

GLOBAL MANAGEMENT ISSUES FOR THE 21st CENTURY:
STRATEGY, HUMAN RESOURCES AND ENTREPRENEURSHIP
**-The 'Invisible Road' Theory of Management:
Bonds Between Culture, Ethics and Philosophy**

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I. Management via the Invisible Road

Let us separate management into the visible road and the invisible road. We have become accustomed to the dualism of the opposite polar structuring of phenomena as conceived in comparisons of material vs spiritual, artificial vs natural, development vs preservation, good vs evil, and so on. Furthermore, trusting the accuracy of empirical results ascertained by statistics, we lay weight on objective methodology and believe that we can measure the justice in values; we tend to choose this 'visible' road of management.

The visible road of management seeks to measure efficiency and evaluate by using set standards, then by polishing the objectivity of the empirical sciences; a social science is fitted into a physical science paradigm. Through this process, a social science concerned with human-oriented research has swerved away from this realm, and leans heavily on the empirical analysis of econometrics and organization sciences.

For example, in contemporary management studies, there are: technology theories, function theories, control theories, organization theories, strategy theories, behavior theories, and the econometric analysis of these theories have become even more sophisticated as these dimensions fueled by their own energy have begun to differentiate into specializations. Therefore in this paper, by veering away from the measuring, evaluating and theorizing based on the empirical sciences as stressed in the visible road of management proposed by Western management studies; let us venture into the Asian realm of the 'invisible' road of management.

Now, focussing on the 'management of an individual life cycle research,' let's match 'road' and 'management' into the same plane. The 'road' here encompasses the way of living, those 'common customary patterns of behavior,' and later on the 'process of efforts to create pursuits beyond what is customary.'

In Japan, we often conceive of 'road or way (Japanese 'do')' as a special calling for those individuals who have created their lives around those particular talents and skills. For example, there are "Gei-do" (for those following the arts), 'Bu-do'(for those following the martial arts), 'Cha-do'(for tea masters), 'Shokunin-do'(master craftsmen), 'Shonin-do'(for merchants), and 'Shi-do'(for those who take the road of teaching). Now looking for a significance within these customary patterns of behavior, by delving deeper into the daily lifestyle of the Japanese, it is possible to structuralize that individuality which is sought for. So the individuality(meant here) of that Japanese is

that 'plus something' that is added to that customary daily pattern of living. And that customary daily pattern of living is the sum of the learning and developing process that anyone can go through; however, as in 'Gei-do'(way of the artist), the individual having mastered these customary daily patterns has transcended to a higher creative plane in 'Yuragi'(peace of mind).

So this 'do/road' said simply is that higher polished realm of 'Yuragi' reached through one's efforts after having achieved that customary daily living pattern. Said in another way, that traditional type of individualism which Japanese seek is encompassed in the charismatic power of that person whose spirit and body have fused after having mastered those daily patterns, then has transcended them to that higher plane. Then again, the Japanese way to express his individualism is not through direct revelation but in that hidden energy of movement in 'Yuragi' as revealed in the message expressed in the fused spirit and body movements. So we can point out that the individualism symbolized by the conception of 'do/road' is the possessor of 'Yuragi.'

At times this writer also refers to 'Yuragi' as 'Peace equals freedom and adaptability.' One who has mastered 'Yuragi' is aware of how to break away from life's daily routine in 'play.' For example, now as we look toward the 'Era of Deregulation,' whether we have this 'creative pattern of play amidst one's convictions' is a theme that has been thrown up for all Japan to ponder. Heretofore, repressing individualism and leaning too far on promoting uniformity; toward revitalizing Japan we present this theme of how to structuralize the management of 'Yuragi' as a solution.

The purpose to consider 'do/road' and 'management' with the same significance in this paper, is to find the 'road' within the man in management and verify the 'potential to establish management road.' As a result, this will lead to a review of the conceptual framework of management study. From the limits of the visible road of management, it would seem that the new structuralization of the invisible road of management, of its recognition theory, policy theory, behavior theory, and values theory may seem new at first however, it is possible to refer to this as a returning to ancient studies and a reviewing of archeology. We can hypothesize that the synchronous relation of road and management is similar to the cosmological existence within the unconsciousness of human beings.

Regarding the bilateral relations of invisible road and invisible management, both have the (1) daily pattern of practice and are tied together at the (2) origin of life level(natural form of 'Yuragi') which becomes the logic of the action source.

Then again, daily life itself is management theory; innovation of 'Yuragi' is the outward appearance of living management and creating 'Yuragi' is the appearance of life's management creation. In such a management theory, all life's origin is conceived therein. Therefore, 'management is road,' 'road is management' and when we believe in that synchronous relation from past, present and toward the future, then we humans can live in symbiosis with earth and even sense the cosmos.

