This chapter explores the Japanese response to and involvement in media globalization. It identifies three processes by which Japanese cultural industries enter international markets — globalization, regionalization and localization. Globalization is evident in the popularity of animation and computer game software, the principal markets for which include Western countries as well as Asian countries. And it is the Western reception that has made these recognized as global media products by Japanese media industries. If the circulation in the West is the requirement of the globalization of Japanese animation and computer game software, the boosting export of Japanese TV programs, particularly dramas, to Asian markets attests to the regionalization of Japanese popular culture. Although Japanese TV industries have been relatively passive in entering Asian markets, since the early 1990s the export of programs has been increasing with the active promotion by local cable and satellite TV industries in East and Southeast Asia. In those Asian markets, localization, which aims to tailor media products to local preferences, is also a key strategy of Japanese cultural industries. Japanese TV industries are trying to produce something new in conjunction with other Asian cultural industries through format trade and coproduction. Although different in terms of products, markets and strategies, I will suggest that all three patterns of Japanese involvement in transnationalizing processes of media culture — globalization, regionalization and localization — testify to an ever-increasing integration of global markets and transnational cooperation among world-wide media industries at various levels.
The return of Black Ship: opening the country

The development of communication technologies such as VCRs, cable TV and satellite TV, and the concurrent emergence of global media corporations in the late twentieth century, has brought about an unprecedented abundance of audiovisual space all over the globe. While the impact of media globalization has been discussed in relation to various locales, including Western countries, the high rate of economic growth and the emergence of a wealthy middle class in Asia has urged global media industries to enter the new market in the 1990s (e.g. Lee and Wang 1995; Asiaweek October 14, 1994). The pioneer was Star TV which started its operations in 1991. Fascinated with the size of the potential audience in the region, Western global players such as News Corp., CNN, BBC, MTV, ESPN, HBO and Disney followed Star TV’s idea of pan-Asian mega-broadcasting. The emergence and proliferation of global media conglomerates prompted several Asian governments to react against the foreign (mostly American) invasion from the sky. For example, Malaysia, Singapore and China have advocated the protection of “Asian” values from decadent Western morals which are transmitted through the media. In those countries, the globalization of the media tends to be talked about in terms of the defending of a national cultural identity against Western cultural imperialism (concerning Asian governments’ various responses to Star TV, see Chan, 1994).

The transnational flow of media has also had repercussions in Japanese broadcasting policy and media industries, but in a different way. As Japan is not only the second biggest TV market in the world but also the only self-sufficient market – where more than 95 percent of programs on Japanese TV are produced domestically – outside the United States, media globalization has not been talked about in the same way in Japan as in other Asian countries. It was Star TV that first had a significant impact on the amendment of Japanese policies of transnational broadcasting. When Star TV broadcasts first reached Japan in 1992, the Japanese government had a regulation of banning the distribution of the intercepted transnational broadcasts within Japanese territories for commercial purposes, although it did not prohibit people with their own satellite dishes for private purposes watching transnational broadcasts. Immediately after the Japanese government concluded in 1992 that the broadcasting of Star TV was not for deliberate commercial purposes but due to the spilling over of its airwaves across the Japanese territory, the government set about amending a transnational broadcast policy which had been based upon the self-contained domestic broadcast system and decided in April 1993 to deregulate the transnational satellite broadcasting service (Shimizu 1993).

Further impact on Japan by transnational satellite TV came from a global player, Rupert Murdoch. In June 1996, Murdoch announced his plan to launch JSkyB, stating that Japan was the last unexcavated gold mine in the world of satellite broadcasting. Just ten days later, his company, News Corp. – together with a Japanese computer software company, Softbank – bought about 20 percent of the shares of TV Asahi, one of the five key commercial TV stations in Japan. The threat posed
by Murdoch to Japan was not that of transnational broadcasting, as with Star TV, but was rather the possibility of control of the Japanese media industry by foreign capital. Responses from the Japanese media included some hysterical suggestions that Murdoch was trying to control a TV network in Japan, as he did with Fox in the United States, but the overall reaction was marked by a sober recognition that the time had come to restructure the highly domestic-oriented Japanese TV industry in the global satellite age. The then Prime Minister, Hashimoto Ryūtarō, commented that the current move towards liberalization of the Japanese industry made the influx of foreign capital inevitable and that the consequences of this depended on how the Japanese media industry responded to such challenges from overseas (Nikkei Shinbun, June 24, 1996). Behind this sober response lay a recognition that the Japanese media industry has inevitably been incorporated into the global media war. The two incidents made it clear that Japan could no longer enjoy a self-contained domestic market.

Japanese mass media have often compared the impact of transnational satellite broadcasting to the mid-nineteenth-century incident when the American Commodore Perry arrived with his fleet of Black Ships and forced Japan to open to the outside world after a two-century-long closed-door policy. Academics, media industries and journalists (e.g. Furuki and Higuchi 1996; Ryū 1996) frequently make the comparison, referring to *kurofune shūtai* (the invasion of Black Ships), *kakoku* (opening the country) and *sakoku* (closed country). The implication was that the Japanese TV market was once closed but is now under threat of being forced to open its doors to the world. The influx of foreign satellite TV such as Star TV and digital satellite services such as JSkyB brought about the proliferation of satellite TV channels in Japan, which inevitably increased the import of foreign TV programs to Japan. However, the influx of foreign media products does not seem to be posing a real threat to Japanese national identity. This is mainly because Japan has never closed its doors to foreign cultural goods such as TV programs, films and popular music since the Second World War. For example, it imports many films, particularly from the United States. In 1996, foreign films occupied 64 percent of total box office sales figures (Yomiuri Shinbun, August 31, 1997). As for the TV market, Japan is one of the few countries which has no quota on importing programs. Nevertheless, the Japanese TV market shifted from a high dependency on American programs in the 1960s to a high level of self-sufficiency in the 1970s. As early as 1980, Japan imported only 5 percent of total programs and this trend has continued (Kawatake and Hara 1994). The absence of a defensive discussion on the protection of national culture in Japan, in contrast with many other countries (e.g. France), is a testimony to the confidence held by the Japanese government as well as media industries that the influx of foreign programs into Japan would not have a great impact on the audience’s preference for domestic programs (Nikkei Entertainment, April 28/May 5, 1993).

