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The Role of Philanthropy in Postwar U.S.-Japan Relations, 1945–1975: An Overview

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This study, "The Role of Philanthropy in Postwar U.S.-Japan Relations," was conceived to address the lack of any systematic analysis of the impact that American foundations had on the U.S.-Japan relationship in the postwar period. While some people were aware that American foundations contributed to rebuilding U.S.-Japan relations after the bitter and devastating war, they would usually point to just a few prominent anecdotal episodes. However, based on my own experience in building and sustaining the Japan Center for International Exchange (JCIE) over the past three and a half decades, through which I had the pleasure of personally working with and receiving critical support from a number of American foundations, I believed that the story went much deeper.

The first decision that had to be made was the time frame of this study and dialogue project. We decided to focus on the period from 1945 to 1975 in part because the American philanthropic activities during that period were more focused on rebuilding the U.S.-Japan relationship, and in part because the dialogue and research activities around that period were more bilaterally focused. By the mid-1970s, Japan had achieved a high level of economic development and, with the concomitant growth of societal pluralism, the impact of U.S. philanthropy on U.S.-Japan ties was becoming less distinct as diverse factors impinged upon the relationship. Similarly, Japan's external relationships had by then become

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more diversified, moving beyond the almost exclusive emphasis on the U.S.-Japan relationship that marked the immediate postwar period.

We also needed to define the fields on which our research would concentrate in order to ensure that the project would meet its goals. We had to determine what type of information we could realistically obtain given the resources we had available, what fields were most critical to the rebuilding of the bilateral relationship, and in which fields American philanthropy contributed most. After some debate, we determined that we would focus primarily on foundations that supported activities related to international exchange, education, and civil society. We did not include charitable or other giving by religious organizations, which we felt was somewhat different in nature and motivation from grantmaking by private foundations. We also did not explore funding in the medical or natural sciences or support for the arts unless it was given by a foundation that was also involved in our primary areas of focus. Based on these decisions, our research focused primarily on the Rockefeller Foundation, the Carnegie Corporation of New York, the Ford Foundation, the philanthropies of John D. Rockefeller 3rd, the Asia Foundation, the Rockefeller Brothers Fund, and the Andrew W. Mellon Foundation, although the chapters refer to several other funders as well.

This project has been truly evolutionary in character. It brought together researchers for workshops and seminars, where they reflected on their findings and interacted with one another and with those who actually were involved in postwar philanthropic activities. As they did so, new lines of inquiries were suggested. These various inquiries are reflected in the chapters contained in this volume. What comes through in the end, however, is a clear recognition by the authors that U.S. philanthropy unquestionably contributed to the rebuilding and strengthening of the U.S.-Japan relationship in a unique and critical way. And what enabled it to be effective was the legacy of Japanese philanthropy and the ability of individuals and organizations in Japan to absorb the funding and put it to good use.

THE IMPACT OF U.S. PHILANTHROPY ON POSTWAR U.S.-JAPAN RELATIONS

Following World War II, the United States and Japan faced the monumental task of rebuilding a relationship between two nations that had waged a brutal war, costing millions of human lives. While American philanthropy of course represents only one element in the effort to bridge the postwar divide, this project has clearly shown the tremendous, and largely overlooked, contribution made by those institutions and individuals. According to the data compiled by our research team on American foundation giving during the period of 1945–1975, it is estimated that the funders examined in this study provided in the range of $55 million–$60 million for Japan-related activities and institutions.[1] Generally speaking, this was not for relief or reconstruction of Japan's physical infrastructure (which were more expensive undertakings), but rather for the "soft" side of the equation—education, exchange, human resource development, research, and so on. The enormity of foundation giving during this period is truly impressive when one considers the exchange rate at the time and the relative purchasing power of those dollars in Japan in the early postwar period. Making the size and scope of funding even more remarkable is the fact that there were fewer than ten American foundations actively involved in such grant making during the period of 1945–1975. Though the magnitude of funding spent on a certain purpose should not by itself be a criterion for judging the impact generated by such spending, it must be recognized that a critical mass of funding is often essential in achieving certain goals.

