



JAPAN-AMERICA
SOCIETY OF
TENNESSEE, INC.



TENNESSEE
WORLD
AFFAIRS
COUNCIL

Japan-America Society of Tennessee Public Awareness Initiative

Impact: Japanese Business Investment in Tennessee

In association with the Tennessee World Affairs Council

Verbatim Transcript

A Conversation with Lamar Alexander

45th Governor of Tennessee (1979-1987)

University of Tennessee President (1988-1991)

US Secretary of Education (1991-1993)

United States Senate (2003-2021)

Video Recording on the JAST YouTube Channel

Patrick Ryan [00:00:23] On behalf of the Japan-America Society of Tennessee, welcome to our special program on the impact of Japanese business investment in Tennessee. This series provides conversations with officials, community leaders, economic development specialist, scholars, and others about the history and scope of Japan's business foreign direct investment in Tennessee communities. I'm Patrick Ryan, president of the Tennessee World Affairs Council, and I'm pleased to host this series. You can access all the interviews on the JAST YouTube channel and the Tennessee World Affairs Council website at TNWAC.org.

Today, I'm honored to present conversation with Senator Lamar Alexander, who has been pointed out to me as the chief architect when he was governor of Tennessee of the relationship with Japanese businesses and all the people who made this possible. A more complete bio for Senator Alexander is in our notes, but let me mention that he served two terms as the Governor of Tennessee. He was the U.S. Secretary of Education in the administration of President George H.W. Bush. He served as president of the University of Tennessee, and he served in the United States Senate from 2003 until 2021. Senator Alexander, welcome. It's a pleasure to talk with you today.

Lamar Alexander [00:01:34] Thank you for inviting me.

Patrick Ryan [00:01:36] Let's start at the beginning of your administration. I know having talked with Keel Hunt, who wrote a book about that time period, that there were a lot of things going on in the political realm. But you, you start out in your book "Friends" talking about Tennesseans and Japanese, about your motivation to get involved in attracting Japanese business to Tennessee. Can you talk a bit about what the context and

background when you took office of your interest in bringing Japanese businesses to Tennessee?

Lamar Alexander [00:02:16] Well, there are two aspects to it. First was this. To be elected governor, in 1978 I walked across Tennessee a thousand miles and spent the night with 73 different families whom I hadn't met before. And I thought I knew the state pretty well by then. I'm a seventh generation Tennessee but I learned the state a lot more, spending the night with people, sleeping in their beds, eating their food, talking to them about their jobs. And what I was reminded of was that at that time, this was 1978, Tennessee was the third poorest state in terms of family incomes. Only Mississippi and Arkansas were behind us. A major source of jobs, textile jobs were leaving our rural counties and going overseas. Our schools weren't as good as we hoped they would be. The national picture was not as good as we might hope. The misery index, as they call it, the inflation rate plus the mortgage rate was very high. Mortgage interest rates got up to 19 or 20 percent during my first year or two as governor. And so it was a sobering effect.

So in my inaugural address in 1979, I said that my first goal was to raise family incomes. Now, no one in that long walk across the state where I tried to shake a thousand hands a day said to me, well, I sure hope the first thing you do when you go to get to be governor is to go to Japan and try to recruit some jobs because Japan was the first furthest thing away from the minds of Tennesseans. As you mentioned, I think we had only - as late as 1975, we had only one Japanese plant, Sumitomo Chemical, in Mount Pleasant. We had about 1500 Japanese citizens who lived in Tennessee at the time. We knew about Madam Butterfly, we knew about the war with Japan was only thirty five years behind us. They knew very little about us. So that's the context of the times we were in then. As I looked around trying to think about how to raise family incomes, which to me at the time meant just recruit jobs, American companies weren't investing because the economy was so bad.

Then I went to my first state dinner at the White House in 1979 in February. President Carter hosted the governors and their spouses, and he said this. Governors, go to Japan and persuade them to make in the United States what they sell in the United States. We were in, we were in a trade war with Japan then, a lot like we are with China today. There were fears that Japan would gobble up the United States. The autoworkers in America didn't like the fact that the efficient, small Japanese cars were eating the American automakers for lunch in terms of popularity in the United States. So Japan wasn't a very popular place. But nevertheless, this was my president. And he said, go to Japan. So after looking at my goal raising family incomes, talking to Jim Cottam, the Economic and Community Development Commissioner, off we went.

