

The Pennsylvania State University

The Graduate School

College of Communications

**JAPAN INC. AND THE GROWTH OF NEOLIBERAL IDEOLOGY:  
A CRITICAL DISCOURSE ANALYSIS OF AMERICAN  
NEWSPAPERS**

A Thesis in

Media Studies

by

Christopher M. Toula

© 2010 Christopher M. Toula

Submitted in Partial Fulfillment

of the Requirements

for the Degree of

Master of Arts

May 2010

The thesis of Christopher M. Toula was reviewed and approved\* by the following:

Matthew F. Jordan  
Assistant Professor Department of Film and Media Studies  
Thesis Adviser

Michael M. Elavsky  
Assistant Professor of Media Studies

Charlotte D. Eubanks  
Assistant Professor of Comparative Literature, Japanese, and Asian Studies

John S. Nichols  
Professor of Communications  
Associate Dean for Graduate Studies and Research

\*Signatures are on file in the Graduate School.

## Abstract

This thesis explores the methods of normalization that the ideology known as neoliberalism deployed within US news discourse from 1980 to 1999. To examine how ideology propagates itself in this way, the author conducted a Critical Discourse Analysis on the concept of “Japan Inc.” The concept represented a state-centered, collectivist economic model that stood as a contradiction to the universalistic mode of economics sought by neoliberalism of free markets, free trade, liberalization, privatization, and deregulation. The analysis was conducted by searching for the phrase “Japan Inc.” from 1980 – 1999 in the *New York Times*, *Wall Street Journal*, and *Washington Post* and assessing the ways in which the use and meaning of the term changed over time. Findings concerning the historical place of neoliberalism demonstrate the contingent nature of its ideological spread and normalization. This thesis demonstrates that Japan Inc. was, in the 1980s, not merely a simple racist construct but at times a conceptual mirror for viewing expectations of the American political economy. The author also found that Japan Inc. did function in a way which problematized the neoliberal view of economic development and that, following the Cold War and the Japanese Bubble Economy, neoliberal economic orthodoxy could develop legitimacy within US news discourse.

## Table of Contents

Chapter 1: Neoliberal Inc.....	1
Japan Inc. and Neoliberalism.....	2
What was Japan Inc.?.....	5
Neoliberalism.....	10
Ideology.....	14
Globalization as Neoliberal Construct.....	17
Discourse.....	35
Methodology.....	37
Critical Discourse Analysis as Applied Here.....	40
Macro-level Argumentation.....	42
Micro-level Semantics and Language.....	43
MR – Yellow Peril and Model Minority Stereotypes.....	46
Previous Research and Expectations.....	49
 Chapter 2: Blowing up Reagan.....	 54
Introduction – The Constructed Media Image of Japan.....	55
1980-1984 – Industrial Policy and Reaganomics: Two Paradigms...58	58
1985-1988 – “The Danger of Japan”?.....	61
1989-1992 – The Fall of Communism.....	65
1992-1996 – The Empire Strikes Back.....	70
1997-2000 – The Death of Japan Inc.....	75
Conclusion.....	78
 Chapter 3: Re-semanticizing Japan Inc.....	 81
Industrial Policy and Reaganomics.....	85
Revisionism, the East Asian Financial Crisis.....	94
Free Trade Political Reform and Japanese Consumers.....	106
Interdependence, Globalization, and Global Economy.....	113
Conclusion.....	130
 Chapter 4: The Twilight of Neoliberalism?.....	 137
Introduction.....	138
The Narrative Arc of Japan Inc.....	139
Implications.....	143
Future Research.....	145
Closing Comments.....	146
 Bibliography.....	 149

# **Chapter 1: Neoliberal Inc.**

## **Introduction – Japan Inc. and Neoliberalism**

Over a 20-year period beginning the late 1980s, a series of major ideological shifts occurred in the world of macroeconomics. After the end of the Cold War, a great ideological space was left open with the collapse of the Soviet Union, and that space allegedly left an “End of History,” a time when ideologies would cease to have relevance. That anti-ideological period proved remarkably short-lived, however, as global movements centered on opposition to the hegemonic understanding of the post Cold War world came into being. Neoliberalism is a universalistic ideology (some might say a utopian vision) of free-markets, free-trade, and the consequent spread of democratic liberalism which became, with the discrediting of Marxism, the overarching way of understanding the world. This understanding was held most deeply in the west but found adherents in all world capitals and financial centers. Neoliberalism perpetuated itself through an assemblage of friendly academics, commentators, economists, and politicians operating through the mass media.

Until recently, neoliberalism has seemed to be self-evident truth. Yet the backlash against what we might call the totality of neoliberal ideology, its seeming ability to comment on or explain the vast majority of human effort and behavior, and in so doing undermine alternatives, has been going on concurrently with its ideological spread. In the effort to deconstruct neoliberalism’s claims, academics, social justice advocates and economists have begun the work of not only contextualizing neoliberalism’s rise but also seeking to understand the ways in which it perpetuates itself as a meaning-making ideology. It would be reductive to say that neoliberalism is simply a tool of a greedy

global upper class; it is more likely that it has well-meaning believers because of the ways in which neoliberalism was presented to the global public.

As we shall see below, neoliberalism has had many critics; the goal here is to build upon their critiques by attempting to identify neoliberalism's perpetuation through the media (newspapers in this case) over a period of two decades. If that were the only goal however this work would not be adding much to our understanding of neoliberalism specifically and the spread of ideologies more generally. Rather this project will examine how the concept of Japan Inc. functioned as an economic alternative and how neoliberal discursive practices interrelated and interacted with it from 1980-1999. Japan Inc. was, especially before the growth of China in the later 1990s, a non-western nation that was an economic equal. Many academics understood Japan Inc. as an implicitly racist idea as it essentialized an entire nation into an economic army. In addition, the dominantly economic conceptualization of Japan Inc. facilitates relating it to neoliberalism, which overdetermines human relations as factors of economics rather than say culture or politics. Nevertheless, it is the power of both Japan Inc. and neoliberalism to "inform" a citizen's understanding of the world that makes them of interest individually and in relation to each other.

The mass media apparatus facilitated the development and reinforcement of both discursive macroeconomic models. A Detroit autoworker who has lost a job, or an American working in a Japanese car factory, or an employee in a Thai factory owned by a western or Japanese multinational, would certainly have first-hand experience of the role of Japanese economic competition, or free-trade policies. It is arguable however that when events occur within the national policy establishment or very far away, the majority

of people understand those events—and hence part of the world—through the mass media. Moreover, the mass media presented both Japan Inc. and neoliberalism to the masses. Thus, an analysis of the media itself is one method of developing our knowledge about the development and normalization of neoliberalism as well as the role of Japan Inc. in the western imagination. Why should one relate a concept such as Japan Inc., which could be seen as having lost much of its salience, to neoliberal ideology that has an impact on the everyday lives of billions of people?

Japan Inc. was a viable conceptual model within the west from around the late 1970s until late 1990s. It denoted an economic and political system that had more cooperation between business, government, and labor. Many labeled those practices as “unfair” or claimed that Japan “played by different rules” and through such policies was “beating Americans at their own game.” More importantly, by virtue of the charge that Japan Inc. was not subject to standard macroeconomic rules, as other advanced nations were it had the potential to represent an alternative to the western/American standard of laissez-faire economics. The existence or knowledge of an alternative method of economic growth and development could undermine neoliberalism’s universalistic pretensions. As an alternative to neoliberalism, an examination of Japan Inc. in the media allows the researcher to see an ideology confront a contradiction to its basic beliefs. As it turns out, Japan was as susceptible to booms and busts as any other economy, but the ways in which manifestly neoliberal sources address both the boom and bust periods of recent Japanese history is indicative of the ways in which ideologies, even dominant hegemonic ones, must interact with the consensus of a given polity. By observing the changes in rhetorical and discursive practices in a variety of sources, it is also possible to



see over time how normalization of contested ideological discourse occurs within the various individual organs of the mass media itself.

In order to accomplish that goal it is necessary to examine the uses of the Japan Inc. concept that signaled its potential for being an alternative to “US-style capitalism.” Having analyzed Japan Inc., we shall then turn to a discussion of neoliberalism and its role in recent history, how it developed, what it contends about economics and human relations, as well as critiques, and its results when put into action. Because critical academics define neoliberalism as an ideology, and this project addresses neoliberalism as an ideology a discussion of ideology will follow. As the academic literature on neoliberalism argues the primary expression of that ideology is through the specific discourse of globalization, an explication of globalization and its neoliberal construction follows. This is followed by an explication of the methodology used, critical discourse analysis. Then, because to address Japan Inc. is to deal with a racialized Asian other within the western imaginary, a brief analysis of the dominant stereotypical concepts of Asia will be conducted so that it is possible to see the implicit, and at times explicit, essentialization of Japan within the news media. Finally, expectations for this thesis are examined.

### **What was Japan Inc.?**

Japan Inc. was less a real existing system, which truly structured the Japanese political economy than a concept that shifted in signification over time. It represented in the western imaginary an image of an Asian other implicitly, if not explicitly, racist, dedicated, ruthless, and conforming, who subjugated individuality for “national goals.” While Japan Inc. is often defined as a racist product of western male anxiety this is a

limited understanding of the concept's role in discourse on the US political economy. As Napier noted in *From Impressionism to Anime* (2007), the imagined space of Japan in western thought is not static but has shifted from the Renaissance through to the 20<sup>th</sup> century in ways, which reflect the position of the west vis-à-vis the East. "In the space of a few decades Japan had gone from savage enemy to grateful war-torn nation whose charming culture could inspire gardens and poetry, back to being a savage enemy again" (Napier, 2007, p. 91). It is the second turn as "savage enemy" that interests us, a point in time that produced cultural testaments to American anxiety, such as the films *Rising Sun*, *Gung-Ho*, and *Blade Runner* and novels like Tom Clancy's *Debt of Honor* (Kawai, 2005; Napier, 2007; Shim, 1998). This period, from roughly the late 1970s to the late 1990s, was the heyday of the Japan Inc. concept. As shall be seen in Chapters 2 and 3, it was not simply a racist construct of the Asian other but also a mirror for commenting on the perceived failings of American culture and economics. A key text of the latter point was Ezra Vogel's book *Japan as Number One* (1979) that argued for the need to learn from Japanese business and cultural models (Napier, 2007). One must recall that this period was a time when the US, "seemed mired in complex social challenges. These included a deteriorating industrial base, crime-ridden inner cities, and a national psyche still traumatized by the wound of social chaos in the 1960s and the mishandled Vietnam War" (Napier, 2007, p. 93). During this period as American power declined, Japan had double-digit economic growth and quickly recovered from the devastation of the Pacific War. Japan Inc. is, therefore, a way for western thinkers, journalists, politicians, and academics to make sense of this stunning success (Amyx & Drysdale, 2003). But how was Japan Inc. explained specifically and how was it defined? What were its main features?

“Japan Inc. was a metaphor for an economy propelled forward by a system in which interests of big business, the Liberal Democratic Party (LDP) and the bureaucracy were aligned,” towards national goals of development (Amyx & Drysdale, 2003, p. 1). This system incorporated “unique and distinctive” features such as lifetime employment, cross shareholding<sup>1</sup>, and keiretsu corporate organization<sup>2</sup> coupled with strong influence from the agricultural and manufacturing sectors of the economy (Amyx & Drysdale, 2003; Johnson, 2000; Pempel, 1987). The Ministry of International Trade and Industry (MITI) and Ministry of Finance (MoF) were, in theory, the primary managers of an economy that subordinated the interests of consumers for producers, and used formal and informal barriers to protect Japanese industry (Hills, 1983; Pempel, 1987). The above traits were, to a greater or lesser degree, features of the Japanese political economy. However, it is the ways in which these features, as synonymous with Japan Inc., are interpreted within the west and their usefulness in challenging neoliberal ideology that are relevant to this project. In some uses, Japan Inc. signified a “monolithic entity” (Ogata, 1980, p. 697). The concept gave the impression of an insular nation and people who, “faces the outside world as a unified entity,” and, “that there can be some single spokesman for Japan, and that once a commitment is wrested from him, all Japanese behavior will change to honor that commitment” (Pempel, 1987, p. 271-272). Such a reductive view of Japan is certainly shaded with racism, however to simply dismiss all critiques of Japanese political economy to fear of the Asian other is in itself reductive. A school of thought called revisionism formulated the view that Japan “doesn’t play by the

---

<sup>1</sup> Various companies will hold onto stock market shares of friendly companies and not sell them regardless of price fluctuations.

<sup>2</sup> Groups of companies based around banks which provide credit on more preferable terms than the “market” might dictate. Also the vertical integration of supplier companies with larger manufacturers. The effect of this was considered to be a “locking out” of foreign, or Japanese, competition.

same rules.” Revisionism held, among other tenets, that Japan practiced adversarial trade whereby trade has a loser and a winner rather than two winners as in classical capitalist theory. That it practiced protectionism (Japan Inc.), and that the system was so embedded as to be immune from standard economic thought (Tsurumi, 1990). The key aspect of revisionism’s claims was that Japan had developed a method outside the accepted norms of (western) economic theory, which could lead to economic development.

The critics of revisionism, both in the academy and in the media, had a tendency to deride it as “Japan-bashing” or racism (Shim, 1998; Tsurumi, 1990). However, this perspective misses the important implication for the framing of economic discourse in our own time. Discussed in more depth below, the hegemonic narrative/discourse of the early 21<sup>st</sup> century has been neoliberalism, an ideology that presents an unfettered capitalist free-market as the universal method of economic development leading to prosperity and democracy. Chalmers Johnson, who is most certainly a revisionist, contended in *Blowback: The Costs and Consequences of American Empire* (2000) that in the binary ideological framework of the Cold War, the Soviet Union’s propagation of Marxist-Leninist ideology required an opposing ideology to be developed and disseminated by the United States, thus the free market. With such a codified ideology, Japan’s rapid economic development made it a “star capitalist pupil” and its convergence with US style capitalism and democracy treated as inevitable. Nevertheless, the nations of East Asia, Japan first “found a third way between the socialist displacement of the market...and an uncritical reliance on the market....The Japanese had invented a different kind of capitalism – something no defender of the American empire could accept” (Johnson, 2000, p. 183). For Johnson, the Japanese economic miracle is the result of a

combination of American Cold War strategic thinking and policy and the development of Japanese economic and political institutions that did not, and were never designed to, conform to neoliberal notions of a capitalist economy. The discursive space created by alternative economic paradigms, i.e. ones that refute and exist outside whatever is currently hegemonic, is of prime importance when attempting to deconstruct normalized ideological claims. Lee (2008) argues that the Japanese, by virtue of a state-led economic development, claimed the “international validity” for the “Asian development model” and thus challenged US-led neoliberalism not through being uniquely Japanese but through understanding the methods of development of other rich nations. Tsurumi (1990) refutes the claims of revisionism yet acknowledges that many of those claims would have been true ten years prior to his writing. Johnson (2000) may come across as a quasi-racist, but he is no adherent to neoliberal orthodoxy or US foreign policy; he is a strident critic of both. Johnson later noted in *Nemesis: The Last Days of the American Republic* (2006) that Japan’s growth came not from the free-market but from its state-led developmental path.

While it is possible to note important differences between Japanese capitalism and American or European capitalism (Groenewegen, 1997; Johnson, 2000; Lee, 2008; Stiglitz, 1996), Japan Inc. was never about a strictly understood political economy, but rather signified a potential alternative to what many elites considered the “only” method of development—that is, US-style capitalism. For some it represented an unfair abrogation of responsible economic practice at the expense of American jobs, while for others it could be a model for reform of the US system; for others it was a chimera created by “statists” who rejected the self-evident truths of the free-market. Japan Inc.

threatened and informed the US self-perception of the 1980s and 1990s, yet today Japan is not perceived as an economic threat or teacher. Part of the reason for this paradigm shift was the implosion of the Japanese stock market, the famous Bubble Economy; another was the entrenchment of the economic orthodoxy called neoliberalism that, through the metaphor of globalization, ordered the triumphalism of the post Cold War world.

### **Neoliberalism**

Japan Inc. was a concept whose signification was in many ways diametrically opposed to the supposed values of the west. During the 1980s and 1990s, the west, particularly the US, saw the entrenchment of neoliberal ideology, which claimed to be able to bring about prosperity for all who followed its tenets. Neoliberal ideology has been thoroughly critiqued (Chang, H., 2008; Giroux, 2004; Harvey, 2005; Johnson, 2000; Kawai, 2009; Lee, 2008; Sim, 2004; Steger, 2005, 2008; Stiglitz 2003) by academics. However, a complete understanding of the developing reportage on Japan Inc. is difficult, if not impossible, without understanding the ways in which neoliberalism functions as an ideology, including what it alleges to be true and how it functions.

Steger (2008) writes that neoliberalism's central tenets include the "primacy of economic growth, the importance of free trade...the unrestricted free market, individual choice, the reduction of government regulation, and the advocacy of an evolutionary model of social development" (p. 10), based on the history of the west. Its earliest intellectual origins lie in earlier "classical" models of liberalism, in particular the works of Adam Smith and David Ricardo, leading some to call it "neoclassical economics" (Johnson, 2000, p. 180). Within the social context of 18<sup>th</sup> and early 19<sup>th</sup> century Britain,

Smith claimed that unrestricting the market would force maximum efficiency on economic actors, often called the “invisible hand of the market” (Chang, H., 2008; Sim, 2005). Ricardo argued the theory of “comparative advantage” whereby a country should specialize in a good or industry in which it has a comparative advantage and trade with a different specialist for their goods (Chang, H., 2008; Steger, 2008). These two theories, “invisible hand” and “comparative advantage,” formed the basis of classical liberal economics. These ideas were quite radical in their time, and were directly opposed to what was then Britain’s developmental policy, embodied in laws like the Navigation Acts and the Corn Laws<sup>3</sup> (Chang, H., 2008).

Elements of classical economics and its supposed opposite, “mercantilism,” were incorporated into the economic policies of what are now rich nations, such as the US, Britain, France, and Japan. “Free” trade for industries that were successful and the application of protectionism for infant industries, often through colonialism and unequal treaties (Chang, H., 2008). While the two world wars and the rise of fascism fundamentally disrupted international trade, the immediate post-WWII period saw the establishment of Keynesian “developmental” economics as the standard practice of rich countries. Keynes stressed the importance of measured state intervention in the economy as a way to “temper the extremes of capitalism” (Klein, 2007, p. 53). Therefore, this was the dominant economic paradigm when neoliberal economic concepts were beginning their ascendancy in the late 1970s. As Steger (2008) notes, the late 70s was a time when issues such as “inflation, high unemployment, and other structural problems plagued Western industrialized countries” (p. 12). The election of Margaret Thatcher (1979) and

---

<sup>3</sup> The Navigation Acts stated that all incoming trade to Britain should be on British ships, while the Corn Laws limited cheap grain imports to Britain from other countries (Chang, 2008, p.44-45). Both of these laws obviously have protective elements for British industry.

Ronald Reagan (1980) saw the beginning of the implementation of neoliberal economic orthodoxy into policy, coupled with their own brands of social conservatism, in the Anglo-American setting. Neoliberalism's modern progenitors were the anti-Keynesian Milton Friedman and Friedrich Hayek of the University of Chicago (Klein, 2007; Steger, 2008) who, according to Klein (2007), never viewed communism as a legitimate ideological competitor, but were really interested in a "capitalist Reformation: a return to uncontaminated capitalism" (p. 53).

The 1990s was the high period of the neoliberal model of economics, when its basic tenets went without sustained criticism and were relatively uncontested by both media and politicians (Frank, 2000; Steger, 2008, Stiglitz, 2003). During this time, neoliberalism was wedded to the concept of globalization and thus formed a central element of understanding in the immediate years following the Cold War (Ghafele, 2004). Neoliberalism was propagated through major international institutions like the International Monetary Fund (IMF), the World Bank, and the World Trade Organization (WTO), while it maintained a dominant position within various governmental departments in developed countries—for example, the Treasury Department in the US (Chang, H., 2008; Klein, 2007; Sim, 2004; Stiglitz, 2003). As such, the primary way people "know" or engage with neoliberalism is through the actions of these international institutions and the effects of their policies on the developing countries, which need their assistance. Stiglitz (2003) points out that the primary advice provided by these institutions was known as the Washington Consensus. The advice emanating from these institutions included fiscal austerity (essentially keeping a national budget balanced), the privatization of state-owned enterprises (when companies owned by the national



government are sold to private interests), and market liberalization (when import and export tariffs are lowered and regulations concerning the flow of capital in and out of a country are weakened or removed). Stiglitz notes that these policies were grounded in a specific situation—the Latin American crisis of the 1980s—where they contextually made sense; however, “The problem was that many of these policies became ends in themselves, rather than means to more equitable and sustainable [economic] growth” (Stiglitz, 2003, p. 53-54). As such, some scholars have dubbed neoliberalism “market fundamentalism” (Sim, 2004; Stiglitz, 2003). Sim (2004) describes fundamentalism as a backlash to the breakdown of traditional authority, which perhaps partially explains the partnership between neoliberalism and social conservatism. It is certain that neoliberalism must be an extremely attractive, to some, way of viewing the world despite the efforts of many to document its abysmal policy failures in developing countries (Chang, H., 2008; Klein, 2007; Sim, 2004; Stiglitz, 2003). Politicians seldom actually implemented these policies, at least not to the degree they have been in Africa, Latin America, and parts of Asia, but their effects can be viewed from a cultural perspective as well. Kawai (2009) argues that neoliberalism by constructing the world as a “market” relegates people to the role of “atomized individuals who are detached from historical and socioeconomic contexts” (p. 17). By removing people, as individuals, from those contexts which help to define them, neoliberalism removes the possibility and legitimacy of collective action (Klein, 2007) as well as placing total responsibility on the individual for their particular social standing (Kawai, 2009), thus negating the common understanding of gender, race, class etc. as social determinants of success or social status. As an intrinsically economic conception of the world, neoliberalism functions partially by

removing race, class, and gender from public discourse, “absorbing the democratic impulses and practices of civil society within narrow economic relations” (Giroux, 2004, p. 106).

Given the above and the fact that neoliberalism has become such a source of global tension, it is perhaps surprising that it is still present within decision-making circles around the world. What is it about the nature of neoliberalism that makes it so durable? Klein (2007) and Kawai (2009) note that neoliberalism presents itself as a system that is friendly to individual freedom. As such, its appeal is not simply to elites who stand to profit from its economic policies, but also in the incorporation of democratic and anti-authoritarian language, which has wide appeal to many people of varying backgrounds. In the sense that neoliberalism makes claims about the world both past and present, promises improvement in everyone’s lives, and creates meaning and understanding for those who believe in it, we can say that neoliberalism functions as an ideology. As far as neoliberalism functions as a fundamentalism, we can say that people may hold neoliberal views in a fundamentalist way: ignoring all evidence about its obvious problems.

### **Ideology**

Holborow (2007) claims, “ideology is a contentious concept” (p. 52) and that it has variation in its definition and what scholars feel are its main functions and elements, but common ground can be found in this work. In *Language and Power* (1989), Norman Fairclough discusses his interest as the elucidation of class relations and class power, and describes ideology as “institutional practices which people draw upon without thinking... which appear to be universal and common-sensical,” and through repeated use “become

*naturalized*” (p. 33, emphasis in original). Ideological power is thus the ability to present a practice, policy, or interpretation as “common-sense”, as self-evident with attendant consequences for those who disagree with that ideology. As Fairclough (1989) notes, people and news “do not typically spout ideology. They so position the interpreter [reader] through their cues that she brings ideologies to the interpretation of texts – and reproduces them in the process” (p. 85). Therefore, ideology can be a tool of dominant class interests, utilized through discursive practices to legitimate class inequality. For Fairclough (2009), “...discourse can contribute to the constitution, dissemination, and reproduction of ideologies” (p. 321). Concepts like “text” and “discourse” are discussed more thoroughly below.

Holborow (2007), on the other hand, contends that discourse has recently taken the place of ideology and that this blurring between the two is a move away from classical Marxist conceptions of the grounding of ideology in power relations. Because she views ideology and discourse as distinct from each other, she defines ideology as “meaning in the service of power” (p. 52). Meaning in this sense is a “set of ideas” which, “rather than being the expression of what is objectively true...are true according to particular standpoints” (p. 52). Because of the way in which it functions, one cannot couple ideology with “objective truth” per se but rather with personal truth. This distinction means ideology inevitably creates contradictions within itself as it struggles to create meaning out of real world events and, as such, language, the primary method of conveying meaning, does not predetermined ideology (p. 53). So in Holborow’s rendering of ideology and its relationship to language/discourse, their separateness means

that “every sign is subject to ideological evaluation and critique, and language and use of words can become hotly contested” (p. 54).

Steger (2005) provides a final analysis of ideology, before we turn to common ground between them and take a working definition for later use. Ideology is a “system of widely shared ideas, patterned beliefs, guiding norms and values, and lofty ideals accepted as ‘fact’ or ‘truth’ by some group. Ideologies offer individuals a more or less coherent picture of the world not only as it is, but also as it should be” (p. 5). Drawing from the French philosopher Paul Ricoeur, Steger (2005) argues that ideology performs three major functions: distortion, legitimation, and integration. Distortion allows the ideology to represent the world as it wishes it to be and to an extent negate external, material reality. Legitimation is the ideology’s function of giving its purveyors the credibility to exercise power. Finally, integration is an ideology’s “symbolic structure” which orients the believers in the ideology “with stability as it creates, preserves, and protects the social identity of persons and groups” (Steger, 2005, p. 7). This conceptualization stresses the role ideology plays in maintaining social cohesion by providing mental cohesion for people and groups with access to massive amount of information. This allows people to make meaning through a mediated symbolism that simplifies events for which they either cannot process or do not possess information. Ideology thus provides “stories and narratives whose claims persuade, praise, cajole, decontest, convince, condemn, distinguish ‘truths’ from ‘falsehoods,’ and separate the ‘good’ from the ‘bad’” (Steger, 2005, p. 5).

Four features of ideology are particularly important when analyzing the potential for Japan Inc. to be an alternative to neoliberalism. First, there is an intimate link between

ideology and discourse; if they are the same or distinct from one another is not of immediate concern here. But that discourse can, and often does, carry with it ideological implications and meanings, and that ideologues use their own discourses that travel through various mass media, is an important factor to understand if we are to analyze discursive practices. Second, ideology by its very nature operates to maintain status quo power relations within social context. Even if the agent of articulation of a certain ideology is not the dominant power holder within a society, the ideology employed by such an actor makes it easier to understand why they lack power within society. This leads to the third feature: ideologies normalize phenomena and prescribe action by ordering the past (narratives and stories), making sense of the present (creating meaning), and creating ideal futures (legitimizing action). The process of normalization also prescribes in group/out group thinking: if someone holds a different enough interpretation of events, they become “radical” due to willful ignorance of the “self-evident” “commonsensical” truth. Finally, and perhaps most importantly, ideologies, even dominant hegemonic ones, are not free of contestation and must constantly reinvent themselves and justify their views to mesh with material reality. “Ideologies permeate all societies, with different segments of the population holding particular ideas about power and social order. In no case will a given society be so completely dominated by a single ideology as to have no alternative available within the system” (Steger, 2005, p. 8). The ideological contestation of neoliberalism has occurred and is occurring through alternative discourses. While some discourses are dominant, others are contesting other discourses.

### **Globalization as a Neoliberal Construct**

Neoliberal conceptions of globalization dominate the concept and discussions of its potential benefits and costs. So in order to deconstruct neoliberal ideological claims from claims about Japan Inc. or the global political economy more generally, it is necessary to understand how globalization is conceptualized and defined more objectively as well as within neoliberal ideology itself. This also demonstrates how language is subject to contingent properties where the exercise of power can determine the significance of a word or idea.

Globalization as a phenomenon or as a discourse excites the imagination of academics, politicians, the business community, and the masses of the world. Like the forces underlying globalization itself, some theories of globalization are more dominant than others. Starting from the broadly defined conceptions of “‘flows,’ ‘networks,’ and ‘interconnections’” (Fairclough, 2009, p. 317) we will move on to the varying schools of thought concerning globalization as discussed by Held, McGrew, Goldblatt, and Perraton (1999), Sklair (1999), and Ladegaard (2007). With some dominant theoretical conceptions of globalization established, alternative taxonomies of the concept will be examined. These competing conceptions demonstrate the lack of consensus in defining globalization as a factor in the appropriation of the term by neoliberal ideology. The basic neoliberal conception of globalization will be examined to demonstrate the its varied signification as well as the current hegemonic understanding of the term.

In the broadest sense, globalization is a term used to describe the “highly complex sets of changes,” (Fairclough, 2009, p. 317) currently taking place around the world. These changes can be described as “the widening, deepening and speeding up of worldwide interconnectedness in all aspects of contemporary social life, from the cultural

to the criminal, the financial to the spiritual” (Held et al., 1999, p. 2). Alternatively, Tomlinson describes globalization as “complex connectivity...the rapidly developing and ever-densening network of interconnections and *interdependencies* that characterize modern social life” (as cited in Fairclough, 2009, p. 317, emphasis mine). Finally, Lechner and Boli (2008) argue that “Globalization refers to the claim that more people across large distances become connected in more and different ways” (p. 1).

