

## **JPN551/GEO551: Japanese Multinational Corporations**

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Japanese multinational corporations play an important role in the economy of many countries and regions, and their impact on the environment and development are steadily increasing.. This course will explore the development policies and environmental management practices of the Japanese multinational corporations. How are major Japanese multinational corporate systems geographically organized? How do Japanese multinationals make locational decisions and how to predict the effects of these decisions? What is the effect of Japanese multinationals policies on the economy and environment, particularly in the developing countries of Asia, Africa and Latin America? How does a Japanese multinational corporation affect the economy and environment of a local area within a country? What Japanese multinational companies can do to improve environmental management? What developing countries can do to improve environmental management and cooperation with the Japanese multinational companies?

The lectures and class discussions will be organized under the following topics:

### **Japanese Multinational Corporations.**

Multinational, Transnational, Global or International ?

### **Theories of Multinational Enterprise**

1. Aggregate level or macro theories
  - Interest Rate Differentials
  - The Hymer-Kindleberger Theory
  - Vernon's Product Cycle Theory
  - Aliber's Theory
  - Servan Schrieber Theory
2. Micro theories/ Individual Firm level
  - Traditional
  - Diversification
  - Kim
  - Richardson
  - Cyert and March
  - Aharoni
  - Kelly

### **Evolution of national environmental and resource management policies and how Japanese Multinational corporations have adjusted to them**

Frontier Economics  
Environmental Protection  
Resource Management  
Ecodevelopment

## **Environmental Management Practices of Japanese Multinational Corporations**

What is the environmental performance of Japanese multinational firms? Is it worse or better than that of domestic firms? Are multinationals part of the problem or part of the solution? How are multinationals adapting to the more stringent environmental regulations in host countries? How can environmental disputes between Japanese multinationals and host countries be avoided? How can the generally superior technical and managerial expertise in Japanese international business be harnessed to improve environmental management? What are the responsibilities, interests, and policies of home country governments in regulating the overseas activities of their multinationals?

## **Reading List**

### **Japanese Multinational Corporations**

- Abegglen, James C. and George Stalk. 1985. *Kaisha: The Japanese Corporation*. New York: Basic Books.
- Japanese Multinationals. *Environment and Planning A*. Sept 1996, v.28. n. 8. p 1713
- Corporate product policy and innovative behavior of European and Japanese Multinationals. *Journal of Marketing* April 1990, v.54. n.2. p. 19.
- Toyota Motor Corporation. 1988. *Toyota: A History of the First 50 years*. Tokyo: Dai Nippon Printing Company.
- Ohmae, Kenichi. 1990. *Borderless World: Power and Strategy in the Interlinked Economy*. New York: Harper Business.
- Sanders, Sol W. 1982. *Honda: The Man and His Machines*. Tokyo: Kodansha.
- Takamiya, Sosumu, and Keith Thurley. 1985. *Japan's Emerging Multinationals; An International Comparison and Policies and Practices*. Tokyo: University of Tokyo Press.
- Taylor, M. and Thrift, N. eds. 1982. *The Geography of Multinationals: Studies in the Spatial Development and Economic Consequences of Multinational Corporations*. London: Croom Helm.
- Young, Alexander K. 1979. *The Shogo Shoshu: Japan's Multinational Trading Companies*. Boulder: Westview Press.

### **Theories of Multinational Enterprise**

- Ballon, Robert J. and Iwao Tomita. 1988. *The Financial Behavior of Japanese Corporations*. Tokyo: Kodansha
- Buckley, P. J. 1976. Alternative theories of the multinational enterprise. In Buckley, P.J. and Casson, M.C. eds. *The Future of the Multinational Enterprise*. London: Macmillan.
- Clark, Rodney. 1979. *The Japanese Company*. New Haven: Yale University Press.
- Frank, Isaiah, 1980. *Foreign Enterprise in Developing Countries*. Committee for Economic Development. Baltimore: Johns Hopkins University Press.
- Fruin, W. M. 1983. *Kikkoman: Company, Clan, and Community*. Cambridge, MA: Harvard University Press.

- Hymer, S.H. 1979. The multinational corporation and the law of uneven development. In Modelski, G. *Transnational Corporations and the World Order*. San Francisco: Freeman. HD2755.5 .T68
- LaPalombara, J. and Blank, S. 1979. *Multinational Corporations and Developing Countries*. New York: The Conference Board. HD69 .17 L350
- Richardson, J.D. 1971. On Going Abroad, the Firm's initial foreign investment Decision. *Quarterly Review of Economics and Business* 11: 7-21,
- Vernon, Raymond. 1979. The Product Cycle Model. In Modelski, G. ed. *International Corporations and the World Order*. San Francisco: W.H. Freeman.
- Suzuki, Toshio. 1987. *The Japanese Financial System*. Oxford: Clarendon Press.

### **Japanese Multinationals: Development and Environmental Policies**

- Multinational and their morals. *Economist* Dec 2, 1995, p.18
- Rejecting Toxic Technology. *Multinational Monitor* Jan/Feb 1995 vol. 16. P.29
- Eleven Inherent Rules of Corporate Behavior. *Earth Island Journal* Winter 1995 Vol. 18, n. 1. p.30
- The Multinationals in a revolutionary global economy. *World Today* March 1994 Vol. 50, n.3, p.49
- The New Multinationals. *Multinational Monitor*. Nov 1993, vol. 14, n.11, p.21
- The Corporate Capture of the Earth Summit. *Multinational Monitor* July/Aug 1992 v. 13, n. 7-8, p. 15.
- Get the 'foreign devils.' *Business Week* Oct 29, 1995, p. 48.
- Perrings, Charles. 1987. *Economy and Environment: A Theoretical Essay on the Interdependence of Economic and Environmental Systems*. Cambridge University Press.
- Repetto, Robert. Ed. 1986. *The Global Possible: Resources, Development, and the New Century*. World Resources Institute, Washington, D.C.

### **Development and Environmental Management Practices of Selected Japanese Multinationals**

- Cusumano, Michael A. 1989. *The Japanese Automobile Industry: Technology and Management at Nissan and Toyota*. Cambridge, MA: Harvard University Press.
- Graham, Edward M. 1996. *Global Corporations and National Governments*. Institute for International Economics, Washington, D.C.
- Kojima, Kiyoshi and Terutomo Ozawa. 1984. *Japan's General Trading Companies: Merchants of Economic Development*. Paris: Organization for Economic Cooperation and Development.
- Reingold, Edwin M. 1999. *Toyota: People, Ideas and Challenge*. Penguin Books.

