Guest Speech, june 2000

Economic Nationalism in the Age of Globalism
By
Alice H. Amsden

After the Second World War a handful of countries outside the North Atlantic--"the rest"--rose to the ranks of world-class competitors in a wide range of mid-technology industries. National incomes soared at unprecedented rates and per capita incomes doubled within decades. How industrialization among these prime latecomers succeeded, why it followed a unique and novel path, and what some countries did to advance farther than others are the questions this book addresses. By the end of the century hubris from economic success had led "the rest" to over-expand and fall into debt. But it gave every sign of continuing to nibble away at the North Atlantic's bread and butter manufacturing, just as the North Atlantic's multinational companies continued to jostle to enter its financial markets, to sell to its consumers, and to buy the assets of its up-and-coming firms. In 1965, "the rest" supplied less than one-twentieth of world manufacturing output. By 1995, it supplied nearly one-fifth.

Among backward countries a great divide had appeared by the end of World War II in the form of manufacturing experience. "The rest," comprising China, India, Indonesia, South Korea, Malaysia, Taiwan and Thailand in Asia; Argentina, Brazil, Chile and Mexico in Latin America; and Turkey in the Middle East, had acquired enough manufacturing experience in the production of silk, cotton textiles, foodstuffs and light consumer goods to move into mid-technology and later high-technology sectors. "The remainder," which comprised countries that had been less exposed to modern factory life in the prewar period, failed thereafter to achieve anywhere near "the rest's" industrial diversification. The dividing line between the two sets of countries was not absolute, as noted later, but countries without robust manufacturing experience tended to fall further

behind, and the developing world became divided between those that were excluded from modern world industry and those that were redefining its terms.

The rise of "the rest" was one of the phenomenal changes in the last half of the twentieth century. For the first time in history, backward countries industrialized without proprietary innovations. They caught up in industries requiring large amounts of technological capabilities without initially having advanced technological capabilities of their own. Late industrialization was a case of pure learning, meaning a total dependence on other countries' commercialized technology to establish modern industries.

Knowledge-Based Assets

Economic development is a process of moving from a set of assets based on primary products to a set of assets based on knowledge. The transition involves shifting capital, human and physical, from rent seeking, commerce and "agriculture" (broadly defined) to manufacturing, the heart of modern economic growth. It is in the manufacturing sector that knowledge-based assets are typically nurtured and most intensively used. The greater such assets, the easier the shift from primary product production to industrial production (and later to the supply of modern services).

"A knowledge-based asset" is a set of skills that allows its owner to produce and market a product. The requisite skills are both managerial and technological in nature. They are both science-based or artisan, and are embodied in an individual or firm, depending on the scale of physical plant and the complexity of the production process. Three generic technological capabilities may be distinguished: production capabilities (the skills necessary to produce at optimum efficiency); project execution capabilities (the skills necessary to expand capacity); and innovation capabilities (the skills necessary to design entirely new products and processes). Knowledge is a special input because it is difficult to access in an advanced state, whether by "making" or "buying," and initially buying is what all latecomers must do. Unlike

information, which is factual, knowledge is conceptual; it involves combinations of facts that interact in intangible ways. Perfect information is conceivable---with enough time and money, a firm may learn all the extant facts pertaining to competition. Perfect knowledge is inconceivable because knowledge is firm specific and proprietary.

The nature of technology itself makes knowledge difficult to acquire. Because the properties of a technology cannot necessarily be fully documented, process optimization and product specification remain an art. The managerial skills that comprise such an art are themselves tacit rather than explicit. Technological capabilities that create new products and novel production techniques are part of a firm's "invisible" assets. Such assets allow a firm to sell below competitors' costs and above their quality standards. Because knowledge-based assets are proprietary, intangible and hence difficult to copy, they lead to above-normal profits and earn their owners monopoly rents.

