

The U.S. use of nuclear weapons on Hiroshima on August 6 and Nagasaki on August 9, 1945, led to the conclusion of the war in the Pacific, which for Japan had started in northern China in 1931. Between the dropping of the two atomic bombs, the Soviet Union entered the war and began moving into Manchuria. U.S. troops had captured Okinawa and were poised to invade the home islands. The specter of defeat led to a crisis within the Japanese government and a decision by the emperor to accept the Allied terms of surrender. Under the pressure of these events, the emperor broadcast a call to the Japanese people on August 15, 1945, to “endure the unendurable.” With General Douglas MacArthur and Fleet Admiral Chester Nimitz in attendance, representatives of the emperor and the Japanese military signed the articles of surrender on September 2, 1945, aboard the battleship USS *Missouri* in Tokyo Bay.

The final terms of surrender were agreed upon at Potsdam on July 26, 1945: unconditional surrender; a purge of the leadership that had advocated global conquest; an Allied occupation until a new order was established and Japan’s war-making power was destroyed; the disbandment of Japan’s empire; military disarmament; prosecution of war criminals; establishment of freedom of speech, religion, thought, and respect for basic human rights; and reduction of economic capacity to prevent rearmament.¹ The United States, the United Kingdom, and China were party to these terms; the Soviet Union signed on after its declaration of war. The Potsdam Confer-

¹DOS, *Occupation of Japan: Policy and Progress*, Far Eastern Series 17, Washington, D.C.: U.S. Government Printing Office, Pub. 267, 1946, pp. 53–55.

ence in effect presented an ultimatum that threatened “prompt and utter destruction” if Japan did not surrender. It represented the culmination of a series of Allied meetings beginning in 1943.

Preserving the emperor and the imperial institution were of utmost importance to the Japanese leadership. Their first offer of surrender, communicated through the Swiss, conditioned acceptance of the Potsdam terms on a guarantee of the emperor's safety. U.S. Secretary of State James F. Byrnes responded by noting that the surrender would be unconditional and that both the emperor and the Japanese government would be subject to the Supreme Commander of the Allied Powers (SCAP) upon surrender. The ultimate form of government and, by inference, the fate of the emperor would be left up to “the freely expressed will of the Japanese people.”²

CHALLENGES

Security

At the time of its surrender, Japan had mobilized between 3.6 million and 4.3 million troops to defend against the Allied invasion of the Japanese home islands, and these troops were still armed. U.S. Army intelligence estimated that an additional 3.5 million troops were dispersed throughout Japan's former empire, including 1.6 million in China and Manchuria; 365,000 in Korea; and 525,000 scattered across isolated islands in the Pacific.³ It was not clear whether all would comply with the emperor's command to surrender.

Humanitarian

The Allied bombings of Japanese cities left nearly 9 million people, 30 percent of the urban population, homeless. In Tokyo, 65 percent of the homes had been destroyed. The national food distribution system had totally collapsed, and many faced hunger and starvation. Nearly 3 million civilians were stranded overseas, with the largest

²DOS (1946), pp. 57–58.

³Douglas MacArthur, *Reports of General MacArthur: Japanese Operations in the Southwest Pacific Area*, Vol. II, Pt. II, Washington, D.C.: U.S. Government Printing Office, 1966b, pp. 752–753.

concentrations in Manchuria (998,815), Korea (712,583), China (428,518), Sakhalin (373,223), and Formosa (307,147).⁴ Since Japan's navy and commercial shipping had largely been destroyed, few vessels were available to transport the civilians home. Approximately 123,510 children were orphaned or abandoned.⁵ Equally abandoned were the other Asian residents of Japan, including 1.3 million Koreans, many of whom had been brought over as conscripts to work in coal mines and other industries. Some 30,000 Allied prisoners of war held in camps in Japan were in need of food, medical attention, and evacuation.

Civil Administration

Despite the economic and humanitarian crisis that resulted from the war, the emperor still enjoyed the support of the vast majority of Japanese. The bureaucracy, the Diet (Japan's parliament), and the cabinet were intact, functioning, and prepared to cooperate. The key issues for U.S. decisionmakers were how to make use of the Japanese government, how extensive an oversight function would be necessary, and how they would assign responsibility for the war. Because of the Japanese attack on Pearl Harbor and the perceived ferocity of the subsequent war in the Pacific, there was substantial anti-Japanese sentiment among the U.S. public, particularly toward the emperor. An opinion poll conducted in June 1945 indicated that 77 percent of Americans wanted the emperor to be severely punished.⁶ The U.S. public was also weary of war and supported an early return of the troops. There appeared to be little desire for the high economic costs that an extended occupation would entail.

Democratization

In principle, Japan had a constitutional, but not a fully parliamentary, form of government in 1945. The Meiji Constitution, adopted in

⁴Douglas MacArthur, *Reports of General MacArthur: Japanese Operations in the Southwest Pacific Area*, Vol. I, Washington, D.C.: U.S. Government Printing Office, 1966a, p. 459.

⁵John W. Dower, *Embracing Defeat: Japan in the Wake of World War II*, New York: W. W. Norton & Company, 1999, p. 63.

⁶Michael Schaller, *The American Occupation of Japan*, New York: Oxford University Press, 1985, p. 3. See also Dower (1999), p. 299.

1890, vested sovereign power in the emperor but divided political power among a small set of competing elites. The political parties vied for power with the military, the bureaucracy, the leading industrialists (*zaibatsu*), and groups close to the emperor. Since 1925, all men over the age of 25 had been granted the right to vote, but their representatives in the Diet could easily be outmaneuvered because the majority party in the Diet did not automatically have the right to form a government; instead, the emperor appointed the prime minister. The military was not legally subordinate to civilian control, a structural flaw that the military exploited to the fullest. Political freedoms necessary to sustain a democracy, such as freedom of speech and assembly, to the extent they existed at all, were severely curtailed.