The global media industries’ “opening the country” has thus dual implications for Japan: the expansion of Japanese media industries into global media markets and the influx of transnational media products and industries into the Japanese market. This time, unlike the enhancement of incident prompted people to take the age of global media into account, Japanese government had no choice but to take action. The then Prime Minister, Hatoyama Ichirō, made it clear that Japan could no longer enjoy a self-contained domestic market.

Japan goe

With the notable exception of Japan, the global media landscape has seen a significant influx of foreign media products. However, Japan has maintained its domestic market for media products. This is due to the Japanese government’s strict control over the import of media content, which has resulted in a high level of self-sufficiency in the domestic media market. This is in contrast to many other countries, such as France, which have experienced a significant influx of foreign media products, leading to a decline in the domestic market. The Japanese government’s policies have been successful in protecting the domestic market, but they have also limited the potential for growth in the global media landscape.
I

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market. This time, unlike in the mid-nineteenth century, what is at stake seems less a foreign invasion of Japan than Japanese advance into global media markets and the enhancement of the competitiveness of Japanese TV software. The Star TV incident prompted the Japanese government and Japanese media industries to take the age of global communications seriously, but the main issue of deregulation was not about the reception of transnational broadcasts but about the dispatch of its broadcast to the world (Shimizu 1993). Similarly, the Murdoch shock urged the Japanese government and media industries to realize that in the age of global communications, Japanese cultural industries have to compete with various kinds of foreign software not only in the domestic market but also in international, particularly Asian, markets (e.g. Furuki and Higuchi 1996; Ryū 1996).

Japan goes global: animation and computer games

With the notable example of Sony, which is a global media giant, Japan is no doubt one of the main players in media globalization. However, it is often argued that Japanese cultural influence and presence in the world is secondary to its economic power. As Herman and McChesney (1998: 104) argue, “Japan is supplying capital and markets to the global media system, but little else.” For example, a most conspicuous Japanese involvement with media globalization is the activity of Japanese trading companies such as Sumitomo and Itochū, which invested in several American media giants (e.g. Sumitomo-TCI; Itochū-Time Warner). What those Japanese companies are trying to do is to strengthen American cultural hegemony by investing in the production of Hollywood films and by facilitating the distribution of them all over the globe.

However, Japan is not only increasing its capital and market share in the audiovisual global markets but also its cultural presence on the global scene. It is animations and computer games that have attained a certain degree of popularity in the Western countries as well as in non-Western countries. Since Otomo Katsuhiro’s hugely popular animation film, Akira (1988), the quality and attraction of what is called “Japanimation” has been acknowledged by the American market. In November 1995, the animated film, The Ghost in the Shell, was shown simultaneously in Japan, America and Britain. Its video sales, according to Billboard (August 24, 1996), made it to No. 1 on the video chart in the United States. The export of Japanese animations and comics to the American market amounted to US $75 million in 1996 (Sankei Shinbun, December 14, 1998). Computer games are dominated by three Japanese manufacturers, Nintendo, Sega and Sony. The popularity of Japanese game software is exemplified by the fame of the Super Mario Brothers and Sonic. According to a survey, as a director of Nintendo pointed out, Mario was a better-known character among American children than Mickey Mouse (Akurosu Henshūshitsu, 1995: 41–2).

It is not just an accident that Japan has become a key player in the globalization of animation and computer games. These Japanese industries have always had overseas markets in mind. Since Tezuka Osamu’s Astro Boy in the early 1960s,
Japanimation has long been consumed overseas. Japan routinely exports animation films. Animated films occupied 56 percent of TV exports from Japan in 1980–81 (Stronach, 1989) and 58 percent in 1992–93 (Kawatake and Hara, 1994). While other genres are mostly exported in the original Japanese language, only 1 percent of animated exports were in Japanese. This means that animation is routinely intended for export (Stronach, 1989: 144). The characters of computer games do not look Japanese because the producers and creators of game software are clearly conscious that the market is global (Akurosu Henshitsu, 1995). Mario, for example, does not invoke the image of Japan, because Mario, designed to be an “Italian” character, is not associated with the dominant image of Japan. Consumers and audiences of Japanese animation and game characters may know the Japanese origin of those commodities, but they have little “Japanese cultural odor” for the consumer (Iwabuchi, 1998a).

The popularity of Japanimation and computer games in the West in turn endorses the global appeal of those products in Japan itself. In the 1990s, Japanimation and computer games have attracted massive media attention in Japan, because they signify a new icon of Japanese global hegemony. There have been many articles in Japanese popular and academic magazines and daily newspapers which deal with the global popularity of animations and computer games. To just mention a few, “Sekai u seihatsu nokuukan aninie” (Japan-made animation conquers the world) (Hōsō Bunka, October 1994); “Nihon no manga ga sekai u seifuku?” (Japanese Manga conquering the world?) (Elle Japon, April 1996); “Nihon Animate no sekai u seifuku” (Japanese animation conquers the world) (Bast, January 22, 1996); “Manga ha sekai no kyōtsūgo” (Manga becomes a world common language) (Nihon Keizai Shinbun, May 23, 1996). According to a conservative bi-weekly magazine, animations and computer games have become two of the few things that Japan can pride itself on (Sapo, June 11, 1997). All these articles boast of the global appeal of Japanese popular culture, but they actually deal with the popularity of Japanese animation and computer games principally in Western countries. In this sense, in Japan, the meaning of “global” is predominantly associated with the affluent Western market, especially the American market. As Hall (1991) argues, the West is positioned as the “dominant particular” in the global cultural flow. Making Japanese products “global” entirely depends upon their reception in Western markets.

