

# Under Western Eyes

## How the World Views Japan

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OUR report presents the key findings of interviews with 35 opinion leaders conducted by Burson-Marsteller for Time Inc. from January 6 to January 27, 1986. The purpose of the interviews was to learn how these opinion leaders view Japan today, in terms of its people and its domestic and overseas business practices.

Five interviews were conducted in each of seven countries—Hong Kong, Malaysia, Singapore, England, France, Germany, and the United States. In each country, Burson-Marsteller interviewed at least one person in each of the following categories: major government officials involved in international trade, senior managers of major domestic companies, and business reporters or editors of major media.

The way in which respondents gain information about Japan varied, but most cited personal experience in Japan and reading. The journals and newspapers most frequently mentioned focus on business. They are the *Wall Street Journal*, the *Far Eastern Economic Review*, *Business Week*, the *Economist*, *Fortune*, and the *Financial Times*. General interest newspapers and magazines read most frequently are the *New York Times*, the *International Herald Tribune*, *Newsweek*, and *Time*. Note the importance of the media in forming the perceptions of opinion leaders.

However, the issue causing strong resentment is not that Japan has achieved economic success but how that success has been achieved. Japan is perceived as abusing the rules of international trade, with little or no concern for the effects of its actions on its trading partners. The rationale that Japan gives for its actions—"We are an island nation without natural resources, forced to rely on exports for economic survival"—is perceived to be unreasonable and obsolete, if not false.

While respondents are most concerned with Japan's trading practices, they also resent what they perceive to be Japan's attitude of exclusivity.

It doesn't matter whether or not this is accurate. What does matter is that the perception exists. What also matters is that Japan can do something about it.

The recommendations that follow are based not only on the recent Time survey. Burson-Marsteller's 42 offices around the world interact daily with opinion leaders in the international community. We represent people and organizations of virtually every nationality, including Japanese, in every significant country. We call upon this experience as well.

The recommendations concentrate on those issues that can be resolved by intelligent communications strategies. There are other problems that can only be solved by changes in Japanese policy and practice. There are, for example, tariff and nontariff trade barriers that exclude foreign companies from fair and equal competition in Japan's domestic markets. To say there are not would destroy Japan's credibility.

Here, Japan has but two choices. It can eliminate the discriminatory elements of its trade policies, or it can simply tell the world that certain foreign industries are not welcome in Japan and that they will not be treated equally.

If Japan selects the latter course of action, it must expect to be the target of international criticism and even retaliation. Communications activities might concentrate on the government's rationale for continuing such policies—for example, the sociological ramifications of the imported leather products issue or the plight of Japan's tobacco farmers. While it is unlikely that communications programs would succeed in persuading trading partners that protectionist practices are acceptable, at least Japan would get credit for trying to explain an action rather than being totally arbitrary.

As Japan continues to dismantle barriers to free and equal trade and become a full participant in the international trading system, there are



opportunities for intelligent communications strategies to benefit the nation. Our report presents five specific recommendations.

*First, challenge misunderstanding.* It is important for Japan to challenge false and misleading reports and analyses. Left unchallenged, even the most extreme criticisms become accepted as fact. Such challenges must be rational, polite, and nonargumentative. Information used must be completely accurate. Respected members of the international media should be used as communications vehicles.

Today, it is safe to say, Japan's credibility internationally on certain issues, primarily trade and investment issues, is not high. One reason for this, as is quite obvious from this survey and other studies of the same issues, is that Japan is simply not understood abroad. How frequently did we hear statements to this effect in our 35 interviews: "Japan is not understood." So Japan must help others understand. One way to do this is never to leave a false or misleading statement unchallenged. Another is not to make misleading statements.

Japanese corporations can do much to contribute here. They will be among the first to detect and be able to correct inaccurate perceptions and misunderstandings. Japan's private sector could do more to publicize constructive developments and to make certain that Japanese initiatives abroad are better understood by foreign trading partners and host communities.

American multinational corporations have learned that it is necessary not only to contribute to the quality of life in host communities but also to make certain through effective communications strategies that people know this is being done. Perhaps Japan's corporate community could learn some lessons from this experience.

*Second, maintain a steady flow of information through the influential public information media on foreign commercial successes in Japan.* There are

daily reports in the international press on Japan's protectionist practices. Yet many foreign concerns are pursuing successful business operations here, including some in industries that are perceived to be closed to foreign participation. Numbered among these are Burson-Marsteller clients. One in particular, a manufacturer of microwave measuring equipment, has been selling its American-made products quite successfully in Japan for more than 20 years.

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The press does *not* report routinely on such matters. A well-conceived, carefully coordinated communications strategy could generate good news and begin lending balance to reporting on Japan.

