CHAPTER 34 - EAST ASIA: THE RECENT DECADES

CHAPTER SUMMARY

This chapter focuses on the political, social and economic developments in East Asia in the late twentieth century. The history may be divided into two phases. In the first phase until 1980, several East Asian nations became Communist but the conditions of their peoples improved only a little. In stark contrast, the nations that used a mixture of state guidance and market-oriented economies made the region as a whole the most dynamic in the postwar world. During the eighties and nineties--the second phase of postwar East Asian history--those nations that had achieved growth during the earlier phase continued to prosper, though with occasional perturbations. The most marked reversal of earlier policies during this second phase occurred in China, which, even while maintaining a Communist dictatorship, introduced many features of a market economy. The result was explosive growth and an export boom. Only North Korea resisted the changes sweeping the rest of the Communist world. The rigidities of its singular brand of Communism slowly took their toll, and it had difficulty even in feeding and clothing its people.

The text then concentrates on Japan and focuses on its rise from an occupied state to one of the dominant economies in the world by the late 1980s. After World War II, the Japanese were aided by the U.S. and committed themselves to democratization, reorganization, education, the production of technologically superior goods and aggressive marketing. The text details this process and the role of government in supporting this rise. In particular, it focuses on the political developments and the creation of the Liberal Democratic Party in 1955, which would govern Japan for the next thirty-eight years. From 1955 to 1960, Japanese politics was marked by ideological strife. But after 1960, the confrontation between the conservative forces of the LDP and the Socialists declined. During the 1960's, 1970's and 1980's, confrontation declined further and a consensus began to emerge. A new political era began in 1993 when the Socialists entered into coalition with the LDP, losing their strict socialist ideology and became more like their European counterparts.

The chapter goes on to discuss Japan's economic growth and recession of the 1990s, as well as the explosive expansion of higher education. Despite the great social pressures that these changes have brought, by most objective measures, Japanese society has been efficient, stable, and healthy, and its culture particularly dynamic.

The postwar era in East Asia has generally been a successful one for nations that have used a mixture of state guidance and market-oriented economies. Japan has led the way with Taiwan and South Korea enjoying economic success in spite of dictatorial regimes. China, in contrast, has achieved little per capita growth under communism since 1949. The chapter then details life in China during the Soviet...
period (1950-1960), the Great Leap Forward (1958-1965), and the Cultural Revolution (1965-1976). The purges and violence that occurred during this period resulted in intellectual, economic and cultural chaos. After Mao's death in 1976 and the consolidation of the power of Deng Xiaoping, a new emphasis was placed on material well-being, limited capitalism and greater personal freedom. But hopes for increased political and economic freedom within Chinese society were smashed in May of 1989 when student demonstrators were cut down in Tiananmen Square in Beijing. The supremacy of the Communist Party seems secure for the near future, but it will be difficult for it to maintain its legitimacy and its hold on a society caught up in the material benefits of a market economy. The story of China would not be complete without mention of Hong Kong and Taiwan. Hong Kong remained under British rule until July, 1997 when it rejoined China. Hong Kong will be the centerpiece in China’s international economic relationships. Taiwan has prospered economically since World War II and has thus far managed to maintain a separate international identity, despite mainland China's general recognition in the United Nations. Communist China continues to hold its position that Taiwan is a province of China unlawfully controlled by a bandit government and has not ruled out reunification by force.

After focusing on the modern history of Korea and the Korean War from 1950-1953, the chapter details French and American involvement in Vietnam from 1945 to 1975. During the 1950s, America came to view French actions in Vietnam as an attempt to stem the tide of communism. After the French withdrawal, the United States transferred this commitment to Diem Ngo Dinh, who had established the Republic of Vietnam in the south. America became further involved in a war with North Vietnam from 1959-1975 that was actively protested at home and finally lost. In the mid-seventies, Vietnam invaded Cambodia at great financial and diplomatic cost. In 1989, Vietnam withdrew from its occupation of Cambodia in favor of a UN-sponsored government made up of contending Cambodian factions. It has moved toward "normal" relations with the rest of the world. At home Vietnam adopted a policy of economic reform similar to China's with an emphasis on free enterprise and foreign investment, but still maintained the dictatorship of the Vietnamese Communist Party. The government supported a large sector of state-operated enterprises, but it also encouraged free enterprise in garment manufacturing and the production of other consumer goods. Vietnam's population of 74 million makes it one of the world's most densely populated nations, and the gap in standards of living between cities and rural areas continues to be a problem that Vietnam must solve if it is going to prosper in the future.
KEY POINTS AND VITAL CONCEPTS