Reconstruction

At the end of World War II, the Japanese empire lay in ruins. Roughly 3 to 4 percent of the prewar population of 74 million had perished. One-quarter of the country's wealth was destroyed. The Japanese civilian economy was near collapse. With imports of essential commodities and raw materials completely cut off, food, fuel, clothing, housing, and nearly all the necessities of daily life were in extremely short supply. Deprived of their colonies, which had served as both a source of raw materials and markets for finished goods, Japan's economic future looked bleak. What remained of Japan's equipment and factories was earmarked for reparations. Actions taken by the Japanese leadership at the end of the war compounded these problems. Military stockpiles were hidden or looted, and the Finance Ministry and the Bank of Japan printed currency to pay off government obligations to workers, soldiers, and contractors, setting the stage for rampant inflation.⁷

THE U.S. AND INTERNATIONAL ROLES

Because of its predominant role in the final phases of the war against Japan, the United States decided to take the lead in the occupation. Unlike in Germany, there would be no zones and no division of

⁷Dower (1999), pp. 112–118, 531.

responsibility. The United States hoped to avoid the most troublesome aspects of the German occupation, where policy formulation and implementation was slowed and sometimes blocked by the need to forge agreement among the four parties. The United States was, however, willing to accept some international participation. Agreement on the formation of two international bodies for oversight and consultation, the Far Eastern Commission and the Allied Council for Japan (ACJ), was finally reached in Moscow in December 1945. The Far Eastern Commission was established in Washington in February 1946. Composed of representatives of the 11 countries that had fought against Japan, its role was to formulate policies to enable Japan to fulfill its surrender terms and to review SCAP directives and actions.⁸ It was given no authority over military operations or territorial questions.⁹ Nominally designed as a supervisory body, its effectiveness was undermined by the fact it was not constituted until after much of the initial policy toward Japan had already been decided. A further hindrance to its effectiveness lay in the requirement that a majority of members, including China, the United States, the United Kingdom, and the Soviet Union, concur before a policy could be adopted. Without such agreement, SCAP interim directives were allowed to stand. Although constrained on most other issues, the Far Eastern Commission was given the power to override SCAP on the issue of constitutional revision and did have some influence on the content of the final document. Otherwise, MacArthur largely ignored or maneuvered around the commission.

The ACJ, composed of China, the Soviet Union, the United Kingdom, and the United States, was established in Tokyo in April 1946 to consult and advise SCAP. Like the Far Eastern Commission, the ACJ never became an effective instrument of policy because SCAP, whose representative served as the ACJ's chair, was not obligated to consult with it or accept its advice. Thus, the ACJ largely languished during the occupation.

⁸The initial members were the United States, the United Kingdom, the Soviet Union, China, France, the Netherlands, Canada, Australia, New Zealand, India, and the Philippines. Burma and Pakistan became members subsequently.

⁹For more details on the workings of the Far Eastern Commission and ACJ, see Jane M. Alden, "Occupation" in Hugh Borton, ed., *Japan*, Ithaca, N.Y.: Cornell University Press, 1950.

Military

General MacArthur and his staff acted under military orders laid out in the U.S. JCS directive 1380/15.¹⁰ The decision to rule Japan through existing Japanese government machinery, taken on the eve of the occupation to conserve U.S. forces and resources, meant that there was no military government like those that had been set up in Germany. As SCAP, General MacArthur presided over both the military occupation and the administrative superstructure. The General Headquarters of the Far East Command was responsible for the military forces in Japan, Okinawa, and Korea.

In the initial phase of the occupation, some of the troops were organized into "military government" teams distributed across Japan's eight regions and 46 prefectures.¹¹ Each local team had functional sections dealing with such areas as government, economics, information and education, and public health that were parallel to the structure of the local government. Decisions were made in Tokyo and sent to governors and mayors for implementation. It was the job of the local military government teams to observe and report back to headquarters on how well their decrees were being implemented at the local level. These teams were later renamed Civil Affairs teams and were staffed with civilians.

Although this was nominally an Allied occupation, the United States exercised unilateral control from the beginning. Military operational issues were specifically exempted from the jurisdiction of the Far Eastern Commission, the international supervisory body attached to the occupation. The first U.S. plan for the occupation called for 600,000 troops and anticipated that this would include 315,000 American, 135,000 British Commonwealth, 60,000 Nationalist Chinese, and 175,000 Soviet troops, all under U.S. command.¹² These numbers were later revised, since neither the Soviets nor the Chinese ever contributed forces. In the end, only the countries of the British Commonwealth shared occupation responsibilities. These troops

¹⁰Theodore Cohen, *Remaking Japan: The American Occupation as New Deal*, New York: The Free Press, 1987, pp. 8–10.

¹¹The nomenclature reflected earlier ideas about their probable function. The eight regions are Hokkaido, Kyushu, Shikoku, Tohoku, Kanto, Chubu, Chugoku, and Kinki. Okinawa, Japan's 47th prefecture, was administered separately (as discussed later).

¹²Cohen (1987), p. 60.

began arriving in February 1946; eventually, 45,000 British and Commonwealth troops were assigned duties in and around Hiroshima.

Civil and Economic

It was the view of the U.S. government that Japan surrendered unconditionally by accepting the terms laid out during the Potsdam Conference. Furthermore, while the Japanese government was bound by these terms, Potsdam did not limit the actions the United States could take in carrying out the occupation. The Americans did not recognize any legal constraint on the range and extent of their authority, with the exception of international law governing the proper treatment of civilians. In fact, a message sent from Washington to MacArthur with President Harry Truman's signature reiterated that the authority of both the emperor and the Japanese government was subordinate to him.¹³ The message continued by noting the following:

you will exercise your authority as you deem proper to carry out your mission Since your authority is supreme, you will not entertain any questions on the part of the Japanese as to its scope.

In addition to the Potsdam Conference agreement, MacArthur had two other documents to guide his work. One was the work of the State, War and Navy Coordinating Committee (SWNCC), entitled the "United States Initial Post-Surrender Policy Relating to Japan" (SWNCC 150/4), which outlined an ambitious program of political and economic democratization. The second, JCS 1380/15, remained secret during the early phase of the occupation. It elaborated on SWNCC 150/4 and served as the military directive that guided the occupation's reform program. MacArthur's receipt of this "unexpected and breathtakingly broad" program for democratization caused him to rethink the framework for SCAP's general headquarters. Instead of simply adding a civil affairs section to his general staff, he created a new headquarters, which would exist side by side with the Far East Command. SCAP headquarters was responsible for

¹³DOS (1946), pp. 88–89.

nonmilitary matters, the primary focus of the occupation. It had nine sections, roughly parallel in structure to the Japanese cabinet, and was staffed largely by U.S. civil servants and officers who converted to civilian status. At its peak in 1948, it employed about 3,500 people, although only about one-quarter of them were actively involved in administering the reform program.

In August 1945, MacArthur instructed the Japanese government to establish a liaison office to interact with SCAP headquarters. The Central Liaison Office was established in Tokyo and was staffed by the Foreign Ministry. Liaison offices were also set up in each prefecture to serve the local military government teams. The Central Liaison Office functioned as the primary channel for communication between the SCAP special staff sections and the Japanese government until the office was abolished in December 1947. Thereafter, the staff sections communicated directly with the ministries and agencies they oversaw.