In her keynote speech at the project's October 2004 conference in Tōkyō, Susan Berresford, president of the Ford Foundation, discussed the experience of her foundation in conflict and post-conflict situations in the contemporary setting, and she emphasized the need for strategic giving that moves beyond traditional charity. It is precisely that type of strategic orientation that we discovered in this project. A small group of American foundations were guided by a long-term perspective and a strong sense of purpose in the immediate postwar period. And while the scope of U.S. philanthropic giving in the immediate postwar era was substantial, their strategies emphasized a few common approaches: (1) promoting mutual understanding, (2) promoting intellectual exchange, and (3) supporting institution building.

PROMOTING MUTUAL UNDERSTANDING

As detailed in the chapter by Kimberly Gould Ashizawa on Japanese studies in the United States, of the diverse efforts to improve the

U.S.-Japan relationship in the postwar era, none received more funding than the promotion of Japanese studies in the United States. Ashizawa notes that, of all of the Japan-related grants that our research team was able to identify from 1945 to 1975, support for Japanese studies accounted for an estimated one-third of the total, or close to $18 million. A sizable amount of that went to the creation of area studies centers at universities, which would become the foci of research and advanced training. A rough estimate of Carnegie Corporation, Rockefeller Foundation, and Ford Foundation commitments to Japanese studies centers through 1975 is that they contributed more than $8.6 million for centers at ten institutions. While in later years the U.S. government provided substantial funding for area studies centers through the National Defense Education Act, it was private American philanthropy that was able to play an innovative and catalytic role in creating and strengthening area studies centers, including Japanese studies centers. In doing so, they often demonstrated the relative flexibility of funding from private philanthropies as compared with government funding. As reported in Iokibe Makoto's chapter, these Japanese studies centers produced a score of eminent American scholars who specialized in Japanese affairs, played a critical role in facilitating greater understanding between the United States and Japan, and provided opportunities for the intellectual and professional leaders of the two countries to build networks of communication and collaboration.

At the same time, American foundations were making efforts to promote the study of the United States in Japan. As is carefully analyzed by James Gannon in his chapter on "Promoting the Study of the United States in Japan," the goal of the foundations in this instance was not to create an academic field of "American studies" per se. They were more interested in promoting a broader understanding of the United States among a wide range of experts in diverse disciplines rather than just creating American studies scholars. It is estimated that $2.3–$2.4 million in grants was provided by American foundations for support of American studies in Japan in the 1945–1975 time period. While the impact of the U.S. foundations in this area is less clear than that in Japanese studies in the United States, their financial support was certainly helpful in human resource development, which resulted in the spread of university courses on American studies. Also, joint seminars on American studies conducted by Stanford University and Tōkyō University, and the Kyōto American Studies Summer Seminars jointly held by Kyōto University, Dōshisha University, and the University of Illinois (later replaced by the University of Michigan) provided an early impetus at the start of the 1950s for intellectual exchange between the two countries.

Finally, a third area in which the American philanthropies made efforts to promote better understanding between Japan and the United States was the teaching of the English language in Japan, although the impact of that effort is debatable. A large amount of funding was provided by the philanthropies of John D. Rockefeller 3rd for the English Language Education Council (ELEC), which was created through the cooperative efforts of Rockefeller, Takagi Yasaka, and Matsumoto Shigeharu. Funding also went to the Japan Society for work on this issue, while other grants went to the Committee for Cooperation on English in Japan (CCEJ) and later to the Council on Language Teaching Development (COLTD). The Ford Foundation joined the Rockefeller philanthropies in supporting some of these national-level organizations. As was often the case in its early days, the Asia Foundation took a more local approach, providing grants for a series of English seminars throughout Japan, supporting American English teachers in Japanese schools, providing travel grants to Japanese teachers of English, and supporting a variety of other initiatives. Although the amounts of the Asia Foundation grants are not known, one can safely assume that the combined contribution from these various funders during this time was more than $3.5 million. Unfortunately, this was one area where the large investment did not seem to pay off, as English-language instruction in Japan continued to be an issue for decades to come. Nonetheless, by improving our understanding of each other's cultures, economies, politics, and societies, and by attempting to provide the language tools necessary for communication, the foundations helped to solidify the underpinnings of an on-going dialogue between the two nations, and between Japan and the international community.