In our theory hypothesis, the content of 'road equals management' is made up of 'culture,' 'ethics,' and 'philosophy' and their values network and those networkers are the 'managers of road,' in other words(let's call them), 'bonders(those who tie)' of 'culture,' 'ethics,' and 'philosophy.'

Of course, we must clarify this conception of 'culture,' 'ethics,' and 'philosophy' of the invisible road of management, define each element and their overall relationships and the significance of such management studies. However, let's set this problem aside for another discussion and hasten on by simply presenting the following guideline:

- (1) 'Culture' is the structure of thinking and behavior
- (2) 'Ethics' consists of inner behavioral norms
- (3) 'Philosophy' adheres to the fundamentals

The overall relations of the three conceptions of 'culture,' 'ethics,' and 'philosophy' will be verified in the one bond (management convictions belt, pseudo-religious dimension) conception of the invisible road of management.

Of course, needless to say, the definitions of these three conceptions are certainly diverse. Here focussing only on the essentials: implementing research methodology developed from past studies, after 'theory,' 'practice,' and 'basic research' of management are set into complex forms, the results are:

- (4) 'Culture' encompasses 'ethics'
- (5) 'Philosophy' transcends 'culture'
- (6) 'Ethics' must 'suffer' by 'culture' and 'philosophy'

Now let's set these above three theoretical hypothesis-type basic conceptual models into contemporary corporate phenomena. Then an inference can be made from actual corporate behavior of management ethics formed by the bonds of culture, ethics and philosophy. Now while implementing this new methodology discussed here, let's analyze this management theory. Furthermore, this research methodology is enriched by the cooperation of both Japanese and foreign practitioners and researchers with varied individual scientific interdisciplinary approaches and has then transcended those interdisciplinary endeavors in a trial research experiment.

Here we will focus on actual problems in Japan regarding recent corporate crimes and executives' corporate ethics. By implementing the 'Bonds of culture-ethics-philosophy' model we will analyze this pathological phenomena in Japanese corporations.

Hence, one of the paper proposals the 'Invisible road of management' will be thrown into relief through the actual problems of corporate behavior, the political realm and society.

II. Origins of Japanese Corporate Crime

As we look at Japanese corporate crime, let's analyze these problems by the relations of three concepts: (1) corporate ethics, inferred by focussing on the psychology of those executives, (2) corporate culture, the environment that has nurtured that corporate crime and (3) basic structure, that structure which supports the corporation and the underlying capitalistic philosophy.

In recent years, the following types of Japanese corporate crimes have been reported: robbery within business operations, breach of trust incidents (lately very conspicuous are granting profits illegally), bribery and tax evasion. While introducing cases of Japanese

corporate crime we will consider the similar aspects from the standpoint of corporate ethics and cultural environment and then generalize from a management philosophical perspective the existing order of management convictions and thereby make a proposal for future guidance. The research methodology includes interview surveys and frequent intensive discussions.

In particular, we had the opportunity to learn from former chief prosecutor, Yoshinaga, Keisuke who spent many hours at our research meetings. The following is a summary of his experiences in handling cases of Japanese corporate crime.

(1) The company, in particular the large corporation has a social and public existence; the staff within these corporations have a social mission and heavy responsibilities toward the society however, when companies begin to adhere to only profit-making they cast aside that aforesaid mission and proceed to break the law. This is the first source of corporate crime. For example, as symbolized by the 'bubble economy,' corporations rushed toward profit-making, followed by a decline in corporate morals which led to criminal behavior.

(2) Crimes are also likely to occur where the president is surrounded by 'Yes-people' staff who can't say 'no' when the president makes unfair or improper demands. Then again, there are criminal cases, where the subordinate can easily get permission from the superior in business practices which might be unlawful but would be profitable for the company.

(3) There are many cases where the roots of crime are set in activity to accumulate hidden reserves. These hidden reserves are for purposes of tax evasion, illegal contributions to politicians and bribery. Then too, cases concerning Business Code #494 'Company disturbances involving bribery funds' and those of presidents' embezzling funds for private purposes are also frequent. Furthermore, there was a case whereby a great amount of bribery funds was raised by using the company's foreign subsidiary.

So as can be note from the summary, the keywords for origins of Japanese corporate crime are 'Profit-seeking actions,' 'Yes-people staff,' and 'Building hidden reserves.'

Furthermore, in recent cases of corporate lawsuits involving the chairman there are three environmental aspects:

(1) 'Companies which harbor various conflicts'

Where there are conflicts between various factions, factions competing for their own benefits are prone to break corporate rules and act illegally.