WHAT HAPPENED

Nearly all parties involved have deemed the U.S. occupation of Japan a success, as do those who today enjoy the fruits of those efforts. However, the positive results were not evident overnight, and the immediate effects struck many as chaotic. The occupation, which was presided over by an autocratic U.S. general, arguably had more success at demilitarization and democratization than it did at fostering a truly open and vibrant economic system. Yet, it also turned a former enemy into a reliable ally.

Security

The speed of the Japanese surrender caught the Americans somewhat by surprise. Large numbers of troops were being prepared for the invasion of Japan but were not yet in place. General MacArthur, who had been appointed SCAP with full authority to accept the surrender and direct the occupation, was in the Philippines.

MacArthur initially estimated that he would need between 200,000 to 600,000 troops in the first six months of occupation to pacify and patrol Japan. He requested that the troops planned for the two-

phased invasion of Japan be made available to him for occupation duties. This included the Sixth Army under the command of General Walter Krueger and the Eighth Army under General Robert Eichelberger. The Americans believed that most Japanese soldiers would obey the emperor's order to surrender and cooperate with the occupation authorities. Nonetheless, there was some concern that the occupation forces could meet intermittent and possibly even concerted resistance from dissident elements. MacArthur's initial plan entailed a phased landing of 22 Army divisions and two regimental combat teams plus air and naval units, which would be dispersed over 14 major areas in Japan in sufficient force to quell any attempt to disrupt the occupation.¹⁴

In the two weeks that elapsed between the Japanese acceptance of the surrender terms and the arrival of the occupying force, a newly constituted cabinet under Prime Minister Naruhiko Higashikuni, the emperor's uncle, began the process of demobilizing Japan's army and navy, as stipulated by the Potsdam Conference. Members of the royal family were dispatched to China and elsewhere to oversee the surrender of Japanese troops stationed abroad. The Japanese government also engaged in a public relations campaign to counter pervasive rumors that the U.S. occupying force would be brutal and violent to Japanese civilians. At the same time there were separate reports of Japanese authorities encouraging families to keep their women inside or send them to the countryside prior to the arrival of U.S. forces.

During the last days of August 1945, an advance party from the 11th Airborne Division landed at Atsugi Airport, near Yokohama, where they received a courteous reception from Japanese officials and specially selected troops. Two days later, General MacArthur arrived. On September 1, 1945, the main forces of the U.S. Eighth Army began coming ashore and rapidly took up positions in the northern half of the country, from Nagoya to Hokkaido. On September 4, the Sixth Army began to arrive at the naval port of Sasebo and assumed positions at former Japanese military bases in the southern half of the country. This division of responsibility lasted until January 1946,

¹⁴Howard B. Schonberger, *Aftermath of War*, Kent, Ohio: The Kent State University Press, 1989, p. 48.

when the Sixth Army was deactivated. Okinawa was left under the control of Army Service Command I. At the end of 1945, approximately 354,675 U.S. troops were stationed throughout Japan.¹⁵

Among the first tasks of the occupation were the demobilization and disarmament of the 7 million men in the Japanese armed forces and their successful reintegration into Japanese society. At the request of the Japanese, MacArthur agreed to allow the Army and Navy Ministries, renamed the First and Second Demobilization Ministries, to handle the deactivation of their own forces. In quick succession, the Imperial Headquarters was abolished, the Combined Fleet and the Navy General Headquarters were formally dissolved, and the general headquarters of the army and navy were closed. Demobilization of the Japanese military was completed on October 15, 1945, and the two service ministries were abolished on December 1. By the end of 1945, the Japanese armed forces had ceased to exist. Paramilitary and ultranationalist organizations were also disbanded. Subsequently, demilitarization was enshrined in the new Japanese constitution. Article 9, the so-called "no war" clauses, pledged that Japan renounced war and the threat or use of force as a means of settling international disputes and, therefore, would never authorize the maintenance of land, sea, and air forces or other war potential.

The role of U.S. forces in demobilization and disarmament was to provide oversight and surveillance. Foot and motor patrols conducted surveillance, while intelligence inspection teams searched for concealed arms and munitions. Inventory and disposition teams were established to evaluate; inventory; and, where appropriate, destroy captured weapons and equipment. The Japanese handled the disposal of weapons. Ammunition was dumped into the sea, and equipment and other war material were cut up into scrap under U.S. supervision and turned over to the Japanese government.

By 1947, U.S. policymakers were increasingly concerned about the Soviet Union and the spread of communism in Asia. They began to see Japan as a future ally rather than a former enemy, especially since communism was expanding into neighboring countries, such as China. Pressure began to build on Japan to consider some level of

¹⁵U.S. War Department, Office of the Adjutant General, Machine Records Branch, *Strength of the Army*, Washington, D.C., December 1, 1945.

rearmament. While the JCS did not support full-scale remilitarization, they did advocate increases in civilian and coastal “police” forces to handle domestic security matters. Japanese resistance to this pressure was swept away by the Korean War. In July 1950, the Japanese reluctantly agreed to the U.S. request that they establish a National Police Reserve of up to 75,000 men, which would function as a paramilitary force to fill the vacuum left by the rapid movement of all but one division of U.S. occupation forces to Korea. MacArthur, a staunch proponent of Japan’s demilitarization, now found himself overseeing the creation of a small army.

The war in Korea also served to remove the JCS’s objections to a peace treaty and thus paved the way for the end of the occupation. MacArthur pronounced the aims of the occupation complete in 1947 and began advocating a peace treaty before 1950. Neither his calls nor those of DOS were a consequence of the war in Korea. MacArthur and the DOS had been calling for a peace treaty since 1949 because they believed that the continued presence of U.S. forces in Japanese towns and cities served as an irritant rather than a force for stability. However, the Pentagon and the JCS demanded that Japan accept rearmament and U.S. bases indefinitely in exchange for a peace treaty. In the end, Prime Minister Shigeru Yoshida acquiesced in principle, although he resisted, on economic, political, and philosophical grounds, U.S. demands to create a military force of 300,000 to 350,000 men. In September 1951, the peace treaty and a separate security treaty were signed in San Francisco. In April 1952, Japan regained its sovereignty. The security treaty ensured continued U.S. access to bases in Japan in return for U.S. protection should Japan be attacked.

The peace treaty did not include Japan’s southernmost prefecture of Okinawa, which had been administered separately from the mainland since April 1945. Given its increasingly strategic location, U.S. military policymakers focused on turning the island chain into a major base for the U.S. military in the Pacific. The JCS argued for annexation, while the DOS advocated eventual return to Japan. In 1947, the UN Security Council approved a U.S. trusteeship for an indefinite period that would last until March 15, 1972, when it was returned to Japan.