These definitions are purposefully general so as to be applicable to the material world in many circumstances. Again broadly, but with growing specificity, globalization’s ‘flows’ entail a variety of transactions across the world. These include the movement of goods, capital, and the networks to sustain such movement (financescapes), the development of international agencies and regional economic and political blocs (ideoscapes), the growing mobility of people through migration and tourism (ethnoscapes), the growth of a transnational media through the internet or through transnational corporations (mediascapes) (Appadurai, 1996; Fairclough, 2007). To these we should add the technological capacities for instantaneous communication and the development of high speed travel (technoscapes) (Appadurai, 1996).

Appadurai (1996) conceptualizes these flows as “scapes” which “indicate that these are not objectively given relations that look the same from every angle of vision” (Appadurai, 1996, p. 33). Rather the ethnoscape, technoscape, financescape, mediascape, and ideoscape are “deeply perspectival constructs, inflected by the historical, *linguistic*, and political situatedness of different sorts of actors” (Appadurai, 1996, p. 33 emphasis mine). The importance of Appadurai’s and others work (Kraidy, 2005; Hopper, 2007) is that they bring to light the multiple and multifarious ways in which globalization as a

phenomenon has an effect on not only the economic sphere of life but also the cultural, political, and ideological spheres of life. This can encompass the global, national, regional, and local scales in uneven ways, and the events in one level of scale can have effects in another level of scale a world away.

The development or increased intensity of these large-scale interactions helps to elucidate another important aspect of globalization theory: the growth of the imaginary in social life (Appadurai, 1996), or “time-space distancing” (Giddens, 1990). From a cultural perspective, this means that, “the imagination has now acquired a singular new power in social life.... More persons in more parts of the world consider a wider set of possible lives than they ever did before” (Appadurai, 1996, p. 53). A manifestation of this can include a concept such as Japan Inc. As Appadurai (1996) notes, the mass mediated images which travel the world contribute to the growth of a consciousness which is capable of creating if not an actual then a perceived “global ecumene” (Hannerz, 2008). The growth of a global consciousness within individuals is analogous to Giddens’ (1990) conception of “time-space distancing” which “directs our attention to the complex relations between *local involvements* and *interaction across distance*” (p. 64 emphasis in original), which forms the intellectual core of Giddens’ definition of globalization. For Giddens and Appadurai, the essence of globalization then is the impact of larger social forces, which no longer remain totally bounded at the level of the nation-state or cultural entity, on the local.

While these dual, though not necessarily competing, conceptions of globalization as “increasing flows” and the increased interaction of the local and global permit a more delimited analysis, they do not themselves constrain the results of academic inquiry.



Given the elusive nature of globalization as concept and phenomenon, it is incumbent upon the researcher to engage with the organization of these described processes into competing, though sometimes overlapping, fields of conception within academic research. As the above demonstrates, “globalization” lacks an agreed upon definition. The relative newness of the globalization concept means that “the study of globalization has invited armies of scholars...to leave their mark on an intellectual terra incognita” (Steger, 2005, p. 23). Some have attempted to codify the various academic schools of thought on the subject. The following are two differing groupings of globalization theory, from Held et al. (1999) and Sklair (1999), with input from Ladegaard (2007) and Steger’s (2005) detailing of globalization’s academic critics to demonstrate the concept’s potential for ideological appropriation.

In *Global Transformations* (1999), Held et al. argue that within the literature there exist three broad schools: hyperglobalizers, skeptics, and transformationalists. Hyperglobalizers “argue that economic globalization is bringing about a ‘denationalization’ of economies through the establishment of transnational networks of production, trade, and finance” (Held et al., 1999, p. 3; Ohmae, 2008). While this positions economics as the primary driver of globalization, there is “normative divergence” between scholars who hold this view. For neoliberals, globalization represents “the emergence of a single global market and the principle of global competition as the harbingers of human progress,” while Marxist scholars argue it is “the triumph of an oppressive global capitalism” (Held et al., 1999, p. 3-4). While hyperglobalizers argue that the end of the nation-state as a meaningful actor is the result of globalization, political agents are, in this schema, secondary to economic factors. In

addition, cultural change caused by shifting structural and economic conditions is determined in economic terms surrounding a transnational neoliberal economic ideology while consumerism overrides traditional cultures. Ultimately, there is little room for agency in this model (Held et al., 1999).

In contrast to the hyperglobalists, skeptics such as Paul Hirst and Graham Thompson (cited in Held et al., 1999 and Steger 2005) draw on world trade data throughout history and conclude that “the historical evidence at best confirms only heightened levels of internationalization” (Held et al., 1999, p. 5). They dismiss dominant paradigms as *linguistic* more than phenomenal, because skeptics define globalization as a total integration of the global economy, whereas the data indicates that the world economy is “centered on Europe, eastern-Asia, and North America” (Hirst and Thomson cited in Steger, 2005, p. 24). Therefore, the skeptical thesis contends that the current global situation is really a case of greater connectivity between still dominant nation-state groupings that promote and regulate international economic activities (Held et al., 1999). However, Hirst and Thomson’s (cited in Held et al., 1999 and Steger, 2005) thesis, much like the hyperglobalizers, is overdetermined by economic factors. As Steger notes, a flaw in the Hirst/Thompson thesis is their attempt “to counteract neoliberal economic determinism with a good dose of Marxist economic determinism” (Steger, 2005, p. 25). From this view all other dimensions of human life, from the cultural to the political, are secondary to economic considerations, and thus the authors rarely engage with the possibility that “economic relations constitute only *one* among *many* globalizing tendencies” (Steger, 2005, p. 25 emphasis in original).

The third and final model of globalization is the transformationalist, which conceptualizes globalization as a new phenomenon that is historically unprecedented. As a new event in human history, globalization is not all-inclusive and incorporates some participants while rejecting others. This stratification does not follow an economic model, however, because transformationalist thinking problematizes North – South, First – Third world divides by contending that globalization “has recast traditional patterns of inclusion and exclusion between countries by forging new hierarchies which cut across and penetrate all societies and regions of the world” (Held et al., 1999, p. 8). Because globalization is not conceptualized as a strict result of economic factors, but of multicausal factors related to modernity, nation-states will be challenged to adapt to changing circumstances but will remain relevant if only as “bargaining agencies” (Steger, 2005, p. 35). In the transformationalist conception of globalization, states are actors that respond with various strategies to engage with a globalizing world (Held et al., 1999). Transformationalist thinking incorporates the skeptics’ belief in the role of the nation-state as actor, as well as the hyperglobalists’ sense that globalization processes are somehow separate and exist without the behavior of state-actors by ascribing the causes of globalization to more ambiguous forces of modernity. In this sense, the transformationalist thesis has much in common with neoliberal ideology because of its claim that globalization is an objective reality with rules to which people must adapt. When Giddens (1990) claims that “Modernity is inherently globalizing” (p. 63), we can see the ambiguity with which transformationalists conceptualize globalization and the lack of predetermined or overdetermining economic, political, or cultural factors in this conception compared to hyperglobalists and skeptics.

This is a helpful taxonomy of the globalization literature. However, Sklair (1999) offers a competing one, and it is worth comparing the two briefly to understand the controversial and contested conceptualization that exists within academia. Sklair argues that the lack of agreed-upon parameters reflects the unwieldy nature of the subject. He therefore proposes that the most central aspect of globalization “is that many contemporary problems cannot be adequately studied at the level of nation-states” (Sklair, 1999, p. 143). Sklair problematizes this argument by drawing a clear distinction between “the inter-national and the global” (Sklair, 1999, p. 143). The hyphen in “inter-national” is crucial to Sklair as it distinguishes globalization from “internationalization” where the latter represents, in the academic literature, an inadequate conception of the global. For Sklair, the distinction between globalization processes and inter-nationalization lies in the potential of the nation-state as a unit of analysis, so a truly globalizing process must, “not be founded on the system of nation-states” (p. 145).

Sklair (1999) organizes his taxonomy around four “research clusters” of scholars who are working on similar issues in globalization theory. They are the world-systems approach, global culture approach, global society approach, and (Sklair’s preference) global capitalism approach. Each will be briefly discussed before noting the role of “state-centrism” and western-centrism in globalization theory.

The world-system theory is the work of Immanuel Wallerstein; it conceptualizes the world in Marxist economic terms based on an international division of labor between “core, semi-periphery, and periphery” countries (Sklair, 1999; Steger, 2005; Wallerstein, 2008). While Sklair claims that world-system theory “prepared the ground for globalization in the social sciences” (Sklair, 1999, p. 149), it is also based within the

system of nation-states for organizational purposes and in terms of its economic analysis. All elements of the cultural and political are subordinate to the economic in this conceptualization of the world and, as such, there is little to say how political actors may construct economic systems or how groups or individuals within the system itself can contest these. Furthermore, Sklair claims, the world-system theory did not really conceptualize a “distinctively ‘global’ dimension” (p. 150) despite the model’s inclusion of the whole globe in its international division of labor. Steger (2005) notes that to world-system theorists, the economy has been “global” since the beginning of European expansionism in the 1500’s and that the later systems of colonialism and imperialism established the modern capitalist world system which exists along a “continuum of modernization” (p. 26) where “globalizing tendencies” can be traced as far back as antiquity. Nevertheless, despite its historicism and conceptualization of the world as a whole, Sklair maintains that the focus on the nation-state as unit of analysis, even with the concept of a global capitalist system, renders world-system theory inadequate to study globalization.

Sklair’s (1999) second approach to globalization is the global culture model that “focuses on the problems that a homogenizing mass media-based culture poses for national identities” (p. 151). The concept of the “global village” as developed by Marshall McLuhan contends that mass-mediated information now has an essentially global reach and renders the globe into a village by virtue of people’s ability to receive the same images, thus making the world smaller conceptually (Sklair). While the images we receive from television (and now the internet) are potentially the same, this approach does not contend that culture is homogenizing on the global level, but rather exists

alongside cultural fragmentation as, “two constitutive trends of global reality” (Freidman, 1990, p. 311; Sklair, 1999). For Freidman (1990), “The intensive practice of identity is the hallmark of the present period” (p. 312) of globalization. With the availability (or as some might say, lack of alternatives) of products and images on a global scale, global culture theorists employ ideas like “hybridization and creolization...in the effort to try to conceptualize what happens when people and items from different cultures interact” (Sklair, 1999, p. 152). While Sklair notes that work along the global culture model problematizes the integrity of national cultures, it does so not necessarily at a global level, but rather at the national level.

The global society approach conceptualizes terms such as “global awareness” or “planetary consciousness” as the basis for globalization phenomena. “Historically, global society theorists argue that the concept of world or global society has become a believable idea only in the modern age,” (Sklair, 1999, p. 154) thus making globalization a new occurrence. For these theorists, the current period of human history is different from all preceding periods due to the global spread of science, technology, and “universal values” which weaken the nation-state and lead to the development of international governmental institutions such as the World Bank or U.N. For Sklair, the concepts time-space distancing (Giddens, 1990) discussed above and “time-space compression” (Harvey cited in Sklair, 1999) “illustrate how processes of globalization compress, stretch and deepen space-time for people all over the world thus creating some of the conditions for a global society” (Sklair, 1999, p. 155). This approach is potentially Eurocentric, substituting the nation-state for a broader cultural essentialism. In particular Giddens’

focus on modernity as inherently globalizing, roots the growth of global consciousness to institutions, thinking, and standards established in the west.

Sklair (1999) proposes that a common denominator for the preceding three approaches/models is the role of business and economic institutions on a global scale, in developing either the world system, global culture, or the need for international governance. The various scholars who use the global capitalist model as delineated by Sklair (1999) “develop their own specific analyses of globalization,” (p. 156) but all view capitalism as a system or project which, through its overall goal of creating a world market, is a non-state centered force that fosters globalization processes. Sklair’s own conception of “transnational practices” defines them as practices that originate with non-state actors and move across national boundaries. These practices exist in terms of economic, political, and cultural-ideological terms (Sklair, 1999). Each has an institution that defines it and spreads the ideology of global capitalism. The “transnational corporation” (TNC) expresses economics, while the “transnational capitalist class” (TCC) expresses the political aspects of transnational practices, with the TCC considered to be a ruling elite (Sklair 1999). Finally, the “culture-ideology of consumerism prioritizes the exceptional place of consumption and consumerism in contemporary capitalism” (Sklair, 1999, p. 158). These three transnational practices operate and interact “to transform the world in terms of the global capitalist project” (Sklair, 1999, p. 157). Importantly Sklair’s model grounds all three transnational actors, economic, political, and ideological, as the provenance of global elites either in businesses, supra-national governing bodies, or of the global cultural elite.

Demonstrated above is the difficulty in defining globalization, in part due to the disparate backgrounds of the scholars who study the term/phenomenon and the political, business, and non-state actors who campaign against or for it. Moreover, much of the above work manifests an ethnocentrism/Eurocentrism/Westerncentrism that reflects the prevalence of Anglo-American scholarship on the subject (Steger, 2005; Sklair, 1999). This scholarly orientation, deliberate or not, necessarily inflects globalization theory with blindness to non-western actors in global politics, cultural diffusion, and *economics*.

What should be clear from the two schemas presented above is the difficulty in conceptualizing globalization as a concrete phenomenon with agreed-upon parameters for study. This aspect of globalization processes, their vagueness and “bigness” in turn lead to the problems of definition described earlier in this section. As Lechner and Boli (2008) phrase it, “...at the end of the twentieth century, globalization became an all-purpose catchword in public and scholarly debate” (p. 1). Both Lechner and Boli and Held et al. (1999) contend that globalization was in danger of becoming a cliché, “the big idea which encompasses everything from global financial markets to the Internet but which delivers little substantive insight into the contemporary human condition” (Held et al., 1999, p. 1). In terms of the academic debate, Sklair’s (1999) work shows that the academic backgrounds of the theorists themselves influence much work on globalization studies. As Hopper (2007) writes, “the source of a lot of the disputes over globalization lie with the different perceptions of it and the criteria employed in conceptualizing and defining it” (p. 4). When considering the global culture model, Sklair notes, “the distinctive contribution of anthropologists” (p. 152) to the debates surrounding the potential for a global culture extending from international mass media. Alternatively, as



Appadurai (1996) explains, anthropology's emphasis on cultural phenomenon "which is the main inflection I wish to give to the debate on globalization, is in my case further sustained by my training and practice as a scholar of area studies" (p. 16) originated in post-WWII US strategic policy. In addition, cultural globalization has been influential in the study of post-modernity (Sklair, 1999) and it becomes possible to contend that globalization is an actualization of the post-modernist condition (Takayuki, 2006).

The world-system approach, as noted previously, takes a neo-Marxist world-view (Steger, 2005) which envisions the world-economy as originating with the sixteenth century exploitation of the Americas and defines the *modern* world-economy as a global capitalism wherein "the system gives priority to the *endless* accumulation of capital...in order to accumulate still more capital" (Wallerstein, 2008, p. 55-56). Some world system theorists (Ash Amin cited in Steger, 2005) have argued "that much criticism of globalization as a new phenomenon has been based on quantitative analyses of trade and output that neglect the qualitative shift in social and political relations," (p. 27). However, world system theory's reliance on capitalism and Marxism has the potential to lead to an overly Eurocentric conception of economics, history, politics, culture, and interactions between them (Frank, 1998).

Another example of the influences academic and intellectual backgrounds, and the limitations of their western origins, has on conceptualizations of globalization lies in the global society model Sklair (1999) describes. In particular, he cites Giddens (1990) who, as was noted earlier, claims "Modernity is inherently globalizing" (p. 63), and that modernity "refers to mode of social life or organization which emerged in Europe from about the seventeenth century onwards and which subsequently became more or less

worldwide in influence” (p. 1). If one considers globalization to be a product exclusively of modern influences, it can become constrained by western ideas, norms, and institutions. By deriving from European defined developments it can “mark off the rest of the world in order to distinguish the West’s own alleged exceptionalism” (Frank, 1998, p. 8).

The above critique about theoretical and methodological overdetermination is not intended to discredit the use of theory in globalization studies but rather to highlight the difficulty in developing a singular agreed-upon definition and dimension of globalization as a phenomenon, as well as the potential for certain perspectives to, intentionally or not, privilege a Eurocentric (or American triumphalist) sensibility. When considering the power of Japan Inc. as an image of the other and the role of ideology in normalization, it is important to remember the power of ideas and concepts to evoke multifarious reactions. Steger (2005) writes that “the principal participants in the academic debate reside and teach in the wealthy countries of the Northern Hemisphere....Their disproportionate intellectual influence reflects not only existing power relations in the world but also the global dominance of Anglo-American *ideas*” (Steger, 2005, p. 22 emphasis mine). While some theorists of globalization have moved to an articulation of the field that does not privilege the West but examines “national or transnational cultural flows,” going beyond a “west-rest” dichotomy, they still privilege a Western model of modernity while still considering culture in a relatively static frame (Consalvo, 2006, p. 122). As Sklair (1999) notes of his own classification of globalization, “it is almost exclusively based on the European and North American literature,” and while many critics view globalization simply as Americanization or Westernization, “more and more

critics are beginning to question this one-way traffic bias” (p. 161). For example, there is a growing body of work contending that Japan functions as another center of globalization, aside from the west (Allison, 2006; Befu, 2001; Iwabuchi, 2002). As Befu (2001) argues, “if only one center of globalization can be recognized, we can hardly speak of a theory of globalization” (p. 4). Japan, thus, represents another economic model, an alternative framework which neoliberalism must contest.

The academic literature presents many helpful heuristic devices and a host of contradictory definitions concerning increased interconnectedness, flows, and interactions that affect various spheres of human life. There is obviously vigorous debate on the subject of what globalization is and means for the modern human condition, how and when it started, who owns and controls it, and the precise nature of its operations; is it a process, a fact, or a condition? When considering the meaning of “globalization” and what it can indicate, it is clear that in an academic context it is multifarious, lending itself to various meanings in relation to the academic discipline of the scholar. Globalization, like neoliberalism or Japan Inc., is not limited to academic discussion. Some of these competing paradigms have informed the treatment of the subject in the media, as the term’s presence has become ubiquitous in policy discussions, news media, and everyday conversation around the world in the beginning of the 21<sup>st</sup> century. In short, globalization is not simply an academic proposition but a fully-fledged thing with its own *discursive elements*. As Fairclough (2009) reminds us, “we cannot get away from the fact that globalization is both a set of changes that are actually happening... and a word – ‘globalization’ – which has quite recently become prominent in the ways in which such changes are represented” (p. 318). As noted above, the representations of what is

“actually happening” are determined by social context and help to determine what really happens as the ideas eventually are operationalized into governmental policy. While disinterested observation of real world globalization processes can exist, representations of globalization often carry ideological assumptions. For Fairclough (2006, 2009), globalizing tendencies require a new discourse to describe, contextualize, and render meaningful those changes which are put under the globalization label. More importantly for us, “Globalization provides the metaphorical setting of Post-Cold-War era,” (Ghafele, 2004, p. 442) and has come to provide one of the primary narratives through which people make sense of the modern world and the changes occurring within it. Because ideologies attempt to make sense of the world and order it with coherent narratives and meanings of the past present and future (Fairclough, 1989, 2006, 2009; Holborow, 2007; Steger, 2005), discourse on globalization can carry an ideological meaning in the service of hegemonic social forces. Furthermore, Cameron and Palan argue (as cited in Fairclough, 2006) that “narratives of globalization have constructive effects on the real processes and institutions of globalization” (p. 19) when the narrative is plausible enough for people to invest time and energy in a manner which reifies the narrative itself. The narrative must resonate with the recipient or it will not become a commonsensical element of their social formation, and it may produce “unintended consequences” due to the multi-causal nature of social change (Fairclough, 2006). It is arguable that the open meaning of globalization is what allowed its cooptation by neoliberalism during the 1990s. That cooptation furnished neoliberalism with a powerful way of making meaning for people in the affluent west.

The dominant narrative of globalization, and thus the dominant ideological construction of the post-Cold War period, is the neoliberal economic narrative/ideology (Fairclough, 2006; Steger, 2005; Stiglitz, 2003). Before describing the features of the neoliberal narrative of globalization and their ideological character, it needs to be noted that this particular narrative/discourse lacks veracity to many academics, activists, or even some notable economists (see Stiglitz, 2003) than it may for people in business, media, or government. Actors in these discursive fields may have more ability to propagate a particular ideology/narrative utilizing discourse than academics. Access to the mass media and the people who write news is obviously an important factor in the ability of social actors to spread their views and normalize certain discursive practices that covertly carry ideological meanings.

Steger (2005) identifies six core claims of the reductively economic neoliberal discourse of globalization that he calls “globalism.” One, globalization is about the “liberalization and global integration of markets.” Two, globalization is inevitable and irreversible. Three, nobody is in charge of globalization. Four, everyone benefits from globalization. Five, globalization furthers the spread of democratic governments. Finally, globalization “requires a war on terror<sup>4</sup>.” The final point is not relevant here as the study period ends two years before the events which led to the war on terror, and so it will not be discussed below (Fairclough, 2006, 2009; Steger, 2005). The first five claims when presented “from the lofty heights of the media and positions of power...can acquire the status of natural truths and common sense” (Holborow, 2007, p. 53). While Fairclough (2006, 2009) argues that the first claim (market liberalization) is the most important, I argue that it is the first five operating in a mutually supportive fashion, supporting one

---

<sup>4</sup> For an insightful and thorough discussion of this, see Naomi Klein’s *The Shock Doctrine*.

supposition and serving as cause and effect to each other, which give neoliberal ideology its power, especially following the collapse of the Soviet Union. For example, the first claim (markets operate rationally and fairly, granting access and opportunity) supports the fifth claim (the spread of democracy) by implying that any nation with a free-market economic policy will also be democratic. The third and second claims support each by abrogating responsibility for a given policy that a national government might enact. If globalization is not controlled and is inevitable, then policy makers are reactive, not proactive; alternatively, if someone does “control” or influence globalization, it has a causal actor with agency who may be persuaded to “stop” globalization. The fourth claim, that globalization benefits everyone, supports and is a consequence of the other four. Taking the fourth claim as true renders normatively positive the first claim about trade liberalization. The fifth claim, about democracy, is both result and cause of the benefits by virtue of democracy’s positive evaluation with most people: who can be against democracy? Finally, the claim about universal benefit negates the second and third claims about inevitability and control. If globalization benefits everyone, its causes, historical origins, and agents are irrelevant. In this way, the claims of the neoliberal ideology of globalization legitimate a particular version of globalization, which sustains a particular formulation of power relations, both within national contexts, and in a global context. This interlocking structure of “logical” claims makes neoliberalism, in terms of globalization, a potent ideological force.

Neoliberalism is an ideology, but how does ideology become transmitted to individuals? As noted above, ideology is not typically apparent when uttered; this would undermine much of its power. Rather, ideologues communicate their views through

discourse. In order to understand the normalization of ideology within society, the meaning of discourse itself needs further explication.

### **Discourse**

What is discourse? In *Language and Power* (1989), Norman Fairclough defines discourse as “language as a form of social practice” (p. 20). This definition implies first, language is a part of the overall society in which it is used and not external to society. Second, that language is a social process. Third, that language is a “socially conditioned” process. The first observation means that language and society are not separate and external from each other but are “internal and dialectical...social in the sense that whenever people speak or listen or write or read, they do so in ways which are determined socially and have social effects” (Fairclough, 1989, p. 23). Language is not co-equal with society; however, society is a “whole” while language is a part of that whole in a relationship with other parts of the whole. Fairclough argues that language activity, all of which takes place within social context, is not merely reflective of society and its practices but is in a dialectical constitutive relationship with social processes. For example, sometimes the meanings of words with large significations such as “capitalism” or “communism” are debated but more often they are used from mutually incompatible positions. Fairclough sees contested meanings as occasionally part of the political process itself. However, he contends, “they *are* politics. Politics partly consists in the disputes and struggles which occur in language and over language” (p. 23, emphasis in original), this final point is crucially important to the study of contested discourse.

The second aspect of Fairclough’s (1989) language as a social practice, that language is a “social process”, relates to the way in which a text is produced and then

consumed or interpreted. A text in this context means any product that communicates; therefore, a speech, a newspaper article, a television show, etc., all can be construed as texts in this sense (Fairclough, 1989). The production of a text (for purposes of this research, newspaper articles) is socially determined by the context of its production, and this helps to determine the nature of the text. In turn, consumers determine their own interpretation of the text whilst in their own social context. In both the instances of production and consumption, the actors participating in the process of the text draw upon “member’s resources” (MR). MR is used to arrive at an interpretation of a text, or event, which involves “matching features of the utterance (or text) at various levels with representations you have stored in your long-term memory” (Fairclough, 1989, p. 11). Put another way, MR are the memes with which we can make sense of situations and texts; they are a cognitive tool, partly inherited and partly constructed that allows us to understand our world. In terms of Japan Inc., MR might include previous racialized conceptions of Asians, American perceptions of the Second World War, views on economics and capitalism, and others.

Fairclough’s third point about language as social practice is that the non-linguistic parts of society condition language. “The MR which people draw upon to produce and interpret texts are cognitive in the sense that they are in people’s heads, but they are social in the sense that they have social origins” (Fairclough, 1989, p. 24). Since society is an all-pervasive phenomenon then we are all, to a greater or lesser extent, conditioned in certain ways, including linguistic discursive ways. “This gives the forces which shape societies a vitally important foothold in the individual psyche,” however, the power of these forces on the psyche “depends on it being not generally apparent “(Fairclough,



1989, p. 24-25). The analysis of discourse, whether in the media, politics, or institutions, permits the practitioner to delve into the hidden relations between a text, its producer, and its consumer, as well as the social contexts that shape them and are in turn shaped by them.

Discourse and discursive practices exist in social contexts, but as Fairclough (1989, 2006, 2009) notes they also reflect, interact, sustain, or possibly contest existing power relations in human society. In his original context, Thatcher's Britain, but more broadly in capitalist society, discourse helps to sustain and contest power relations because it carries with it ideology. The power of ideology within various social contexts, its ability to abrogate contradictions apparent within the information received by a social agent, is powerful. This makes the understanding of ideological precepts contained within discursive practices of paramount importance in terms of deconstructing the presumptively commonsensical positions within democratic debate. This act can help to expand understanding of previously constrained discourses of politics, economics, culture, and history.

### **Methodology**

Critical Discourse Analysis (CDA) is a method used to analyze discursive practices, structures of argumentation, and narratives employed in news media. These elements of the text help to constitute reality for news consumers. The uses of Japan Inc. in US news discourse can help to explicate neoliberal economic ideology and its normalization in American society. The "devices" which should be expected to be present in any news discourse include re-semanticization, metaphor, and MR, as well as

larger argumentative structures that dialectically inform the textual consumer's ability to make meaning.

The meaning of "discourse" is hopefully clear from the discussion above. What, in this context, does the word "critical" mean? The use of the word "critical" can be seen in terms of the researcher's approach to ideology, in the sense of a structuralist or left-wing Marxist concern with ideology's relation to class power (Philo, 2007). When people in a particular time and place think an ideology is natural, then it is truly effective, so the "critical" aspect of analyzing discursive practices is the decoding of implicit ideological meanings and conclusions within the text. Fairclough (1989) explicitly delineates his view that CDA and Critical Language Analysis (CLA) should be concerned with ideologies and the discourses that convey them to recipients through texts and "relationships of power in particular social institutions, and in the society as a whole" (p. 31). Hence CDA is "particularly suited to help the researcher comprehend the role played by language use in producing and reinforcing asymmetrical power relations that sustain certain forms of social and political identity" (Steger, 2005, p. 51). Therefore, we can say that the use of "critical" entails not just a political orientation but also an acknowledgment that societies, at many levels of "scale" or organization, are not holistic entities. They are composed of competing, rivalrous, allied, or (temporarily) static groupings or interests based on many different identities or goals, be they economic, linguistic, social, or cultural. While Fairclough's focus tends toward state power, our focus here will not necessarily center exclusively on the propagation of the state's preferred narratives, but also on private interests and possibly the narratives of the masses, though they are mediated through news discourse.

One can apply Critical Discourse Analysis in different ways, depending on the theoretical and methodological interests of the practitioner, but CDA at its most basic level requires a text to interpret. Below, the focus of the analysis for the current topic will be discussed but here a brief examination of some issues surrounding the methodology is needed. As Fairclough (1989) observes, a text is a product, a thing, an object, which undergoes a process of production and a process of interpretation. All of this occurs within “social conditions” of production and interpretation (p. 25). Philo (2007) argues that Fairclough’s focus on the semantic use of language makes a true analysis of a text difficult. While Philo does acknowledge Fairclough’s interest in linking the “micro” analysis of specific texts with “macro” analysis of social structures, this link alone is not adequate. Philo argues, “text analysis cannot be simply bolted on to other work... it is difficult to explain the construction and meaning of a text without simultaneously examining other factors such as production and reception” (p. 185). Philo develops several criticisms of a “text only” analysis, which he contends hampers Fairclough’s work. These critiques trend conceptually towards problematizing a focus on simple statements rather than the original context of the utterance (or article, text, etc.). Factors such as, the accuracy of representations (specifically what politicians *actually say*) is less than complete, the text’s exclusion of well-substantiated alternatives, or the duplicity of political claims, can make a text-centered approach inconclusive in the analysis of rhetoric and discourse. For the current analysis it is important to note the “gaps” not only between promises and positions, such as neoliberalism’s claims and what the policies ultimately accomplish, but also what political (as well as corporate and cultural) elites say to gather support and the actual platform they will pursue. A thorough and honest

analysis of social context, and when dealing with the historical, as we are here, an accurate accounting of what occurred in the past, is necessary to become aware of the gap between political rhetoric and policy.

