

* *What's Wrong with British Industry?* By Rex Malik. Penguin special. (Penguin Books Ltd. 3s. 6d.)

By B. W. B.

ONE OF THE DANGERS of choosing a question as the title of a book is that the reader may expect the author to answer it. And the regrettable fact is that in many, many cases the reader is disappointed. Sometimes the answer given by the author reveals not so much his grasp of the facts as his slanting of them. Sometimes he makes no effective attempt to answer his question at all, the title, like the cover of a modern paperback, being merely to entice, or to whet the appetite.

For all the merit of its contents Rex Malik's *What's Wrong with British Industry?** falls roughly into the last category. The author clearly does not take his title too literally for on the very first page he warns that he has not seriously discussed labour relations or trade unions, the nationalised industries, the relations between industry and the City, transport, the inhibiting effect of "our crazy tax system" — or many other relevant topics.

To examine the state of British industry without fully discussing any of these subjects is rather like considering the tower of Pisa without noting the fact that it is leaning. And after reflecting on all that the author has left out, the reader would be justified in asking what there is left in. However, to do him justice, Mr. Malik gives his answer with clarity and force. The central theme of his book is that British industry has only one basic problem — the quality of its management. In his own blunt words, he sets out to "clobber the managers," and in this limited sphere, he makes a reasonable job of it.

Competently and concisely he surveys some of our major industries — chemicals, aircraft, electronics, engineering and all, and makes his criticisms of their organisation and/or achievements. Companies should not have reorganised vertically but horizontally (or *vice versa*); the managements invested in research when they should have expanded production. They resisted the introduction of new processes when they should have gone overboard for them. They tried to make too many things at once. They lacked cost consciousness. They made this when they should have made that.

If a major criticism of British industrial managers is that they have lacked vision and have failed to seize their opportunities (weaknesses more easily observed, of course, with the benefit of hindsight), then the author has British management pretty fairly in the dock. But even so, Mr. Malik will hardly claim that the criticisms probe deep into the basic causes of British managerial inefficiency — even assuming this to be established. He makes no bones about his belief that British managers are less competent than their counterparts in Europe, but he does nothing to remove the obvious thought in the mind of the reader that the faults in British management may lie not so much in the qualities of the managers as in the environment in which they have to operate.

Briefly, oh so briefly, the author touches on this side of the question. He concedes that the aircraft industry "has been so mucked about by the government that its leadership seems to have lost its nerve." He refers to "the farce" of Lancashire's cotton industry modernisation programme. He glances at the inefficiency bred by tariff protection. But he does not develop these points sufficiently, preferring to take his stand on the intrinsic demerits of British managers as the basic problem.

For a further brief moment he dallies with the problem of competition and the evil of monopoly. Competition — yes, he's in favour, but it must be "effectively policed." In other words, it must be the best competition that government can plan. Little in the book causes the reader such despair as this particular passage.

What, then, are Mr. Malik's positive proposals for solving the problems of British management? With little supporting reason or argument his plea is for more government intervention in industrial affairs. Government control of managerial training; government expansion of technical training; industrial research to be made compulsory under government supervision.

Whether it is desirable for governments to intervene further in these fields is a matter for debate. Certainly this book does little to explore the *pros* and *cons*. But its prime weakness is that, even before this stage is reached, it fails to determine the underlying causes of the apparent deficiencies in British industrial management. Instead of merely scraping the surface of government intervention and tariff protection these matters should have been turned over with an excavator. Instead of ignoring our "crazy tax system" it should have been placed under a powerful microscope.

Until Mr. Malik has fully explored these questions, how does he know that there is anything intrinsically wrong with British management at all? And even if it has its faults, who can say that the proposals he makes are real solutions or one more set of dreary palliatives?