

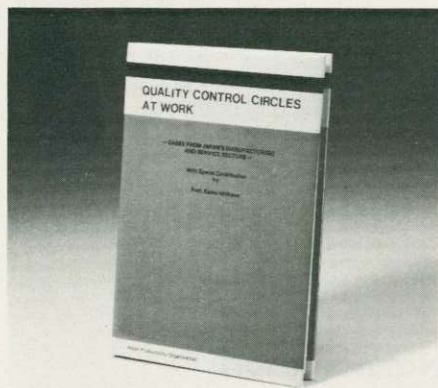
to summertime tourists, while the spacemen, buried under thousands of tons of concrete, monitor the looming countdown: *san, ni, ichi, hassha* (blast-off)! (Neil W. Davis, Japan correspondent for *Aerospace America*)

## Bookshelf

### Quality Control Circles At Work

—Cases from Japan's Manufacturing and Service Sectors—

By Kaoru Ishikawa (ed.)  
Published by the Asian Productivity Organization  
1984, Tokyo  
232 pages



One of the problems in introducing Japanese-style quality control (QC) activities overseas is that most of the books on the subject are written by experts, primarily academic experts. And being experts, most of them think they have to sound like experts. The result has been a proliferation of abstract theorizing that leaves boredom, confusion, and despair in its wake.

The inability of American management and labor to develop a clear understanding of and firm commitment to QC is then cited in both the business and popular press as one of "the troubles with managing Japanese-style." As *Fortune* recently noted (April 2, 1984), "Even when workers in quality circles have been properly trained and motivated and union officials mollified, there remains the problem of getting managers on board." *Newsweek*, in what was basically a rehash of the *Fortune* article, said (July 2, 1984), "The principal roadblocks to the circles' success are union resistance and,

often, a lack of genuine commitment by corporate management."

*QC Circles at Work* should go a long way toward clearing up these difficulties. Although it has an excellent introductory chapter by Dr. Kaoru Ishikawa—the dean of the Japanese QC movement—explaining exactly what QC circles are and why the management commitment is so essential, the bulk of the book consists of translations of actual reports written by QC groups.

These reports—16 of them altogether—explain how the groups decided what to do, the problems they encountered, their analyses of the causes, the steps taken to solve the problems, and, most importantly, the way these solutions were institutionalized to ensure that the problems did not recur.

While the chance to see how the groups progressed is instructive, it should also be eye-opening to see some of the problems that the groups took up. These are not major issues with earth-shaking ramifications. Rather, they are little things such as improving radiator inspections or shortening telephone operator response time, yet it is the cumulative impact of these seemingly minor improvements that has given Japanese industry its competitive edge.

QC circles often encounter interpersonal problems, since it is easier to blame the poorer-performing individual than it is to sit down and work out solutions to process-related causes, and the reports also explain how they were able to maintain solidarity and group identification among all of the people working together at a shop.

The reports are supplemented by running commentary by a panel of QC experts drawn from the monthly magazine *QC for the Foreman*. In these comments, the panel is quick to point out a group's failings but just as quick to praise its successes. These comments are models of the supportive management attitude that is needed if QC is to work. It is typical, for example, that methodological mistakes are met with comments such as "This group might have done better to consider..."

It is one of the axioms of QC activities that the worker knows best. The people who actually use the equipment are in the best position to decide what equipment and routine works best. This realization is why QC is sometimes referred to as bottom-up management. QC cannot be imposed from above, yet it can be stifled from above. Management, and especially *Journal* readers, should read this book to see what QC is really all about. Sometimes the material successes appear trivial, yet the investment is so small and the intangible benefits so great in terms of job satisfaction that QC more than pays

for itself.

While QC is very often assumed to be purely for people in manufacturing or assembly, the book includes reports of QC group activities in sales and other service-sector industries. Would you believe a caddies' group? Clearly, any company can benefit from QC, and *QC Circles At Work* shows the way.

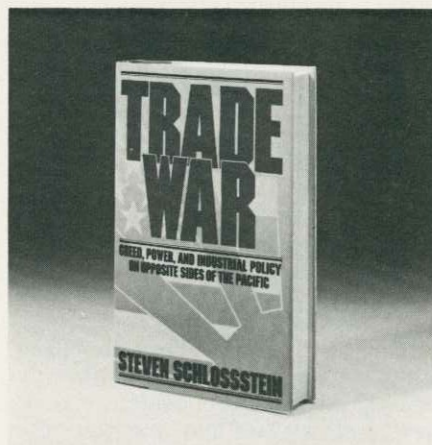
These are reports from the frontlines of QC, recommended reading for anyone—workers or management—who wants to know what QC is really all about.

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President, Japan Research Inc.

### Trade War

—Greed, Power and Industrial Policy on Opposite Sides of the Pacific—

By Steven Schlosstein  
Published by Congdon & Weed, Inc.  
1984, New York  
296 pages; \$17.95



Japanese-American economic relations have grown very close, and there is now a great flow of goods, people, and capital between the two countries. However, with the United States accounting for one-fourth of the total world GNP and Japan another tenth, it should surprise no-one that trade friction develops from time to time. Yet while some natural friction is inevitable in the course of this broad economic relationship, it is crucial that this be friction caused by legitimate trade interests and not by misunderstanding and ignorance.

