

manager, Mr. Sagawa, gives kind advice on selecting the menu.

Recommended dishes:

北京烤鸭 ¥4,000 (small plate)
(Peking Duck) ¥7,000 (large plate)
拼三鮮 ¥2,700
(Hors d'œuvre of duck's web-foot, sea cucumber, abalone)
水餃子 ¥700
(Dumpling stuffed with minced pork flavored with leek and served in soup)
炸烹大蝦 ¥2,900

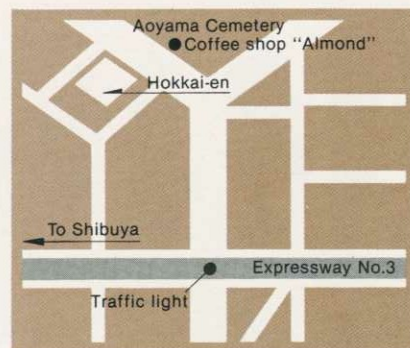
(Shrimp cooked with aromatic Chinese herbs)

糟鱸魚片 ¥2,600
(Sliced croaker dressed with sake lees)

Business hours: 11:30-15:00
17:00-22:30

Open year round

Address:
12-1, Nishi-azabu 2-chome, Minato-ku,
Tokyo
Tel: 407-8507; 407-8509
(Yoshimichi Hori, editor-in-chief)



BOOK REVIEW

By Akira Kojima

Member of the Editorial Committee,
The Nihon Keizai Shimbun

Miracle by Design

— The Real Reasons behind
Japan's Economic Success —

By Frank Gibney; Times Books, 1982,
New York; 239 Pages; US\$15.50



Americans reading this book will probably feel somewhat annoyed by it and, at the same time, experience a slight sense of relief. The annoyance will come from the fact that this is yet another detailed discussion of Japan's economic miracle. The relief will come from the author's contention that the miracle was achieved, as the book's title says, by design, that many of the factors for success were American in nature, and that American firms can revitalize themselves by taking the trouble to re-import them.

Like many other books on business management, this book has been translated into Japanese and has been read by many Japanese. The Japanese title, *New Capitalism*, has a far more literary and dignified tone than the English original. It is taken from the first chapter, which deals with the subject of new capitalism.

Mr. Gibney's theory of new capitalism differs from the stereotyped theories on

"Japanese-style management," which many Americans are already sick and tired of hearing. The new capitalism described by the author is not so uniquely Japanese that it cannot be transplanted to American soil. He contends that new capitalism is a Japanese-American hybrid management style which Japan has developed by refining American capitalistic and democratic systems to suit the Japanese milieu.

The author first lists the strong points of Japanese-style management and traces the origin of many of them to America. Next, he points out that while Japan assimilated these American factors, America forgot all about them and lost its pioneering spirit and vitality, with the following consequences:

(1) American management today has its sights set on the short-term, placing undue stress on the bottom line;

(2) American management shows little respect for people, treating employees like exchangeable parts;

(3) With the fear of dismissal hanging over their heads, American corporate executives and managers avoid business risks as much as possible and have turned into cautious property custodians instead of entrepreneurs; and

(4) American companies take the easy way out on expansion by buying out other firms instead of making their own plant and equipment investments.

Out of his sense of crisis, the author examines the possibility of transplanting in America the hybrid style of management developed by Japan and draws the conclusion that it is indeed possible.

Nissan Motor's light truck assembly plant in Tennessee entered service this summer. The hybrid style of management was adopted in this plant, and a people-oriented management style is being tried out. Hundreds of American workers received on-the-job training in Nissan's factories in Japan and returned to Tennessee after seeing with their own eyes how new capitalism works. Nissan's Tennessee plant, together with Honda's Ohio factory, is attracting attention as a test

case of whether or not the new type of management will be able to take root in American soil.

The author is optimistic about the outcome. The Japanese concept of management, which regards the company as a tightly knit community with a strong quality consciousness, can be transplanted in America in a form advantageous to American businesses, he claims. He reminds those who think that the cultural barrier will hinder the transplant that the very foundations of Japanese management were influenced by American-style management in the days of the U.S. Occupation after World War II. This is the author's main argument.

The author cites a number of successful cases of Japanese corporate advance into America. One is Matsushita Electric Industrial Co., which took over and revitalized a Motorola color TV set assembly plant. Kikkoman Corp. and Sony Corp. are also cited as examples of success.

Recently, Japan-U.S. economic relations have grown increasingly emotional; discussions between the two countries are becoming heated. Business firms and public organizations representing specific vested interests are engaged in deliberate debate, with the result that the discussions are apt to take on a political coloring. This is particularly true in the case of the debate over industrial policy.

Before engaging in emotional and abstract discussions, the parties concerned would be well advised to read this book. It is hoped that American intellectuals will also surmount the feeling of annoyance which this reviewer mentioned earlier and read it, too. It is a work that far transcends mere comparison of Japanese and American management.

Incidentally, the American best-seller, *In Search of Excellence*, has been translated into Japanese, with as many as 300,000 copies being sold in a single month. Japanese businessmen who once noticed only the U.S. smokestack industries are now marveling at the superb management of American blue chip corporations.