PROMOTING INTELLECTUAL EXCHANGE

Another early objective of U.S. philanthropic organizations in the postwar era was to promote a more dynamic intellectual community in Japan. In 1948, the Rockefeller Foundation's Charles Burton Fahs wrote that "reorientation should be [the] principal justification and objective" of the foundation's Japan program. He faulted the work of the Occupation forces to date, stressing, "If work on the intellectual foundations for democracy and international orientation in Japan is not to be dangerously postponed, the help of private and independent American educational institutions is needed. We should aim at reorientation and primarily through higher education" (Fahs 1948a). In many ways, the intellectual community in Japan was seen as a key element in the effort to reach out to Japanese society. A statement contained in a 1962 Ford Foundation memo (probably drafted by Ford consultant Herbert Passin) outlining a proposal for a new program in Japan typifies the rationale behind the high priority American foundation officers placed on working with Japan's intellectual community: "Intellectuals in Japan have a much higher specific gravity than in any other industrialized country. In a way that no longer exists—if it ever did—in the West, Japanese intellectuals play a leading role in the formation of national opinion and in setting the terms of the national political dialogue." Moreover, the fact that "the overwhelming majority of them are alienated from the United States and incline rather favorably toward the Soviet bloc, or at least toward a vague 'anti-American neutralism' is a serious problem" (Ford 1962a). To counterbalance such trends, U.S. philanthropy offered support for activities such as individual travel and study, research in the social sciences, participation in international conferences, and the development of libraries.

Wada Jun's chapter points out that 40 percent of the institutions in Japan that received U.S. philanthropic support during this period were universities. If one includes travel grants and fellowships to academics, grants to individuals for participation in international conferences and seminars, and support for academic associations, the percentage of grants focusing on higher education becomes even more substantial. Wada also cites many examples of U.S. philanthropic support for university libraries, which often were lacking in contemporary American publications as a result of the difficulties in acquiring books both during and immediately after the war.

Even prior to the war, U.S. philanthropies placed significant emphasis on supporting exchange activities that would bring Japanese intellectual leaders into contact with their counterparts in the United States and elsewhere around the world. Perhaps the earliest example was an exchange initiated by the Carnegie Endowment for International Peace in 1911 and co-funded by a group of businessmen led by Shibusawa Ei'ichi, which sent Japanese intellectuals to the United States to lecture, and brought Americans to Japan.[2] These types of exchanges were revived early in the postwar era as a way to introduce new ideas and cultures to the Japanese and American publics.

In addition, the foundations used intellectual exchange to identify and support promising younger scholars or leaders from various fields, offering them fellowships and travel grants. There was a firm belief in the value of investing in individuals, as expressed by Joseph Willits, the head of the Rockefeller Foundation's division of social sciences, who is quoted as having said, "I would break any rule in the book for a chance to gamble on talent" (Fosdick 1989, 225–26). In fact, the Rockefeller Foundation initiated a fellowship program in 1917 that brought foreign scholars to the United States and sent American scholars abroad, and by 1970 more than 500 Japanese scholars had received funding through that program. The majority of the fellowships went to scholars in the agricultural sciences and the medical and natural sciences, but about 130 were in the humanities and social sciences, including noted American studies scholar Saitō Makoto (1951–1953), international relations scholars Hosoya Chihiro (1955–1957) and Mushakōji Kinhide (1961–1963), and novelist Ooka Shōhei (1953–1954). The Carnegie Corporation of New York also believed in supporting individuals and offered fellowships for American scholars to go to Japan as well as other countries. The Ford Foundation and the Asia Foundation also had substantial programs for travel and study abroad for both American and Japanese scholars, but they also supported many individuals outside of academia, both young and well established, to travel and study abroad. These grants for individuals usually served the dual purpose of human resource development and the "cross-fertilization" of ideas between experts in similar fields in the two countries.

