

## 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
- stable

## Content Vocabulary

- occupied
- state capitalism

## TAKING NOTES

## Key Ideas and Details

**Organizing** 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

## IT MATTERS BECAUSE

*Japan made a dramatic recovery, transforming itself from the ruins of war to an industrial power. The “Asian tigers” imitated Japan’s success and became industrial powerhouses.*

## The Transformation of Japan

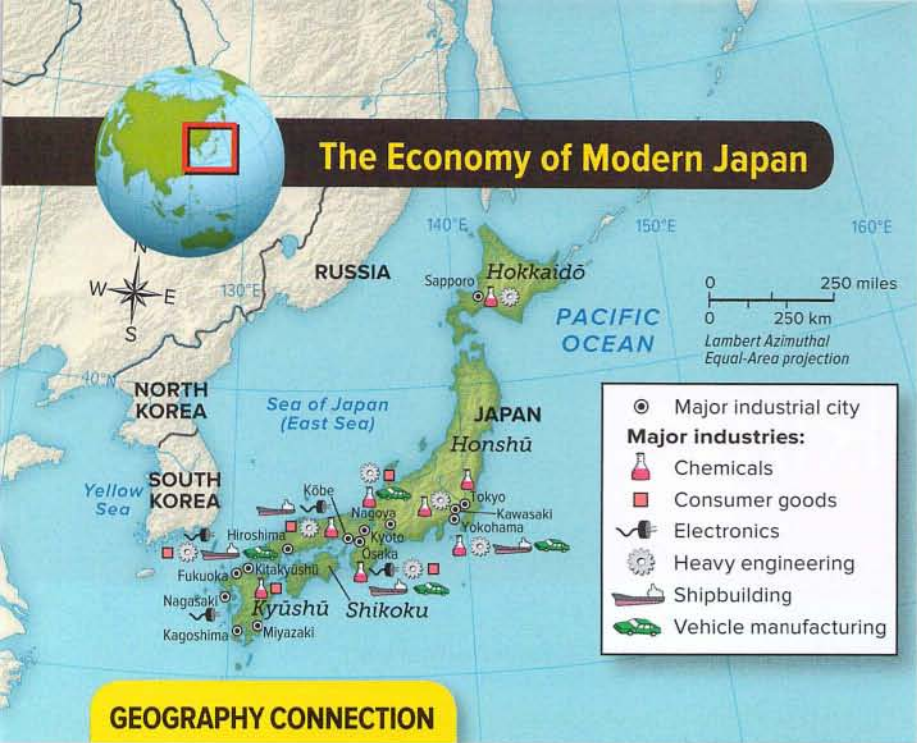
**GUIDING QUESTION** *How was Japan transformed after World War II?*

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

From 1945 to 1952, Japan was **occupied** by Allied military forces under the command of U.S. General Douglas MacArthur. Under his firm direction, Japanese society was remodeled along Western lines. A new constitution renounced war as a national policy. Japan agreed to **maintain** armed forces sufficient only for self-defense. The constitution established a parliamentary system and reduced the power of the emperor (who was forced to announce that he was not a god). It guaranteed basic rights and gave women the right to vote.

On September 8, 1951, a peace treaty restored Japanese independence. Since then, Japan has emerged as an economic giant. The country’s dramatic recovery from the war has been described as the “Japanese miracle.” How did the miracle occur?

Modeled on the U.S. Constitution, Japan’s new constitution guaranteed basic civil and political rights, and it called for universal suffrage and a balance of power among the executive, legislative, and judicial branches of government. However, it retained some of Japan’s nineteenth-century political system under the Meiji. An example involves the distribution of political power. Japan has a multiparty system with two major parties—the Liberal Democrats and the Socialists. In practice, however, the Liberal Democrats have dominated the government. A few party leaders decided key issues such as who should be the prime minister.



The central government plays an active role in the economy. It establishes price and wage policies and subsidizes vital industries. This government role is widely accepted in Japan. Indeed, it is often cited as a key reason for the efficiency of Japanese industry and the emergence of Japan as an industrial giant. Japan's economic system has been described as **state capitalism**.

During their occupation of Japan, Allied officials had planned to dismantle the business conglomerations known as the *zaibatsu*. But with the Cold War, the policy was scaled back. Only the 19 largest companies were affected. Also, the policy did not keep companies from forming ties with each other, which basically gave rise to another *zaibatsu* system.