Domestically, the most important factor in the 1990s which made Japan turn to the global popularity of animations and computer games was the recession in the Japanese economy. After the collapse of the so-called “bubble” economic expansion in the late 1980s, the Japanese economy has been suffering a long slump. This dark picture of the Japanese economic future makes the popularity of Japanimation overseas a positive contrast. Many saw a brighter future for Japan in its ability to produce universal digitalized software represented by Japanimation and computer games (e.g. Dime, February 7, 1991; Nikkei Shinbun, February 5, 1996; Nikkei Trendy, December 1998). For example, Sakaiya Taichi, who is an ex-bureaucrat of Ministry of International Trades and Industries and was appointed the director of Economic Planning Agency in 1998, argues that Japan should be proud of comics and animations as a global business.
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animations as a global culture of Japanese origin. He sees the possibility of comics and animations breaking through the stratified Japanese social system by creating a new image of society in the age of the multimedia (Nihon Keizai Shinbun, February 25, 1996). Clearly, animations and comics are playing a significant role in the multimedia business. The characters of comics can be used in various other media such as computer games, movies, TV series, CD ROMs and toys. Kinder (1991) calls this multiple possibility of transmedia intertextuality a “supersystem of entertainment” which has come to be a dominant force in the global entertainment business. Japanese comics and animations would be the main features of a supersystem.

However, the euphoria concerning the dominant status of Japanese comics and animations in the supersystem is accompanied by a negative picture of its future. Precisely because they have become universally consumed, they are destined to be copied, studied and indigenized outside Japan. What is happening here is an “Americanization of Japanimation.” In this respect, Japanese animations are often compared in the Japanese media to the Ukiyo-e, premodern Japanese color prints of people’s everyday life, whose beauty and values were appreciated as Japanesque by the West and had a significant impact on Western artists. It is often suggested that animation faces the same dilemma as Ukiyo-e, many of which were taken out from Japan and exhibited in Western art galleries since the mid-nineteenth century, that the West (America) again deprives Japan of animations while Japan fails to recognize their (commercial) value (e.g. Dime, October 6, 1994; Bart, January 22, 1996; Nikkei Trendy, October 1996). Thus, Hollywood is trying to develop a new global genre by making use of Japanese animations. American film producers and directors are recruiting Japanese animators to develop American animations and computer graphics (Aera, July 29, 1996; Nikkei Shinbun, January 5, 1997; June 9, 1997). American production companies with the help of Japanese animators began producing Japanimation in the United States (Ohata, 1996; Nikkei Trendy, October 1996). Also the South Korean government has decided to support the promotion of the local animation industry for the future development of the national economy. A Korean conglomerate has entered the animation business by investing into domestic as well as Japanese animation industries (Nikkei Shinbun 3 September 1996; Aera, 29 July 1996).

In contrast, although the potential of the animation industry for the Japanese economy has been recognized, it has not yet led to the encouragement of and investment in the industry in Japan (Takemura, 1996: 72-105). The Japanese government is a target of criticism for its failure to promote Japan’s most lucrative cultural software industry in the digitalized world (e.g. Dime, June 2, 1997). Oshii Mamoru, the director of The Ghost in the Shell, lamented the lack of support for the development of the animation industry in Japan, and predicted the decay of the industry in the near future (Nikkei Entertainment, May 1997). Responding to criticism, the Agency for Cultural Affairs belatedly decided to support multimedia software contents in 1997 and held a Media Art Festival in Tokyo in February 1998. Its purpose was to encourage the domestic production of animation, comics, computer production contents in Japan.
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graphics and computer game software. The Agency for Cultural Affairs also decided to set about exterminating the piracy of Japanese software in Asia (Asahi Shinbun, 22 January 1998). Animations and digitalized software have become an officially recognized Japanese culture.

However, it should be stressed here that it is Western (American) money and the global distribution power that have made Japanese animation a global popular culture. For example, it was the investment and the distribution channels of a British and American company, Manga Entertainment – established in 1991 under the conglomerate of Polygram, then a major recording company – that made The Ghost in the Shell a hit in Western countries. Similarly, in 1996, Disney decided to distribute Miyazaki Hayao’s animated films globally. With the help of the global prestige of Disney, Miyazaki’s latest animation, Mononokehime, became a phenomenal hit in Japan in 1997. Its box office revenue went beyond the until then record figure of E.T. for the first time in Japan and exceeded 10 billion yen (Nikkei Shinbun, November 29, 1997). The production cost was 2.3 billion yen and more than 2 billion yen was spent on publicity in Japan (Nikkei Shinbun, June 9, 1997). The exceptional box-office hit of Mononokehime was realized thanks to a business tie-up with Disney. As the producer of the film acknowledged, the fact that Miyazaki’s animations are highly appreciated by the global animation giant, Disney, worked well as the publicity for giving the film an international prominence (Nikkei Entertainment, January 1998: 42). The director of The Ghost in the Shell, who is now producing a new animation film, plainly stated that he takes Western markets into consideration (Nikkei Shinbun, January 16, 1998). The budget for the film was 2.3 billion yen. The director of Akira, which attracted the attention of Western audiences to Japanese animation in the late 1980s, is also producing a new film with a budget of 1.6 billion yen. As is the case with Hollywood, Japanese animation is now becoming a big, though risky, business by taking global distribution into consideration at the production stage. These cases clearly suggest that Japanese animation’s inroad into the global market is closely related to the ever-growing global integration of markets and the media industries. The Japanese animation industry is able to become a global player only by exploiting the power of Western media industries.