Given such "entrepreneurial" or "technological" rents, there is a great reluctance on the part of a firm to sell or lease intangible assets. Rather than sell them, their value may be maximized if kept proprietary and exploited inside the firm. The secrecy of these assets is typically protected by law. Even if such assets are offered for sale, as they are in technology transfers, diffusion from one production unit to another production unit may be highly imperfect, and dependent on a high level of skills on a buyer's part. Whatever is sold may comprise merely the codified part of a technology. The knowledge about how a production process works, and how to improve that process, may never be divulged.

Given imperfect knowledge, productivity and quality may vary across firms in the same industry---a fortiori across firms in the same industry in different countries. In turn, if productivity differs across firms in the same industry in different countries, the price of land, labor and capital will not uniquely determine competitiveness. The price mechanism loses its status as sole arbiter of competitiveness among countries. Instead, the institutions that

nurture productivity will also play a role. Because a poor country's low wage may prove an insufficient competitive advantage against a rich country's higher productivity, even in the most labor-intensive industry, the well-behaved pattern of "comparative advantage" is upset, according to which a poor country can industrialize by specializing in low-technology industries. Even in such industries---the classic case is cotton spinning and weaving---demand may favor skilled incumbents (hence the endless debate among economists due to the indeterminacy of proprietary skills over Lancashire's defeat at the hand's of Japan, and Japan's victory over the textile industries of China and India).

In "mid-technology" industries, the workhorse of modern capitalism, capital- and skill-intensive technology is mature but subject to continuous improvement based on proprietary know-how. Such know-how creates brand-name loyalty (as in the automobile industry) and "reputation" (as in the consumer electronics industry). In the event that unit production costs are sensitive to market size and subject to economies of scale, incumbents enjoy "first-mover" advantage over newcomers. Thus, the knowledge-based assets of incumbents create oligopolistic market structures and barriers to entry. The impact of markets on economic development clearly differs in mid-technology industries depending on whether a country industrializes early or late, with or without premier capabilities. Market forces themselves may destabilize oligopolistic industries as new technologies upstage old ones and "gales of creative destruction" blow entry barriers down. New products and unique processes emit signals of high future profitability and in response, resources pour into industry at private initiative. With such resources, human and physical, new manufacturers can undertake the "three-pronged" investment on which the modern business enterprise depends: in plants with minimum efficient scale; in managerial and technological capabilities; and in distribution networks. Nevertheless, expectations of earning above-normal rates of return in the presence of established oligopolies are unlikely in the absence of extraordinary knowledge-based assets. Without such assets, the flow of resources from

agriculture into industry may amount to a trickle, and global entry barriers will endure.

Under conditions of imperfect knowledge, governments in latecomer countries face a choice about how to modernize low-tech industries and diversify into "mid-tech." They may either not intervene and let the exchange rate depreciate (equivalent under reasonable assumptions to a fall in real wages), or they may intervene and try to raise productivity. The advantage of the former is its automaticity---if a country cannot compete internationally, its exchange rate will eventually depreciate in value. Nevertheless, if wage cuts fail to generate greater skills or sufficiently lower costs, then in the long run a losing battle is being fought---decreasing wages in one country are no match for increasing productivity in another country. The advantage of subsidizing manufacturing profits is that industrialization receives a jump-start. The great disadvantage is that the engine of growth will overheat from "government failure." This policy choice was never more pressing than after World War II because the gap in skills between backward and advanced countries was never so great). The North Atlantic industrialized in tandem with two extraordinary waves of radical technological change, referred to as the First and Second Industrial Revolutions, whereas "the rest" had to industrialize in the absence of any endogenous technological breakthroughs. The US may have been backward after the Napoleonic Wars by British standards, but Eli Whitney's cotton gin proved the epochal break-through necessary to create a leading sector for the flagging American economy. In France, ominous competition from Britain after the Napoleonic Wars was foiled in the textile industry by world-renowned Parisian fashion designs and brilliantly-colored fabrics made possible by a precocious science-based chemical sector. Even Sweden, considered extremely backward by North European standards, accelerated its industrialization after the 1860s with inventions that became the origin of blue ribbon multinational firms: the telephone (L.M. Ericcson, 1876); the separator (Alfa Laval, 1879); electrical equipment (ASEA, 1890); and bearings (SKF, 1907). Japan, the originator of

the late industrialization model, had richer assets than those of "the rest" at a comparable development stage---rich enough to colonize its neighbors, Korea, Taiwan and Manchuria. Step-by-step Japan innovated new ways to produce traditional products; it could not rely simply on inexpensive labor to compete. By World War I Japan had triumphed over lower-wage countries in silk (originally invented in China) and cotton textiles (modernized in India before Japan).