## GEOGRAPHY CONNECTION

Japan has one of the world's largest economies.

- 1 ENVIRONMENT AND SOCIETY** How has Japan's geography influenced its economy?
- 2 HUMAN SYSTEMS** What do you think are Japan's major exports and imports?

**occupied** held by a foreign power

**maintain** to keep in an existing state of repair or efficiency

**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

The occupation administration had more success with its land-reform program. Half of the population lived on farms, and half of all farmers were tenants of 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 was one-third that of Great Britain or France. By the 1980s, it was larger than both combined. After several decades of impressive growth, Japan was considered a model of economic success.

During the occupation, Allied planners tried to eliminate the aggressiveness that had been part of Japanese behavior. A new educational system stressed individualism and removed references to patriotism and loyalty to the emperor. Efforts to remake Japanese behavior through laws were only partly successful, however. Many characteristics of traditional society have persisted. Emphasis on the work ethic, for example, remained strong. The tradition of hard work is stressed in the educational system.

Women's roles are another example of the difficulty of social change. After the war, women gained the vote and were encouraged to enter politics. However, the subordinate role of women has not been eliminated. Women are legally protected against discrimination in employment, yet very few have reached senior levels in business, education, or politics. Most women are employed in retail or service occupations. Also, their average salary is only about 60 percent that of men.

## READING PROGRESS CHECK

**Hypothesizing** How did the Japanese "miracle" occur?

## The "Asian Tigers"

**GUIDING QUESTION** What changes did the Asian Rim countries experience after World War II?

Sometimes called the "Asian tigers," South Korea, Taiwan, Singapore, and Hong Kong have imitated 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.

In 1953 the Republic of Korea (South Korea), was under the dictatorial president Syngman Rhee. Rhee ruled harshly. In the spring of 1960, demonstrations broke out in Seoul. Rhee was forced to retire. A coup d'état in 1961 put General Park Chung Hee in power. Two years later, Park was elected president and began to strengthen the South Korean economy. South Korea gradually emerged as a major industrial power in East Asia. The key areas for industrial development were 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, after his assassination, democratic elections were restored by the early 1990s.

Defeated by the Communists, Chiang Kai-shek and his followers established their capital at Taipei on Taiwan. Chiang Kai-shek said that the Republic of China was the legitimate government of all Chinese people. Of course, the Communist government on the mainland claimed to rule all of China, including Taiwan. With the protection of American military forces, Chiang Kai-shek's regime focused on economic growth with no worries about a Communist invasion.

Making good use of foreign aid and the efforts of its people, the Republic of China built a modern industrialized society. A land-reform program, which put farmland in the hands of peasants, doubled food production. Local manufacturing and commerce also expanded. Prosperity did not at first lead to democracy. Chiang Kai-shek ruled by decree and did not allow new political parties to form. After his death in 1975, the Republic of China slowly moved toward a more representative form of government.

Singapore, once a British colony and briefly a part of the state of Malaysia, is now an independent state. Under the leadership of Prime Minister Lee Kwan Yew, Singapore developed a free-market economy based on banking, shipbuilding, oil refineries, and electronics. The authoritarian political system created a **stable** environment for economic growth. Its citizens, however, began to demand more political freedoms.

Like Singapore, Hong Kong became an industrial powerhouse with high standards of living. Having ruled Hong Kong for more than 150 years, Great Britain returned control of Hong Kong to mainland China in 1997. China, in turn, promised that, for the next 50 years, Hong Kong would enjoy a high degree of economic freedom under a capitalist system.



▲ The busy port of Singapore, full of containers and container ships, is an international trading hub.

**stable** not changing or fluctuating; steady

#### ✓ READING PROGRESS CHECK

**Comparing** During the initial post-World War II period, in what ways were the “Asian tigers” similar?

## LESSON 3 REVIEW

### Reviewing Vocabulary

1. **Gathering Information** Why was Japan allowed to maintain its armed forces?

### Using Your Notes

2. **Making Connections** Use your notes to identify how South Korea, Taiwan, and Singapore grew their economies after the war.

### Answering the Guiding Questions

3. **Identifying** How was Japan transformed after World War II?

4. **Making Generalizations** What changes did the Asian Rim countries experience after World War II?

### Writing Activity

5. **Informative/Explanatory** Do additional research on Japan and the “Asian tigers” and explain in an essay why these countries have been so successful.