

The Perry's Black Ship Arrival after World War II: Unveiling the Reconstruction of Japanese Economy

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Abstract: Japan has had two amazing turning points in its history, Perry's Black Ship and the economic miracle after WWII. Both helped Japan accomplish qualitative improvement and reform. The two may not seem to be directly related in history, but the similarities in history are always breathtaking. In addition, the negative impacts of both events for Japan share the same similarities. This essay will discuss the economic reforms and social changes that the Black Ships and World War II brought to Japan, allowing readers to learn more about the two turning points in the history of the Japanese economy and leading to reflections on the similarities. After researching and comparing the two time periods, it was found that both times had Japan under the "control" of other countries, and both caused great social reforms from "traditional" to "modernized." The Japanese government was not a "traditional" country, but a "modernized" one. At the same time, the great transformation had a hard to reverse effect in Japan, with inflation, a widening gap between urban and rural areas, a decrease in the labor force (the suicide rate was the highest) and a disillusionment of the people with the government.

Keywords: Perry's Black ship, economics miracle, urban-rural gap.

1. Introduction

On July 8, 1853, American commodore Matthew Perry arrived in Japan with four armored steamed-powered ships in Edo Bay (Nowadays-Tokyo Bay), requesting Japan open its ports to American ships. The arrival of Perry's Black ship symbolizes a remarkable turning spot-on Japanese history. Before Perry's arrival, Japan had been closed to the outside world for over 200 years under the Tokugawa shogunate's Sakoku policy. The trade was restricted to a few countries, mainly China and the Dutch. On the other hand, Perry, with the advanced technology of Black ships and show of force, left an impressive sight of backwardness of Japan to the Japanese government. Perry returned in 1854, with the result of the Treaty of Kanagawa, opened two ports towards American ships and remarked on the turning point of Japan opening itself to the rest of the world.

The arrival of Perry's Black ship generated significant impact in Japan, bringing it from "Tradition" towards "Modern". Christopher Goto-Jones, a philosophical counselor, depicts "Perry Broke traditional Japan and forced it into the modern world" in the work *Modern Japan* [1]. The arrival of Perry's black ship indirectly caused Japan to undergo revolution, causing the government to become more constitutional, the economy to be more industrial and lately a colonial empire.

However, the post-WWII economic transformation of Japan mirror the impact of Perry's Black ship causing Japan to be even more "modernized". As Perry's Black ships compelled Japan to end its Sakoku policy and embrace the outside world, The devastation of WWII and subsequent reconstruction of Japan forced by United States occupation led to a miracle of rapid economic growth catalyzing Japan's integration to a more industrial economy. Both catalyzing Japan's Integration into the global economy. This essay is dedicated to explain the downturn of the Japanese economy and the similarity of two significant events of Japanese history. With a closer glance to the events in Japanese history, the essay aims the reader to have a broader understanding of Japanese economy and Leads people to think about the direct connection between Japan's economic manifestations and social issues.

2. The Trend of Japanese Economy after World War II

2.1. The Impact of Perry's Black Ship

Indeed, Perry's Black ship's most important outcome is the Treaty of Kanagawa, establishing diplomatic relations and forcing Japan to open international trade. As the unequal treaties of the Treaty of Kanagawa are signed, Japan is exposed to advanced technology and the overwhelming power of foreign countries. Thus, the idea of modernizing and avoiding being colonized triggers the Japanese government. Having seen the tragic state of China after the Opium War, Japan was inspired by the unequal contracts to face its own weaknesses. Under the Treaty of Kanagawa, Japan's sovereignty sparked resentment and fueled the desire for change, therefore, leading to the Meiji restoration.

between 1868 and the early 1880s, The meiji restoration symbolizes a remarkable revolution. It leads to a qualitative leap in Japanese society and living conditions. The establishment of the emperor in Edo (Nowadays-Tokyo), the emperor postponed the Five-Article Oath dismantling the bakuhan Taisei. Under the fear of the power of Western powers. The adoption of a modern political system was itself one of the explicit goals of the reforms [1]. However, even though the life qualities and societies has been transformed into "modern" from "tradition", it (treaties) was repeatedly frustrated by foreign powers [1]. Japan is still not able to ease the West's threat to itself.

