

The Future of Japan

Continuity and Discontinuity in Social Change

by MICHIO NAGAI

The last time I was at Caltech was on December 4, 1970, and I remember the date so well because only a week earlier a friend of mine, Yukio Mishima, the foremost Japanese writer, committed suicide. He committed suicide for complex reasons, one of them being that he was deeply concerned about the type of culture that Japan was getting into—the rapidly changing contemporary culture with variable residue of traditional classical values that he cherished so much.

The theme of the conference I attended here in 1970 was Hopes and Fears—The Future of Technology, and Professor Carroll Wilson of MIT gave a good talk about five important factors that should be considered—namely, environment, energy, industrialization, population, and food.

More than six years have passed since my last appearance here, and I came back because I was out of office in the Ministry of Education, to discuss the subject of continuities and discontinuities.

In 1970, when I listened to Professor Wilson talking about the future of mankind being in danger, I felt that people seemed to be talking about the future as though the future would be entirely new. To my mind this is rather a one-sided view of history. There are many things that move on from the past to the future, so it would be better if we considered discontinuity as well as continuity.

I say this probably because I come from the city of

Tokyo, where I was born in the spring of 1923. In the autumn of that year there was a great earthquake in Tokyo, and Tokyo became simply a flat land. A large number of people died. Then I grew up in Tokyo and people began to rebuild houses. We got into the Japan-China War. Later we attacked Pearl Harbor, which started a second World War that ended with the use of nuclear weapons in Hiroshima. By the time Hiroshima became flat land, nearly all cities in Japan had also become flat land.

So I remember very clearly the postwar experience of living on flat land for some years. I am only 54 years old, yet in my lifetime there have been many changes in the city of Tokyo and in the country of Japan. I realize that in the city of Los Angeles there have not been air raids or very great earthquakes or any bombing by nuclear weapons. On the whole, in spite of such things as the Great Depression, and the American engagement in WW II and in the following war in Vietnam, the city of Los Angeles remained, I think, nearly the same except with some great expansion to suburban areas and the like. But, to me, these changes—the rise and fall of a great city, and the rise and fall of a great nation—are a natural experience.

In spite of the fact that Japan is now said to be a country of great economic power, I don't expect this to continue forever. I am psychologically prepared for Japan's economic downfall.

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These changes I saw in Japan did take place not only there but in most of the countries of the world. In fact, the United States has been rather an exceptional case in the 20th century. The 20th century could be characterized as a century of wars and revolutions, so it would not be at all surprising if from now on there were to be many other upheavals and terrorist activities and possibly small-scale wars, if not nuclear war of the kind we experienced once.

Why do we have all these changes? This is an important question if we are to speculate and think about 80 years ahead. Of course, it takes time to analyze why wars, revolutions, depressions, and upheavals occur. In the 20th century there were the Russian Revolution and the Chinese Revolution, and together they produced the two gigantic socialist states we have in the world today. Before that, of course, we had the American Revolution for independence and the French Revolution.

I don't have the time or capability to analyze these things. I'll simply say that there is something inherently difficult in what is called industrial democracies. To my mind an industrial democracy conceptually contains elements of difficulties, if not conflicts and contradictions. Industrial democracies, I think, developed thanks to two types of revolutions. One was the Industrial Revolution; the other, revolutions of many kinds that could all be called social revolutions. The Industrial Revolution aimed at many things, among which some important values stand out, such as efficiency, so-called better living standards, more quantitative achievements in human life, and improvement of convenience. All these things were considered to be the important values of the Industrial Revolution by Eric Ashby, who wrote about them so beautifully in his book on the scientific revolution and the university in the United Kingdom. In addition, since the beginning of the Industrial Revolution, *progress* has become a key word that can quiet down any discussion. Once people said, "This is progress," it was supposed to be good under all circumstances.

To achieve those values, industrialization came to design certain types of organizations that were called bureaucracies. In such bureaucracies there are many important principles of organization, such as division of labor. Therefore there's bound to be specialization which ends up as overspecialization. In a bureaucratic organization, there is bound to be coordination or overspecialization or a division of labor. This results in the

building up of hierarchies of organization, so that on the top of the organization there's a president who is supposed to overlook everything, but who knows very little about the special activities in specialized fields of his big organization. In this organization, principles of equality, achievement, and efficiency are all cherished, but the important thing is that there is hierarchy as well as specialization. Therefore, when you say Industrial Revolution and bureaucracy, there seems to be some consistency in the values and principles of processes and organizations.