The knowledge-driven entry barriers of the North Atlantic and Japan reappeared after World War II. Japan's lead in cotton textiles, bicycles and other low-tech sectors persisted, aided by relatively low wages at the bottom end of the skill scale. Labor-intensive industries (the 'informal' sector) typically employed part time and female workers, and the wage gap between such workers in advanced and backward countries was smaller than the wage gap between workers in advanced and backward countries in more capital-intensive and skill-intensive industries (the 'formal' sector). In mid-technology industries, despite Schumpeterian "gales of creative destruction" that were supposed to blow entry barriers down, the same multinational companies whose innovations had secured them market power in the late nineteenth century were still exercising that power over nascent companies in "the rest" in the late twentieth century: Hoechst, Bayer, Dow, and DuPont in chemicals; Dunlop, Pirelli, Goodyear and Firestone in tires; Ford, Fiat, General Motors and Mercedes in automobiles; Siemens, Philips, Westinghouse and General Electric in electronics; John Deere, DEMAG, Escher-Wyss and Olivetti in machinery; and Anaconda, Arbed, Krupp and Nippon Steel in primary metals.

After World War II, "the rest" thus continued to face the same policy choice it had faced for over a century. In response, downward pressure was exerted on wages, exchange rates were devalued, and labor costs were reduced. But for the first time, countries in "the rest" also opted en masse for an institutional solution.

A New Control Mechanism

To compensate for its skill deficit, "the rest" rose by devising an unorthodox, original economic model. This model qualifies as new because it was governed by an innovative control mechanism. A control mechanism is a set of institutions that imposes discipline on economic behavior. The control mechanism of "the rest" revolved around the principle of reciprocity. Subsidies ("intermediate assets") were allocated to make manufacturing profitable---to facilitate the flow of resources form primary product assets to knowledge-based assets---but did not become giveaways. Recipients of intermediate assets were subjected to monitorable performance standards that were redistributive in nature and results-oriented. The reciprocal control mechanism of "the rest" thus transformed the inefficiency and venality associated with government
> intervention into collective good, just as the "invisible hand" of the North Atlantic's market-driven control mechanism transformed the chaos and selfishness of market forces into general well-being. The reciprocal control mechanism of the North Atlantic minimized market failure. The reciprocal control mechanism of "the rest" minimized government failure.

A control mechanism involves a sensor, to detect the "givens" in the process to be controlled; an assessor, to compare what is happening with what should happen; an effector, to change behavior; and a communications network, to transmit information between all functions. In "the rest," the exogenous givens that industrial policy makers faced were the prices determined by macroeconomic policy makers, such as the exchange rate, the general interest rate, the tax rate and sometimes even the tariff rate (determined historically by finance ministries to generate revenues). Industrial policy makers were thus largely price takers. They were economic engineers whose job was to make manufacturing industry profitable, and to circumvent any difficulty posed to industrialization by prevailing prices, whether such prices were politically, technocratically or market determined.

Given prevailing prices, the first of "the rest's" engineering experiments set prices as though free markets obtained. The rationale was to allow

manufacturers to buy their imported inputs, and sell their final outputs, at world prices. Towards this end some countries created free trade ("export processing") zones. The theory behind such zones was that "the rest's" manufacturers were intrinsically profitable at world prices given their low wages. To industrialize, it was necessary simply to "get the prices 'right'." Free trade zones were a step in this direction because manufacturers were detached from prevailing exchange rate distortions except for their purchases of local inputs, mostly labor. All imported inputs were freed of duties, a major concession in the face of large international price distortions. In exchange for duty-free imports, firms had to export 100% of their output.

