that time in Japan with about five years of that in Singapore. And I've gone through in my career various iterations with different companies. I worked in the finance sector, then I worked in the high-tech sector, and two years ago I joined Kreab Gavin Anderson, which is a worldwide strategic communications consulting firm.

**Haraoka:** Let me ask you how you assess the successful Olympics bid from a business viewpoint,



*Jonathan Kushner, Governor of the American Chamber of Commerce in Japan (ACCJ), Chairman of the 2020 Tokyo Olympics Task Force*

for Tokyo and for the ACCJ?

**Kushner:** Let me first say that from the ACCJ perspective we were very supportive of Tokyo's bid. We have had a slogan for 2013, we put it in *kanji* and it translates as “Achieving Growth Together”. For us, the Olympics was very much part and parcel of that and we established a task force which I chaired to support Tokyo's bid for the games. That task force worked across the American Chamber, with Japanese counterpart organizations as well as with foreign chambers of commerce. And, of course, we were very pleased as was the whole country with the outcome in Buenos Aires.

**Haraoka:** This might seem to be a bit on the other side but there are some economists who question whether the Games,

and this could be any games, can really generate a profit or perhaps even break even. Do you have people who have or share these pessimistic views?

**Kushner:** It's typically been very difficult to be completely accurate about this because where do you define the real start and stop of the

Games? For us, while two weeks in the summer of 2020 is the focal point, there is so much in terms of economic activity and the buildup to the Games and then afterwards the changed perceptions and ideas about Japan, the reemergence of the idea of Japan as a place to do business and then a resurgence in confidence amongst Japanese companies and the Japanese public. So we think the impact of the Games will be very long-standing. I think it is very difficult to pick a number and say this is what the Games will cost and this is how much they will bring in.

**Haraoka:** I was thinking of the short-term numbers, the way they are usually calculated. Of course we would expect to see growth, but in the longer term the Games could provide a real opportunity to improve the country. It could provide us with an opportunity to open the country further, which has been discussed for a long time, and could also be a real help in furthering our defenses against natural disasters, such as earthquakes. And we must also pay greater attention to nuclear safety. What do you think about these areas?

**Kushner:** I certainly agree that there will be positive and long-lasting changes in both the Japanese economy and Japanese society, and I think you have highlighted some of the key aspects of that. It really is an opportunity for Japan to shine on the world stage and in terms of internationalization it is a chance for Japan to have and to achieve by 2020 certain targets that will help further connect Japan with the rest of the world. And I think there will be a number of opportunities in various sectors that will result from that. When you talk about building and architecture, design and engineering, these are some of the first things to come to mind. Of course, we expect something of a building boom in Tokyo but that boom, as you suggested, should be used not just to protect against earthquakes, but also to improve the infrastructure of Tokyo. There has also been discussion on how to move people about during the Games most efficiently, in one way a futuristic vision of transport, but in another how to have the minimal environmental footprint — so, a sustainable Games.

You also mentioned Fukushima and that came up in Buenos Aires and Prime Minister Shinzo Abe made some very specific promises. One good thing that can come out of that is that the world's attention will be focused on Japan and that will motivate the government to work more closely with the international community to solve these challenges.

**Haraoka:** Of course, one of the industries that is expected to benefit very directly from the Games is tourism. Does the ACCJ have any plans to work on this, with hotels or with any other actors in the tourism sector?



**Kushner:** I think when you look at industries there are a lot that are set to benefit from the Olympics. Some we have mentioned, and even areas like project management, transparency and accountability, international accounting and international law — there are many American and international firms that have great expertise in these kinds of processes. But above all, there is this chance to showcase Japan as a destination to the rest of the world, and that will drive traffic, that will drive tourists, that will drive business people to Japan in the buildup to and during the Games. Beyond that there is a real opportunity to move tourism to become one of the key sectors of the Japanese economy. If we look at Japan in terms of its (Olympic bid) competitors, Spain and Turkey, the number of inbound tourists is still very low in comparison. To maximize that inbound tourism there needs to be more done with the Japanese domestic tourism industry to make it more open and accessible to foreigners who, when they come in, spend money in restaurants and retail establishments too.

**Haraoka:** So the ACCJ is going to help the Japanese government and other related organizations in promoting the Olympics to the rest of the world? Concerning that, I am curious about what kind of advice you would provide regarding hot and humid weather.

**Kushner:** That's a great question. You know it's interesting because

## Interview 3

the previous Tokyo Olympics (in 1964) were not held in the summer. They were held in October. While nobody can predict the weather, the summers do seem to be getting increasingly hot and humid. However, a number of the events will be held indoors, such as swimming and gymnastics. But the poor people who have to compete in a marathon, that would be quite challenging. The other side of the coin, though, is that everyone is going to have to face the same conditions, so maybe athletes could come to Japan earlier to get acclimatized, which they can do fairly quickly. My concern would not be so much with the athletes but that you're hosting a number of international visitors at a time when the weather can get difficult with the heat and humidity. So probably when you think about the transport and logistics, you need to make sure that there is adequate air conditioning, misting technology, and who knows what else they will have then?

**Haraoka:** I am curious to know how you would assess the Japanese economy and Japanese business since the first time you came here?

