# INSTITUTE OF CURRENT WORLD AFFAIRS

AAG-1

Small Town Economics
West and East

Oberlin, Ohio
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Dear Peter,

Driving through the New England countryside, and now in the Midwest, has re-awakened my sense of how large this country is, and we haven't even reached the Great Plains or the Southwest yet. The open space is one of the great American natural resources I have been missing during the last few years in urban Japan. While monitoring elements of the reverse culture shock that I am going through on this trip, I'm seeing the opposite happen in my wife Kazari, a Tokyo ex-urbanite.

As we came through the easy rolls and folds of the central Ohio landscape, through Amish country and the home of Louis Bromfield, I felt my mind emptying images of cluttered and packed Tokyo, its throngs of people and tight streets. In their place came these wide gently curving lines of open earth...

The winter offers even more of this expanse, as only occasional windbreak rows of trees limit the huge rectangular acreages. Their crowns make for open silhouettes, perfect for tree identification, against snow and skies that sometimes fuse with the same color. Out in the open as soloists, or with only single file companions, the naked oaks, walnuts and hickories reveal their uninhibited shapes, often complex symmetrical patterns that don't get the same chance when a forest full of competitors make them arch and twist for light.

Trees can take on special meaning on the flat open plains just south of Lake Erie, where sometimes they are the only variables apart from an abandoned farmhouse, or a line of telephone poles marching off at right angles from a country highway.

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I spent four years in college out here, and it was my first close look at the "breadbasket of the world". Recently, as I drove a friend out to the airport past corn and soybean fields covered in snow, I was given a tree story.

She has a house in town and had been asked by a neighbor if it was okay to cut down a maple that shared the border between their properties, and not thinking too much about it, decided that it would not be missed, and might even help her struggling garden out behind the kitchen. On the next day, she witnessed a remarkable display of the perfect place memory of birds, as a group of sparrows re-created the tree in space in a momentary hovering search for their perches, and finding none, flew away. Only then did she realise how much the tree had been part of her backyard and begin to regret how little she'd resisted the idea of cutting it down.

The town that I am referring to is Oberlin, Ohio, settled in the early 1800's with the express intention of starting a "new place of learning" in the wilderness.

Near the center of town sits a broad square that has a wonderful collection of trees of considerable variety, a gift from a donor who had actually required that several buildings be removed in order to comply with the terms of the large donation. But the relatively open park is a remnant of a thick forest that was here before Dutch Elm disease struck this town and transformed it drastically.

It startled me to point of disbelief when I came across a large photograph of a young GI walking through this same square that I had known for several years, but could only recognize here because of architectural cues. His strolling figure was dwarfed by a cathedral archway of elms flanking the central brick path.

Like so many other townships, Oberlin townspeople had favored the elm for the great shade that it provides, and had planted them everywhere, often in uniform rows. When tree after tree had to be cut and burned, I am sure the residents were devastated by the loss.

More difficult to imagine is what this land was like before the settlers came, and how early accounts of their hardship in the forest frontier might compare with those of Amazonian sqatters who, four generations too late, are burning tropical rainforest down to make a life out of the wilderness, and creating great concern in the North.

Yet the abundant forest here in the colonies of the New World were probably what saved the last pockets of woods in Europe, so this theme seems to just shift settings...Japan's present forests are spared because even though they have plenty, it has been far cheaper to clear cut Indonesian rainforests, or huge tracts of Alaskan forests, than to pay the high labor costs to

maintain their own woodlands. It is a short term choice with long term consequences.

The variety of trees now taking over in the town's park is testimony to the wisdom of diversity over uniformity, an attribute that much of Japan's forests lack, and so have become vulnerable to pest infestations and other problems. This issue is one of several that I will treat in greater detail in assessing the goals of modern agriculture and land use.

I have wished to devote time to describing this small town setting in the Midwest, because although I was born into a bi-cultural family, and now am married in another, the experience of this isolated community mix of the physical and social order was perhaps the earliest cross-cultural adventure I chose consciously, and it has been influential.

Attempting to explain and understand inter-cultural experiences has been a personal necessity in my life, and my hope is that they can serve broader matters as well. In applying this prism to agriculture and the choices that different societies are making over the present and future use of their landscapes, my ambition is that some clarification will emerge about which values can unify us, and inform how we might as individuals and citizens of nations negotiate through cultural and historical differences and better a relationship with our environment.

As I look back on the time here in the Midwest, I realise that the socialization process was an important general theme to the experience here, as cosmopolitan urb- and sub-urbanites from around the country had four years to chance a transformation into small town Americans. There was never any guarantee that this would take place, but the opportunity was here for involvement. While few graduates have stayed on, I will guess that many are different people for the exposure.

It is one of the few valued experiences that I know to have in common with our last President. He too spent his college years in a small Midwestern burg, and the power to recreate that aura of small town America in his delivery has me impressed with how responsive most Americans are to it at some level.

My experience of this variant of community life, including access to most needs on foot and an opportunity to make personal relationships with shopkeepers and neighbors was a novel one, and those who may have grown up with it or never experienced it may feel these observations are obvious or useless, or both.

But coming from another experience, of East Coast suburban culture and urban life overseas, this was also a time that allowed a certain distance from the mainstream of events and images and media fanfare...

Although unforeseeable at the time, small town America prepared me for elements of Japanese urban life.

Perhaps the daily interaction with personalities in these two very different places, and their distinctive pace and structure that encouraged people's lives to rub off on each other is where the resemblances lie.
This belated encounter and appreciation for what has largely receded in urban American economic life has given rise to intuitions that something similar appears to be under pressure for change in Japan; this is where most of my impulse for comparisons has arisen.