Particularly in the early postwar days, there was also an element of exposing Japanese to the "American way." At the first workshop held for this project, the Asia Foundation's executive vice president, Barnett Baron, discussed the early strategy of that foundation in Japan to send people from all walks of life abroad, and he compared it to an attempt to convert individuals to a religion. "This was a religious belief in American liberalism and the beneficial effect of exposure to it. So [the Asia Foundation funded] everything from prefectural groups to academics, to students going to conferences, to alumni of women's universities—anyone who would go." Baron explained that there was "almost a missionary zeal to teach the Japanese about democracy and to rekindle the prewar liberal connections that existed."[3]

By the mid-1960s to 1970s, the U.S. foundations had become active in emphasizing the creation and fostering of "policy-oriented" intellectual dialogue involving not only intellectual leaders but also those in other sectors such as politics, business, media, and others—people who might now be called "public intellectuals." The Ford Foundation support for the Japanese-American Round Table series involving Japanese participants may be considered to be the first of its kind. The first meeting was held in 1962 in Dartmouth, New Hampshire, and was followed up in 1964 by the Kurashiki Conference hosted by local industrialist and philanthropist Ōhara Sōichirō. The launch of the Shimoda Conference (Japanese-American Assembly) series in 1967, with the support of the Ford Foundation and major Japanese corporations, drew broader public attention in Japan through extensive media coverage. These meetings involved the drafting of "joint reports" with policy recommendations. Such efforts were considered to be essential in bringing Japan more fully into the international community and in strengthening the intellectual underpinnings of the U.S.-Japan relationship, with the goal of moving the countries toward a closer alliance relationship.

The American foundations also played a significant role in encouraging Japanese to become involved in multilateral intellectual policy dialogues as Japan came to be regarded as an advanced industrial democracy in the late 1960s and early 1970s. A prime example of such a new effort was the creation in 1972 of the Trilateral Commission, a dialogue involving public intellectuals from North America, Europe, and Japan. This initiative received early support on the U.S. side from the Ford Foundation and the Rockefeller Brothers Fund among others, and the European and Japanese sides raised substantial matching funds.

SUPPORTING INSTITUTION BUILDING

As reported in several chapters in this volume, American foundations in the postwar era paid special attention to creating or strengthening institutions both in the United States and Japan that could effectively carry out the tasks necessary to promote area studies, intellectual and cultural exchange, and other diverse exchange activities. In our Tōkyō conference in October 2004, Charles Morrison, president of the East-West Center, expressed admiration for the strategic giving of U.S. foundations, as it demonstrated "the kind of long-term perspective of that era and the effort to try to build in institutionalized giving." In the area of Japanese studies, the creation of institutions for graduate training and advanced research was considered to be a top priority. Given the scarcity of resources—including personnel, research libraries, and funds—the foundations concentrated their support on institutions with strong leadership and expertise, with library collections that would allow serious research, and with the intention to integrate area studies into their general curriculum on a long-term basis.[4]

The lack of an institutional infrastructure to promote Japan's intellectual engagement with the external world, encourage academic studies that could enhance international understanding, or conduct a diverse range of international exchange activities was a major concern of the U.S. philanthropies as they started to operate in postwar Japan. An effort that has often been alluded to as a shining example of institution-building efforts by the U.S. philanthropies was the establishment of the International House of Japan, as discussed in diverse contexts in this volume by Iokibe, Wada, and Katsumata Hideko. The Rockefeller Foundation made a commitment of $500,000 in June 1952, followed up by additional funding of $176,120 that required matching funds of ¥100 million from the Japanese side. The impressive story of the inaugural fundraising meeting of Japanese corporate leaders at the prime minister's residence with the presence of Prime Minister Yoshida Shigeru is described in detail in Katsumata's chapter.

Another famous case was the creation of the Kyōto University Center for Southeast Asian Studies, which is regarded as the precursor of Japan's interdisciplinary area studies on Southeast Asia. The Ford Foundation's five-year grant of roughly $370,000 in 1963 was critical in the launching of the center, which the Japanese Ministry of Education had declined to support. A commitment for another five-year grant of $300,000 was made by the Ford Foundation, but the funds were eventually returned due to fierce opposition from leftist students, who viewed the Ford Foundation as part of the American establishment and viewed acceptance of the grant as complicity with American policy in Southeast Asia.[5]

The Japan Economic Research Center, also created in 1963 and headed by eminent international economist Ōkita Saburō, was another example of American foundation support for institution-building—again primarily by the Ford Foundation but also from the Asia Foundation. Ōkita became a key interlocutor between Japanese economists and their counterparts around the world.

