

many neighborhoods were forced to creep up the sides of these mountains. (Thanks to their shield, the older southern part of the city escaped the obliteration of the north when the bomb fell in 1945. Hiroshima, located on a wide plain, had no such protection.) The laissez-faire attitude of city planners, if ever there were any, has, in combination with the slopes, created a density but also an intricacy of human habitation unmatched anywhere else in Japan. (The only exception is Tera-machi/Templetown, where 14 temples line one street. On the slope above it, shaded by aged camphor trees, sprawls one of the largest and oldest cemeteries in all the nation.)

Nearly half of these neighborhoods remain forever inaccessible to cars and motorcycles; jumbles of houses and lives woven together by little lanes and stairways whisk one away from the Japan of Tsukuba and Shinjuku with their surprises. The rhythm of life is slower-paced and quieter, the finding of small shops, little shrines, and secret gardens more pleasing than when dogged by taxis or tour groups. Even the panoramas of the harbor and city seem more satisfying than if you had been programmed to expect them according to the gospel of the guidebook. You need only orient yourself by keeping a mountain or two in mind, then proceed to become happily lost, drifting in and out of the 20th century as these old Japanese and Chinese neighborhoods lure you on.

A leisurely ten-minute stroll from Glover's Mansion, the house of an English trader steeped in the "Madame Butterfly" myth, would take you, in the course of a minute, past a Catholic church with reportedly the finest stained glass in the Orient, a Buddhist temple and, nestled beside it, a Shinto shrine from whose steps a fine view of the Higashi Yamate area awaits. Religious needs disposed of, saunter along the hillside lanes toward the trees of the foreigners' cemetery at Kawakami, then back to the bustling Oura street market, the nearby Chinese temple/museum of Koshi-byo with its fantastic roof, and last, return to the streetcar line at Ishibashi which will carry you to the city center.

Another walk that captures the essence of Nagasaki's old-world charm is along the Tera-machi street beginning at the temple of Kodaiji and heading toward Tamaya department store to the north. Not only will you enjoy significant and lovely temples (Fukoji being the Chinese temple where early Christians were taken to worship after renouncing their faith) and quiet neighborhoods, a brisk, five-minute uphill climb will grant you an excursion into the shadows and lichens of the old cemetery. And, who knows, if you go at dusk perhaps you'll meet one of the more illustrious ghosts as well.

Real-life open-air museum

A suitable ending (or beginning for that matter) to your non-touristy approach to Nagasaki would be a visit to Matsunomori Shrine, a five-minute walk from the larger Suwa Shrine. Here, shaded by a magnificent camphor tree, are eighteenth-century wood carvings depict-

ing local craftsmen making paper, confections, and musical instruments, to name a few—the very activities so easy to imagine taking place in any of the neighborhoods you've walked through. The key to the success of these walks lies in keeping the name of your destination at hand so you can ask directions or point to it on your map (not the one from the tourist office, please).

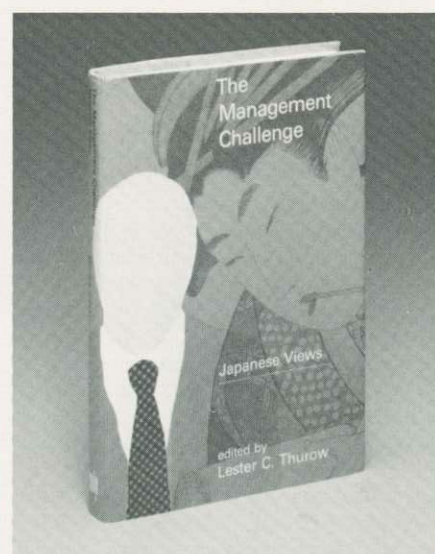
Should you have more than a weekend to spend in the area, a number of side trips present interesting possibilities. As well as being scenic wonders, the steaming fissures of Unzen hot springs (just below the still-active volcano) and the old castle town of Shimabara both figure prominently in the seventeenth-century persecution and elimination of the local Catholics by the Tokugawa shogunate. If you lack the time to make the two-and-a-half hour trip to Unzen, you can still get a taste of former times (not to mention some excellent sushi) by taking a 30-minute bus ride past bamboo, loquat, and tangerine groves to the bustling fishing village of Mogi. Ignore the new bank and city hall near the town's only traffic light and the rest of the village becomes a turn-of-the-century open-air museum.

There is one final meeting to take place before you leave, one that, like many memorable rendezvous, must happen at night. Only a handful of the world's cities can boast of their night views as being truly splendid—and Nagasaki is one. From Mt. Inasa's ropeway, Kazegashira Park (above the cemetery), or the sky lounges of Hotel Nagasaki or Yataro Inn, you simply must gain altitude to see the "upturned jewelbox of lights" spilling over the slopes around the harbor. Only then can you gain privileged membership into the small club of visitors going beyond the tourist sights to savor a bit of the elusive soul of a city. Aged with tradition and history and seasoned with several cultures, few cities retain such exotic spirits, unwarped by modern life, as does Nagasaki.