But other revolutions—the American Revolution, the French Revolution, and perhaps also the Meiji restoration of Japan in the late 19th century—aimed at a different thing. What they aimed at was to bring about equality to a great degree. Of course it was much lower than the degree that we see today, but it was a great achievement in those days, in the eyes of a French traveler to the United States like Tocqueville, for Americans to be living on an equal basis.

Liberty was also quite important. Another important element of the changing social life could be summarized in the idea of Jeffersonian democracy. People all get together in a small square of the town and discuss things and do and say whatever they wish to. So this would be called agrarian democracy—which is different from industrial democracy. When you compare these two types of organizations and values, you can easily find that there are many differences, if not sharp contradictions. Representative democracy is far more agreeable to the development of agrarian democracy in a small township, while representation of people for a big nation like the USA would be pretty difficult. Jeffersonian democracy by this time has been modified to a great degree, and sometimes scholars complain that politicians are thinking only of local interests and that they are not interested in the affairs of state.

But the kinds of things we have all talked about are that we must be concerned about the future of industrialization, and an industrialized society is such a complex organization, and at the same time so sensitive, that any mistake or any change that could take place in this complex organization could bring about total destruction. That is quite correct and plausible.

I, as a Minister of Education, was responsible for 25 million Japanese from kindergarten up to graduate school. As a chief bureaucrat in Japan I had many ideas

that were very hard to enforce, even if I passed laws in the Diet, because there were all sorts of voices against me. That is related to representative democracy, or agrarian democracy. In some localities, people said that Minister Nagai had the erroneous idea of trying to put too much emphasis on mathematics, although what is necessary in a given sector in Japan is a closer study of agrarian development. These voices were all over Japan while I was in office. Therefore, it is not at all inconceivable when you live in the days of industrial democracy, that all these inconsistencies and contradictions sometime could rise to the surface and explode to the degree of upheaval.

That has happened in many places. In the United States, I understand there are all kinds of racial conflicts, and responsible people in Washington and in the Department of State try to mix people of different races. Yet those policies on the whole never come to real satisfaction for every race. Through representative democracy, each group voices opposition to these policies that are being thought about by intellectuals and sophisticated scholars.

These are the things that have happened in our so-called developed nations in the 20th century. Even in a country like the United Kingdom, which is a most sophisticated and experienced and gentle nation, there are clashes between two Irish classes constantly. This again is not at all surprising when you think of the nature of industrial democracy.

When I think of the world of tomorrow, then, I think of things that could take place in Africa and also in many other parts of the world, including so-called developed nations like Japan. There were something like 40 coups d'état in the 1960s, and in many nations of Africa there is dictatorial leadership rather than representative government. I was in Australia recently. Reading a newspaper, I found that Queen Elizabeth was visiting that country. Unfortunately she was met by groups of dissenters there. In her farewell to the people of Australia she said, "It was unfortunate I met dissent in this country. However, dissent is a sign that this country still enjoys freedom . . . freedom that is gradually disappearing in many parts of the world, so sadly."

She is quite right that in these days in the world freedom is disappearing gradually. In place of representative government, we have upheavals and so forth, and dictatorships outnumber nations that belong to the free world.

These are the things one must bear in mind when thinking of the future. I realize that I'm not talking at all about energy, environment, and population, but I am the kind of person who is not at all learned in these important subjects.

Let me now come to the question of the future of Japan. What will Japan face with reference to such questions as, for example, energy. Japan of course is known as a country that depends on imported petroleum to a greater degree than almost any other country in the world. Almost 100 percent of our petroleum comes to Japan from other lands. In addition, 40 percent of our food supply comes from other nations such as the United States, Australia, and Canada. Premier Chou En-lai of China once told Japanese businessmen that Japan was not a great economic giant. "That is nonsense," he said. "Japan is a great manufacturer, that's all, because Japan is so short of resources she is importing energy and food, and she is only manufacturing things—selling Toyotas and Sonys all over the world." I think Premier Chou En-lai was quite right in characterizing Japan as a great manufacturer rather than Mr. Herman Kahn's great economic superstate.