And so my first visit to Japan was in November of 1979. And when I got there, I found out Tennessee was pretty far behind. I was a part of the delegation Southeast Asia Southeastern States Japan Association. We had a number of states who went together to try to recruit Japanese industry. And when I got there, I found that the 60 companies from Japan who had companies in Georgia were hosting a reception for the Governor of Georgia. And there were 23 delegations from states that had visited Japan that year, recruiting industry. So I had my work cut out for us. So that was the context in which we operated, and that was my first visit to Japan in November of 1979.

Patrick Ryan [00:06:53] The inspiration was from President Jimmy Carter to go to Japan, go West. That's interesting. And what was the reaction among Tennesseans when they heard the governor was heading to Japan to bring businesses with this economic foe? I

can recall the scare of the Japan Inc. buying up Rockefeller Center and everything else. So as you mentioned, the relationship with Japan was not the best.

Lamar Alexander [00:07:24] It wasn't the best. Neither were the memories. I remember General Schaffner, from Shelbyville, had been in the Bataan Death March, and he'd been treated cruelly by Japanese during World War Two. There was a lot of that sort of sentiment around when Nissan came. Some people wanted to name the boulevard out to the Nissan plant Pearl Harbor Boulevard. So I think Tennesseans who paid any attention to my trip probably didn't think much of it. Plus, the previous governor had been flying around outside the United States in a Learjet, selling soybeans on personal trips. And so the idea of traveling governors wasn't so popular.

So it was a far-fetched notion for most people and not a very popular notion if they paid any attention to it. But I saw my job pretty clearly raising family incomes. Japan is a target, and I have figured out one thing, that it's a big world and I'm just one governor, and if I focus my attention on a single objective for a long period of time I can have - I can wear everybody else out, in fact. And so rather than travel to lots of different places, I went to Japan eight times in my eight years as governor. Met dozens of times with ambassadors, leaders of Japan, held many meetings in the United States. I used to tell the people of Tennessee, look, I've spent more time in Japan than I have in Washington, D.C., with a lot better effect for our state.

Patrick Ryan [00:08:55] So when you would go to Japan, what would you tell the people you met there about Tennessee? What was the attraction or the sales pitch to get businesses interested to come all this way and make investments here?

Lamar Alexander [00:09:11] Well, I carried a photograph with me of the United States taken at night from a satellite. And if you can imagine the United States, where all the lights on, there are a lot of lights in the eastern part of the United States are not many in the West until you get to California, and the Japanese knew almost nothing about Tennessee. One of them asked our economic development commissioner, Mr. Cottam, what is a Tennessee? And so what they knew about Tennessee - walking horses, they knew about Elvis, they knew about Jack Daniels, but not much more. And so I would show them this photograph at night. They'd say, where is Tennessee? And I would say it's right in the middle of the lights. That's what I told the Nissan folks, because that was important for two reasons. One was if you're making heavy trucks and cars and having to ship them, you want to be in the center of the United States market. And the market had shifted. The center of the market had shifted from the Upper Midwest a century ago to Kentucky, Tennessee basically over the last period of time as people moved to the south and the West.

So we find ourselves in the center of the market that saved a manufacturer a lot of money. And the second thing that was important was that no state north of us, including Kentucky, had a right to work law. And that created a different labor environment in Tennessee. So the combination of central location and right to work law gave us a unique advantage and created the principal pitch. After that, we did our best to be welcoming because the Japanese at that time knew very little about the United States. They were very tentative about it. They were comfortable making cars and electronics and just shipping them here. Made almost nothing here and had a few sales offices.

So they wondered what kind of reception they would have. So we had many receptions. My children used to call Mr. Dzidzor, who was one of the leading Nissan executives. They

thought he was their uncle, Japanese uncle. He was at our governor's residence so often, and we tried to think of ways to make them feel at home. For example, Brenda Lee, the country singer, was very popular in Japan. Her small stature and big voice made her a big hit. So when the Japanese executives came, we asked Brenda to sing for us after dinner, and they love that. And we found that most Japanese men at that time could sing the Tennessee Waltz because it was the first American song they'd heard during the occupation after World War Two.