John Nelson

Guest Lecturer

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divided roughly into three categories. The first consists of attempts by Westerners and Japanese to analyze and explain the nuts and bolts of Japan's remarkable post-World War II recovery, and emergence as an economic powerhouse. A second type of work attempts to explain various motivations for why the Japanese people seemingly have been more successful managers than others.

A third group of authors tends to borrow bits and pieces of the above two in order to tell Americans, Europeans, Southeast Asians and, presumably in the not too distant future, the Chinese and Russians, what's wrong with their own economies, industries or societies.

Japan's success, and the presumed reasons for it, are held up as a rallying cry for change and fine tuning at home. Books of this sort are extremely popular among Japanese businessmen (the Japanese version of Ezra Vogel's *Japan As No.1* was a bestseller), who presumably take a certain amount of pride in the comparisons.

The Management Challenge, Japanese Views, a lively collection of 12 essays written by prominent Japanese scholars, economists, and businessmen, manages to some degree to fit all three of the above categories. The Japanese writers provide the analysis and theories; the editor of the book, Massachusetts Institute of Technology (MIT) Professor Lester C. Thurow, exploits the essays as a vehicle for advocating his own somewhat fuzzy idea of "Reblending the American Economic Mixture."

Thurow's introduction tells the (American) readers that it is necessary to take a lesson from Japanese industry and to disassemble Japan, as if they were examining a competitor's metaphysical car. They can then pick up and modify what ideas can be learned, and then try to make a better American model. The value of this book is that the disassembly is done by many of the same people who helped build the Japanese "car" in the first place.

The essays overlap at times, but as a collection provide a balance of sound analysis and, for the most part, readable interpretations.

One is offered a clear assessment by Dr.

Bookshelf

The Management Challenge Japanese Views

Edited by Lester C. Thurow
Published by the MIT Press
1985, Massachusetts
237 pages; \$14.95

Books and articles written about how Japan manages its economy—and how Japanese businesses manage themselves—can be

Saburo Okita, the former foreign minister and famous economic planner, of how economic planning works and doesn't work. ("Economic planning has not been designed to stimulate rapid growth but rather to attain balanced growth and indicate the long-term economic policy.") Dr. Okita presents a concise agenda for Japanese policy makers into the next century. Professor Thurow, in his commentary, suggests that America might well use elements of Japan's economic strategy for the 1960s as strategic objectives for the economy by the year 2000.

On the other hand, a far less useful piece on the prospects for the economy is presented by Hisao Kanamori, president of the Japan Economic Research Center. Mr. Kanamori is well known in Japanese economic circles as an optimist on Japan's growth potential. He raises a number of obvious questions ("Can Japan expand its share of a stagnant export market?") but offers a rather lame explanation of his optimism. ("My trust in the adaptability of Japan's economy makes me optimistic.")

What the book is mostly selling readers is a Japanese view of "Japan, Inc." and other "myths" about Japan's development over the past 40 years. Toshimasa Tsuruta, a professor of economics at Senshu University, argues that free market forces enabled the Japanese economy to develop, in spite of government intervention. That the government failed in some of its more ambitious attempts to guide industry is often overshadowed by the success of other policies.

Tsuruta contends that supporters of the Japan, Inc. hypothesis are likely to overlook Japan's anti-monopoly laws, which have been strengthened, rather than weakened, over time. "One can conclude that trade and capital liberalization in the 1960s led to a complete, collapse of the government policy known as Japan, Inc.," he writes.

Another essay on Japanese industrial relations tries to debunk false impressions of such highly touted "sacred treasures" as lifetime employment and the length-of-service wage system. Keio University Professor Haruo Shimada warns that one of the serious defects of anthropological explanations of Japanese industrial success is the tendency to relate recent performance to ancient cultural inheritances, without paying attention to what happened during the critical period preceding rapid growth.

The book probes the complex issue of motivation and productivity. But readers may find the conclusions of Hiroshi Takeuchi, chief economist at the Long-Term Credit Bank, less than inspiring. High productivity has been the result of "the delicate sense of balance inherent in the Japanese people," whose "morality is based on long traditions." To which, Professor Thurow laments: "Must teamwork be a lost art in the United States?"

In contrast, Munemichi Inoue, manager of the economic research section at Marubeni Corporation, the trading house, provides a cogent analysis of how changes in domestic and overseas market environments are work-

ing to weaken once powerful Japanese industrial groupings. Competition rather than cooperation is on the rise among member companies of the same group.

