

Economic and Social Transformations

Economic Miracle

- 1950-1973 is called the “era of high speed growth (高度成長時代)”.
- Average annual growth rate of real GNP was higher than 10%.
- There were favorable international factors:
 - Booms in Germany, US;
 - Development of trading system (GATT);
 - cheap and reliable energy supplies;
 - affordable license agreements and easy access to new technologies.
 - Favorable fixed exchange rates: ¥360=\$1.

Leading Entrepreneurs defy government bureaucrats

- Many Automakers produced full lines, neglecting G's advice toward mergers to compete with Detroit's Big Three.
- Honda Soichiro founded a new auto company; Nishiyama Yataro founded a new iron-steel maker (Kawasaki Steel).
- Morita Akio and Ibuka Masaru struggled to purchase a license to make transistors to start the SONY corporation.
- Typical postwar companies were heavily in debt (75% of debt ratio), compared to the prewar companies (40%).

Human Capital and Saving

- Compulsory education was extended to middle school.
- The average household saved less than 10% of their income in 1950.
- Saving rates soared steadily up to 20% in 1970s as the economy grew.

Industrial Policy

- The Japanese government did not run a “Command Economy” on the Soviet Model.
- Sound state management made a difference.
- State intervention shifted to more informal practices, called “administrative guidance.”
- The government acquired confidence by acting economic cheerleader and sign-painter.
- It signaled that the state was interested in the success of certain industries.

MITI

- The most important guiding agency was the Ministry of International Trade and Industry (MITI).
- Japanese importers must obtain government permission to buy dollars.
- MITI sometimes allowed for a depression cartel, which is an industry-wide agreement that major firms coordinated their capacity cuts to ensure that all were able to survive in recession.

Employment Diversity

- In 1947-1949, millions of soldiers came home to rejoin their families or start new ones. The result was a dramatic baby boom.
- In 1955, 50% ended education when they graduated middle school, 35% completed high school, and 15% went onto college.
- Middle school graduates took jobs as blue-collar operatives.
- High school graduates could enter skilled production or clerical positions.
- Male university graduates entered elite managerial positions in corporate and bureaucratic offices.
- Female university graduates faced tremendous barriers to such elite careers except for teachers.

The Standardized Lifestyles

- Technological development and economic growth enabled people to share similar lifestyles and experiences.
- By 1980, 50% roads were paved.
- The high-speed bullet train (shinkansen) began service between Osaka and Tokyo in 1964.
- Part-time farming expanded. People began to commute from villages to jobs in factories and offices.
- Hospitals became universal sites for birth and death.

Equal Access to Higher Education

- In the prewar era, children of poor families could not afford entering prestigious universities.
- In 1960s, however, even children of poorest families won admission in the same proportion as the overall population.
- This resulted not from affirmative actions, but from the high quality of teaching in public schools across the nation.

Examination Hell

- Merit-based exams denied wealthy parents to buy entrance with a donation to a favorite universities.
- They also resulted in the notorious experience called “Examination Hell.”
- If students failed to win a place at an elite school, they often took one or more postgraduate years to study more and try again.
- They are dubbed *ronin*, a pre-modern term for masterless samurai.

New Marriage

- In the prewar era, in upper- and middle class, marriage was typically arranged.
- Even in 1950s arranged marriage is quite common.
- After a brief “look-see” (omiaai) often arranged by parents and friends, a man meets a woman several times before they decide to wed.
- But the custom of dating became popular among college youths.
- The ideal of “love marriage” steadily prevailed.

Men's life separated from household

- A man's commitment to his company often required him to join the after-hours life of drinking and socializing with workmates or customers.
- The so-called water trade (*mizu-shobai*) of female companion combined elements of the café culture of the 1920 and the elite world of the highly-cultivated female entertainers known as *geisha*.

New Difference

- Gap between old middle class and new middle class.
- The gap between basic and higher level of schooling disappeared. But new divisions emerged *among* high schools and colleges.
- Gaps in Jobs between large companies and small or medium-sized ones.

Men and Women

- Women were often hired in the roles of “office flowers.”
- They were expected to engage in supporting male workers.
- They were typically expected to quit their jobs at marriage.

New Religion

- A few of new religions won millions of adherents.
- The largest one is the Soka Gakkai (Value Creation Society).
- New recruits were told that to “pray now, believe later.”
- That is, one could pray in a skeptical spirit and come to believe when good things eventually occurred.

Persistent Discrimination?

- Korean's legal status had changed from subjects of the Japanese emperor to resident aliens.
- Discrimination against *burakumin* was persistent after a century has passed since the outcaste status was eliminated in Meiji era.
- Employers in prestigious workplaces would typically check the household register of job applicants to screen out *buraku* applicants.
- Marriage with burakmin were often avoided by parents in the middle class.

Land of homogeneous people

- Social divisions were hidden and dampened by the government's effort to spread powerful cultural image of Japan as a homogeneous society.
- Mass media played a key role to amplify the sense of shared experience among Japanese people.

An ideal love marriage

- TV coverage of the marriage ceremony of Crown Prince Akihito with Shoda Michiko-san symbolized a postwar ideal of love marriage and formation of a nuclear family.



Amplifying homogeneous image

- TV broadcasting of *Sazae-san* created the most important fictional family with well-educated urban life to be shared by most of Japanese people.



Increasing Middle Class Consciousness

- Social surveys revealed the sharp rise in the proportion of people who felt they belonged to the middle class.
- By 1970s this proportion topped 75% or more.

Privatized Indifference

- Maruyama Masao, an influential liberal thinker, argued that the pursuit of material desires generated a privatized spirit of indifference to political issues, which proved very convenient for the governing elites who wish to contain political activism.



Private sense of interests as a basis of democracy

- Yoshimoto Takaaki, an unorthodox left-wing philosopher, argued that, if we do not recognize anything positive in people's self-identified image, we can recognize no developments whatsoever in Japanese society since WWII.



A Theatrical Call for a Return to Old Values

- Mishima Yukio, a famous novelist, drew attention to a radical critique of Japan's modernizing, materialistic postwar culture, by showing to general public his dramatic suicide (harakiri) in military costumes with his soldiers.
- People were shocked but remained indifferent to his call.

