Kenzaburo Oe, joined Chinese and Koreans in attacking the textbook for "watering down" Japan's wartime past, 98 percent of Japan's 542 school districts refused to adopt it.

The "culture war" over Japan's past is also being fought in the country's museums. On one side are the "war museums," such as the Yasukuni Shrine War Museum in Tokyo, which glorifies the wartime sacrifice and Japan's "Greater East Asian War" of "liberation." Since the early 1990s, however, a more critical Japanese attitude toward World War II has begun to manifest itself in new "aggression" or "peace" museums, such as the Kyoto Museum for World Peace.

Operated privately or by local governments, these museums were built away from the nation's capital, in Kyoto, Osaka, Kawasaki, Saitama, and Okinawa. "They present Japan as an aggressor in the war and describe its brutal treatment of other Asian peoples. In addition, the atomic bomb museums in Hiroshima and Nagasaki added exhibits making it clear the bombings did not take place in a vacuum but were the result of Japan's wartime aggression."

Though the debate over the past is bound to continue for years, foreign commentators who claim that "Japan has amnesia" about its wartime past simply aren't very cognizant about its present.

The Dutch Cure

"A French View of the 'Dutch Miracle'" by Dominique Schnapper, in *Society* (March–April 2005), Rutgers—The State University, 35 Berrue Cir., Piscataway, N.J. 08854.

Unlike many other countries in Europe, the Netherlands has faced head-on the challenge that slow economic growth and an aging population pose to the welfare state. That the Dutch have achieved significant reform is a "miracle," says Schnapper, a professor of sociology at the École des Hautes Études en Sciences Sociales, in Paris, especially when compared with her own country's failure to do so.

By the early 1990s, the Netherlands had become almost a caricature of a welfare state, sustaining a rapidly growing population of idlers. The number of officially "disabled" persons (who receive a full slate of welfare benefits) had mushroomed from 164,000 in 1968 to 921,000, and many more people were unemployed. More than a quarter of the work force was jobless or officially unfit to work. Early retirement was also on the upswing.

The "Dutch illness" soon elicited a Dutch cure. Legislation enacted in 1993, for example, tightened qualifications for disabled status, discouraged early retirement, and promoted work. As a result, the size of the disabled cohort shrank to the current level of about 500,000, and before long the early-retirement trend was reversed.

Why were the Dutch so successful? One reason is that there were few draconian cuts.

Disability claims, for example, were reduced in part by requiring employers to bear some of the cost of benefits, thus giving them an incentive to rehabilitate their employees. And the Dutch were helped by their consensual traditions—close cooperation among members of a small national elite, a strong political culture of consensus building, and the trade unions' role as "comanagers" of the economy and society.

Dutch unions got their members to accept wage caps, freezes on the minimum wage, and part-time work and flextime. These concessions in the private sector allowed the government to trim the salaries of unionized government workers in the name of equality—something that would be unthinkable in Schnapper's homeland.

The Dutch welfare state combines features from the three basic types of welfare states—the *liberal* (Britain, the United States), *continental* (France, Germany, Belgium), and, in particular, *social democratic* (the Scandinavian countries). The continental welfare states, long in place, rigid, and sacrosanct, have been especially resistant to reform. In France, the ideological approaches growing out of a revolutionary tradition work against political cooperation, not only among the state, unions, and the

private sector, but in the political world. "All reform, even limited, seems like a fundamental challenge to the social contract." The Dutch, by contrast, debated reform in the practical language of economic necessity and tradeoffs.

Schnapper adds that the upheavals in the Dutch welfare system have contributed to anti-European Union sentiment in the country. The EU has required the Dutch to make certain changes in their social welfare system, she writes, but it has acted by administrative fiat rather than through a democratic process. That may help explain why consensus-minded Dutch voters overwhelmingly rejected the new EU constitution a few months after Schnapper's article appeared.

Red Star over Laos

"Laos: Still Communist after All These Years" by Joshua Kurlantzick, in *Current History* (March 2005), 4225 Main St., Philadelphia, Pa. 19127.

On the short list of states that cling to communism, China, North Korea, Vietnam, and Cuba get almost all the attention. Habitually overlooked is a small country that once loomed large in the news: Laos.

Sandwiched between Vietnam and Thailand, with China to the north, Laos is still ruled by "the same generation of leaders that battled the United States and its allies in the 1970s," notes Kurlantzick, foreign editor of The New Republic. Khamtay Siphandone, the top leader, is 81, and some Politburo members are in their nineties. Though the aging communist leaders have prospered, most of the country's six million inhabitants have not. Some 85 percent are subsistence farmers, scratching out a life based on sweet potatoes, chickens, and water buffalo. Laos once had a fling with reform, but the country's leaders have been busy ever since trying to turn back the clock.

In the late 1980s, after China and Vietnam had shown the way, the Laotian leaders tentatively began to open their economy to the outside world. "More than 80 [foreign] aid groups opened offices in Laos, and Vientiane developed a thriving social scene of expatriate assistance workers, who congregated at new cafés serving Western staples like chicken pie and drove around Vientiane in expensive Land Rovers." Trade with Thailand mushroomed after the opening of a "Friendship Bridge" over the Mekong River in 1994. The regime relaxed its prohibitions against Buddhism and discussion of the former royal family, and loosened restrictions on tourism. The number of tourists rose from 140,000 in 1994 to more than 700,000 six years later. Young backpackers from Europe and America could be found sipping coffee in the espresso bars that sprang up around the country, and their Laotian peers reveled in the glories of new bars that served up beer and Thai karaoke.

But the changes in Laos were "more cosmetic" than in China and Vietnam. The hard-line leaders refused to liberalize much of the economy, and the close ties with Thailand proved ruinous when the Thaicentered Asian financial crisis occurred in the late 1990s. The level of foreign investment in Laos plummeted. Siphandone and his colleagues were shocked in 1999 when some 30 pro-democracy Laotian students planned a public demonstration in Vientiane, the first such protest since the Pathet Lao came to power. "Police broke up the rally before the protesters could even unfurl their banners," says Kurlantzick. Many of the activists have not been seen since. Other inconvenient people have also disappeared.

As it retightened its rule, the government turned to China. Beijing provided export subsidies and aid, and it agreed to join Bangkok in jointly financing a new road through Laos that will link China and Thailand. These steps could help Laos's struggling economy, Kurlantzick says. Eventually, the country may be drawn into expanded trade with other Asian nations and even with the United States. That would be good news for proponents of economic reform, including "younger members of the Lao government."