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JAPAN'S EMERGENCE AS A GLOBAL POWER



JAMES I. MATRAY

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cal essays, each analyzing closely an issue or problem of interpretation introduced in the opening chapter. A concluding chapter suggesting the long-term implications and meanings of the historic event brings the strands of the preceding chapters together while placing the event in the larger historical context. Each book also includes a section of short biographies of the principal persons related to the event, followed by a section introducing and reprinting key historical documents illustrative of and pertinent to the event. A glossary of selected terms adds to the utility of each book. An annotated bibliography—of significant books, films, and CD-ROMs—and an index conclude each volume.

The editors made no attempt to impose any theoretical model or historical perspective on the individual authors. Rather, in developing the series, an advisory board of noted historians and informed high school history teachers and public and school librarians identified the topics needful of exploration and the scholars eminently qualified to examine those events with intelligence and sensitivity. The common commitment throughout the series is to provide accurate, informative, and readable books, free of jargon and up to date in evidence and analysis.

Each book stands as a complete historical analysis and reference guide to a particular historic event. Each book also has many uses, from understanding contemporary perspectives on critical historical issues, to providing biographical treatments of key figures related to each event, to offering excerpts and complete texts of essential documents about the event, to suggesting and describing books and media materials for further study and presentation of the event, and more. The combination of historical narrative and individual topical chapters addressing significant issues and problems encourages students and teachers to approach each historic event from multiple perspectives and with a critical eye. The arrangement and content of each book thus invite students and teachers, through classroom discussions and position papers, to debate the character and significance of great historic events and to discover for themselves how and why history matters.

The series emphasizes the main currents that have shaped the modern world. Much of that focus necessarily looks at the West, especially Europe and the United States. The political, commercial, and cultural expansion of the West wrought largely, though not wholly, the most fundamental changes of the century. Taken together, however, books in the series reveal the interactions between Western and non-Western peoples and society, and also the tensions between modern and traditional cultures. They also point to the ways in which non-Western peoples have adapted Western ideas and technology and, in turn, influenced Western life and thought. Several books examine such increasingly powerful global forces as the rise of

Islamic fundamentalism, the emergence of modern Japan, the Communist revolution in China, and the collapse of communism in eastern Europe and the former Soviet Union. American interests and experiences receive special attention in the series, not only in deference to the primary readership of the books but also in recognition that the United States emerged as the dominant political economic, social, and cultural force during the twentieth century. By looking at the century through the lens of American events and experiences, it is possible to see why the age has come to be known as "The American Century."

Assessing the history of the twentieth century is a formidable prospect. It has been a period of remarkable transformation. The world broadened and narrowed at the same time. Frontiers shifted from the interiors of Africa and Latin America to the moon and beyond; communication spread from mass circulation newspapers and magazines to radio, television, and now the Internet; skyscrapers reached upward and suburbs stretched outward; energy switched from steam, to electric, to atomic power. Many changes did not lead to a complete abandonment of established patterns and practices so much as a synthesis of old and new, as, for example, the increased use of (even reliance on) the telephone in the age of the computer. The automobile and the truck, the airplane, and telecommunications closed distances, and people in unprecedented numbers migrated from rural to urban, industrial, and ever more ethnically diverse areas. Tractors and chemical fertilizers made it possible for fewer people to grow more, but the environmental and demographic costs of an exploding global population threatened to outstrip natural resources and human innovation. Disparities in wealth increased, with developed nations prospering and underdeveloped nations starving. Amid the crumbling of former European colonial empires, Western technology, goods, and culture increasingly enveloped the globe, seeping into, and undermining, non-Western cultures—a process that contributed to a surge of religious fundamentalism and ethno-nationalism in the Middle East, Asia, and Africa. As people became more alike, they also became more aware of their differences. Ethnic and religious rivalries grew in intensity everywhere as the century closed.

The political changes during the twentieth century have been no less profound than the social, economic, and cultural ones. Many of the books in the series focus on political events, broadly defined, but no books are confined to politics alone. Political ideas and events have social effects, just as they spring from a complex interplay of non-political forces in culture, society, and economy. Thus, for example, the modern civil rights and woman's rights movements were at once social and political events in cause and consequence. Likewise, the Cold War created the geopolitical framework for

dealing with competing ideologies and nations abroad and served as the touchstone for political and cultural identities at home. The books treating political events do so within their social, cultural, and economic contexts.

Several books in the series examine particular wars in depth. Wars are defining moments for people and eras. During the twentieth century war became more widespread and terrible than ever before, encouraging new efforts to end war through strategies and organizations of international cooperation and disarmament while also fueling new ideologies and instruments of mass persuasion that fostered distrust and festered old national rivalries. Two world wars during the century redrew the political map, slaughtered or uprooted two generations of people, and introduced and hastened the development of new technologies and weapons of mass destruction. The First World War spelled the end of the old European order and spurred communist revolution in Russia and fascism in Italy, Germany, and elsewhere. The Second World War killed fascism and inspired the final push for freedom from European colonial rule in Asia and Africa. It also led to the Cold War that suffocated much of the world for almost half a century. Large wars begat small ones, and brutal totalitarian regimes cropped up across the globe. After (and in some ways because of) the fall of communism in eastern Europe and the former Soviet Union, wars of competing cultures, national interests, and political systems persisted in the struggle to make a new world order. Continuing, too, has been the belief that military technology can achieve political ends, whether in the superior American firepower that failed to "win" in Vietnam or in the American "smart bombs" and other military wizardry that "won" in the Persian Gulf.