When I look at Japan as described by Chou En-lai, of course I feel that the future of Japan is quite shaky. Once there is a petroleum crisis and once the price of petroleum rises up so much, there's bound to be inflation in Japan instantly. This took place in 1973. And when Mr. Nixon thought about not selling soybeans to Japan, the Japanese were again very much shocked and surprised by the shortage of bean-curd cake.

Those who are knowledgeable in such matters say that there is a relationship between the rise and fall of the economy of a country and the consumption of energy. This is a language of which I have very little command, but in the case of the USA and various European nations I understand that as there is a decline of GNP, there is less consumption of energy. That on the whole is true, although there should be some qualifications. In the case of Japan, in spite of the oil shock, somehow the country has been doing very well; the consumption level of energy has not fallen since the oil shock. Yes, we have suffered a great deal in our economic policies since the oil shock, due to the situation that is called stagflation—a combination of stagnation and inflation. As far as the Japanese are concerned, nobody sees any way out of this serious dilemma for us.

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As a Minister of Education, and as a Cabinet member, I had to share my responsibilities with the Minister of Finance. Ministers of Finance in the last three or four years have suffered a great deal. In December 1974 the inflation rate of Japan was more than 30 percent—surprisingly high. It was only natural for the Finance Minister to try to depress and control inflation. That was what he did, successfully. By the end of 1976, the inflation rate in Japan came down to 8 percent. This was a great success, but it only invited recession in the Japanese economy—the stagnation side of it. Therefore, when one succeeds in controlling inflation, then the stagflation comes, and so the present Minister of Finance, and the Prime Minister, are saying all the time that they will buoy up the Japanese economy so that we can get out of stagflation. At present, the operating ratio of Japanese business is only 70 percent in proportion to the number of people employed, and in proportion to the amount of equipment. Therefore, I should think there would be some change in the Japanese economy this year, that probably Japan will somehow get out of the stagnant recession. At the same time we will begin to suffer inflation.

Looking at European nations, I don't find any exception where there isn't some of this curious combination of stagflation. It was true in Australia, and I'm afraid I find it true in the case of the United States. Should there be any genius like Lord Keynes, we may be able to get out of stagflation, but so far, as far as my knowledge is concerned, there doesn't seem to be anyone who has a really ready-made cure for this new disease. As a result, as the Ministers of Finance in Japan try very hard to control both, somehow inflation has come up and recession has come up, which has led gradually to the deterioration of the Japanese economy.

In addition, another aspect of the future of Japan has already been talked about in this conference: that is, the replacement of some Japanese industries by developing nations. We competed once with British Lancashire people to retain our leadership in the textile industry—as we did with the Americans in North Carolina. But now we are in the position where it is certain that the South Korean people will replace our textile industry. It is only a question of time before the Japanese textile industry will decline. If you visit Tokyo and go to a department store to buy a shirt, please be careful to look at the shirt and if it says Made in Korea,

buy it, because it's cheaper and as good in quality as the ones made in Japan.

The Japanese are now quite proud of the fact that they sell good Toyotas and Datsuns and Sonys, and so on—all those things that Americans were very proud of, which they manufactured in places like Detroit and many other cities throughout the country. Now the Japanese have taken over some of those markets, but the Koreans and people in Taiwan may be gradually building better automobiles—and again it's just a question of time before nice Korean Toyotas will come to Los Angeles.

Putting all these things together and looking at the past we see the rise and fall of a nation. I feel that now Japan is just about at the peak of its prosperity and beginning to crank down. Therefore, in the years ahead, when our economy cranks down, we will suffer—though not so much from the crisis of energy, because we won't be using energy so much.

This, I'm afraid, is the kind of thing that has not been discussed much. It is as though all the developed nations were going to develop forever in the 21st century, and people are concerned about developing nations, but I'm inclined to think that the two types of revolution that took place in the late 18th and the 19th and 20th centuries have now led us to the stage where we may come to a possible revolution of a new kind. It's not that we want our living standards to become lower. If any political candidate for the office of President of the United States or as a member of Commons ever made a speech to his constituents that promised, "I shall lower our living standards," he would certainly fail in his election.