(2) 'Companies whose scandals have been reported in the media'

The presidents of those companies reported in the media for economic crimes and bribery incidents have broken corporate rules and acted illegally and will be targets for public demonstrations.

(3) 'Companies where the president is dictator-like and makes all the decisions'

Under a dictator-like president, corporate management can become loose and sloppy, decision making unrestricted by the realm of rational management endeavors increases the potential to break rules and commit illegal acts.

Where the sources of origin of corporate crime and corporate lawsuits involving chairmen overlap, between corporate inner environment and outer environment the direction of the public information dispensing system and corporate socialization and democratization can be noted. In other words, the propriety of corporate social existence and the realities of corporate governance theory are being called into question.

We can note here that Japanese corporate culture does not promote democratic and fair participation according to ability, and as a group, displays a reverse efficiency of system rationalism. In other words, the corporate culture is hindering corporate growth and it is obvious that the organizational culture as it exists now must be overhauled and restructured.

III. Invisible Good and Evil

When 'Corporate culture' is reconsidered as a certain organizational culture(culture of a company), towards the final integration, problems of corporate actions reflected in strategy and policy making can be recognized. A reckless type of management marked by short term profit making, raising hidden reserves or stressing private advantages instead of the overall good, will call into question the 'corporate ethics.'

In this way, within the psychological make up of the executive regarding the organization to which he belongs, his individual 'thinking and pattern of actions'(company culture) can be clearly seen. And furthermore, this unit of organizational culture reaches up to the 'national' level including 'individual' and 'company' and 'system'(law, etc.) and consists of a 'multi-layered plurally-related structure.'

This cultural configuration of multi-layers and complex relations pierces through 'nation,' 'individual,' 'society,' 'system,'(customs, laws, etc.) and up to now has determined the good and evil of profit principles. And when profit principle set as good by the culture, is labeled as a corporate crime, in that instant the good in management turns into evil profit principles. Good and evil passes between the inner invisible road of management and the visible road of management.

For profits to make the standard of being legitimate, the 'invisible' environment is enwrapped within as values more so than the 'visible' money. With the environment as management resource, for the corporation to continue, the non-countable realm (that realm of mutually cognizant trust relations between subject and object) is internalized and the direction is determined by the development of management ability and philosophical structure.

At present, the bureaucracy and corporations are aimlessly wandering management entities. The primary factor here is that the Japanese-style corporate freedom and the bureaucratic-type 'ability-ism' have been stretched to their limits. Still remaining within Japanese organizational culture is the legacy of feudalism; contemporary Japanese

bureaucratic organizational character with its systematized authority of group power has as a cultural characteristic the avoidance of responsibility.

And this 'corporate culture' can 'seduce' the growth of corporations. Then again on the other hand, 'corporate culture' has the potential to be a minus factor in its growth. We can point this out as the reverse function of 'corporate culture.' This is due to culture's possessing two faces of the environment's 'releasing' and 'restricting' powers. Also as culture develops, this process envelops the 'affirmation of culture' and the 'negation of culture.' In this way, we must not lose sight of this ecological aspect which culture encompasses within. Important here is that the 'invisible road of management' as 'corporate culture' is the 'living-linked function of liberation and restriction,' also 'within the negation there is affirmation,' and 'within affirmation there is negation,' and this type of positive style (action ability) and freedom (ability to select) are essentially strong. This is why 'corporate culture' has a strategic structural perspective.

On the other hand, 'corporate ethics' which is woven into 'corporate culture' contains the concept of the normative values and orderliness. For example, regarding corporate social responsibility and at the level of corporate ethics of the executive's work ethics there is the 'Invisible' road of management which stands for the restricting power of the psychological framework of organization and the individual. So in a wider sense, against the 'free selection of culture' is the 'restricting guidance of ethics.'

Then again, the negative stance of culture can bond easily with the restricting power of ethics, in that case 'corporate ethics' can reflect a dogmatism, rigidity and passivity (negative action power, negative selection power).

In comparing 'corporate culture' and 'corporate ethics,' it is possible to divide strategy into active and passive spheres. For example, 'Kaizen' involving restructuring can be analyzed into three stages of 'Input,' 'Process' and 'Output' and at the 'Input' level the action can be termed as a passive conception. In re-engineering also, the input stage is likewise passive. 'Corporate ethics' where it lacks symbiosis in the growth process contains the passivity of restrictions as a basic cultural feature.

