

FUTURES OF JAPAN--Then and now

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The last time I spoke about the futures of Japan for The Center for Asia-Pacific Exchange was on April 28, 1990. Dr. Yoo asked me to speak several times since then, but I have not been able to do so until now, on May 3, 2003, almost exactly thirteen years later.

So that you can evaluate my abilities as a futurist, I thought it might be interesting to compare what I said in 1990, with what the situation seems to be now. So first, here is what I had to say--to some of you, perhaps?--thirteen years ago, about the futures of Japan from 1990:

FUTURES OF JAPAN

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American thinking about Japan has, from the beginning, gone through a series of cycles: from ignorance, to worship, to fear, to hatred, to conflict, to dominance, to ignorance, to worship, to fear, now coming again to hatred--and to conflict? to Japan's dominance??

Japan's attitudes towards itself have gone through many changes in modern times as well, partly in sync with, and partly in reaction to, the way outsiders feel about Japan.

Japan is now arguably the number one economic nation. While perhaps not as big as the US in some economic dimensions, Japan seems to be a somewhat healthier, more well-rounded, economy. The standard of living of the average Japanese is among the highest in the world; the savings rate of the average Japanese is also among the world's highest, and the level of personal indebtedness among the lowest. The gap between the most wealthy and the poorest Japanese is among the narrowest in the world. Japan is also now the world's largest donor of foreign aid, far surpassing that of the US in this, and in almost every measure of financial success.

In terms of other indicators of progress and modernity, Japan also surpasses the US, and most other developed (and of course all developing) nations--the Japanese are among the healthiest, most long-lived, literate, in the world. The crime rate in Japan is among the lowest, and the recidivism rate is the lowest. And on and on! I am sure you are generally familiar with the figures and proportions.

Of course, neither the economy nor any other part of Japan is perfect. Living costs are also among the world's highest, and land values are extremely--ludicrously--inflated, even by the ludicrous standards of Hawaii, and the quality of housing is poor. The Japanese stock market is even more of a shell game than is the American--and both are better measures of economic pathology than of economic health. The Japanese government is deeply in the red--though not the basket case the US federal government is. And the vaunted reputation of life-time employment masks the fact that there is a huge floating, reserve army of insecure workers who are often unemployed--women over 25, men forced to retire at 55, and the "hidden" Japanese minorities--Koreans, Ainus, the Burakumin, the physically and mentally handicapped, and even a growing number of homeless. The so-called "hollowing out" of industry (the exporting of Japanese industries to Taiwan, South Korea, Thailand and elsewhere) is further increasing the portion of the poor and unemployed.

So what lies ahead for Japan?

Japan (again in stark contrast with the US) has historically been an extraordinarily future-oriented, adaptable, change-seeking nation. But Japan has always had some external model to follow--China and Korea in the distant past; Germany and England during the period of modernization in the 19th Century, and, until just recently the US. Now, it is precariously on its own. "Alone" is NOT how most Japanese like to be! Thus, perhaps more than for most countries, the future of Japan is unstable and uncertain.

Since the 1960s, the Japanese government has engaged in continuous and very long-ranged and visionary attempts to forecast and design alternative futures for Japan. No other nation has approached the task of assessing long-range future options as seriously, as creatively, and as successfully as has Japan (even surpassing the Scandinavians, who do an excellent job of surveying the future, and obviously going far beyond the US who prefers to view the future from the stance of an ostrich--with its head in the ground).

Recent assessments of the future of Japan by the Japanese government have stressed the continued and heightened globalization of the economy, and thus of the necessity of Japan becoming more "internationalized" internally. The Japanese also are aware of the fact that the Japanese population is rapidly aging, bringing all the problems--and advantages--of the elderly into focus. And Japan, again, far more than the US (and like the Scandinavian countries, and France) is aware that the industrial era is fading away and that the future belongs to information societies. Japan's perpetual concern with rising individualism--which

so far as not happened inspite of many alarums historically--for the first time seems to be justified.

In addition, there are several other changes going on which the Japanese face less directly as forces shaping their future.

One is the (again, long-running) argument about the role of the US military in providing a "nuclear umbrella" for Japan, vs. internal and external pressures for Japan to provide entirely for its own security (as well as the internal and external pressures against that happening).