Another theme evident in the series is that throughout the century nationalism has continued to drive events. Whether in the Balkans in 1914 triggering World War I or in the Balkans in the 1990s threatening the post–Cold War peace—or in many other places—nationalist ambitions and forces would not die. The persistence of nationalism is yet another reminder of the many ways that the past becomes prologue.

We thus offer the series as a modern guide to and interpretation of the historic events of the twentieth century and as an invitation to consider how and why those events have defined not only the past and present but also charted the political, social, intellectual, cultural, and economic routes into this century.

Randall M. Miller Saint Joseph's University, Philadelphia

Preface

Entering a new millennium has caused people around the world to reflect on the past. Journalists and newscasters devoted considerable time during 1999, for example, to compiling lists of the most significant people and events of the twentieth century. Time magazine named Albert Einstein as the last century's most important person. The Entertainment and Sports Programming Network (ESPN) picked basketball player Michael Jordan of the Chicago Bulls as the greatest athlete of the twentieth century. There even was a ranked list of the fifty most influential songs of the last century. Historians would have difficulty agreeing on a ranking of the century's one hundred most important events or individuals. But there might be more consensus on a list of the nations that have had the greatest influence on international affairs during the twentieth century. The United States would be an easy choice. Also, the Soviet Union obviously was a key player, but its revolutionary birth and humiliating death gave this nation an artificial quality. Japan might deserve the top spot, given its arrival as a world power not once, but twice in the past century.

This book provides a concise summary and analysis of Japan's emergence for a second time in the twentieth century as a global power. The book's focus is on international affairs, covering domestic developments in Japan that have had an important impact on foreign policy. Japan first emerged as a world power in 1905, after decisively defeating tsarist Russia in the Russo-Japanese War and securing international recognition of its imperial holdings in East Asia.

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But the Japanese already had displayed a kind of national inferiority complex that provides an important, although admittedly partial, explanation for policies leading to unwinnable wars first against China and then against the United States. Japan's recovery from the devastation of defeat in World War II and military occupation under a conquering foreign power was certainly one of the most remarkable achievements in recent history. But what emerged in Japan after 1945 was an unconventional global power, one that concentrated on economics rather than politics while preferring a reactive, rather than a proactive approach to meeting challenges abroad. Although this book cannot predict the future, it might provide clues about whether Japan will become an authentic global power in the new millennium.

Chapter 1 presents an overview of developments in Japan from 1945 to 1999. Subsequent chapters discuss in more detail events and patterns emerging during the years since World War II. Chapter 2 describes the reasons for Japan's rise as a postwar economic power. Japan's relationship with the United States receives attention in Chapter 3, and Chapter 4 focuses on interaction with the Communist nations of the Soviet Union and China. Chapter 5 covers developments in Korea and Southeast Asia, and the final chapter summarizes events in the last decade of the twentieth century. In preparing this book, I have depended on the writings of experts on recent Japanese history. Of indispensable importance was the information and analysis in Mikiso Hane's *Modern Japan: A Historical Survey*, Gary D. Allinson's *Japan's Postwar History*, Paul J. Bailey's *Postwar Japan: 1945 to the Present*, and John K. Fairbank, Edwin O. Reischauer, and Albert M. Craig's *East Asia: Tradition and Transformation*.

I am extremely grateful to Randall M. Miller, the series editor, for his unfailing support and encouragement in the course of this project. Also, Barbara Rader of Greenwood Press displayed incredible patience, as well as a talent for gentle prodding, and she deserves credit for her superb editing of the manuscript for length. I extend thanks to my department head and college dean for the sabbatical leave and course reduction that freed time for me to prepare this book. I am indebted to Nayan Chanda for prompt permission to use material from the Far Eastern Economic Review. Hyung-gu Lynn and Aaron Forsberg offered valuable advice on selecting documents and subjects for biographies. Kamimura Naoki of Hiroshima City University supplied key documents, and Henmi Teidi translated them. I thank my colleague Kenneth J. Hammond for reviewing the final manuscript for accuracy and providing guidance in adding clarifications. Juanita Stern, as always, provided outstanding secretarial assistance. Of special value were the love and support from my wife, Karin, and our children, Ben and Amanda. Ben was indispensible in performing photocopying services on

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demand and at the last minute. Finally, I dedicate this book to Robert J. Koss and William Fleming, two dedicated and inspiring middle school teachers at Central School in Evergreen Park, Illinois who first sparked my interest in history.