Despite this experiment in liberalism (which occurred in East Asia in the 1950s and 1960s), few firms except those in the most labor-intensive industries took advantage of duty-free concessions to locate in free trade zones. Other industries, including cotton textiles, could not export all (or any) of their output at world prices because they were not competitive at such prices. Productivity was below world norms and lower wages did not compensate except in the most labor-intensive sectors, which had been profitable even before World War II.

Development planners, therefore, went one step further. They offered duty drawbacks on imported inputs that were embodied in exports; 100% exporting was no longer necessary. Again, the result was mixed: labor-intensive manufacturing flourished (often under foreign ownership), but the manufacturing sector did not diversify.

Therefore, economic engineering went even further. Greater intermediate assets (subsidies) were offered to the textile industry and prospective mid-technology manufacturers; effectively, a deliberate attempt was made to "get the prices 'wrong'."---to rig them in order to make manufacturing activity profitable. At the same time, one key principle of earlier experiments was retained and reinforced, the principle of reciprocity: a subsidy (such as duty-free imports) was to be tied to a performance standard (such as 100% exporting).

In the cotton textile industry, for example, the privilege of selling in the protected domestic market was made conditional on the fulfillment of export targets. Later, other industries had to match imports with an equivalent value of exports (or comply with some sort of "trade balancing" arrangement). In automobile assembly and consumer electronics, the right to sell locally under tariff protection was tied to the "localization" of parts and components manufacture. A condition for receiving the soft loans of development banks was the employment of non-familial professionals in responsible positions, such as chief financial officer and quality control engineer. Development bank credit for heavy industries committed borrowers to contributing their own capital (under debt-equity ratio requirements) and constructing plants of minimum efficient scale. In India, price controls in the pharmaceutical industry encouraged cost-saving innovation and exporting in exchange for loose foreign patent laws. In Korea, a lucrative license to establish a general trading company depended on exports meeting criteria related to value, geographical diversity, and product complexity. As industries in "the rest" upscaled, performance standards shifted to research and development (R&D). Chinese "science and technology enterprises" were granted a special legal status in exchange for performance standards with respect to technically trained employment and new products in total sales. Small Taiwanese firms were "cherry-picked" to locate in science parks which obliged them to spend a certain percentage of their sales on R&D and employ advanced production techniques.

Starting in the late 1950s, then, the allocation of subsidies in all countries in "the rest" except one---Argentina---was systematized. It was circumscribed and criss-crossed by a dense network of relatively transparent rules and requirements that were reciprocal in nature. In theory, the problem of moral hazard arose, as firms got too large for governments to allow to fail. In practice, governments might not allow national leaders to fail, but they did allow their owners to go bankrupt, leaving production capacity in tact but transferring ownership rights to other entities, and thereby reducing the risk of moral hazard.

Corruption was the scourge of late industrialization. Within the jurisdiction governed by a reciprocal control mechanism, however, corruption was arguably minimized. Nor was corruption patently evident in times of great financial instability, as one would expect if it were of fundamental importance. The foreign debt crises that shook Latin America starting in 1982 and East Asia starting in 1997 were caused most likely by the developmental state's tendencies to over-expand. Latin America's protracted stagnation probably owed more to the developmental state's failure to create a new "leading sector" than to corruption. Corruption throughout "the rest" was endemic historically, and it is unclear if it increased or decreased after World War II, or after liberalization in the 1980s. Overall, corruption probably dampened growth, to a degree that varied by country, but given "the rest's" allocative control mechanism, did not derail it. Corruption may be regarded as a perverse performance standard, one that is unmonitorable and hence, of indeterminate size.

"The rest" rose, therefore, in conjunction with "getting the control mechanism 'right'." Over a century of sluggish development was reversed and unprecedented manufacturing expansion ensued. Growth rates of manufacturing output and manufacturing output per capita grew faster for decades outside the North Atlantic than inside it. Between 1960 and 1980, "the rest's" real annual growth rate of manufacturing output averaged over nine percent. Exports in most countries grew annually in the two-digit range for nearly 50 years. Between 1950 and 1973 per capita incomes doubled in some countries and quadrupled in others. In Asia, including India, they again either almost doubled or rose by an even larger factor between 1973 and 1995. Increases in per capita income were especially striking in light of rapid population growth, which went hand-in-hand with high rates of urbanization.

