

## Japanese Industry in the American South

by Choong Soon Kim  
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1995, 206 pages.

More than 1 million Americans have a Japanese colleague or boss; nevertheless, there have been few empirical or longitudinal studies on Japanese industry in the United States. So this book is welcome, written as it is by a Korean-American. Kim reports that, as a result of his studies in the U.S. and long tenure at a U.S. university, he is regarded by Americans as "almost, but not quite, American." And, in the course of his research for this book, he eventually came to be regarded by the Japanese with whom he worked as "almost, but not quite, Japanese," probably partly due to being part of a small group of Asian foreigners in the American South. Kim hopes that as a third party—neither Japanese nor a Caucasian or African American—he has written unbiased observations in regard to both cultures. As an Indian-British observer of both the U.S. and Japan, I could find no evidence of bias.

*Japanese Industry in the American South* is a detailed, concrete and somewhat personal account of social relations in a particular business and industrial setting. It is an honest book which recounts facts Kim has come across without trying too hard to produce theoretical analysis or generalizations. It is precisely because Kim does not chase principles, rules or regularities that his book rings true.

Kim starts with a brief economic history of the South, of the attempts by the South's public figures to attract industry to the region, of intense lobbying and persistent work which went into attracting Japanese business (including, incidentally, Nissan Motor Co., Ltd.). As of November 1994, 113 Japanese firms had manufacturing operations in Tennessee alone; of the 729 Japanese manufacturing affiliates in the U.S., almost 63% are located in 11 southern states (though only 26%

of all their employees are in the South).

Why are Japanese industries coming to the American South? The incentive packages offered by these southern states is attractive. Surprisingly, and more important, is the political commitment to welcoming the Japanese and to making the partnership work.

Kim focuses on four firms in the electronics and automotive parts industries. Two are Japanese-owned (a large one, which he calls Eastech, and a mid-sized firm, which he calls Midtech); a small Japanese-U.S. joint venture company that he calls Westech; and a mid-sized U.S. manufacturing firm to which he assigns the name Henry Companies.

Given that cross-cultural understanding among employees could be as important as, and sometimes more important than, technical or professional competence in a multinational corporation, Kim asked:

"What are the major cultural obstacles, if any, for Japanese business and industrial operations in the South?" He finds that most Japanese expatriates in Tennessee are amazingly ill-prepared to deal with the people of the region and their culture, having had virtually no preparation other than taking intensive English lessons for a few months at most before moving to the U.S. Not only are individuals unaware of the history and culture of the American South, not one of the firms included in this study has an institutionalized program to provide knowledge about American culture. No wonder cross-cultural problems persist.

Other surprising facts emerge: 85% of Japanese firms in the U.S. have a Japanese chief executive; only 20% of U.S. firms in Japan have an American in charge. Fifty percent of American managers either resign or are fired within 18 months of foreign takeover, while the average turnover rate for workers in such firms is about 5%. Midtech's policy on nepotism combines the American taboo against the practice with the Japanese concept of the extended family. This is a fine-grained study, therefore, of the



ability as well as the inability of Japanese expatriates to understand and adapt to foreign ways of thinking and acting in an alien cultural setting, while struggling to remain competitive economically.

Kim also explores the reactions of Southerners toward Japanese expatriates, and the Japanese impact on Southerners and the Southern way of life. He concludes that having to meet the challenges of the Japanese has led Americans to rediscover their own strengths and weaknesses. The Japanese who were once thought to be alien, quaint and mysterious (therefore marginal and inferior), are now regarded as rational and efficient (in contrast to Americans, who are now thought to be inefficient and unproductive). This is of course not a lesser bias than that of the past and Kim urges us not to romanticize Japan's success as cultural—we must not attribute everything to culture, nor must we fall into the trap of entirely ignoring cultural factors.

Nor must we drop into stereotypes, though Kim hazards a few—perhaps Americans have been good teachers, but they have failed to be good students; Japanese have not been good teachers, yet they have been good students. Perhaps the Japanese are as good at figuring out their own strengths and weaknesses as they are at figuring out those of Americans; it is a Japanese strength to overcome their weakness as inventors by refining the inventions of others. Perhaps, too, the problems of the American past are becoming contemporary problems for Japan.

Readers who have not come across the growing literature in this field will find this an easy introduction, while those who are familiar with the literature will find many nuggets of interest.

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