On the other hand, in 'corporate culture' the active conception at the output level of action is dominant. Instead of decreasing resources at the input, corporate culture theorists select the ecology of restructuring thinking and action to harness what resources there are at the highest level. However, although the active or positive stance of strategy may be similar in potential ability, the problem pointed out here is that there are differences in the development and direction of ability.

Now as we have developed this theory, let's think over again about the 'culture' and 'ethics' of corporate crime. First, the 'corporate ethics' of the 'Invisible' road of management restricts corporate crime, on the other hand 'corporate culture' of the 'Invisible' road of management appears to promote corporate crime. The 'Active stance of culture' and the 'Passive stance of ethics' have the potential to separate the good and evil of the 'Invisible' road of management. Culture has the two faces of good and evil, and according to the situation can actively contain evil. On the other hand, ethics disapproves of evil, and has one face only to adhere to good. We will continue to develop the discussion about the contradiction of this reality between culture and ethics, while considering the relations of culture and ethics in the origins of corporate crime.

IV. Cultural Influences Underlying Structuring Business Ethics

Limiting the ethical conception to the psychological phenomena, let's analyze the structural aspects of ethics by defining the inner behavioral norms.

One hypothesis here is 'Underlying culture is ethical structuring' in other words, let's examine how in structuring ethics the following, the 'Ability of culture'(cultural power, cultural influence, culture proximity) comes into play.

The 'Invisible' road business executive relates his culture to corporate behavior norms(inner order). Then 'cultural propensity' produces the next problem. According to the self the phenomena of outer side and inner side can be culturally separated, then cultural propensity is evaluated by the differences in its energy resources when its influences are expended in actions and decision making. In such cases, 'individual ranking,' and 'organizational relations' and 'authority of the system' become the primary factors in the differences in 'cultural propensity.'

Then again, the domestic culture not the international culture generally elevates the cultural propensity. Of course, the domestic culture forms the convictions on which behavior is based, and it is the basic influential power in the corporate ethical structuring of each country; regarding theory hypothesis, this is the first axiom.

Next, if the structural aspects of domestic culture are divided into the three cultures of 'Individual,' 'Organization' and 'System' and then by clarifying the bonds between ethics and the logical relations(situation logic) lying within each culture, the cultural power(cultural propensity) within the ethical structure will become clearer.

Now, let's think about the convictions of culture and ethics. Considering Japanese cultural convictions, in the relations with 'company culture' and 'domestic culture' they are structuralized by (1) individual aspects of family bonds, (2) organizational aspects of pseudo-village-type relations and (3) Imperial(Emperor) authority system aspects. This author has always conceptualized Japanese organizational culture in this way with its Japanese cultural features.

Furthermore, this cultural configuration is a complex layered structure with values of 'family,' 'village' and 'Imperial system' and the dual layered structure of cultural power(cultural influences) has formed this 'cultural power of a dual norm.' The opposites of 'back and front,' 'Yin and Yang,' 'affirmation and negation,' 'good and evil,' and 'superior and subordinate,'etc., are moderated as these polar opposites are dismantled within and toward justice, fairness and righteousness; information-sharing movements are vitalized.

'Cultural power of a dual norm' can 'Affirm good and evil at the same time' and tacitly acknowledges the countering theory of back and front. Here we are reminded of that 'Keep a distance and keep quiet(ie: don't give out information)' ways of 'Bureaucratic type ability-ism' related to the pre-modern feudal society. Said in another way, the cultural entity combines tradition, sense of belonging and is firmly rooted in the realities of daily living. On the other hand, the ethical entity in place of the realities of culture is strongly colored by principles. So as a result, management based on the cultural entity

is more easily led toward action and behavior that stress the realities and ignores principles.

Certainly the phenomena of longevity in Japan, the quickening pace of the ageing society has contributed to problems of the invisible road of management executive's continuing term of office; in such conditions the hidden cultural power is vitalized. The hindrances are reflected in 'Ama-kudari'(system whereby high level bureaucrats receive executive positions in business and various institutions), factional hiring and placement; in place of a 'Cultural power of justice' the input is a 'Cultural power of injustice' which brake the company culture's vital power. The disturbances caused by this dual norm in company culture can be seen in the existence of the 'Old boys network,' this type of system can serve as a reserve source of corporate crime. Here the cultural entity and ethical entity's fused essence as symbolized by the executive figure who influenced by private or improper relations, along with lessening self control causes the overall organization and system's vital metabolism to falter.

Next, let's clarify the way of Japanese culture's corporate entity as we look at relations between corporate culture and its business ethics and compare them with Western culture's and their corporate entities. As a means to understand the following discussion more clearly, first let's review our work up to now, which touches upon the topic, particularly regarding research in management culture as related to the traditional Japanese family, village, people and nation.