Japan goes to Asia: export of TV programs to cultural neighbors

Secondly, what has also become conspicuous in the 1990s is the export of Japanese TV programs to booming Asian markets. While what Japan can export to Western countries is still limited to animations and computer games, much broader selections of Japanese TV programs and popular music are increasing their presence in East and Southeast Asian markets. The popularity of Japanese TV programs in other parts of Asia suggests that media globalization also activates the intra-regional flow of cultural commodities (Straubhaar, 1991; Sinclair et al., 1996). Although the textual appeal of Japanese TV programs to Asian audiences is a significant factor in the prevalence of global media industries, the Japanese government, through its cultural diplomacy, also plays an important role in promoting Japanese culture abroad. The Agency for Cultural Affairs has been actively promoting Japanese culture overseas, and has been facilitating the export of Japanese TV programs to Asian neighbors. For example, the agency has been supporting the production of TV programs with cultural themes, such as historical dramas and documentaries, which are popular in Asia. The agency has also been providing funding for the production of TV programs that are specifically tailored for Asian audiences, as well as for the distribution of Japanese TV programs in foreign markets.

Although the preference for Japanese TV programs is still limited to animations and computer games, much broader selections of Japanese TV programs and popular music are increasing their presence in East and Southeast Asian markets. The popularity of Japanese TV programs in other parts of Asia suggests that media globalization also activates the intra-regional flow of cultural commodities (Straubhaar, 1991; Sinclair et al., 1996). Although the textual appeal of Japanese TV programs to Asian audiences is a significant factor in the prevalence of global media industries, the Japanese government, through its cultural diplomacy, also plays an important role in promoting Japanese culture abroad. The Agency for Cultural Affairs has been actively promoting Japanese culture overseas, and has been facilitating the export of Japanese TV programs to Asian neighbors. For example, the agency has been supporting the production of TV programs with cultural themes, such as historical dramas and documentaries, which are popular in Asia. The agency has also been providing funding for the production of TV programs that are specifically tailored for Asian audiences, as well as for the distribution of Japanese TV programs in foreign markets.
Iwabuchi also decided in the prevalence of Japanese TV programs in Asian markets (Asahi Shinbun, forthcoming). I argue, the promotion by "local" industries is a significant factor which facilitated the diffusion of Japanese TV programs in Asian markets. And it is this local initiative that have given Japanese TV industries more confidence in the exportability of Japanese TV programs.

Although the possible impact of the recent financial crisis in Asia on the media markets is yet to be seen, Asian markets have become the hottest battlefield for global media corporations in the 1990s. About three billion people live in a region which achieved high economic growth and where the states are increasingly privatizing the media and communication industries. The huge potential of the Asian market is likely to attract entrepreneurs from all over the world. Since the emergence of Star TV, as mentioned earlier, there have been discussions about the Japanese role in the booming Asian markets, but Japanese media industries have not been as keen as Western and other Asian counterparts in exporting their products to the booming Asian audiovisual market. Until 1993, Japan has not had any intention of expanding its satellite broadcasting services outside the country. The reluctance of the Japanese media industries to export their products partly reflects the historical obstacle of Japanese imperialism as well as the existence of a profitable and wealthy domestic market. After its defeat in the Second World War, the Japanese government has tried not to face its imperialist past in Asia. With the help of the American Cold War policy which utilized Japan as a model capitalist country to counter communism in Asia, Japan suppressed its past by camouflaging itself with an image of a weak victim of the war defeated by the United States and successfully eschewed confronting its colonial history. The suppression of a Japanese cultural visibility is a desirable strategy for enabling the Japanese economy to expand to Asia. Kawatake (1995), for example, found that many Japanese companies wanted to remove apparent "Japaneseness" from their advertising material in Asian markets. It was thought that a Japanese appearance in Asia should be avoided as much as possible in order to pursue further profits.

When the Japanese government amended its policy on transnational satellite broadcasting in 1994, NHK quickly announced the launch of a satellite service to Europe, but still hesitated to broadcast to Asia (Nikkei Shinbun, July 14, 1994; Asahi Shinbun, September 7, 1994). The main reason was fear of being accused of cultural imperialism. It was an Asia Broadcasting Unity (ABU) meeting which was held in Kyoto in November 1994 that dispersed the anxiety regarding criticism of cultural imperialism. What the Japanese media industries realized during the meeting was a sudden shift in other Asian countries' policies from protection to promotion of local industries to counter Western "cultural invasion" (see Wang, 1996). This change finally convinced NHK to launch its service in Asia as well, but a Japanese scholar still lamented that what the ABU meeting told us was that Japan had fallen far behind Asian countries as well as the West in terms of the development of transnational broadcasting (Nikkei Shinbun, November 26, 1994). Many industry people and journalists pointed out the belatedness of the Japanese TV industries.
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to enter the Asian markets, arguing that Asian markets have already been dominated by American and local industries and that there is no space for the Japanese TV industries (e.g. Shima, 1994; Asai, 1997; Nikkei Shinbun, November 26, 1994).