Returning to the distinction between the “macro” and “micro”, Henry and Tator (2002) employ a dualistic approach combining a “macro-level framework to explore the erroneous assumptions, myths, and misrepresentations” in news discourse and on “linguistic structures...choice of specific words, images, and sentence structures” (p. 93). The use of this approach on a case study basis is desirable, the authors argue, “Because it is a good way to present a concrete and detailed account,” (Henry & Tator, 2002, p. 71). This and the preceding observations about CDA methodology are important when considering the approach to the current study.

### **Critical Discourse Analysis as Applied Here**

From the preceding section on CDA methodology and its practice, the application of the method will be developed for the current project. This paper is a Critical Discourse Analysis of Japan Inc. in American newspapers from 1980 to 1999. Japan Inc. signified a certain social context that media and academia used to define the relationship between Japanese industry, banking, and government. This relationship problematized already existing ideological narratives surrounding the Cold War era binary of capitalism vs. communism and further functioned as a narrative itself reflecting social anxiety in the US during the 1980s. In contrast, during the 1990s Japan Inc. fulfilled a role as a part of the post Cold War “triumph” of liberal democracy and free-market capitalism. To explicate this narrative and to analyze how it provided meaning for American society during these twenty years this study shall operate as a case study along the lines described by Henry

and Tator (2002). “Discourse begins with the choice of topics – the subject of the text – the discursive event” (p. 73). Journalists choose certain topics and in the process exclude others during the process of composing the news. This means that the decisions of editors and writers can produce patterned responses to news events. Henry and Tator (2002) focus on issues of race, ethnicity, racism, and immigration in Canada and so their topics cluster around a broadly defined area of the racial and ethnic issues and events elicited by the social reality of immigration. Using their taxonomy, the current analysis can be stated as “the uses of Japan Inc. in news discourse,” but what are the topics that cluster around this area? A more thorough list of discourses will be given in the actual analysis in Chapter 3, but they include the following; Japanese corporate culture and its (in)compatibility with US culture. The debate between Reaganomics and Industrial Policy (IP), and how that debate uses the MR of American and Japanese culture. The uses of terms like “global interconnectedness” and later “globalization” as the causes of the “Bubble Economy” and the East Asian Financial Crisis in the 1990s. This is not an exhaustive list; many other events occurred between Japan and the US during the period, such as the debate over the production of the FSX fighter aircraft<sup>5</sup>. Here it is important to pick “topics” which go to the heart of Japan Inc. as a discursive phenomenon.

Teun van Dijk argues that the steps of CDA include “the description of argumentative structures; the explication of presupposed (tacit) assumptions, norms and values; and an analysis of style and rhetorical features” (cited in Izadi & Saghaye-Biria, 2002, p. 141). Similarly, Fairclough (1989) argues that CDA is composed of three stages: description, interpretation, and explanation (p. 26). The first stage is about the formal

---

<sup>5</sup>Briefly, Japan wanted to make their own plane, American policy makers preferred they buy an American made aircraft. All the while Japan is, in Article 9 of their constitution, not permitted to possess a military at all.

properties of the text, the second is concerned with “background assumptions” such as Members’ Resources (p. 140), while the third stage is concerned with “the relationship of discourses to processes of struggles and to power relations” (p. 141), in particular as they concern ideology and its sustaining of the status quo. The distinction between linguistics (micro) and rhetoric (macro) and their use in discourse is important, as is Philo’s (2007) reminder of the limitations of a “text only” analysis of discourse. Considering these factors, the current CDA of Japan Inc. will use various elements of the preceding.

Chapter 2 offers an overview of Japanese-American economic and political relations as depicted in the US news media to provide the reader with an historical basis through which to contextualize the more specified discourses under analysis. Chapter 3 includes a selection of particular topics, based on the overview in Chapter 2 and, along the lines of Henry and Tator (2002), a dualistic approach with macro and micro elements. Macro-level analysis “focuses on the broad rhetorical strategies, central themes, and topics, and argumentative statements,” (p. 71) of the text and thereby establishing the larger framework of the discourse. A micro-level analysis focuses on “the organization of the text its structure and vocabulary...by dissecting rhetorical statements to find their core ideas and images” (p. 72) This will be done for each chosen “topic” with a greater focus on the macro-level styles of argumentation and how it discursively constructs a narrative that carries certain ideological implications. The basics of both approaches are discussed below.

### **Macro-level Argumentation**

“Journalists do more than present the facts of a given event; they present those facts from a certain perspective. This means we can study the argumentative logic

inherent in that perspective and the subsequent breaches of that logic” (Henry & Tator, 2002, p. 77). Henry and Taylor note some of the following “argumentative strategies” in their work: playing on the sentiments of readers, overgeneralizing, constructing “straw men” arguments, “topoi” or allegedly commonsense explanations, and claiming everyone thinks something is “right” or correct. These are used when the writer attempts to make an argumentative claim and are related to the “structures of newsmaking” such as the use of quotations to contend something without actually making the claim, the summarization inherent in headlines, and selection and combination of the actual news content by editors (Henry & Tator, 2002, p. 74-77). All of these features of newsmaking and argumentation convey certain assumptions, both ideological and cultural, and go towards constituting the “reality” which journalists are, in theory, supposed to objectively report. These strategies of argument and the overall structure of the US news industry (see McChesney, 2004) operate along with micro level semantics and language use. Explored below are some of the tools of micro-level analysis.

### **Micro-level Semantics and Language Use**

Micro-level features such as re-semanticization, metaphor, hyponymy, synonymy, and antonymy are likely to be prevalent within the texts under analysis. Re-semanticization is the process by which language is “rewritten” which, “involves a play on evaluative and connotative aspects of language which make new meaning associations” (Holborow, 2007, p. 60). This process entails that language has a certain malleability, that while there is a codified English language, the meanings of individual words have power beyond dictionary definitions and imply larger meanings which might be contested or used to convey a certain meaning depending on the perspective of the

listener ( Hasan, 2003; Holborow, 2007). This “re-writing” is possible because language has the potential to change “large segments of its own semantics, not through a slow process of change but through an intensity of use within a short period of time by those who can enforce their will” (Hasan, 2003, p. 438). Because certain words have larger connotative meanings,<sup>6</sup> it is possible to associate the word with another probably unrelated word in order to shift the meaning of the first. Hasan’s (2003) example is “liberal/liberalization” and “trade” where liberal has an overall positive evaluation for listeners, especially those in the developing world and connotes an “other-oriented” outlook. When “liberal” is combined with “trade” it strips the latter of its connotation of self-interest which “enacts a semantic reversal in so far as global trade is stripped of its self-interest and becomes...in the interest of others” (Holborow, 2007, p. 60). Re-semanticization is caused, at least in part, by shifts in the cultural context in which language is used, so for example the word “global/globalization” could only shift its meaning and enter into the lexicon after the end of the Cold War and the apparent final triumph of capitalism, and as such currently has inherently neoliberal capitalist meanings (Hasan, 2003).

A related semantic feature of argumentation is the use of metaphor defined as “a means of representing one aspect of experience in terms of another” (Fairclough, 1989, p. 118). Metaphors can possess different functions such as “filling lexical gaps, providing explanation and models, reconceptualizing views, decorating a discourse, expressing an emotional attitude.” However, their “ultimate purpose is to provide one specific view on a subject” (Ghafele, 2004, p. 446). An example of metaphorical usage is Fairclough’s

---

<sup>6</sup> Words such as communism, fascism, democracy, socialism, and capitalism are all examples (though there is no reason the word needs to be political). For example, “socialism” has very different connotations for American conservatives, compared to British Marxists.



(1989) example of crime as disease. When one considers disease, it is unthinking, strikes when least expected, and whatever is linked with disease is thus something to be treated or excised. The particular metaphor of crime as disease is an example of how, as Ghafele (2003) notes, metaphorical usage “does not destroy phenomena, but in a more subtle way deforms them according to how the speaker want to portray them” (p. 446). An example in this study is “creative destruction” which is used most often in the context of Japanese corporations’ lack of willingness to fire employees in large numbers, to assert that this practice (standard in Japan) is holding back recovery from the economic bubble. The word “destruction” has an obvious negative connotation, but by adding “creative”, the social dislocation of mass layoffs is made a part of a process for the greater good of economic recovery, like pruning a plant of its weaker and less attractive elements to allow new branches and growths.

The final semantic features discussed are the related concepts of hyponymy, synonymy, and antonymy (Fairclough, 1989; Philo, 2007). Like re-semanticization and metaphor, these concepts are about the relationship between words. Simply put, synonymy is when words share meanings, or are at least very similar in meaning; antonymy is when words have opposite meanings. Hyponymy, however, is a deeper concept; it applies when the meaning from one word subsumes the meaning of another word. For example, “*totalitarianism* was included in the meanings of *communism*, *Marxism*, and *fascism*” (Fairclough, 1989, p. 116 emphasis in original). The importance here, considering Hasan’s (2003) observation about the elasticity of word meaning, is that hyponimic meaning may change depending on the speaker, receiver, or the social context or all three at once and can change in terms of a discourse over time. Philo (2007) gives a

particularly useful example, using “a neoliberal might treat ‘globalisation’<sup>7</sup> and ‘economic progress’ as hyponyms” (p. 180). Synonymy has a similar type of power due to elasticity, when in news discourse two words are treated as interchangeable even when upon further inspection the treatment is clearly a choice made rather than an obvious lexical feature of the words themselves (Philo, 2007).

### **Members’ Resources – Yellow Peril and Model Minority Stereotypes**

Here it is important to reengage with the concept of Members’ Resources (MR) to explain one aspect, which is likely to be very salient in the discourse surrounding Japan Inc. Since interpretations of texts come from “a combination of what is in the text and what is ‘in’ the interpreter, in the sense of members’ resources which the latter brings to interpretation” (Fairclough, 1989, p. 141), MR can also have an ideological character.

When considering the history of relations between Japan and the United States it is impossible to ignore the role of racial stereotyping which occurred between them. Stereotypes are a form of MR, even if an odious one, and form a constitutive part of any interpretation either by a journalist or by a news consumer dealing with the “other.” When considering modern stereotypes of Asians in the US it is important to remember that “Racial meanings involving Asian Americans need to be examined both locally and globally....Racial stereotypes of the yellow race do not distinguish yellows here from yellow there – Asian Americans from Asians” (Kawai, 2005, p. 111). This lack of distinction, not only between “here and there” Asians but between type of Asians, Chinese, Koreans, Japanese, etc., is a product of “ambivalence” which in turn comes from a stereotype’s carrying of contradictory meanings (Kawai, 2005). That racial

---

<sup>7</sup> A note on “globalization” vs. “globalisation,” many of the sources for this project come from the UK or Ireland where the “s” spelling of the word is preferred. It will not be changed or [sic] in this project as the meaning remains clear regardless of spelling.

stereotypes contradict each other has been noted by scholars (see Kawai, 2005 for a more thorough listing), yet despite this, their primary function is meaning-making (Kawai, 2005; Osajima, 2000; Dyer, 2002). Dyer (2002), returning to Walter Lippman who coined the term, argues that stereotypes are an “expression of values” because they “invoke a consensus....The stereotype is taken to express a general agreement about a social group....Yet for the most part it is from stereotypes that we get our ideas about social groups” (p. 248). The stereotype’s function of meaning-making entails its simplification of reality. This allows a person to make sense of a world with too much information to process (Dyer, 2002), but is problematized because “people are not equal in deciding boundaries; a certain dominant group has more power to do so, and the meaning (stereotype) that the group creates tends to win consensus” (Kawai, 2005, p. 118).

The two dominant stereotypes of (Asian)-Americans, though as noted above Asian-Americans cannot be separated from the Asian “over there,” are the Yellow Peril and the Model Minority. Both represent the “yellow race” as a threat to the white, but for very different reasons, as described more thoroughly elsewhere (Kawai, 2005, Osajima, 2000; Napier, 2007; Shim, 1998 and many more). However, it is necessary to briefly describe how stereotypes function discursively in relation to Japan Inc. “The yellow peril referred to cultural threat as well as economic, political and military threats to the White race,” (Kawai, 2005, p. 112) due to the sheer size of the East Asian population vis-à-vis the west during the 1800s. The importance of the above quotation is the cultural aspect, suggesting the numbers of Asian peoples will simply overwhelm white Christian culture. The Model Minority, however, is newer than the Yellow Peril, and originates in

American news discourse from the 1960s and reappears in the 1980s, when it was “noticed” that Japanese and Chinese Americans were “the model minority groups who had close family ties, were extremely serious about education, and were law-abiding” (Kawai, 2005, p. 113). The most important feature, remembering the context of the stereotypes development in the 60s and later the 80s, was how Asian-Americans accomplished this without the help of the government (Osajima, 2000). As such, the Model Minority is a “colorblind” ideology which “racially triangulates” Asians as above blacks but below whites (Kawai, 2005). How both stereotypes may, as MR, be reflected in the news discourse of the study period is an interesting consideration given the typical academic readings of the cultural history of the 1980s and Japan (Kawai, 2005; Napier, 2007). Especially in the 1980s, the Model Minority, rarely related directly to African-Americans, yet indirectly served to re-semanticize American industrial failures. As Osajima (2000) writes, “Praise for the Asian American *family* (which implies collective and hierarchy) is a consistent part of a broader conservative perspective that blames many of today’s social problems on the deterioration of the family” (p. 454 emphasis in original).

The purpose of explicating this particular MR, the Yellow Peril/Model Minority dialectic (Kawai, 2005, Osajima, 2002, Shim, 1998), is three-fold. One, the particular relationship discussed is between a western nation and an eastern nation; despite Japan’s intellectual and cultural position as a mediator between east and west (Iwabuchi, 2002), western discourse is likely to make use of dominant MR as relates to the image of the east. Two, as stereotypes have a meaning-making function, we should expect them to be deployed in news discourse during this period because the news discourse itself is

attempting to make meaning from a material world where a great deal was changing, making the practice of meaning-making difficult during the period. Three, it is likely that many of the texts under analysis will utilize this MR when reporting events and, as such, a more thorough explication of it at a basic level will help to contextualize much of the rhetorical and semantic features of the news discourse under analysis.

### **Previous Research and Expectations**

Academics usually analyze the anxiety provoked by Japan Inc. in terms of racialized media representations of the Asian other, while national economic and foreign policy tends to follow prevailing consensus thinking within the country of origin (Kawai, 2005; Lehmann, 2005; Ravi, 2005). For example, Narasimhan Ravi (2005) in discussing the coverage of the Iraq War writes:

Despite growing internationalism and readership over the Internet, most newspapers are rooted firmly in a national ethos, and the most obvious tension is between patriotism and the professional practices of truth telling, sensitivity, fairness in presenting different sides of the story, and critical examination of official accounts (p. 45).

When it involves US foreign policy, American news media is more likely to follow the government's policy lines (Entman, 2003; Kim, 2003; Lehmann, 2005; Park 2003) and not present alternative readings of international situations. International politics, including issues of trade and economics, is the area where most people in most countries require guidance from opinion leaders since the majority of people are not familiar with international affairs (Park, 2003). In terms of Japan Inc., there is an intersection of reportage on economics and policy in relation to a nominal economic

equal; however, it is always relational to the role of Japan as the other, and a bridge between east and west (Befu, 2003; Iwabuchi, 2003, Napier, 2007). As Napier writes of the immediate post-WWII era, “For Americans, Japan remained ambiguous – a defeated but grateful enemy....At the same time, however, Japan still remained unalterably Other, intriguing but fundamentally different and difficult to understand” (p. 78). When addressing Japan Inc. specifically in relation to the development and entrenchment of neoliberal discursive practices, three trends in the literature are relevant: analysis of international economic news; the racialization of Asians in general and during the 1980s in particular; and neoliberal ideology and its dominant metaphor of globalization. It appears that little or no research has specifically addressed Japan Inc. in relation to neoliberal discourse, and what has addressed one of these three lines of research often does not use critical discourse analysis as the methodology, but previous framing and agenda-setting research on US news representations of Japan/US trade issues has relevance.

Framing analysis argues that “media frames” are one of the means by which meaning is constructed for populaces in any given society (Inoue & Patterson, 2007; Park, 2003). Like CDA, “Issue framing is not about facts per se but rather the meaning imposed on the reported facts (Inoue & Patterson, 2007, p. 118).” Therefore, it is that during international crises, “media in most countries usually operate within the sphere of a prevailing national consensus (Lehmann, 2005, p. 64).”

As noted above, when the frames were about the recent Iraq War they followed closely the government agenda; hence, when the frames are about economics and trade policy, we might expect fewer calls for patriotism. However, as Park (2003) has shown

when comparing news frames about the media interpretation of the Japanese and Korean economies, Japan is a rival during a study period from 1995 to 1998 while Korea is not. Kim (2003) found similar results when analyzing American newspapers frames on cigarette export deals with Asian nations during the 1980s. Specifically Kim found that American papers used trade frames while omitting health frames and portraying anti-American or anti-trade feelings in the Asian markets as “nationalism.” While Kim’s and Park’s analyses in the 80s and 90s both revealed frames which positioned Japan as rival or goals which were antithetical to US trade policy as nationalistic, an overall comparison of the differences between the two decades was not offered. A content analysis of policy debates about the auto industry covering the early to mid 1980s and the early-to-mid 1990s by Chang, K. (1999) found that both the *New York Times* and *Detroit News* articles, as opposed to editorial content, were heavily influence by the Detroit automakers and government sources. Chang, K. argued that his results demonstrated a “fair trade” frame which highlighted the negative social effects on the Detroit area due to increased competition from abroad, as opposed to a free trade frame. Also notable was an increased prevalence, more editorials and news stories, on the issue of trade during the second period, the 1990s (Chang, K.). Finally, Inoue & Patterson (2007) noted a negative shift in American opinions of Japan with a rise in newspaper articles that negatively framed US/Japanese relations.

In terms of the presentation of Asians as a racial other, the above discussion of the dialectic of the Model Minority and Yellow Peril illustrates the dominant ways of essentializing (Asian)-Americans. Notably, it was the 1980s and the prevalence of Japan Inc. within public discourse which reified both the Model Minority and Yellow Peril

within the western consciousness. Both Kawai (2005) and Shim (1998) note the correlation of rising anti-Japanese (Asian) sentiment during the 1980s due to perceived “unfair” economic competition. Both note the transgressive feelings associated with notable Japanese purchases of American landmarks such as Rockefeller Center, Pebble Beach, and Columbia Studios that gained much more media focus than British, Canadian, or Dutch ownership of American property, which they argued was scarcely mentioned. From this related research, it is possible to develop a set of expectations for the current project.

First, given the previous discussion about neoliberalism (Fairclough, 2006, 2009; Holborow, 2007; Kawai, 2009; Steger, 2005, 2008) and its history we can deduce that the 1980s will be more likely a time of contestation for the American political economy. While Japan Inc. as threat is a well-substantiated concept (Kawai, 2005; Inoue & Patterson, 2007; Shim 1998), that trend will be contested by and be in competition with Japan Inc. as alternative model (Johnson, 2000; Lee, 2008; Napier, 2007). This should become apparent through the discursive practices of the news media that at least entertain or explicitly endorse criticism of Reaganomics and praise the Japanese economy and corporate practices. Neoliberalism should be present within ideologically committed media and writers. Given that ideological claims must conform to the consensus of the news consuming public, it is also possible that committed neoliberal sources will seek to develop discourse outside what was then the consensus, i.e., Japan Inc. as threat/model. Second, after the end of the Cold War, it is likely that the treatment of Japan Inc. could become harsher. This is due to the rising trade deficit and the increase in Japanese direct ownership of American property but also due to the disruption of the terra cognita of the



classic Cold War understanding of global politics. Third, the use of “globalization” as a legitimizing or causal factor will not occur within the 1980s but, due to its prevalence in the post Cold War period, it will appear sometime during the 1990s. Given that the neoliberal interpretation dominates current conceptions of globalization, the use of the term in relation to a successful Japan Inc. would create a contradiction for the ideological claims of neoliberalism. This is related to the fourth expectation, namely that discourse on the Bubble Era, or Lost Decade, will facilitate neoliberal interpretations of the Japanese political economy and Japan Inc. Finally, the use of Model Minority or Yellow Peril stereotypes is likely to be present, though arguably not explicit. Considering Henry and Tator’s (2002) argument about the ways in which news discourse can seemingly dissociate itself from expressing opinions, as opposed to “facts”, overtly racist terms will likely not be apparent. Rather straw man arguments, quotations, authoritative voice, etc. will be used to position more subtly culturally/racially essentialist views within the discourse, thus undermining direct accusations of racism.

## **Chapter 2: Blowing up Reagan**

## **Introduction – The Constructed Media Image of Japan in US Newspapers**

Japan Inc. occupied a prominent place within the western imaginary for twenty years, separate from but reflecting and refracting the manifest physical Japan. The contours and shape of the physical, cultural, and economic reality of Japan informed and developed the signifier, Japan Inc., as an element of the western imagination of the “East.” However, the relationship between Japan the place and the concept of Japan Inc. is not one of equals, because as an element of the western understanding of the Eastern other, Japan Inc. exists in relation to the perspective of the west and its position in the world. Yet the meaning of neither Japan Inc. nor Japan is ever totally constrained within western thought. As the sections in Chapter 1 show, there are limitations placed on a concept’s meaning by the “reality” it represents. The twenty-year period under analysis, 1980-1999, was a period of history that saw paradigmatic changes in international relations, modes of cultural consumption, and technological advancement. It was also when the meaning of Japan Inc. changed diametrically. Changes in the post-1945 world order were instigated by, and perhaps helped to instigate, the shift in Japan Inc.’s meaning.

An analysis of the shifting meaning of Japan Inc. within US news discourse, the term’s uses in discourse, and its associations to the larger perceptions of the position of the United States in the post cold-war world requires an examination of the term’s uses throughout those twenty years and of how those uses changed in relation to news reporting. As discussed in Chapter 1, news discourse does not have a direct relationship to material reality. Rather it is a product of the production process of news content. As such it carries with it ideological meanings which are subsumed into common discursive

features in news writing. Discursive practices and the ideological meanings implicit within them, while informing the perceptions of reality of the news consumer, also must not be completely incongruous with what the news consumers know or think they know. If news discourse does not represent its subject accurately, its ideological meanings cease to be implicit and unnoticed and can be deconstructed by the intellect of the reader. That is to say, the interests of the discursive producer will become less commonsensical and be more open to refutation.

Thus to maintain a position of acceptance with the news consumer, as individual or group, discursive practices must change to continuously occupy a privileged intellectual position. Authors who use the Japan Inc. concept will not utilize it in a consistent manner but rather one that changes over time, its importance and meaning waxing or waning with circumstances. To examine Japan Inc.'s changing nature over time a Lexis Nexis and ProQuest search utilizing the term "Japan Inc." was conducted. Primary results came from the *New York Times*, *Washington Post*, and *Wall Street Journal* with some articles taken from *The Boston Globe* and *USA Today*. After first being read and organized by newspaper and chronologically, the articles were then examined to detect common uses of the term Japan Inc., its place in definition and argumentation, and its relationship to other concepts and ideas prevalent during the years under study. The results of this first reading yielded a framework for analysis in which the twenty years under study were divided into five periods based on the prevalence of certain ideas concerning Japan and Japan Inc., as well as events that exerted a powerful influence on the discursive practices of new producers. Such events include the reelection of Ronald Reagan, the end of Soviet Communism, the Japanese Bubble economy, and the

Asian Financial Crisis. Chapter 3 presents a more in-depth analysis of key discourses concerning Japan Inc. Here the purpose is to indicate the shifting signification of Japan Inc. as a concept. Furthermore, this shapes and interacts with the changing circumstances of the actual US/Japan relationship. These shifts create a narrative for Japan Inc. that serves to facilitate the understanding of the role of power in determining discursive content.

The primary goal of this chapter is to provide the reader with a longitudinal understanding of Japan Inc. as a concept. Those familiar with the term may recognize it from its origins in the 1980s, which is where much academic discussion of Japan Inc. is situated. However, the term's usage throughout the 1990s contained new significations reflecting the major paradigmatic shift that occurred between the two decades during the end of the Cold War. This chapter has divided those twenty years into five periods: 1980-1984, 1985-1988, 1989-1992, 1993-1997, and 1997-1999. The period from 1980-1984 witnessed by the election of Ronald Reagan, as well as a synonymy of Japan with potential teacher. Reagan's second term and rising anti-Japanese sentiment caused by increased direct ownership of US landmarks are key events of the second period, 1985-1988, which ends with the Soviet Union's collapse. The major events of the third period are the end of the Soviet Union as a competitor and the beginning of the Bubble Economy or Lost Decade; it is thus a period where there is a shift from one grand narrative to another and a re-semanticization of Japan Inc. The fourth period encompasses the solidification and codification of neoliberal ideas within US news discourse. The fifth period was when US news discourse had finally reconfigured the Japan Inc. concept from its original threatening, or humbling, origins to that of non free-

market failure, Japan Inc.'s meaning hyponymic with incorrect policy and economic failure.

### **1980-1984 – Industrial Policy and Reaganomics: Two Paradigms**

From 1980-1984 a debate within the American policy establishment began between two competing economic paradigms: Reaganomics, or the free-market, and Industrial Policy (IP). Supported by the Republicans and Democrats, respectively, these opposing models were then used to address what was presented as an economic and cultural malaise in the United States. This malaise is presented, at least in part, as the result of Japanese competition synonymous with Japan Inc.

An example of a typical definition of Japan Inc. can be found in an article by Hobart Rowen (1980) in *The Washington Post*: “a combination of industry, the banking system and government, all pulling together to make the Japanese economy work better” (p. E1). IP is synonymous, for journalists, with Japan Inc. so that within news discourse the issues of a potential American IP and Japanese economic competition are conceptually inseparable. For example, in an article in the *New York Times* before the 1980 presidential election entitled “Eight Syllables may Spell new Partnership with Industry”, author Edward Cowan (1980) describes IP as a still nascent and undeveloped idea, though one that is favored to some degree by both candidates. Cowan establishes that IP is “intertwined with...election-year politics and the intensifying battle for money and power among the regions” (p. 5), thus associating the concept with power politics. After asserting that the origins and reality of the debate lie in industrial states’ (Michigan, Pennsylvania, etc.) electoral votes, IP is associated with Japan being ahead in newer industries. Towards the end of the article, Cowan declares the existence of close

associations between IP and the foreign, namely Japan and France. The associations are linked to the cultures of these countries, by quoting a (named) “policy planner” in the Department of Labor. By overgeneralizing and associating IP with foreign cultures, ““administrative guidance”” in the case of Japan and the “closeknit class structure” of France, both models are framed as inappropriate for Americans. This is a view the author associates with “most Federal officials” and with a potentially corrupt Congress (Cowan, p. 5).

Industrial Policy maintains its position as a contested concept in news discourse and its associations with Japan Inc. after the election. In “Japan’s Trade Ministry Draws Praise and Ire” Steve Lohr (1983), again in the *NYT*, and Stuart Auerbach’s “Japan Targets D.C.” in the *Washington Post* (1983) both articulate a Japan Inc. that utilizes IP almost as a weapon, that is defended by “bureaucrats”, and is directly responsible for US job losses. By doing so, the authors reify the MR of the essential foreignness of the Japanese and thus minimize the appropriateness of IP. Auerbach describes efforts by Japanese government officials to “clear up U.S. ‘misunderstandings’ about their industrial targeting practices” (p. L1), thereby simply stating that such practices exist. He depicts the Japanese officials as having “complained” and “pleaded” that “targeting policies” are not about export businesses. He undermines that position when he quotes, by name, a Republican Senate staffer who contends “there is the unmistakable impression that the Japanese visitors, rather than engaging in a dialogue, are actually following a pre-rehearsed script” (p. F1). The author, by associating this position with authority figures in US government as “trade specialist,” “trade official,” etc. and describing the Japanese officials as “selling the line” or “nervous”, implicitly constructs the Japanese as having

ulterior motives, of dealing in bad faith. The only reference Auerbach makes to potential US adoption of IP is to a Massachusetts Senator who is labeled an ““Atari Democrat.””<sup>8</sup> Steve Lohr’s article contains a more detailed examination of Japanese IP and the Ministry of International Trade and Industry (MITI) that coordinates it, but presents the Ministry in implicitly sinister terms. The author writes that “The ministry’s key people are it 600 career officers....To a significant degree, the best and brightest of Japan still go into Government service” (Lohr, 1983, p. A1). Lohr presents the Japanese defending the existence of MITI and IP as necessary, while never directly questioning the assumption of its negative impact on US industry.