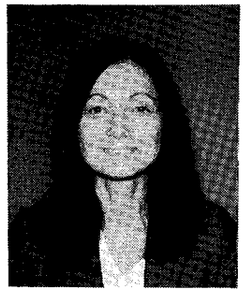
Based on Alice H. Amsden, *THE RISE OF 'THE REST': CHALLENGES TO THE WEST FROM LATE INDUSTRIALIZERS*, Oxford University Press, 2000.

Guest Speech, Fall 2000

U.S.&Japan: A Comparative Look at Community Partnership in Education

by

JoAnne Livingston



Good evening everyone. Thank you very much for inviting me here this evening to speak about Community Partnerships in Education. It is always a pleasure for me to talk about comparative education, especially to such a distinguished group. But before I do that, I have been asked to give a brief self-introduction, so let me start with that.

I have spent of most my adult career in education; first as a teacher in mostly private, independent schools and more recently, working on education issues at the federal level. And combined with my work in education has been my love of learning and teaching about things Japanese.

Most of my undergraduate and graduate work has been done in Japan-related fields. As an undergraduate. I double majored in English literature and Asian Studies with an emphasis on Japanese culture and Japanese literature, and my graduate work was in comparative literature with an emphasis on modern English literature and modern Japanese literature.

After that, I had an opportunity to come to Japan, as a special post-graduate student to study at Doshisha University and for those of you who know, if you are at all interested in studying Japanese history, culture and so on, there is no place more wonderful than Kyoto. And so, that was a wonderful year for me. I was studying in the morning and then in the

afternoon, I could go off to actually see what I had learnt. As far as my study of Japanese culture including the language goes, that was a very important year for me.

My second very important opportunity to come to Japan occurred three years ago. In 1996, I was very lucky to have been selected as a Mike Mansfield Fellow. I am not sure how many of you know what the Mansfield program is, but it's a program created by the U.S. Congress in 1994. The United States realized that although there were many Japanese, especially many Japanese government officials going to study and research in the United States, there were very few U.S. government officials coming to Japan and getting the same sort of research and in-depth experience. And so the Congress created a program whereby each year up to ten U.S. government officials would be selected to participate in a four-year program. The first year would be spent studying Japanese and Japanese culture. During the second year, Fellows would come to Japan to work side by side with our Japanese colleagues in a similar kind of agency. The third and the fourth year, we would take our knowledge back to the United States and help our colleagues in the United States understand how the Japanese government works and how Japanese policy in a particular field is formulated.

I would like to get back to my experiences during the second year of this programme. I worked at that time, and still do for U.S. Department of Education. So, I came then to work at Monbusho in Tokyo. It was an absolutely wonderful experience. It was another fantastic year, like my year at Doshisha, full of opportunities for me to improve my Japanese and learn more about Japan's educational system.

I think you can gather for this introduction that I have spent the better part of my life trying to learn about Japan, a country that I really love.

Whenever I have the opportunity, I try to return to Japan. So today it is in that context that I would like to share my experiences with you.

As I mentioned earlier, before joining the U.S. Department of Education, I spent most of my adult life teaching. What I taught was mainly Social Studies courses like Japanese culture, Japanese history, and Asian history. So I would like to share my experience with you also from the point of view of a classroom teacher. And finally let me also say that I consider this evening a great opportunity for information sharing. So, I hope all of you will also regard this as an opportunity for information sharing. Sometimes when people talk about or give a talk about what's happening in their countries, for example, what's happening in the U.S, it may seem as though the speaker thinks that this might also happen in Japan. I think I probably can say I know from the experience that sometimes things that work well in the U.S. just do not work in Japan. And something that works in Japan, no matter how wonderful it is, may not work in the United State. But I think if we take opportunities such as these to share information and listen to each other, we can take each other's best practices and adapt them so that they make sense in our own systems.