Humanitarian

Although few U.S. policymakers favored highly vindictive policies toward the Japanese, they initially did not plan to devote much money or attention to alleviating the suffering that most believed Japan had brought upon itself. The first priority of the occupation troops was to aid Allied prisoners of war and foreign internees being held in Japan. On August 25, even before occupation troops came ashore, the U.S. military began dropping relief supplies of food, medicine, and clothing over the camps where the prisoners were being held. In addition, "mercy teams" were organized to accompany the Eighth Army headquarters. They were responsible for interacting with the International Red Cross and the Japanese Central Liaison Office to expedite the release of prisoners and internees and ensure their speedy evacuation. By the end of October 1945, 31,617 American prisoners of war had been freed.¹⁶

The next order of business was to deal with the nearly 7 million Japanese troops, officials, colonists, and merchants who were stranded overseas at war's end. This task was left largely up to the Japanese government, which was also responsible for funding it. Under U.S. naval supervision, the Japanese assembled nearly 400 ships, including 200 liberty ships and landing ship tanks borrowed from the U.S. military, to repatriate these displaced people.¹⁷ The available vessels were small, and the repatriation centers in Japan had limited capacity to absorb returnees. As a consequence, repatriation took more than two years. Between October 1945 and December 1946, over 5.1 million Japanese returned to their homeland. Another 1 million returned in 1947. Of the over 1.3 million soldiers and civilians who surrendered to the Soviet Union in Manchuria and North Asia, 300,000 were never accounted for. Many returnees found their former homes destroyed and their families shattered. Life in the overcrowded repatriation centers was grim. There was little food and medical attention, but for some, there was no other choice.

Koreans, Chinese, and other foreign nationals living in Japan, many conscripted to man mines and other war industries, found themselves adrift. The Japanese government did not consider them citi-

¹⁶Dower (1999), p. 54.

¹⁷Schaller (1985), p. 27, and Dower (1999), pp. 54–58.

zens and thus had made no provision for their support. U.S. troops were called upon to oversee the repatriation centers and ensure that the Koreans, Chinese, and others were fed, controlled, and given medical attention as they awaited transport home. By the end of 1946, 930,000 Koreans had returned, and roughly 60,000 Chinese had returned either to mainland China or to Formosa (Taiwan).

The national food distribution system had totally collapsed, and many faced hunger and starvation. Furthermore, 1945 witnessed the most disastrous rice harvest since 1910, about 40 percent below the normal yield.¹⁸ Although Japanese assertions that 10 million might perish without assistance proved exaggerated, the situation was quite dire.¹⁹ Washington planners, who were aware of their duty to provide for the civilians within their areas of control, recognized that they would have to supply food to Japan for some period of time. But food supplies were severely limited worldwide in 1945, and feeding the Japanese, the former enemy, was a low priority. The military orders governing the U.S. occupation, JCS 1380/15, instructed SCAP to limit Japanese food relief to what was needed to prevent a level of disease and unrest that could endanger the occupying force and interfere with military operations. Imports of fuel and medicine would also be kept at subsistence levels.

MacArthur, worried that his democratization program would be undermined by hunger, lobbied for more substantial assistance, arguing that the United States would have to supply either more food or more forces. He was initially able to supplement the meager supplies with 800,000 tons of surplus military food resulting from the rapid drawdown in occupation forces. His 1946–1947 budget request included \$250 million for food, fertilizer, petroleum products, and medicine, an amount exceeding the combined budgets of the U.S. Departments of Commerce, Justice, and Labor that year.²⁰ He got it.

This food aid saved Japan from acute malnutrition, if not starvation. For many Japanese, particularly young children whose school lunches consisted largely of donated food, this assistance symbolized

¹⁸Dower (1999), p. 93.

¹⁹Dower (1999), pp. 89–97.

²⁰Cohen (1987), p. 144. The figure was \$330 million in 1947–1948 and \$497 million in 1948–1949.

U.S. generosity and wealth. In addition to food releases from military forces, the food aid came primarily from GARIOA and food gifts from Japanese residents in the United States that were sent through Licensed Agencies for Relief of Asia. Occupation authorities in Germany had declined some GARIOA food shipments, which some described as hardly better than cattle feed. Japan, however, was too hungry to do the same. Japanese officials who had considered the GARIOA food an outright gift were somewhat dismayed to receive a bill for \$490 million.²¹ This food aid, together with the chocolate and chewing gum that U.S. soldiers gave away free and the other goods for the troops that found their way onto the black market, imprinted an image of U.S. affluence on the Japanese psyche that they admired and to which they aspired.

The occupation forces were not directly involved in providing shelter for the homeless. In fact, the costs of constructing houses and facilities for the U.S. troops, which the Japanese government was obligated to cover, probably impeded similar construction for the local population.²²

Civil Administration

At the start of the occupation, MacArthur and his SCAP staff faced three critical issues on dealing with the existing Japanese government: (1) how to make use of the existing political and bureaucratic apparatus; (2) how to handle the emperor; and, intertwined with these two issues, (3) how to hold individuals responsible for war crimes accountable. The decisions on these issues would establish the framework within which MacArthur and his staff would conduct their larger mission: demilitarization and democratization.

The postwar status of the emperor and the imperial institution were the focus of particularly intense debates within the U.S. government before Japan's surrender. U.S. experts on Japan argued that retaining the emperor, at least during the initial stages, would be a low-cost, low-risk method of governing. Following a meeting with the emperor on September 27, 1945, MacArthur was also persuaded that retaining

²¹Asahi Shimbun Staff, *The Pacific Rivals*, New York: Weatherhill, 1972, p. 124.

²²Dower (1999), p. 115.

the emperor would facilitate a smooth and successful occupation. Sentiment in the United States, however, was heavily against Emperor Hirohito, since most held him responsible for the war. Many in Japan likewise assumed that he would, and should, be forced to abdicate. To counter such views, SCAP launched a concerted campaign to change the emperor's public image, painting him as a democrat and peacemaker who had been duped by the militarists into waging a war he had not desired.²³ In January 1946, the emperor issued a statement denying he had divine attributes. Subsequently he began touring the country in an orchestrated effort to boost morale and support the objectives of the occupation.