Meanwhile, the tremendous transformation of Japanese society and lifestyle did not make life all-around better for all Japanese. There is a strong conflict between tradition and modern Japanese societies. Labor forces such as samurai class, undergoes loss of privileges and livelihoods as Japan abolishes the feudal system. Many samurais chose seppuku (a form of ritual suicide). Furthermore, In the book, Modern history of Japan written by Andrew Gordon, Andrew depicts that "The rapid growth of the cities and the factories created new social problems—poverty, overwork, and exploitation among the workers" [2]. Urbanization and Industrialization cause poor working conditions for factory workers that suffer long hours, low wages and poor environments. Workers such as rural communities endure increased taxes and land reforms causing them to rely on agriculture for survival.

2.2. The Economic Miracle

After half Centuries of effort of the Meiji revolution, Japan became a powerful country in the world. After World War II, Japan endured a serious economic and capital blow. With the advantage of an international environment and capitals. Japan formed a suitable catching up economic system. Within 40 years of the economic system that Japan established, Japan has transformed itself from a low-income country to one of the richest in the world.

In 1946, one year after the United States dropped two atomic bombs. Japan endures a harsh food shortage. In the study of "The Japanese Economy After WWII", the author explained "Food was

rationed for everyone in families and there were black markets that popped up everywhere. There were reports that people that did not go to the black market died of starvation [3]. Food shortages and high unemployment destroyed the Japanese economy. Although the government tried to print money to alleviate the situation, it brought about inflation and even affected the black market at the time. As the United States' occupation in Japan focused on deescalate and demilitarize Japan, Japan is eager to stabilize its economy. In this case, the United States turned to help Japan to recover its economics. The reform approach was proposed by a US banker, Joseph Dodge, named 1948 Dodge Line. The main idea of this approach is to reduce the interference of the government and promote private industries. In this case, Dodge focuses on Balance the national budget by reducing debt and lowering inflation, develop a more effective tax plan, dissolve the Kabuki Bank, which was created as a result of uneconomic loans, narrow the scope of government intervention, and fix the exchange rate at 360 yen to the dollar to keep prices for Japanese exports low. By 1951, with the help of the United States and the outcome of the Korean War in 1950, Japan became the leader in the world of shipbuilding supplies that boasted 1% control of the industry nationally that increased national wealth [3]. Occupation reforms of the United States had laid the foundations for economic recovery, while Japan's own policies and investments in technology and infrastructure had led to rapid industrialization and global competitiveness.

2.3. 20 Years of Recession

After years of impressive economic growth, instead of maintaining the trend of economic growth, Japan faced a prolonged period of economic stagnation, deflation and weak growth from the early 1990s to the 2010s. The annual growth rate exceeded 9% during the miracle years of 1950-1973, the early 1990s crisis which heralded more than two decades of stagnation (1992-2016) characterized by anemic growth, hovering at around 1% of GDP [4]. The economic stagnation began with the collapse of Japan's asset price bubble in the late 1980s. These periods are also known as the loss of 20 years in the economic history of Japan. By the meaning of “Lost”, the author, Tsuruta Misuhiko explained in the study "Rethinking the “Lost 20 Years” of the Japanese economy. The word “lost” does not mean disappeared, but rather means failure [5-6]. Japan contributed to a growth rate of 9% after World War II. Its first negative growth rate comes with the failure of the Bretton Woods system in 1971-1973 and oil crisis near the same time period.

After the Plaza record of 1985, the United States put pressure on Japan asking for the “lowest” interest rate to be kept from February 1987 to March 1989. As shown in Figure 1, a major increase of the commercial land price triggered around 1985 and peaked in 1991. As the interest rate is kept lowest, it triggers land value to rise because land would support larger loans [6]. The currency has increased largely. Although the annual GDP growth rate reached 5.8%, the low interest rates born from the super-loose monetary policy also caused a distortion in the expansion of equipment investment [5]. While a single one factor could not be enough to contribute to the “Loss of 20 years” of Japan. There are still many other factors such as Tribulation, Resistance and Resilience [7].