So we tried to capitalize on that, but mainly we tried to show them that we were welcoming, that we had a different work environment than they would find in the Midwest, and if they wanted to produce Japanese cars and trucks of a lower cost and better quality than the American cars in the Midwest they'd be better off in Tennessee than they would be in a Midwestern state.

Patrick Ryan [00:12:27] So you focused exclusively on Japan, but within Japan, were you looking almost completely at the automotive industry or were you also looking at other sectors?

Lamar Alexander [00:12:39] I started with the auto industry because we didn't have any auto plants in Tennessee, but not only didn't have any Japanese plants, we didn't have any auto plants either. I mean, it's hard to believe today Tennessee is in some ways the leading auto state, with nearly a thousand suppliers and big manufacturers - Ford, General Motors, Nissan, Volkswagen, all their largest and most important operations in North America are in Tennessee. But then we didn't have any of that. We had one - a Ford Glass plant in Nashville. So far, as I know, that was it.

So I had seen the impact that the auto industry had in other states, how much money it brought in with good wages. And it seemed to me that that would be the single most important driver of higher family incomes than any other industry we could recruit, and it might also cause other Japanese companies to come so. So we focused first on the auto industry. Nissan and Toyota and their suppliers like Calsonic, which came to Shelbyville to supply Nissan.

Patrick Ryan [00:14:04] So when you were pursuing this, this objective, what was the aha moment where you knew that all your work had produced a result? What was the first indication that you were successful?

Lamar Alexander [00:14:22] It was the reaction to the Nissan decision and in July, I believe it was 1980 when Nissan announced it was coming to Tennessee, every state east of the Mississippi River wanted the Nissan plant and had tried hard to get it. And when Japan put its largest capital investment ever made outside of Japan in a state with no auto industry at all, it caused other manufacturers, automotive and others to take a look and say, well, what have the Japanese seen here that we may have missed? And they began to look at Tennessee more seriously. So that was the aha moment. I also realized the more often I went to Japan was that it's a big country. They, you know, we have four million people in Tennessee. Japan has 30 times that, but it's fairly tight, small group of people that run it. And it's very hierarchical.

So they liked seeing a governor. They had the impression that I, a 38-year-old governor, was sort of in charge of the state, well in the way a governor is, but not in that sense. I remember the first dinner I had in in November 1979 in Tokyo. I was with my wife, Honey, and Jim Cottam, our economic and community development commissioner. And on the

Nissan side were Mr. Kalamata who was Chairman, Ishihara who was the president, and Matsui Igotto, a younger Nissan executive who had been educated in the United States and served as an interpreter. And about halfway through dinner, Mr. Kalamata, who was about 70, began laughing and said something. And I asked Igotto what he said. He said, Mr. Kalamata just said, I am about to consider making the largest capital investment ever made outside of Japan in your state, and I'm twice as old as you are.

So he saw he was in charge of Nissan and he thought I was in charge of Tennessee, and I let him keep thinking that. And as a result, I spent a lot of time there. Instead of having an office of subordinates go to see people in Japan, I went myself and I would spend a week or 10 days at a time when I would go and was able to be received by Japanese chief executives. And I think that was helpful.

Patrick Ryan [00:16:59] How were the communities where Nissan and all of the suppliers that were going to relocate, how were they prepared to receive this significant investment from a foreign company that may have not been perceived under the best circumstances? You mentioned the naming of the boulevard. So I suspect there was some grooming of communities to prepare them.

Lamar Alexander [00:17:26] There was, and an interesting aspect was the lead community organization was the Nashville Area Chamber of Commerce. But it was wise enough to understand that Nissan wasn't going to locate an 800-acre plant, a plant that required 800 acres in Davidson County - wasn't room for it. But having it in the Nashville area would be of great benefit to Nashville. So they worked with the counties around Nashville to find an appropriate site. For example, they worked with Dickson County, and I remember Mr. Ishihara went out when I met with him. He wanted to know the depth of the rock in Dickson County. He was that precise in terms of putting a manufacturing plant with big stamping machines. And when we went to Rutherford County, the local people there, well, actually they weren't prepared for such a big event, but they were very open to it with a couple of difficulties. One was finding the land. Of course, this is a lot of property.