To be a politician simply would not be consistent with making that kind of speech. In Japan, too, there is no politician at all, on the right or the left, who says that, "I, if elected, shall be determined to lower the living standard of the Japanese," and I am sure there is none in Britain. Yet British living standards have become lower. It was not because people wished that living standards would become low; it was because of social changes that have taken place there. Therefore I think a similar thing could take place in the far eastern end of Asia where Japan is enjoying prosperity, and I think it may be a matter of time before Japan follows in the footsteps of Great Britain and becomes a country like "Little" Britain. Should that be the case (although I am not at all arguing that this is a path we will be moving toward in a linear way; I am talking

about this as a possible path), I think we would have a new style of life in the future, enforced by circumstances.

These changes could happen in Japan. They would lead to a simpler life, and one that takes far smaller amounts of energy. At the same time there will be more development of agrarian production because those in industry will not be making so much money, which would mean that people in agrarian areas will begin to think that their way is as profitable as those in industry.

This is my conception of what could come about under enforced circumstantial changes. It would be different from the kind of revolution we have had in the past in the western hemisphere of the world. It would be a new revolution with new values. And, on the whole, I think this kind of revolution probably will be desirable. Although I think a decent life will be quite important for people, I am not at all sure we really have to level-up our living standard to the degree that we could have a scotch and soda every night or enjoy a luxurious hotel life anywhere we go. I am not sure that would be a decent, satisfactory life. That has been the standard for this century, but it may belong to the past.

Now, should this happen, I think developing nations will find a new model of civilization and they will suffer far less in comparison to today. As a Japanese, after the defeat I came to the United States as one of the first Japanese students to study in this country. At the time I came here it was July 1949, and Japan was a very flat island. People were hungry and life was difficult. I came here to find so much and so many things—an abundance of things. I was taken to a supermarket and was met by the manager, when I was at the age of about 23, and I was surprised to see the cans stacked along the walls clear up to the ceiling. I was convinced these were all empty cans. I thought this was the famous American commercialism, to show people that they had so many cans, so that people would then be attracted to the supermarket and would buy things. So I said, "Are these all empty?" The manager could not understand what I was asking. Also my English was bad. So I asked many times and finally came to the answer from the manager that all these cans were *full*. I was terribly frustrated to find that in the United States there are so many cans that are full, that are not eaten every day by people. As a person coming from Japan, where the land was very flat, should I find that all those cans were empty just for commercial advertisement, I would have been far less frustrated.

Based on that small experience, and on many other things, I have great sympathy with people in the developing nations. It is better that people in developed nations come to a new revolution and come up to a new style of life. This, of course, will never be done voluntarily, although there are some sophisticated intellectuals who leave the cities and buy land and engage in half-farming and half-teaching at the university—that is a limited number of people. But what I am saying is that enforced circumstantial changes which bring about some sort of great transformation of values will be very much needed in the future.

I have nearly exhausted my topic, but lastly I must say that it is worthwhile to think and talk about these things in present-day society. Only scholars can engage in this kind of free discussion. But the great problem is how our ideas can be related to practitioners—politicians, bureaucrats, and the like. What is needed in the future is an interoccupational approach to a question of this kind. Scholars getting together and discussing endlessly will not bring about much change in society unless scholars persuade politicians, and politicians persuade voters. Using the mass media is another possibility. In my life I have been a university professor, then a journalist, then I was Minister of Education. It is important for people to be interoccupational and at the same time international. Although there is so much talk about the future, of the possible revolution, or about the future of Africa—if this is not conveyed to the Japanese, it wouldn't mean much. Nor does it mean so much as far as Africans are concerned.

Therefore I think we all must work together inter-occupationally, interdisciplinarily, and internationally—and not really expect to produce any radical and sudden changes. You should not believe that intellect so easily could change the world. That has not happened much in the history of mankind. Intellectuals have written many things, but history has changed thanks to power conflicts, thanks to upheavals, thanks to some sort of circumstantial enforcement. What intellectuals *could* be doing is to be prepared for that, and not be shocked so much by it. I am saying that we've got to have all kinds of efforts to combine these international, inter-occupational, and interdisciplinary approaches—meetings of all kinds, and working together. This is very important—not really to bring about changes, but to be prepared for the shock. Before some great change comes, we've got to have planned really to bring about a new society. □