Summary of Silicon Valley – Japan Related Activities, 2020-2021

Kenji Kushida, Ph.D
Stanford University
“Benkyokai” Study Sessions
Harnessing Silicon Valley - Part 2
September 14, 2020 (Zoom)
Speaker: Dr. Kenji Kushida

Harnessing Silicon Valley - Part 1
August 31, 2020 (Zoom)
Speaker: Dr. Kenji Kushida
Meet-up: Digital Transformation
October 23, 2020 (Zoom)
Speaker: Dr. Kenji Kushida

Harnessing Silicon Valley - Part 3
October 2, 2020 (Zoom)
Speaker: Dr. Kenji Kushida
Post-pandemic Future Vision Workshop - Part 1
July 16, 2020 (Zoom)
Speaker: Dr. Kenji Kushida

The Underlying Dynamics of the United States - Part 1
June 15, 2020 (Zoom)
Speaker: Dr. Kenji Kushida
The Silicon Valley Way of Value Creation: DX and Ambidextrous Management with the Case Study of Tesla

December 9, 2020 (Zoom)
Speaker: Dr. Kenji Kushida

The Underlying Dynamics of the United States - Part 2
November 19, 2020 (Zoom)
Speaker: Dr. Kenji Kushida
Current Situation in the United States: Towards a Biden Administration and New Years Get-Together
January 15, 2021 (Zoom)
Speaker: Dr. Kenji Kushida

The Silicon Valley Way of Digital Transformation (DX): Netflix
December 17, 2020 (Zoom)
Speaker: Aiko Chikaba
The Silicon Valley Way of Product Management
February 25, 2021 (Zoom)
Speaker: Shuhei Fukutomi (NTT Comware)
Facilitator: Aiko Chikaba

Human Resource Development
February 11, 2021 (Zoom)
Speaker: Yuichiro Yoshinari (Mitsubishi Corporation)
Facilitator: Aiko Chikaba
Intercultural Understanding and Harnessing Multiple Cultures
April 23, 2021 (Zoom)
Speaker: Dr. Kenji Kushida
Facilitator: Aiko Chikaba

Aging Japan as Opportunity: Technological and Business Trajectories
March 24, 2021 (Zoom)
Speaker: Dr. Kenji Kushida
Facilitator: Aiko Chikaba
シリコンバレーと中国
Silicon Valley - China Relations in a with/post COVID-19 World
May 14, 2020 (Zoom)
Speakers: Manji Suzuki | Denso
Aki Jiang | WiL

パンデミック下のペインポイント
Pain Points During the COVID-19 Pandemic (User Pain Point Workshop)
April 24, 2020 (Zoom)
Speaker: Dr. Kenji Kushida
Public Outreach Talks, Keynotes
Japan Management Association Garage
シリコンバレー流、価値の作り方、組織改革、DX の本質。日本には伝わっていないテスラの例を交えて
The Silicon Valley-Style of Value Creation, Organizational Transformation, and Fundamental Dynamics of Digital Transformation
February 3, 2021 | Website
Dr. Kenji Kushida (Keynote)

TECHBLITZ Live
シリコンバレー流 DX とテスラ の衝撃、そしてイノベーション人材の育成
The Silicon Valley-Style Digital Transformation: The Shock of Tesla and Cultivation of Innovative Human Capital
February 18, 2021 | Website
Dr. Kenji Kushida (Keynote)
Shorenstein APARC series: Asian Politics and Policy in a Time of Uncertainty

“How Japan’s Extreme Demographics Drives Technological Trajectory Demographics and Innovation in the Asia-Pacific

March 2, 2021 | Website, Recording
Dr. Kenji Kushida (Book chapter presentation on panel)

Sansan Evolution Week 2021 Spring

シリコンバレーのエコシステム - 日本から見えないDXの本質 -

The Silicon Valley Ecosystem: The Essence of DX Difficult to see from Japan

March 12, 2021 | Website
Dr. Kenji Kushida (Keynote)
“Abenomics and Japan’s Entrepreneurship and Innovation: Is the Third Arrow Pointed in the Right Direction for Global Competition in the Silicon Valley Era?”

The Political Economy of the Abe Government and Abenomics Reforms, edited by Takeo Hoshi and Phillip Lipsy

February, 2021 | Website
Dr. Kenji Kushida

Mansfield Foundation Roundtable Discussion
The Big Update: Imperatives and Avenues for U.S.-Japan Alignment on Tech Policy
December 10, 2020
Dr. Kenji Kushida (Panelist and Moderator)
Course Offering
INTLPOL 225: Technology Policy, Innovation, and Startup Ecosystems: Silicon Valley, Japan, and Comparative Perspectives

Course Description: This course asks big questions and provides detailed analysis about how governments, policies, and politics can shape technologies, innovation, and startup ecosystems through closely examining Silicon Valley as an economic region and Japan's political economy in a comparative perspective. The course will utilize introduce scholarship about governing and shaping markets, analyses of the Silicon Valley ecosystem, and numerous specific cases of policy areas, technologies, and firms, and it will examine the experience of Japan's technological advances, historical trajectories of innovation, and its recent struggles and maturing startup ecosystem. There are no prerequisites for this course. Each class session will consist of lecture material and active discussion.
Media, Publications
Innovating Japanese companies’ working practices during the COVID-19 pandemic. Silicon Valley Startup Asana's Efforts in Japan

April 15, 2021 | Article (日本語)
Dr. Kenji Kushida

The COVID-19 disaster is an opportunity, and open innovation should be tackled in three stages.