And so Mr. Ishihara came to me one day and said he had checked Dickson County and the other places, and he wanted this 400 acres in Rutherford County. I said, well, Mr. Ishihara, I don't own that, and neither does the state of Tennessee, you'll have to buy it. He said, well, they don't want to sell we'll go somewhere else. At that time, our principal competition was Georgia.

And so I went to see the McCleary family in Rutherford County, and I remember sitting up in their rocking chair on their porch. They were older at the time and asked them to sell their farm so that we could sell it to Nissan. And they didn't want to do that, really. But I asked them to do it because it was important to the future of the state. And they did that. And then Mr. Ishihara came back and said he wanted the adjacent 400 acres. And I went down to the Hickman County to see Mamie Cantrell, who owned those four hundred acres. And she served me key lime pie and we had a nice lunch. And she said, I can't do it. I said, well, why not Mamie? And she said, well, I promised my tenant farmer that he could live there and farm there the rest of his life, and I'm a woman of my word. So I went back to the governor's residence thinking, you know, this plant is going to go to Georgia because Mr. Ishihara wants Mamie's 400 acres.

So I call Boyce Magli in Williamson County and ask him if he could find 400 acres a lot like Mamie's. He did. He swapped it with her. Her tenant farmer ended up on those four hundred acres and Nissan ended up with the adjacent 400 acres. All 800 acres are filled to

the brim today with Nissan's manufacturing plant, which is the largest and most efficient plant in North America.

Patrick Ryan [00:20:25] A very Tennessean approach to getting the job done.

Lamar Alexander [00:20:29] Well, it was about the only way to - about the only way to get it done. Other communities became interested. And you take Shelbyville, for example, Calsonic was the first big Nissan supplier to locate in Tennessee and Shelbyville saw the advantage of the jobs. And the good thing about auto supply jobs is the big plants like Spring Hill's General Motors plant or Volkswagen in Chattanooga or the new Ford plant coming to Tennessee. Those are huge and they have thousands of jobs, but there are a thousand auto suppliers in Tennessee now. And they usually have 50 to 100, 150 jobs and they fit very neatly into a smaller county, smaller community. They're just the right size to help it lift itself up without overwhelming.

Patrick Ryan [00:21:27] So what was the immediate impact of Nissan and these suppliers coming? We've seen the burgeoning as you alluded to, the magnetism of landing something like Nissan. It starts turning heads and people come, but those early years, what was the payoff in terms of jobs and prosperity for Tennesseans? And it was not just at the Nissan plant, but around the state.

Lamar Alexander [00:21:55] Well, it took a few years, but by 1985, 10 percent - and this is according to the Japanese Ambassador to the United States at the time - ten percent of all the Japanese investment in the United States was in Tennessee. And so that that was a pretty remarkable change in a short period of time. It also helped us attract other industries like General Motors Saturn plant. I remember meeting with Roger Smith, the head of General Motors in Memphis, with Senator Baker. Every state wanted Saturn. It was a five-billion-dollar investment. And I knew that Nissan would be the hook or the kiss of death because they might not want to be in the same place.

So I said, Mr. Smith, why don't you put your plant right next to your Japanese competitor and tell your union and your manager if the Japanese can do it, you can do it. And that's precisely what he did. I mean, the Nissan plant of Spring Hill is just a few miles from the Saturn plant. The General Motors plant in Spring Hill is just a few miles from the Nissan plant in Smyrna. And so the combination of those two prices really spurred the attraction of tier one, two and three auto suppliers, and they spread all across the state. Then we began to see family incomes go up. By the mid 1980s, Tennessee had the fastest rising family incomes in America, and we were still lower than most states, but we were rising more rapidly. And the main driver in that was the arrival of the auto industry.

