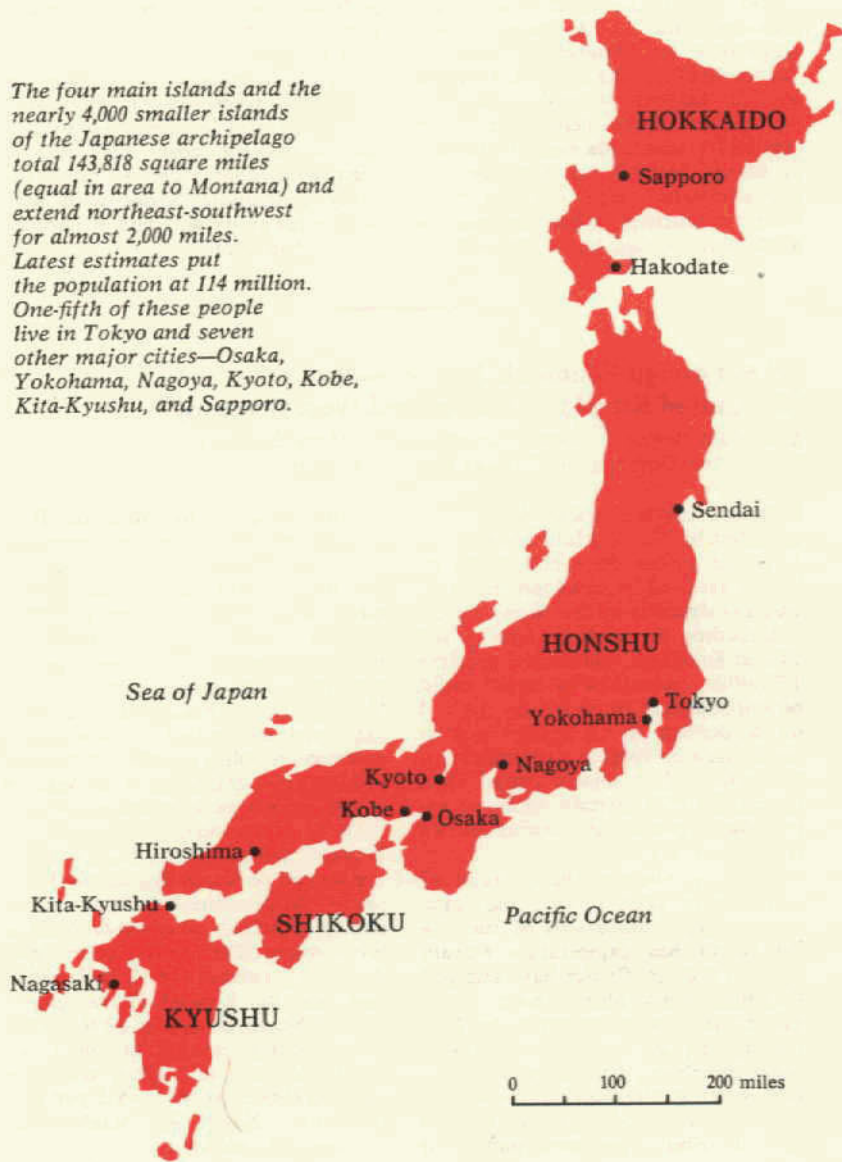
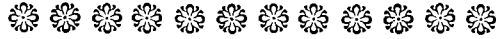


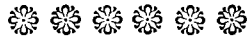
The four main islands and the nearly 4,000 smaller islands of the Japanese archipelago total 143,818 square miles (equal in area to Montana) and extend northeast-southwest for almost 2,000 miles. Latest estimates put the population at 114 million. One-fifth of these people live in Tokyo and seven other major cities—Osaka, Yokohama, Nagoya, Kyoto, Kobe, Kita-Kyushu, and Sapporo.





Japan

Despite its 15 centuries of recorded history, Japan remains more of a mystery to Americans than many of our less important trading partners and allies. The United States and Japan have each left deep marks on the other, yet there is a tendency in this country to see the Japanese people as all of a kind, unchanging, inscrutable, diligent, uncomplaining. The realities are different. Historian (and former U.S. Ambassador) Edwin O. Reischauer examines the origins of Japan's much-publicized postwar economic "miracle." Historian Nathaniel B. Thayer, using new research findings, traces changes in traditional Japanese values. And sociologist Koya Azumi describes the "Westernization" of labor and management attitudes in the workplace. Our Background Books cover other aspects of the Japanese experience, past and present.