In the early 1980s, IP was discursively constructed as a fact of Japanese policy and intrinsic to Japan Inc. itself. This synonymy facilitated the perception of IP as a foreign influence, and therefore invalid as a viable alternative for the US. While the authors cited above reference the possibility of a similar US policy, the most sustained treatment of the potential for a US IP is Sidney Blumenthal’s “Drafting a Democratic Industrial Plan” published in the *New York Times Magazine* (1983). While telling in narrative form the story of how many influential Democrats, including upcoming Presidential candidates, and economists became interested in IP, Blumenthal contributes to a politicization of the idea. This politicization is accomplished by linking the development of a strong and detailed, US version of IP’s intellectual origins with politicians, in this instance Democrats: “Today’s politicians use ideas the way politicians of an older generation used patronage” (Blumenthal, p. 31). And towards the end of the article, “Today, with the new hunger for ideas among our politicians, the intellectuals have been elevated to a new position of influence... the chief motivation among them all

---

<sup>8</sup> There is no definition of the term in the article.



is an overwhelming ambition to see their ideas translated into policy” (Blumenthal, 1983, p. 31). The author contextualizes IP as “planning” with deep roots in American history, referencing Hamilton and Jefferson, Hoover and Roosevelt, through Reagan. Despite this, IP is often referenced by a foreign referent, Japan Inc. Blumenthal quotes economist, Lester Thurow, ““Japan Inc. needs to be met with U.S.A. Inc.”” (Blumenthal, 1983, p. 31).

IP was a contested term in the early 1980s. News discourse created a synonymy of IP with Japan and Japan Inc., but because of the dominant perception of Japan Inc. as a “challenge” or “threat”, there was a potential resonance in adopting a similar policy. Within discourses on Japan Inc., IP was intertwined with perceptions of not only the Japan’s policies, but of a tangible threat to the US emanating from those policies. That perception elicited from authors and politicians an actual questioning of the American economic structure. However, perceptions of IP shifted after the reelection of Ronald Reagan in 1984 and the recovery of the US economy from recession, placing constraints on the idea that demonstrated a growing ambivalence to the concept.

### **1985-1988 – “The Danger of Japan”?**

During the mid 1980s, the US’s trade deficit with Japan continued to grow, as did direct investment and property ownership within the US, causing anti-Japanese sentiment to rise. This period is, in some ways, simply a continuation of Japan Inc. discourse although with far fewer references to IP, and it leads to the shrillest anti-Japanese sentiment in the whole study period. Here two contradictory elements of Japan Inc. discourse serve to demonstrate the ways in which the contestation and anxiety referenced in the previous section manifested themselves.

One is the lengthy article by Theodore H. White in the *NYT* entitled “The Danger from Japan” (1985) that neatly encapsulates a dominant narrative of the period. The author starts the story when Japan “challenged” the US in WWII, lost and recovered thanks to American “generosity and mercy,” finally becoming ungrateful or continuing the original goal of conquering the US, through taking advantage of the US-designed global free-market system. The author, himself a veteran of the Pacific War, melds the common image of Japanese during the conflict as nationalist, xenophobic, merciless, etc., with the rhetoric of IP advocates. While Shim’s (1998) observation that the text uses a racist “military frame” is correct, he does not address the policy recommendations made by White which trend toward the development of an IP. Further, Shim fails to address the grand narrative present in the text. One of that narrative’s central points is the primacy and overwhelmingly positive contribution of the GATT<sup>9</sup> to “world peace.” The role of the GATT in the post-war world is of critical importance to the narrative of neoliberalism discussed in Chapter 1 (see Chang, H., 2008). So while White’s article most certainly makes the association between military action and the “export offensive” of Japan during the time, it also makes use of the IP view, in its most racist dimensions, while simultaneously incorporating neoliberalism’s historical free-market orthodoxy.

White’s (1985) article is thus a site of somewhat conflicting inclinations. As neoliberalism’s *raison d’être* is the primacy of the open and free market, associating a positive evaluation of the GATT with the discourse of IP is an interesting combination. However, while most writers, whatever their views on US policy, do not reject the presence of Japan Inc., there is a class of writers who, during the 80s, rejected the notion that Japan Inc. actually existed due to its synonymy with planning. The *Wall Street*

---

<sup>9</sup> General Agreement on Tariffs and Trade

*Journal* hosted many writers and editorialists who flatly denied the reality of Japan Inc. and any effectiveness of IP or “statist” economic planning. While the *WSJ* made use of Japan Inc. and the Bubble Economy to reify notions of the commonsense of the free-market, in the mid 1980s it denied Japan Inc.’s existence as a rhetorical strategy to undermine IP advocacy. Therefore, over the study period, the *WSJ* re-semanticized Japan Inc. from a myth into a cautionary tale. This is a prime example of the exercise of language in the service of ideological power. Two examples are Gordon Corvitz’s article “Asia: Japan need not Fear Corporate Takeovers” (1985) and Joseph Martino’s article “Technology Research: A Government Role? – An Overall Record of Failure” (1985). Corvitz addresses the growth of corporate takeovers in Japan, a former “cultural taboo.” “The reason there haven’t been hostile takeovers before in Japan has nothing to do with a planned ‘Japan Inc.’ or other myths concocted by those whose agenda is a statist, industrial-policy program,” (Corvitz, 1985, p. 1) but a closed system of financing. When that system opened, “free-markets” forced a more effective allocation of capital. Corvitz continues, “Takeovers are central to the process of capitalism that Joseph Schumpeter called ‘*creative destruction*’” (p. 1, emphasis mine). He asserted that the free-market, and open financial system, ultimately would change Japan, and that “statist” policy does not exist within the Japanese framework, thus transferring the wide economic anxiety of the period to other causes and legitimating the role of the free-market itself. Martino’s article makes a similar conclusion while developing a different line of argument. The author begins by listing failures of “government-industry partnership” from the US, Europe and the Soviet Union. He calls the phrase “picking winners,” whereby governments pick which industries or technology to develop, a “complete failure” (1985, p. 1). To the

imagined question of, “doesn’t the Japanese government pick winners,” Martino writes that Japan “doesn’t harass successful firms with antitrust suits; it doesn’t tax capital gains; its tax structure doesn’t discourage saving and investment” (Martino, 1985 December 9, p. 1). This version of events declares that Japan Inc. not only does not exist, but also presents Japan itself as a model free-market country, along the lines of Reaganomics. Two editorials in the *WSJ*, “Japan Seeks a Change” (1986) and “Japan Inc. R.I.P.” (1985) institutionalize this perspective in the paper are examined in detail in Chapter 3.

When considering the articles in this section, the contested nature of the 1980s comes into clearer view. It was possible then to write articles referencing the MR of Yellow Peril stereotypes of the previous century, while at the same time representing Japan Inc. as a fiction. Later articles from the *WSJ* analyzed below and in Chapter 3, dubbed White’s (1985, July 28) interpretation of the Japanese economy “revisionism.” In the sense that the academics and politicians who claimed that Japan Inc. required some type of different economic policy than the status quo had “revised” the commonsense wisdom of a US/Japanese convergence on the free-market. What these *WSJ* articles show is how neoliberal (or Reaganomic) views of political economy were not totally embedded within news discourse during this time. Japan and Japan Inc., both place and consensus concept soundly refuted the idea of the “invisible hand” being the only path to economic development and thus the *WSJ* denied their existence. As the 1980s ended, anti-Japanese sentiment, much like White’s, rose with the purchase of American landmarks. Nevertheless, these purchases were only part of the reason; in 1989, the Soviet Union began to collapse. As such, the dominant narrative logic of the post-war world collapsed

as well. The disruption of the Cold War's hegemonic meaning-making binary left room for an alternative narrative to take its place in people's minds.

### **1989-1992 – The Fall of Communism**

From 1989-1992, news discourse on Japan Inc. can be seen as being pulled in two directions. One, sharpened by the collapse of the Soviet Union, is the development of an interregnum period where the classic Cold War binary of capitalism and communism ceased to be meaningful and the differences in various capitalisms become more exposed. In this environment, anti-Japanese sentiment becomes more prevalent in news discourse. The other direction of discursive practices follows the other major event in Japanese economics during the early 1990s: the collapse of the Japanese stock market, also known as the Bubble Economy. While the Bubble Economy was an obviously important event in recent Japanese history, the discursive representation of its causes and effects develops an explanatory power within US news media that does not abate during the study period. In contrast to most of the 1980s, the Bubble Economy functions as evidence of practices “endemic” to Japan which are not compatible with a “modern” or “globalized” political economy. This is a keen example of how the “triumphalist” discourse of American news came to develop in the 1990s. While Japan is clearly not the only subject of that discourse, given the power Japan Inc. had over the western imagination for so long, the shift within five years from using Japan Inc. as a tool of potential reflection on US policy to an example of the inherent rightness and power of the American model is striking. The new uses of Japan Inc. are most apparent in the growth of scandal reporting, whereby the US media reports in detail on issues of impropriety or corruption in Japan. Those articles constitute a collective ad hominem attack on the Japanese political economy through the

perceived characteristics of Japan Inc.'s bureaucratic "army." While some of these events would obviously be newsworthy, they discursively construct an unproblematized view of capitalism and undermine any potential for the Bubble to inform US economic policy, while simultaneously providing meaning and support for a neoliberal concept of global economics. In the end, the fall of Japan Inc. and the changing nature of its explanatory power in news discourse provides very fertile ground for the consolidation of an orthodox free-market narrative of the post Cold War years.

By the end of the 1980s, IP had lost its place within Japan Inc. discourse. Discourse on Japan Inc. must now accommodate the end of the Soviet Union and the recovery of the US economy. A somewhat tangential example can be found in a *Boston Globe* article by Pamela Constable entitled "Toward a New World Order; The pan-American Economic Sweepstakes" (1990). The author's subject is the potential development of a "pan-American free trade zone" proposed by George H. W. Bush, an idea that was then rather new and that could potentially disrupt the General Agreement of Tariffs and Trade, the Keynesian architecture of global trade developed after World War II. But as Constable claims, "European nations are drawing together and will form a common market in 1992; Third World governments are abandoning statism and casting about for dollar/mark/yen investment; and the long-dominant United States finds itself with staggering international debt and trade deficits" (p. A22). In other words, structural changes in world order require new ideas. Constable writes, "To enthusiasts, it sounds like the perfect answer to burgeoning economic competition from a fast-uniting Europe and from Japan Inc." (p. A22). It is notable that the author is circumspect about the possibilities of free-trade. Quotations are given to skeptics more frequently than

supporters, and none are given to American government officials. This is in marked contrast to the triumphant discourse of the mid to late 1990s, as we shall see.

An intriguing example of the discursive uncertainty within news media of the time comes from *Washington Post* writer Paul Blustein, in two articles written in March and October of 1991. One (1991b) is an example of news discourse, which treats analysis of Japanese corporate practices as a path towards introspection for the US, while constructing Japan and the US as mutually exclusive economic spaces. The other (1991a) is a strong example of the tendency within news discourse of the period, like many *Wall Street Journal* articles in the previous section, to present Japan Inc. as dismantled or liberalized. Blustein (1991a) begins, “behold the new ‘Japan Inc.’” (p. H1) which he claims is consuming more at home and reducing its trade deficit with the US. The benefits of the “new Japan Inc.”, however, lay largely with “the effects on Japan’s insular mentality” (1991a, p. H1). In the second article Blustein (1991b) declares, “In the aftermath of communism’s collapse, as differences between free-market economies are coming into clearer focus, the keiretsu system is emerging as a potent alternative to U.S.-style capitalism” (p. A1). In this article, the close ties of keiretsu exclude US companies from Japan. Blustein queries whether one or the other system, “openness” or keiretsu, will change but through quotation ultimately concludes that both will change each other. Again, the certitude of the mid to late 90s is not present, but the point here is to illustrate the degree to which news discourse remains less completely inflected with a neoliberal economic orthodoxy than it would become.

Another aspect of this less doctrinaire discourse is its continued inability to cope with the reality of Japanese economic success and American economic decline. Whereas

in the early 1980s, Industrial Policy was the possible cause and solution to US economic anxiety, the later 1980s and pre-Bubble 1990s see keiretsu become the main culprit. The more complete entrenchment within policy and media elites of Reaganomic/neoliberal economic logic and vocabulary is a powerful element that precipitated this shift. The *Wall Street Journal* essentially never embraced the concept of Japan Inc.'s existence and repeatedly denied its existence as noted earlier. By contrast, the late 80s and early 90s see many *WSJ* journalists criticize cross-shareholding, which they claim defines the keiretsu and other practices considered uniquely Japanese. Examples include the high numbers of middle management (Ono & Brauchli, 1989), the implicitly undemocratic nature of Japanese stocks (Graven & Brauchli, 1989; Graven, 1989), and the power of the market to end Japan Inc. (Auerback, 1991). One thing all of these examples have in common is the primacy which conservative economic methods are given and their alleged inseparability with American identity. However, these ideas are not so pervasive that all news discourse reflects their privileged position. What finally leads to the hegemony of neoliberal economic discourse within the news media is the Bubble Economy.

Reporting on the Bubble Economy does not develop fully until after 1992, although early examples of the discursive practices, which became associated with the Bubble, develop within this period. An early example of scandal reporting is Steven Weisman's article in the *NYT*, "Can Japan Also Change its System this Time?" (1989), where the scandal which brought down Prime Minister Noboru Takeshita is connected to the conditions of Japanese consumers, high prices, close living conditions, etc. and the monolith of Japan Inc. As the author describes it, "popularity has had little to do with politics in Japan" (Weisman, 1989, p. 2), presaging the elements of the free-market as



democracy discourse described in Chapter 3. As early as 1990, Fred Hiatt has a headline in the *Washington Post* entitled “Japan Inc.’s Tarnished Myths” (1990) which asserted, “The recent turbulence in the Japanese economy has jarred a number of well-worn preconceptions” (p. A20). One year later, James Strengold (1991a) writing in the *NYT* about a stock scandal and high level of debt in Japanese companies, described the acts that led to them as, “practices endemic to Japan... incompatible with the Western notion of a level playing field” (p. 3). Finally, in the *Boston Globe* Colin Nickerson writes “Reality Pricks Japanese Bubble” (1992), an article, which prefigures many of the discursive features of the later 1990s. These include the opinion that the stock market plunge represents the (potential) end of the Japanese economic system as understood, i.e. Japan Inc., and that the crash represents Japan failing to live up to its global responsibilities. Therefore, since the Japanese economy is essentially sound, the crash is fundamentally a positive thing for Japan, functioning as a corrective to the “irrational” behavior of the 1980s (Nickerson, 1992). While the author spends much time detailing exactly what occurred, this article appears extremely early on during the Bubble. The terms used to describe what had happened; “jolt of reality”, “natural result” or “blessing in disguise”, and the description of the effects, “ultimately healthy”, or “adjustment” constructs an event beyond individual control, a theme that becomes entrenched in the 1990s. Nickerson (1992) notes that some “doomsayers” think that the Japanese system is coming unglued. The author equates the Japanese system with the “tradition” of cross-shareholding, which defined the keiretsu, saying it could change “everything from the interlocking shareholding arrangements among industrial giants to the emphasis on long-term gains in market share as opposed to short-term profits” (Nickerson, 1992, p. 37).

The depiction of both features of Japanese corporate culture was often positive in the 1980s, when neoliberal discourse was constrained and contested, and potential existed for Japan Inc. to inform US policy. By the early 1990s, this is no longer possible. It is entirely speculative to say what discursive practices concerning Japan Inc. would have developed had Japan not gone through the Bubble Economy, and had the US economy continued to improve. A great deal of what would become standard discursive practice in describing Japan and the Bubble was not fully developed by 1992. Even so, because the effects of the Bubble lasted for so long, nearly a decade, the discourse about Japan Inc. became in many ways commonsensical and interacted with what became the triumphalist post Cold War discourse commonly identified with “The End of History” and neoliberal free-market economics.

### **1992-1996 – The Empire Strikes Back**

The mid to late 1990s is the site of codification of many discursive practices surrounding Japan Inc. After so many years of the news induced perception of the Japanese government being unable to address the major economic issues afflicting the country, US news media address Japan Inc. in terms of its inability to manage the “information revolution” which the US is depicted as artfully navigating. This is the period when the re-semanticization of Japan Inc. is completed. This alternative model of economics moved, in a short period, from being a teacher/threat to an obvious example of a system constrained by its own bad ideas. Three interrelated topics often present themselves within journalism on Japan Inc. during this period and remain prevalent until 2000. They are the need for reform of the Japanese system, changing Japanese social mores, and (though not always explicit) American triumphalism. These three themes can

reinforce each other depending on the author of the article; for example, an author comments on how Japan's corporate culture is changing by drawing on American values. Implicit within these observations is the view that American corporate culture or values are somehow enviable or desirable, that these are the attitudes required to succeed within the post Cold War world. If reform of either the Japanese political or economic system is the subject, then the recommendations tend to reify the notion of the superiority of the American model of capitalism and market self-governance.

The treatment of Japan and Japan Inc. in these terms, as needing reform and guidance from the United States, is an amazing re-semanticization of roles from the 1980s, made possible by the ahistorical nature of news discourse. However, when considering the power of the neoliberal economic narrative within 1990s America, these discursive practices reify the notion of American Exceptionalism and nationalism, permitting the news consumer to identify another actor on the world stage who could not cope with the US, except rather than Russia, it is Japan. Neoliberalism's focus on the overdetermination of economic factors in defining human action is often apparent in the discourse, but now the space it occupies is essentially uncluttered and uncontested. It is "clear" to news practitioners that the US model is ascendant, allowing a knowing derision of Japan Inc.

The discursive practice of analyzing changing Japanese social mores, be they corporate and intrinsic to Japan Inc. or cultural and the alleged product of Japan Inc., constructs an image of a society ready and waiting to develop into something more compatible with the west. When authors depict Japanese as hunting for bargains, buying from American mail order catalogues, dismantling office bureaucracy and hierarchy, or

desiring a more “innovative” or “free-wheeling” culture, the assumption is that the Bubble Economy causes these social changes and that the cultural referent the Japanese are using is the United States. An archetypal example of reportage on Japanese social mores comes from an article by Peter Passell in the *NYT*, “A Rigid Japan Inc. Could Tumble From the Top Industrial Ranks” (1996). Citing a report by an investment bank analyst concerning low productivity growth in Japan, the author states, “what the Japanese economy apparently lacks is what the American economy has in spades: a freewheeling culture that allows rapid change and encourages bottom-up technological innovation” (Passell, 1996, p. D2). Passell explicitly links the notion of American cultural uniqueness, as opposed to Japanese cultural rigidity, with the major inventions of the 90s. “A culture that so heavily relies on the group, glorifies consensus and concentrates financial decision-making in the hands of a few giant institutions is going to have a tough time producing its own Silicon Valleys” (p. D2). Making light of the fact that Americans envied and feared the “fabled” Japanese system the author concludes, “now it appears this Confucian version of central planning is a grand barrier to achieving the material quality of life taken for granted in the affluent West” (p. D2). Passell’s linkage of US individualism to economic development is a somewhat common association within this discourse. In the *WSJ* “Manager’s Journal: A Lasting Legacy for Managers – Deming’s Not for Us” by William G. Lee (1994), the author dissects the life and work of recently deceased “quality management guru” Edward Deming, whose methods were extremely influential on post-war Japanese business. While calling Deming’s legacy “deservedly secure”, Lee makes the metaphor that “Deming’s philosophy always seemed more applicable to the Japanese lock-step style of management” (p. A1). Examples of this

come anecdotally from American companies employing “Demingism” and damaging their “culture” as it “hampered thought, innovation and meaningful results,” and “tends to stifle skeptical, contentious and independent-minded American workers” (Passell, 1994, p. A1). Deming’s methods are depicted as draconian, almost totalitarian, in contrast to the “freewheeling” nature of GE management decisions. Lee (1994) concludes by noting that some companies, “appear well poised to succeed not because of their devotion to any management system, but because they build on distinctly American institutions” (p. A1). Depicting qualities such as “non-hierarchical” or “freewheeling” as uniquely American, and absent from Japan, ultimately privileges American methods as the only path to success. The author creates an antonymy between words like “innovation” or “creativity” and Japan, while those terms are in synonymy with the US. The writing of Sandra Sugawara (1995) in the *Washington Post* is another archetypal example of critiques of Japan Inc. that reify American triumphalism. Her article “In Japan, a Bow to Competitive Realities...” serves as an example of discourse on the Japan Inc. corporate culture. Sugawara (1995) writes about Japanese corporations “struggling to mold workplace ideas originally born out of the individualistic mores of America into a culture where conformity, respect for elders and groupthink are drilled into individuals from kindergarten” (p. H1). By breaking down the “social order” of Japan Inc. through the incorporation of American cultural values, the author claims Japan’s companies will survive the Bubble Economy. While the articles cited above concern corporations, other articles address Japanese consumer habits with similar associations.

Reporting on Japanese consumer culture forms a part of the discourse, which creates synonymy between consumption and democracy, while still reifying the

superiority of the US economic model. Yumiko Ono's article (1993), in the *WSJ*, and Sheryl WuDunn's article (1995), in the *NYT*, describe changes in Japanese consumer behavior as "a revolution" or a "rebellion" against an "antiquated" distribution and retail system. Both articles use militaristic language to characterize new consumer behaviors while rhetorically positioning those behaviors as intrinsically American, thus reifying the notion of American triumphalism and superiority in consumption as well as corporate culture. As noted above, news discourse of this period also prescribes which methods of reform the Japanese government should adopt. These interrelated discourses, about consumption, corporate practices, and governmental reform, represent neoliberal orthodoxy more completely than the discursive practices that came before. It is in the early to mid 1990s that the dominant economic ideology of globalization and the post Cold War world began to engage with the concept of Japan Inc. Thus, the primary ideological frame through which newsreaders understand the Bubble Economy is an anti-planning pro-market one. It is in marked contrast to the apparent anxiety, sometimes made light of in articles from this time, present within 1980s news discourse. Notably the *Wall Street Journal*, which spent much of the mid 80s contesting the existence of Japan Inc., has completely internalized its existence as proof of the commonsensical nature of neoliberal economic orthodoxy. This is a complete reversal of argumentation, which no other newspaper under study does so completely. Neoliberal rhetoric and terminology, deregulation, tax cuts, etc. and its implications have become so normalized by this point that what Japan Inc. represented, or could represent in the past, has become inverted. Japan Inc. is now a phrase which calls to mind the superiority of the free-market, rather

than the frailty of the US. This mode of discourse, dominated by neoliberal conceptions of the world, maintains its hegemony for the rest of the decade.

### **1997-2000 The Death of Japan Inc.**

“Creative destruction”, “pain”, “restructuring”, “maturity”, “free-market economy”, “globalization”: these terms came to represent the dominant discourse of Japan Inc. in the late 90s. After almost a decade of “stagnation”, the creators of news discourse have fully internalized neoliberalism’s interpretations of economic development and crisis management and apply it to Japan. Journalists and editorial boards use terms like “creative destruction”, “pain”, and “restructuring” to designate the policies companies and government must undertake to return to profitability and growth, removing unnecessary workers, selling unprofitable businesses, etc. These acts, labeled anathema to Japan Inc., will lead to a “free-market” and an economic “maturity” which can handle “globalization.”

There is continuity with the mid 90s. Chapter 3 details many of the discursive practices from this period including consumerism and democracy, the East Asian Financial Crisis, the use of “globalization” (and the related concept of interdependence), and the final critique of “revisionism.” Here the continuity of the discourse itself will be discussed; however, while many authors previously described the potential for Japan Inc. to reform itself, now Japan Inc. is the cause and barrier to real reforms of the Japanese system along the lines of the US political economy. Japan Inc.’s supposed main features—keiretsu, lifetime employment, government-business cooperation, etc.—are the cause of the Lost Decade, while lower taxes, entrepreneurship, innovation, and free-markets are the clear solution. Ultimately this is not too different from the discursive

construction on the Japanese financial crisis from 1992–1996. Perhaps the most notable aspects of these last three years is the engagement with “revisionism,” which the *WSJ* engaged throughout most of the 90s, moving into the *Washington Post* or the growing reliance on the rhetoric of globalization to explain the apparent failure of Japan Inc. In any case, the discourse surrounding Japan Inc. has become completely dissociated from its practices of the 1980s and early 90s.

Fred Hiatt’s article “In Japan, Scandal – and Opportunity” in the *Washington Post* (1998) provides a paradigmatic example of Japan Inc. discourse in the late 90s. The article reports on a recent scandal between Ministry of Finance and a Japanese bank, involving information to avoid inspections. After noting that the system is not inherently corrupt and is responsible for Japan’s post-war recovery, the article asserts, “Despite its overall honesty and postwar success – it’s not suitable to today’s world. Cozy ties worked well enough when Japan was growing fast....But overregulation and a lack of openness are working against Japan now” (Hiatt, 1998, p. C9). Hiatt claims that what Japan needs is “open information, objective regulation, a rule of law – it needs, in short, a free-market economy” (p. C9). Encapsulated within these few lines is a discourse far removed from the early 80s, and far removed from the anxiety of that time. Another example can be found in an article by John Burgess (1997), where the author, who lived in Tokyo, recalls the mood of the 80s:

Japan was variously seen at that time as the world’s economy leader,  
teacher, and ravager....U.S. companies making computer chips and cars  
were being battered.... Japan’s wealth and influence and confidence grew



and foreign anger mounted....I finished my tour...thinking there was no end in sight. (p. C2)

The contrast of this MR with the new “reality” where “the old system is a big part of what’s holding back recovery” (Burgess, 1997, p. C2) makes a commonsense conclusion of Japan Inc.’s failures. The “pain/creative destruction” metaphor also appears in the article. The metaphor has a kind of medical implication, a little pain for a cure.

The terms, “pain” and “creative destruction” are synonymous. They denote, in this discourse, the necessary measures to succeed in the modern globalized economy, including shedding workers, merging companies, selling unprofitable ventures, etc. These are viewed in reference to Japan and Japan Inc. as actions needed to recover from the Bubble Economy. Implicit is that in Japan Inc., as a *Washington Post* editorial explains, “the pain was evenly distributed.... But Japan’s troubles throughout the 1990s... show that a system suited to a period of rapid growth doesn’t work so well for maturing, globalized economies” (Goodbye, Japan Inc., 1997, p. A18). Therefore, the avoidance of pain is an “immature” reaction to the Bubble. Another example comes from Bill Spindle, writing in the *WSJ*, “The corporate makeover [of Japan Inc.] probably means more pain and a worsening economy” (1999, p. 1). The author continues by claiming, “But restructuring is also *shock therapy* that could revive the country’s flagging fortunes, as more of Japan’s inefficient companies learn to stand up to new foreign competition at home and compete abroad themselves, many economists say” (Spindle, 1999, p. 1, emphasis mine). Writing in the *WP* Sandra Sugawara (1997) reifies this view by ascribing it to Japanese themselves, noting “after six years of painful recession and stagnation, many Japanese have reached a once-unthinkable conclusion: Japan Inc. has

got to go....The new view is that years of *protection*” have left certain industries “fat and bumbling. They must face *competition*, even if its’ *painful* in the near term” (p. A1, emphasis mine).

The importance of the “pain” metaphor is its implication that pain/creative destruction are entirely normal/natural aspects of modern capitalism, a self-evident fact which the US already understands. While not the only important discourse on Japan Inc. during the late 90s, others include the EAFC and globalization discourses, its prevalence is a strong indicator of how much the concept of Japan Inc. changed. Within a short period, the US news media had internalized a completely re-semanticization of Japan Inc. and accepted completely different synonymys and antonymys.

### **Conclusion**

One of ideology’s primary functions is to normalize and legitimate a *principal* into a *fact*. Ideology cannot do this unless the narrative it provides is consistent with what an evaluative agent of the ideology understands to be “real” or “true.” If the ideology is not consistent with what most people know, it will be rejected. The chapter has shown how neoliberal economic orthodoxy went from being a part of the conservative agenda, squarely identified with Ronald Reagan, to permeating news discourse throughout the 1990s, ultimately becoming the dominant narrative of the late twentieth century and the way in which politicians, journalists, and much of the public contextualized the global balance after the Cold War.

Japan Inc. is *not* an ideological construct of neoliberalism. Rather, neoliberal thinkers and writers had to incorporate the widely perceived “fact” of Japan Inc.’s existence into the neoliberal world-view. As the cognitive terrain of the 1980s and 1990s

changed with the end of the Soviet Union and the recovery of the US economy after the recessions of the early Reagan era, developing strictly neoliberal contentions about the global political economy became less complicated. This undermined the existence, real or not, of a more cooperative and state oriented society/economy/culture labeled Japan Inc. In short, the legitimacy and normalization of neoliberal ideology was more difficult with the existence of Japan Inc. and remained, until 1992, a major conceptual difficulty for neoliberals. However, when the Bubble Economy occurred and lasted for most of the 90s, the claims of neoliberalism had a greater ability to be established as commonsensical. As the articles examined above indicate, Japan Inc. itself had a floating signification to American journalists, whose use of the term shifted and evolved over the course of the study period, sometimes within the same writer.

In the late 1990s, Japan Inc. became shorthand for what *not* to do when managing an economy. The neoliberal world-view incorporated Japan Inc. as a model for development only or at worst the model which led to the EAFC of 1997. The importance of engaging discourses on/of Japan Inc. throughout these twenty years is the opportunity to witness the ways in which it demonstrates the ephemeral and ahistorical nature of news discourse itself. While Chapter 3 is an in-depth analysis of specific discourses which either are totally consumed with Japan Inc. or use the term to illustrate a point, this chapter exhibits the ways in which ideologically infused discourse is constrained and undermined from its potential hegemony by contrary information. Since Japan Inc. represented a flexible image of Japan composed of journalist's opinions, grandstanding, and hyperbole by special interests on both sides of the Pacific, we can say that even

concepts that undermine the logic of an ideology have the potential to be normalized within discursive practices.