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November MacArthur approves plan for break-up of zaibatsu ("financial

clique")

December Creation of Allied Council and Far Eastern Commission

State Shinto Directive separates religion from state

Diet passes Trade Union Law guaranteeing workers the right

to organize and strike

1946

January Emperor Hirohito renounces his divinity

First political purge directive is issued

Abolition of Army and Navy ministries

April First postwar Diet elections are held, with women for the first

time voting and standing as candidates for election

May Yoshida Shigeru, head of conservative Liberal Party, becomes

prime minister

Tokyo War Crimes Trials open proceedings

October Diet passes Land Reform Bill

November Promulgation of new constitution to become effective in May

1947

1947

January MacArthur prohibits planned General Strike

April First Diet elections under new constitution are held

Japan Socialist Party (JSP) holds most seats in Diet

Socialist leader Katayama Tetsu forms coalition and becomes

prime minister

May New constitution is implemented

Postwar Diet holds first session under new constitution

Diet passes Labor Standards Law, establishing Ministry of

Labor

Local Autonomy Law is enacted

Diet passes Fundamental Law of Education

Adoption of plan calling for the dissolution of all excessive

concentrations of economic power

December Diet passes Law for the Elimination of Excessive

Concentration of Economic Power, giving power to a commission under SCAP to dissolve any company that it

judged too large or monopolistic

1948

January Termination of zaibatsu dissolution program

March Ashida Hitoshi, leader of conservative Democratic Party,

becomes prime minister following Katayama's resignation

July Right of public workers to strike is revoked

October Truman administration approves NSC-13, establishing as the

"prime objective" of U.S. policy in Japan achieving economic growth and political stability over a quick peace settlement and social reform. This marked adoption of the "reverse"

course" in U.S. occupation policies

Yoshida Shigeru becomes prime minister after Ashida resigns

amid charges of bribery and corruption

November War Crimes Trials end with seven defendants, including Tojo

Hideki, condemned to death

December National Public Service Law denies civil servants the right to

strike and engage in collective bargaining

1949

January Lower house elections give Yoshida's Liberal Party a plurality

of seats

Dodge Plan of financial retrenchment is implemented, leading

to massive unemployment

Ministry of International Trade and Industry (MITI) replaces

Ministry of Commerce and Industry

May Reparations program is terminated

October SCAP formally ends censorship

December Yen is stabilized at 360 to the (U.S.) dollar

1950

January Beginning of year-long purge of Communists and leftists

results in the dismissal of thousands from public sector jobs

Sohyo labor federation is formed

xxii CHRONOLOGY OF EVENTS

April United States appoints John Foster Dulles to negotiate

Japanese Peace Treaty

June U.S. government urges government of Japan to initiate

rearmament

Outbreak of the Korean War

July National Police Reserve is created

August Korean War begins to stimulate economic revival in Japan

Diet passes Foreign Investment Law

1951

April General Matthew B. Ridgway becomes SCAP after relief of

MacArthur

June Purge restrictions on 69,000 persons are lifted

September San Francisco Conference

Signing of Japanese Peace Treaty, to become effective in

April 1952

Signing of U.S.-Japan Security Treaty

Yoshida refers to U.S. retention of Okinawa as a source of

"pain and anxiety" for the Japanese people

October Japan Socialist Party splits over U.S.-Japan Security Treaty

ratification

1952

February U.S.-Japan Administrative Agreement is signed

April Japan regains sovereignty as U.S. occupation ends

Peace treaty is signed with Nationalist government under Chiang Kai-shek on Taiwan recognized as the Republic of China, ignoring Mao Zedong's government in Beijing

Peace treaty is signed with India

May Day Incident occurs with anti-American riots

July Subversive Activities Prevention Law is passed

September Soviet Union vetoes Japan's membership application to

United Nations

October National Police Reserve is reorganized to become the National

Security Force

1953

July Cease-fire agreement ends fighting in the Korean War

1954

March U.S.-Japan Mutual Defense Assistance Agreement is signed

June Police Law recentralizes Police Administration

Self-Defense Forces (SDF) is established under civilian

control, replacing National Security Force

United States conducts atomic tests on Bikini island resulting in a Japanese ship, the *Lucky Dragon*, being showered with

nuclear fallout

September Japan Defense Agency established to supervise SDF

November Peace treaty and reparations agreement are signed with Burma

December Hatoyama Ichiro, former purged politician and leader of the

Democratic Party, becomes prime minister

1955

August First Ban the Atom Bomb World Conference is held in

Hiroshima

September Japan is admitted to the General Agreement on Tariffs and

Trade (GATT)

October Two factions of JSP reunite

Economic Planning Agency is established

November Two top conservative parties merge to form the Liberal

Democratic Party (LDP)

December Population reaches 89 million

1956

April Hatoyama Ichiro is elected first president of the LDP

May Fisheries agreement is concluded with the Soviet Union

Peace treaty and reparations agreement are signed with the

Philippines

June School Boards Law abolishes local elective school boards

after massive demonstrations and fights in the upper house of

the Diet

October Diplomatic relations are restored with the Soviet Union