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Date: Oct. 6, 1992 Contact: Bob Aaron

<u>"Coming to America"</u> Impact of Japanese Auto Plants on U.S. Communities Is Target of October Conference at Illinois Wesleyan University

BLOOMINGTON, Ill.--"Coming to America" was an Eddie Murphy box office smash-hit movie. It also sums up a business and investment strategy of six leading Japanese automakers, which will be probed at a pioneering conference this month at Illinois Wesleyan University.

"Global Partners: Local Communities and Japanese Transplants", Oct. 22-24, is expected to attract upwards of 100-120 auto executives; civic, government, and economic-development leaders; and scholars from U.S. and British campuses, who will examine the economic, social, cultural, and political experiences of six U.S. communities--including Bloomington--where Japanese carmakers have invested in new assembly lines.

Partial funding for the conference is through a \$30,000 grant from the Japan Foundation Center for Global Partnership (CGP). IWU's award was one of 67 grants, valued at \$5.5 million, made by the New York City-based CGP to American and Japanese organizations to spur intellectual, grass-roots, and community-level exchanges between the United States and Japan. CGP was established in 1991 through the efforts of the late Shintaro Abe, a former Japanese foreign minister.

The conferees will seek answers to these questions:

- How successful has been U.S.-Japanese integration?
- Have U.S. communities experienced the economic growth anticipated?
- What kinds of economic and social pressures have emerged?

• How well have Japanese work practices been transplanted to U.S. and British workers?

• What problems have cropped up in terms of cultural integration?

The global partnerships on the conference agenda are: Diamond-Star Motors Corp. and Bloomington-Normal, Ill.; Subaru-Isuzu Automotive, Inc. and West Lafayette, Ind.; Honda of America Manufacturing, Inc. and Marysville, Ohio; AutoAlliance International, Inc. and Flat Rock, Mich.; Nissan Motor Manufacturing Corp. U.S.A. and Smyrna, Tenn.; and Toyota Motor Manufacturing U.S.A., Inc. and Georgetown, Ky.

Of the six million passenger cars manufactured in U.S. plants in 1990, Diamond-Star accounted for 148,379; Honda of America, 435,437; Mazda, 184,428; Nissan Sentra, 95,844; Subaru Legacy, 32,461; and Toyota, 321,523, based on statistics from the Motor Vehicle Manufacturers Association, published in the 1992 edition of "The World Almanac and Book of Facts".

Additional historical and global perspectives will be offered by Nissan Motor Manufacturing UK, Ltd. and Motor Industry Local Authority Network, England.

Faculty and students from selected universities, where research has been conducted on global partnerships, will participate in the conference, including: IWU, Michigan State University, Middle Tennessee State University, Ohio Wesleyan University, Purdue University, Transylvania University, Beloit College, and Warwick Business School in England.

The conference will take place just 90 days after another international automaker, Germany's BMW, announced plans to build a new plant in Spartanburg, S.C.

The conference will focus on the strategy of Japanese automakers to locate U.S. operations in small to mid-sized communities not previously associated with car production. It will examine the new demands placed on the labor force, infrastructure, housing, and public services faced by the U.S. communities in accommodating the new assembly lines.

The conference also will explore incentive packages created by states and localities to help lure Japanese automakers to various communities, with the prospect of sparking economic growth, increasing employment, and boosting tax revenues.

One session will take an in-depth look at the circumstances surrounding Diamond-Star Motors' choice of Bloomington as a new plant site.

Among other conference topics involving the impact of Japanese auto transplants on U.S. communities are: cultural integration, the role of labor (one panel will feature a discussion by Japanese and U.S. auto workers), global linkages involving auto-parts suppliers, and a survey of collaborations among Japan, Europe, and the United States in the 19th and 20th centuries.

Conference discussions will focus on how Japanese auto transplants have adapted to life in a new economic and cultural environment; how Japanese workers have introduced their culture into U.S. communities; and the influence of Japanese concepts (for example, "wa", harmony, and "kaizen", striving for constant improvement) on labor-management partnerships.