In Japan, the current process of internationalization of many aspects of domestic political and economic life is creating predictable amounts of tension and disruption; much of this is a function of the collision taking place between economic systems that have been shaped by different cultural heritage, and that are traveling in different directions.
Values about the appropriate scale and structure of relationships within many aspects of the nation's farming ,retailing and distribution systems are in conflict with approaches that are more open and related to abstract principles that have partly foreign origin, although their advocates are numerous both inside and outside the nation.

Metropolitan Tokyo, for all of it's sprawling enormity, is to a large degree composed of a sea of small two and three storey buildings that are definable as neighborhoods, many served by shopping lanes cordoned off at times in the day to form hokoosha tengoku , literally "pedestrian heavens". The small bakeries, green grocers, bookstores, and other businesses are often also the homes of the merchants, with living quarters on the upper floors, or behind the street facing rooms.

The Japanese appear to have held on to aspects of their village heritage, with these mom and pop stores in towns and cities remaining so numerous and visible. These are not museum pieces either, but are armed with a voice and organizational power over local development decisions (where to place a new convenience store, or a supermarket can be a strictly controlled matter).
To an additional degree, the system owes it's strength to the present (now transforming) tax structure, in which independent owners can benefit from supportive and

byzantine regulations. A recent Japanese film by Itami Juzo highlights the struggle within this world of strategems, pitting energetic tax collectors against wiley private enterprise of all sizes. A Taxing Woman has been a minor hit here, although the sequel is meeting with less enthusiasm.

How the distribution system that involves these businesses is characterised here by would-be importers attempting to gain a wedge in is instructive. Sometimes the frustrations of those outsiders who want entry into this system elicit comparisons to a "mafia" or a Japanese version of La Cosa Nostra; many are unable to gain satisfactory access into any of the concentric circles of tight relationships up and down the distribution chain, or expect to circumvent the difficulty by going to the top of these cone-like structures.

But reciprocal loyalties within the network have clear rewards. Small shops can offer the service and responsiveness to the customer because their suppliers are so much in communication with them.

If I purchase a television from my local denkiya-san (electronics store merchant) and something goes wrong with it, I don't have to take it to the manufacturer, it will all be taken care of by the guy down the street. For that I might be willing to forgoe the factory outlet or large discount house (both still rare entities in Japan) that don't really offer an appreciable difference in the price anyway, because of mutual agreements that keep the price relatively tight from the top of the chain to the bottom...

At foundation the sharp economic conflict is not strictly because of market mechanisms; it is also over divergent worldviews: universalist values and assumptions of the West are in conflict with Japanese particularist values...and are ultimately the grist for the mill under slow and grinding reform in the bi-lateral trade talks, braced with the title of the Structural Impediments Initiative.

While the advantages to this slice of the Japanese system are apparent from within, it overlooks and challenges fairly broad assumptions about international trade and creates the appearance of a duplicitousness that maintains one order at home and another abroad. How can they dare play by two sets of rules?

Who wrote the rules, anyway?

Particularly in the US, where opportunities for business have been created to allow the universalist impulse to blend freely with competitive marketing, the particularist can be at a decisive advantage if he has enough hard and loyal workers in his circle behind him.

This has functioned negatively in our history, to the advantage of gangland neighborhood bosses, whose cronies formed alliances and exacted protection monies from their victims.

Rarely has this relationship served in a positive sense. Local merchants associations have understood this or have in isolated cases, been able to restrict growth.

Recently, a large shopping center has appeared a mile outside of town, and despite a mustering of resistance, the town merchants of Oberlin are left to anxiously await the outcome. Whether people continue to patronize the downtown strip of small shops, or are drawn away, is a matter that individual consumers, whatever their motivations, are free to decide.

In a society based on beliefs about the universal man, everybody gets a fair shake,or a free choice, although paradoxically in the jungle of competitive struggle, some are more equal than others, and can constrain choices down the road.

Neither system is without these distortions stemming from power to control choices...

Not many of us in urban America have the choice of purchasing things from the local merchant even if the price is a little higher ,because mom and pop have long ago closed up shop, and the shopping mall has taken over.

These have written into their design an echo of earlier forms of shopping environments, although the obvious guiding assumption is that the convenience of many shops within walking reach is something that people would be willing to drive some distance to in order to enjoy. Individual proprietors are not likely to know their shoppers as neighbors as well.

Mail order catalogs are successful here largely by virtue of the image of good service and product quality that they can convey to customers. Personality is an attribute conveyed through a connection with the mailbox and the delivery service.

A more dominant form of shopping experience are arrangements such as the K-Marts that offer dollar slashing blue-light specials, where bargain hunting is the prime mover. Unless one is lucky enough to be in small town America, or a rare urban neighborhood where there are remnants of another way, one has to look in

distant places, where small scale retailing is still the norm, and includes more than bargains.

The Japanese are slowly traveling in our direction. Discount chains are opening up in the suburbs, and so are convenience stores, that don't directly compete because, like nocturnal animals, they exploit different time niches in the same territory, and service late-night traffic of salarimen and college students.

And we in the U.S. are slowly banking into a turn toward values still visible over there...from industries as diverse as automobile manufacture and agriculture, interest in qualities such as craftsmanship, greater customer service and responsiveness, better warranties and after the sale services, and more interest in service related components of food, like freshness, and greater care in production...are emerging.

Is there a point where these paths will converge? Or will they pass like economic ships in the night? As experimentation with forms of planning and controlling growth proceed, and as new forms replace existing ones, many of the questions in my mind are over how much influence we can have over the process, and where our activity reinforces one pattern over another.

As ever,

Arthur Gibb

Received in Hanover 1/26/90