**Kushner:** When I was here the first time, it was actually during the heart of the bubble. The period of very slow, even negative growth which followed is oftentimes referred to as the two lost decades. I think that period really hurt Japan in terms of self-confidence, in terms of internationalization. But I feel that in many ways we're now at a turning point, which is one of the reasons why the Olympics is very important, because it's very symbolic. The Abe administration recognizes that, so the whole focus of "Abenomics" is not just about the impact of monetary policy. It's a very aggressive fiscal stimulus too, and also about the "third arrow", bringing about positive change through deregulation and restructuring of the economy. And that is going to happen. I think there is a realization in Japan that it needs to happen in order for Japan to achieve sustainable growth. But a large

part of Abenomics for me is also about psychology. It's about market psychology and it's about seeing that people feel confident about the future again. Ever since Japan won the bid in Buenos Aires people are feeling more confident, they are feeling proud. And that's going to start manifesting itself in people's spending behavior, in their ability to travel overseas. I think that mind-shift and that mindset is incredibly important. The prime minister has said that "Japan is back" and I think the rest of the world is beginning to take notice of that.

**Haraoka:** In order to really get the economy moving again it is necessary to have a degree of entrepreneurship. But entrepreneurs are usually younger people and, as you pointed out, there has been low growth for enough time in Japan to have driven some of those people to other places or other pursuits. How do you see young Japanese people now as opposed to what you saw when you first came here?

**Kushner:** There have been a lot of stories about young Japanese not wanting to go overseas or just being very comfortable with their life at home. But I actually think the young people are ready and willing to engage internationally. I think that one of the things we are seeing now is the Abe administration encouraging young people to go and study abroad and encouraging internationalization. The Olympics is part of that, and there is a movement called "Sport for Tomorrow" which is about engaging Japanese youth in sport around the world. On your point about entrepreneurship, there are some things that Japan can do to develop entrepreneurship further, certainly in terms of tax and other issues that would make it easier to set up businesses, but I'm not so pessimistic on young people today. They have different opportunities than the older generations or than their parents had. Maybe it just means that we are going to see less people go on the so-called "salaryman track" but some of the most successful businesses that we are seeing in Japan today were created by entrepreneurs. Look at some of the advances in communications, in gaming, in the Internet, in e-commerce — these are all created by entrepreneurs and they are creating vibrant communities of entrepreneurs. And those people are traveling back and forth to Silicon Valley and to Europe and engaging with their counterparts around the world. So overall, I feel pretty positive about that.

**Haraoka:** There are also the examples of countries that are never really cited in the first rank of entrepreneurship, but of course they are — such as Sweden, Norway, and the Netherlands. All have internationalized their economies.



**Kushner:** I think these kinds of exchanges are very important. One very interesting example relates to a client of ours, Education First (EF), which is the largest provider internationally of overseas education services, language and cultural exchange, and they have a business here in Japan that is growing very rapidly. They were founded in Sweden. The team here recently led a Japanese university delegation to Sweden to visit schools and companies to study entrepreneurship.

**Haraoka:** One challenge for Japan is to define, perhaps even divine, trends. For instance, we talk about internationalization, and at one time that would have meant speaking the language of the country in question, and in some places it still does, but more and more it seems to mean speaking English, which really spread as the *lingua franca* of the Internet. Do you see this as well?

**Kushner:** From my perspective as a communications professional, I see that there are a couple of different challenges and opportunities for Japan in terms of engaging internationally. Going back to your point about what has hampered Japan for the past 20 years, it's been easier in a way for Japan to shrink back because the domestic market is so large. But with the demographic challenges here, from a shrinking market, and with the growth that is being seen in some of the newly industrializing countries, I think Japanese companies are recognizing that they can't rely totally on the domestic market. And part of the international business scene is going to require them to engage in English and in the local language. This is something we see in Europe. English has evolved as a common language, as a language of business in Europe. Europeans are not overly concerned with grammar and making things so precise. What they are really engaging in is business English, language for the sharing of ideas. When you write something for an article, or an advertisement or company memo, then you want it to be precise whether it is written in English or the local language. But as a language of communication, it does not have to be perfect in grammar or perfect in pronunciation, so long as you can be understood. And I think because the Japanese educational system for years and years has taught about grammar, about how to be precise, about not wanting to be wrong, it makes people reluctant to speak English. It's really important to get past that reluctance. And maybe the Olympics, having it here and people knowing it is coming, will be one additional way of helping people to engage internationally.

**Haraoka:** We have spoken about internationalization, and I think we should improve communication with Asians. I do not mean by excluding the rest of the world, of course, but just improving intra-Asian communication, and the Olympics could give us a



**chance to do that too. What are your thoughts on this?**

**Kushner:** Well, here's one great thing about having the Games in Asia: just look at marketing. Asia is becoming an increasingly important market for the whole world. To have the Games within an Asian time zone means that you'll have 1.2 billion viewers in China, you'll have viewers in Indonesia, another billion plus in India, and they are all going to be watching the Games more or less in real time, at the same time. So there will be opportunities for Asians to be engaged traveling to Japan (and for Japanese, in turn, to engage with them) as well as to be watching live on television, on the Internet and on whatever devices they are using by that time. And that will be an opportunity for Japan to engage with Asia and increase understanding with Asia. Japan is still very much considered a role model for many countries in Asia and Japanese society and culture are considered very advanced, so I think again it is a good opportunity to show Japan's leadership. And whether the language of communication then is English, or *kanji* or something else does not matter. What matters is that there is an Asian games in an Asian time zone, with Japan at the center. It is going to be that point where Japan can showcase advances, where it can send messages to the rest of the world. I can only see good things coming from it.

*Naoyuki Haraoka is editor-in-chief, Japan SPOTLIGHT, and executive managing director, Japan Economic Foundation.  
Richard P. Greenfield is a journalist, editor and consultant living in Japan.*