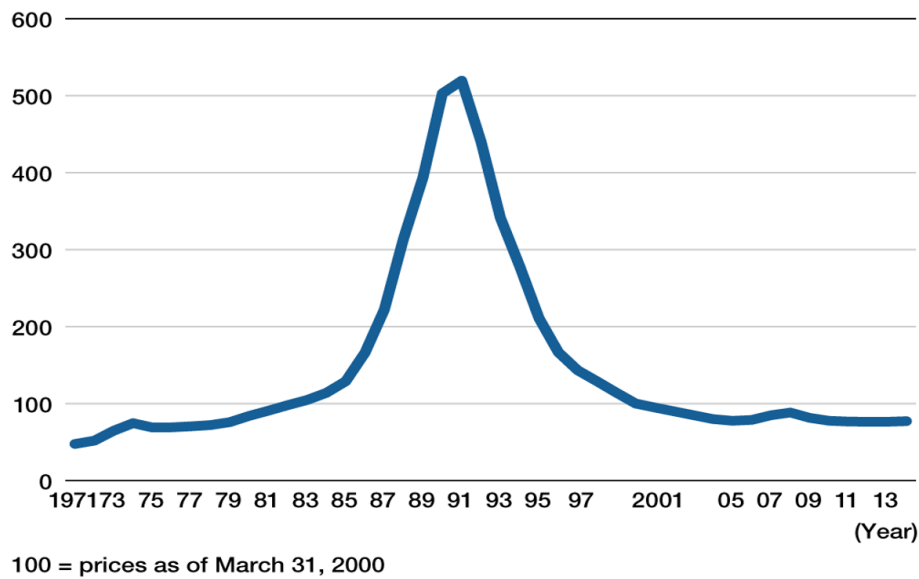


Figure 1: Commercial land price for six major cities [8].

3. Analysis and Discussion

By so many years after Perry's Black Ship's arrival, looking back from now, Japan has endured a significant change of society structure, economics system and even the government. Just as the arrival of Perry's ship in Japan at that time gave the Japanese a great deal of shock and panic, the U.S. gave Japan help after World War II just as Perry's ship had arrived in Japan again. Recalling the Perry's Black ship's impact into Japan's transformation from "Tradition" towards "Modern". The United States' occupation after WWII puts a strike on the Japanese structure of society. Changes to the basic structures of Japanese have come, if at all, slowly, painfully and often only after last-ditch defenses of the old system [7]. Similar to Perry's arrival of advanced technology, Japanese societal structure changed from sakoku towards open ports for international trade. With the aims of the 1948 Dodge Line, Japanese economics was promoted and reformed. In both cases, the United States played a significant role in boosting Japanese change. The Heisei era remarks another Transformation from "Tradition" to "Modern". "Japan in the late Showa era was a typical growth society [9]. As a meaning of "growth society" refers to the rapid economic growth, population growth and education growth in the late Showa era. Later in the Heisei Era, even though Japanese economic growth had endured a strict downfall. "However, it cannot be denied that Japan in the Heisei era has entered a "mature society" with high industrialization and urbanization" [9]. Furthermore, the same panic and anxiety was brought to Japan. Moreover, the collapse of the bubble struck Japanese economics significantly, "but the end of the Cold War destroyed the stable international context in which Japan had managed to operate so comfortably for decades" [7]. As the rise of other countries, the rising power of China, the development of the nuclear force of the United States. Japan endures a harsh uneasiness about its safety and power. Furthermore, the almost coercive demands and policies of the United States gave Japan great cause for concern. Japan doubts about whether the United States remains able to fully live up to its commitments as part of the US-Japan security treaty [7].

Nevertheless, the transformation from Tradition (growing society) to Modern (Mature society) after WWII in Japan does not account for life-better for every Japanese. The same focus on industrial development in the Meiji Restoration happened again after World War II. Japan developed its industry by taking advantage of the large military needs of the United States in the Korean War. Unfortunately, this led to the neglect of agriculture. Although agriculture is also being developed but

much slower than the development of industrial development. In this case, the income gap between urban and rural areas continued to widen [9]. As the income gap is enlarged, the recession of rural areas is being discussed. During the Heisei era, citizens started to immigrate to the main cities such as Tokyo. According to Figure 2, during the rapid economic growth period, Tokyo endured nearly 20 years of large numbers of citizens migrating in. This trend was alleviated in 1974 but lately increased again in the bubble period and kept the trend till today.