THE POSTWAR "MIRACLE"

by Edwin O. Reischauer

In 1945 Japan lay in ruins, a defeated, helpless pariah among nations—its cities destroyed, its industry at a standstill, its people exhausted, confused, and demoralized. Yet in only one generation the country has risen like the proverbial phoenix to become, next to the colossi of the United States and the Soviet Union, the greatest economic power in the world, with a remarkably free and stable society, an efficiently functioning democratic system of government, and a vibrant cultural life.

This triumphant metamorphosis so strains belief that it has been called a miracle; the miracle seems even greater if one compares contemporary Japan to the country not at its postwar nadir but when it was bent on the creation of the world's greatest empire. Now it is the least militarized of all the great powers, passionate in its hope for world peace and proud of a constitution that forswears all resort to war. The regimented, indoctrinated Japanese of World War II have been replaced by a people dedicated to the defense of a long list of constitutional human rights. The robot-like soldiers, who selflessly accepted death in the name of their Emperor, have been succeeded by a generation that is skeptical of all authority and vigorously resists any arbitrary exercise of power.

How did the Japan of the war years transform itself into the Japan of 1977, a change so complete as to appear unreal or at best shallowly rooted? The magic wand of a General MacArthur is not enough to explain such a change. A look back at the history of the country, however, reveals a continuity that makes the transformation more understandable. Contrary to what most observers imagine, present conditions and attitudes are deeply anchored in history, and their roots, though nurtured by the American occupation, are to be found in the past experiences of the people themselves.

Japan's postwar economic "miracle" is, of course, no miracle at all but rather the continuation of an accelerating rate of economic growth that can be traced back to the 1880s. When Japan was opened to the West in the mid-19th century, it was an institutionally complex nation with an advanced, nationally united economy, a plentiful supply of entrepreneurial talents, high rates of literacy, a disciplined work force, and a strong work ethic. It trailed the West in technology but, as it acquired technology step by step, the economic gap began to close. The relatively slow growth of the 1920s—throughout the world as well as in Japan—helped to account for the political crises of the 1930s, and in the 1940s economic productivity plummeted in the wake of wartime

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destruction. After the war, economic growth accelerated once again. It was particularly fast in the 1950s and '60s, as the Japanese restored their ravaged cities and adopted the technological advances from which they had been cut off by the war.

As they gained experience with modern industrial production, they began to apply their traditional organizing skills to new economic problems. Foremost among these skills were the ability of a diverse people to identify themselves with group interests and the ability of diverse groups to achieve decision through consensus. The first skill can be seen in the lifetime employment of Japanese in large industries (both management and labor), in the loyalty of both groups to the firm, and in the low incidence of disruptive strikes, despite vigorous annual bargaining over wages and perquisites. The second skill is illustrated by the sense of partnership between government and private business, an easy interchange of views between the two, and the willingness of sharply competitive businesses to accept governmental guidance.

The Third Way

The entire pattern of the relationship between labor and management and between business and government in Japan is so at variance with the corresponding pattern in the United States and other Western nations as to constitute a third system of economic integration, halfway between that of the West and the planned economies of the Communist world. In many ways it is the most successful of the three. What is more to the point is that the system clearly derives from deeply ingrained attitudes and historical experience. Although it did not become full-blown until after the war, the Japanese system had begun to assume its present shape in the 1920s. Japan's astounding economic virtuosity therefore is no sudden flash in the pan but an established characteristic firmly based on historical antecedents. It should endure well into the future.

The transformation of the Japanese from old-fashioned imperialists and fanatic militarists to ardent believers in world peace may seem less convincing than the carry-over to postwar days of earlier economic skills, yet here, too, is a continuity of attitudes that is not at first apparent. Modern Japan became a heavily militarized state in the 19th century, not because of its feudal traditions, which had in fact produced a thoroughly bureaucratized and completely peaceful society, but because of the military menace posed by the technologically advanced West. A strong army and navy was created to meet this threat, and in the process

Japan became a player in the Western game of imperialism. Industrialization was the next step, both to ensure military strength and to stem the influx of Western machine-made products. Because a narrow geographical base made the country increasingly dependent on foreign raw materials as well as on markets to pay for them, imperialism, which started as a search for strategic security, evolved into a search for economic security.

In the aftermath of World War I, Japan was still making up for its late start on the road to imperialism at a time when most other great powers were content with the vast territories they already possessed. By and large, the Western world considered imperialism out of date. In any case, a spreading spirit of nationalism was making it more costly. This was especially true in China, the only available area for Japanese expansion. At the beginning of the 1920s, the Japanese were faced with the question: Should they continue on their imperialist course or rely on international trade in a peaceful world to supply their economic needs? The decision was in favor of peaceful trade; the country started to cut down its military strength and pull in its imperialist horns.