March 11, 2021 | Article (日本語)
Dr. Kenji Kushida
How a Japanese CTO started his own business in Silicon Valley at age 25 and the road to his company’s 66 billion yen acquisition

(Interview in Japanese)
March 30, 2021 | Article Part 1 (日本語)  Article Part 2 (日本語)
Dr. Kenji Kushida

Why Silicon Valley Startups Still Aim for Japan Despite its Challenges.

(Interview in Japanese)
March 11, 2021 | Article (日本語)
Dr. Kenji Kushida
米国コロナ最前線と合衆国の本質
“The US Response to COVID-19 Pandemic and Underlying Fundamental Dyanmics of the United States”
(Column Series in Japanese)
[U.S. COVID-19 Frontiers and the Real Nature of the United States]
June, 2020 –

米国コロナ最前線と合衆国の本質
（1）残念ながら日本にとっては他人事ではなく、パンデミックを通じて明らかにするアメリカの構造と力学（2020年6月9日公開）
（2）米国のデモや暴動の裏にある分断 複数の社会ロジック（2020年6月11日公開）
（3）連邦政府vs州の権力争いの今と歴史背景：合衆国は「大いなる実験」の境地（2020年6月25日公開）
（4）アメリカにおける複数の「国」とも言える文化圏の共存と闘争：合衆国の歴史背景を踏まえて（2020年7月1日公開）
（5）メディアが拍車をかける「全く異なる事実認識」：アメリカのメディア統合による政治経済と大統領支持地域のディープストーリー（2020年7月8日公開）
（6）コロナを取り巻く情報の分断：日本には伝わっていない独立記念日前後のニュースの詳細および事実認識の分断の上に成り立つ政治戦略と企業戦略（2020年7月22日公開）
（7）「国の存続」と「国内発展」のロジックにみる数々の妥協と黒人の犠牲（2020年7月29日公開）
（8）Black Lives Matterの裏にある黒人社会の驚くべき格差を示す様々な角度からのデータ、証言、そしてフライド氏殺害の詳細を紹介（2020年8月7日公開）
（9）投票権圧の歴史の政治力学（2020年9月3日公開）
（10）AIの劇的な進展と政治利用の恐怖（2020年10月1日公開）
（11）大統領選直前に当たり、日本にはあまり伝わっていない投票権に関する動きとその裏にある合衆国の本質的な力学（2020年11月2日公開）
（12）日本に伝えたい選挙後の分析、近況と本質的な力学（2020年11月20日公開）
（13）深刻化するコロナ、拡散する陰謀説とその裏にあるソーシャルメディアの本質（上）（2021年1月6日公開）
（緊急コラム）米国連邦議会議事堂制圧事件の衝撃と合衆国の本質：これまでのコラムの要素に基づく解説（2021年1月12日公開）
Manuscript: Japan’s Maturing Startup Ecosystem – Emerging Dual Logics
The Silicon Valley Model

Finance

- Finance and governance of startups by venture capital
- High financial returns for successful entrepreneurs

Human Capital

- Circulation among various types of firms, startups, and universities
- Global draw of top talent

Industry-University-Government Interactions

- Top class universities
- Multifaceted, deep Industry-university ties
- Supportive role of government

Industrial Organization

- Symbiosis of large firms and small, fast-growth startups

Entrepreneurship Culture

- Acceptance of failures (know-how of monitoring and evaluation)
- Success based on what you produce, rather than how many hours you work
Complementarities

Each piece depends on each other

Venture Capital

Ind-Univ-Govt

Startup – Large Firm Symbiosis

Flexible Employment, Global Draw
<table>
<thead>
<tr>
<th>Silicon Valley Startup Ecosystem Characteristic</th>
<th>Traditional Japanese model impediments to startup ecosystem (through mid-1990s)</th>
<th>Japan in mid-2010s: changes that facilitate startup ecosystem</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial System:</strong> Venture capital</td>
<td>Bank-centered, traditional financial markets. Small VC industry, mostly corporate and investment via loans.</td>
<td>New small cap financial markets, growing VC industry, rise of independent VCs</td>
</tr>
<tr>
<td><strong>Labor Market:</strong> fluid, diverse, highly skilled</td>
<td>Long term employment with seniority ties creating illiquid labor markets. Best and brightest locked into large firms for entire career</td>
<td>Increasing labor mobility, especially in IT sector and foreign firms. Lower prestige and opportunity with large firms. Higher salaries, stock options at startups.</td>
</tr>
<tr>
<td><strong>Industry-University-Government Ties</strong></td>
<td>Numerous formal regulatory constraints on universities, lack of brain circulation</td>
<td>Active efforts by universities, private venture capital, and government to spin out successful startups with university technology</td>
</tr>
<tr>
<td>“Open” innovation with large firms and small firm symbiosis</td>
<td>Closed innovation with large firms in-house R&amp;D and uninterested in business with startups</td>
<td>Firms more interested in open innovation, participation in VC funds, business with startups</td>
</tr>
<tr>
<td><strong>Social system encouraging entrepreneurship</strong></td>
<td>Entrepreneurship seen as low prestige vis-à-vis large firms and government, financially risky</td>
<td>Rising attractiveness of entrepreneurship as large firms enter competitive crises, increases cases of successful startups</td>
</tr>
<tr>
<td><strong>Professional services ecosystem</strong></td>
<td>Small size and inexperienced professional services ecosystem</td>
<td>Law firms and accounting firms setting up startup-focused practice areas to foster and benefit from growing startup</td>
</tr>
</tbody>
</table>
Positive Feedback Loops Developing in Each

Gradual process, but feedback loops are real
This Coming Year

Spinoff Japanese Business Press book on the Silicon Valley ecosystem

Continuation of Benkyokai

Delving into Digital Transformation topics