

Japan: Miracle or conspiracy?

Writer attacks Tokyo tactics

By **BRIAN MOSS**
Business Editor

Author Marvin J. Wolf has a choice word for Japan's so-called economic miracle. The word is conspiracy.

"I was back home in California and I started wondering, how come I couldn't find an American TV? How come I hardly see any American cars? How come I couldn't buy an American videocassette recorder?" Wolf asked the other day at the Daily News as he plugged his new book, "The Japanese Conspiracy" (Empire, \$13.95).

Wolf's answer: Japanese corporations—working singly and together, and often with government help, use every trick in the book—including theft—to dominate world markets. Wolf calls Japan's system economic totalitarianism.

EXTREME? One reviewer called the book a "hostile attack" on the Japanese and said Wolf's conclusions were "shaky." But Wolf, 42, a free-

lance writer and former Army officer said, "You need to jar people."

That's why Wolf is out pushing his angry book and his view that it's time to get tough with Japan about trade. "We have to force them to stop talking and do something," he said.

Last year, the U.S. imported goods worth \$21.7 billion more from Japan than it exported there. Wolf quoted an expert who said each \$1 billion in trade deficits means 25,000 American jobs lost.

While the numbers may be arguable, there is no question that manufacturing jobs here—in the auto and electronics industries, for starters—have been lost to Japan.

The United States must protect itself, Wolf argued emphatically. "We need controls like we have with the Eastern European bloc," he said.

ALTHOUGH SOME in Washington are alarmed over the the U.S.-Japan trade imbalance, the Reagan adminis-



HARRY HAMBURG DAILY NEWS

Writer Marvin Wolf.

tration has preferred to negotiate with Japan about problems rather than retaliate.

Were the U.S. to restrict imports from Japan, conventional wisdom goes, the Japanese would reject American exports of raw materials and agricultural products, which would be devastating to some industries—like lumber and soybeans—here. Further, authorities have predicted, countries around the world would impose their own protectionist trade laws and the U.S. would be hurt even more.

Wolf, who called himself a reporter rather than a scholar, disagreed and said a hard line with Japan—for example, restricting certain imports to benefit U.S. industries—would result at worst in inconvenience to consumers but would eventually create jobs in revitalized industries.

There's support for that thinking. Several bills that would protect cars, steel, semiconductors and other products are pending in Congress. And a recent poll showed 60% of Americans agree imports should be restricted because they threaten jobs.

Japan can't continue its assault on world markets without risking a backlash against it, Wolf maintained. And in the end, he said, Japan would suffer more from a trade war than the U.S.

Daily News, Friday, February 17, 1984

How a rival sees it

Los Angeles (AP)—America's fears that Japan will take the lead in electronics are unfounded "over-reaction and exaggeration," the president of Mitsubishi Electronics America has said.

Yoshito Yamaguchi said the U.S. is still No. 1 in computers and microprocessors, and no Japanese company producing mainframe or personal computers has been able to capture a significant share of the U.S. market.

Japanese assembly line workers outproduce U.S. workers by about 15%, but Yamaguchi told a seminar sponsored by the Japanese Business Association recently that America is still ahead of Japan in overall productivity and still has a more efficient distribution system.

Japanese government "guidance"—not money—is what's really responsible for his country's success in electronics, said Yamaguchi.