The lack of U.S. personnel with both language and technical capability led to the decision to retain the existing government and give the occupation authorities a supervisory role. MacArthur quickly assembled a staff for this purpose, recruited in part from the demobilizing military occupation.²⁴ By April 1946, SCAP employed 1,550 officers and civilians. In addition, it engaged hundreds of enlisted men, Japanese, and third-country nationals. As mentioned above, staff levels peaked at around 3,500 in 1948. Such a small staff for such a large and complicated nation meant that power and the area of responsibility for each staff member was vast. In the first months of the occupation, SCAP communicated with the Japanese government largely via written directives that laid out, in bold and broad strokes, the tasks they were to accomplish. The details were left up to the bureaucrats to devise and the Diet to debate. SCAP, of course, retained the right to intervene and to push legislation in the desired direction if necessary. The indirect nature of SCAP's exercise of authority masked its true power. In the early years, SCAP staff reviewed all Japanese proposals to ensure compliance with SCAP policy. This iterative decisionmaking process provided the Japanese with an avenue to influence the final outcomes and, as the occupation progressed, to obtain considerable and increasingly cordial access to various levels of SCAP. After the initial reforms were implemented in mid-1947, MacArthur encouraged the Japanese gov-

²³Tetsuya Kataoka, *The Price of a Constitution: The Origin of Japan's Postwar Politics*, New York: Crane Russak, 1991, p. 26. Bonner E. Fellers, MacArthur's military secretary and chief of his psychological-warfare operations, was a key proponent of this view.

²⁴For details on the staffing of SCAP, see Cohen (1987), pp. 103–107.

ernment and agencies to reassume the normal powers of government for all domestic affairs, with the exception of the economy. The Japanese bureaucracy emerged stronger than ever. It was the one group among the political elites whose power grew both through the war and the occupation.

These two decisions—to retain the emperor and to rely heavily on the existing bureaucracy—necessitated that both escape responsibility and punishment for their roles in the conduct of the war. These decisions would have profound implications for the type of democracy SCAP set about to instill.

Following the precedent established at Nuremberg to hold individual leaders responsible for war crimes, the occupation authorities rounded up the leading suspected war criminals throughout the fall of 1945 in preparation for the Tokyo War Crimes Trials.²⁵ Former Prime Minister Hideki Tojo and 24 other prominent Japanese men were designated Class A criminals and were accused of crimes against peace and humanity. Representatives of all 11 Allied powers who fought against Japan sat in judgment, but the single chief prosecutor, an American, created the impression that the United States was in control. The process and procedures of the Tokyo Trials were exactly the same as those at Nuremberg. The nature of the defendants and their crimes, however, differed to such an extent that one historian has termed the Tokyo Trials “a murky reflection of its German counterpart.”²⁶ Japan had no counterpart to the Nazi party, the Gestapo, or the SS—the Nazi party units in charge of central security and mass extermination. Japan had not operated death camps, although its treatment of prisoners of war was notorious. Nonetheless, after trials lasting nearly three years (three times longer than Nuremberg), all were found guilty by majority verdict. Unlike at Nuremberg, there were no acquittals.²⁷ Seven were hanged, and the rest received long prison sentences.

But the fact that the emperor was never brought to trial undermined the credibility of the proceedings in the eyes of many observers,

²⁵Formally known as the International Military Tribunal for the Far East.

²⁶Dower (1999), p. 449.

²⁷For more on comparisons between Tokyo and Nuremberg, see Dower (1996), Ch. 15.

especially since the war was waged in his name. In the end, none of those imprisoned served out their terms. Five died in prison, and the remainder were released. About 5,700 individuals were indicted for Class B and Class C crimes at trials convened by the British, U.S., and Philippine governments across Asia. The United States tried 46 soldiers, mostly for crimes against prisoners, 41 of whom were sentenced to death. By the time the trials were largely completed, in October 1949, a total of 4,200 Japanese had been convicted of war crimes.²⁸

A related aspect of democratization was ridding Japan of those who had been important proponents of militarism and aggression. The first in a series of purge orders targeting politicians, bureaucrats, police, and military officers was issued by SCAP on January 4, 1946. To the dismay of the Japanese authorities who implemented it, the purge was categorical rather than personal—based on wartime position, not actions. It targeted those in designated organizations, including wartime cabinet ministers and other high public officials; the Special High Police; governors of occupied territories; members of the ultrarightist Military Virtue Society; and officials of the Imperial Rule Assistance Society, an umbrella organization created midway through the war to unite all political forces behind the emperor. All those in leadership positions within these groups were removed from their positions and barred from participating in public life. The purge eventually affected 210,000 Japanese (0.29 percent of the population). This was much lower than the purges in Germany, which affected 2.5 percent of the German population. Over 167,000 (80 percent) of those purged were officers in the military.²⁹ The next-largest category consisted of politicians, which included 34,892 people (16.5 percent of the total). Many well-known conservative politicians fell victim to the first purge, including Ichiro Hatayama, who was purged the day he was recommended as the next prime minister. Nonetheless, the purges did not seriously undermine the strength of conservative political forces that continued to control the

²⁸Alden (1950), p. 310.

²⁹Schonberger (1989), p. 61.

Diet and the cabinet throughout most of the occupation.³⁰ Bureaucrats, responsible for its implementation, largely escaped the purge. The 1,809 bureaucrats who were eventually purged represented less than 1 percent of the total.

In contrast, the trials in Germany focused more heavily on the civilian party officials and politicians than in Japan. Although allied intentions to purge the bureaucracy were also trimmed in Germany, the results went much deeper than in Japan. Moreover, beginning in 1949, MacArthur authorized the Japanese government to review the purges of 1946 and 1947. By 1951, most of those who had been purged had regained their political rights, though the majority did not return to their former positions of influence. Finally, the purge program was countermanded after the peace treaty was signed between the United States and Japan. The Japanese government immediately released those still in prison with time served.

One final area of civil administration was the thorough reorganization of the police. The SCAP Civil Liberties directive of October 4, 1945, led to the dissolution of the Special Higher Police, which had been responsible for enforcing restrictions on speech and thought. Its members were rendered ineligible for other public office. The Home Ministry and the national police were purged of militarists, and, to allow the unfettered growth of unions, police were banned from interfering in labor affairs. The Home Ministry, which had directed an extensive network of repressive police forces, was abolished in 1947, and the police were reorganized as a decentralized force. The Japanese government fought decentralization, arguing that the national police force was the “only stabilizing influence available to the Japanese government” and envisioning an increase in police strength from 94,000 to 125,000.³¹ But SCAP's Government Section and military intelligence overruled them. Decentralization of the police, while successful in many ways, left Japan without a domestic force capable of responding to large-scale internal unrest

³⁰Hans Baerwald, “The Purge of Japanese Leaders Under the Occupation,” in Jon Livingston, Felicia Oldfather, and Joe Moore, eds., *Postwar Japan: 1945 to the Present*, New York: Pantheon Books, 1974, pp. 36–42.