Considering culture as environment, I have proposed frameworks for management environmental theory, management cultural theory, and management anthropology, etc. In that first stage of my work, the theoretical hypotheses were 'As environment changes, so will management' and 'Management can create environment' and in order to construct a framework for management studies I proposed the pre-conditional theories of management in the book Introduction to Asian Management: Contact Point of Asian Culture and Management, Sangakusha, 1971. In that book and also prior to its publication at the Academy of Organizational Sciences conference, Gakushuin University, 1970, I proposed similar arguments in 'International Management: Chiba Faction Proposal/Development of Japan and Asian Perspectives.' This theoretical hypothesis proposed at the border of life and death, was supported at that time only by my mentor, the late Dr. Nakamura, Tsunejiro, the late Dr. Yamashiro, Akira and Dr. Mito, Tadashi.

Since then, I have continued to present this theoretical hypothesis first back then at international conferences in the U.S., Asia, Europe and then in China and South America and also at various foreign universities and institutions as visiting and research scholar. Having more foreign partners and colleagues in research than in Japan, one of my students who is introducing my theories abroad and has certainly earned acclaim is Masaaki Kotabe, Ph. D., University of Texas/Austin and the first Asian vice president of the Academy of International Business(A.I.B.). Now my academic theories have changed in form, become generalized, and are strangely enough, being re-exported back to Japan(for example: 'Cross-cultural management theory,' 'Comparative cultural management theory,' etc.)

I have made similar presentations of such research themes in Japan. For example, at the Academy of Organizational Sciences, I spoke on 'Monkey Groupings' from my research

work, 'Management Ecology'; at the Academy of Multinational Corporations conference, on 'Educational Theory of Multinational Corporations and Management Ethics'; and at the Japanese Academy of Management Education, on 'Globalization Theory of Regional Corporations.' Recalling those occasions, these ideas and conceptions were either ahead of their times or very 'foreign.' Then again, unfortunately, there was little understanding of management culture, and no awareness of the strong influences of management culture underlying corporate ethics; the contemporary recognition system just was not there yet. At that time, my research in management ethics was rather than a study of management morals, concerned moreover with motivation and a review of American management studies; and the aim was to determine the links between the indigenous type modernization logic and structuring the management framework of each country with its cultural characteristics and peculiarities.

Regarding relations between culture and ethics we will refer to a joint research with Prof. G. Hofstede and another study with Prof. Fred Luthans. Prof. Luthans is the former president of the American Management Association and also, professor at the G.C.B.A. at the University of Nebraska-Lincoln. At the University of Tilburg, 1975, with Prof. Hofstede, Prof. Luthans presented a joint research work which included this writer's cross-cultural management theory; it was a restructuring of his theory of management behavior(contingency theory) and it was presented as 'International Management.' At that time, regarding management ethics and management culture, the three of us shared the same recognition which emphasizes that management ethics includes values(a theory of the significance of cultural meaning). As an extension, in the process of actual research while enveloping cross-cultural into comparative management and comparative organization the statistical analysis methodology of comparative psychology was applied.

Recently, Prof. Luthans and I are conducting research on the cultural influences of ethics. Dr. Luthans is motivated by the University of Nebraska's internationalization programs; report participation as member in various international academic associations, active as speaker in foreign countries and through actual research abroad receives on site direct information from that research environment, aware of differences in the cultural proximity, he can sense their influences on corporate ethics.

Within his arguments, aside from the cultural perspective of ethics; regarding standards of ethics which envelops cultures, he has learned that there are differences between the Western and Japanese frameworks. These can be seen in differences that appear in American/Japanese comparative studies which are due to problem recognition of Japan's dual norm cultural power. The discovery here is that in ethical rightness and justice, the conception of truth, comes from the value norms within that particular culture. And then again, all cultures when culturally analyzed can (1) change, (2) not change and are (3) liable to change; as the peculiarism of these three kinds of movements are explained, basically the structure is one that is hard to change. For example, even if the change is noted in the cultural form, the origin(roots) of that change is something that is hard to change. Then again, this 'hard to change basic structure' is the pivot point phenomenon about which the form that changes(movable system) revolves around and can return to.

So in this way, Japan's corporate ethics is a basic structure of culture with values contained. Japan's organizational culture of its company culture can be described as 'the reasonable of the unreasonable'(animistic energy, remains of man's primal vitality) type of culture/ethics structured form(dual norm of cultural power), supported by the logic of 'family-village-Imperial' system which are originated in a conscious structure of a corporate communal body(pseudo-family-village-people-Imperial organization entity). The result here is that in Japan, management culture and management ethics are difficult to separate clearly due to this vague mixture and this point is the cause for the plus and minus vital power. Having published research results in the past regarding 'family-village and Imperial system,' let's proceed on.