Once ignored except as a curiosity, Japan and things Japanese have become a major subject of world interest. Over the last several years, there has been a spate of books in the United States analyzing the secrets of Japan's success, outlining Japanese industrial policy, and reporting on Japanese management. Some are uncritically laudatory of Japan; others bitter-

ly accusatory. Few have *Trade War's* balanced perspective. Having spent six years with Morgan Guaranty Bank in Japan, Schlosstein is a consultant conversant with the best of both Japanese and American management. The book is clearly the work of a man caught between two loves: the Japan which he has grown to respect and understand and his native America which he hopes to goad into getting its act together. Nowhere is there the kind of viciously willful misrepresentation which characterizes books such as Marvin J. Wolf's *The Japanese Conspiracy*.

With lucid explanations backed by a wealth of detailed statistics on automobiles, steel, semiconductors, and other industries, Schlosstein eloquently refutes the argument that Japan has succeeded in the U.S. market because of "unfair" trade practices. While the author gives many reasons for the different facets of Japan's success, typical is his comment that "Japanese companies are in business to make products, whereas American companies are in business to make money." To illustrate this point, he presents fictionalized vignettes from an American company concentrating on the money game and a Japanese company

concentrating on improving product quality and expanding market share. And then he introduces revealing episodes from the two countries' histories to show how these different economic and corporate behavior patterns are rooted in sociocultural differences—all of this with a light touch that makes it easy to read and easy to understand.

Nor are MITI (Ministry of International Trade and Industry) and its industrial policies central to Japan's economic success. As Schlosstein shows, the very term "industrial policy" means different things to different people in the United States, and the American debate on industrial policy has yet to agree even on its terms of reference. Nevertheless, he makes sense of the American industrial policy debate, and in so doing provides a fairly objective introduction to MITI and Japanese industrial policy. The roles played by MITI and its industrial policy have changed greatly over the years, and this is an area demanding careful analysis. While there seem to be a number of areas where he unthinkingly assumes that past MITI policies are still in force, happily, and correctly, Schlosstein does not give the false impression that MITI engages in targeting

or unfair tactics in helping Japanese companies best the American competition. It goes without saying that private industry has been the driving force of Japanese economic development, and the government bureaucracy has played only a supporting role. While MITI should be given its due, investing MITI with too much importance would misrepresent the Japanese economic system.

There are parts where Schlosstein appears to be overly laudatory of the Japanese example—perhaps out of his desire to spur the United States to action—but on the whole it is a very balanced presentation. In Japanese translation, the book has been titled *Nihon wa Warukunai* (It's Not Japan's Fault), a somewhat sensationalist title designed to appeal to Japanese narcissism. It is to be hoped this title, which detracts from the balanced objectivity of Schlosstein's presentation, does not give people the wrong impression of this very worthwhile book.

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## Taste of Tokyo

### Red Lobster

If you ask East Coast Americans to name their favorite food, most would invariably reply, "Steak and lobster."

When I visited Boston last year, a friend of mine took me straight away to a restaurant called "Anthony's Pier Four" and treated me to a truly delicious lobster.

Maine lobsters, famous throughout America, are caught only in the waters off the East Coast, extending from Labrador in Canada to the U.S. state of North Carolina. The lobster has two giant claws, with the right claw normally bigger than the left. The lobster is said to crush its prey with the right claw, and pluck out meat with the sharp teeth of the left.

This giant lobster, known as the king of seafood, is airlifted to Japan alive from Boston and placed in water tanks within 48 hours after being caught. With its freshness thus preserved, the lobster served in Tokyo restaurants tastes just as good as in Boston, and the price is only slightly higher. In fact, the difference in the cost of lobster between Japan and

America is much smaller than that of good steak. This is really fortunate for us who live in Tokyo.

"Red Lobster" in Roppongi serves delicious Maine lobster the American way. The company has 380 branch restaurants throughout the United States and three in Tokyo. The pleasant Roppongi branch is spacious and brightly lit. The taste is superior, the prices are reasonable, and it is always packed with young people and foreign residents. Besides lobster, this restaurant serves a great variety of food, including steak, shrimp and fish. It also has California wine.

Lobster dishes which I can confidently recommend include the "Spiny lobster" (lobster split in half) at ¥2,400, whole broiled "Rock lobster tail" (Australian

lobster tail) ¥3,700, and "Steamed Maine lobster" ¥6,400.

Another place which serves delicious Maine lobster is the Foreign Correspondents' Club of Japan. Here, too, you can taste wonderful sea-bred Maine lobster airlifted direct from Boston. Maine lobster appears on the club menu only twice or so a week, and you need to be accompanied by a Club member to get in. If you ever have the opportunity, snap it up at once. (Yoshimichi Hori, editor-in-chief)

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