The conference is co-chaired by John Wenum, an IWU professor of political science and director of the Social Sciences Division, and Margaret Chapman, an IWU associate professor of economics. Wenum and Chapman--along with Arun Elhance, a member of the geography department at the University of Illinois at Urbana-Champaign--are conducting a study of Bloomington's Diamond-Star Motors' operation, which was launched in the mid-1980's as a joint venture between Mitsubishi Motors and the Chrysler Corp.

The conference agenda for Oct. 23 includes:

• 9-10:30 a.m.--Purdue University's Sally A. Hastings will discuss Japanese collaborations with Europe and the United States in the 19th and 20th centuries.

• 10:45 a.m.-12:15 p.m.--Perspectives will be offered on location and incentive strategies. The experiences of auto transplants and host communities will be examined, with a case study presented on bringing Diamond-Star Motors to Illinois. Participants are: Herman Dirks, city manager, Bloomington; David S. Anderson, city manager, Normal; Jay R. Hedges, formerly with the Illinois Department of Commerce and Community Affairs; and a panel of respondents.

• 12:30-1:30 p.m.--Former Illinois Gov. James Thompson has been invited to address a luncheon gathering on Diamond-Star Motors' decision to locate in Illinois.

• 1:45-3:15 p.m.--The community impacts of auto transplants will be discussed, including their affect on local housing markets, infrastructure, and public services. Participants: John Wenum, Illinois Wesleyan University; Margaret Chapman, Illinois Wesleyan University; and a panel of respondents.

• 3:30-4:45 p.m.--Small group discussions.

• 6-8 p.m.--A dinner session focusing on planning local development--the American and United Kingdom experiences with Robert Miller of the Illinois Department of Commerce and Community Affairs and Alec Shelton, an economicdevelopment officer with the Derby City Council in the United Kingdom.

• 8 p.m.--A concert of Japanese music in the Western style performed by IWU's School of Music. The program will include the noted Japanese cellist Ko Iwasaki.

The conference program for Oct. 24 includes:

• 9-10 a.m.--A discussion of cultural integration and the cultural impact, opportunities, and problems arising from Japanese auto transplants in U.S.

communities. Participants: Robert Perrucci, Purdue University; a panel of respondents.

• 10-11 a.m.--Small group discussions.

• 11:15 a.m.-12:15 p.m.--A discussion of labor's role in the global partnership and the experience of U.S. workers in Japanese auto plants with a panel of transplant workers.

• 12:30-1:30 p.m.--A luncheon program dealing with education issues and the workforce.

• 1:45-3:15 p.m.--A discussion of global linkages in the auto industry involving transplants and suppliers. Participants: Arun Elhance, University of Illinois at Urbana-Champaign; Christopher Firth, Motor Industry Local Authority Network (MILAN), England.

• 3:30-5 p.m.--A group discussion involving future prospects for transplant companies.

• 6-7:30 p.m.--Dinner. Featured speaker to be announced.

• 7:30 p.m.--"An Evening of Kabuki Dance", a lecture-demonstration with Kimiko Gunji of the University of Illinois at Urbana-Champaign.

Illinois Wesleyan University, founded in 1850, enrolls about 1,800 students in a College of Liberal Arts (including a Division of Business and Economics); a College of Fine Arts (with Schools of Art, Drama, and Music), and a School of Nursing. For four consecutive years, IWU has been ranked No. 1 among Midwestern regional universities by U.S. News & World Report in its annual "America's Best Colleges" edition.

Editor's Note: Attendance at the conference is by <u>invitation only</u>. Members of the news media interested in covering the conference should call Bob Aaron, IWU's director of public relations, or Stew Salowitz, IWU's director of news services, at 309/556-3181 to make arrangements for interviews with conference participants and to make other arrangements.