In 1970, I was able to draw upon my experience working with American foundations to create JCIE. This new endeavor built upon my previous work under Kosaka Tokusaburō on such projects as the Shimoda Conference series and a teachers exchange program with the Teachers College of Columbia University, which had been supported by the Ford Foundation and by matching Japanese resources. After its establishment, JCIE received major institutional support, including a grant from the Ford Foundation for the amount of $173,300 in 1974, and another for $56,000 from the Rockefeller Brothers Fund in 1973–1975.

Several other cases of institution-building efforts by American philanthropies are cited in this volume, and the activities of most of these institutions in the ensuing years seem to attest to the impact of institutional support as a long-term investment by private philanthropies. They also demonstrate that such private support can be instrumental in supporting initiatives of individuals who normally would not be able to receive financial assistance from government agencies. In particular, the foundations recognized and nurtured what might be called indigenous "nonprofit entrepreneurs," people who had the vision, skills, and tenacity to create enduring institutions.

Factors Motivating, Facilitating, and Enhancing the Role of Philanthropy in Postwar U.S.-Japan Relations

Funabashi Yōichi, an *Asahi Shimbun* foreign affairs columnist and a panelist at this project's Tōkyō conference, wrote about that meeting in his October 19, 2004, column under the title, "Proceed with Care to Rebuild Peace." He noted in the article that postwar Japan-U.S. relations can offer "precious lessons to countries that are trying to recover from the ravages of war to rebuild themselves," and stated that understanding of the role of civil society is particularly important. He pointed out that from their experiences with the work of private foundations and civil society, "Japanese citizens learned the need to shoulder and assume responsibility for 'public service,' which is not the exclusive domain of bureaucrats."

Indeed, as we examined the broader context in which foundations were making grants for Japan-related projects, we discovered that within the philanthropic community there was a continuous debate on and exploration of the objectives of grant-making, effective approaches to overcome obstacles and achieve those objectives, the selection of grantees, and the best use of available resources. There was one overriding question related to all of these issues: what is the comparative advantage of nongovernmental organizations and what is the basis of their legitimacy in carrying out their mission, particularly in contrast to the role and mission of the government? Such questioning came from among those inside the foundations but it also came, often in critical tones, from the government, politicians, and even from the public. The seriousness of such interaction was understandable. After all, this was a time when the international environment was dominated in many ways by the Cold War. There was a particular sensitivity in Japan about the role of foundations partly because of the ideological conflicts being waged within the country, as seen in the demonstration against the Ford Foundation's support for the Kyōto University Center for Southeast Asian Studies. Many of the issues covered in the debates in and on the philanthropic field in the United States are clearly salient to those of us who are engaged in philanthropic and civil society activities around the world today.

The wide range of examples of American philanthropic giving explored in our research, some of which I have highlighted in the preceding section, have convinced us of the innovative and flexible approach of private foundations in encouraging and strengthening nongovernmental institutions and independent-minded and enterprising individuals. Peter Geithner, a former Ford Foundation official who served as a panelist at the Tōkyō conference, pointed out that the foundations "are most effective when they are able to support individuals and institutions who are able to contribute to positive changes, just as for example here in Japan the creation of the International House of Japan has made such a big difference." A number of major factors have emerged in this study as having motivated, facilitated, and enhanced the role of private foundations in the postwar U.S.-Japan relationship, both on the U.S. side and the Japanese side. I will concentrate here on what I believe are two key elements: the prevailing spirit of humanitarianism and internationalism among American philanthropists; and the prewar developments that facilitated postwar philanthropy.

HUMANITARIAN CONCERNS AND INTERNATIONALISM AS MOTIVATING FORCES

As described in Wada's analysis of the motivating factors behind American philanthropy in postwar Japan, a sincere concern for other human beings and a fundamental belief in the need to promote internationalism characterized the philanthropic activities of numerous individuals and groups immediately after the war. As one illustration of this point, I cherish the memory of meeting John D. Rockefeller 3rd in 1976, during the latter's final visit to Tōkyō, just two years before his unfortunate death in a traffic accident. I asked him, "What is the essence of private philanthropy?" Rockefeller looked at me intently and quietly replied, "It's care, Tadashi, it's care."