1. **Japan's Economic Growth**: Before the war, "made in Japan" had meant cheap goods, but by the late 1970's, Sony, Toyota, Honda, Panasonic, Toshiba, Seiko, and Canon were known throughout the world for the quality of their products. This extraordinary growth was the result of a combination of factors. An infrastructure of banking, marketing, and manufacturing skills had carried over from prewar Japan. The international situation was also favorable: oil was cheap; access to raw materials and export markets was easy; and American sponsorship gained Japan early entry into the World Bank, the International Monetary Fund, and other international organizations. Japan's high rate of savings--close to 20%--contributed to reinvestment. The revolution in education contributed as well. By the 1980's almost all middle school graduates went on to high school, and almost 40% of high school graduates went on to higher education. Japan was graduating more engineers than the United States, and virtually all of them were employed in nonmilitary industries. For the Japanese, it proved far cheaper to license or buy technology than to invent it. After "improvement engineering," Japan sold its products to the world. All this, together with an abundance of high-quality, cheap labor, government tariff protection and subsidies helped Japan to a position of economic preeminence in the 1980's. Slower growth marked the years from 1991-1999--Japan's deepest postwar recession. However, even after the recent growth in other Asian nations, Japan's economy is half again as large as the combined economies of most of the rest of Asia.

2. **China After Mao**: After his consolidation of power in 1978, China's policies gradually changed. Deng gave the Chinese people a greater measure of freedom and hope for the future. New economic policies led to a surge in productivity. Communes were abolished and the basic accounting unit was shifted from the production team to the farm household. Production incentives and a new market orientation enabled factories to produce more and better goods. Foreign investments were encouraged and private enterprise was permitted on a small scale. This orientation toward "Western" systems and values has not been without restrictive control. Since 1985, Deng spoke out against "capitalist thinking," "spiritual pollution" and "bourgeois liberalism." The government under Deng has had difficulty defining the invisible line between what was politically acceptable and what was not. The confrontation on the issue of political change and freedom of expression came in June, 1989, when students who had gathered near the Forbidden City in Beijing to demonstrate were brutally crushed by the military whose actions were ordered by Deng himself. The critical point at issue: do capitalistic economic reforms that
emphasize personal incentive and some measure of self-determination necessarily lead to a demand for political rights as well? Some have viewed the student defeat in Beijing in 1989 as the beginning of a greater movement for political reform and an indicator that communism is no longer viable as an economic and political ideal. Thus, a final question for the future is whether the Chinese Communist Party can maintain its legitimacy and its hold on a society caught up in the material benefits of a market economy.
3. America's Defeat in Vietnam: Despite the presence of over half a million troops in 1969 and massive economic aid, America and South Vietnam lost the war against the Soviet-backed forces of North Vietnam. The peace treaty was concluded in 1973 and Vietnam was evacuated in 1975. The reasons for this defeat have been hotly debated and include the following: 1) the South Vietnamese government was corrupt and inspired little loyalty in its citizens; 2) Ho Chi Minh, the Communist leader, was a hero to the South Vietnamese as well as to the North, and American presence was seen as a continuation of French colonialism; 3) the jungle terrain of Vietnam prevented the U.S. from asserting its technological edge, forcing a guerilla war in unknown, hostile territory; 4) sentiment in the United States against a cruel and remote war divided the country and led to a moral and spiritual crisis.

4. East Asia in World Perspective: The industrialization of East Asia raises four issues that will powerfully affect future relations between nations. One question is whether nations with high wages will be able to compete with low-wage economies, such as Taiwan, South Korea, Hong Kong, and Singapore. A second issue concerns the growing expenditure of oil and other natural resources by the developing countries of East Asia. Will their demand make the allocation of scarce resources become an even greater part of international relations than it is today? A third issue is population crisis. Will the population density of East Asia ultimately limit its economic growth and force several countries to adopt strict Chinese polices to limit births? The final question concerns pollution levels throughout the world. Will a burgeoning population survive as toxins in the air, soil, and seas continue to rise?

SUGGESTED FILMS

China: A Class by Itself. Films, Inc. 52 min.

China: A Network of Communes. Encyclopaedia Britannica Corp. 15 min.

China: A Revolution Revisited. Films, Inc. 83 min.

China: An Emerging Giant. National Geographic Society. 25 min.

*Crises in Asia.* Time-Life.  20 min.

*Japan: A Major Industrial Nation at Work.* Academy Films.  19 min.

*Japan: The Collective Giant.* Films, Inc.  20 min.

*Emperor Hirohito.* Wolper, Inc.  26 min.

*World History: An Overview.* Coronet.  16 min.