There are two economic and structural reasons why Japanese TV industries are not very active about the promotion of the export of Japanese TV programs to Asia. The first is the difficulty in making profits in Asian markets. American industries quickly entered Asian markets, because this was just an extension of their existing global businesses. Including Star TV, almost all the satellite and cable channel suppliers cannot make profits in Asia, but the deficiency is compensated for by profits in the affluent Western market. However, Japan, without entering the Western markets, would not be able to make profits in Asia until the price of TV programs becomes as high as the Western counterparts. According to a survey by the Ministry of Posts and Telecommunication, the total hours of program imports in 1992 was 6,800 hours, worth 481.2 billion yen. As for exports, the figures are 16,471 hours, valued at 2.1 billion yen (Nakazora, 1994). As for the unit price of programs per hour, import is 7 million yen but export is just 127 thousand yen, almost fifty-five times. The average budget of a one-hour drama production in Japan is about 30-40 million yen, but the same drama can be sold for only 200,000-400,000 yen in Asia.

The second reason is copyright and royalties. In Japan, the production of TV programs has been for the domestic market and there have been no incentives to develop copyright contracts for second and third broadcasts. Since the early 1990s, as Japanese TV programs were increasingly exported to Asia, Japanese TV stations have come to realize that copyright issues are an obstacle to selling their programs overseas. To sell a drama overseas, for example, Japanese TV stations have to get permission from the cast and music composer of each series. Therefore it takes at least six months to clarify all the copyright issues for the second broadcast. Some talent management offices demand fees, which are more expensive than the TV stations can afford. For this reason, Fuji TV for example cannot sell even one-third of the twelve drama series it produces annually.

In the 1990s, according to my interviews with the Japanese TV industries, the wholesale figures of programs in Asian markets has become three times higher than before, but it still occupies much less than one percent of the total sales figures of a TV station. Given the low price of the programs, the cost of copying and packaging, and the extremely small proportion in the total profits of the station, it is no surprise that Japanese TV stations have not been active in exporting their programs to Asian markets.

In addition to these economic and structural obstacles, Japanese cultural industries have tended to be pessimistic about the competitiveness of Japanese TV programs and popular music in Asian markets. It was speculated in Japan that Japanese TV programs other than animation would not attract Asian audiences due to Japanese cultural and language uniqueness (Nikkei Shinbun, November 26, 1994). The pessimistic view has also something to do with the prediction held by Japanese cultural industries of the quick development of local industries in East and Southeast Asia. I organized a committee and submitted a report clearly saw the which into Asian markets and production systems, it export. However, man of Japanese cultural corresponds with my twenty cultural produ in Asia. Interestingly, a products in Asian ma sooner or later domi

Despite the pessimistic relatively passive atti the export of Japanese export hours of TV 19,546 in 1992 (Kaw dramatically increase to note here that the by local industries rat Star TV has from the particularly dramas, it told me that Japan localization in Asia.3

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The popularity of industries more conf Sumitomo Trading' (Japan Entertainmen from selling program
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and Southeast Asia. In 1994, Dentsu, the biggest advertising agency in Japan, organized a committee to promote the export of Japanese audiovisual products and submitted a report to the Ministry of International Trade and Industry. The report clearly saw the good possibility of Japanese products being further accepted into Asian markets and suggested the necessity of developing more export-oriented production systems, including market research and language dubbing, to expand export. However, many members of the committee also pointed out the likelihood of Japanese cultural products soon being superseded by local ones. This view corresponds with my own research. In November 1994, I interviewed more than twenty cultural producers in Japan concerning the popularity of Japanese products in Asia. Interestingly, almost every producer thought that the popularity of Japanese products in Asian markets, if any, would be transient and the markets would be sooner or later dominated by local products. I will return to this point later.

Despite the pessimism about the competitiveness of Japanese software and the relatively passive attitude of the Japanese TV industries in entering Asian markets, the export of Japanese TV programs has been increasing in the 1990s. The total export hours of TV programs increased from 2,200 in 1971 to 4,585 in 1980 to 19,546 in 1992 (Kawatake, 1994). The proliferation of media space in Asia has dramatically increased the demand for Japanese programs. However, it is important to note here that the promotion of Japanese TV programs was facilitated mainly by local industries rather than by active promotion by Japanese media industries. Star TV has from the beginning constantly broadcast Japanese TV programs, particularly dramas, in prime time. A manager of the Star TV Chinese Channel told me that Japanese programs are indispensable for Star TV’s strategy of localization in Asia.³

The local promotion of Japanese TV programs is best exemplified in Taiwan, where there are five cable channels which broadcast Japanese programs exclusively. Apart from NHK Asia, which simultaneously broadcasts most programs from Japan by satellite, four other channels – Video Land Japanese, Gold Sun, Po-shin Japanese and JET (Japan Entertainment Network) – buy whole programs from Japanese commercial television stations. These channels broadcast exclusively Japanese programs twenty-four hours a day (repeating the basic programming of six to ten hours a day). In addition, other cable and free-to-air channels also regularly broadcast Japanese programs. The number of Japanese TV programs exported to Taiwan has drastically increased since 1994. In 1992 the total amount exported from Japan to Taiwan was about 600 hours (Kawatake and Hara, 1994). There are no exact figures available for Japanese program export to Taiwan after 1993. However, in 1996, one Japanese commercial TV station, TBS, alone exported 1,000 hours of programs to Taiwan.