## **Chapter 3: Re-semanticizing Japan Inc.**

## **Introduction**

This chapter will analyze news discourse surrounding the concept of Japan Inc. from 1980 – 1999 in major American newspapers. The primary sources will be *The New York Times*, *The Wall Street Journal*, and *The Washington Post* due to their status as elite newspapers (Izadi & Saghaye-Biria, 2007). The news stories and editorials from these three will be supplemented by stories and editorials from the *Chicago Tribune*, the *Houston Chronicle*, *USA Today*, and *The Detroit News* where these newspapers address the topic under discussion. Reading and organizing the articles led to the identification of four different discourses concerning the concept of Japan Inc. and its discursive functions. Japan Inc., as a signifying concept, problematized certain neoliberal ideological claims. Therefore, the analytical framework will be based on the critiques of neoliberalism discussed in Chapter 1 (Chang, H., 2008; Harvey, 2005; Johnson, 2000; Kawai, 2009; Lee, 2008; Sim, 2004; Steger, 2005, 2008; Stiglitz 2003), as well as the five core claims of neoliberal globalization (Fairclough, 2009; Steger, 2005, 2008). The five core claims are, first, globalization is about the liberalization and global integration of markets. Second, globalization is inevitable and irreversible. Third, nobody is in charge of globalization. Fourth, globalization benefits everyone. Fifth, globalization furthers the spread of democracy in the world. This is the “what” we are examining, the implicit ideological claims and assumptions that became hegemonic in the 1990s. The method applied is Critical Discourse Analysis (CDA) as discussed in the methodology section in Chapter 1 (Fairclough 1989, 2006, 2009; Holborow, 2007; Steger, 2005;) with particular attention to argumentative style at the macro level (Henry & Tator, 2002) and the use of words and their meaning (Hasan, 2003).

The first discourse is “Industrial Policy and Reaganomics” and it focuses primarily on the period from 1980 to 1992/3, before and during the end of the Cold War and the bursting of the Japanese Bubble Economy. This is a time of high contestation where Japan Inc. functions as a locus of thought concerning Industrial Policy (IP), essentially government involvement in the economy to develop new industry. This means that arguments for IP use Japan Inc. as an example of successful implementation of this policy. Those against adopting IP in the US either undercut it with cultural essentialism or American Exceptionalism or say Japan Inc. does not actually exist. The second discourse analyzed is “Revisionism, the East Asian Financial Crisis, and the Japanese Economic Miracle.” Focusing on the period following the bursting of the Bubble Economy and going to the end of 1999, this discourse develops as the perceived threat of Japan Inc. subsides and newsmakers reevaluate the previous consensus of a monolithic Japanese political economy. Revisionism (discussed in Chapter 1 and below), which contradicted previous predictions of economic convergence between Japan and the US, is fatally undermined during the 90s, while the Japan Inc. model is claimed to be a causal agent of the East Asian Financial Crisis, creating discursive space for neoliberal ideological claims. The first and second discourses constitute the narrative arc of Japan Inc.’s shifting meaning within US news discourse. The third and fourth discourses under analysis are more specific and focus on certain concepts and their uses in terms of American/Japanese economic relations. The third discourse is “Free Trade, Political Reform, and Japanese Consumers” and it is concerned with how American news commentary engages with, from the late 1980s through the 1990s, issues surrounding the Japanese political process and its relationship to Japanese consumers. News commentary

asserted that the difficulties of the Liberal Democratic Party (LDP) during the 90s were symptomatic of the Japanese masses' desire for a more consumer-oriented society. Of importance is the forced synonymy of consumption and the democratic process. This orients the reader to the view that democracy and politics rely on a consumer-oriented economy, creating a hyponymy where the meaning of consumption subsumes the meaning of democracy. The fourth and final discourse, "Interdependence, Globalization, and Global Economy", analyzes the use of the discursive construction of the global economy and Japan's role in it, using the term "globalization" in the 1990s and the term "interdependence" in the 1980s. The term "interdependence" approximates the globalization concept but carries with it differing ideological implications that in turn rely on the radically changing balance of global power in the 1990s compared to the 1980s. Specifically, the use of "interdependence" as a causal agent or justification (or sometimes result) for certain policies is more appropriately grounded in Keynesian concepts of trade while globalization, due to the nature of the argumentation which uses the term, is grounded in neoliberal conceptions of the global economy. The shift from Keynesianism to neoliberalism signification within the discourse demonstrates the constraints placed on ideology by "reality."

After establishing the four discourses, the conclusion of the chapter will discuss more thoroughly their implications and the potential effects of their ideological assumptions. Each section dealing with an individual discourse will begin by explaining the discourse's main features. Then examples of the arguments present in news stories and editorials, including opinion articles, provide concrete examples of these discursive features. Following that, the assumptions of the argument and ideological identifications,



including the implications of the arguments themselves, are examined. Finally, each section will conclude with a recap of the basic argument, assumptions, ideological implications, and linkages of the discourse.

### **Industrial Policy and Reaganomics**

This discourse is the first act of a narrative arc about the uses of Japan Inc. The narrative demonstrates the contingent nature of knowledge, but also of the practice of power in news discourse. Analyzing the IP discourse is problematic due to the contested nature of the period. The term's usage was primarily a function of the lack of consensus concerning Reaganomics. This discourse was prominent primarily in the 1980s and encompassed the debate about the future of the American economic model during the Reagan and Bush presidencies when the US manufacturing base was "hollowing out." Anxiety about the economic future of the US was high as industries such as steel, shipbuilding, and basic manufacturing, became unprofitable and unviable in the US. The blame for plant closing across the country was placed on cheap imports from other countries. Specifically, many considered Japan to be cause as demonstrated by the trade deficit between the two countries. If this was the "reality" that the news was trying to report, the discourse of IP is symptomatic of the anxiety of Americans during the 1980s. While Ronald Reagan proposed "free-market" solutions with minimal government involvement as the solution to the economic problems afflicting the US during the period, the term IP indicates a belief on the part of its adherents that a completely free-market cannot function in the modern (1980s) world of growing "interdependence" (see below). So Japan (Inc.)'s usefulness was as an example of what US economic policy should or needs to be in order to be competitive in the global economic environment. As an actual

debate about economic policy, the role of government intervention became a moot point in the 1990s, but in the 1980s, the debate went to the heart of America's system and standing in the world.

This discourse was always contested, with some advocating for an industrial policy in the US and some arguing against it, and there are many lines of argument often deployed. For this reason, it is problematic to identify any of the five core claims within this discourse. The use of the phrase IP is generally synonymous with Japan Inc. The west perceived the "Iron Triangle" (discussed below) of bureaucracy, business, and politicians as sealing off competitive imports, nurturing new industries, and moving employees from older non-competitive industries, practices that were labeled "unfair" by politicians and the media. Sometimes it is specifically concerned with the US economy, but always it conveys, to a greater or lesser degree, government intervention in the economy. When the argument is pro-IP, it contends that America's failure to secure markets in certain industries (cars, steel, and semiconductors) is the result of the country's lack of an IP, which Japan has therefore; the US should emulate Japan to be competitive. If the argument is against IP, it usually means one of two things: either the US is not suited to "planning" (we are not Japanese) or, alternatively, Japan Inc. and thus IP is a figment of the western imagination. That differing narratives characterize this discourse complicates analysis. In contrast to the other three discourses under discussion, which are more narrative in structure, IP tends to be made manifest in larger texts that analyze the economic situation in Japan, specifically arguments made in editorial content. Many of these extended pieces explained that while there are difficulties with American business (short-term thinking, adversarial relationships with government, and poorly

defined anti-trust laws, for example) it might not behoove the US to adopt Japan's system wholesale; Japan thus becomes a space from which to evaluate the American system. The specific arguments made, for example unfair trade practices or the non-existence of Japan Inc. to start with, are often voiced in the larger texts but will be analyzed within editorial content here to indicate their salience to opinion makers. The term Japan Inc., even in articles that are reporting on standard business news, is prevalent. It would seem that whatever the beliefs of any individual journalist, the phrase seeped very quickly into the common lexicon of newspaper writers and remained for many years after the Bubble Economy. Its persistence is evocative of Members' Resources (MR), meaning that there is a deeply ingrained tendency to characterize Japan as a monolithic entity, like a corporation, in contrast to the individualized and fragmented depictions of America.

Some good examples of larger news texts that seek to examine the social "reality" of declining American industry are in articles from the *Washington Post* (WP) and *New York Times* (NYT). One article from each paper in the early 80s (1982-83) and a series of three editorials from the NYT in 1989 demonstrate the presence of industrial anxiety in the US. In addition, they demonstrate the loss of anxiety as time moved on. In Kim Arenson's NYT article "On the Frontier of a New Economics" (1982), for example, one sees all the basic contours of the discourse about IP. Towards the beginning of the article, Arenson establishes the "facts" of the US economy, comparing it to the situation during the election of 1932.<sup>10</sup> "Now it is election day, 1982. The shattered economy is once again the dominant issue of a national political campaign" (Arenson, 1982, p. 3, 1). Arenson describes the rift between classic Keynesians and Reagan's adherence to the free-market. The article then describes a third "emergent group of analysts - at the

---

<sup>10</sup>The year Franklin Roosevelt was first elected to the presidency.

frontiers of economic thinking - that believes neither Lord Keynes nor President Reagan has provided the answers to the stagnation that has plagued the American economy for a decade or so” (Arenson, 1982, p. 3, 1). As such, the economic problems of the US extend back into the 1970s, and neither the old thinking nor the new president’s thinking can respond to the current crisis. The people who offer the third way are an “odd assortment of bankers, businessmen and politicians, of Nobel-prize winning economists and those of less distinction” (Arenson, 1982, p. 3, 1). Described as an underdog group of thinkers who feel a need to develop news ideas, the group’s quotes are prevalent in the text, with few dissenting quotations, and they represent as a group a wide variety of opinions. Members such as Robert Reich and Felix Rohatyn defined the current economic situation as a “new era” and “for this reason, these analysts endorse some form of *industrial planning*” (Arenson, 1982, p. 3, 1 emphasis mine). While there are some skeptics, “Planning advocates, however, generally point to *Japan* and Germany as examples where a loose form of Government intervention appears to have benefited industry and the country as a whole” (Arenson, 1982, p. 3, 1 emphasis mine). Therefore, the text clearly defines the narrative of this new kind of economic thinking, and its connection with countries like Japan and Germany. Because both nations had large trade surpluses with the US, developing an IP was a response to the US’s economic difficulties. While ostensibly reporting objectively on a new group within economics, the text puts the reader into a position of skepticism in evaluating their views by constructing them as questioning received wisdom. This kind of narrative became influential in the 1990s when this group came to be called revisionists. Journalists described revisionists as people who questioned the common assumption that Japan would converge with US-style

capitalism. Dan Morgan's *WP* article "For Industrial Health, First, a Self-Examination" (1983) makes similar assumptions to Arenson's (1982), and undercuts the logic of developing IP in the United States. While noting the areas where the US falls short in technological development and how Japan differs, the author (Morgan, 1983) still emphasizes the role of private industry in Japan. The text is typical in its overall inability to state a clear position, reflecting confusion and anxiety on the part of the author and the discourse as a whole, while also possessing an apparent cultural bias against planning. The author quotes the Office of Technological Assessment's report saying that the lack of planning in America was a, "potential strength... Our pluralistic system, which is responsible for so much of the ad hoc character of U.S. policies toward industry, creates an environment where flexible and innovative responses are sometimes possible," (Morgan, 1982, p. A1). This is another kind of MR where America's rugged individualism contains a strength that is antonymic to "planning" or "consensus." Japan Inc. served a function in some media as a mirror upon which authors could make some criticisms of the US political economy; however, other media outlets took an entirely different position towards the existence of Japan Inc.

The above examination of larger texts illustrates the difficulty in finding a consistently pro-IP position in news discourse. By contrast, in the free-market dominant *WSJ*, the editorial and news pages consistently state that Japan Inc. does not exist when its economy is growing; rather, Japan's evolution is naturally toward the American model. This denial does not sustain itself through the 1990s. Claiming as early as 1985 in the editorial "Japan Inc. R.I.P.," that Japan Inc. is being "dismembered" the editors declare, "Not that Japan has ever been the paradise of planning that American statisticians like

to claim. Lacking any socialist successes to tout, these ‘industrial policy’ gurus claim Japan and other fast-growing Asian economies as statist models” (Japan Inc. R.I.P, 1985, p. 1). Calling those people “gurus” is a strategic metaphor that positions those holding the opinion as shams. These gurus “talk about this or that bureaucracy, but they conveniently ignore Japan's *low tax burden* (the lowest in the industrial world), stable monetary policy and ferocious *competition* at home,” (Japan Inc. R.I.P, 1985, p. 1, emphasis mine), all central elements of Reagan’s economic discourse. Prefiguring later discourse on Revisionism and the East Asian Financial Crisis as well as the synonymy of Consumerism with Freedom/Democracy, the editorial continues by pronouncing that because of certain Japanese policies, “Japanese consumers have suffered the most....The U.S. ought to keep up the pressure for trade reciprocity, all the while pointing out free trade's benefits for Japan's long-suffering consumers” (Japan Inc. R.I.P., 1985, p. 1). This kind of thinking elevates the consumer to most esteemed position in society. The *WSJ* adopts a consistent position on the concept of IP; the paper’s editors are clearly neoliberal in their thinking, agitating over time and throughout different events for a government-free economic model. What is interesting, however, is the willingness of the editorial page to deny the existence of a commonly held idea such as Japan Inc. In another editorial on the subject of further “deregulation”, the author states “Japan is not the juggernaut of myth. Its weakness is an economic structure that favors exports over imports and saving over consumption. It deprives Japan's citizens of choice....Japan Inc., to the extent it ever existed, is being further dismantled” (Japan Seeks..., 1986, p. 1). The denial of Japan Inc. by the *WSJ* clearly exhibits the ability to hold mutually contradictory positions while also anticipating the later synonymy of consumption and freedom.

While the *WSJ*'s contentions are clear, the *NYT* has more difficulty in articulating its views. Beginning in the 1980s in an editorial that attempts to dismantle IP "Clearly, the American economy has lost some of its edge... If Reaganomics can't solve these problems, then what's the alternative" (Quotation..., 1983, p. A22). The editors (Quotation..., 1983) continue by noting numerous bills in Congress and writes:

What a temptation these various plans offer: a master plan to make things right. But what a risk, too. For one thing, master planning of a peacetime economy contradicts the American tradition of unfettered competition - in reality often overridden, but a fundamental faith nonetheless. Can any Federal agency improve on the wisdom and flexibility of the vast complex of the American economy? It is not as though industrial policies elsewhere have been so uniformly successful. Even Japan, everyone's model, has reversed course on occasion (p. A22).

The editorial's objections are not strictly concerned with American traditions or free-market orthodoxy. The lack of definition for IP is what the editors claim constrains their endorsement. What the policy requires is a definition for its "hopeful promise", they claim. By 1985, editorializing about the "(computer) chip race" and Japan's dominance of the industry, the *NYT*'s editors claim "maybe clannish buying practices and Government protection played a role. But thrift and hard work are more significant explanations" (Why Japan..., 1985, p. A24). The *NYT* (Rights and Wrongs..., 1989) still maintains that it is Japan's skills that lead to their successes, but by 1989 the tone has changed:

Japan's economy seems to be run largely for the benefit of its *producers*, whereas America's is run for the benefit of its *consumers*. The trouble is that the match between the producing and the consuming economy is vastly *uneven*. Companies in the producing economy, able to take a longer term view, enjoy a considerable advantage over their rivals in the consuming economy (p. A20, emphasis mine).

While fault lies with America too, what the *NYT* calls “market denial”, barriers to trade, exist in Japan and are harming their “consumers.” By the late 1980s and the end of the Cold War, the discourse of IP has been stripped of its association with the Democratic party and has become associated with “protectionism” while the *NYT* has internalized the rhetoric of neoliberal free trade. While neoliberalism is certainly more entrenched in 1989, it is still possible to see some conflict between it and an IP-based critique of the US, through a series of editorials in the *NYT*; “Two Trillion Dollars Is Missing; Why Is U.S. Prosperity Eroding? It's No Mystery,” (1989), “The Ant and the Grasshopper; Why Is U.S. Prosperity Eroding? Japan's Lessons,” (1989), and “New Wind for the Panting Giant; Tasks for America: Compete, Save, Stimulate, Persist” (1989) all dramatize this logic through their choice of metaphors. In these three related texts, the primacy of “free markets” is explicit, as is the use of cultural essentialism to determine the recommendations for US economic policy. “The Ant and the Grasshopper” (1989) made use of the Aesop fable; Japan (the Ant) succeeds by thrift and patience, while America (the Grasshopper) has grown lazy. The texts declare that recovery in America “depends on a willingness to rediscover America's *special economic strengths*, redirecting the



energies of free markets toward innovation and investment... America's free market economy continues to do many things very well” (New Wind..., 1989, p. A22 emphasis mine). After listing those successes, the authors conclude, “it would be foolish to put these successes at risk by crudely mimicking the economic systems of utterly different cultures. But it would be equally foolish not to see what can be learned from Japan's successes” (New wind..., 1989, p. A22). Therefore, while the texts broadly endorse change in the US, their recommendations are rooted in a free-market structure using incentives rather than laws. The authors acknowledge the possibility of learning from Japan, but it is the US’s “special economic strengths” that will allow recovery. Elements of neoliberal ideology are implicit in the text, and the assumption is that the same forces working on the Japanese economy are working on the US economy. Even as the authors agitate for changes in the US structure of incentives, they also indicate the weakness of state intervention, thus mitigating the potential impact of the government’s role in shaping economic policy. By the late 1980s, the *NYT* has internalized and normalized various neoliberal assumptions. The ambivalence about the lessons of Japan pervades this series of texts; while the authors must acknowledge the events or “reality” of a decline in the US and the rise of East Asia, they are constrained by the ideological implications of criticizing US-style capitalism.

In this discourse, there is synonymy between IP and Japan Inc. The discursive use of Japan Inc. shapes the phrase as alien and therefore antonymic to US capitalist culture. While the phrase Japan Inc. remains prevalent throughout the 1980s and 1990s, with a great deal of editorial content in the later 90s noting its impending demise, it is notable that IP does not succeed in becoming a realistic option for the US. After examples of its

effectiveness in Japan are made, IP is typically undercut with reference to “special” American characteristics, and so conversely, IP works in Japan because of special Japanese characteristics such as being “cooperative” or the drive to “consensus-seeking.” Therefore, the dominant theme of the first portion of Japan Inc.’s narrative arc is the lack of consensus in the media, which is caused by the perceived strength of the Japanese economy. Manifestly neoliberal media, such as the *WSJ*, are outside the dominant understanding of Japan Inc., and thus resort to denial and refutation of a viable economic alternative. As shall be seen, what changes is not really Japan or the US but the state of their economies and the legitimizing effect the shift in relative economic health has on the validity of the neoliberal ideological viewpoint. The shift in relative economic prosperity removes constraints on the re-semanticization of Japan Inc. from rival/teacher to failure. The next discourse completes the basic narrative arc of the ideological uses of Japan Inc.

### **Revisionism, the East Asian Financial Crisis, and the Japanese Economic Miracle**

This discourse represents the second act of Japan Inc.’s narrative arc. It is during this time that Japan Inc.’s meaning is concretely re-semanticized within news discourse, in harmony with the neoliberal ideological framework. “Revisionism” was the name given to a school of thought propagated by a group of academics, politicians, and journalists during the 1980s and early 1990s. It held that the traditional wisdom of Japan eventually becoming a consumer-driven society was wrong and that Japan was fundamentally not a traditional free-market economy. As such, the consensus Keynesian logic deployed by western economists in the post-war period did not apply to Japan. In short, Japan was not subject to traditional economic maxims and rules. Since revisionism

viewed this state of affairs negatively, it also argued for an American IP that would have entailed more government involvement with commerce. As described in a *Business Week* article from 1989 that cemented the association of these thinkers with the term, revisionism had a number of adherents in the Reagan and Bush Sr. administrations and reflected the zeitgeist of the American people (Neff, Magnusson, & Holstein, 1989). However, this section is not about revisionism and its tenets but rather how revisionism was used during the 1990s by those who proclaimed that Japan's Bubble Economy demonstrated irrevocably that the free-market, and thus US-style capitalism, were vindicated as the best of economic systems and social organization. To their critics, revisionists were synonymous with "Japan-bashers" or with people who doubted the resiliency and strength of the US model; thus writers who assert that revisionism was a flawed theory often have patriotic overtones, a powerful technique for doing ideological work.

The overall narrative of this discourse starts with the fact that Japan's economy is in a major slump. The reason for this is their central planning, which second guesses the market and avoids market "discipline." This means that the revisionists were obviously wrong and America does not need any economic plan. Furthermore, the East Asian Financial Crisis (EAFC) supports this view because the Japan Inc. model inspired those nations undergoing the crisis. Thus, the proposed solution for the EAFC and Japan's recession (which are discursively linked) is deregulation and tax cuts according to the Reagan economic model. The primary elements of this discourse include beliefs in the greater efficacy of the free-market as a regulator, the foolishness of trying to overdetermine a national economy through regulation, the superiority of the American

method of capitalism, and the declaration of the death of Keynesian economics. In making this argument, the discourse surrounding revisionism and the EAFC often tends to claim that market forces better provide “freedom” and “democracy.” In addition, this perlocutionary discourse also uses the difficulties of Japan to announce the death of Keynesian economic orthodoxy, and thus asserts the universal applicability of free-market orthodoxy/Reaganomics. While one might expect this from free-market oriented media, it is the normalization of this narrative of economic history in other newspapers that demonstrates the degree to which neoliberalism has become commonsensical. The core claims of (1) liberalization and integration of markets, (2) inevitability and irreversibility, (4) benefits for all and (5) a deepening of democracy are present in this discourse.

While most of the articles under analysis are post November 1997 (the beginning of the EAFC), articles about revisionism appear as early as 1989. Here the analysis will begin with several opinion pieces about revisionism from 1993 to 1998, mostly from the *WSJ* but also from the *NYT*. Beginning with revisionism we will link several opinion pieces to views of the Japan Inc. model, which was supposedly the preferred model of much of East Asia and the cause of the EAFC, and finally Japan’s responsibility to reform (liberalize, deregulate) to serve as a role model for East Asia.

An opinion piece titled “The end of Japan Inc.” published in 1993 by the *WSJ* writer Peter Tasker (1993) presented revisionism as a defunct school of thought due to the difficulties facing Japan’s economy, but as we shall see the construction of the argument carries ideological implications. The author begins, “The revisionist thinkers who dominate discussion of the ‘Japan problem’ in the U.S. and Europe are in an

awkward position... the industrial equivalent of the evil empire is crumbling before their very eyes” (Tasker, 1993, p. A14). The author is trying to create a sense of asymmetry in trade debates, which compounds the “evil empire” metaphor in reference to the recently collapsed Soviet Union, a comparison continued later when the author compares revisionists to “Kremlinologists.” While delegitimizing specific revisionist claims Tasker intimates that adherents are potentially racist. “The revisionist view of Japan rests on the premise that normal political and economic rules do not apply because the Japanese are, well, Japanese,” and various practices of Japanese business are, “possible because their ‘unique’ culture makes them behave that way” (Tasker, 1993, p. A14). Furthermore, Tasker (1993) accuses revisionist of “attacking” Japan while advocating for IP in the US “having their cake and eating it too” (p. A14). In the article’s closing paragraphs, Tasker states that the “real” factors, which contribute to the “real economy,” qualities like dedication, skill, and education, still exist. “The disintegration of Japan Inc. will offer an opportunity for these qualities to be liberated and developed. In the end, the result may well be an even more competitive Japan. Revisionist-influenced politicians... may not find that an altogether welcome prospect” (Tasker, 1993, p. A14). Words such as “real,” “liberated,” and “developed” imply that Japan Inc. is holding Japanese people back and that certain politicians approve of this, while positioning the writer (and ideal reader) as being for Japanese “liberation.” *WSJ* editorials in the late 90s by David P. Hamilton (1998) and Paul Gigot (1997) continue to dismiss revisionism, though now with almost a decade more of Japanese “stagnation,” and apply a metaphor of engineering/mechanics to the Japanese political economy seen elsewhere. As Paul Gigot (1997) describes it in another opinion article, while revisionists were “admiring the bureaucrats, he [‘scholar’

Charles Wolf] was paying attention to the *laws of economics*” (p. A18 emphasis mine). The consideration of metaphors of liberation is in the next section; however, metaphors of a mechanistic economy are a large part of discursive practices about the EAFC.

In this discourse the East Asian Financial Crisis (EAFC), which began roughly in October of 1997 (Stiglitz, 2003), is seen as the fault of the Japanese economic model, in both opinion and editorial work. Thailand, South Korea, and Indonesia, by emulating Japan, avoid the “discipline” of market forces and produce “cronyism.” Meanwhile, Japan’s plan for fixing its banking crisis, “Keynesianism,” is viewed in *WSJ* editorial content to be now discredited. Even in the *NYT*, Japan has a “responsibility” to reform along free-market lines.

Here opinion pieces from the *WSJ* will be analyzed first followed by editorial content from various newspapers. Two writers from late 1997 to early 1998 (George Melloan and Ron Chernow) exemplify the neoliberal discursive narrative of the Japan Inc. model and the EAFC. Chernow’s pieces “Grim Reckoning in Japan – and Beyond” (1997a) and “Sayonara Japan Inc.” (1997b) in particular apply metaphors of surgery and disease to the situation, while George Melloan’s articles “This Year’s Economic Lesson: Japan’s Model Failed” (1997) and “The Japan That Can’t say no to Bad Ideas”<sup>11</sup> (1998) applies metaphors of morality. Chernow derides the Japanese system as one where “profitability was invariably subordinated to growth and stability. By suspending the *cleansing action of the marketplace*, the Japanese aimed to soften the rough edges of capitalism” (Chernow, 1997a, p. A23). The solution is “deregulation”, “tax cuts”, and “decentralization” so that competition (i.e. the market) can cleanse the economy. Chernow’s solution, when “imitated across East Asia, will mean greater political and

---

<sup>11</sup> The title of the article is a take on Shintaro Ishihara’s book *The Japan that can say No*.

corporate democracy as *bureaucrats, bankers and industrialists* end their clandestine dealings and emerge into the *harsh glare of market scrutiny*" (Chernow, 1997a, p. 1 emphasis mine). The metaphor of "scrutiny" is similar to "creative destruction." Both disguise the social dislocations caused by the market, mass layoffs, unemployment, etc. They both re-semanticize those social dislocations from tragedy to necessity, removing from criticism the agentive aspects of corporations. For Melloan (1997) the EAFC provides "final convincing proof -- if one was needed -- that the vaunted Japanese model for economic development was flawed by an excess of the very thing Japan's admirers once praised: organization" (p. 1). Melloan (1997) describes a Japanese political economy designed to "maximize exports" as a "fundamental immorality" and later asserts the strengths of the US economy as compared to Asian economies: "First, it is not centrally organized.... Americans have always abhorred cartels.... Americans also abhor protectionism.... Finally, Americans abhor secrecy.... None of that hiding behind secrecy that has kept the Japanese in the dark about high level machinations" (p. 1). What the US possesses is exactly what Asian economies need; Americans know better, he affirms, while Asians are passive victims of their economy. The moralistic framing of the EAFC positions it as a dichotomy of "good" vs. "evil" with little doubt about where the US stands. Both Chernow (1997a, 1997b) and Melloan (1997, 1998) directly implicate Japan's model of capitalism as a prime cause of the EAFC, either as inspiration or lender, a proclamation editorial content also pursues this argument.

Three typical examples of editorialist's claims of Japan's causal role in the EAFC are in a *Washington Post* editorial, "Goodbye, Japan Inc." (1997), a *NYT* editorial, "Dangerous Inertia in Japan" (1997), and a *WSJ* editorial, "Try Reaganomics Tokyo"

(1997). The *WP* asserts that “the current financial trauma in South Korea ... emulated the Japanese model,” (Goodbye..., 1997, p. A18.). Another example comes from the *WSJ*: “the old policies not only have been an injustice to the Japanese people, but have had dire economic consequences for all of Asia” (Try..., 1997, p. A1). A final example from the *NYT* states that whether the problem “in East Asia remains a regional problem or spreads across the world depends ... on Japan.... Japan must set an example of reform, otherwise the rot in financial institutions throughout the area is not likely to be excised” (Dangerous..., 1997, p. A18). All three of these quotes share important characteristics; all compare the Japanese economic model in either medical “trauma”, “rot”, or moral “injustice” terms and all three blame Japan for causing the EAFC, which is characterized as a purely “Asian” problem with a western solution. As the *NYT* describes it, “Exacting discipline in Asian countries will be painful....But the United States needs to reiterate the importance of full transparency by companies and financial institutions” (Thunder..., 1997, p. A24). The EAFC can be corrected by “discipline” exacted by the market, implying a child-like quality to those who refuse the “invisible hand,” while the US is the harsh schoolmaster or parent. This is a further synonymy between Japan Inc. and market failure, though this discourse is now not exclusive to the *WSJ*.