Patrick Ryan [00:23:44] Did the auto industry and the spread of distributors and suppliers around the state - did that contribute at all to improving the infrastructure around the state, new roads, bridges and so forth?

Lamar Alexander [00:23:54] Well, yes is the answer. In recruiting Saturn I had begun to understand the importance of suppliers because I had seen what had happened with the Nissan plant. And all the jobs were really in the supply arms and also they spread around the state in a way that helped the whole state. So I said to the General Motors officials, how do you locate your suppliers? And they said with the computer and I said, well, what does the computer look for? And they said intersections, a very good four lane highway, because we want our supplies parts to arrive on time for our manufacturing plant.

We didn't have a very good road system, so we already had two smaller road programs, but we had a huge win in 86 and then Governor McWherter had another one in a couple of years. We doubled the gas tax to pay for it, so Tennessee had a huge improvement in its four-lane highway system with zero debt. We're one of the handful of states who have no road debt. We paid for it as we went. And by 1990, the National Truckers Magazine said that Tennessee had the best four lane highway system in the country and said that driving from Tennessee into Arkansas was like driving from heaven to hell. So having the central location, the right to work law, the welcoming environment, and the superior four lane highway system, all those things combined to try to give us a real boost in recruiting auto manufacturing.

Patrick Ryan [00:25:43] Now, about that same time, the country was on an economic rebound of sorts as mortgage rates were coming down, inflation rates were coming down. So how did that all combine to develop an appreciation for the new businesses that were coming to Tennessee was there? You were reelected as governor. I assume that the increased prosperity in Tennessee had something to do with your political fortunes. But what was the atmosphere like after a couple of years in terms of people understanding what had occurred and what was happening in Tennessee?

Lamar Alexander [00:26:20] What about 1982, when I was reelected, the economy was still a problem. I mean, people complain about 4 percent interest rates today, 20 percent was the mortgage rate. It was just coming down and inflation had taken a terrible toll. So in 82 for Republican candidates, the economy was a problem. But from 83 on, you're right, the economy got better. Of course, we were coming along at just the right time. I mean, Tennessee was becoming a more attractive place, was improving its schools, was changing its banking laws, was attracting auto plants. So as the economy was growing, we were going too. And what I used to think was when all the, you know, it was a period of great change, too.

There was a book called "Megatrends" that came out by John Nesbit at the time that I invited him to the governor's residence and invited all cabinet members to come and read the book. And a lot of the megatrends that he predicted were coming in the 80s and 90s weren't trends that were very friendly to us. Entrepreneurial hotspots, high quality universities, really good schools, high class infrastructure. But we were improving in all those areas. And when the economy improved and we improved at the same time, we got a - it was a nice congruence. We got better just as the economy was getting better. And that worked out very well for us.

Patrick Ryan [00:27:56] Right place at the right time. And all along, you were continuing to travel to Japan with SEUS/Japan and other trips I assume. You said you were in Japan eight times during your governorship. Once you had Nissan in Tennessee what were your goals in continuing to build the relationship?

Lamar Alexander [00:28:17] Well, I was looking for other manufacturers. One was Bridgestone, which came - I mean, what was important and I realized the Japanese would probably only build one major manufacturing plant in the United States, and I wanted to get that one. Once that was located, why that was it for Nissan. That was it for Bridgestone. So the Bridgestone Tire Company, which was Japan's largest car company, came and it was one of three big tire companies in the United States and they brought - that attracted more suppliers as well. There were some other Japanese companies that came. Toshiba and Sharp were here and a number of others, but mostly the focus was auto. I tried to get the Toyota plant - on the day, Dr. Toyota wouldn't see me, and on the

day that Saturn was announced that it was coming to Tennessee in 1985, I got worried he would see me in Toyota City in Japan.

So I hopped on the plane and I took a presentation to him and I knew that we had an uphill battle because the Nissan plant was already here and Toyota and Nissan are such arch rivals. So I gave this spiel that said to the Toyota executives, I said, you know, the latitude, a circle around the world runs through Toyota City and Nashville, the latitudes the same. So our maple trees turn red when yours do. Our iris bloom when yours bloom. Nikko looks like Gatlinburg. Also, we have black bears and you do too. And black bears have territories and we have Nissan and there's a territory for Nissan in Middle Tennessee. And that brought kind of a skill set, but we have room another territory in East Tennessee for Toyota. Well, that didn't work. They went to Kentucky, and there may have been other reasons. But that was one of the reasons.