The popularity of Japanese TV programs in Asia has given Japanese media industries more confidence in exporting their programs to Asian markets. In 1997, Sumitomo Trading Co. Ltd launched the first Japanese pay-TV channel, JET (Japan Entertainment Television) with TBS, a commercial TV station whose profits from selling programs overseas are the highest in Japan. JET plans to supply seven
Asian countries (Taiwan, Hong Kong, Thailand, Singapore, Malaysia, Indonesia and Philippines) with one channel exclusively devoted to Japanese dramas, variety shows and cartoons by satellite up-link from Singapore. Taiwan is the most important market and the company started operation there in January, several months before other markets. JET dubs Japanese into three languages – English, Mandarin and Thai – but, significantly, only the Taiwan version is subtitled to meet Taiwanese viewers' taste. Since JET covers eight different markets, the advertisements are not about particular commodities but about general images of companies and products like Star TV. Taiwan JET inserts local advertisements. In 1997, the expected audience number reached was 3.5 million in Taiwan (JET), 350,000 in Hong Kong (Warf Cable), 50,000 in Thailand (UTB) and 120,000 in the Philippines (Sun Cable). JET will also start operation in Malaysia (Mea Sat) and Singapore (Cablevision) soon. It is estimated that JET has reached an audience of more than four million in Asia.

A manager of Dentsu, who expressed a pessimistic view of the long-term popularity of Japanese TV programs in Asian markets in an interview with me in 1994, changed his view when I met him again in January 1997: “What has been made clear is that Japanese TV programs have gained a certain universal appeal. The next step is to produce programs which target international, particularly Asian markets.”

Endorsing this shift, Japanese TV industries are increasingly becoming seriously engaged in setting up a principle of royalties for the second and third use of programs as well as in controlling piracy. In September 1998, Japanese TV industry for the first time made a raid on Sino Center in Hong Kong which is (in)famous for pirated VCDs (Video CDs) of Japanese animations and TV dramas with the help of the Hong Kong Customs (South China Morning Post, September 11, 1998). What has become clear to the Japanese media industries is that Japanese TV programs have huge market potentials in Asian markets, thanks to the promotion of other Asian media industries.

**Localization as hybridization**

Apart from government regulation policies, one of the difficulties which transnational cultural industries have faced in entering Asian markets is the diversity of culture, religion, language and race in the region. Combined with such culturally diversity, audience preference for “local” TV programs (Straubhaar, 1991) has proven to be a significant obstacle in exporting TV programs for Japanese as well as Western media industries, as some countries such as Hong Kong and India have long-established and powerful cultural industries whose products have won the hearts of their people. As expressed in the cover story of Asian Business (October 1996): “The battle for a share of Asia’s huge television audience is in full swing, with international broadcasters pouring in vast amounts of cash. But it’s the players who provide local programming content that look likely to succeed.” It is precisely these issues that Star TV is struggling with. By overestimating the omnipotence of
American cultural products, Star TV mistook the centralization of distribution for centralization of transmission and neglected the existence of multiple "locals." The lesson Star TV has learned is that exporting English-language programs produced in Hollywood is no longer enough. As Rupert Murdoch said, "We've committed ourselves to learning the nuance of the region's diverse cultures" (Asian Business Review, May 1994). Rather than pursuing the old-fashioned "communication as transmission view" of broadcasting pan-Asian programs in one language, the strategy of Star TV is changing to one of localizing programs by finding local partners which assure them of local programs. (Far Eastern Economic Review, January 27, 1994). Coupled with highly political reasons, Star TV replaced BBC World News and the American MTV with more Chinese-sensitive drama and music programs (The Australian, May 11, 1994). MTV Asia also struck back with much more localized programming.

Similarly, Japanese media industries acknowledged the significance of producing local products and have tried to penetrate the booming Asian markets through a localization strategy in the 1990s, but differently from Western and other Asian local industries. Clearly indicated in the above-mentioned report of the Dentsu-organized committee, Japanese cultural industries were not as keen to export Japanese products as to be somehow involved in the production of "local" products in various Asian markets as a long-term strategy. Japanese cultural industries had a conviction that "foreign popular culture such as TV programs and popular music will be soon superseded by domestically produced ones, as local cultural industries develop their production capacity by absorbing foreign influence," as the organizer of the committee told me in an interview. I argued elsewhere (Iwabuchi, 1998b) that Japan prides itself on most successfully hybridizing and indigenizing Western cultures. With this confidence in their experience of negotiating Western (American) popular culture, the Japanese cultural industries are trying to fuse things global (American) and local in Asian markets. As the director of Epic Sony told me in an interview:

"Japaneseness of Japanese popular cultural production can be found in its capacity for cultural mixing which makes the original source irrelevant. I think we are good at appropriating best parts from American popular music and reconstructing our own music. ...In the same vein, if we produce something stunning, trendy and newly stylish in local languages by local singers, I am sure that it can sell in Asian markets. The basic model [of the stunning style] is American popular culture."

While Japanese cultural industries have been somewhat unsure about the exportability of distinctively Japanese products, they are confident that other Asian countries will follow the same path as Japan in terms of a rapid indigenization of foreign (American) popular culture. If the ascent of Japanese TV programs in Asian markets is based upon the "localization" strategies of local cable and satellite channels, the localization strategy that Japanese cultural industries have tried to
deploy in Asian markets is thus the export of Japan's know-how for producing
"local" popular culture through the indigenization of American cultural influence
(Iwabuchi, 1998a).

While the Japanese recording companies and talent agencies have actively held
auditions in various Asian countries to find local pop stars in the 1990s (see
Iwabuchi, 1995), the Japanese TV industry has also begun to promote "concept
trade" (Asahi Shimbun, September 10, 1993). This means that Japan sells program
concepts rather than the programs themselves to other countries, and thus includes
the sale of video materials which hardly contain any Japanese "odour." Although
it is a common business of TV industry in many parts of the world, the concept
trade or format sales has been actively promoted by Dentsu since early 1990s.

