

Reviews/ Comptes rendus

The Geography of the Canadian North. Issues and Challenges. Robert M. Bone. Toronto: Oxford University Press, 1992, 284 pages.

L'ouvrage comprend trois parties: 1. la territorialité du Nord vue à partir de certaines perceptions, de la géographie physique et du déroulement historique. 2. Les processus de développement axés sur les aspects démographiques, les méga-projets et l'environnement. 3. L'autochtonie présentant des problèmes de santé, d'emploi et de revendications foncières. Deux appendices sont consacrés à la nordicité numérique et aux statistiques de population. Suivent un utile glossaire de sept pages ainsi qu'un index d'environ 700 entrées. Les références apparaissent à la fin des chapitres ou à la fin de l'ouvrage.

Aucun important problème n'est évité par cette classique géographie du Nord. D'abord, l'auteur parle de la totalité nordique et non seulement des deux territoires au-delà du 60^e de latitude; il discute donc aussi des sept Nord provinciaux. Au plan thématique, il aborde les questions attendues, par exemple, en ce qui concerne les Autochtones, les rapports entre le développement, le "back to the land", la protection de l'environnement, la croissance démographique et les intérêts aux terres. Il considère le concept de dualisme de frontière (p. 16). Il expose la capacité limite autochtone d'un territoire (184). Intéressantes aussi les pages se rapportant au projet de Norman Wells, au système de l'"migration pendulaire aérienne" des travailleurs (131 et 208) et à la menace que pourraient représenter auprès de l'économie assistée du Nord les ententes internationales réductrices des subventions (238).

L'auteur discute ces choses avec nuances, doigté et autorité. Sa présentation des sujets est réaliste et relève à la fois des connaissances et du sens commun. J'en prends comme preuve les choix et compromis (232). Son idéologie du Nord est influencée par Thomas Berger duquel il se démarque tant au plan culturel qu'au plan développemental.

La profondeur de l'analyse se voit par les 43 tableaux dont plusieurs sont basés sur les 29 divisions septentrionales de recensement. En outre, trente figures claires tant par leurs traits que par leurs écritures graduées, sont pédagogiquement situées dans le texte (p.e., 41 et 130). Les "vignettes" ou citations encadrées apportent à la fois documentation complémentaire et détente pour l'oeil. Nous n'avons relevé qu'un nombre très faible de

coquilles, dont Saguenay (81) et des numéros intervertis (136). Une édition professionnelle.

On sera étonné de la maîtrise de ce vaste sujet par un seul auteur. Ce dernier démontre qu'il connaît à fond le vrai Nord. En fait, son livre devrait dépasser la clientèle des géographes pour atteindre les intérêts des autres disciplines. Un livre bien conçu, rigoureux sans être ennuyeux, informant tout en invitant à élaborer des idées personnelles sur des sujets difficiles.

Combien de nordistes au Canada? Cette question n'est pas simple mais *The Geography of the Canadian North* en donne une réponse. En chercheur pratique, Bone utilise les limites sud des subdivisions de recensement, et cela de la Colombie à Terre-Neuve. En ce faisant, il rassemble ainsi 1,500,000 Canadiens en 1986. Suivre ces limites met dans le vrai Nord des villes comme Sault-Sainte-Marie (80,000), Thunder Bay (112,000) et Chicoutimi (61,000). Les agglomérations bordières vivent surtout de fonctions dominantes sudistes. En enlevant ces lieux mis dans le Nord pour raison de facilité statistique, la population nordique canadienne serait plutôt d'environ 700,000. Cette "diminution" modifie évidemment la proportion des Autochtones dans le Nord et le nombre respectif de nordistes dans les Canadas de l'Est et de l'Ouest. La question est posée non à l'auteur mais au Fédéral qui pourrait revoir les limites de 5 ou 6 divisions de recensement afin de respecter davantage la très importante coupure entre le Nord et le Sud du pays.

Robert M. Bone n'évite pas les sujets litigieux, tel celui du projet hydroélectrique de Grande-Baleine dans le Nord québécois. Il est difficile d'y voir clair étant donné les opinions médiatisées opposées et souvent excessives. Mais toutes choses étant considérées, nous trouvons maximalistes les jugements portés par l'auteur: "massive changes to the ecological system", "massive transformation of landscape of Northern Québec" et "lost of large hunting\ fishing areas" (170, 171 et 227). En revanche, nous sommes tout à fait d'accord sur l'importance et l'urgence pour le Canada, les Provinces et les Territoires de continuer à trouver des solutions aux problèmes fonciers. D'après nous, les non-Autochtones ont à "dé-hypothéquer" toutes les terres. L'auteur dit sans exagération: "Clearly, unsettled land claims remain a fundamental problem facing Canadian society" (69).

Ce livre qu'attend une circulation mondiale fait honneur à la nordologie canadienne. La photo de la couverture intitulée "Lumière" pourrait être le symbole de la valeur de l'ouvrage.

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Global Shift: The Internationalization of Economic Activity (2d ed.). Peter Dicken. New York: The Guilford Press, 1992, 492 pages.

