Changing Challenge
Japan Begins to Make
More Complex Goods
To Compete With West
Nation Aims to Manufacture
Products Depending More
On Brains Than on Prices

Geisha Girls & Transistors

BY WILLIAM D. HARTLEY
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TOKYO—In a factory alongside the Sea of
Japan far north of here, workmen are putting
final touches on a couple of gigantic, complex,
automated presses meant to stamp out parts
for vehicle bodies. The machines are impres-
sive indeed: feed in sheet metal at one end,
pull out near-complete truck doors at the other.

As exports go, these presses add only a few
million dollars to Japan’s trade figures, but
their significance far outweighs that. These
presses and dozens of other products being put
together in Japan’s busy factories or emerging
from laboratories represent a changing image
for Japan. For just as the West was getting
used to this nation as one kind of competitor, a
process is beginning that will produce an en-
tirely different kind of Japanese challenge.

Emphasis on Brains

During the 1970s, America can expect com-
ing out of the Japanese islands products that
depend—more—on technology than on price,
more on high value than on mass production,
more on domestic horsepower than on im-
ported raw materials. The result will be a
Japan challenging the heretofore-dominant po-
sition of America and many European coun-
tries in products of high technology and sophis-
tication.

PARTIAL QUOTATION FROM TWO
COLUMN ARTICLE

The Need to sophisticate

“Whether we like it or not, we have to so-
plicate our industrial structure,” argues
Masaya Miyoshi, an economist. “We have to
catch up with America in technology, because
other countries are catching up with us in mass
production.”

Some Guidelines Emerge

Out of the talk, some guidelines are emerging. The Industrial Structure Council, a group
formed by the Ministry of International Trade
and Industry to study Japan’s course, recently
put out a report summarizing four important
fields Japan should enter:

—Industries that make intensive use of tech-
nology. These include computers, aircraft,
electric cars, industrial robots, atomic-energy
plants and equipment, integrated circuits, fine
chemicals, new chemicals and metals, special
ceramics and ocean-exploitation equipment.

—Industries that rely heavily on assembly
lines. These include communications equip-
ment, numerically controlled machine tools,
antipollution equipment, home-heating and
cooling machines, teaching machines, prefab-
crated houses, automated warehouses, large
construction machines and sophisticated pro-
cessing plants.

—Industries that concentrate on high-quality
clothes and furniture, acoustics and elec-
tronic musical instruments.

—And information industries, including edu-
cational equipment, computer programming
and systems engineering.

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