And a few months later, one of the Toyota executives came to see me and said, I'm very sorry we didn't put our plant in Tennessee, but we have a small consolation prize for you. What is that? It's one of our suppliers called Nippon Denso. We're going to put it in your hometown of Marysville, and it'll probably have about 100 employees. I said, well, thank you very much. Well, I toured Nissan. I toured Denso, which it's now called, the other day with my two of my grandsons. They have 4500 employees in Maryville, about a thousand in Athens, and another thousand or so in West Tennessee. And they're the second or third largest auto manufacturer in the world, and they're leading in the effort to figure out what to do about electric vehicles and self-driving cars. In a sense, they're more important than the Toyota manufacturing plant that's in Kentucky. So we had some unexpected benefits from becoming a state that was the new auto state.

Patrick Ryan [00:31:46] Well, that's quite an impressive consolation prize, and to see that it goes to Maryville. That was a great hometown gift. You talked about some of your encounters with Japanese officials and businesspeople. I've talked extensively with people for this series. And the common theme that runs through everyone's recollections is building relationships. That none of this happens by jetting into Tokyo, giving a brief, getting on the plane and going home, but developing the relationships and in your fine book "Friends," which I commend to everybody who has a chance to check this out of their local library. You relayed some terrific stories about the culture, and the book photographs by Robin Hood is just filled with juxtapositions. As you mentioned, we're on the same latitude as most of Japan. If you turn the state sideways, I think you mentioned we'd look just like Japan, but talk a little bit about the relationships and how you found with the Japanese culture and traditions that that was key to building the businesses that have come here.

Lamar Alexander [00:33:10] Well, the relationships are important in any culture, but especially in in Japan, and Japan are very cautious, Japanese, very cautious in their relationships. For example, it was not customary to invite guests to your home. You know, we do that all the time, right? And we even have overnight guests. I spent the night with 73 families walking across Tennessee in 1978. I can't imagine that happening in Japan. It was considered of a very unusual gesture of hospitality to invite someone to your home.

So the Japanese take their time to get to know one another. They even have a - they're even very skeptical of foreigners. ... I think, is a Japanese word they use, and there's really not any way to become a Japanese. You know, to become an American, you can be anything. All you got to do is take the Pledge of Allegiance and learn English and

subscribe to the American character and you're in. You can be a citizen. But in Japan, you're never really Japanese unless you're born a Japanese.

So, and then there was the additional thing that, as I mentioned earlier, that Japan, we just had a pretty terrible war and the memories were strong. When we went in 1979, we were advised. Don't mention the war. It's better not to even talk about it when you're there. And we were in a trade war now of the kind we think we're in with China today. So we had those things that stood in the way and then was a very different culture. I mean, if you look at Japanese language, way of doing things, it seems very different. On the other hand, if you look carefully, you can see things that are very similar. There are Japanese Boy Scouts and American Boy Scouts. As I mentioned, their iris and their maples turn color and bloom at the same time, our history because of latitude. Their sumo wrestlers look a lot like our WWE big, big, big wrestlers. Their little rural homes can look like some of our rural homes. They're very religious people, but it's a different religion.

So I asked Robin Hood, who is a Pulitzer Prize winning photographer who I invited to become the state photographer to go to Japan for six months and just take pictures of these differences that were so similar and I put it into this book that you just held up called "Friends" to demonstrate that although we seem to be so different, we really had lots of shared characteristics. And I can remember when I went to see Mr. Ishibashi, who's the son of the founder of Bridgestone, Ishibashi means stone bridge in Japanese. He has a lovely home right by, near the Emperor's Palace in downtown Tokyo. And Japanese, when they decorate their homes, they're not elaborate. They do it very simply. You only had one book on the table near where we were sitting and it was this book. Did it for effect, but it was a nice gesture by him in response to our gesture in writing this book. And I do think the relationships that we developed by so many visits, delegations of Tennessee and Japan, that Nissan - another example is Thanksgiving of 1980, 81 maybe. Nissan invited three or four hundred Tennesseans who'd never built a car truck to come to Japan to learn how to build a car or truck, in that case, the Nissan Way, and Honey, my wife, went to see them at Thanksgiving and took a turkey. But those friendships from those small rural towns of people who ended up working in Smyrna helped to create a friendly relationship.