This book is the second edition of Dicken's well received text on the internationalization of economic activity. The first edition was published in 1986. With rapid advances in both the internationalization of the world's economies and the academic study of transnational firms, it was becoming dated. This edition is more, however, than just an update. It is clear that Dicken has tried to provide the book with sharper focus. There is explicit concern for the process of internationalization *per se*, rather than for the broader topic of industrial change. One result is a change in the emphasis given to certain topics, and the inclusion of new topics. For example, the discussion of the role of technology and technological change is expanded to fill its own chapter. Recent trade tensions, and the development of regional trade blocs are also treated at length. A new chapter on international services replaces the sector study of iron and steel that appeared in the first edition.

The structure of this edition of *Global Shift* is little changed. Thirteen Chapters (plus a prologue and an epilogue) are arranged into four sections: (1) Patterns of Global Shift, (2) Processes of Global Shift, (3) Global Shift: The Picture in Different Sectors, and (4) Stresses and Strains of Adjustment to Global Shift. The first section provides empirical evidence of the extent to which the world's economies have internationalized, and an historical context for understanding the spread and importance of transnational firms. The second section is best characterized as an overview of the theoretical perspectives that have arisen to explain the internationalization phenomena, and transnational firm behaviour. The third section is a set of four sector-based case studies of internationalization covering the textiles and clothing industries, the automotive industry, the electronics industries, and services (primarily financial). The final section addresses issues relating to the impacts (both positive and negative) of transnational corporations and internationalization.

Global Shift is unique. While there are a plethora of International Business texts, there are fewer that specifically address *internationalization*, and probably none that could claim to draw-on and attempt to integrate as many disciplinary approaches. Dicken brings together ideas from Economics, Economic Geography, Political Science, International Business, and Industrial Organization. This is both a strength and a weakness. Dicken addresses two business themes that we are exposed to daily: (1) economic activity is increasingly internationalised and globalised, and (2) we are in an era of turbulence and volatility resulting in significant economic restructuring. The uniqueness of his contribution is in focusing on the variations in these themes, particularly in terms of their differential spatial manifestations and impacts. To do this, Dicken must address both the role of the transnational

firm, and the nation-state (or blocs of states) in the internationalization process. The result is a synthesis of macro and micro-economic approaches, with political and organizational theory in a unified assessment of the internationalization process.

The weakness of this approach is that none of the theoretical perspectives is treated with the depth one would expect from a single discipline centred text. For example, explicit reference to Williamson's work and the development of Transaction Cost Analysis (TCA) is relegated to a footnote in Chapter 7. Similarly, Hymer's work is discussed in less than a page. Despite an entire section in Chapter 7 on 'Networks of Externalized Relationships', the Industrial Networks Paradigm (INP) is not mentioned, nor are the contributions of its primary proponents acknowledged. Many instructors will want to supplement *Global Shift* with a more theoretically oriented text, or a set of selected readings. Dicken's emphasis on spatial variability also lends itself, for the most part, to a macro-level analysis. Thus, *Global Shift* is unlike the majority of International Business textbooks that focus on the management problems transnationals encounter in particular functional areas. One result of this is that there are few examples of the international experiences of specific firms. Instead, part three presents aggregate sectoral cases. Thus, another area in which *Global Shift* may need to be supplemented is in terms of case studies of the experiences (and behaviour) of international firms.

Global Shift is probably most appealing to instructors of senior level Economic Geography courses. Instructors in business schools (except perhaps those that have modernized their curriculum to follow a less functional area approach) are likely to be disappointed in its lack of emphasis on micro-level interpretations of transnational behaviour, the managerial problems posed by the process of internationalization, and case examples of transnational firms. Those in Economics and Political Science are likely to be disappointed by the rather quick treatment of developments in the theoretical consideration of internationalization within those disciplines. Still, *Global Shift* stands as a unique and general introduction to this important topic, and should be considered as a valuable resource for students interested in the phenomena of internationalization no matter what their discipline.

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Japanese Direct Investment in Canada: Recent Trends and Prospects. David W. Edgington. Vancouver: University of British Columbia, B.C. Geographical Series Number 49, 1992, 110 pages.

Japanese Direct Investment in Canada is a timely research monograph that reviews the latest round of Japanese investment in Canada within a framework that emphasizes the evolution of Japanese corporate strategies at a global level, the local opportunities and constraints found in Canada, and government policy and action. In the mid-1980s, Japan emerged as a major source of world-wide direct foreign investment and a key economic global power. The author argues that a revaluation of its currency, deregulation of its financial institutions, and increased protectionism in its overseas export markets caused Japan's annual capital outflow to expand rapidly so that by 1989 it became the world's largest foreign investor. Furthermore, during the decade of the 1980s, Japan moved from the eighth largest investor in Canada to the third largest behind the U.S. and U.K.