Let's begin then by touching briefly on my experiences at both the Monbusho and U.S. Department of Education. Then, I would like to go on to my main topic, community partnerships.

Compared to the Department of Education, Monbusho is a very powerful ministry. It can actually mandate curriculum. It can mandate what kind of textbooks are being used in Japan. In the U.S., the Department of Education helps in education reform by offering guidance. We can guide the way. For example, we have an office that does research and collects statistics. So by researching and gathering statistics we can give the nation an overall idea of

what is going on, and how we can move forward. We can provide examples, but we cannot mandate.

There are two main goals of the U.S. Department of Education: one is guidance and the other one is equal access. In other words, every child, no matter what conditions the child faces, is given the opportunity to receive an education. It doesn't matter where the child lives, doesn't matter what kind of obstacles he or she faces, the government has the responsibility to make sure that that child can get to school or that that child has an opportunity to learn. That is what we mean by equal access. So, if the child lives far from the nearest school, we have to provide school bus service. If they child is wheelchair bound, we have to ensure access to the classroom. The country is obligated, the government is obligated to provide ways that allow equal access to education. Every child must have the opportunity to receive an education, that is the federal role.

Let's quickly look at how this federal role in education evolved. First of all you have to realize that the United State was built on a distrust of the central government, on a distrust of a national government. People left Europe because they wanted freedom of religion; they wanted freedom from having the national, central government tell them what to do. That is why each state has a lot of power, why each state prefers to operate independently. The recent elections are a good example of the power of the individual states, a good example of the independence of states versus the federal government.

Another reason why the U.S. Department of Education at the federal level does not has so much power as Monbusho does is based on our Constitution. According to our Constitution, "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively or to the people." So since there are no regulations about education in the U.S. Constitution, the role of education

falls to the state. Hopefully, even with this brief comparison you can understand how education operates in the U.S. versus how education operates in Japan. You can see why in many ways it is easier for change to occur in the United States than in Japan.

Next if I may briefly address one other subject, international education before I discuss the role of community partnership. In many ways, it is a very exciting time to be in education, especially in international education. Until recently many countries thought that education was a purely domestic issue. And governments developed policy accordingly. But with the explosion of information technology where daily I receive e-mail from my colleagues in Washington D.C. or my son can do homework research online rather than going to the library, we have changed the way we receive information. My son's room has become his library. Technology has changed the way students go to school and how they do their homework. Those examples show that physical boundaries no longer restrict how we learn from each other or from different sources of learning. And indeed technology has transformed the way we gather and receive information, and therefore, has transformed the way we learn.

So what does all this mean for international education? Technology can be used to connect classrooms around the world using Internet and this is one way by which student can build cultural awareness, and foster language study. Using technology for distance learning can offer many opportunities and chances to expand the study of world cultures and languages. However, we must also understand that more information does not automatically mean more knowledge, and much less, more wisdom. So we must share with each other the valuable lessons we have learnt. We can also use technology to train and prepare teachers. Teachers and students alike can learn the skills to successfully utilize information that they can now get easily. And this leads

me back to why I said this is a really exciting time to be in education.

In the past few years, leaders from around the world have began to realize that we must share best practices in order to provide better futures for our children. Education has taken its place along trade, economics, security issues and other major topics on the agenda of international meetings. Let me give you some examples. In 1998, at the Summit of the Americas, which was held in Brazil, education was the number one item on the agenda for discussion by 34 heads of state and government. Again last summer the G8 leaders discussed education at the summit meetings in Germany. And then education was a major topic of discussion during the summer at the G8 Summit of Okinawa. During the recent vice presidential debates, Joe Lieberman who you know was the Democratic vice presidential candidate listed the issues he thought that matter to the American people, and at the very top of that list was education. And later during those same debates, Dick.Cheney, who was the Republican candidate, said education was the single most important issue. We are finally realizing that not only wealth but also the well being of every nation in this information age depends on the people, what they know and what they can do. We can no longer ignore the value of human capital, and education is the key we must use to unlock each individual's potential.