Patrick Ryan [00:38:02] Yeah, I commend the book to everybody. It really shows the juxtaposition of a farmer in Japan and a farmer in Tennessee and someone in lite manufacturing in Japan and Tennessee. It really does show that despite the miles and cultural differences, people are very alike and especially when you bring them together, break bread and develop those friendships and relationships.

And we're grateful that you did it at the governor level, being the person in charge of the state of Tennessee as the Japanese might have might have taken it. I'd like to ask a few questions about Japan's importance in the U.S. relationship with the Western Pacific and national security issues. But if we could can you just wrap up your thoughts on what, since the time when we were able to see Nissan come, what the impact on Tennessee prosperity has been in terms - not so much the jobs, but just the spirit of what's happened in Tennessee as a result of the Japanese businesses coming?

Lamar Alexander [00:39:15] Well, the arrival of Nissan, then Bridgestone, and then the Japanese suppliers really called attention to Tennessee and spurred our development as an auto state and in some ways 'the auto state.' Arguably that might have happened anyway because of our central location and the right to work law. But the timing was awfully good because now many states have a right to work law and businesses could have gone other places.

So the impact of Japanese businesses on Tennessee is primarily to be the leader of an effort to make Tennessee an auto state. Nissan came first and that arrival opened everyone's eyes and caused them to say, we may be missing something. Maybe we should look at that satellite map of Tennessee taken at night. It shows its central location and realize it has a right to work law and look at the four-lane highway system and the efforts to improve the schools and the welcoming business environment. And when they did, we ended up with what we have today. So the other impact was it broadened us because in the communities where the Japanese companies are, there were Saturday schools where the Japanese learned, taught their children Japanese and mathematics and the families they got, you know, got to know something of the Japanese culture and the delegations of Tennesseans who went to Japan and came back, we became broader and have a better understanding of another culture a long way away. That was important, too.

But the bottom line was Japan, the rival Japanese business led the auto industry to Tennessee, and the auto industry was the main driver in raising family incomes in Tennessee over the last 40 years.

Patrick Ryan [00:41:16] Let's change the topic a little bit and talk about the U.S. relationship, and you mentioned a couple of times that when you started visiting, there was still the remembrance of World War Two and what had happened, some of the things that had happened to individual Americans. But then The Cold War developed the U.S. and Japan into a very close alliance. I served in the Navy in the mid 80s in Yokosuka, Japan, and we operated closely with the Japanese Maritime Defense Force and the evolution of that relationship in terms of the strategic interests - we're all looking at Ukraine and Russia right now, but China and the Western Pacific is not far from our gaze as we look at the strategic imperatives of the United States. Can you talk a little bit about - and you've seen in your time in the Senate the evolution of these issues - but give us just your view of the importance of the U.S.-Japanese relationship in the national defense and security realm.

Lamar Alexander [00:42:18] Well, one of the recent prime ministers of Japan described Japan as a giant battleship in the Pacific for the United States. And in a way that's true. It sits there right in the middle of this fast growing, ambitious Asian population that challenges the United States in many different ways, whether it's China or just the competitiveness of South Korea or the evil intentions of North Korea.

So it's right in the middle of where our defense strategic interests needs to be focused, probably. You would say, Russia, the Middle East and the area around Japan are where our focus should be. Examples of that change have been the Gulf War, when President H.W. Bush was there and James Baker was the Secretary of State. People, I think, underestimated how skillfully the United States role was carried out in 1990-91 by building coalitions and getting that coalition to pay almost all the cost of the Gulf War. Japan was the first to step up.