Let's consider the essential aspects of Japan's corporate communal entity which contributes to the vagueness in relations of company culture and company ethics. Here we will look over Japan's capitalism and towards its revitalization consider proposals from a philosophical perspective.

Please refer to Diagram A, 'Causes of Japanese Corporate Crime: Japanese-Type Capitalism and Pre-Modern Background.' This diagram depicts the links between culture and ethics, the origins of Japanese corporate crime, and the differences in the corporate communal entities between the West and Japan. As we consider this foundation which supports corporations, bureaucracy and all of contemporary Japanese society's management organizational entities, we will spotlight and analyze the philosophy of Japanese-type capitalism which is the next subject.

IV. The Management Philosophy of 'Grafting' and 'Growing from a Seed'

The essentials of capitalism affirm the justice of profit in the 'Invisible' road of management. Max Weber-like Protestantism which underlies 'Religious ethics' is 'Social ethics' hence 'Business ethics.' And this consists of an affirmative industrialist's spirit and goal-oriented rationalistic activities accompanied by double entry bookkeeping and scientific statistical methodology.

Therefore, at the roots of Western-style capitalism is 'Management ethics' which is based on 'Religious ethics.' Furthermore, there exists an intellectual populace who universally accept the bonds of religion and management. This kind of social ethical perspective held by the general populace overlaps the corporate inner management ethical perspective; and Western-style capitalism has developed alongside, in the maturing process of the citizens' society.

Japanese-style capitalism was imported directly from the Western-style without the science of religion, and in place traditional ways of thinking(like Shibusawa, Eiichi's Confucian abacus theory) and so forth were applied. This kind of process can be likened to 'grafting a twig on a different tree.' For example, there are parables of this process as in 'Taking the body and leaving the soul,' 'Japanese spirit/Western technology,' and 'Bringing water to one's own paddy-type of selfish behavior.' Stresses, strains and problems can occur when parts here and there are accepted, not the whole package. It seems that contemporary Japanese-style capitalism has continued to drag along the feudal system remains in a pre-modern type capitalism. And the essentials of the Japanese corporate communal entity is an extension of those characteristics.

The problem is two fold, the tardiness in modernization of the political realm and market along with the lateness in rationalizing the bureaucracy and corporations. While negating the science of religion which should underlie corporations and bureaucracy, the Japanese created 'bureaucratic-creed(religion)' and 'corporate-creed(religion)' just could not serve as that new science-apparently, herein lies the problem of Japanese-style capitalism after the Meiji period(1868-1915). So regarding the structuring of postwar Japanese-style capitalism and citizens' society, recently the perspective has been from deregulation and bureaucratic reform. At last, we have taken this courage requiring adventure!

As Protestantism has championed the freedom of beliefs, acceptance of 'corporate ethics' depends on the understanding of that philosophy within that religion and the indigenous generalization of that philosophy within the general population. As 'corporate culture' becomes 'culture-ized,' the environmental conditions for it to be universally accepted and walk alone require that the corporate entity and business come to the level of the 'sacred and profane' and according to the ability of that individual be reconstructed anew within one's inner life. Said in another way, business can be 'beautified,' made 'common'; this is the natural rhythm, business becomes daily life itself. This conception of Western-style capitalism's spiritual culture and management philosophy has not yet rooted in Japanese-style capitalism.

My research office at home is in the countryside of Shibayama-machi which is surrounded by tall forests of slender 30-year old Japanese cedars. As we look out the window during frequent visits of typhoons, we can see the strong winds whip the trees and eventually the weaker ones unable to withstand the pressure, break and crack. Observing a tall green tree come crashing down, broken by nature's power is an encounter with a learning experience: 'Knowledge is power,' and 'Nature is power.'

As we look for the origin of cultural power in natural philosophy and management philosophy based on fundamentals; let's consider capitalism's spirit from the two logics of 'grafting' and 'growing from a seed.'

A. Grafting Hypothesis(Japan is the root/foreign country is the trunk)

Looking at the Japanese cedars, broken by the typhoons, we find that many of them were grafted about 30 years ago, so although they grew quickly the weaker ones were rotting from within. Then again there were more fallen trees in areas where woodcutters had not cut the surrounding smaller trees. Continuing investigations, where the cedars fall, the sun shines through, the natural forest renews itself, enriched by birds, animals, insects and plants and these new discoveries increase the joy of walking in the forests. Could this 'grafting-type' Japanese-style capitalist spirit be a cause of present day problems? Can the same question be asked of the philosophy of Japan's 'corporate communal entity'?