"Japanese industrial groups are now facing serious problems of how to coordinate cooperation and competition. For the present, they seem to be opting not for cooperation but for competition," Inoue concludes.

Among the more candid moments in the book is a detailed description of how Mitsubishi Electric turned a strategic eye toward overseas markets. Overseas operations should never forget the three "no's": "Never get involved in legal issues, never allow the formation of labor unions, and never fail to collect accounts receivables."

The Management Challenge suffers from two annoying defects. Though the book was published in 1985, the original articles were written nearly three years ago for a conference held at MIT in November 1982 (sponsored partly by Suntory, the drinks maker, and TBS-Britannica).

As a result, supporting data and charts are mostly about four years out of date. An article on Japan's financial system, written at the time by Osaka University Professor Shoichi Royama, is completely out of date, considering the dramatic moves since 1983 to liberalize domestic markets and internationalize the use of the yen.

A serious question can also be raised about the relevancy of Professor Thurow's commentaries on "reblending of the American economic mixture" which follow each article. Among other things, he thinks Americans should be less "crusading"; that America needs "investment banks" to provide long-term investment funds (he doesn't seem to be aware of the role of the U.S. bond market, and seems to think Japan has one long-term credit bank, rather than three); and that America needs a "grand design geared to the next century."

Perhaps, America does need such ideas. The book could have used a less narrowly focused commentary to help the reader bind together some of the complex, and significant points being made by the Japanese authors.

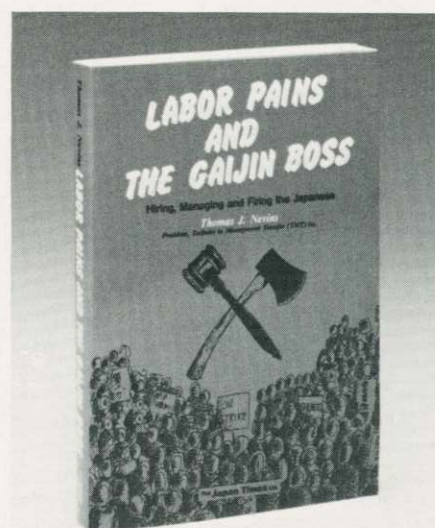
Richard C. Hanson

Editor and publisher of Japan Financial Report

Labor Pains and the Gaijin Boss: Hiring, Managing and Firing the Japanese

By Thomas J. Nevins
Published by the Japan Times, Ltd.
1984, Tokyo
317 pages; ¥2,800

This is a handbook for foreign business managers on how to cope with the personnel management of local Japanese employees. This aspect of business management is indeed a potential source of headaches for for-



eign executives since this is where social as well as cultural differences between Japanese and non-Japanese collide most sharply.

On the basis of his experience as a labor consultant and president of his own business in Japan, the author provides a number of useful hints and suggestions on how to fire the Japanese, keep the discharge case from being brought to court, use the salary and bonus systems for rewarding and punishing local staff, and how to transfer reluctant employees. He also discusses what kinds of problems can possibly arise between Japanese employees and foreign managers, and the need for good communication to minimize confusion due to such communication gaps.

With its brief introduction to the legal framework and explanation of how labor legislation is actually interpreted and applied in courts, this book sheds light on labor-management relations in a unionized environment. Some general information is also provided about such social systems as public health insurance, pension insurance, workmen's compensation and public vocational training.

According to the author, the book is not designed to be read at a stretch but part by part in short periods of spare time. In fact this book is a collection of his presentations and writings and for this reason readers may find it somewhat repetitive and fragmented. For example, I am not quite sure whether the author advocates that foreign managers maintain the style of management they brought from home or conform to Japanese psychology and practices. The way he suggests dealing with problematic Japanese is basically confrontation and the exercise of managerial authority, discharging them if necessary ("Bluff with Confidence When Firing"). With this attitude toward the Japanese, foreign executives will not be able to foster the strong sense of cohesion and attachment to the company that seems to be the source of Japanese organizational strength. They will instead get a rather impersonal, if not inefficient, organization with a somewhat high labor turnover.

In other places, however, the author sug-

gests that foreign managers should be sensitive and tolerant in managing the Japanese: work extra hard on listening and communicating, avoid explicit conflict and bad feelings, get as many people as possible involved in the decision-making process.

One common question for frontline foreign executives is which management style they should adopt—the Japanese or the non-Japanese. This is an important decision that the foreign manager cannot evade and I wish I could have heard the author's suggestions in this area. He provides only some practical tips for both choices. In my view foreign managers are free to choose whichever they like taking into account their specific circumstances and different strengths and weaknesses, but what they should avoid is the mixture of both, because it could be the amalgamation of the worst of both.

