partner having the dominant role) and to reach a fair exchange of technology for other resources. Regarding public policy, Mowery’s main concern is the impact of cooperative ventures on U.S. international competitiveness. His conclusion is that the dangers have been overstated. Technology transfers have been modest, and foreign firms are catching up in any event. While he argues that the U.S. prime contractors are relatively secure, the second tier contractors are in more danger. He argues that protectionism would be the wrong solution to any real or imagined dangers of joint ventures. More promising would be to attempt to alter the conditions that cause these ventures to be formed. Mowery suggests more tolerance by the Justice Department for domestic joint ventures, continued efforts to limit foreign subsidies and trade restraints, and renewed attention to encouraging technological development in the U.S. industry. While more attention could profitably be given to possible anticompetitive effects, this is a very useful discussion of the public policy issues that are raised by international joint ventures.

Strategic Management in the United States and Japan
Edited by Rosalie L. Tung
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Strategic management provides organizations with a framework for coping with uncertainty in complex environments. The field of study has become more substantive through the use of existent theories in more established disciplines such as sociology and economics. Furthermore, a theoretical foundation is being established through the empirical validation of these theories. For example, Sullivan and Nonaka (1986) operationalized Weick's organizational learning theory to distinguish between strategic planning behavior of Japanese and U.S. executives. Their results were especially interesting herein, as a difference was found between the Japanese and U.S. samples in strategic planning practices. The Japanese executives at the upper level of the organization tended to engage in variety amplification and lower level executives engage in variety reduction. These results corroborate Weick's perspective. However, among the U.S. executives, the results were not conclusive.

The topic of Japanese and U.S. organizations in a comparative framework has become more prevalent in the literature on organizations. This literature has included more theoretical and empirically based studies. Among the more notable are some thoughtful collections of readings, i.e., Thurow (1986), Kagano et al. (1985), Okimoto et al. (1984), Sato and Hoshino (1984) and Lee and Schwendiman (1982). Another collection of this type has been compiled by Professor Rosalie Tung. Her edited readings are a collection of papers presented at the Wharton School, University of Pennsylvania, in the fall of 1984 on the comparison of strategic planning practices of the public and private sectors in Japan and the United States.

Comparative analyses of industrial organizations in Japan and the United States have been enticing to academic and practitioner audiences. These audiences search for some clarity in the complexity of substantive issues focused on the similarities and differences of institutions in both countries. This volume addresses some important strategic topics in Japanese and United States organizations.
Rosalie Tung, a well-published scholar in international management, has assembled a well-regarded group of academics, bureaucrats and practitioners from both countries in an interesting compendium. The breadth of topics covered in this book provide a challenge to the reader in attempting to draw specific conclusions about: 1) the differences in Japanese and U.S. strategic planning practices; and 2) the extent to which these differences are attributed to culture or strategic choice. Although there is some clarity on the strategic issues that provide the topical foundation for the book, the reader may prefer more integration of the varied papers. The four parts of the book, i.e., government-enterprise interface, strategic issues for general trading companies, strategic management in the manufacturing sector and strategic management in the financial sector, were not sufficiently connected within each section or throughout the book. This desire for more synthesis may be affected by some unevenness in the quality of the individual papers with the redundancies of themes lacking new insights.

The introduction by Rosalie Tung does suggest some integration around comparative strategic issues. Specifically, consistent with contingency theory (Lawrence and Lorsch 1967), strategies indigenous to U.S. and Japanese firms were developed in response to environmental constraints and challenges inherent in both countries (p.xviii). This conclusion has been supported by Kagano et al. (1985) in their empirical study of 227 Japanese and 255 U.S. organizations.

Among the breadth of issues covered, some insightful material were provided by Stefan Robock and Kichiro Hayashi on Japan’s general trading companies, Vladimir Pucik on comparative human resource issues in Japanese and U.S. firms, Thaddeus Kopinski on corporate organization for countertrade and William Davidson on the strategic implications of financial capital structure in Japanese firms.

In the first section of the book on the government and enterprise interface, Robert Ballon reviewed the historical emergence of Japan as an economic power. He clarified the role of the Ministry of International Trade and Industry (MITI) as one of administrative guidance aimed at helping and encouraging private initiative (p.13). As a measure of bureaucracy, he has included some data that indicate fewer public employees per thousand in Japan than in the U.S., the United Kingdom or West Germany. Similarly, Mitsuaki Sako suggested MITI’s most important role as providing a macroeconomic “vision” for the nation (p.17). Mr. Sato importantly identified the lack of control that MITI has had over other government agencies, especially the Ministry of Finance, and private companies. In the latter case he singled out the Honda Motor Company’s defiance of MITI’s policy in the 1960s against its entering into the passenger car industry (p.19). Honda’s success in its assertion of company policy over government policy helps to dispel the “Japan, Inc.” conceptualization of the government-enterprise interface in Japan.

In the second section, Professors Robock and Hayashi elaborated on the eroding power of Japan’s general trading companies (‘sogo shosha’). These trading companies provide an important financing function for its affiliated companies especially due to their access to Eurocurrency markets (p.34). However, as manufacturing firms become more experienced in international business practices, affiliated firms may break away from the general trading companies (GTC) because of their lack of technological expertise. GTCs however, also serve an important role as information