³¹Kurt Steiner, “Occupation Reforms in Local Government,” in Livingston, Oldfather, and Moore (1974), p. 48.

until the formation of the National Police Reserve in 1950. The police were recentralized at the end of the occupation.

Democratization

Taking their direction from the Potsdam Conference agreement and other formal guidance documents, General MacArthur and his staff assumed the task of demilitarization and democratization with what is often described as messianic zeal. The key tasks in the political sphere were seen as (1) reform of the political system, beginning with the constitution, and (2) reform of the education system. The powerful SCAP Government Section, headed by Major General Courtney Whitney, directed these changes. MacArthur's personality loomed large over everything.

The Civil Liberties Directive of October 4, 1945, called for the release of political prisoners; the removal of limits on freedom of speech and assembly; and, as mentioned above, the abolishment of the Home Ministry. The Higashikuni cabinet resigned rather than implement the directive, which the members believed exceeded SCAP's authority. But the new cabinet quickly acquiesced. These freedoms set the stage for the revision of the Meiji Constitution of 1889. This task was initially left in the hands of the Japanese government, but SCAP found its proposed revisions unsatisfactory. On February 3, MacArthur directed the SCAP Government Section, under General Whitney, to draft a constitution to guide the Japanese cabinet in its efforts. He urged extreme haste and secrecy because he wanted to go public with a Japanese-endorsed draft before the newly established Far Eastern Commission, the international advisory board attached to the occupation, which had been given jurisdiction over constitutional issues, convened in late February. The Government Section completed the entire document in two weeks and presented a draft to the Japanese on February 19.

The SCAP draft reduced the emperor from a sovereign to a mere symbol of the Japanese state and placed the Diet, as representatives of the will of the people, at the center of national sovereignty. Equal rights were also granted to women with regard to property, marriage, inheritance, and other aspects of family life. The most innovative aspect of the constitution was Article 9, which required the full and complete disarmament of Japan and the renunciation of war. The

Japanese eventually accepted this hastily written and poorly translated document, as did the Far Eastern Commission, after suggesting minor revisions. On March 6, 1946, General MacArthur announced that the emperor and the government of Japan were presenting a new constitution to the Japanese people. Its SCAP origins were deliberately kept quiet, but the awkward phrasing of the document made the secret hard to keep. Constitutional revision became a topic of fierce debate almost immediately, but many embraced this constitution despite its foreign origins, and, most remarkably, the document has never been amended.

In December 1945, the election law was revised to give women the right to vote, a move MacArthur viewed as a sure brake on the revival of militarism, and to lower the voting age from 25 to 20. The first elections were held on April 10, 1946, seven months after the beginning of the occupation; 363 "parties" participated, and 2,770 candidates vied for 466 seats in the House of Representatives. Of those elected, 377 were first-time members and 133 were representatives of minor parties or had run as independents. In addition, 39 female members were elected. The turnout rate was 78.52 percent for men and 66.97 percent for women.³² Conservative parties retained their control and created a cabinet under Prime Minister Shigeru Yoshida. A second election for both the Lower and the newly reconstituted Upper House, as well for local assemblies and executives, was held a year later, in April 1947.

Another essential component of democratization and demilitarization was educational reform. Early efforts focused on removal of all traces of emperor worship (State Shinto) and militarism from the classrooms and curriculum. Lacking funds and time to replace textbooks, teachers and students were directed to rip out or line through offending language. Saluting the flag, singing the national anthem, and bowing to the emperor's portrait were prohibited. Local U.S. "military government" teams were dispatched to schools in their districts to ascertain that these SCAP directives were being carried out. Decentralization of education was viewed as essential to permanent removal of the ability of the government to indoctrinate Japanese students in the narrow form of Japanese nationalism that

³²*Asahi Shimbun* Staff (1972), p. 126.

was believed to have sustained support for the war. The Board of Education Law, passed in July 1948, freed education from the direct control of the Ministry of Education and vested authority in the hands of local school boards. SCAP also reformed the elementary and secondary school system along U.S. lines and extended compulsory (and free) education from six to nine years.

The original planners had envisioned an occupation lasting about three years. By early March 1947, General MacArthur believed that the military objective to ensure that Japan would never again menace international security had been achieved and that a framework had been established for a new democratic system. He advocated that work begin on a peace treaty. However, the beginning of the Cold War and Soviet insistence on being given a say in the content of the peace treaty prevented further progress, and the U.S. occupation continued.

Reconstruction

Efforts to restructure the Japanese economy were perhaps the single most controversial issue of the occupation.³³ Debates over the proper course pitted planners in Washington—who wanted to democratize the economy by freeing labor unions, destroying the ability of Japan to produce weapons and war materials, and giving peasants title to their land—against conservatives who argued that Japanese capitalists ought to be allowed to participate in the economic recovery of their country. The political clout of these two opposing forces would shift over the course of the occupation. In the initial phase, MacArthur and his staff focused their efforts on the democratization of economic opportunity. The goal was to provide the 80 percent of the population that had previously lacked an economic stake in the nation a reason to support the democratic status quo. U.S. policy was hands-off with regard to economic reconstruction. Economic controls were to be left solely in the hands of the Japanese, and SCAP's role in economic stabilization was to direct the Japanese government to make "every feasible effort" to curb the rampant inflation that massive printing of money at war's end had caused.

³³See Schaller (1985), pp. 30–41.

The SCAP Economic Scientific Section was entrusted with carrying out the economic elements of the occupation. Headed by General William F. Marquat for most of the occupation, the organization was responsible for a broad range of economic functions that had taken three offices to cover in Germany. The main tasks were dissolving the large business combines (*zaibatsu*) that dominated the economy, expanding workers' rights, and instituting a comprehensive land reform. Reparations and a purge of the economic decisionmakers who had been instrumental to the war effort were also mandated.