The editorial content of newspapers often takes the argumentative logic a step further by noting the failure of Japan’s “Keynesian” response to the crisis. The reforms Japan should (and does to a limited extent) pursue, deregulation and tax cuts, are often constructed as opposite to the “stimulus” spending Japan pursues as well, rather than as a complete package of efforts to improve the economy. Authors and editors link the “death of Keynesianism” to ideas about Japan’s responsibility to reform its system as an



inspiration to the “Asian Tiger” economies that neighbor it. Indeed the solution is often explicitly linked to Ronald Reagan and the ideology underlying his economic policies.

The *Wall Street Journal* and *New York Times* ran many articles from 1996 to 1999 concerning Japan’s banking crisis as well as what the Japanese government should do to correct it. The solutions offered by both editorial boards reflected the consensus of ideas: deregulation, tax cuts, trade liberalization. Normalization of neoliberalism has clearly occurred within the *NYT* in a complete reversal of the discursive practices of the 1980s. A difference between the two, however, is the *WSJ*’s championing of Reaganomics and its undermining of Keynesianism. While the *NYT* does not mention either by name, its recommendations (identical to the *WSJ*’s) do nothing to distinguish its policy recommendations and thus reify the triumphalist rhetoric that surrounds Reagan’s economic thinking.

Beginning with the policy recommendations themselves, a common example comes from a *NYT* editorial that asserts, “The *markets* are demanding long-postponed moves to open financial systems to scrutiny and competition, lower trade barriers and *reduce government economic regulation*” (Thunder..., 1997, p. A24 emphasis mine). Another example, this from the *WSJ*, titled “Tokyo Joins the World” (1996): “The package of *deregulatory* steps [The Big Bang] announced this week could, if implemented, revolutionize Tokyo much like reforms energized New York and London”<sup>12</sup> (Tokyo..., 1996, p. A25 emphasis mine). Finally an example editorial, “Revving up Japan” (1998) from the *NYT*: “*Structural reforms* must be made to *promote competition*....An Asia-Pacific *trade liberalization* plan was scuttled by Japan’s refusal to lower tariffs on fish and forest products. Such *protection* is one of the factors depressing

---

<sup>12</sup> The editorial is referring to deregulations of the New York and London stock markets.

*domestic demand* and slowing Japan's economy” (Revving..., 1999, p. A32 emphasis mine). These quotes exemplify the degree to which, across newspapers, neoliberal ideology has become the hegemonic discourse surrounding the Japanese “lost decade.” The supposed normalcy of these policies disguises the editorial board’s ideological claims. The tools, or rite of passage, are the implementation of agreed upon “reforms,” a word which implies improvement, really implies a narrow economic view of society. (As has been and shall be seen when discussing other discourses, this kind of economic language is often presented as a furtherance of democratic structures.)

While both the *NYT* and *WSJ* assert for the efficacy of neoliberal policy options, the *WSJ* takes it further by announcing the failure of Keynesianism, and the corresponding primacy of Reaganomic/free-market/neoliberal economic doctrine. Keynesianism is defined variously by the *WSJ* editors as a doctrine which “says governments should spend their way out of their troubles,” (Jobs..., 1999, p. 1) or as a policy of “spurring demand through government outlays,” (Try..., 1997, p. 1) both of which drastically oversimplify to undermine the doctrine itself. The *WSJ* editors (Japan’s..., 1997, p. A22) write in that Japan’s policy is odd when there is a “world-wide evolution” of turning away from Keynes. Furthermore, in “Jobs Machine U.S.A.” (1999), the *WSJ* editorializes, “We have learned a few things. One is that Keynesianism...couldn't be more wrong. This decade's Keynesian casualty has been Japan. Instead of *cutting back on laws and taxes* to reduce the cost of labor, Japan expanded spending” (p. 1 emphasis mine). The use of Japan Inc. here, at the end of the decade, is to bar from discussion the most likely capitalist alternative to Reaganomics, which demonstrates the contingent use of power by neoliberal ideologues. The

proclamation of the death of Keynesianism is part of an allegedly commonsensical interpretation of events in Japan, and those events' demonstration of the free-market's benign efficacy. Neoliberals could not make this claim without contestation before the Bubble Economy. In contrast to Keynes, "Ronald Reagan, schooled in *classical economics* at a small Midwestern college, was one of the few national leaders of our half of the century who understood the crucial importance of strong economic incentives for the *real economy*" (Try..., 1997, p. 1 emphasis mine). The phrase "real economy," both in the above quote and in other opinion and editorial pieces, is never fully described though it conveys not only the idea of pragmatism and clear-headedness, but also confers on to the editorial writers themselves (and Reagan in particular) a status of honesty and disinterest in "politics." The use of the phrase "classical economics" combined with "small Midwestern college", and earlier in the piece the mention of the specific town, Eureka, Illinois, (Try..., 1997) convey an unassuming, disinterested, anti-elitist nature to Reaganomic thinking as opposed to Keynesian policy, which is called a "recipe"(Try...,1997, p. 8) or "schemes" (Hashimoto's..., 1998, p. 1). Again, the forced synonymy of these policy ideas with the "average" as opposed to the elites is an important element of this discourse and others under discussion; it confers legitimacy to these ideas as pro-"people" and indeed intrinsically desired by them<sup>13</sup>.

In this section the argumentation, assumptions, and ideological implications of the discourse surrounding Revisionism, the East Asian Financial Crisis (EAFC), and the Japanese economic miracle have been laid out. The logic of this discourse is that the Japanese economic troubles of the 1990s are attributable to their system of central

---

<sup>13</sup> See Thomas Frank's *One Market Under God* and *What's the Matter with Kansas* for a more complete discussion of the association of free-market economics with populism and democracy.

planning, which contrasts with the attribution of current American economic successes to Reagan free-market economics. The proof provided is that the EAFC and the nations who suffered the most from it had emulated the Japanese model, rather than blaming the crisis on conventional boom bust cycles. Therefore, the solution to the problems in Japan and East Asia was the emulation of the American economic model as exemplified by Reagan, tax cuts, deregulation, liberalization, and privatization. The discourse pursued the argument by undermining Keynesianism and Revisionism, the alternatives to Reaganomics, through numerous discursive strategies such as quotation, metaphor, and straw man arguments. Prevalent in the argumentation was the use of moralistic terms, via the idea of freedom, to censure the inefficacy of the Japanese model. In addition, the metaphor of the Japanese economy as a whole was that of a machine, which was repairable with definitive “tools,” thereby removing the macroeconomics of these events from the realm of human agency. By discrediting revisionism and Keynesianism, the economic ideology of Reaganomics could become the dominant framework. Authors position this framework as “realistic” and explicitly identify it with the Midwestern United States; thus, the framework carries an anti-elitist, pro-“people” assumption. It is the work of power, however, that gives such statements credibility, the goal being to eliminate alternative economic models. The discourse’s communication of neoliberal economic thinking is an example of the ways in which ideology must conform, or use, social reality to bolster their capacities for meaning-making. The clear-cut identification of Japan Inc. and the EAFC as antithetical to the “successful” model employed by the United States has a nullifying effect on potential criticisms of the growing reliance on and normalization of neoliberal doctrine. Of the five core claims, liberalization and

integration of markets (1), inevitability and irreversibility (2), benefits for all (4), and a deepening of democracy (5) are present in this discourse. The *inevitability* of the reforms the editorial writers propose bolsters the belief in the *benefit* of an improved economy that will deepen *market liberalization*. All of this, in classic neoliberal rhetoric, will improve *democratic* processes in Japan and Asia, a democratization that, as in other discourses analyzed, is a kind of populist sentiment targeted against elites.

This discourse uses styles and techniques of hegemony that reappear in the “Free Trade Political Reform and Japanese Consumers” discourse. The prevalence of synonymy in this portion of Japan Inc.’s narrative is a result of the powerfully limited discursive space for discussing alternative economic models. A synonymy of free-markets and liberalization with a free people and society is shared with the “Interdependence, Globalization, and Global Economy” discourse and its argumentation of causation; in other words, the causal agent of the crises was somehow outside the control of actors, state or otherwise, with agency. Despite the lack of a controlling agent, the solutions to the crises were clear as well, if only Japan would “bow to competitive realities.” There is a further synonymy between “planning” and elites in government and policy. Thus the relationship between the free-market and elites is an antonymy, which grants added credibility to neoliberal claims. As compared to the discourse “Industrial Policy and Reaganomics”, the clarity of the discourse itself, its assumptions, rhetoric, and implications, is striking and it reflects the perceived removal of constraints on rhetoric for news media during the 1990s concerning economic issues. Japan Inc.’s narrative closes with a neoliberal consensus made possible by the interpretive practices of the news media.

### **Free Trade Political Reform and Japanese Consumers**

As noted in the previous section, a prominent synonymy made in editorial, opinion, and news stories is between pro-consumers free-market policy and political reform in Japan. This section addresses more specifically the discourse concerning Japanese consumers and the political landscape of Japan during the 1990s. Throughout the 1990s, news and editorial content claimed that the political scene in Japan reflected the broad-based dissatisfaction of voters with the Liberal Democratic Party's (LDP) stewardship of the economy. Urban consumers (international) supposedly desired a more consumer-oriented economy, while small farmers (insular) desired protection from imports, was the dichotomy that authors claimed reflected this dissatisfaction. The most important feature of this discourse is the overdetermination of economic factors on political choices made by Japanese. The result is synonymy between consumer choice and political choice. This argument contends that the LDP, which made Japan an economic power, is business/producer-oriented, and that this orientation has led to corruption and scandal in the LDP and cheated Japanese consumers who voted against the LDP. In addition, most authors present Japanese consumers as urban and thus more international; they "naturally" desire a move toward consumerism as an evolution of their society. The characterization of this change in Japanese society uses the concepts of "revolt" or "revolution," with the primary obstacle being Japan's "bureaucracy" which represents "special interests" that Japan's weak political class cannot control. A more democratic Japan would thus reign in the bureaucracy, create a consumer-oriented society, and become more modern in the process. All of this will, according to the normative features of the discourse, balance the trade deficit between the US and Japan, a

primary cause of the “trade friction” between the two countries. We shall begin with news stories about the growing consumer consciousness of Japanese and the role it plays in electoral politics and then move to editorial content, which insists that the Japanese political scene is under pressure to change. These texts come from the *New York Times* and *Wall Street Journal*. Core claims liberalization (1), non-agentive (3), and spreading democracy (5) are most common in this discourse.

An article by John Bussey, Clay Chandler and Jacob M. Schlesinger in the *WSJ*, “A Softer Triangle<sup>14</sup>” (1993), claims that the “Iron Triangle” is the “real” ruler of Japan and that market pressures are now undermining it. “And so, ‘perestroika’ comes to Japan, where one-party rule and a state-guided economy lifted this nation from the ashes of war,” (Bussey, Chandler, & Schlesinger, 1993, p. A1). The metaphor describing events in Japan as following the historical trajectory of Soviet socialism, would force the reader to challenge an event with an almost universally positive interpretation. The article’s most basic assertion is that “a growing chorus of critics says the system is desperately in need of an overhaul, that the paternalistic triangle has become stultifying... breeds inefficiency, cheats consumers and stifles innovation” (Bussey, Chandler, & Schlesinger, 1993, p. A1). To support this position, the authors first proclaim the burden on consumers and support it with quotation, this one from a Japanese automaker: “[T]he problem with socialist, centrally planned organizations is that they don't feel pain....In a capitalist society, the market is the pain. We don't need the bureaucrats making a master plan anymore. Let the market decide” (Bussey, Chandler, & Schlesinger, 1993, p. A1). The quotation, ascribing these views to Japanese themselves, demonstrates the strength of the

---

<sup>14</sup> This is a reference to the “Iron Triangle” of business, bureaucracy, and government, which is said to characterize Japan Inc.

ideological belief in the efficacy of economics over politics. Another example can be found in a article by Yumiko Ono, “Shopping Lessons” (1993), which addresses the growth of discounting retailers in Japan. “As Japanese *consumers* discover all sorts of prices for all sorts of products, the result is ‘a *revolution*,’ says Takayuki Suzuki, an analyst at Merrill Lynch Japan Inc” (p. 1 emphasis mine). Another example comes from the same piece. “‘I’m starting a *revolution* to lower prices in Japan,’ says Goro Aoyama” (Ono, 1993, p. 1 emphasis mine). The use of the term “revolution” simultaneously evokes, to American readers, history, but also positive changes that need to be brought by force. The quotations, both from people in industry, link the revolutionary concept to business and a market oriented economy. Words used by Ono (1993) to describe the new discounters include “upstart,” “nimbler,” “maverick,” “efficient,” and they are identified with “entrepreneurs” (p. 1). These words are in antonymy with the hegemonic interpretation of Japan Inc. in the 1990s.

Similar language is found in articles about the growth of mail-order catalogue shopping in Japan and the growing power of urban consumers. Sheryl WuDunn (1995) writes in the *NYT*, “In Japan, Miss Fujimoto and her friends are part of a growing consumer *rebellion*, fighting sky-high prices with an American custom: mail orders” (p. D1 emphasis mine). Again, the synonymy of consumption with political rebellion comes to the fore, as does the association of rebellion with the US. These changes frame a Japanese society engaged in a “natural” move towards American style capitalism a link further developed by Andrew Pollack (1993) in “From Tumult, New Visions of Japan Inc.” Pollack (1993) writes, “If new parties come to the fore, analysts say, more attention will have to be paid to city dwellers....That might make it more likely for laws to be



passed to allow imports of agricultural products” (p. D1). Paying attention to “city dwellers” is a sign of political reform that could lead to business reforms such as “*deregulation*, lowering of land prices by improving supply, promotion of *entrepreneurship* and moves toward *consumerism*” (Pollack, 1993, p. D1 emphasis mine). As noted elsewhere, concepts such as “deregulation,” “entrepreneurship,” and “consumerism” are in a state of strong synonymy with the US economic model of free-market capitalism. However, by linking these economic concepts with political ideas such as “revolution,” “rebellion,” and new political parties creates a positive evaluation of the economic concepts themselves. The connection between a consumer-oriented economy and the necessary relationship to democratic governance is even more explicit in editorial content.

Over the course of the 1990s, Japanese politics underwent some substantial firsts. The *NYT* and *WSJ* editorial pages interpret the tumultuous nature of Japanese politics in the 90s as a Japanese yearning for more consumerism. Both papers make the assumption that Japanese consumers were international in outlook, and urbane in taste and thus more amenable to a consumerist lifestyle. As the *WSJ*'s editorial “A Japanese Voter Revolt” describes a 1998 election outcome, “The Japanese are market-oriented people, but the LDP hasn't allowed the market to work in Japan. Instead it has headed further down the road toward a government-managed economy” (A Japanese..., 1998, p. 1).

Both the *NYT* and *WSJ* have a great deal of similarities in their editorializing of Japanese politics. The titles of editorials surrounding the 1998 Japanese election were for the *NYT* “Japan’s Voter Revolt” (1998) and for the *WSJ* “A Japanese Voter Revolt” (1998). One element of the explanation/argument for Japanese voter’s discontent is the

growth in international travel or being “internationally minded.” An example of this position comes from the *WSJ*: “...yet Japanese consumers have every right to be discontented. Traveling abroad in growing numbers, they have discovered that they do indeed live in rabbit hutches, at least compared with the residents of other industrialized countries” (Hosokawa’s..., 1994, p. A1). The *NYT* made similar claims about urban consumers. “Affluent, educated and *well traveled*, Japanese society was revealed [in political surveys] as more complex and sophisticated than even some of its professional interpreters imagined....They know that soaring gross national product figures have been only feebly reflected in their own living standards” (Opening..., 1993, p. A18 emphasis mine).

The synonymy of consumerism and democracy is explicit in editorial content about the 1993 election of Prime Minister Morihiro Hosokawa, the first PM not from the LDP for several decades. The *NYT* editorial “The Dawn of a Democratic Japan” (1993) begins, “The Japanese, we’ve long been told, have no interest in politics in the American sense. Money talks, bureaucrats plan and consensus rules. We may have been told wrong” (p. A18). The desirability of his election exists in terms of the PM’s alignment with the urban consumer: “a more democratic Japan, more responsive to urban *consumer* desires and less dominated by vested interests and a cautious bureaucratic *elite*” (The Dawn..., 1993, p. A18 emphasis mine). Or an example from later that year in the *NYT*: “The Japan it [Hosokawa’s party] envisions is more *democratic, internationalist* but not militarist, and ready to put the interest of *urban consumers* ahead of protectionist producer blocs. This Japan would be an ideal partner for the U.S.” (Still..., 1993, p. A10 emphasis mine). This argumentation is evocative of an MR, which references fears of

Japanese imperialism. Another example comes from the *WSJ* in an editorial entitled “Hosokawa’s Victory” (1994). The author compares a restructuring of the Japanese system of representation to the repeal of the “Corn Laws” in Britain during the 19<sup>th</sup> century asking the question, “Can growth economics be divorced from democratization? The short answer from Tokyo seems to be a resounding negative” (Hosokawa’s..., 1994, p. A1). A reference to England’s Corn Laws, as seen in Chapter 1, is a clear evocation of the neoliberal version of economic history. In all cases, the desires of the urban consumer, the more urbane and sophisticated element of Japanese society, is cited as the driving force behind “democratization” in Japan, spelling out a clear relationship between wealth and democracy. Democracy possesses a highly positive connotation, not only to Americans but to many people around the world; if wealth brings democracy, or vice versa, then policy implications are rather clear, but not necessarily the implications of “freeing” finance as the editorial pages advocate.

This section analyzed the discourse about the forced synonymy between consumerism and democracy in Japan as presented in American newspapers. The logic is that Japan’s post-war economic success, crafted by the LDP and centralized bureaucracy, while successful in making Japan rich did so as the expense of average citizens who do not enjoy as high a standard of living as they should and bred corruption among the political class. In response to this, Japanese voters “revolt” through oppositional voting but also through new consumer behaviors, revealing the connection between wealth, consumerism, and democracy. This discourse assumes a causal relationship between economic growth and democratic governance, and conflates the idea of “free” people with free (liberalized) money. The proselytizing of the editorial pages for more

“competition,” “liberalization,” and “opening” of and in the Japanese economy reflects the neoliberal ideological association of market economies with democratic governance. Individual freedom, as expressed by the consumer “rebellion” described in the news stories, is the normative desired “evolution” away from a centralized bureaucracy. The use of the term “perestroika” (Busey, Chandler, & Schlesinger, 1993), as applied to the “Iron Triangle,” connects in the reader’s mind, the end of the Soviet Union, as ideological opposite, with the end of Japan Inc. and thus the final triumph of American capitalism over all variations and potential foes. Throughout the discourse the identification of consumers with rebellion and revolt also positions them as a oppressed so the positive connotations of (liberal)ization of the market connects the freedom of money with the freedom of people (consumers). The association of the “bureaucracy” with “elites,” and the salutation of “reformers” with new political parties representing the “people,” furthers this link. The core claims of liberalization (1), non-agentive policy (3), and spreading democracy (5) interlock in this discourse reifying the neoliberal notion of the overdetermination of economics on the politics of a society. The “democratic” demands of Japanese voters are resolutely tied to Japanese consumer demands against elite control, thus rescinding the need for agency in either.

The discourse’s argumentation, as noted above, is similar to the revisionist discourse, which makes synonymic liberalization and free-markets with free people and the fourth discourses view of economic factors as a causal agent in terms of democracy and reform. But here it should be further noted the sense of “progress” which pervades the argumentation here and in the “Revisionism...” discourse. Often this discourse appeals to the concept of “progress” or “development” as inevitable, that Japan Inc. as a

model had served its purpose and thus the political turmoil Japan was experiencing during the 1990s was the logical endgame of economic development where people finally enjoy the fruits of their labor. By ascribing irrevocableness to development, either political or economic, the discourse ensures that an idea of “right” and “wrong” remains coupled to questions of economic. Furthermore, this discourse reifies the synonymy of the market and anti-elitism and thus the antonymy of markets and powerful, out of touch, elites. It says to the reader that the commonsensical forces in the world which push for democracy and markets are irresistible, inevitable, and inescapable, but for associating them with words with positive evaluations “revolution,” “rebellion,” “liberal,” etc. these forces are “good” anyway, they benefit everyone. Similar attitudes are present in the fourth discourse.

### **Interdependence, Globalization, and Global Economy**

More than the other discourses under analysis, “Interdependence, Globalization, and Global Economy” is a long-term discursive theme, subject to changing circumstances, but one that resists the wholesale change experienced by the first two discourses. The critical words in this discourse are “globalization,” “interdependence,” “globalizing,” “internationalizing,” and “global economy.” As discussed in Chapter 1, the concept and definition of “globalization” are mercurial at best. While in academic, political, business, or news discourse there is a potential for overlapping meaning it is just as likely that the interests, motivations, and world-view of the users of the term are divergent.

This discourse forms a backdrop against which, the overall narrative of Japan Inc.’s shifting signification takes place. Any author working on this subject would have

mentioned Japan, because it is the second largest economy in the world. However the heightened tensions between the US and Japan during the 1980s make the discourse on international economics especially interesting to analyze. More than anything else, this discourse encompasses the narrative of Japan Inc. It encompasses the 1980s-1990s and is focused on the use of the above terms in argumentation concerning economic policy, the East Asian Financial Crisis (EAFC), trade relations etc. The term “globalization,” however, does not emerge until 1989 and does not become prevalent until the mid 1990s. As Ghafele (2004) notes, globalization “hardly occupied any linguistic space before the End of the Cold War” (p. 442), so when engaging the concept of globalization in discourse prior to 1989, it is necessary to look for substitute terms. “Interdependence,” “internationalizing,” and “globalizing” are such terms. They are homologous in that they reflect the deepening (perceived or actual) flows of capital, people, technology, and ideas during the study period. They differ crucially in the periods when they are prevalent. While “interdependence,” “internationalizing,” and “globalizing” appear throughout the study period, “globalization” only appears in the late 80s. Therefore, the usage of these terms occurs in differing economic and political circumstances and, as such, their ideological implications differ as well. As shall be discussed below, “interdependence” could be interpreted as evoking neoliberal thinking but also, importantly, a more Keynesian thinking, grounded in the post-WWII belief that trade would facilitate peace. This contrasts greatly with the use of “globalization” as neoliberal economic trope. That said the way in which both these terms, and others previously mentioned, are used have much in common. The argumentation of “interdependence” contends that there is global economic interdependence (globalization) which constitutes a new “reality” and changes

the way national governments conduct economic business (taxation, tariffs, regulations etc.). “Cooperation” between nations is the only way to engage these changes. Here is where the argumentation between “interdependence” and “globalization” splits; while interdependence requires cooperation, globalization is an irresistible force to which national governments and societies must react and adapt. Its depiction includes “salutary” effects that improve societies’ functioning; therefore, if globalization does not bring benefits it is the fault of the nation in question. The usage of “interdependence” includes criticisms of many or most national governments, whereas “globalization” is an apparent or obvious social force and somehow separate from agency. All five fore claims are present within this discourse given the focus on globalization.

The analysis will begin with the term “interdependence” and its uses during the 1980s and into the early 90s. The sources for this analysis will be primarily *New York Times* (*NYT*) editorials but also some news stories from the *Washington Post* (*WP*) and *Wall Street Journal* (*WSJ*). This will be followed by an analysis of the use of “globalization” in the early 90s and then after the 1997 EAFC. Sources for these final analyses will be more various, including both editorial content and news content, though they will be separated.

The idea of global economic “interdependence” and what it means for world politics is most powerfully expressed in *NYT* editorials during the mid to late 1980s, during the height of tensions between the US and Japan (and West Germany) over the growing trade deficit and rising “protectionist” attitudes in the US Congress. As we shall see, “interdependence” functions as a reason and “reality” to which national governments must react. The *NYT* editorials under analysis run from May 1986 to October 1987 and

cover a broad range of events, including the annual economic summit of the G-7 (The Unsovereign..., 1986), the smashing of a Toshiba radio on the steps of the Capitol building by members of Congress (Bashing Toshiba..., 1987). In addition, the editorials examine the 1987 Black Monday stock market crash (The Crash..., 1987), protectionist trade legislation (Take that..., 1986), and the US trade deficit (The deficit..., 1987). In all of them, one sees the idea of “interdependence” is an important part of the argumentation used by the authors. As an example of the *NYT*'s reliance on this concepts comes when the editorial board writers examine the slowing growth rate and asks if the US should write “*protectionist* legislation to combat imports. New walls around America will only make matters worse. The *interdependence* of economic activity here and abroad is daily more apparent... in an interdependent world, *pretensions* of independence and self-righteous indulgence are damaging to everyone” (The Growth..., 1986, p. 1, 26 emphasis mine). Or on the Gephardt trade bill,<sup>15</sup> which would “seriously threaten the system of open world trade...,” similarly to the discourse on Japanese consumers and politics: “The big losers are American consumers” (Take That..., 1986, p. A20). Thus, import limitations are not only about Japanese practices, but also about depriving Americans of reasonably priced products, defining the individual consumer as the highest value within the American political economy. More importantly, the authors assume that all those involved in “open world trade” stand to benefit from the structure of economic interdependence. While the editorials castigate Congress for “protectionism” and America for budget deficits,<sup>16</sup> they also criticize West Germany and Japan, asking, “Why

---

<sup>15</sup> A trade bill that would have permitted unilateral trade sanctions by the US in the case of perceived unfair trade practices.

<sup>16</sup> Reagan was famous for spending well beyond the nation's means and financing the debt with investment in US treasury bills bought by W. Germany, Japan, and later China.



are they reluctant to *serve the interests of the world economy* by serving their own?" (The World..., 1987, p. A32 emphasis mine). Crucially, the use of "interdependence" relies on arguing that the state is no longer completely in control of the economics of the nation, as we shall see more explicitly below.

Examples of such declarations about the loss of control of the nation-state are common throughout the editorials. In an editorial from 1986, the authors proclaim, "simply recognizing the interdependence of national economies will not resolve their conflicts. Sooner or later, national leaders are going to have to prove by deed that they know they are no longer *sovereign* in economic affairs" (The Unsovereign..., 1986, p. A34 emphasis mine). Another explicit example from 1987: "Successful development will inevitably increase the number of economic players and increase interdependence. Just how political leaders will cope with the loss of economic sovereignty is unclear" (The Bad..., 1987, p. A16). The editorial board's dominant framework claims that "interdependence" reduces national sovereignty to macroeconomics. However, the pejorative label applied to any attempt to regain control of those economies is "protectionism" and this goes against "reality." As the editorials make clear, the benefits of interdependence and "open trade" are readily apparent, thus further undercutting the concept of "national" sovereignty. A key neoliberal assumption about globalization that dominates in this and other economic discourses is that the process benefits everyone. Any exceptions to these benefits must not be accepting of the new "reality," here we can see that nascent assumption expressed. As the nation-state loses its control over the economy, the market gains control, in turn bringing benefits to all participants, and reducing the possibility of conflict. Thus, a synonymy between deregulation, or the loss

of economic sovereignty is manifested, which limits the potential of criticism of the neoliberal world-view. An editorial from the *NYT* makes the case for the benefits of market sovereignty. The *NYT* (The World..., 1987) on the benefits of market integration:

The integration of markets that has put the world economy at great risk has also facilitated rapid growth in Asia and Latin America, and driven centrally planned economies toward long-overdue reform. The economic prospects can be incredible, if only political leaders can meet the challenge of economic interdependence. (p. A34)

Remember the “challenge of economic interdependence” is the acknowledgment of the loss of economic sovereignty, a notion furthered by the statement that “interdependence” drives “planned economies” to “reform.” In this sense, the phrase “market integration” is synonymous with the loss of control of those markets, and of capital. Indeed, the authors claim it is the cause of the growth in Asia, presumably including Japan.

The *WSJ* editorial, entitled “A Financial North Star,” (1990) utilized metaphors where traditional controllers of national economies, central banks and finance ministries believe in the “conceit” of control, as though economies are machines, while the market is nature, a storm. The market as storm metaphor omits the agentive aspects of international finance, while the little Dutch Boys of government “add to the confusion.” While the ideology conveyed through the mid 80s *NYT* editorials can be said to be more unclear than the “Revisionism, EAFC” discourse of the 90s, the texts still exemplify the growing power of a market-oriented view of the world in line with neoliberal conceptions of the market and international trade. The prescription is that governments can only adapt

to this external, non-agentive, reality, just as people can only clean up after nature's fury, just as government can only adapt to the market storm.

In the editorials analyzed above, interdependence is viewed as a "reality" which stymies political leaders, not only in Japan, but also in the US and West Germany. The lack of "political will" in accepting this new reality is holding back the "incredible" potential of the market to bring prosperity. Those against interdependence are against reality, "protectionist" with "pretensions" of control, which do not serve the "interests of the world economy." Underlying these arguments is the assumption that the "reality" of interdependence is a positive reality. In contradiction to the triumphal discourse of the 90s, the US is not the paragon of the free market. All governments, in accordance with the new "reality," must take advantage of open trade and, as the word suggests, need each other. Interdependence as objective reality, free of agency, indeed linked to nature, and with benefits for all is an inchoate neoliberal conception of globalization. However, it still demonstrates some lingering Keynesian features but important argumentative corollaries to the previous two discourses, such as the synonymy of control of the market to elitist attitudes, "pretension" and "conceit," the primacy of the consumer as political unit, and national interests as "parochial" while open trade is in the world interest or altruistic.

While interdependence characterizes the 1980s it, and words like it, lose their discursive position to "globalization" and its derivations by 1990. As shall be seen, globalization is presented as an undeniable fact of modern existence. Even as some writers note that globalization can have negative effects, they never question the reality of it; ergo it is normalized, carrying with it ideological assumptions hidden from plain view.

