EXECUTIVE SUMMARY

The Japanese miracle has usually been explained on the basis of the concept of structural competitive advantage. This paper considers the various dimensions of structural advantage proposed in the academic literature. Given the decline in Japanese competitive advantage, the paper examines the interdependence of the various types of structural advantage. It emphasizes cultural advantage, discussing to what extent it is still present as a major foundation for Japan’s competitive recovery. Finally, the paper gives examples in problem-solving and negotiations as to how Japanese cultural advantage may still play out favorably at the level of business firms.

Keywords: Structural competitive advantage, Cultural competitive advantage.