However, the historical dimensions of this argument have suddenly been modified by the apparent end of the Cold War, and by Russia's seeming willingness seriously to discuss the final, remaining issue preventing Japan and the USSR from signing a peace treaty ending the Second World War between them--namely, the Japanese insistence on the Soviet Union returning the northern islands which the USSR took after the Second World War. If--when--that happens, what does Japan have to fear from the USSR--or from anyone? Why does it need the American nuclear umbrella? Why does the US need to station troops in Japan? Why can't Japan go entirely on its own militarily?

The fact that over the past decade it has been consistent--and utterly insane--US policy to try to force Japan to "take more responsibility for its own defense" only hastens the truly frightening probability that Japan now might decide to do so!

Secondly, there has been a slow, simmering, and occasionally explosive and controversial, move on the part of some intellectuals in Japan to reinterpret the meaning of the Second WW for Japan. Instead of Japan's continuing to accept the US interpretation (namely, that the war was a dastardly act of aggression by the Japanese while temporarily under fascist control), more and more Japanese are coming to see the period of the second world war as only being part of a 100-year long Greater East Asian War which began at the end of the Tokugawa period (the mid 19th Century) when the West invaded China and South East Asia, and forced open Japan. In other words, the West started the war by invading Asia. Japan, through its military adventures, was only trying to drive out the invading Western Barbarians.

Of course, most nearby Asians (the Koreans and the Chinese, as well as all places subject to Japanese domination) feel otherwise!

Third, an interrelated, and also long-running dispute, has been the internal struggle over the current Japanese Constitution which was clearly forced upon the Japanese by the American occupation after the war. Most Japanese have strongly supported that Constitution, but more and more wish to revise it--starting of course with Article 9 in which "the Japanese people forever renounce war as a sovereign right of the nation and the threat or use of force as a means of settling international disputes". But once "revision" begins it may not stop until a more "traditional" Japanese constitution has been created in its stead.

Fourth, Japan has none of the resources necessary for industrial processes except for a highly educated and extremely hard-working people. Thus, Japan has always imported all of the energy and materials needed to manufacture and then import modern products. It has done so very successfully by all measures of economic growth. But it has been no better than any other country as far as indicators of environmental, or ecological, quality are concerned. Indeed, during the height of its industrializing era, Japan was among the most polluted, and polluting, countries on earth. While it has cleaned things up considerably (partly by conservation and waste-recycling measures; largely by exporting dirty industries to other Asian countries; and partly by the fact that post-industrial, information-based "industries" are by nature "clean") Japan, as all post-industrializing nations, still has a long way to go before it is environmentally benign.

Japan has about run out of places to store the effluence from its newly-acquired affluence. Japan imports huge quantities of oil and coal, and has and is building ever more nuclear power plants, to fuel its high standard of living. And given its desire to build even taller, more complexly integrated buildings, linked to underground, underwater, and floating megalopolises, Japan, along with the US, Europe, and the Soviet Union, is a major contributor to carbon dioxide, particulates, and other so-called Greenhouse Gases which seem to be destroying the very life-support system upon which we all must depend.

Clearly, environmental issues will be the number one political controversy of the decade within all developed nations, and internationally, and, depending on decisions made over the next 10 years, beyond (as George Bush is making obvious by his present short-sighted political stupidity about global warming.) While some Japanese want to have Japan take the international lead in environmental politics for the future, most others are resisting this. Can Japan continue to grow and prosper in the face of looming environmental realities and international pressures?

Finally, Japan is not the only country successfully working the economic miracle these days--many other nations are competing quite successfully with Japan now, many of which have citizens willing and able to work at least as diligently as the Japanese have, and as some Japanese still do.

You have already heard today about South Korea. I don't know what was said about North Korea, but I have visited that country also, and I am very impressed with certain aspects of it. A unified Korea, which almost certainly will be achieved this decade, will be something to behold.

Also, China will normalize. Indeed, every American should kiss the hand of Premier Li Peng for calling a temporary halt in Tianamen Square last June to China's rush towards bourgeois economic development. My trips to China from the mid to the late 80s made me truly fearful of the entrepreneurial economic prowess and international connections of the citizens of that country which will

eventually dwarf the fabled "Japanese Miracle." If you want a label for the 21st Century, you might try calling it the "Chinese Century."