The focus of this effort should be on specific instances of actual success, rather than on so-called market-opening measures undertaken by the government. We have all heard far too much about liberalization packages and far too little about real-life successes.

Japanese companies that purchase from abroad or that invest constructively abroad might do more to let important audiences know of their contributions.

Target audiences should include all influential societal groups, not just elected and appointed government officials. In the United States, Japan's interests are represented very strongly in Washington, D.C., the nation's capital. Some of America's most influential lobbyists have been retained by Japanese public- and private-sector organizations. These experts keep their Japanese clients closely informed on legislative developments and use their personal access to convey Japanese views on

important issues. This type of assistance is certainly useful.

There is little evidence, however, that Japan looks beyond individual legislative proposals to explore the reasons why it occurred to someone to draft the legislation in the first place. These reasons are to be found back in the congressman's home constituency, not in Washington. Constituents are not influenced by Washington lobbyists. They are strongly influenced by the public information media. A major effort should be launched to identify influential journalists in countries of importance to Japan and to keep a steady flow of good news, or success stories, going to them.

Advertisements could contribute to this process. Foreign executives who have enjoyed success in Japan and whose companies are pursuing successful business ventures here could be asked to say so publicly through the international media. Japanese executives also might do more to tell the world about the good things their companies are doing: foreign purchases, foreign investment, technology transfer, joint venture, scholarship programs, support of cultural activities and charitable causes, and so on.

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**"...Japan must help others understand."**

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*Third, roll out the red carpet.* Consideration should be given to a coordinated program to host press tours—visits to Japan by prominent journalists and perhaps other influential individuals. Correctly programmed, these visits would offer attractive opportunities to lend balance to foreign perceptions of Japan. Visitors could see for themselves the tremendous progress Japan is making in becoming a full participant in the free trading system. They could meet with business and government leaders to hear directly how the country and

its industries function and take that perspective home with them. Candidate visitors could be influential academicians, editors, columnists, congressional staff, state government officials, school teachers, and others.

*Fourth, integrate.* A major effort should be made internally in Japan to prepare Japanese business executives and government officials for more effective integration in the host-country society when assigned abroad. Educational and communications courses should focus on the absolute necessity to participate in host communities and should provide specific guidance as to how this might be done.

It is quite clear that one of the major factors reinforcing unfavorable views of Japan and of overseas Japanese is the tendency to carry the homogeneity and cohesiveness of Japanese society abroad, to form self-sufficient, exclusive communities divorced from the majority of the host community. In some countries where Burson-Marsteller is active, we see separate Japanese chambers of commerce, pharmaceutical manufacturers associations, electronics associations, and the like. Other nationalities do the same thing. The difference is that Japanese organizations abroad seldom welcome others into the fold and even less often form liaisons with other members of the community. This kind of behavior might make overseas life easier for Japanese citizens, but it does not benefit Japan's interests in the long term.

Japanese executives should be active in community affairs. They should participate in civic organizations. Japanese organizations should support popular local charities. The Japanese business community should create legitimate cause for it to be perceived as a good corporate citizen, contributing constructively to the overall quality of life in the host country. Certain Japanese corporations are setting an excellent example in this regard in some parts of the world.



Overseas Japanese communities should do more to promote tours by Japanese cultural and athletic groups. This is an excellent way to educate others on Japan's deep and rich culture and to promote goodwill and friendship through sporting events.

In addition to marketing and sales plans, Japanese organizations should consider formulating plans of action for external affairs, to better insure that their employees remain sensitive to the needs and concerns of host communities. Such sensitivity would be useless in the absence of action plans calling for a response to those needs and concerns.

*Fifth, get help.* Japanese organizations desiring to communicate effectively with foreign audiences can benefit from expert counsel and assistance.

Japan is frequently baffling to foreigners, who are seldom equipped to cope with the significant communications obstacles confronting them in this society. There are many reasons for this. These same reasons give rise to communications difficulties for Japanese abroad.

It is Burson-Marsteller's experience that dealing with the foreign media is not always easy or indeed constructive for Japanese. Well-chosen international communications counselors not only can assist in strategy formulation and implementation but also can advise on how best to relate with the press. It is not common for Japanese organizations to seek outside counsel, particularly in the communications area. However, Japanese organizations would be wise to consider this recommendation when it is necessary to communicate effectively to foreign audiences.