B. Growing from a Seed Hypothesis(root and trunk are foreign/not Japanese)

There are 1000 year old cedars that have withstood all natural calamities at Sawara city's Katori Shrine and Amatsu-Kominato town's Kiyosumi Temple in Chiba prefecture. Cedars which have grown from the seed are called 'Mishou'(in Japanese, the characters

mean life from a seed) cedars. They do not grow as quickly as those that are grafted but they have withstood winds, rains and other natural disasters-they have that special 'living power.' Cedars that have grown from the seed carry that meaning symbolized by the potential of continuing life. The management entity of the chain of life has a value information function that can be defined by this hypothesis of 'growing from a seed.' The qualities of freedom, competition, fairness, justice and ability of capitalism 's spiritual ethos can be defined in this 'growing from a seed' hypothesis.

Emphasizing natural philosophy, harmony and symbiosis and returning to basics, we have proposed the 'Cedar Hypothesis' of capitalistic spirit. If Japan's spirit of capitalism is of the aforesaid 'grafting' model then regarding creating short term economic expansion, we'll have to find new roots and new trunks.

Then again, if the 'growing from a seed'(mishou) model describes Japan's capitalistic spirit, through environmental nurturing of the continuing potential, the management entity must be revitalized. Toward this effort, the growth and cycle of roots must be nourished to promote development of the leaves, branches and trunk.

This process will also include digging up the root philosophy. As noted before, referring to ancient teachings in the 'Kojiki' and 'Nihongi' will be part of this process. Through these types of research proposals such as in 'Theory of the seed' along with searching into new areas such as the origins of life, cosmos, earth and in realms of creative myths; we can note that the future movement in management philosophy research is heading toward more diversity and becoming more cross-disciplinary.

Diagram B, 'Growth Theory of Cedar Hypothesis'(A Japanese Cedar Hypothesis) outlines a future direction for Japan's style of capitalism. Also, as an extension, a proposal for a review of the essentials of Japan's corporate communal entity has been made.

V. The Management Road of Creativity and Practice

The revitalization of management can be sought at the point of recognition change from 'Grafting' to 'Mishou' of Japanese-style capitalism. This problem consists of the backbone theory and philosophy of management studies to transcend the environment and deal with, try to improve or find alternate systems of the management communal entity with its deftly hidden organizational DNA(somewhat akin to the AIDS virus).

For example, the value norms of dual norms and dual constructions can interpret the seed of origin and the necessary chain of life. At the extension here, the organizational basic units of corporate communal entity's 'family' concepts are 'lifetime employment system,' 'seniority system,' 'company labor unions,' etc. which create good and bad points and the necessity to put up with this management situation in the good and bad times.

'Family' here stands for 'home,' 'marriage,' 'child raising,' 'retirement benefits' as amenities and security of daily life and at the same time the motivation to protect against the fear and insecurity of their loss.

The corporate communal entity has constructed the salaried man's organizational culture, directed toward that meaning of 'family' and can strategically integrate that security and fear into the structure.

In the same way, the logic of 'village' harbors the 'jealousy' and 'competition' at the foundations of the Japanese network of 'family.' The groupism in Japanese management, contains a perspective of competitive individualism very strongly. While living and through research in a Japanese village, I could certainly verify this peculiarity.

As 'family-village' patterns are institutionalized into the corporate communal entity, the opposites of group behavior and individualistic competition have been set as value extensions. So this means that, the corporate communal entity with its dual norm and dual authority fails to democratize, carries remains of feudalism, and has difficulty to rid itself of the logic of the 'family-village' configuration.

So how can we restructure Japan's capitalistic spirit, with its nucleus of Japan's corporate communal entity?

As one way, we could install the fair and just system of competition promoted by the West; go all out by adopting the genuine Western ideals and throw out the Japanese system. Or from the perspective of learning from the South, we could absorb the symbiotic patterns preserved by the late developing countries' philosophical ways and mend our route of modernization. Then there is the pushing to the limits proposal of this writer, which is to develop practitioners who can manage the 'Invisible' road of management.

The invisible road management practitioner returns people to their roots of origin, delving into thoughts going back to the birth of earth, and at the origin level of culture, logic and philosophy can set humanity, earth, corporations, governments and world into a monistic philosophy and manages in that way.

