

Akira Kudo/Matthias Kipping/Harm G. Schröter(ed.), *German and Japanese Business in the Boom Years. Transforming American management and technology models.* Routledge, London/New York, 2004, p.282, £ 80.00

As a result of an international symposium in 2000, thirteen articles by five German and eight Japanese researchers were published in *German and Japanese Business in the Boom Years*. Although most of the contributions by Japanese authors have been well known in Japan, this is the first time they have been made available in European languages. The book examines the American influence on two of the most important and dynamic economies in the post war period, German and Japanese, during the so-called boom years (the 1950s and 1960s). Based on analyses of five different business sectors which played an important role as engines of economic growth (automobiles, electrical engineering and electronics, synthetic fibers and rubber, consumer chemicals and retail trade). The book shows that adaptation of American models led to a transformation of existing production and management systems.

Summarizing the book in Chapter 1, the three editors introduced historical and conceptual issues. First, *Americanization* is defined not as “a model of values and behaviors as such,” but as a “process,” signifying that the transfer of values and behavior always entails selection, change, and adaptation. Second, the editors define Americanization as a continuous historical phenomenon that fluctuates in intensity over time. The editors assert that the wave during the boom years brought about the most fundamental change at the enterprise level. Finally, the book clarifies not only the importance but also the diversity of American impact and its results by comparing Germany and Japan. After the World War II, Americanization was more intense in Japan than in Germany due to the extent of reform under American occupation as well as the difference in technological and business development between the two countries.

Chapters 2 through 13 pair German and Japanese researchers in analyzing the situation of the respective countries according to given topics. Chapter 2 (M. Kipping) and Chapter 3 (S. Sasaki) deal with the propagation paths of Americanization. According to these authors, both Germany and Japan effectively imported American management models via various associative channels. Chapters 4 through 13 provide analyses on major industries, including the automobile industry (C. Kleinschmidt and H. Ueda), electronics (W. Feldenkirchen and S. Hasegawa), chemical and rubber industries (C. Kleinschmidt and T. Suzuki), the consumer chemical industry (S. Hilger, A. Kudo and M. Ihara), and distribution (H. G. Schröter, M. Takaoka, and T. Kikkawa).

According to these analyses, Japan experienced more intensified Americanization than Germany. German companies had the competitive edge in certain fields; thus, its relation with American companies was mostly mutual. As a result, the transfer of American management models from the United States was selective and partial in Germany. On the contrary,, American influence on Japanese companies was overwhelming as well as extensive. However, even in such a situation, the learning capacity of the recipient was important. Japanese companies needed adaptation or Japanization—that is, the ability to match the inherent situation in Japan. The capability to adapt was crucial as a source of competitiveness in the subsequent era.

The automobile industry, however, provides a different picture. Volkswagen produced a faithful copy of the American model of business, while Japanese car assemblers selected and nurtured suppliers for consolidation of their mass production system. Unexpectedly, the close cooperation between suppliers and assemblers was conceived partly through observations in America; in this sense, the system was learned from the United States. Japanese car makers realized their mass production through the fundamental modification of the American production system of the time.

The Americanization of the German and Japanese distribution industry developed around supermarkets (self-service was precursory to this in Germany). In both countries, the adaptability of the stores limited Americanization. However, while it was a mere quantitative question of living

standards for the Germans, this adaptation was associated with qualitative, cultural difficulties for the Japanese. Due to the strong predilection for freshness and frequent small purchases among the Japanese consumers, the competitive advantage of supermarkets was constrained, achieving predominance only after the boom years as a result of Japanization.

This book successfully clarifies the magnitude of American influence during the boom years as well as the significance of the factors in the recipient countries. The proposition that Americanization produces Germanization and Japanization by transformation is well supported by the main case studies. In order to enable such a comprehensive analysis, the editors used a very loose definition of *Americanization*, which is another feature of this book. According to this definition, anything that originated in the U.S. and was transferred to another country is classified as Americanization. This practical approach allowed for the appropriate positioning of comprehensive, unparalleled influence of the United States in the 20th century.

On the other hand, such a lenient definition encompasses the widest range of phenomena. Where definition of what makes it “American” is given, it’s not always congruous. Chapters 10 and 12 assert that the tendency for “cooperation to competition” was an essence of Americanization at the time, but this does not hold true to Japan. In other words, this book has abandoned the verification of interrelation and theoretical unity, which are assumed to exist among the elements of “American.” Therefore, it is not always possible to distinguish whether a change derived from accepting inherent American principles or from modernization in general, including the technological and economical development of the country. While the German authors discussed this point rather cautiously, some Japanese authors were less meticulous in their analysis (e.g., Chapter 7).

Based on these analyses, future studies should take at least three different areas into consideration. First, a conclusive positioning of American impact is only possible by comparing it with the impact from other entities. This goes beyond the mere comparison of overlapping concepts, such as rationalization, mass production, and orientation toward big business. For instance, how would one position the Cold War, which culminated in this period? In the boom years, shareholder value was not trumpeted either in Germany or Japan, and the role of “visible hands” remained significant. Is it a mistake to perceive a certain pressure from the East-West confrontation, where the U.S.-centered system was challenged by the counter-system?

Second, in terms of the gap in productivity and consumption patterns, the U.S.-Japan disparity was greater than U.S.-German one. The productivity gap implies an overall acceptance of an advanced model; the difference in consumption patterns suggests the difficulty of the adoption of this advanced model. Therefore, the disparity between Germany and Japan signifies not only the gap in ability or desire, but also cultural configuration. Further, in the boom years, Japan experienced a series of trends toward “Westernization” in general, which should be kept separate from Americanization. Considered together with the persistent residual of tradition, the Americanization of the Japanese lifestyle should not be overestimated.

Finally, this book deals mostly with large enterprises. Yet the Americanization in Germany and Japan may have been exaggerated by this focus on big businesses, particularly in industries with American dominance. Thus, the question of Americanization has yet to be further answered in future studies.

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