Like Hong Kong's TVB, Dentsu sells the program concepts of chat shows and
game shows which have been well-accepted in Japan, together with the video
material, the supervision of production and Japanese sponsors to Asian TV stations
(Far Eastern Economic Review, June 16, 1994). All local TV stations have to do is to
provide local celebrities and audiences, and to learn the know-how of TV
production from Japanese producers. For example, NTV, a commercial TV station
in Japan, sold the format and visual material of the quiz show, Show-by Show-by, to
Spain, Italy, Thailand and Hong Kong. The original of America's Funniest Video
Show can also be found in TBS's variety show. The merit of concept trade for
Japanese TV industry is that it can be sold to affluent Western markets. It is also
advantageous in that if American production houses sell Funniest Video Show, for
every example, to another TV station, a Japanese TV station still receives another royalty.

Another move is coproduction. Fuji television is now jointly producing a TV
program with Singapore, Malaysia, Indonesia, and South Korea (Taiwan joined
in 1994 after the Taiwanese government abolished its policy of banning the
broadcasting of Japanese-language programs, but left the program due to its
predominantly Southeast Asian flavor). The title of the program is Asia Bagus!,
which means "Asia is terrific!" in Malay/Indonesian. Each week, four amateur
singers from five countries compete with one another. The grand champion is
assured of making his/her their debut as a professional act. The program has two
presenters, a Japanese woman and a Malay-Singaporean man. Both presenters
speak English and in addition each speaks, respectively, Japanese and Malay/
Indonesian. And a Korean translator occasionally appears.

This program has been broadcast in each country since April 1992; in Singapore,
on-TCS 5, in Malaysia, on TV3 (NTV9 from 1997), and in Indonesia, on TVRI
(TVRI quit the program in 1995 because the Indonesian Government does not
like to broadcast Mandarin, but in 1996, a private TV station, RTCI, joined the
program). While it is scheduled at midnight in Japan, most of the other countries
broadcast Asia Bagus! in prime time - TCS 5 and TV3, for example, broadcast it at
7.30 pm on Sunday night which is a most significant time for TV programming -
and it has been popular in terms of ratings (Yomiuri Shimbun, October 27, 1994;
Mainichi Shimbun, December 8, 1994). Although Asia Bagus! is directed and produced
mainly by Japanese staff, the program is produced in close cooperation with the

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TO GLOBALIZE, REGIONALIZE OR LOCALIZE

local TV industries and filmed in Singapore, in order to make the program “Asian.” In my field research in Singapore, most studio audiences replied to my questionnaire that they did not think it was a program produced by Japan and that the attractiveness of the program has much to do with its “Asian” flavor which cannot be reduced to a single country.

In 1997, NTV, another popular commercial TV station in Japan, also started coproducing an information program, Chô Ajinaryû (Super Asians), with Hong Kong (TVB), Taiwan (CTV), South Korea (SBS), Thailand (ITV) and Singapore (TCS8). NTV started a variety show which dealt with Asia-related topics in 1996 with the production cooperation of CTV, TCS8 and ITV, but developed the idea of coproduction further. What is interesting is that all the TV stations do not broadcast the same program. SBS, ITV and TCS8 used some of the film coverage as a component of an information program. Only CTV broadcasts the same program with subtitles as NTV. Each week, there is a main topic, such as fashion or karaoke, and each station covers the topic locally. Actually this difference itself has become a main topic of the program.

It should be remembered that both Asia Bagus! and Chô Ajinaryû are programmed at midnight in Japan; 2.30 am and 1.15 am respectively. This means that the programs are not for Japanese consumption but for other Asian markets. It is also important to note that NTV and Fuji TV do not make a profit by producing the programs. Neither sell the programs nor the concepts. The main reason for coproduction is to establish a corporational tie and to experiment with coproduction. NTV’s main purpose is to promote what they call “syndication,” with NTV selling the commercial time for Japanese sponsors in several Asian countries by coproducing a program.

One production house, Amuse, actively promotes coproduction of films in East Asia. Amuse coproduced with Shanghai TV a drama series (twenty-five episodes of a one-hour program), Shanghai People in Tokyo, in 1995. The drama is about the lives of overseas students from Shanghai in Tokyo. It is another version of Beijing People in New York, which became phenomenally popular in China in 1992. The director and the protagonist are both Chinese, but Amuse provided the production budget of 400 million yen (Nikkei Shinbun, January 12, 1996). The program was finally broadcast in China in 1995 and 1996 and got high ratings (Asahi Shinbun, evening edition, February 24, 1996). It was also broadcast in Japan in 1997, but it was scheduled at midnight and never attracted a wide audience. Amuse also sold commercial time to various sponsors including South Korean and Chinese companies, but allegedly could not cover the production costs. The main purpose was, like NTV and Fuji TV, to establish a relationship with Chinese TV industries and to learn the system of Chinese production and the know-how of selling programs and commercial times in China. Amuse is also very active in coproducing films with Hong Kong production houses. Since 1994, it has coproduced several films such as Nankin no Kirisuto, Hong Kong Daiyasōkai, Kitchen. In 1997 Amuse finally established a joint production house, Golden Amuse, with Goldenharvest Entertainment in Hong Kong to produce a string of love stories (Nikkei Shinbun, December 11, 1997).
THE NEW COMMUNICATIONS LANDSCAPE

Japanese strategies of localization in Asia reflect a widely observed tendency that the global distribution of the same commodities and media texts does not bring about cultural homogenization but generates a new cultural diversity, through the process of hybridization/creolization or localization/indigenization (e.g. Appadurai, 1996; Hannerz, 1996). In contrast to a globalization-as-homogenization thesis, a hybridization thesis is concerned more with the site of local negotiation with the global. It elucidates how foreign goods and texts are creatively cross-fertilized, indigenized and differently translated according to local contexts. As seen in the Japanese strategies of format trade and coproduction, Japanese media industries, together with local cultural producers, are attempting to produce something new in modern, urbanized Asian nations. In other words, I suggest that it is the process of local indigenization rather than the product per se that the Japanese media industries attempt to exploit in conjunction with other Asian media industries through localization strategies.