On April 19th of this year, President Clinton reaffirmed this belief by stating that, "The United States needs to ensure that its citizens develop a broad understanding of the world, proficiency of other languages, and knowledge of other cultures." We must develop international education strategy to help prepare citizens for a global environment. In order to do this, we must encourage students to pursue study abroad programs. We must

support the exchange of teachers, scholars, and citizens at all levels of society.

I feel like I am preaching to the choir at this point because as Fulbrighters many of you know from experience that it is very important to conduct cultural exchange of teachers and scholars. We must enhance programs at institutions that build international partnerships and expertise. We must support the expansion of high-quality foreign language learning and in-depth knowledge of other cultures. Let me stress here that international education is a two- way street and we must continue to learn from each other.

Since the early 80s, America has begun to realize that we have not done a very good job in educating our children. We were especially concerned when in 1983 a very sobering report called *A Nation at Risk* was published. This report emphasized the fact that American education was not serving American children well. At that time we did look to Japan to see what makes Japanese students high achievers, and what makes Japanese students excel in taking international comparison test. I think we learnt that educating child is not only the responsibility of the schools but that parents and the community must also get involved.

Since the early 90s, we have actively engaged in partnerships to encourage each community to improve educational opportunity. And, today, what I would like to do is not just talk about all this from an education perspective but also talk about it from the business perspective. Business has become one of education's most prominent partners because businesses realized that without a sound education they couldn't expect to have an educated workforce. So, whether it has been through volunteer tutoring programs or the creation of scholarships as incentives to learn, businesses are more involved in their community's schools. I think this is something Japanese society, and most Asian societies have always known—that a

healthy societal attitude towards education is necessary to promote better learners.

However, lately I think that American businesses have taken quite a good lead in partnerships. And I would like to share some of these examples with you now.

First, let us look at this slide. In the U.S. Senate, there is a "Committee on Small Business." The theme or motto of this Committee is "education success equals business success." Although this is a committee on small business, this Committee holds hearings to promote "education success" and invites members of the community that have initiated programmes emphasizing education-business collaborations.

My first example is the National Alliance of Business or NAB. "The National Alliance of Business is a national business organization singularly focused on increasing student achievement and improving the competitiveness of the workforce." Once again, it is very interesting to note that a business organization is focused on increasing student achievement and on education.

Please look at the next slide. You will see NAB's explanation of "how and what [they] do." I am especially interested in this sentence, "we work in partnership with every major business and education organization to raise public awareness, influence policy and stimulate action." The following slide shows the current agenda for the National Alliance of Business. The main topics include "increasing the academic achievement of all students; strengthening the link between education and the workplace; and improving the competitiveness of the workforce through life-long training."

By looking at NAB's mission statements, one might think that this is an education association. NAB is an organization with 5,000 members, which

include Fortune 500 companies, their CEOs and senior executives, educators, and business-led coalitions. And because the business community is concerned about education for its short or long term impact on society, the following strategy was developed:

First, businesses started by working with states to establish strong, credible systems of academic standards, and assessments calibrated to those standards and benchmarked to measure achievement across states and school districts.

Second, businesses are deeply invested in focused efforts to improve the quality of teachers, to increase the standards and content of mathematics and science education, to integrate technology into education, to support quality management systems in schools and districts, and to encourage employers to request academic records in the hiring process.

To do this nationally, the business organizations have come together to pursue a Common Agenda for Improving American Education. The Business Coalition for Education Reform—composed of 13 national business organizations—including the National Alliance of Business, U.S. Chamber of Commerce, the Business Roundtable, National Association of Manufacturers, American Business Conference—is linked to over 500 local business-led education coalitions across the country working directly on these same education priorities.

This network shares information about successful practices and strategies and jointly produces guidelines and policy directions aimed at achieving concrete results in the communities and states. An example of a state business coalition is the Maryland Business Roundtable for Education—which focuses its activities on strong accountability, high

standards, rigorous assessments, and school accountability. They also work on professional development, learning readiness, and technology.