Japanese business presence in Canada steadily increased in the period and the number of Japanese companies grew rapidly. Edgington postulates that the increased levels of investment and corporate startups represent a new wave of Japanese business activity - one which involved not only higher amounts by value, but also increasingly sophisticated forms of investments. He states, for example, that during the 1970s the bulk of investments went into resource industries such as timber and minerals - usually in joint ventures with Japanese trading companies, and rarely with more than minor Japanese ownership and participation. Apart from its magnitude, this recent wave of Japanese investment represents a break from previous Japan-Canada relations. The new wave of the mid-1980s sees Japanese companies operate fully-owned subsidiaries in a much wider range of production and service areas.

The author notes that recent investments have been directed toward the automotive industry in Ontario so as to take advantage of opportunities provided by the Canada-U.S. Free Trade Agreement and meet the expectations of the Voluntary Export Restraints Agreement. These investments include Honda of Canada, Alliston, 1984; Toyota Canada, Cambridge, 1986; and Suzuki Canada, Ingersol, 1986. Other investments in the pulp and paper industry in Alberta, such as those by Diashowa Canada, Peace River, 1990 and Mitsubishi Heavy Industry/ Honshu Paper, Athabaska, 1990 were needed to make up for the capacity and natural resources which the domestic economy lacked and to take advantage of low production costs in Canada.

Japanese financial institutions also established themselves in Canada during the 1980s. After revisions of the Canadian Bank Act became law, twelve Japanese money centre banks located their subsidiary headquarters in Toronto. The primary function of these units was to provide wholesale and commercial banking services to Japanese corporations operating in Canada.

They included The Bank of Tokyo Canada, 1981; Dia-Ichi Kangyo Bank Canada, 1982; Sawa Bank of Japan, 1983; and Tokai Bank Canada, 1987. These banks were followed in 1988 by the giant security firms like Nomura, Wikko, Daiwa and Sanyo. Other service investments took place by construction companies like Tokyu that built the Pan Pacific Hotel, 1986; and by the real estate developer Sun that purchased the Hongkong Bank of Canada Building in 1989, or; Aoki that now owns the Westin Hotel in Vancouver. Other investments have taken place at major tourist centres.

The author has noted that concern is mounting at the Whistler, Banff and Niagara Falls vacation resorts that a concentration of Japanese ownership might bring with it a loss of local business revenues in favour of vertical integration among Japanese hotel recreation conglomerates. Japanese companies in the hospitality industry tend to dedicate their services to tourists from their home country. Consequently, if Japanese tourists were booked by Japanese wholesalers and travelled on trips planned by Japanese tour operators, stayed in Japanese owned hotels, ate at Japanese restaurants and shopped in Japanese owned businesses, then it was felt that little benefit could accrue to local enterprises. At Banff, the purchase of two major hotels by Japanese companies led to legislation requiring at least 30 per cent of the rooms to be made available to Canadians in the peak season.

The author concludes his important work by summarizing the analysis and assessing its implications for a locational theory of direct foreign investment. He also looks at the emergence of a continental free-trade agreement and future governmental policy. The research showed that the 1980s saw Japanese interests shifted away from western Canada to central Canada. The reasons, according to Edgington, lay mainly in a change in Japan's priorities for foreign investment in manufacturing and finance. He states that for Japanese manufacturing investments a clear picture emerges in which a locational strategy of risk minimization has been followed which has had the direct result of strengthening the already dominant agglomeration of the Canadian heartland.

In studying the location of foreign direct investment the author constructs a model that emphasizes that actual corporate decisions depend on the way home country factors influence their strategies and interact with local opportunities and constraints. He points out that an important factor inducing the commencement of local production and commerce by various Japanese companies was provincial and federal governmental policy in the forest products, automobile and banking sectors. The author found that corporate strategies shifted over time, and an intriguing finding of the study was how quickly Japanese corporations such as the 'sogo shosha' or trading companies were willing to change head office locations from Vancouver to Toronto, to take account of changes in market opportunities in Canada. The author also argues that a full explanation of the location of direct foreign investment requires an understanding of the organizational structures of

individual industries and corporations.

He maintains that the Free Trade Agreement was a necessary condition to generate additional Japanese investment to Canada, but was not a sufficient condition for higher levels of investment. This was due to the bilateral integration that had long been recognized and expected by Japanese companies. Finally, Edgington makes it clear that if Canada wishes to receive more Japanese investment it must relate to the globalisation tendencies of Japanese companies whose subsidiaries now increasingly sell their finished products to other parts of their multinational network. He also feels that much higher levels of research and design work must take place in existing Japanese subsidiaries in Canada.

The author is to be congratulated for writing this excellent little monograph. Besides the analysis, one of the most valuable aspects of the work is the sixteen page section called end notes. These notes provide valuable details culled from interviews and newspaper clippings. They also explain many technical terms that are not commonly found in Canadian corporate literature. For example, many Japanese firms belong to enterprise groups known as Keiretsu. Within these groups member firms are linked through reciprocal share holdings, and durable non-market lender-borrower and buyer-seller relations. These Keiretsu operate in Canada often to the detriment of potential local subcontractors or service firms.

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