JCS Directive 1380/15 instructed SCAP to seek both economic disarmament and reparations, but the drive to extract reparations emanated from Washington. In April 1945, President Truman created a special reparations committee, headed by Edwin Pauley, to implement industrial reforms in Germany and Japan. Pauley's goal was to use reparations to rectify economic imbalances between Japan and its former colonies and to remedy past abuses.³⁴ He urged MacArthur to rapidly begin a program against the *zaibatsu* to seize their excess capacity, but MacArthur opposed any mandated program, and a deadlock ensued. In April 1947 SWNCC directed SCAP to distribute some 16,000 machine tools to Japan's Asian claimants. This was seen as a down payment on the final settlement, but in the end, it represented the entire reparations program.³⁵ Identifiable looted property was returned to the original owners. Capital equipment from designated government arsenals was divided and distributed among certain Allied powers, in line with the U.S. interim directive. Some small Japanese naval vessels were also transferred. Further reparations were halted in May 1949 because they would have interfered with Japanese economic recovery.³⁶

Perhaps the most controversial aspect of the economic reform program was the economic purge. SWNCC 150/4 applied the purge to "active exponents of militant nationalism and aggression." Paragraphs 23 and 40 of JCS 1380/15 mandated a purge of those in "positions of important responsibility or influence in industry, com-

³⁴Schaller (1985), p. 38.

³⁵Schaller (1985), p. 38.

³⁶Alden (1950), p. 310.

merce, and agriculture.”³⁷ SCAP staff charged with designing and implementing the economic purge puzzled over how to apply these broad directives fairly and appropriately. Fear that applying the purge too rigorously would disrupt efforts to rebuild the economy also stymied the Economic Scientific Section’s efforts. In the end, MacArthur shifted responsibility for the purge to the Government Section and withstood a concerted assault from U.S. businessmen and the U.S. press to see it through. The economic purge affected only 1,898 members of the business elite and had no discernible effect on industrial production.

The Initial Post-Surrender Policy for Japan announced that Washington favored “a program for the dissolution of the large industrial and banking combinations which have exercised control over a great part of Japan’s trade and industry.” JCS 1380/15 directed SCAP to work through the Japanese government to implement this. It was argued that the *zaibatsu* had suppressed domestic consumption with low wages, and in their search for cheap raw materials and foreign markets, had supported overseas aggression. The continued overconcentration of economic wealth and power in the hands of a few families was perceived to be antidemocratic and dangerous. For the first 18 months of the occupation, Washington regarded the breakup of the *zaibatsu* holding companies as critical to the reconstruction of Japan. The top four *zaibatsu* and the Japanese government worked out a deconcentration plan in October 1945 and presented it to MacArthur, who approved it.

The plan dissolved the *zaibatsu* holding companies but left the operating subsidiaries intact, along with their interlinking managements and financing. The SWNCC and others in Washington, unhappy with the limited nature of the proposal, lobbied for the formation of an expert mission to devise a more far-reaching plan. The mission, led by economist Corwin Edwards, toured Japan in early 1946. Its final report advocated the sale of any large-scale diverse enterprise to small- and medium-sized entrepreneurs, investors, consumer cooperatives, or trade unions to lay the groundwork for the development of a Japanese middle class and democratic capitalism. By the time the report wound its way through the Washington bureaucracy,

³⁷For an in-depth discussion of the economic purge, see Cohen (1987), Ch. 9.

however, the political climate had changed. MacArthur supported efforts to break up the *zaibatsu*, but Washington was more concerned with countering communism and promoting economic recovery.

In the end, 83 *zaibatsu* were broken up into their component parts, and antimonopoly laws were passed to prevent their reestablishment. But their financial linkages were left intact, and action against 1,200 other companies was abandoned. The end result of this process was somewhat ambiguous. The breakup of the family-owned *zaibatsu* helped share the wealth and spur the creation of many new companies, which in turn created greater wealth and led to a more-competitive domestic economy. On the other hand, the process did not eliminate all anticompetitive practices. Private industries seeking to strengthen their positions organized into loose groups known as *keiretsu*, which were distinguished by ties to a lead bank and the cross-holding of each others' shares. In an effort to foster rapid industrial development, the Ministry of International Trade and Industry allowed, and in some instances encouraged, such anticompetitive practices as supplier discrimination, industry price-fixing, production limits, and export quotas.

Another major focus of economic democratization efforts was the enactment of laws that gave labor the right to organize, as well as other protections. The Civil Liberties directives of October 4, 1945, eliminated some of the greatest barriers to organizing unions in Japan. MacArthur subsequently ordered the Japanese government to draft legislation to protect the rights of Japanese wage earners, in line with a SWNCC directive. The resulting Trade Union Law of December 1945 had some serious limitations, but it guaranteed workers the right to organize, to bargain collectively, and to strike.³⁸ In less than a year, almost 13,000 enterprise unions with 3.8 million members had been organized. By March 1949, 7 million workers—over 50 percent of the labor force—belonged to unions.³⁹ Trade unions immediately used their new freedoms to organize and agitate for change through the political process. This invigorated Japanese democracy but did not contribute to political or economic stability. Left-wing political

³⁸Schonberger (1989), p. 114.

³⁹Schonberger (1989), p. 115.

parties embraced the labor unions, and some were infiltrated by communists.⁴⁰

For instance, the Japanese Council of Industrial Unions (*Sanbetsu*), which was organized in April 1946 as a federation of 21 national industrial unions and claimed a membership of 1.5 million, was known to have ties to the Japan Communist Party. As policymakers in Washington became increasingly nervous about the spreading influence of communism, SCAP officials attempted to rein in the increasingly left-leaning and activist unions. When officials of the well-organized government workers union called for a general strike on February 1, 1947, MacArthur intervened and demanded they call it off. This action is widely regarded as the beginning of the “reverse course,” in which economic stability took precedence over democratization and demilitarization.

One of the most dramatic and sweeping reforms of the economic democratization period was the land reform instituted in 1946–1947. It was designed to undermine the political and economic power of landlords, who were viewed as the bulwark of feudalism and militarism. Land reform, it was believed, could ease the economic consequences of immediate demobilization and reduce future agrarian unrest among poor tenant farmers and small landholders. It gave farmers a stake in the preservation of the emerging democratic status quo. Approximately 70 percent of Japan’s farmers rented part of the land they cultivated, and about 50 percent rented more than half.⁴¹ In light of this situation, land reform had previously been contemplated in Japan, and SCAP found willing allies within the Ministry of Agriculture and Forestry. Landlord influence in the Diet, however, had weakened the first Japanese attempt at reform in November 1945. When the bill finally passed, SCAP found it insufficient and set it aside. A reworked SCAP-sponsored bill, passed in October 1946, became the major land-reform legislation of the occupation. Absentee landlords were required to sell their land to the government. The land could be bought at a fixed price, with tenants

⁴⁰For details on the emergence of labor as a political force in Japan, see Cohen (1987), Chs. 11, 14, and 15.

