

IWAO NAKATANI

CITATION FOR AN HONORARY DEGREE

Mr Chancellor, it is an honour to present Iwao Nakatani for the award of the degree of Doctor of Laws, *honoris causa*, for service to the international community, to Japan and to the relationship between Australia and Japan.

Professor Nakatani is exceptional in the contribution he has made to public life in Japan and internationally as an academic, policy adviser and business leader.

There is perhaps no one who has contributed more over the last three decades to shaping the intellectual debate about Japan's economic circumstance or to influencing policy directions in positive ways.

Above all, Professor Nakatani is an internationalist who knows and loves his own country deeply and has sought throughout his long and distinguished career to articulate ways in which Japan may prosper through openness and engagement with the rest of the world. His bold critique of economic and social institutions; policy and political process; and national insularity has been a powerful force for reform within Japan. Professor Nakatani has had a remarkable influence on public policy, academic institutions and standards of corporate governance. He has won enormous respect and trust in his own country and internationally, because of the power of his patient persuasion through ideas. His appointment as the first outside Chair of the Board of Sony Corporation in June 2003 is the most recent and notable symbol of this achievement.

Professor Nakatani was born in Osaka on 22 January 1942, the son of a small businessman who introduced polystyrene packaging to Japan's nascent postwar electronics industry. He undertook his schooling in Osaka and gained entry to Hitotsubashi University in Tokyo in 1961. He completed his undergraduate degree with a major in economics in the northern Spring of 1965. On graduation, he joined Nissan Motor Company and was soon appointed to its export division, newly focussed, after early success in Australia, on the North American market. But to his father's chagrin, Nakatani resigned from Nissan in 1969 to enter the graduate program in economics at Harvard University. He completed his doctorate under Nobel Laureate, Kenneth Arrow, in 1973, was appointed lecturer in economics at Harvard and was recruited to Osaka University as Associate Professor in 1974. In 1984, he was appointed Professor at Osaka and in 1991 he returned to a chair in Hitotsubashi University's business school. In 1999, he resigned his Professorship at Hitotsubashi in order to accept an invitation to join Sony Corporation as an outside member of the Board of Directors.

Professor Nakatani is currently President of Tama University, as well as Director of Research at the UFJ Institute, one of Japan's major think tanks. He is also Professor of Management and Information Sciences at Tama, and heads an executive program for the future CEOs of a group of Japan's leading corporations. He is a founding member of the Outside Directors Association of Japan, as well as Chair of Sony's Board of Directors.

Professor Nakatani is the author of a large number of best-selling books and articles, including *The e-Economy Shock*, *Introduction to Macroeconomics*, *IT Power*, *The Essence of Economics*, *The Borderless Economy*, *Towards the Revival of Japanese Corporations*, and *The Historical Transformation of the Japanese Economy*. In 1988, he won the Ishibashi Tanzan Prize for *Japan's Choice as a Responsible Nation*. He has contributed a huge number of columns to Japan's leading newspapers including the major dailies, the *Nikkei* and *Yomiuri*, and he is a widely recognised TV critic.

Among his many roles as a public policy adviser, he served on Prime Minister Hosokawa's Structural Reform Council under the Chairmanship of Gaishi Hiraiwa, and also on Prime Minister Obuchi's Economic Strategy Council as Deputy Chairman.

Professor Nakatani has been a frequent visitor to the ANU Australia–Japan Research Centre, where he completed some of his early work on Japanese corporate organisation in collaboration with Japanese, Australian and North American colleagues. This work formed part of the intellectual foundation for his role in establishing Sony Corporation as the leading model of corporate governance in Japan and in international business.

Professor Nakatani has made an enormous and unusual contribution to intellectual and public affairs in Japan and to Japan's role in the international community, including through his deep and personal involvement in the relationship with Australia.

The Australian National University is very pleased and proud to honour him with the award of the degree of Doctor of Laws, *honoris causa*, in recognition of his outstanding services to society.

Professor P D Drysdale
The Australian National University
Canberra
19 August 2004