force nor a rigorous empirical study, *The Change of a Lifetime* offers a great deal of information about who among the Japanese corporate elite are changing jobs and why.


Reviewed by
WILLIAM RAPP
University of Victoria

In 1984, I accompanied five Southern governors, including George Wallace, on a courtesy call to Prime Minister Nakasone. At the meeting Governor Wallace gave the prime minister two four-year scholarships to be awarded every year for outstanding Japanese students to study at the University of Alabama. In this way was initiated a growing relationship between the University of Alabama and Japan that was to include a close association with Chiba University. Then in 1988, with generous support from the Ministry of Education, a joint university-to-university research project to improve policy communication between Japan and the United States was developed. This research culminated in three conferences whose papers are presented in the impressively entitled volume *Economic, Industrial and Managerial Coordination between Japan and the USA*.

Unfortunately, it does not fulfill this billing or the goal stated in the introduction and postscript by editors Abe, Gunther, and See of providing an improved basis for formulating policies affecting the U.S.-Japan relationship. Rather, it is an eclectic collection of essays covering topics as diverse as difficulties in macroeconomic policy coordination, English-language instruction at large Japanese companies, a beef import simulation model, transferring Japanese management cultures to Malaysia, and differences in computer software protection. In addition, several essays are quite diverse and overly broad in the topics mentioned, while containing few new research results or concrete policy recommendations. Indeed, many involve an uncritical listing of clichés about the differences between U.S. and Japanese organizations.

For example, the paper on telecommunications by Meheroo Jussawalla and Barbara Ross-Pfeiffer spends almost as much time discussing U.S.-Japan disagreements on agricultural trade and the relation between the U.S. budget and trade deficits as presenting data on telecommunications. Further, the origins of U.S. policy in the NTT procurement protocols of the Tokyo
Round are never addressed. The Tokyo Round, however, represented the first GATT negotiations to include government procurement codes as a trade issue. During the negotiations, U.S. trade officials successfully insisted on including NTT as part of the final agreement despite Japanese objections that, though government-owned, NTT was still a private company. This U.S. trade success in turn led to close monitoring of actual compliance on an annual basis with retaliation under the treaty as a real threat.

Lawrence W. Foster's article on barriers to trade, while emphasizing Japanese groupism and the need for consensus, fails to note the role of dis-consensus in policy situations or the existence of top-down decision making in some large "one man" companies. The book's chapters therefore lack focus and consistency in the topics selected or in their analytical treatment, while major issues and important exceptions to the norm are omitted. Rather, it appears the organizers asked colleagues about their current research interests and to prepare papers accordingly. James Cashman's auto and Trevor Bain's steel industry articles, for instance, are chronological histories that seem strictly for information purposes. The volume thus suffers from the absence of coordination and thematic integrity inherent in many conference proceedings.

On the plus side, conferees certainly learned more about each other, Japan, and the Southern United States. Further, while shying away from actual specific policy recommendations, some essays present interesting policy related results. For example, Yasuhiko Yuize's beef simulation model indicates beef liberalization would lead to increased domestic herds of high-quality beef rather than the smaller ones generally predicted by Japanese trade negotiators as lower prices will decrease the incentive to slaughter cows. Donald L. Hooks' chapter on international monetary policy supports the view favored by central bankers that a formula approach to monetary policy coordination will not improve national income in a floating exchange environment. On the negative side, though, most essays are relatively uncritical reviews of other research. Many statements are dated by the collapse of the "bubble" and the subsequent recession as well. Thus, many of the companies described by Chadwick B. Hilton have cut their English programs despite increased FDI due to yen appreciation. The global expansion of Japan's telecommunication firms relative to AT&T and the regional Bells forecasted by Jussawalla and Ross-Pfeiffer has not occurred, rather the reverse. Also, Motorola and Ericsson, not Japanese firms, dominate the high-growth Asian cellular markets. In software, differences between user and producer economics not anticipated in the articles by Harold See and Sumner J. LaCroix have emerged, critically impacting government policies.

Further, there are factual errors that should have been corrected through more careful editing, e.g., Yawata Steel is called Kawata, Nisshin Steel is called Nissan, and the Arabian National Oil Company is located in Kuwait.
instead of Abu Dhabi. Of course, more demanding editing for focus, thematic consistency, and concrete policy recommendations could have imposed constraints that would have detracted from the friendly atmosphere of the cooperative venture. On the other hand, it would have brought the participants closer to the situation facing many U.S. and Japanese government and business negotiators who frequently have to represent their competing interests in situations involving the real loss of jobs or economic advantage where the win-win situations envisioned in the book and by the conference organizers do not always exist.


Reviewed by

WILLIAM D. WRAY

University of British Columbia

This book makes me envious. That anyone could write the history of an industry as important as iron and steel covering almost a century and a half in a mere 300 pages is astonishing! Furthermore, this is no general overview or synthesis. Every sentence is packed with detail, which, through the author’s clear and coherent focus, thematically links all parts of the book. Yonekura’s principal concern is with the relationship between business strategy and both industrial organization and government industry policy. Within the context of these themes, Yonekura argues that transformations in Japan’s industrial structure have been led less by the government than by entrepreneurs responding to changing markets. The central thread throughout the book is the manner in which the industry wrestled with and eventually overcame the problem of imbalance, that is, the difficulty of achieving integrated production of both steel and pig iron.

The book’s contents can be summarized in three parts. The first concerns the pre-World War I period when numerous entrepreneurs tried unsuccessfully to start a steel enterprise. The breakthrough came after the Sino-Japanese War with the state-owned Yawata Works, which became an integrated producer but suffered from internal contradictions in its mission. Established to reduce imports, it had to manufacture different steel products, making it difficult to achieve economies of scale even in products demanded by the military. Eventually, engineers who left Yawata set up private firms to meet this military demand and serve niche markets. These firms found it cheaper to import pig iron than to integrate production, a process that led to the industry’s imbalance in the interwar years. During the second period,