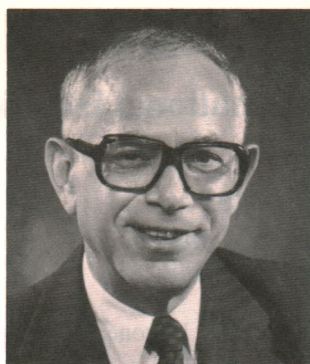
### Questions and Answers

*If, for instance, you are asked by a Japanese company that is actively involved in the overseas market to give some advice, some specific advice, on such communications issues, what kind of recommendations would you give?*

I think the first important thing is commitment. A company must say to itself, "We will commit the manpower and the money that it takes to have an effective local program." That is the first step. Without that, the effort made on paper is wasted. Second, I would approach the need for a program in the same logical step-by-step way that the company is familiar with in addressing its normal problems and needs, be they production or distribution or whatever. You analyze the markets in which you are going to have facilities. You study the issues that are important to the environment in which your facilities will be. You identify the key media. You identify the key editors and reporters and journalists in those key media. And then you lay out a plan of action: This is what we will do first, and this is what we will do by midyear, and this is what we will do by the end of the year. You write a program, a plan, a blueprint. So it is not a decision that is made on the fly, so to speak, on a day-to-day basis. You have a direction, you have a goal, you have measurable objectives, and you lay out the program. There is really nothing magical about it. The magic comes in the commitment and in having the knowledge and grasp of the dynamics of the environment in which you will be operating. And to have that inevitably requires the involvement of experts in that particular area.

There was an interesting article in the *New York Times* of last Sunday, which I read just before I left for Tokyo. It was about a program that Matsushita has ongoing in the United States. What was interesting was the logic that went into the program. There is a tremendous interest and focus in the United States on the whole subject of the educational system—improving education, training teachers, and so forth. And so Matsushita established a foundation that provides funds, with no strings attached, to high schools, colleges, and teacher training schools, as a means of helping improve the educational system in the United





### Elias Buchwald

Born in New York in 1924. Elias Buchwald received a bachelor's degree in chemical engineering from the College of the City of New York in 1944. He then worked for Union Carbide Corp. as a process engineer until 1946, when he entered Sheldon, Morse, Hutchins and Easton as a senior associate. Having joined Harold Burson Public Relations as a senior associate in 1950, he became a founding member and vice president of Burson-Marsteller in 1953. Mr. Buchwald was named executive vice president of Burson-Marsteller in 1960, president in 1968, and vice chairman in 1976. Since 1978, he has also served as president of the Marsteller Foundation. Mr. Buchwald is a member of the Public Relations Society of America, for which he serves on the President's Council, and of the American Institute of Chemical Engineers.

States—not to propagandize the Japanese philosophy of education, but to help the American educational system improve. It was so timely and important and created such a positive environment for the company to sell its products in that market.

*Apart from Japan, there are some countries, for instance Canada, that have large trade surpluses with the United States. However, the Americans do not seem to be frustrated at all with Canadian activities. Is this because the Canadians are more effective in their communications, or is there some other reason behind it?*

Well, first of all, there is a certain amount of frustration. In the automotive industry and between the unions there is friction between the United States and Canada in terms of trade. But it hasn't been exacerbated for certain very simple reasons: We share a common language with Canada, there is less confusion in the interchange of ideas and differences of opinion, and, quite frankly, the Canadians are much more attuned to communicating, to launching programs, to trying to bring the business communities together. This helps prevent the temperature from rising too much when there are differences of opinion.

*I was very much impressed by your presentation, and I thought the content of the presentation was wonderful. But what I thought particularly superior was the way you communicated. Is that because you have been trained in debate or in how to discuss things with people and so forth? If you have any specific advice on this, I'd appreciate it.*

Well, first, I must admit that I am a frustrated actor. Not that I ever did any professional acting,

but I enjoy it. But to answer your question beyond that, it is interesting that, around the world, more and more of the most senior executives—men whose incomes are, as we say in the United States, in six or more figures—are willing to spend the time and effort to become more effective spokespersons. Do you know why? Audiences are no longer willing to sit still and be bored. There used to be a time when, if a chief executive officer came in front of a group, you had to listen. It could be boring, but you had to listen. The chief executive didn't care if you heard what he said. He came out there to make a speech. Today, more and more executives are vitally interested in your understanding what they are saying. And if you are turned off, you're not going to listen. So executives are taking the kind of training that maybe 10 or 15 years ago nobody would have believed they would.

As a matter of fact, speaking for my own company, a significant portion of our income around the world comes from that kind of training. We have special studios set up where we bring in the chief executive officer by himself, to bring him up to the level of an effective spokesperson. This is not just dramatics; it has some bottom-line use. Because today, in any country, a chief executive officer, in our opinion, must become an effective communicator if he is to have impact on the marketplace or on government, be it national or international. I should say, of course, that I meant senior officers, not only chief executive officers. In some countries, the position of spokesperson is delegated to a different level. But whatever the level is, whatever the communications opportunity is, it's important that the spokesperson be effective. □  
(The title of this speech was provided by the editor.)