fully reasoned and intellectually compelling. The East Asian medical
revival is primarily a result of rapid change in the epidemiology of
disease, as chronic illnesses replace acute ones. Holistic interests
have been stimulated by environmental concerns, including both
pollution and the consumption of synthetic medicines. And medical
pluralism—the existence of alternative treatment systems—is not
only a more likely historical outcome than "convergence," it is a
highly desirable one both from the patient's and from the physician's
point of view. Such arguments will likely interest a broad spectrum
of readers and lead me to recommend this book with enthusiasm.

Multinationalism, Japanese Style: The Political Economy of Out-
ward Dependency. By Terutomo Ozawa. Princeton University

Reviewed by
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Ozawa's book is an excellent exposition of a complex subject; the
author has done a fine job in researching and organizing data on
Japanese foreign investment and has clearly set forth the various
hypotheses used to explain it. In particular, he has clearly related
data and various theoretical explanations to demonstrate that
Japanese foreign investment has been somewhat different from that
of Western investors.

Ozawa notes that whereas other foreign investment in manufac-
turing has been primarily by large oligopolistic firms extending their
product reach to new markets, much early Japanese investment was
by small firms in highly competitive industries like textiles. He
explains this mainly by traditional product-cycle theory, noting the
change in factor costs due to the natural growth of the Japanese
economy. That is, as labor costs rose in Japan and comparative
advantage shifted to countries like Korea, Japanese firms invested
abroad in the lesser developed countries (LDCs). This was in turn
encouraged by the Japanese government, who wanted to "give
away" declining industries to free resources for newer industries
which would raise Japan's overall living standard.

At the same time, Ozawa notes that there have been other forms
of investment as well. These include resource-intensive investments
or service investments in the advanced countries for which different
explanations are given. In addition, the author mentions but does not stress that recently some of Japan’s oligopolistic firms with differentiated products have also followed their exports overseas much as Western multi-national corporations (MNCs) have. However, in these cases perhaps the push may have been due more to potential protectionism than wanting better market penetration. In general, Ozawa explains well the various political and economic pressures on Japanese investment from Japan and from foreign countries whether advanced, a newly industrializing country, or an LDC.

Despite these fine insights, Ozawa fails to provide a real unifying motivational framework for Japanese investment aside from these diverse political and economic pressures. Each theory and its data appear to stand alone for a specific set of cases. This approach in turn leaves some explanatory gaps. Thus, he does not explain why, for example, many small textile firms did not invest overseas yet did not go out of business, or to what degree Japanese oligopolistic MNCs or resource-based investments really differ from their Western counterparts. The reason for this gap appears to be that Ozawa has perhaps relied too much on relating various theories to collected data without closely examining the major actors in the investment process, Japanese firms, and their decision-making constraints.

From this latter perspective, one sees that many small Japanese firms have not only been followers but have specialized in exports. When comparative advantage shifted offshore, therefore, the Japanese government could not “protect” their markets as foreign governments did for their firms. The only alternative was to invest, and the Japanese government had to help them if it was to cushion the effects of this structural shift. Their corporate survival was at stake. At the same time, other small firms, serving specialized local markets, were either little affected or in some cases were protected, as for example silk.

As factors costs continued to change, the next generation of industries like steel and shipbuilding also then became subject to foreign competition and were equally forced to invest overseas and to modernize their facilities given their export dependency. Thus, Japanese firms, like Western firms, have responded to the pressures of economic change but their responses have sometimes differed because of the options available. In actuality where Western and Japanese companies seem to have differed most is in recognizing both the inevitability and benefits of economic change, perhaps because the latter have been successful followers. Thus they have
felt more compelled to manage the product-cycle evolution via foreign investment, and the government has supported this. This is an important element in their strategic thinking missed by Ozawa.

However, this error of omission does not substantially detract from the book’s major contribution to our understanding of Japanese foreign investment, a phenomenon of growing importance for the world economy in the years ahead. I strongly recommend it as an addition to the bookshelf of anyone interested in Japan and its increasing effect on the world economy.

TIME, SPACE, AND TEXTS


Reviewed by  
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Each of these two important new books on Old Japanese literature outwardly conforms so closely to the conventional format for modern Japanese academic expository writing that a reader might very easily get more than halfway through either of them before noticing the startling way in which each author has actually managed to break through the conventional limits generally imposed by the hallowed kokubungaku approach. And no single specialization has more proudly prided itself on maintaining its territorial prerogatives undefiled, or on keeping its discipline-defining cloisons intact, than has the traditional study of early Japanese literature in Japan.

The light that each of these two new books eventually manages to throw on long-standing problems in our understanding of Old Japanese literature in general, and on the Man’yōshū in particular, would be welcome enough simply on its own. But when we realize what an enormous breach each of the authors has managed to open in the rigid retaining walls of the kokubungaku fortress, we begin to recognize how important each of them will surely prove to be over the next several years in redirecting the kokubungaku approach to-