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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

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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 impressive 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 entirely different kind of Japanese challenge.

Emphasis on Brains

During the 1970s, America can expect coming 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 brainpower than on imported raw materials. The result will be a Japan challenging the heretofore-dominant position of America and many European countries in products of high technology and sophistication.

The Need to Sophisticate

"Whether we like it or not, we have to sophisticate 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 technology. 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 equipment, numerically controlled machine tools, antipollution equipment, home-heating and cooling machines, teaching machines, prefabricated houses, automated warehouses, large construction machines and sophisticated processing plants.

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

—And information industries, including educational equipment, computer programming and systems engineering.

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