Global-regional-local: an interconnected triangle

John Tomlinson (1997) points out three reasons why we should reframe the issues posed by the “cultural imperialism” thesis with the globalization theory perspective. They are the question of the impact and the ubiquity of Western cultural products in the world; the dialectic nexus between global and local in terms of ongoing cultural hybridization; and the de-centring process of Western cultural domination. The ascent of Japanese media industries in the process of media globalization seems to be a testimony to the three—the increasing flow of Japanese TV programs in other Asian markets refutes the unambiguous power of Western cultural products in the world; the localization strategies of Japanese cultural industries is grounded in the global-local dynamics; and finally the global circulation of Japanese animations and the involvement of Japanese corporations in global media conglomerates shows the diffusion of cultural power. The activities of Japanese media industries at three levels—global, regional, local—suggest the complex and de-centring processes of cultural globalization, but it also shows that such processes themselves are coming to be at the mercy of the strategies and activities of transnational media industries.

The analysis of the involvement of Japanese cultural industries in global, regional and local markets testifies to the increasing integration and cooperation among world-wide cultural industries. As Pieterse argues: “What globalization means in structural terms, then, is the increase in the available modes of organization: transnational, international, macro-regional, national, micro-regional, municipal, local (1995: 50, emphasis original).

At each level of the market, Japanese cultural industries and Japanese media products cannot operate effectively without partners. Morley and Robins point out three patterns of activities for global media corporations: producing cultural products; distributing products; and owning hardware which delivers products (1995: 13). Global media corporations try to combine at least two of the above three, particularly if no doubt unambiguously out of Hollywood by Sony shows, corporations in globalization shortcoming of th capabilities and etc. we saw in this chapter distributors of Hollywood.

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three, particularly production and distribution. American media industries have no doubt unambiguous global hegemony with the latter two. As the recent buy-out of Hollywood studios – for example, Fox by Rupert Murdoch and Columbia by Sony – shows, the fundamental factor for the success of global media corporations in global media markets is securing good products. The serious shortcoming of the Japanese TV industries which have mature production capabilities and techniques is the lack of international distribution channels. As we saw in this chapter, it is American and other Asian media industries that act as distributors of Japanese programs.

Although the products and strategies corresponding to each of the three levels differ, the same player often runs through these levels. Japanese animations cannot be distributed globally without the support of American media giants. The latter, for their part, need Japanese animations to advance out to every corner of the globe. This is not just to exploit a new genre and product for the global market, but also to enter Asian markets where Japanese comics and animations have been most consumed. It is said that the ultimate purpose of Disney’s distribution of Miyazaki’s animations is to acquire the know-how of Miyazaki’s production technique and “Asian” flavor (Aera, August 4, 1997). It is also speculated that the real intention of Murdoch’s entry into the Japanese market is to secure attractive programs for the Asian market (Ryu, 1996; Inoue, 1996).

Even intra-regional coproduction in Asia cannot escape the shadow of the global corporations. In concept trade, for example, Oshin, a globally popular Japanese melodrama series, is now being re-made in Indonesia through the Australian production house, Beckers Group, which exports TV programs globally. A most powerful music producer, Tetsuya Komuro, is now trying to debut several Chinese, Hong Kong and Taiwanese pop singers in the American market. This movement from local (Asia) to global (the West) is forged by his joint venture with News Corp, TK NEWS. TK NEWS has produced a star search TV program, TK Magic, for the Taiwan market alone and established a new record label, rojam com, from Sony Music Entertainment, for the American market.

Conceiving the global as an aggregation of multiple locals, which are mostly equated with national markets, transnational corporations desperately attempt to maximize the number of local markets that they penetrate. As the merger and the cooperation of transnational corporations of different countries of origin intensifies, various markets are increasingly united and interrelated. The development of communication technologies also contributes to the simultaneous spread of information and images of a new product around the world. The speed and the quantity of transnational distribution of cultural commodities has been rapidly accelerating. The recent instantaneous spread, and the quick dying down of the popularity, of Spice Girls and Tamagocchi in the world testifies to this trend. The proliferation of media space and the recognition of the significance of producing “local” products encourages media industries to appreciate the many kinds of media products, including those of non-Western countries, for various levels of markets. This clearly articulates the gradual decentralization of Western cultural
hegemony. However, the rise of non-Western transnational media corporations in the global arena has not so much countered long-standing West-centric power relations as coopted it by joining the alliance. De-centralization of Western cultural hegemony is accompanied by the re-centralization of the still West-dominated cooperative transnational media system, which interpenetrates the global, regional and local markets.

Notes
1 It soon became clear, however, that Murdoch's intention was not to control a free-to-air TV station in Japan when he suddenly decided in March 1997 to sell the shares of TV Asahi to its parent company, Asahi Shinbun. Murdoch had concluded that the acquisition of shares in a particular Japanese TV station deterred other stations from cooperating with JSkyB and thus would do more harm than good in securing good Japanese programs. Murdoch's decision was to the point. Two months after Murdoch's selling of TV Asahi shares, the most popular TV station, Fuji TV, and Sony, which owns Columbia, decided to join JSkyB.
2 For example, the business earning of Nippon Television Network in the 1997 financial year was 283 billion yen. However, according to my interview with the station, the international sales earning was less than 1 billion yen.
3 It should be noted that this strategy was deployed by Star TV from 1992, well before Murdoch's takeover and the beginning of his localizing strategy.

References


