Organizer's Introduction

With the advent of the 21st Century, the new phenomenon of the world economy has been apparent, which is characterized by the emergence of BRICs (Brazil, Russia, India and China). In particular, China and India whose population are well over one billion respectively are attracting the world’s attention. Both countries have become the integral parts of the world economy since the 1990s, and the globalization and mega-competition have become the catchy words in world’s business scene. Under such a circumstance, it is crystal-clear that the relationship of BRICs with the old developed countries like the United States and Japan is worthy to be considered in more details.

The 1990s is called “the Lost Decade” in Japan. As these words symbolize, Japan has faced the severe economic downturn and the troubled situation in the 1990s and on. While “Japan Bashing” was mentioned quite often in the 1980s, today, not “Japan Bashing” but “Japan-Passing” is the commonplace word which exemplifies Japan’s relative decline in the world economy. Praise over the Japanese management system reversed to criticism, and the interest in Asia from Europe and the United States looks like quickly moving from Japan to China and India.
However, in the last few years, the Japan's economy seems to be recovering, and to be regaining the competitive advantage in some fields. By the world standard, the Japanese automobile industry still keeps its strong position, and the Japanese digital consumer electronic sector has grown to a substantial size, putting Japan to the world leader in the field, although the semiconductor & computer industry as a whole remained still distressed. The instrumental and machine-making industries had terrible years in the past, but both industries recaptured some strength at the moment, along with the recovery of the overall Japanese economy. Moreover, the “perpetual beleaguered industries” like the iron & steel, and shipbuilding began to enjoy plenty of orders, coupled with the sharp recovering of the finance industry which is in the process of writing off a huge amount of bad and doubtful debts.

Is these recovery real and solid? Can Japan come back to the strong competitive position like twenty years ago? Does the new global economic order, especially the growth of China and India continue from now on?

To examine these problems, Graduate School of Business Administration, Meiji University and the Anderson School, University of California at Los Angeles jointly organized the international symposium on November 12, 2005 in Tokyo.

The following articles of this special issue were basically given in that symposium. Articles by Prof. Jacoby, Prof. Endo, Prof. Hao, and Mr. Udagawa are contained in this issue. At the symposium, two scholars from UCLA, Prof. Sakakibara and Prof. Chowdhry gave papers, which featured the patent strategy in Japan and the United States, and microfinance in India, but they are not included here.

“HR and Corporate Governance in Japan and the United States” by Prof. Jacoby is a short paper which summarized his longer and full paper. “The Three or Four Pillars Employment System in Transition” by Prof. Endo has analyzed the recent change in the Japanese employment system which was featured as the three pillar system. Prof. Hao’s “Significant Changes in the Labor Market of the ‘World Factory’ and Personnel Management in Japanese-companies in the Pearl River Delta (PRD)” is trying to analyze some difficulties which Japanese firms are facing in China. “A Concept of ‘Organizational Problematization’: The Case of Matsushita Electric Industrial’s Organizational Reformation” by Mr. Udagawa tried to combine the theoretical approach by interpretivist with the empirical analysis of Matsushita.

At the symposium, the vivid and lively discussion took place after presentations. Each article on this special issue of Meiji Business Review, is based on drafts of presentations. They all have
tackled with the problems which Japan is now facing. I hope this special issue will be the starting
point of studying the crucial aspects of the global economy, especially focusing on East Asia,
needless to say, inclusive of Japan, and the United States.

The Structure of the International Symposium, November 12, 2005
Speakers: Sanford Jacoby, “HR Executives and Corporate Governance in Japan and the United
States”
   Bhagwan Chowdhry, “Franchising Microfinance in Developing
   Countries: Enabling the Poor to Escape Poverty, with a Focus on India”
   Mariko Sakakibara, “Determinants of Market Valuation of Patents”
   Koshi Endo, “The Three or Four Pillar Employment System in Transition”
   Yanshu Hao, “Drastic Changes in the Chinese Labor Market and Labor Management at
   Japanese Firms”
   Motokazu Udagawa, “The Turnaround Strategy of Japanese Firms in ‘the Lost Decade’”

Discussants: Ken-ichi Kuroda
   Shizuko Kato
   Hajime Ushimaru

Chairpersons: Etsuo Abe
   Masayasu Takahashi
   Aki Nakanishi

Organizers: Sanford Jacoby and Etsuo Abe