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Life During the Cold War, 1945-1989

Lesson 3 The Asian Rim

ESSENTIAL QUESTIONS

How does war result in change? What challenges may countries face as a result of war?

Reading HELPDESK

Academic Vocabulary

maintain to keep in an existing state of repair or efficiency stable not changing or fluctuating; steady

Content Vocabulary

occupied held by a foreign power

state capitalism an economic system in which the central government plays an active role in the economy, establishing price and wage policies and subsidizing vital industries

TAKING NOTES: Organizing

ACTIVITY As you read, use a table like the one below to list the key areas of economic development in South Korea, Taiwan, and Singapore.

South Korea	Taiwan	Singapore

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IT MATTERS BECAUSE

After World War II, Japan recovered from the destruction of war and made itself into a major industrial power. The "Asian tigers," a number of other Asian countries in the area, copied Japan's success. They, too, became industrial powers.

The Transformation of Japan

Guiding Question How was Japan transformed after World War II?

In August 1945, Japan was in ruins. A foreign army occupied its land. Less than 50 years later, Japan emerged as the second-greatest industrial power in the world.

Japan was **occupied** by Allied military forces under the command of U.S. General Douglas MacArthur from 1945 to 1952. Japanese society was remodeled to be more like the West under MacArthur's direction. A new constitution renounced war as a national policy. Japan agreed to **maintain** only enough armed forces as it needed for self-defense. The constitution set up a parliamentary system. It also reduced the power of the emperor (who was forced to announce that he was not a god).

A peace treaty restored Japanese independence on September 8, 1951. Since then, Japan has established itself as an economic giant. The country's dramatic recovery from the war has been described as the "Japanese miracle." Many factors came together to create the miracle.

Japan's new constitution was modeled on the U.S. Constitution. It guaranteed basic civil and political rights, and it called for universal suffrage—that is, everyone had the right to vote. Also, it established a balance of power among the executive, legislative, and judicial branches of government. However, it kept some of Japan's nineteenth-century political system, which it had under the Meiji government. For example, the way political power was distributed remained. Japan has two major political parties—the Liberal Democrats and the Socialists—in its multi-party system. In practice, only one party—the Liberal Democrats—controlled the government. A few party leaders made the key decisions, such as choosing the prime minister.

The central government plays an active role in the economy. It establishes price and wage policies. It also subsidizes, or gives money to, vital industries. This government role is widely accepted in Japan. In fact, government economic involvement is often cited as a main reason for the efficiency of Japanese industry and Japan's growth into an industrial giant. Japan's economic system has been described as **state capitalism**. That is, the government has a major role in an economy based on private ownership.

During their occupation of Japan, Allied officials had planned to dismantle the zaibatsu. These were business conglomerates—organizations made up of several companies that engage in different kinds of business. In the end, the plan was scaled back. Only the 19 largest companies were affected. Also, the policy did not keep companies from forming new ties. As a result, another zaibatsu system basically arose.

The occupation administration had more success with its land-reform program. Half of the Japanese population lived on farms. Half of these farmers were tenants, or workers, for large landowners. Under the reform program, lands were sold on easy credit terms to the tenants. The reform program created a strong class of independent farmers.

At the end of the Allied occupation in 1952, the Japanese gross national product—the value of goods and services—was one-third that of Great Britain or France. It was larger than both countries put together by the 1980s. Japan became a model of economic success after several decades of such impressive growth.

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During the occupation, Allied planners tried to get rid of aggressive, or warlike, nationalism in Japan. A new education system stressed individualism, or personal independence over group goals. References to patriotism and loyalty to the emperor were removed from the education system. These efforts to remake behavior through laws were only partly successful. Many characteristics of traditional society have persisted. For example, the tradition of hard work is stressed in the education system.

Women's roles are another example of the difficulty of social change. After the war, women gained the right to vote. They were encouraged to enter politics. However, the subordinate role of women remains. Women are legally protected against discrimination in employment. However, very few women have reached senior levels in business, education, or politics. Also, women's average salary is only about 60 percent of what men earn.

Hypothesizing How did the Japanese "miracle" occur?	

The "Asian Tigers"

Guiding Question What changes did the Asian Rim countries experience after World War II? South Korea, Taiwan, Singapore, and Hong Kong are sometimes called the "Asian tigers." They all copied Japan in creating successful industrial societies. Australia and New Zealand, to the south and east of Asia, now have closer trade relations with their Asian neighbors.

The Republic of Korea (South Korea) was harshly ruled by dictatorial president Syngman Rhee in 1953. In the spring of 1960, public demonstrations against his rule broke out in Seoul, the capital city. Rhee was forced to retire. In 1961, the government was overthrown, and General Park Chung Hee was put in power. Park was elected president two years later and began strengthening the South Korean economy. South Korea gradually became a major industrial power in East Asia. Industrial development focused on chemicals, textiles, shipbuilding, and automobile production.

Like many other countries in the region, South Korea was slow to develop democratic principles. Park ruled by autocratic means and suppressed protest. However, democratic elections were restored by the early 1990s after Park's assassination.

Taiwan became home to Chiang Kai-shek and his followers. After the defeat by the Communists, they established their capital at Taipei. Chiang Kai-shek said that the Republic of China (Chiang's regime) was the legitimate government of all Chinese people. The Communist government on the mainland disagreed. It claimed to rule all of China, including Taiwan. American military forces protected Chiang Kai-shek's regime against Communist invasion. As a result, the regime could put all its energy toward economic growth.

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The Republic of China used foreign aid and the efforts of its own people to build a modern industrialized society. A land-reform program put farmland in the hands of peasants, or farm workers. Food production doubled as a result. Local manufacturing and commerce also expanded. Prosperity, however, did not at first lead to democracy. Chiang Kai-shek ruled by decree. He refused to allow new political parties to form. The Republic of China slowly moved toward a more representative form of government after Chiang's death in 1975.

Singapore was once a British colony and briefly a part of the state of Malaysia. Now it is an independent state. Prime Minister Lee Hsien Loong led Singapore as it developed a free-market economy. This economy was based on banking, shipbuilding, oil refineries, and electronics. The authoritarian political system created a **stable** environment that allowed for economic growth. Singapore's citizens, however, began to demand more political freedoms.

Hong Kong, like Singapore, became an industrial power. Its standards of living were well above the levels of its neighbors. Great Britain ruled Hong Kong for over 150 years. In 1997 control of Hong Kong was returned to mainland China. China, in turn, promised that Hong Kong would enjoy a high degree of economic freedom under a capitalist system for the next 50 years.

Reading	Progress Check
Comparing Durin similar?	g the initial post-World War II period, in what ways were the "Asian tigers"