
powerful, authoritarian central government (such as Yugoslavia's) may be required to oversee a "decentralized" economy. Looking at the United States, Dahl discovers that America is unique in its sharp division of "public" and "private" spheres (a division which is far less clear elsewhere). For the American version of the pluralist dilemma, Dahl suggests two controversial remedies: a more egalitarian distribution of wealth, "democratization" (not nationalization) of major corporations.

**IN SEARCH OF
EXCELLENCE: Lessons
from America's Best-Run
Companies**

by Thomas J. Peters and
Robert H. Waterman, Jr.
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Worried about declining profits, many American corporate leaders have recently taken to watching Japanese or German industry for clues to business success. They might better take a lesson from America's own "star performers" and put short-term profits farther down on their list of priorities, suggest business consultants Peters and Waterman. The consistent U.S. money-makers are charged with purpose. Service is the word at McDonald's, Delta, and IBM. Frito-Lay will spend hundreds of dollars "sending a truck to restock a store with a couple of \$30 cartons of potato chips." Innovation drives other companies: Hewlett-Packard and 3M give their employees freedom to experiment and to write off their mistakes. Still others such as Johnson & Johnson and Procter & Gamble stick to basic products but emphasize quality. Hefty profits result from all these strategies, none of which would earn an A in business school. And that may be what is wrong with much of corporate America, say the authors. The average MBA organizes his company according to the latest blueprint for efficiency. But enduringly successful companies are chaotic but committed collections of "task forces" that shift and regroup to tackle new problems. If America had more leaders—more Tom Watsons or William Hewletts—to give companies a sense of purpose, say the authors, America could pull out of its managerial muddle.