The 1920s, however, proved to be a period of stagnation in international trade that ended in worldwide depression and left the door open for the army and other advocates of the old imperialism to seize control of Japan's foreign policy and force the nation back on a course of military expansion. This led to the catastrophe of World War II. The lesson was not wasted on the Japanese. Since the war, they have rejected both militarism and imperialism with revulsion and embraced the concept of peaceful world trade as the only path to a viable future.

The Roots of Democracy

Postwar conditions turned this emotional about-face into a firm, rational conviction. Rampant nationalism throughout the world made the old imperialism entirely impractical. Moreover, Japan's erstwhile military strength had been outmoded by nuclear weapons, and its narrow, crowded terrain made it impossible for the country to mount a credible nuclear deterrent. Furthermore, a greatly increased dependence on worldwide resources and markets ruled out the possibility of armed defense of its vital national interests, which now included worldwide resources, markets, and lanes of commerce. The prewar roots of the stand in favor of world peace have thus been made firm and permanent by postwar realities. This is no longer an area of political controversy in Japan.

What about democracy? Here, too, the roots go deep. The men who reorganized and modernized Japanese society in the second half of the 19th century had no interest in democracy as such, but they built into their system a small role for locally elected assemblies and a national parliament (the Diet). This was done in part to please Westerners, from whom the Japanese were trying to win acceptance as equals, but also as a technique to ensure wide support for the government and to provide a safety valve for popular discontent. In reality, a small group of nation builders, constituting a sort of oligarchy, ruled Japan in the Emperor's name. They assumed that their power could be passed on to their successors, but, in fact, the oligarchs had no clear successors. Once they themselves had faded from the scene, there was no equivalent body of men to control the various groups of political elites that had grown up in the meantime.

Discredited Militarism

Of these elite groups, the Diet and the parties that controlled it proved the strongest and by the 1920s had come to occupy a dominant position in Japanese politics. Japan seemed well on the way to becoming a parliamentary democracy, but the Diet lacked effective control over the other branches of government, particularly the military. During the 1930s, the military seized power from the Diet, largely over the foreign policy issue. The disasters of World War II, however, discredited not only militarism but all authoritarian rule.

To the postwar Japanese, the obvious alternative to military or civil dictatorship was parliamentary democracy, and they enthusiastically supported the postwar constitution, which embodied this form of government. They had already had considerable experience with democracy—with elected local bodies in the 1880s, a national parliament in 1890, and party supremacy in politics in the 1920s—and were able to function successfully as a democracy from the beginning. Much controversy remains over the imperfections of the present system, but all political parties and virtually all citizens are firm supporters of parliamentary democracy in preference to any other conceivable form of government.

One question persists: Does Japan have the sort of society that can maintain such a system? The answer is an emphatic Yes. For centuries, the Japanese have been accustomed to living under a stable political system that functions according to a known body of laws and precedents. No people are greater

sticklers for legality and precedent. Building on relatively high pre-modern literacy rates, the Japanese achieved full literacy by the early 20th century. Today, with nine-tenths of the young people completing the 12 years of rigorous formal education that leads to graduation from senior high school, and with about a third of these going on to higher education, the Japanese may well be the best educated people in the world. Economic success has made the people relatively affluent, and wartime destruction and postwar policies have resulted in a fairly equitable distribution of the wealth, with less of a gap between rich and poor than in almost any other country outside the Communist world.

The Japanese have developed an extremely egalitarian society in other ways. The strict class distinctions of the 19th-century feudal system were virtually wiped out within two or three generations, largely through a nationwide, egalitarian educational system. By the 1890s, positions of leadership were attained not by birth or inheritance but by academic achievement and the passing of examinations, first for government posts, later for key positions in business as well. The Japanese today come as close as any large and complex nation to being a classless society. There is almost no sense of class but, if pressed, almost all Japanese admit to being "middle class."

Finally, despite their strong self-identification as members of groups, the Japanese have developed a pronounced sense of their rights as individuals—a concept that goes back to the "freedom and people's rights movement" that flourished in the 1870s. The postwar constitution enumerates individual human rights in great detail. In short, few societies are better prepared than Japan's to maintain a system of parliamentary democracy.

Japan's militaristic frenzy as it embarked on World War II and its agony at the end of the war make what has happened since then appear almost too miraculous to be fully credible. Nor is it any more credible to attribute the transformation to American intervention. If, instead, one looks at the development of Japan over a longer period of time and then considers the situation in which the Japanese now find themselves, the great change becomes quite understandable. Japan's present affluence, its devotion to world peace, its firmly based democracy, the stability of its politics, and the vigor and health of its society are no fleeting accidents of history.