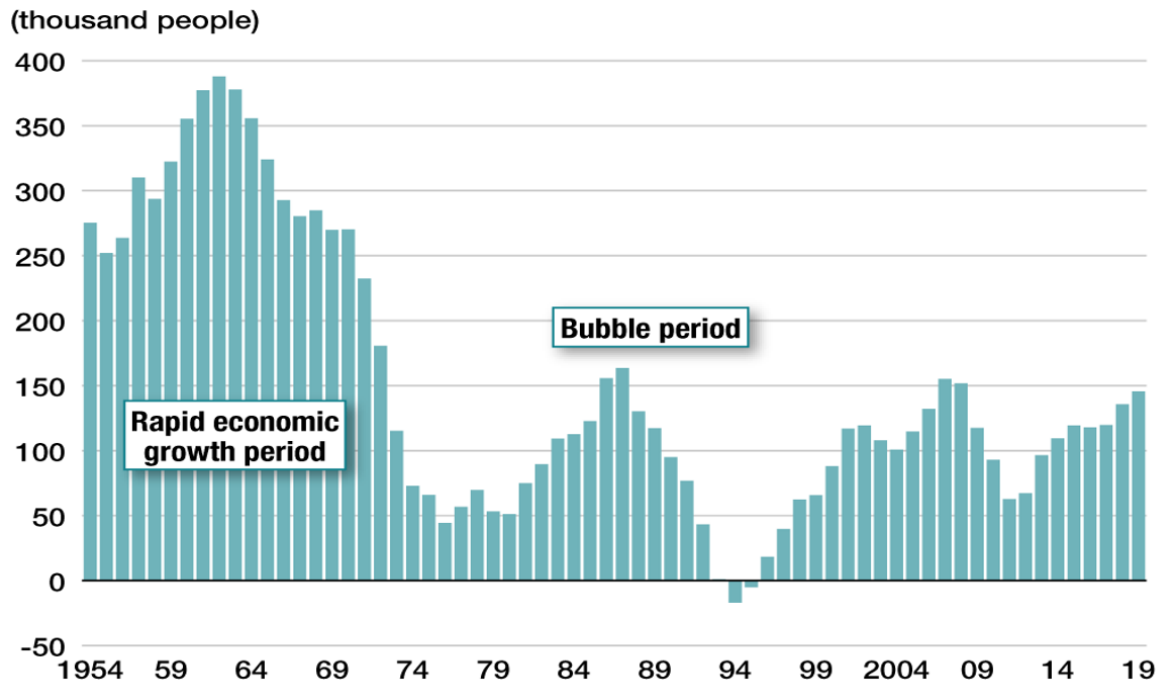


Figure 2: Population net inflow into Tokyo metropolitan area (Japanese citizens only) [10].

In this case, the recession of rural areas is taking place, the phenomenon of low birth rate and aging population, labor shortage, decline of agriculture, forestry and fishery, lack of social vitality [9]. This impact is even more enlarged nowadays, rural areas are facing problems of low settlement rate and less young females. There were 7,878 critical villages in Japan, of which 1,591 were said to be in danger of extinction [9]. Moreover, the tragedy of samurai seppuku is happening. As the concentration of population in the major cities kept increasing and the ongoing recession of Japanese economics, Japanese expressed concern about the country's economy, happiness levels, nearly zero growth in national income and sluggish consumption. "The Impact of 32,000 Unconnected Deaths," which showed that approximately 32,000 people died of "unconnected deaths" or "lonely deaths" during the Heisei era [9]. Sadly, during the lost of 20 years of Japan, the total number of suicides during the 30-year Heisei era is estimated to be over 600,000 and peaked around 2003 when 34,000 suicides in a single year. For so many years after the samurai class felt self-lost and privileges being diminished, the tragedy of Japanese suicidal happened again.

4. Conclusion

Perry's Black Ship undoubtedly gave Japan a chance to change from a traditional to a modern country, and since then, Japan has begun to change its economic and social systems out of fear of the West and anxiety about its own power. In this way, Japan succeeded in making great industrial and economic progress. This also happened after World War II. Desperate to revitalize its economy and

manpower after World War II, Japan accepted the help of the United States and entered into a period of miraculous economic growth. But then the bubble burst and Japan was devastated. In addition, Japan changed once again from traditional to modern. However, the same tragedy that occurred nearly 200 years ago also occurred in the Heisei era, when the gap between the rich and the poor and between urban and rural areas in Japan increased. Like the samurai of the Meiji Restoration committed suicide because they were humiliated and could not find a place to return to. During the Heisei period, Japan also suffered a relatively large proportion of suicides. The help given by the United States to Japan after World War II undoubtedly symbolized the arrival of Perry once again, which brought Japan many opportunities for growth, but also irreparable negative consequences for Japan. In order to solve the social problems caused by history, Japan needs to think about economic diversification, incentivize migration to rural areas, strengthening infrastructure and connectivity. Furthermore, Mental Health Awareness of citizens, economic equality and security and enforce work-life balance policies to prevent overtime working, etc.

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