Furthermore, when interpreting the East Asian Financial Crisis (EAFC), the construction of neoliberal globalization as a given reinforces the belief that the only legitimate way to function in a globalized world is to adopt a “successful” form of economy. Authors strike on certain themes repeatedly in these news texts, such as the “discipline” of the market, the great benefits of an open (liberalized) economy, and the primacy of the West (US) in the globalizing world. As stated earlier, this reflects the shifting relative prosperity, as measured by standard economics, of sections of the industrial world. The news texts here will be a mixture of news stories, opinion pieces, and editorial pieces. These are drawn from the *Washington Post* (WP), *New York Times* (NYT), and *Wall Street Journal* (WSJ) but also include stories from *USA Today*, the *Chicago Tribune*, the *Houston Chronicle*, and *San Diego Union-Tribune*. Particularly in editorial content, the almost universal acknowledgment and sometimes adoration of globalization is striking.

The earliest use of the term in relation to Japan found in this study is a news article from 1989 titled “The Realities of 'Friday the 13th'” (Wayne, 1989, p. C1) in the *NYT*. As an early example of globalization in news discourse, this text demonstrates certain neoliberal ideological concepts such as the irreversibility of globalization, the integration of markets, and the lack of agency (technology and communication causing globalization); however, two editorials from the *WSJ*, one in 1990 and another in 1993, clearly demonstrate the growing strength of a neoliberal interpretation of globalization. In January of 1990, the *WSJ* published “Letter From the Publisher: A Report to The Wall Street Journal's Readers” (1990). The authors claim to be proud of their loyalty to their principles in unpopular times. Then the text’s authors express surprise at the remaining “doubters and defeatists -- those who proclaim the end of the American Century... who

stand in awe and fear of Japan's economic accomplishments, or who simply tire of the responsibilities of leadership in a competitive and often chaotic world” (Letter..., 1999, p. A1). The association of “doubters and defeatists” with those who question American primacy and those who “stand in awe and fear” of Japan creates, for the reader, an implicit synonymy between potentially anti-American attitudes and revisionist thinking. It is another example of argumentation grounded in a pre-bubble situation where it is necessary to acknowledge Japan’s economic strength while still undercutting the Japan Inc. model. While other areas, regional blocs, and nations are noted, it is telling that Japan is first in the list. The text makes apparent that the “doubters and defeatists” are elitists, by noting that the chronic panic of Wall Street and Washington does “not, in fact, translate out into a sense of crisis on the myriad Main Streets of America....It's on those Main Streets that America's soundest social values and greatest business vitality are found” (Letters..., 1990, pA1). So the questioning of America’s capacity to lead and its role as a legitimate model for emulation has become an attitude for elites, in contrast to the association of consumption with populist political power, and the latter day undermining of the revisionists as discussed previously. The baldly stated antonymy between markets and elitism, based on these texts, is a major feature of neoliberal rhetoric. What is globalization’s presentation in the text? The text links the growth of global business with the *WSJ*’s expansion itself. “As we look ahead to further rapid globalization of markets and commerce...to financial trading...and capital flows that know *no boundaries*, and to the *inexorable* spread of our free-market economic system” (Letters..., 1990, p. A1 emphasis mine). These are classic neoliberal assumptions about globalization and economics, inevitability asserting the overdetermination of economic

factors over political and social ones and reveling in “our free-market.” The *WSJ* had configured itself as the mouthpiece of this style of thinking before the bubble economy.

The second editorial, from 1993 and thus after the Bubble, is titled “Whatever Happened to Japan Inc.?” (1993). The authors draw together many elements of neoliberal argumentation such as, references to Reaganomics, the undercutting of revisionism (though the term is not used), and the inappropriateness of the Japan Inc. model in a “globalizing world.” After cataloguing some of the more egregious aspects of boom-time Japan, the text intones, “But a funny thing happened on the way to world economic domination so often predicted by worried American Japan ‘*experts*’ -- the boom became a bust” (Whatever..., 1993, p. A1 emphasis mine). The word “experts” in “scarequotes” is a device of ridicule and disassociation by the writers, and when combined with the dismissive tone, “a funny thing happened,” gives the bubble economy the air of a joke. The stock market collapse (Bubble Economy) constitutes the “latest evidence,” as though the proof had been building for a time. There is a comparison of the system to an engineering problem. “The struts that supported this brittle construct have weakened steadily” (Whatever..., 1993, p. A1). After diagnosing the problems of the “struts” of Japan Inc., keiretsu, the Iron Triangle, and cooperation of business and government, the authors reference a report written by the Keidanren, Japan’s premier business organization. “Released last month, the report makes the case that regulation is hurting the economy....It recommends *deregulation*, administrative reform and the end of administrative guidance....Gee, sounds something like the policies of a successful U.S. President during the 1980s,” (Whatever..., 1993, p. A1 emphasis mine). The use of a Japanese source is notable as it gives credibility to the policy of deregulation as an

internal desire, while the source is a business organization, thus reinforcing the primacy of economics over politics. Again, the utilization of a kind of dismissive language reinforces the notion that these outcomes are obvious annulling potential assessments before they begin. The text's (Whatever..., 1990) authors notes that "global" economies need the Reaganomics mix: (deregulation, tax cuts, etc.) to be competitive:

What a modern, *globally oriented* economy needs most are *incentives* to produce and the *freedom* to react -- quickly -- to changing market conditions. None of this is likely to occur if a modern economy has hanging off its back a tangled regime of taxes, bureaucrats, regulations and politicians. Japan must now confront that *truth* (p. A1 emphasis mine).

That "truth," as noted in the discourse on revisionism and the EAFC, is the type of economic policies needed for success in globalization. The "freedom" is the freedom of capital to move, contrasted with the "tangled regime" evoking ideas of unelected government, and thus anti-populace elites.

There is a qualitative difference in the argumentation of articles from the early 90s compared to the late 90s. Three factors form the basis of this difference: first, the Japanese financial crisis had been going on for longer and appeared to commentators to be systemic. Second, the media's discursive construct of the East Asian Financial Crisis provided "proof" of the efficacy of the US model versus the Japanese model of capitalism. Finally, the media discursively intertwines globalization with both the Bubble and the EAFC as a causal agent, but also as an undeniable fact of existence. Recalling the "five core claims of globalism" from the first chapter, three are of great importance here:

first globalization is irreversible, second globalization benefits everyone, and third globalization is about the liberalization of markets. At times these claims are quite overt and at others implicit. We begin here with news and opinion pieces about the EAFC and globalization and Japan's financial crisis pre-EAFC. The core claims listed above form much of the argumentation, contending that globalization's irreversibility may/is a cause of the EAFC. Benefits to everyone ameliorate the crisis in terms of jobs and investment. Therefore, something must be wrong in the countries undergoing crisis. The solution is for these countries to adopt the model with the most success, the US model. Examples of implicitly coded argumentation come from the work in the *Washington Post* by authoritative financial reporter Sandra Sugawara. Beginning in October 1995 and running through November 1998, articles written by Sugawara examine the Japanese economy and attempt to illustrate how it is changing. While the word "globalization" only appears toward the end of this selected series, ideas about outside forces appear throughout. Often the headlines of the texts themselves convey that Japan is changing from outside forces and the use of Japanese themselves in quotations further compounds the idea of organic change within Japanese society. Additionally, the name of the author, half-western half Japanese, identifies her as partly within both societies, thus reinforcing her authority to comment on Japan.

In documenting the changes to what were seen as the essential qualities of Japanese corporate culture (seniority based pay, the keiretsu supply system, and the taboo against mass-layoffs), Sugawara's articles imply that a more US-style economic policy will replace these old practices. The headlines "In Japan, a Bow to Competitive Realities; Companies Confront Entrenched Culture in Trying to Link Performance, Pay and



Promotions” (Sugawara, 1995) and “Loosening Japan Inc.'s Lock on Loyalty; Strong Yen, Stronger Competition Shake Carmakers' Keiretsu -- and Give U.S. Suppliers an 'In,’” (Sugawara, 1996a) evoke the convergence as the natural outcome of the Bubble economy. Both articles (Sugawara, 1995, 1996) and others (Sugawara, 1996b, 1998a, 1998b, 1998c) maintain the assumption of a convergence towards a US style norm in capitalism.

Sugawara’s work often uses the globalization concept as a causal agent in Japan’s economic difficulties. In “For Japan Inc., Beginning of the End; Sagging Economy Undermines Government-Corporate System” (1997) Sugawara directly implicates globalization while explaining the current problems of a parts supplier. “But then globalization struck... Sharp [electronics company] moved much of its...production from Japan to Malaysia, Thailand and China....In hindsight, Saruwatari [president of the company] has found some aspects of the demise of Fortress Japan liberating” (Sugawara, 1997, p. A1). Globalization is de-agentified even as the piece notes that production moved abroad. Under the subheading “The People’s Choice” Sugawara writes, “Ordinary Japanese view the changes with a mixture of apprehension and hope” (Sugawara, 1997, p. A1). This line is followed by a series of quotes from “ordinary Japanese” such as, “I think Japan should go through *deregulation*,” “*Globalization* will make our companies more competitive.” It’s “part of the process of *democratization* of this society... part of a larger trend here as we move from a feudal society to a democracy,” and finally at the end of the article, “*Globalization* means the world is becoming more equal and countries are dealing with each other on more equal terms. In this environment, a closed market is unthinkable” (Sugawara, 1997, p. A1 emphasis mine). By 1997, and even before the

EAFC, the narrative already partially witnessed in the two preceding discourses is apparent. The association between “deregulation,” “democratization,” and now “globalization” furthers neoliberal conceptions of economic policy, while positively re-semanticizing those claims with improved lives for Japanese themselves. Underlying these quotes is the reader’s connection of these terms with positive evaluation from their own society exemplified towards the end of this subsection. “For decades, the [Japanese] government orchestrated,” the economic system, which Sugawara asserts was fine during the 60s and 70s, “but in the 1990s, as a world power, it has proven a flop. Foreign partners won’t tolerate it and it tends to suppress the *innovation* and *creativity* needed to break out of stagnation” (Sugawara, 1997, p. A1). As noted in Chapter 2, terms such as “innovation” and “creativity” are associated positively with the US economy of the 1990s, and “suppression” of them by the Japan Inc. system is thus more proof of that system’s overall failure despite its previous successes. The final quote’s equating of globalization with nations being “equal” and the “environment” opening markets furthers the synonymy of free markets and free people.

Two more examples, one from Sheryl WuDunn (1997) of the *WP* and another from Ron Chernow (1997b) from the *WSJ*, demonstrate how the basic neoliberal assumption about globalization and economic policy is standard practice when commenting on the EAFC. WuDunn’s (1997) article “Asian Economies, Once a Miracle, Now Muddled” claims that Asia’s economies will pull through the EAFC. She asserts that while globalization may have played a role in the crisis, “And to some degree, it is certainly possible that Asia’s currency crises were precipitated and perhaps aggravated by decisions made in board rooms in New York. But ultimately, analysts say, it comes down

to local government policies” (WuDunn, 1997, p. 1, 6). Quoting someone from the bank HSBC, ““Currency attacks only happen if the *economic fundamentals* are suspect. No one could take on the *U.S. currency*’” (WuDunn, 1997, p. 1, 6, emphasis mine). By pointing to “economic fundamentals” as primary cause, rather than the capital flight itself, of the EAFC, WuDunn ascribes capital and markets a non-agentive role, and thus normalizes them. This means that the EAFC occurs due to failure of the economies in question, even as she notes the possibility of investor-led causes. In the text, Japan functions as a foil, a place in a “quagmire” which the economies of Southeast Asia will not emulate. Ron Chernow’s (1997b) piece “Sayonara Japan Inc.” maintains the neoliberal view of globalization, while stating that opponents of free-trade will use “the financial turmoil in East Asia to denounce a global economy based on *unrestricted* capital flows... Yet despite these looming trade tensions, the dynamics of the current crisis will, in the end, deepen the trend toward globalization” (Chernow, 1997b, p. 1 emphasis mine). The breakdown of the keiretsu means that “Globalization is just beginning in Japan” (Chernow, 1997b, p. 1). In a by now familiar theme, the movement of money represents the motivations of the “market” a force which supercedes other motivations as discussed above. Globalization is viewed as having not even begun in Japan, yet if globalization always benefits, then the EAFC cannot be an expression of globalization. Other aspects of Chernow’s rhetoric are discussed above, but his synonymy of globalization with free-market economics, and further with anti-elitist language, exemplifies neoliberal claims on globalization as a positive force, and the alleged inextricability of free-markets and free-people is seen in the five core claims about neoliberal globalization.

In editorial content, it is possible to see this narrative of Japan Inc., globalization (globalizing), and the EAFC. In the *WP* editorial cited above, “Goodbye Japan Inc.” (1997), the authors write that Japan’s was a “system suited to a period of rapid growth doesn't work so well for maturing, globalizing economies.... A system that let no one go under also worked against anyone's soaring ahead; small business startups and entrepreneurship could not flourish” (p. A18). The *Houston Chronicle* in early 1998 quotes Alan Greenspan<sup>17</sup> as saying that the EAFC would spread markets and the “rule of law.” As the authors claim, “*U.S. companies had to downsize, retool and learn to compete in the global economy...so can the Japanese...The only question is when the Japanese government will relent and substitute true market forces for government allocation of credit and subsidies*” (Japan Inc...., 1998, p. 22 emphasis mine). And a final example from the *WP* “Japan’s Opening” (1999) from late 1999 after the EAFC had spread around the world:

Many Japanese now recognize that they need not only foreign capital but the infusion of ideas and competitive pressures that outside investment can bring. It's a slow evolution and painful in Japan as in every country, but many Japanese seem to understand that globalization can't be a one-way street (p. A14).

Here again we can see the logic that by the late 90s had become a dominant narrative of the EAFC and the Japan Inc. model of economics. The neoliberal view of globalization as the liberalizing of markets and opening of trade provides a powerful interpretation of the EAFC and Japan Inc.

---

<sup>17</sup> Then Chairman of the Federal Reserve Board

From the 1980s to the 1990s, the terminology used to describe the growth of international trade gradually changed and “interdependence” shifted to “globalization.” These terms form a backdrop where Japan Inc. exists. Reflecting the lack of power neoliberalism had on American media discourse during the 1980s, “interdependence” did not entail an ultimate triumph of Reaganomics, or even a broad endorsement of unbridled free market capitalism, but much like the first discourse (Industrial Policy vs. Reaganomics) indicates the space for ideological contestation, which was made available by the circumstance of the 1980s. The discourse of interdependence entailed more questioning of US economic policy and while similar in some ways to neoliberal arguments concerning economics, it does not fully represent a neoliberal ideological discourse. “Globalization” contrasts with this and its first appearance, in 1989, reflects the lack of power the term has in a Cold War setting. The use of the “globalization” discourse of the early 1990s also reflects a certain lack consensus within the media about the ordering of world politics before the Bubble Economy of 1993 removed the dominant alternative model of capitalism. So in the mid 1990s, globalization is presented as non-agentive, like interdependence, but also as something in which the US style of economy excels, thus pushing a convergence of economic models on Japan.

The main use of the EAFC, as in the previous discourse analyzed, is to dramatize the flaws of the Japan Inc. model. Yet when globalization is discussed in relation to the EAFC, it functions within the discourse as a social reality thus reifying neoliberal claims about globalization such as “everyone benefits from globalization” and that “globalization is about the liberalization of markets.” As noted in Chapter 1, ideologies such as neoliberalism cannot create meaning and order information if the reality, which

people experience, contradicts the principle tenets of the ideology itself. So when considering the possibility of neoliberalism becoming a powerful narrative during the 1990s, it is worth noting the discursive space provided by the Japan Inc. model. The narrative described and analyzed above presents Japan Inc. as the primary causal agent of the EAFC, while globalization is not cause but a kind of social reality where the Japan Inc. model is no longer effectual. Both the discourse of interdependence and globalization provide a “reality,” or perhaps setting, against which events such as the Bubble Economy and the EAFC occur. In this way, they function in a meta-narrative fashion but as mentioned above, with differing ideological implications reflecting the different social realities which the discourses were attempting to describe and interpret for the reader. Because all five core claims are apparent, inquiry into them will be deferred until the conclusion.

### **Conclusion**

The four discourses analyzed above reflect a twenty-year period of bi-lateral trade relations between the United States and Japan. They were selected for analysis due to their salience during the period of study, i.e. these were common narratives fulfilling the function of ordering the world and making meaning for those exposed to the discourse. The power of meaning-making that these discourses possessed lies within their supposed consistency with “reality;” in other words, with their ability to utilize the reader’s MR to interpret new events and new phenomena which lie outside of the immediate realm of experience or knowledge. In the process of interpretation, these assumptions, interpretations, create the narratives that contain a hidden ideological viewpoint. The MR and experience of the reader supports or refutes, in a dialectical relationship, the

ideological implications of the meaning-making narrative. Japan Inc. was a significant and salient part of the western imaginary for at least twenty years and thus was a part of the cognitive terrain into which neoliberalism was introduced during the late 70s and during its normalization during the 1990s. As an ideology neoliberalism must conform, to some extent, to what people expect to be the truth, and Japan Inc., as conceived and interpreted within US news discourses, clearly had much intellectual power to contradict neoliberal claims. The five core neoliberal claims of globalization (Fairclough, 2009; Steger, 2005), and the broader critiques of neoliberal ideology (Chang, H., 2008; Harvey, 2005; Johnson, 2000; Kawai, 2009; Lee, 2008; Sim, 2004; Steger, 2005, 2008; Stiglitz 2003) discussed in Chapter 1 form our framework for deconstruction and analysis of the four discourses identified here. The five core claims are first, globalization is about the liberalization and global integration of markets. Second, globalization is inevitable and irreversible. Third, nobody is in charge of globalization. Fourth, globalization benefits everyone. Fifth, globalization furthers the spread of democracy in the world. The four discourses under analysis readily demonstrate some of the five claims.

“Industrial Policy vs. Reaganomics” is perhaps the most difficult discourse to delineate and contain. This discourse was a site of contestation and it reflects a great deal of anxiety within the American body politic, and it readily demonstrates the limits placed on ideological claims by contradictory information within the public sphere. In the first part of the narrative arc, the perceived relative prosperity, development, and consensus of Japanese society compared to the fractious nature of US society created a discursive space where critics of the US political economy could propose an alternative. That alternative was signified by an oversimplified vision of Japan Inc. and the IP that allowed

it to be a competitor with the US. It is worth remembering the Reagan's presidency itself was only just beginning in 1981 and that his administration, as the primary voice of neoliberal thinking for many years, faced numerous opponents in the propagation of its views. Over time, the ability of a pro-IP discourse to meaningfully critique US style capitalism was ameliorated by relative economic recovery in the US and the entrenchment and normalization of Reaganite rhetoric. It is arguable that IP did not have much of a chance of disrupting the powerful twin forces of cultural essentialism and American Exceptionalism. While earlier treatments of IP at least seem to entertain the possibility of needed changes, IP's synonymy with Japan Inc. "others" moves it past the point of acceptability, thereby rendering it unpalatable to Americans, and polarizing economic policies. In less resolutely conservative newspapers, while Japan is noted to be "different," it is not the appropriation of Japanese attitudes or techniques that will revive American industry but America's "special economic strengths." In the *WSJ*, reflecting a purely neoliberal standpoint, the absolute denial of Japan Inc. stands out. This was an isolated position in the 1980s, and its incorporation by the paper is not consistent. The difficulties related to this discourse's contested nature also problematize applying the core claims here. As this discourse is a site of contestation, at least until the later 1980s, and is thus less neoliberal in character and the lack of consensus is a key feature of the time.

"Revisionism, the East Asian Financial Crisis, and the Japanese Economic Miracle" as a discourse illustrates the key role normalization and legitimization play in making an ideology hegemonic, through the discrediting of alternative ideologies and discourses. The three constituent parts of the title relate to each other by virtue of their potential to



undermine neoliberal claims, and while this potential existed, the construction of the first two, revisionism and the EAFC, ultimately undermines the perceived efficacy of the Japanese Economic Miracle itself. Therefore, the second narrative arc is about an enforced consensus. Revisionism, which can be thought of as the pro-IP position stated above, expressed doubt in the US model of capitalism as well as uniqueness to the Japanese model; discrediting it in the 90s grants ideological legitimacy to neoliberalism. In particular, the metaphorical linking of the Bubble Economy with the collapse of the Soviet Union as well as the Bubble's construction as a common sense result of the Japanese model render alternatives to neoliberalism toothless. Further, the false analogy of the Japan Inc. model as causal agent of the EAFC renders its advocates in the west as potentially immoral or dangerous. The metaphors often applied to Japan as a cause, ones of disease and surgery, morality and ethics, discipline and punishment, combine with the policy recommendations of the newspaper's editorial boards to preclude any alternative readings of either the Bubble or the EAFC. In so doing these discursive practices reify post Cold War American triumphalism through the undermining of potential alternatives to neoliberalism, including Keynesianism. Of the core claims, the integration of markets and liberalization (1), the inevitability of globalization (2), and egalitarian nature of globalization's benefits (4) are explicitly part of this discourse as part of the solutions provided by the western media. All of these claims have attained a position of normalcy within the news media.

“Free Trade, Political Reform, and Japanese Consumers” is perhaps the most clearly neoliberal discourse of the four, with its overdetermination of economic factors over cultural and political ones. The use of concepts such as revolution and revolt and the false

metaphor of the collapse of the Soviet Union, applied to Japanese consumer habits, potentially present to the reader an uncomplicated morality to the deregulation, “bargain hunting”, and discount shopping described in the texts. Furthermore, the generalization of those consumers as possessing an international (i.e. American) outlook can be viewed as a resurrection of the convergence thesis of the 1960s and 1970s. Demonstrated by the editorials from the *NYT* and *WSJ* about the 1993 and 1998 elections, western media seems beholden to an interpretation of Japanese politics as undergoing greater “democratization” (i.e. Americanization) through a growing consumer “revolt.” Utilizing the language of revolution and reform, this discourse naturalizes the development of not only a US-style economy but through it an Americanized cultural landscape. The core claims related to the liberalization of markets (1), the lack of agency of globalization (3), and the spread of democracy (5) are relevant to this discourse, and their interrelation reifies the argumentation of the discourse. The discourse’s positioning of Japanese voters as wanting deregulation and liberalization in opposition to the LDP and bureaucracy, who are elite and beholden to special interests, constructs the Japanese politics as a Manichean moral world where consumption is democracy and regulation a form of tyranny.

“Interdependence, Globalization, and the Global Economy,” as the only discourse explicitly addressing globalization, unsurprisingly exhibits all five claims, but owing to its existence over the whole two decades is less resolutely neoliberal in cast, demonstrating the challenges ideological claims must negotiate in order to become normalized. The earlier concept of interdependence that was salient in the 1980s reflected the lack of discursive hegemony, similarly to the first discourse analyzed. Editorial content deployed interdependence as an explanation for global economic issues of the

1980s. It entailed a loss of national sovereignty over economic affairs, a key neoliberal assumption, but the focus of these editorials was resolutely on global cooperation rather than an all-purpose model of economic well being. The benefits of trade are commonsensical to the authors of these texts and the action of legislatures to curb interdependence is protectionism to the detriment of American consumers. Even so, the author's call for world leaders to recognize a lessening of control over *national* economies does not preclude countries in aggregate working together. No commonsense "laws" are applied, unlike the depiction of globalization in the texts. Globalization in editorial and byline texts is a purely non-agentive (3), existing as both fact and process, with a manifest set of "laws" which must be obeyed (1), but with benefits for all (4). This is most clearly shown with the bald assertion that the EAFC is a result of flouting those laws, and the prediction by authors that the EAFC itself would deepen globalizing tendencies and spread democracy (2, 5). The argument made here about the divergence between these two terms, interdependence and globalization, is that they reflect an inchoate consensus about the global economy in the 1980s which became, with the collapse of the Soviet Union, couched in the triumphalism of neoliberal discourse. Of course, the Bubble Economy cleared an intellectual space for neoliberal globalization discourse's rejection of alternatives, but the ideology could not have easily operated in a strictly Cold War/Japan Inc. framework. Indeed, the separation of the two terms/concepts is most clearly demonstrated by the line between the Cold War and the 1990s, during which many discursive practices lost their meaning-making power.

Japan Inc. fulfilled a function in American news discourse during the 1980s and 1990s, news discourse over the twenty years under study developed and internalized

neoliberal economic ideology, and Japan Inc. as popularly perceived in the media reflected and distorted ideological conceptions of the United States. Even as critiques of the US political economy seemed to lose their power through the 1990s the power of Japan Inc. to signify the “other” and be used as ideological mirror is striking.

## **Chapter 4: The Twilight of Neoliberalism?**

## **Introduction**

The goal of this project was to demonstrate the ways in which US news media engaged with Japan Inc. and how neoliberal ideology engaged that concept within news discourse. This analysis provided an opportunity to develop theoretical knowledge of the ways in which ideologies function in general, how they grow entrenched in discursive practices, and how they engage with other ideologies or concepts which contradict them. This project focused specifically on neoliberal ideology, as it is one of the hegemonic ideological systems of the last twenty to thirty years. Neoliberalism as a prevalent and hegemonic understanding of the world had to interact with Japan Inc., given their antithetical nature. Through a close analysis of the argumentative and rhetorical strategies employed in the media, observation of that interaction is possible. The most important findings are concerned with the nature of ideology generally and neoliberalism specifically, the concept of Japan Inc., and the limitations of the news media in developing informed opinion. Given the state of the neoliberal project now (2010), the examination of the historical trajectory of its normalization is of great importance.

Critical discourse analysis demonstrated from the news texts a narrative arc of Japan Inc., whose role as a signifier placed it in-between the Cold War binary of capitalism vs. communism. For resolutely ideological media such as the *WSJ*, Japan Inc. was an anathema concept. The narrative arc begins with a contested role for Japan Inc., where its role as rival/teacher contradicts the ideological claims of neoliberals who are unable to reconcile a successful state-centered economy with their universalistic claims for primacy of the free-market. However, a consensus characterizes the end of the narrative arc, where a normalization of the failings of the Japan Inc. model within a

neoliberal framework occurs. The commonsensical nature of this interpretation castigates Japan Inc. for failing the tests of the free-market. This is a complete re-semanticization of Japan Inc. within news discourse. Also shown was the way in which ideology, using the ahistorical nature of the news media, can repackage itself, seemingly without critical inquiry within the mass media itself.

### **The Narrative Arc of Japan Inc.**

The first two discourses, “Industrial Policy and Reaganomics” and “Revisionism, the EAFC, Japanese Economic “Miracle,”” constitute the narrative arc of Japan Inc. This narrative takes place in a backdrop of news content addressing “interdependence” and “globalization.” The arc demonstrates a gradual re-semanticization of Japan Inc. from contention to consensus. The shifting signification indicates the role of power within discursive practices, which serve the interests of ideological claims. However, it also demonstrates the limitations placed on ideological claims by consensus as well as new events, which force changes within argumentation but not actual ideological claims.

The relative economic positions, and perceptions, of the US and Japanese economies produced, in the 1980s, a heightened sense of anxiety in the west. The consensus position did not incorporate a neoliberal world-view, but rather the knowledge that America was in decline while Japan was ascendant. The popular perception with US media was that features of Japan’s political economy were the cause of these changes of relative position. Japan Inc. was always a way for westerners to understand the rapid growth of post-war Japan, but during the 1980s the problem of explanation became acute for US observers. The times saw a discursive mixture where Japan could be in turns, unfair, a rival, a teacher, an ally, or a subversive enemy. However, the most notable use

of Japan Inc., one outside the commonly understood racial formation, was Japan as teacher. A synonymy existed between Japan Inc. and IP as part of media discourse. As long as the media paid serious attention to potential failings of the US political economy, then IP, and its prime example of Japan Inc., it is possible to say that the anxiety of the time was real and that the media was pursuing answers. The vagaries IP's discursive construction, cultural essentialization, etc., have already been discussed. The critical point is that there is consensus about the existence of Japan Inc. Criticism of IP typically originated with an understanding of its foreignness and cultural inappropriateness for America.

The major exception to that consensus was in the *WSJ*. That paper, as an unabashed organ of neoliberal claims, faced a major challenge to its agenda when addressing Japan Inc. The *WSJ*'s strategy followed two paths: one was the attempt to dismantle the argument for IP by claiming it was in reality a failure. The other was a categorical denial of Japan Inc.'s existence. It is the second strategy that should interest us as it places the *WSJ* outside the hegemonic discursive formation of Japan Inc. The paper's common use of straw man arguments discursively positions a belief in Japan Inc. as irrational. *WSJ* authors attempt to create an antonymy between economic success and IP, but by doing so place themselves outside the consensus of the period. Even as other media undercut the potential of IP, they acknowledge, at some level, the role it has played in Japanese economic growth. Given the consensus for the existence of Japan Inc., why should the *WSJ* take a position so incommensurate with its peers in the news? Because Japan Inc. problematized the binary of capitalism vs. communism, its existence as an "in-between" model rendered it abhorrent to a neoliberal. As a stridently ideological



newspaper, the *WSJ* needed to eliminate any potential rivals to its paradigm. Debating the efficacy of IP permits some measure of consideration, which denying Japan Inc. does not.