The writer's invisible road of management has been encompassed in the works and reports so far presented in 'Management Culture Theory,' 'Management Anthropology,' 'Management and Religion' and through actual practice as in projects concerning 'Town Building and International Management,' 'Internationalization of Regional Studies,' 'Cosmos and Town Building' and 'Narita Airport Regional Promotion,' etc. I have verified these conceptions therein. Believing that the truth can be glimpsed at the border of life and death, toward that direction research projects have been constructed as events. This continues to be the writer's research methodology. Within the development of events, theory hypothesis is constructed; then proceeding to lead in the execution of the event I have verified that theory, herein is my academic stance and my research methodology.

This accumulation of practical research projects have developed by theoretical hypotheses the defining framework of invisible management road. The defining framework of invisible road of management and management culture theory(management anthropology) have a common factor; they can be proposed together within the basic concepts of contemporary management studies.

The invisible road of management includes:

- (1) The management of war and peace
- (2) The process of self-negating opposites
- (3) Chaos is the inner cosmos

The invisible road management practitioner while instituting the above theoretical hypothesis framework, works toward solving contemporary management problems from their root origins, by creating the stage, acting on that stage himself/herself, drawing in the spectators to enjoy the action together, thereby verifying the theory hypothesis' origin of life. That is how the policy science is developed.

The problem solving pattern of the invisible road of management can be explained in the three stages of : (1) Encounter, (2) Puzzled and (3) Celebration(transcending).

This research perspective was nurtured at the borderline of life and death, toward the conception that 'academism is power' through practical application there are (1) Liberalism(open), (2) No boundaries and (3) Transcending ethos.

Within that research methodology, there are folk culture studies, anthropology, and phenomenology, with their overall statistical relations stressed. From the on site perspective there are: (1) Intuition of phenomena, (2) Stop decision making and (3) Intuition of the essence; and structuring of this research stance is a necessary condition. When a light can be made to shine purely on what remains of our primal , animistic vitality then this type of seeing and sensing academism can develop.

Japanese capitalism carries the welfare face of socialism, along with both of these 'isms,' there is the third economic social system of lifetime employment which has continued to develop alongside. And this package has contributed to Japan's economic growth; certainly its utility can not be dismissed.

However, as a historical process, we are faced with the task to restructure for new and different times. The lifetime employment system is strained and becoming difficult to maintain. By diversifying the invisible road of management with a courage to adventure and a structure to liberate and make allowances; then through practical application of this philosophy toward the restructuring of the essence of the corporate communal entity we can verify the hypotheses through action.

Event development(human drama) is one process. New markets, new technology, new products, new organizations and new management are invisible road of management's images. Managing spirit, creating philosophy, changing 'nothing to something,' the invisible road of management is not mystical but has structured cosmos reasoning(chain of life) into environmental management.

As explained before in the 'Mishou' Japanese cedar hypothesis, we must cast aside the short term effectiveness of the visible road of management, then transcending organization, region and even the earth, we must think in terms of a natural management entity. Then certainly an environmental entity type management philosophy will next be structuralized. Included will be an origin of life type economic cycle theory structuring the cosmos and a utility of limited resources theory which will lead toward

considerations for future corporate ethical responsibility. The corporate citizen type of thinking based on the 'cosmos within' period recognition will change toward management philosophy thinking in terms of corporate entity of earth citizens or outer planetary citizens, raising public consciousness of earth environmental management and considering chain of life and environment type government bodies.

The writer is stressing here, the road of management philosophy revitalization of the existing corporate communal entity and the structuring of the management philosophy of a new organization communal entity. The direction is toward a proposal of management philosophy of cosmological reasoning(cosmology). Management philosophy of cosmological reasoning consists of preparing the next generation philosophical spirit to counter the scientific technology of space science. Raising the dimension of management philosophy to cosmological reasoning, the invisible road of management has been proposed in order to raise and strengthen the academic convictions underlying management studies.

The role of the invisible road management practitioner is to transcend capitalism and socialism, reach toward a higher level of planet earth and chain of life communal entities and continually develop new management experiments. This is 'cosmology as management philosophy' which the writer has been advocating. From this management body recognition reform, the 'management road' makes 'culture,' 'ethics' and 'philosophy' monistic, leading directly to creation of management convictions centering around the origin of life thinking. The meaning in the development of this 'management road' will set us walking toward a pseudo-religious dimension road of natural management entity beliefs as led by cosmological reasoning.

What has been written is the 'Invisible' road of management, in other words 'cosmology as management philosophy' is the writer's soul as 'management road.' And according to this writer summarized as (1) Going beyond life and death, (2) With no boundary and (3) Open and liberated-management road equals Theory I: 'Returning to Culture'(theory of inner development) and management road Theory II: 'Transcending Prayer'(development of transcending type problem solving 'ism'), and practical application thereof. And one such actual case study was the on site research to resolve the Narita Airport problem peacefully by negotiation and discussion.