And then there are all of the success stories we have been hearing from the ASEAN countries, and even from India (I have heard it convincingly argued that India will become the computer software producing capital of the world by the end of this decade).

And Europe! Did I say the 21st Century will belong to China? Maybe I should have said it will belong to Europe! Certainly the economic, and cultural, unification of Europe which will happen in 1992, followed by the political unification of Europe, East and West, shortly thereafter, bodes very, very well for Europe surpassing Japan--and of course far out-distancing the rapidly fading US.

But my bet for the country which has the brightest long-range future--though the most dismal present and immediate future--is the Soviet Union which should be able to capitalize on its geographic and strategic position between the Pacific-Chinese and European Centuries.

So what is the future of Japan in all of this?

The commonsense view is that Japan will continue to be flexible and adaptable; that the "threat" of individualism and internationalism will subside; that the homogeneous, group-orientation of Japan will continue; that the NICs of Asia and the looming giant of China will not replace Japan economically; that Japan-US, and Japan-Europe relations will not deteriorate seriously; that post-industrialization will not lead to significant unemployment; and that Japan will become the prosperous and globally influential (and respected) "information society" it intends to be.

But there is good reason to fear a dark future for Japan as well. Should the commonsense view not prevail; should "individualism" rise along with unemployment--and the level of the ocean; should the reinterpretation of the Second World War, a new constitution which abolishes the current liberal one and adopts a Confucian/Shinto perspective, and the "assumption of military responsibilities" all occur, then relations between the West and Japan (as well as Japan and Asia) might substantially deteriorate leading to military conflict once again.

Of course Japan might instead become among the first nations to ride into the future on the social transformation which Alvin Toffler correctly identified ten years ago, and titled, "The Third Wave." Automation, robotization, and artificial intelligence have, and will continue, drastically to reduce the need for human mental as well as physical labor in the production and distribution of goods and services, leaving humans free to address the threatening environmental problems, as well as to enjoy a greater life of leisure. Developments in genetic engineering, and in molecular engineering, in which, along with robotics and AI, Japan leads the world, and the settlement of space, in which Japan is now about to be

vigorously engaged, will also continue, leading to the creation of post-hom sapiens and a life, by the end of the 21st Century, as different from ours now as ours is from that of our ancestors when they first descended from the trees to live in the savannas of the Kalahari.

I think you can see that, while I do not know what the future WILL be, I am pretty sure what it will NOT be. And it will not be much like the present, or anything any of you remember about the past. And Japan will contribute greatly to making that so.

So that was my view of the futures of Japan in 1990. What about now, in May 2003?

1. Japan has been in economic stagnation throughout the 1990s. Most analysts feel that is disastrous and attempt to get Japan to adopt draconian neoliberal reforms. I feel otherwise. While Japan does need to deal with its national and corporate debts, personal savings--amounts and rates--are still the highest in the world, as is Japan's standard of living. Japan should continue to reform cautiously.
2. Japan is aging rapidly, as long anticipated. It is not alone in this. So is all of Europe. The consequences of this are still not fully understood, but a lot of past "economic growth" everywhere has been simply filling the needs, and using the labor, of an ever-growing population. And that is not the future of Europe or Japan for the foreseeable future, and conventional economics doesn't know how to solve this except by encouraging women to have more children which is absolutely the wrong thing to do!
3. China has indeed as a major economic world power and is likely to continue on that path, as long as our fragile ecosystem will permit.
4. North Korea is much more of a problem than I thought it would be in 1990. But NOT because of anything North Korea did, in my opinion. To the contrary, the policies of Clinton, and especially of South Korea itself, were excellent. A peaceful settlement was clearly in sight. It was when Bush took over that conditions soured rapidly. Bush created the current North Korean problem by many measures, not least of which was branding it one of the four countries in the "axis of evil." Solving this crisis peacefully will not be easy, and will impact Japan, and Japan-US relations, tremendously. And it will not have an easy military solution either. It is the blackest cloud over Japan now.
5. Well, almost. The darkest cloud hanging over the future of Japan, and the world, is America itself--the belligerent, aggressive, isolationist, inwardly fascist and externally imperialist country that emerged from the ashes of 9/11 and now of Baghdad. Unless the war adventurers in charge of the US government can be removed by accepted democratic practices soon, the future of the world--certainly for the US and Japan--looks very grim indeed.