⁴¹Cohen (1987), p. 65.

allowed to pay in installments over 30 years at a low rate of interest.⁴² In a program that SCAP carefully monitored, redistribution took place in 1947 and 1948 with little incident. The percentage of owner-operated land rose from 54 percent in 1947 to 90 percent in 1950. The share of farmers who owned their own land rose from 38 percent to 70 percent of the total during this period. Land reform was completed in 1950. Even today, land reform is seen as the single most important factor for quelling rural discontent and promoting political stability in the early postwar period.

By 1948, U.S. taxpayers were beginning to perceive the costs of continued occupation to be an unnecessary and unsustainable burden. Early in 1948, during the same period that the U.S. Congress was debating the Marshall Plan, the U.S. government decided that it would be more economical in the long run to encourage, and even fund, Japan's economic recovery.⁴³ But to obtain maximum benefit from the funds to be appropriated for recovery, Japan's economy would have to be "stabilized," and inflation would have to be tamed. On December 10, 1948, the U.S. government issued an interim directive to SCAP instructing MacArthur to direct the Japanese government to undertake an economic stabilization program designed by Detroit banker Joseph Dodge. Its principal component was to balance the consolidated budget, which had been in substantial deficit. This very tough program prohibited any expenditures for which there was no proof of sufficient revenue to cover the costs incurred. The Japanese government was prohibited from providing any new subsidies. The Dodge plan, launched in 1949, was followed by massive layoffs of government and industrial employees; increased taxes; wage freezes; higher prices for rice, transportation, and other government-subsidized goods and services; and reduced public services. The immediate effect was a wave of strikes, demonstrations, and sabotage.

This economic recovery program had made significant progress by the mid-1950s. But serious problems in the expansion of Japan's international trade and restriction of its external activities because of the absence of a peace treaty undermined efforts to achieve a self-

⁴²Cohen (1987), p. 65.

⁴³Alden (1950), p. 308.

supporting economy.⁴⁴ The lack of trade with China was particularly devastating. Ultimately, U.S. orders for military supplies to support the Korean War provided the Japanese economy with the boost in external demand needed to accelerate economic growth. During 1951 and 1952, U.S. military purchases of Japanese products amounted to nearly \$800 million per year. By the end of 1954, these purchases totaled nearly \$3 billion.⁴⁵ This military spending benefited nearly every sector of the economy, from vehicle manufacturing to textiles. Occupation-engineered economic reforms had created the necessary conditions for this stimulus to have its desired effect.

LESSONS LEARNED

The reconstruction efforts the United States undertook in Japan were remarkably successful. In comparison to the German case, Japan's transformation was quicker; smoother; and, in many ways, easier than Germany's, although in the end Japan was less integrated with its neighbors. The experience yielded a number of important lessons:

- Democracy can be transferred to non-Western societies.
- How responsibility for the war is assigned can affect internal political dynamics and external relations for years to come.
- Co-opting existing institutions can facilitate nation-building better than building new ones from scratch.
- Unilateral nation-building can be easier than multilateral efforts.
- Concentrating the power to make economic policy decisions in the hands of a single authority can facilitate economic recovery.
- Delegating implementation of economic policy decisions to local governing elites, with their own priorities, can significantly dilute the effectiveness of changes.
- Idealistic reforms designed for the long-term improvement of the recipient nation must sometimes give way to the immediate, global concerns of the occupying power.

⁴⁴Alden (1950), p. 311.

⁴⁵Schaller (1985), p. 288.

Germany's post-World War II democratization was facilitated by the fact that Germans already had significant experience with democracy, were surrounded on at least three sides by well-established democracies, and were soon integrated into a dense network of democratically based international institutions, such as NATO and the European Coal and Steel Community. These opportunities did not emerge for Japan. Despite the absence of a long democratic history and the existence of an authoritarian culture, nation-building in Japan was successful. The speed and relative ease of the Japanese transformation had two primary causes: the U.S. decision to co-opt Japanese institutions and the unilateral process of nation-building.

First, the U.S. occupation authorities retained and adapted existing Japanese institutions. The paucity of U.S. personnel with both language and technical capabilities led MacArthur and his SCAP staff to retain the existing Japanese government and give the occupation authorities a supervisory role. Indeed, U.S. authorities made use of the existing political and bureaucratic apparatus rather than rebuild Japanese institutions from scratch, although they did engineer the drafting of a new Japanese constitution, reorganize the police, and purge some in leadership and key administrative positions. The occupation was managed through a fully articulated Japanese government, ranging from the emperor to the prime minister, ministries, parliament, and courts. This starkly contrasted with Germany, where most such institutions were abolished and then rebuilt from scratch.

Second, occupation authority was centered in one nation and, indeed, one man: Douglas MacArthur. This made the reconstruction process less troublesome than in Germany, since neither MacArthur nor SCAP were obligated to consult with other countries. The two most important international bodies for oversight and consultation, the Far Eastern Commission and the ACJ, had little power. Unilateralism allowed U.S. authorities to spend more time and energy overseeing reconstruction and less effort forging a consensus among partners. At the same time, however, the failure to involve any of Japan's neighbors and former enemies in its transformation contributed to a lack of regional reconciliation. None of these nations was involved in the reconstruction process and none has yet been fully reconciled to the reemergence of a prosperous and powerful postwar Japan. Indeed, the Japanese were not forced to break

with their recent past as thoroughly as were the Germans. In addition, the decision to absolve the emperor in whose name the war was fought of all responsibility leaves the Japanese today somewhat less reconciled with their history, less ready to admit their war guilt, and consequently less reconciled with their neighbors than are the Germans.

The concentration of power in a single authority, SCAP, permitted more-consistent and -dramatic economic policy changes than in Germany, where economic policymaking authority was divided across the four zones the occupying powers ruled. In Japan, SCAP pushed through a land reform that destroyed the power of the landholding classes and made the peasantry property owners. SCAP also greatly expanded workers' rights and forced through the dissolution of the large business combines (*zaibatsu*) that had dominated the economy.

From the beginning, there was some tension between the U.S. policymakers who advocated the democratization of economic opportunity and those who favored working with existing economic elites to bring about a quick economic recovery. Many of the actions SCAP initially took—breaking up the large land holdings, granting workers more rights and powers, and dismantling the largest industrial conglomerates—seemed designed to impede rather than foster economic reconstruction. Eventually, U.S. global interests trumped the desires of SCAP reformers. The fall of the Chinese nationalists and the growing recognition that Japan could be a good ally in the fight against communism led to a shift in emphasis within the U.S. government toward policies that would promote Japanese economic self-sufficiency and contributed to the consolidation of political and economic power in Japan by the conservatives.