One thing to be kept in mind when making this decision is that the Japanese style of personnel management cannot be effective unless the organization is large or financially solid enough to absorb the costs of the permanent employment system. It looks irrational from the point of view of Western orthodox principles of personnel management but it is efficient, and can be interpreted as a deal be-

tween employer and employees: the employer provides complete or near-complete job and income security over lifetime in return for the employee's complete submission, and high degree of loyalty and devotion to the organization. A well-managed Japanese company is very much like a strong mafia organization.

This arrangement, however, requires long-term human resources planning with substantial training costs plus promotion opportunities for able employees. It is important that the employer not discourage mediocre employees, but the employer should also see to it that employees given job and income security will not take it too easy; they must be kept competitive but reasonably happy. All these conditions are necessary to make Japanese-style organizations work efficiently, but maintaining this type of management imposes a formidable liability on the employer, especially if the business is insecure or the future is uncertain.

For foreign operations of limited size and relatively short history, a non-Japanese style of personnel management, in which the management time horizon is short and all accounts between employer and employees are settled in the short run, is probably the more feasible choice.

Another common problem foreign man-

agers face is recruiting well-qualified Japanese staff. Unfortunately this book does not discuss separately how to recruit competent Japanese and how to get the best out of them. In fact the book is more concerned with defensive tactics like dismissing inefficient or defiant Japanese rather than positive suggestions for creating a dynamic and productive operation with Japanese employees. When you assemble the bits and pieces of the author's advice, it seems that he is suggesting that foreign managers have to make certain concessions to make the Japanese feel at home and make them more willing to work. For example, with respect to remuneration, adopt the Japanese style of salary administration. Also avoid excessive hiring and firing and control the foreign executives' tendency to shake things up—in short he seems to advocate more organizational stability and continuity.

Although this book is somewhat disorganized in its presentation, real strength lies in the fact that it is based on the author's first-hand experiences and hence the discussions are highly practical and concrete.

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Taste of Tokyo

Trader Vic's

Although there has been a marked increase in the number of distinctive restaurants boasting a charming atmosphere in Tokyo recently, in my opinion there still are none which can compare with Trader Vic's as far as the dreamlike mood of the South Pacific islands is concerned.

I am somewhat familiar myself with authentic Polynesia, having taken a swing through Rabaul in New Britain and Port Moresby, Lae and Madang in Papua New Guinea some 10 years ago. So I can assure you that the moment you step into Trader Vic's, located on the fourth floor of the Hotel New Otani Tower, you feel you have been transported to a different world. The magnificent Polynesian interior evokes the sound of gentle waves washing the glistening white sands of a South Pacific island, the brilliance of bougainvillea blossoms, and the images of carefree, sun-tanned maidens who seem the very embodiment of natural health. The display of exotic Polynesian wooden shields makes you forget that Tokyo still waits outside the door.

Trader Vic's has restaurant-bars in 61 cities around the world, and everywhere they are famous for their tropical mood, exotic drinks,

and original menu. The Tokyo restaurant was opened in 1974 as the 23rd in the chain and the first in Asia.

The name of the chain comes from its French-Canadian founder, the late Victor Jules Bergeron, who was not only a real-life trader but excelled as a painter and sculptor. His diverse talents even extended to designing jewelry.

Among Trader Vic's drinks with delightful Polynesian-related names are Scorpion, Mai Tai, Bahia and Navy Grog. The base of Scorpion (¥1,950) is rum, the most popular drink in Honolulu. A petal of jasmine, airfreighted from Hawaii, floats in the glass. Mai Tai (¥1,850) is a Tahitian word meaning "the best." Its base is Jamaican rum. Bahia (¥1,650), coconut in white rum, is a sweetish drink for women, while Navy Grog (¥1,950) is a supreme male drink consisting of a dash of pimento in rum.

Popular dishes at Trader Vic's include bar-

becued spareribs (¥2,450), Cho Cho (¥1,950) which is baby-size beef on skewers, Crab Rangoon (¥1,500), crab meat wrapped in pasta and deep fried, Javanese salad with Bay shrimps (¥1,950), Indonesian lamb roast (¥7,250), lamb curry (¥4,250), and Singapore noodles and California shrimp (¥2,950).

There is a glassed-in enclosure in one corner of the restaurant where stand two huge, authentic Chinese-style red-bricked ovens. Barbecue dishes are prepared here using real wood for fuel.

Trader Vic's is the best place in Tokyo to spend an enchanting time with the girl of your dreams. If you are unable to win a woman's heart in this atmosphere, you might as well issue a declaration that you have lost your masculine appeal.

Trader Vic's telephone number is 265-4708.

(Yoshimichi Hori, editor-in-chief)