So Japan has been with the United States, one of the two or three largest economies in the world and with its location, its defense structure is very important. I know when Senator Hagerty was Ambassador to Japan, he spent almost all of his time working on national strategic defense matters because Japan was at the center of where most of these issues seem to be.

Patrick Ryan [00:44:21] Well, it certainly is with increasing importance as we see China's expansion, the threat to Taiwan, what's happened in Hong Kong and the impact in the

South China Sea of militarizing islands and their claims against some islands that Japan holds as well. So we'll continue to watch these developments with interest and know that that alliance that we have with Japan is a key ally among many.

Senator, any last comments you'd like to make about any of these issues about what the business relationship was that that you, and we'll call you the chief architect of what has come to be fruitful for Tennessee? You know, we're mindful of the numbers and the facts and figures, but anything you'd like to add. Now's the time.

Lamar Alexander [00:45:16] Well, it helped to broaden Tennessee, and then it kind of brought out the best in us. One of the real challenges was the groundbreaking at Nissan, at the Nissan plant in Smyrna. When the union protesters mostly from out of state threatened to disrupt it and create a nearly violent situation there. There were protesters who were throwing nails all over the ground. So the new Nissan truck, as it was driven out with its tires blown and the union leaders told, advised the Democratic leaders of the Legislature not to attend and they didn't. I went anyway, even though the state highway patrol didn't like it, and when I tried to speak, the protesters tried to drown me out. The thing I had they didn't have was the microphone.

So I was able to say in clear terms that the people of Tennessee welcome Japan, that we are friends and look forward to a long relationship, and what the protesters didn't understand that when all this was shown on television that night, it really outraged the people of Tennessee. They may or may not have thought of the Japanese as their best friends, but the Tennesseans are among, above all else, hospitable people. And that was not hospitality to visitors from another country who were doing us a favor by locating a big plant in our backyard. And the Legislature passed a quick resolution condemning the protest that was noted in Japan. I was afraid that the ugly photos would cause a problem with the Nissan plant and perhaps with future Japanese investment, but in fact, just the reverse was true. The outpouring of outrage from ordinary Tennesseans to that protest and that kind of behavior actually sent a welcoming signal to the Japanese that this was a good place to come. And that's - the overwhelming sentiment was towards you. And I think that's true today.

The other story I'd like to maybe conclude with is this story. If anyone wants to read a book about that sort of talks about what a relationship means, it would be a book called A Bridge to the Sun by Gwen Terasaki. Gwen Terasaki grew up in Johnson City. She was working in Washington when Japan bombed Pearl Harbor. She was dating a Japanese diplomat and the Japanese - and they were married. They were immediately transported to Brazil by boat and back to Japan. And during World War Two, they moved higher and higher into the mountains of Japan, this tall American woman and her Japanese husband. She said she never had a hand blade on her. She never had an unkind word said to her, despite the terrible ferocity of the war. And their daughter, Mariko was the subject of a television show in Japan that became the first show shown on Japanese television. It probably was as late as the 1960s that showed the American side of World War Two in a favorable light. So a Bridge to the Sun was - I went to see when Gwen Terasaki in 1984 before she died and what she said to me then I would say today. She said, well, Terry and I, her husband, created a bridge to the sun between America and Japan. And she said, you're doing the same thing in a different way. And it will last for a long time. And I think she's right about that. I think the bridge to the sun for Tennessee that was created in the 1980s by so many Tennesseans has lasted a long time, has been the principal source of our improved family incomes and economic prosperity.

Patrick Ryan [00:49:36] Well, to be to be sure, it's an inspiring story, Senator. We've been talking with Senator Lamar Alexander, who is at the nexus of all of the dots to connect for the launching of the prosperous Japanese foreign direct investment in Tennessee. He served as 45th Governor of Tennessee. He served as Secretary of Education in the George H.W. Bush administration. He was the President of the University of Tennessee. And he served three terms in the United States Senate, and we are thankful for his leadership and vision and that he followed the dictates to go to Japan. And the result here in Tennessee has been truly fantastic. Senator, thank you again so much for taking time today to talk about the impact of Japanese business in Tennessee.

Lamar Alexander [00:50:29] Thank you very much.