

analysis both of the UK manufacturing sector in general and of three companies that are proxies for the sectors in which they operate. Their central criticism is that of short sightedness on the part of the owners of the companies — in some instances, the government. The book's style is at times irritating, a paragraph where a sentence would suffice, but this should not deter the reader from persevering. The book does not so much break new ground, although that appears, but refuses to adhere to comfortable models. Even if it is inevitable that incoherent management produces irrational responses from organised labour that does not help to improve a worsening situation. By sticking to close time-horizons, most UK manufacturing companies have excluded themselves from those sectors and products where returns are only to be had in the long term. This self-denying ordinance has led to today's symptoms of malaise, increasing import penetration and a widening technological gap.

The three cases studied, which comprise half the book, examine British Shipbuilders, British Leyland and a company that could today fund both these industries' accumulated deficits, GEC. The explanations are inevitably different: BS lacked downstream links with shipowners that may have stimulated innovation, GEC went for short-term profit returns at the expense of both employment and of innovation and BL suffered from too frequent changes in managerial direction and opted for innovation when it had already all but missed the bus.

All three case studies, particularly that of BL, suffer from the absence of any analysis of trade union criticisms and from the weight of academic inputs. Possibly that weakens the telling effect they could have when read in conjunction with the overall thesis. That said the book is a good read.

So too is *Japan in the Passing Lane*. The answer for some of our problems postulated by the current generation of Michael Edwardes' clones is to follow the Japanese example. There has been a fair torrent of literature extolling the virtues of Japanese industry, the low inventories, the adequacy of funding for long term profits, the high productivity. Read one way, many of the Williams *et al* ideas lead in that direction, but at last thanks to Satoshi Komata we have a book which says what it's actually like to work in the Toyota Auto Company. Many of the cruelties would be familiar to a worker at Cowley, Ellesmere Port or Dagenham — there are just so many more of them.



Japanese capital has developed quite differently from that of Europe and North America. It has learned from the generalised mistakes made by others as well as from the technology. Ironically the Williams *et al* studies look at UK firms and producers that have been forced out of markets by much better organised companies from Japan. But all British companies seem to want is the quiescence of labour that looks to be the norm in Japan. What they do *not* want is to make the managerial and financial commitment that says 'OK we lose money for the next ten years, but make it up in the following decade.'

Why are the British bad at manufacturing — because UK capitalism is not very bright. And its manifesto is misguided by assuming that it can pluck one facet of another culture's development — Japan — and insert it into the crumbling facade that is UK industry.

Brian Bolton

WHY ARE THE BRITISH BAD AT MANUFACTURING?

Karel Williams, John Williams, Denis Thomas

Routledge, Kegan Paul 1983 £7.95 pbk
ISBN 07100 9561.9

JAPAN IN THE PASSING LANE

Satoshi Komata

Allen & Unwin 1983 £9.95 pbk
ISBN 0 04 38106.5

If Britain has the most inefficient capitalism in the world, is it any wonder that the UK economy is characterised by low wages, low productivity and low investment? Two recent books each in their way encapsulate these 'problems' in a wider setting. One examines, through examples, the dismal track record of pivotal industries in Britain; the other portrays graphically the peril of lurching into the benign corporatism that is said to hold the key to the future.

Williams and co have prepared a scathing