However, events were to catch up with the *WSJ*. America's relative economic position improved, the Cold War ended, and eight years of the Reagan administration helped to entrench, if not neoliberal orthodoxy, then many neoliberal discursive features in news discourse. IP lost much of its evocative power, to the point that its synonymy with Japan Inc. ceased to be relative. In its place, a synonymy between Japan Inc. and predatory rival became the norm. Japan Inc.'s place as potential teacher is re-semanticized to that of clear rival. In the brief period between the end of the Cold War and the beginning of the Bubble Economy, we can see Japan Inc. as only viable economic alternative. If the definition 1980s is competition between macroeconomic paradigms and a lack of consensus, the definition interregnum is the collapse of one overarching discursive framework and the competition for its replacement. As previously discussed, the replacement of the Cold War binary was an "End of History" triumphalist discourse. This is also the transition between the metaphor of "interdependence" and the metaphor of "globalization," with the attendant re-semanticization of international cooperation as well as the nature of economic reality. Nevertheless, how persuasive would such a discourse have appeared with a Japan that was still growing?

What characterized the 1990s was the growth of an anti-Japan Inc. consensus. This consensus reflected not only the entrenchment of neoliberal discourse within the news media but the Bubble Economy, the EAFC, and the powerful role of the neoliberal version of globalization in making meaning. The majority of the analyzed newspapers incorporate, over the decade, neoliberal orthodoxy. The lack of credible economic

alternatives leaves open a discursive space where neoliberal interpretations of economics fill the void. Therefore, while the primary feature of the first act of the narrative is competition and contention, the second act sees the development and entrenchment of consensus. As demonstrated by the “Free Trade, Political Reform, and Japanese Consumers” discourse, the neoliberal synonymy of free money and free people is imbedded totally within editorial content as well as journalistic writings. The importance of the above synonymy lies in the antonymy it creates between the free-market and elitism. Rather than focusing on the functions of the market, discourse has made the synonymy of economic freedom and political freedom. By the end of the decade, this is the consensus position of all the media under study. The ways in which authors relate Japan Inc. to the East Asian Financial Crisis, or how the policy recommendations from all papers are the neoliberal cocktail of deregulation and tax cuts, clearly demonstrates the hegemonic understanding of Japan Inc. within the media.

Where the exercise of discursive and ideological power is concerned, the *WSJ* strategically shifts its views on Japan Inc. Whereas Japan Inc. was once a fantasy it is now a cautionary tale, the ultimate proof of the hubris of resisting the market. However, Japan, or rather Japan Inc., had not changed; instead, it was the authors’ and editors’ needs that changed. The necessities for the propagation of neoliberal ideology required a shift in argumentation but not in core beliefs. The exercise of the power to make meaning by the authors and editors of the *WSJ* discursively removed, not only from debate but also from memory, the potential of the Japan Inc. alternative. While the *WSJ* is more blatant than the *NYT* or *WP*, the total discursive dominance of neoliberalism is obvious by the

end of the 1990s. Neoliberalism had thus achieved consensus about not only Japan Inc., but also all matters economic. Japan Inc. had been thoroughly re-semanticized.

We have seen the narrative arc of Japan Inc. move through a process of contention to consensus. The use of ideological discourse effected this change, but it is not only through language that it occurred. Actual events, places, and people have an indelible effect on the nature of ideological claims. Those claims will always be constrained in some way by the material reality they seek to interpret, examine, or explain. Without the Bubble Economy, it is difficult to imagine how one could have substantiated neoliberal claims in the post Cold War world. Yet ideologues still made those claims made when the popular conception of Japan Inc. was that of an effective system. The crucial point is that when an actor seeks to spread an ideology, material reality is a secondary factor compared to the need to advance the ideological agenda.

### **Implications**

The implications for this thesis primarily lay in improving our understanding of Japan Inc. as a signifying concept, and on the spread of ideology through discourse—specifically, how neoliberalism spread by discursively removing alternative paradigm's from debate.

Most academic discussion of Japan Inc. positions the concept within the framework of the yellow peril. While this thesis does not dispute the veracity of that interpretation, it does fill in a conceptual gap by demonstrating that Japan Inc. was also an economic concept as well as a racial formation. Because Japan Inc. is a reductive concept (i.e. it reduces a large group of individuals into a collective), and the concept encompasses a racial other, racism will always be a part of considering the uses of the

concept itself. Nevertheless, we should not let this obscure the fact that Japan Inc. problematized the previous commonsensical understanding of macroeconomics. That Japan Inc. lost that role leads to a second crucial point: that the western imaginary is not a static framework, but remains in a dialectical relationship with other imaginings and realities. Japanese reality is not what the media seeks to examine; rather it is what Japan Inc. says about the western self-perception that is of interest.

However, the most important implications of this thesis concern neoliberalism, ideology, and discourse. As we have seen the work of creating a neoliberal hegemony, involved the enforcement of orthodox views against alternative ideologies, the use of power, in accomplishing this, is crucially important. Because of the agentive use of power to propagate neoliberal ideology, it achieved a normalized status within news discourse. The neoliberal paradigm discursively incorporated and explained events such as, the EAFC, Bubble, and others, so that it seems explain the events of the 1990s. This reminds us that the apparent commonsensical nature of ideas is actually a long process of the exercise of power that eliminates alternatives and discursively closes off intellectual space from debate. In short, the normalization of an ideology is contingent on other factors. Ideology becomes commonsensical only after the application of power, which is possible to contest.

The act of resistance to ideological hegemony leads to a final implication. News media disseminate ideology not only through the actions of authors but also because the news itself functions ahistorically. The *WSJ* is the most obvious example of this within the study; however, it is possible to see the lack of historical awareness within all of the newspapers analyzed here. The *WSJ* was ahistorical consciously in the sense that it flatly

denied Japan Inc. in one decade and accepted it in another. The *NYT* and *WP*, however, incorporated neoliberalism overtime, in a process that ignored the historical context of their statements. If one seeks to deconstruct the ideological order of a given time period, it becomes necessary for them to remember that news media does not function in a historical manner but as a snapshot of events as they occur, and is thus subject to interpretations which may lack long-term explanatory power.

### **Future Research**

This thesis focused on a historical moment, but time does not stand still. The neoliberal project suffered a serious blow during the 2007-2008 global financial crisis, which has caused some commentators to claim that it is now defunct. This helps us to focus on some areas for future research. Generally, we can divide these proposals into concurrent or longitudinal categories. Both focus on the application of power through discourse with the goal of facilitating ideological hegemony.

Longitudinally, the current global financial crisis presents an interesting opportunity to examine the continued evolution of Japan within the western imagination. What, if any, changes have authors made to the discursive practices surrounding Japan? Is Japan still a cautionary tale in the neoliberal sense, or has it been placed within a more Keynesian formation? Furthermore, the recent (2010) recall of Toyota vehicles produced a massive media response in the US and Europe. Analysis of this singular event may help to elucidate Japan's place within news discourse, as well as what remaining explanatory power neoliberalism has in reference to the Japanese political economy. Building directly upon the research accomplished in this paper will add another chapter to the narrative arc already established and will aid in understanding the current state of neoliberal ideology.

Alternatively, future research might focus on the concurrent discursive construction of economies similar to that of Japan. This approach raises some interesting questions. Is Japan's construction as rival/teacher unique, or is the discursive construction of other economies similar? Is the particular focus of news media on Japan a function of the particularly intense interactions between it and the US? Given these two queries, a similar analysis of South Korea could yield potentially interesting results. Korea's economy included many similar features to Japan's: large collections of corporations, a strong state-led development plan, a focus on gradually increasing complexity in manufacturing, and corporations with a focus on exports. In addition, the US and Korea have had similar interactions during the Cold War. These similarities make it possible to isolate some factors that give neoliberal discourse its contours. Both ideas will further critical engagement with ideological claims about alternative economic systems and thus further demarcate the boundaries of neoliberal ideology.

### **Closing Comments**

What lessons are there to learn from this examination of ideological work and propagation? It becomes apparent that the development of neoliberal normalization was not simply inevitability, but was instead a complex process that employed friendly parts of the media apparatus for normalizing the ideology itself with the eventual operationalization of neoliberalism itself as an end. Claims, with repetition, become a part of a person's Members Resources. The claims of neoliberals were constrained by the presence of a cogent alternative, and by the collective memory within the United States of a time before the normalization of neoliberalism itself. The contestation evidenced by concepts like IP and Interdependence indicate the ability of the news-making elite to

examine complex issues outside of a neoliberal frame of reference. The later incorporation of neoliberal ideology into the discursive practices of newsmakers, regardless of previous powerful interpretations, demonstrates the strong limitations of the news media itself, even in an information rich society.

However, it must be remembered that the feeling of always already ascribed to neoliberal interpretations which characterized the 1990s was itself contingent on many different events which provoked reaction and interpretation themselves. It is the ascription of neoliberal ascendancy with inevitability, even in some critical academic work, which should give one pause for thought. The long-term process of persuasion, coercion, and cooptation that ideological claims must implement in order to achieve the status of “common sense” does not follow a prescribed path towards acceptance and then disrepute. Ideologies instead apparently follow a conditional path before normalization. Even after the masked claims of ideologues enter into the common vocabulary of opinion leaders, politicians, and voters, the meaning as opposed to the intention of a word or phrase still is subject to the interpretation and context of its reader. The balances of ideological claims must measure up to against the balance of reality, which people must negotiate. Therefore, the tug of war between personal experience and claims and policy of an ideological nature will continue within and without the media.

As for Japan Inc., it may not merit so much academic or journalistic attention in 2010 as it did in 1980. However, an examination of it with such remove may permit us to engage with the power of anxiety and fear over people and policy as well as the role the media plays in developing those emotions within a society. At a deeper level, the ways in which Japan Inc. was constructed and deployed with news media demonstrated the

necessity of neoliberal, or any other hegemonic creed, to engage dialectically with differing and contradictory meaning-making frameworks to gain legitimacy. This speaks to a odd confluence within people; of the rational ability to deconstruct and challenge the claims of authority to a status quo of power and the great limitations placed on an individual within society to act or make clear their favor or opposition to those with effective power. It therefore behooves to consider what the boundary might be for the normalization and operationalization of the ideological to be.



## **Bibliography**

- A Japanese voter revolt [Editorial]. (1998, July 13). *The Wall Street Journal*, p. 1.
- Allison, A. (2006). The Japan fad in global youth culture and millennial capitalism. *Mechademia*, 1, 11-22.
- Amyx, J. & Drysdale, P. (Eds.). (2003). Background. *Japanese governance: Beyond Japan inc.* London: Routledge Curzon.
- Appadurai, A. (1996). *Modernity at large: Cultural dimensions of globalization*. Minneapolis: University of Minnesota Press.
- Arenson. K. W. (1982, October 1). On the frontier of a new economics. *The New York Times*, pp. 3, 1.
- Auerbach, S. (1983, May 8). Japan targets D.C. *The Washington Post*, p. L1.
- Auerback, M. (1991, September 3). Japan inc.'s days are numbered. *Wall Street Journal*, p. A18.
- Bashing toshiba, hurting America. [Editorial]. (1987, September 15). *New York Times*, p. A34.
- Befu, H. (2003). Globalization theory from the bottom up: Japan's contribution. *Japanese Studies*, 23(1), 3-22.
- Blumenthal, S. (1983, August 28). Drafting a Democratic industrial plan. *The New York Times*, pp. 6, 31.
- Blustein, P. (1991a, March 24). Japan inc. stretches its global foothold; Strategic shifts bring new heights of success. *The Washington Post*, p. H1.
- Blustein, P. (1991b, October 7). Inside Japan inc.: Cozy ties foster political friction. *The Washington Post*, p. A1

- Burgess, J. (1997, July 6). Signs of change at Japan inc.; The country's economy is opening up. *Washington Post*, p. C2.
- Bussey, J., Chandler, C., & Schlesinger, J. M. (1993, July 16). A softer Triangle: How Japan inc. works will change subtly however voting ends. *The Wall Street Journal*, p. A1.
- Chang, H. (2008). *Bad Samaritans: The myth of free trade and the secret history of capitalism*. New York: Bloomsbury Press.
- Chang, K. (1999). Auto trade policy and the press: Auto elite as a source of the media agenda. *Journalism and Mass Communication Quarterly*, (76)2, 312-324.
- Chernow, R. (1997a, November 17). Grim reckoning in Japan – and beyond. *The New York Times*, p. A23.
- Chernow, R. (1997b, December 3). Sayonara to Japan inc. *The Wall Street Journal*, p. 1.
- Consalvo, M. (2006). Console video games and global corporations: Creating a hybrid culture. *New Media & Society*, 8(1), 117-137.
- Constable, P. (1990, October 21). Toward a new world order; The pan-American economic sweepstakes; US-Mexico plan sparks interest in Latin America, but there are worries as well. *The Boston Globe*, p. A22.
- Corvitz, G. (1985, August 26). Asia: Japan need not fear corporate takeovers. *Wall Street Journal*, p. 1.
- Cowan, E. (1980, June 15). Eight syllables may spell new partnership with industry. *The New York Times*, p. 5.
- Dangerous inertia in Japan. [Editorial]. (1997, December 23). *The New York Times*, p. A18.

- Dyer, R. (2002). The role of stereotypes. In P. Marris & S. Thornham (Eds.). *Media studies: A reader* (pp. 245-251). New York: New York University Press.
- Entman, R. M. (2003). Cascading activation: Contesting the white house's frame after 9/11. *Political Communication*, 20, 415 – 432.
- Fairclough, N. (1989). *Language and power*. London: Longman Group.
- Fairclough, N. (2006). *Language and globalization*. New York: Routledge.
- Fairclough, N. (2009). Language and globalization. *Semiotica*, 173, 317-342.
- Frank, A. G. (1998). *ReOrient: Global economy in the Asian age*. Berkley: University of California Press.
- Frank, T. (2000). *One market under god: Extreme capitalism, market populism, and the end of economic democracy*. New York: Anchor Books.
- Friedman, J. (1990). Globalization and localization. In M. Featherstone (Ed.), *Global Culture* (pp. 311-328). London: Sage Publications.
- Ghafele, R. (2004). The metaphors of globalization and trade: An analysis of the language used in the WTO. *Journal of language and politics*, 3(3), 441-462.
- Giddens, A. (1990). *The consequences of modernity*. Stanford, CA: Stanford University Press.
- Gigot, P. A. (1993, January 31). The great Japan debate is over. Guess who won? *The Wall Street Journal*, p. A18.
- Giroux, H. A. (2004). *The terror of neoliberalism: Authoritarianism and the eclipse of democracy*. London: Paradigm.
- Goodbye, Japan inc. [Editorial]. (1997, November 25). *The Washington Post*, p. A18.
- Graven, K. (1989, November 17). In corporate Japan, cross shareholding remain a useful

- defense mechanism. *Wall Street Journal*, p.1.
- Graven, K. & Brauchli, M. W. (1989, August 28). Shareholder rights idea grows in Japan – Home-grown advocates are getting attention. *Wall Street Journal*, p. 1.
- Groenewegen, J. (1997). Institutions of capitalisms: American, European, and Japanese systems compared. *Journal of Economic Issues*, 31(2), 332-347.
- Hamilton, D. P. (1998, August 4). What went wrong. *The Wall Street Journal*, p. 1.
- Hannerz, U. (2008). The global ecumene. In F. J. Lechner & J. Boli (Eds.), *The globalization reader* (pp. 105-115). Oxford: Blackwell Publishing.
- Harvey, D. (2005). *A brief history of neoliberalism*. Oxford: Oxford University Press.
- Hasan, R. (2003). Globalization, literacy and ideology. *World englishes*, 22(4), 433-448.
- Hashimoto's riposte. [Editorial]. (1998, March 25). *The Wall Street Journal*, p. 1.
- Held, D., McGrew, A., Goldblatt, D., and Perraton, J., (1999). *Global transformations: Politics, economics, and culture*. Stanford, CA: Stanford University Press.
- Henry, F. & Tator, C. (2002). *Discourses of domination: Racial bias in the Canadian English-language press*. Toronto: University of Toronto Press.
- Hiatt, F. (1990, March 23). Japan inc.'s tarnished myths; Stock average plunge, trade deficit shatters some "givens." *The Washington Post*, p. A20.
- Hiatt, F. (1998, February 1). [Editorial]. In Japan, scandal – and opportunity. *The Washington Post*, pp. C9.
- Hills, J. (1983). The industrial policy of Japan. *Journal of Public Policy*, 3(1), 63-80.
- Holborow, M. (2007). Language, ideology and neoliberalism. *Journal of Language and Politics*, 6(1), 51-73.
- Hopper, P. (2007). *Understanding cultural globalization*. Cambridge UK: Polity Press.

- Hosokawa's victory. [Editorial]. (1994, February 2). *The Wall Street Journal*, p. A1.
- Inoue, Y. & Patterson, D. (2007). News content and American's perception of Japan and U.S.-Japanese relations. *Press/Politics*, 12(1), 117-121.
- Iwabuchi, K. (2002). *Recentering globalization: Popular culture and Japanese transnationalism*. Durham: Duke University Press.
- Izadi, F. & Saghaye-Biria, H. (2007). A discourse analysis of elite American newspaper editorials. *Journal of Communication Inquiry*, 31(2), 140-165.
- Japan inc. / After dominating global markets, can it be near collapse? [Editorial]. (1998, April 8). *Houston Chronicle*, p. 22.
- Japan inc., R.I.P. [Editorial]. (1985, August 5). *The Wall Street Journal*, p. 1.
- Japan seeks a change. [Editorial]. (1986, April 9). *The Wall Street Journal*, p. 1.
- Japan's Keynesian flop. [Editorial]. (1997, September 15). *The Wall Street Journal*, p. A22.
- Japan's opening. [Editorial]. (1999, August 9). *The Washington Post*, p. A14.
- Japan's voter revolt. [Editorial]. (1998, July 14). *The New York Times*, p. A14.
- Jobs machine, U.S.A. [Editorial]. (1999, May 6). *The Wall Street Journal*, p. 1.
- Johnson, C. (2000). *Blowback: The costs and consequences of American empire*. New York: Holt.
- Johnson, C. (2006). *Nemesis: The last days of the American republic*. New York: Holt.
- Kawai, Y. (2005). Stereotyping Asian Americans: The dialectic of the model minority and the yellow peril. *The Howard Journal of Communications*, 16, 109-130.
- Kawai, Y. (2009). Neoliberalism, nationalism, and intercultural communication: A

- critical analysis of a Japan's neoliberal nationalism discourse under globalization. *Journal of International and Intercultural Communication*, 2(1), 16-43.
- Klein, N. (2007). *The shock doctrine: The rise of disaster capitalism*. New York: Metropolitan Books.
- Kim, K. K. (2003). It's all about trade: United States press coverage of cigarette export talks and policy. *Mass Communications & Society*, 6(1), 75-97.
- Kraidy, M. M. (2005). *Hybridity or the cultural logic of globalization*. Philadelphia: Temple University Press.
- Ladegaard, H. J. (2007). Global culture – myth or reality? Perceptions of “national culture” in a global corporation. *Journal of Intercultural Communication*, 36(2), 139-163.
- Lechner, F. J. and Boli, J. (Eds.). (2008). Introduction. *The globalization reader*. Oxford: Blackwell Publishing.
- Lee, W. G. (1994, January 31). Manager's journal: A lasting legacy for managers – Deming's not for us. *The Wall Street Journal*, p. A1.
- Lee, Y. W. (2008). The Japanese challenge to neoliberalism: Who and what is ‘normal’ in the history of the world economy? *Review of International Political Economy*, 15(4), 506-534.
- Lehmann, I. A., (2005). Exploring the transatlantic media divide over Iraq: How and why U.S. and German media differed in reporting on UN weapons inspection in Iraq, 2002 – 2003, *Press/Politics*, 10(1), 63-89.
- Letter from the publisher: A report to the Wall Street Journal's readers. [Editorial]. (1990, January 9). *The Wall Street Journal*, p. A1.

- Lohr, S. (1983, May 17). Japan's trade ministry draws praise and ire. *The New York Times*, p. A1.
- Martino, J. P. (1985, December 9). Technology research: A government role? – An overall record of failure. *Wall Street Journal*, p. 1.
- McChesney, R. W. (2004). *The problem of the media: U.S. communication politics in the twenty-first century*. New York: Monthly Review Press.
- Melloan, G. (1997, December 30). This year's economic lesson: Japan's model failed. *The Wall Street Journal*, p. 1.
- Melloan, G. (1998, April 14). The Japan that can't say no to bad ideas. *The Wall Street Journal*, p. 1.
- Morgan, D. (1983, May 6). For industrial health, first, a self-examination. *The Washington Post*, p. A1.
- Napier, S. J. (2007). *From impressionism to anime: Japan as fantasy and fan cult in the mind of the west*. New York: Palgrave MacMillan.
- Neff, R., Magnusson, P., & Holstein, W. J. (1989, August 7). Rethinking Japan. *Business Week*, 31, 44.
- New wind for the panting giant; Tasks for America: Compete, save, stimulate, persist. [Editorial]. (1989, January 10). *The New York Times*, p. A22.
- Nickerson, C. (1992, April 14). Reality pricks Japanese bubble; Now they wonder how long their recession will last. *The Boston Globe*, p. 37.
- Ohmae, K. (2008). The end of the nation-state. In F. J. Lechner & J. Boli (Eds.), *The globalization reader* (pp. 223-227). Oxford: Blackwell Publishing.
- Ogata, S. (1980). Some Japanese views on United States-Japan relations in the 1980s.

- Asian Survey*, 20(7), 694-706.
- Ono, Y. (1993, December 31). Shopping lessons: As discounting rises in Japan, people learn to hunt for bargains. *The Wall Street Journal*, p. 1.
- Ono, Y. & Brauchli, M. W. (1989, August 8). Japan cuts middle management fat – Companies aim to streamline, attract youth. *Wall Street Journal*, p. 1.
- Opening up Japanese politics. [Editorial]. (1993, June 9). *The New York Times*, p. 22.
- Osajima, K. (2000). Asian American as the model minority. In M. Zhou & J. V. Gatewood (Eds.). *Contemporary Asian American: A multidisciplinary reader* (pp. 449-458). New York: New York University Press.
- Park, J. (2003). Contrasts in the coverage of Korea and Japan by US television networks: A frame analysis. *Gazette: The International Journal for Communications Studies*, 65(2), 145-164.
- Passell, P. (1996, July 11). Economic scene; A rigid Japan inc. could tumble from the top industrial ranks. *The New York Times*, p. D2.
- Pempel, T. J. (1987). Regime shift: Japanese politics in a changing world economy. *Journal of Japanese studies*, 23(2), 333-361.
- Philo, G. (2007). Can discourse analysis successfully explain the content of media and journalistic practice? *Journalism Studies*, 8(2), 175-196.
- Pollack, A. (1993, June 22). From tumult, new visions of Japan inc. *The New York Times*, p. D1.
- Quotation of the day. [Editorial]. (1983, September 1). *The New York Times*, p. A26.
- Ravi, N., (2005). Looking beyond flawed journalism: How national interests,



- patriotism, and cultural values shaped the coverage of the Iraq war. *Press/Politics*, 10(1), 45-62.
- Revving up Japan. [Editorial]. (1998, November 20). *The New York Times*, p. A32.
- Rights and wrong of blaming Japan. [Editorial]. (1989, October 16). *The New York Times*, p. A20.
- Rowen, H. (1980, March 23). Entire data processing industry target of Japanese companies; TI gains a foothold in Japan; West coast firms miss big question. *The Washington Post*, p. E1.
- Sen, A. (2008). How to judge globalism. In F. J. Lechner & J. Boli (Eds.), *The globalization reader* (pp. 19-24). Oxford: Blackwell.
- Shim, D. (1998). From Yellow peril through model minority to renewed yellow peril. *Journal of Communications Inquiry*, 22, 385-409.
- Shocked in Tokyo. [Editorial]. (1991, June 26). *The Wall Street Journal*, p. A8.
- Sim, S. (2005). *Fundamentalist world: The new dark age of dogma*. Cambridge, UK: Icon Books.
- Sklair, L. (1999). *Competing conceptions of globalization*. *Journal of World-Systems Research*, 2, 143-163.
- Spindle, B. (1999, May 6). Japan inc.'s overhaul gathers steam, opening opportunities for foreigners. *Wall Street Journal*, p. 1.
- Steger, M. B. (2005). *Globalism: Market ideology meets terrorism*. Oxford: Rowman & Littlefield Publishers Inc.
- Steger, M. B. (2008). *Globalisms: The great ideological struggle of the twenty-first century*. New York: Rowman & Littlefield.

Sterngold, J. (1991a, July 28). The world; Beneath the rocks on Japan inc.'s playing field.

*The New York Times*, p. 3.

Sterngold, J. (1991b, November 11). Market place; Bills coming due for Japan inc. *The*

*New York Times*, p. D4

Stiglitz, J. E. (1996). Some lessons from the east Asian miracle. *The World Bank*

*Research Observer*, 11(2), 151-177.

Stiglitz, J. E. (2003). *Globalization and its discontents*. New York: Norton Publishing.

Still out to change Japan [ Editorial]. (1993, December 29). *The New York Times*,

p. A10.

Sugawara, S. (1995, November 26). In Japan, a bow to competitive realities; Companies

confront entrenched culture in trying to link performance, pay and promotions.

*The Washington Post*, p. H1.

Sugawara, S. (1996a, March 10). Loosening Japan inc.'s lock on loyalty; strong yen,

stronger competition shake carmakers' keiretsu – Give U.S. suppliers and "in."

*The Washington Post*, p. H1.

Sugawara, S. (1996b, March 28). Japan inc. finds a way to keep the lid on layoffs;

Through recession, firms cut everything but employees. *The Washington Post*, p.

D9.

Sugawara, S. (1997, March 9). For Japan inc., beginning of the end; Sagging economy

undermines government-corporate system. *The Washington Post*, p. A1.

Sugawara, S. (1998a, January 31). Japanese construction trade built on cronyism;

industry's ties to political system illustrate corruption plaguing finance ministry.

*The Washington Post*, p. A1.

Sugawara, S. (1998b, April 11). For Japan inc. and its regulators the dinner date's off.

*The Washington Post*, p. A1.

Sugawara, S. (1998c, August 16) . . . as Asia tries to ride out crisis. *The Washington*

*Post*, p. H1.

Takayuki, T (2006). *Full metal apache: Transactions between cyberpunk Japan and avant-pop America*. Durham: Duke University Press.

Take that foreigners! [Editorial]. (1986, May 19). *The New York Times*, p. A20.

Tasker, P. (1993, June 30). The end of Japan inc. *The Wall Street Journal*, p. A14.

The ant and the grasshopper; Why is U.S. prosperity eroding? Japan's lessons.

[Editorial]. (1989, January 9). *The New York Times*, p. A16.

The bad trade news behind the good. [Editorial]. (1987, June 26). *The New York Times*,

p. A16.

The crash of '87. [Editorial]. (1987, April 19) *New York Times*, p. A16

The dawn of a democratic Japan. [Editorial]. (1993, July 18). *The New York Times*,

p. A18.

The deficit still drives the dollar. [Editorial]. (1987, February 18). *The New York Times*,

p. A30.

The growth rate held hostage. [Editorial]. (1986, July 26). *The New York Times*, p. 1, 26.

The unsovereign seven. [Editorial]. (1986, May 2). *The New York Times*, p. A34.

The world has changed; And then with Germany and Japan. [Editorial]. (1987, October

21). *The New York Times*, p. A34.

Thunder over Asia. [Editorial]. (1997, November 25). *The New York Times*, p. A24.

Tokyo join the world. [Editorial]. (1996, November 14). *The Wall Street Journal*,

- p. A22.
- Try Reaganomics, Tokyo. [Editorial]. (1997, December 2). *The Wall Street Journal*, p. 1.
- Tsurumi, Y. (1989/1990). U.S.-Japanese relations: From brinkmanship to statesmanship. *World Policy Journal*, 7(1), 1-33.
- Two trillion dollars is missing; Why is U.S. prosperity eroding? It's no mystery. [Editorial]. (1989, January 8). *The New York Times*, p. A28.
- Wallerstein, I. (2008). The modern world-system as a capitalist world economy. In F. J. Lechner & J. Boli (Eds.), *The globalization reader* (pp. 55-61). Oxford: Blackwell Publishing.
- Wayne, L. (1989, October 22). The realities of 'Friday the 13<sup>th</sup>.' *The New York Times*, p. C1.
- Weisman, S. R. (1989, April 30). The world; Can Japan change its system this time? *The New York Times*, p. 2.
- Whatever happened to Japan inc. [Editorial]. (1993, December 2). *The Wall Street Journal*, p. A1.
- White, T. H. (1985, July 28). The danger from Japan. *The New York Times*, pp. 6, 19.
- Why Japan won the chip race. [Editorial]. (1985, July 5). *The New York Times*, p. A24.
- Williams, M., Cody, J., & Hamilton, D. P. (1994, April 15). Making inroads: Japan's imports rise, and U.S. companies are gaining new sales. *The Wall Street Journal*, p. A1.
- WuDunn, S. (1995, July 3). Japanese do buy American: By mail and a lot cheaper. *The New York Times*, p. D1.

WuDunn, S. (1997, August 31). Asian economies, once a miracle, now muddled.

*The New York Times*, pp. 1, 6.