Even as the Occupation forces and the U.S. government were setting policies to deal with this former archenemy, now a war-torn nation, private American foundations, organizations, and individuals were starting to provide relief and to consider ways to assist Japan's long-term recovery. Menju Toshihiro's chapter on grassroots exchange activities describes the substantial activities of the Licensed Agencies for Relief in Asia (LARA), created by the American Council of Voluntary Agencies for Foreign Service and consisting mainly of religious groups. The Ford Foundation supported the American Friends Service Committee, which participated in the distribution of LARA relief materials and also conducted other activities in the areas of education and international exchange. In 1948, another American nongovernmental organization, CARE (Cooperative for Assistance and Relief Everywhere) established an office in Tōkyō—the first overseas office outside of Europe. Menju reports that food and supplies distributed by CARE in Japan between 1948 and 1955 exceeded $50 million (or ¥18 billion at the exchange rate of that time).

Despite the changing patterns of American philanthropic activities over time, one constant motivating factor in the funding priorities of the foundations we are examining here was a deeply ingrained belief in internationalism, as described in Iriye Akira's chapter. There was a strong rejection of prewar isolationism and a belief that America had a strong global responsibility as the victor in World War II. This was felt not just at the national level, but at the level of the individual as well, and as a result, many cultural exchange activities that came to be supported by American private philanthropies reflected a belief that "it would be important for private individuals and organizations to engage actively in cultural exchange programs rather than letting governments sponsor them." He further points out that in the immediate aftermath of the war, educational and cultural exchange programs were resumed and expanded with greater energy than ever before. While the initiatives undertaken by the state were not insignificant, as best exemplified by the Fulbright exchange program that began in 1948, from the beginning, private individuals and organizations were deeply involved.

PREWAR ROOTS THAT FACILITATED AMERICAN PHILANTHROPIC ACTIVITIES IN JAPAN

American philanthropists found fertile ground to work with in postwar Japan. The Meiji and Taishō eras had seen not only rapid economic development but also a blossoming democratic movement and the creation of strong educational institutions. The period also saw the further development of an indigenous philanthropic tradition, particularly among Japanese corporations and entrepreneurs. As mentioned earlier, American philanthropic support in the postwar period was often matched by funds raised from Japanese corporations, as was the case with the International House of Japan, and many of these corporate philanthropies had prewar roots. As indicated by the research findings of Kimura Masato and Katsumata, a considerable number of senior Japanese businessmen who can be considered disciples of Shibusawa Ei'ichi played a critical role in raising such matching funds on the Japanese side. It is interesting to note that many of these corporate leaders who had survived World War II had already been exposed to the philanthropic tradition of the United States. Shibusawa and other corporate leaders were deeply impressed by the creation of the Rockefeller Foundation and the Carnegie Corporation. Some of these individuals, under the leadership of Kabayama Aisuke, established the Bancroft Foundation in 1928 to commemorate the former U.S. ambassador to Japan, Edgar A. Bancroft, by providing scholarships to Japanese students. Kabayama was also a central figure in establishing the Joseph C. Grew Foundation in 1950, with core funds provided by Joseph C. Grew, another former ambassador to Japan, and with additional funds of ¥63 million raised from Japanese corporate leaders. Many of these prewar businessmen were the same individuals who had responded positively to the 1916 suggestion that a Committee on U.S.-Japan Relations be established, and who actively participated in the Institute of Pacific Relations. In this way, by the time many Americans started visiting Japan after World War II to engage in philanthropic activities, there were a number of senior business leaders who were committed to internationalism, who had already developed a good understanding of the American approach to promoting civil society activities, and who were able to facilitate and complement the foundations' efforts.

Philanthropic Autonomy and the Relationship with "National Interest"

As Iokibe analyzes in his chapter, the grant-making priorities of American philanthropies shifted significantly over the first three decades of the postwar era as Japan evolved from a defeated and devastated nation to a global economic power, and as the U.S.-Japan relationship underwent a major transformation. The funding priorities of the U.S. foundations were also affected by domestic political developments within the United States.