Another example of this kind of collaboration is Achieve. In 1996, America's governors and 50 corporate CEOs came together to focus on education reform. The result was a new organization called Achieve, Inc., created as an independent, bipartisan, nonprofit entity to serve as a resource center for the states, to help benchmark state academic standards and assessments against the best national and international examples, and to sustain public leadership for improving student performance. Achieve works in partnership with other national educational, governmental and business organizations.

Let's look at their website: www.achieve.com

Next, let's look at another example of business-education partnership but this time a partnership which includes a federal government agency, the U.S. Small Business Administration: www.sba.gov

One of SBA's partners is the Women's Business Center. As you may know, women are taking a leading role in venture business and entrepreneurship. You might have read many articles lately, not just about the U.S. but about India as well, where because of business opportunities, women are able to free themselves from very traditional roles to take the lead in business. The Women's Business Center has created a site where one can access information in both Japanese and Chinese.

On a local level, there is the Lexington/Rockbridge County Chamber of Commerce. PREP 2000 was designed by the Lexington/Rockbridge

Chamber of Commerce's Education Committee as a multi-faceted, multi-year program to address a number of issues that have been raised by both the business community as well as the local schools. Through partnership of business persons, educators, and students themselves, local solutions are applied to local problems.

Finally, I have saved the best for last. I would like to show you the U.S. Department of Education's award winning web site: www.ed.gov

The Department's main partnership programme is called the Partnership for Family Involvement in Education. I hope you will take some time to look over the successful partnerships presented on this web site.

To conclude, once again, I want to stress that not everything is transferable between our two countries, but many of these ideas can work for Japan, and I think that if Japan and the U.S. would take the best of each other's education successes, we can actually make some headway in education reform.

Thank you very much for your kind attention.

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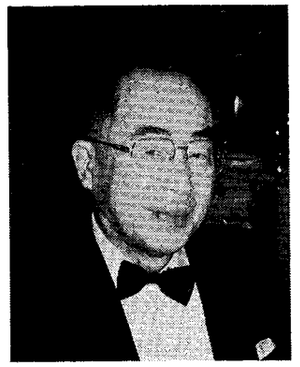
人　生　の　岐　路

山田　豊太郎（留学年次　1952～53）



滋賀県の彦根市に生まれた私は、学生時代を名古屋で過し、終戦の年に大学を卒業、略３年して当時の挙母市の豊田自動車工業KKに入社しました。その頃、会社は経営的に大変厳しい時でした。ある日、ガリオア留学生の募集があり、軽い気持ちで受験したところ思わず合格してしまいました。若かりし頃の私は、これが人生の大きな岐路になろうとは思いもしませんでした。会社の方で基本給保証の休職ということで留学が許可され、希望と一抹の不安と共に旅立つことになりました。

１９５２年夏、米軍のプロペラ機で悪気流の中をバッタの様に羽田―ウエーキ島―ホノルル―サンフランシスコと飛びここで一泊。飛行場から街までの高速道路、ホテル、テレビ（白黒）、街並み、などなど日本とは別天地であるのには驚きました。さらにデンバー―シカゴ―ニューヨークと到着、IIE（国際教育機関）スタッフに迎えられ、すぐオリエンテーションのためペンシルバニア州のアードモアにあるハバフォード・カレッジに赴き、そこで６週間過しました。戦後の我々にとっては初めて味わう美味しい食事、環境、雰囲気に驚くばかりでした。（数年後に家族と共に再度訪問した時に懐かしい想出に耽けたことを覚えています。）

その後、秋には私の希望していた自動車のメッカ、デトロイトにあるウエイン大学大学院で自動車のIndustrial Engineering（生産管理工学とでも言うか）を学びました。この大学は医学界では進歩的であり人間の死体を使った衝突実験や安全研究が行われていたのには驚きました。親切な係官、教授、気さくな学生友達、狭いながらも楽しいドミトリー、近所の日系ファミリー宅でご馳走になった日本食など、楽しい日々を過すことがで