Most people are familiar with the hearings led by Senator Joseph McCarthy that sought to root out communist influences in all sectors of American society. The philanthropic and nonprofit sectors were no exception, and in particular their work related to Asia was subjected to close scrutiny. The foundations also endured investigations by the Cox Committee (1952) and the Reece Committee (1953–1954) and another wave of attacks in the 1960s that were initiated by Congressman Wright Patman. These various investigations alternately saw foundations as subversive, leftist elements, or organizations with both capitalistic and communistic biases. Patman blasted philanthropy as having been "perverted into a vehicle for institutionalized, deliberate evasion of fiscal and moral responsibility to the nation," and convinced Congress to pass the Tax Reform Act of 1969. That legislation included some positive steps toward ensuring good governance in the foundation world but also featured crippling tax provisions and strict prohibitions of "political or propagandistic activities" that limited the foundations' ability to work for social change (Nielsen 1972, ch. 1).

In the course of our research we have found that, even in the United States, tensions between the public sector and the civil society sector are not uncommon. This phenomenon was succinctly described by former Ford Foundation official Waldemar Nielsen in his book, *The Big Foundations*:

> Repeatedly throughout history, when nations have been under heavy stress or in the throes of social crisis, foundations have become a favorite target of official frustration and popular anxiety. By some perverse pathology linked to processes of political polarization, nations, when they most need the ameliorative efforts of foundations, tend to become most hostile to them. The United States . . . is no exception to this universal pattern. . . . In the agony of the great depression of the 1930s they again became a favorite object of attack, and in the hysteria of the McCarthy period after World War II they suffered the same fate. Not surprisingly, therefore, as another massive social crisis began to unfold during the 1960s, foundations again found themselves caught in the political crossfire. The shooting came from all ideological directions (1972, 5).

From our research, however, it appears that the foundations examined in this study acquitted themselves well. And while they might have shown some conservatism at times in response to both the domestic investigations in the United States and the anti-American sentiment that was fomenting in Japan during this period, particularly surrounding the signing of the U.S.-Japan Security Treaty, they held firm to the need to maintain their autonomy and independence.

There has been a strong core of Americans who are convinced of the unique and indispensable role to be played by private philanthropy in the improvement of domestic conditions of a nation and its external relationships. Much of the internal debate within the U.S. private foundations and between them and the government or the public had to do with the distinct role that had traditionally been held by private philanthropies. It is generally understood that the comparative advantage of private philanthropy and civil society over government or the public sector in general is its autonomy and its flexibility to respond to the changing socioeconomic dynamics of society. A related point often used in defense of the role of private philanthropies is that they serve society as an innovative force and even set a pattern of activities for the government and the public sector to follow. This was the case, for example, in many of the area studies programs and exchange programs that we examined.

In the course of this research project, we encountered internal memos and records of dealings between the U.S. government and foundations that demonstrated clearly that in many areas there was a complementarity of interests between the U.S. government and the private foundations. Quite naturally, then, there was interaction between individuals in these two sectors, and there were a number of controversial cases where private funds actually overlapped with public funds—worse yet, with covert government funds. But with the exception of the Asia Foundation (whose unique relationship with the government is discussed in greater detail in Ashizawa's chapter on foundation policies), in the vast majority of cases—and in all cases we examined involving Japan—the relationship between government and foundations was consultative in nature rather than coercive or collaborative. Don Price, a former Ford Foundation official, explained that his general principle was not to avoid speaking to people in the government, but to make sure the foundation was not funding things "at the behest of the government." They needed, he believed,

> . . . to be sophisticated about where we stood and not be doing things that were unacceptable to the U.S. Government unwittingly, although we might often do them on purpose; that, in general, our objectives and the U.S. national objectives ought to be in harmony although we would not take the word of government officials as to what that harmony ought to consist of; and that in the interest of honest dealing with host countries, especially in Asia, we ought not ever to be engaged in joint operations with any U.S. government agency (Price 1972).

This concept is equally important today. Berresford, in her keynote speech in Tōkyō, described the Ford Foundation's efforts overseas to promote justice, democratic practices, and human rights, and stressed the need to clearly define the foundation's role as a private funder, separate from the U.S. government or the government of any other country but abiding by the laws of those countries at all times. "At times our work didn't perfectly match U.S. policy," she noted, describing the foundation's efforts to end apartheid in South Africa, "but we were not outside of U.S. law. Often our work did not match South African government policy, but again, we were not outside South African law." By retaining the right to define "national interest" themselves, foundations have been able to play a more innovative and versatile role, and to be more responsive to changes in the international environment.

CONCLUSION

The research and dialogues conducted for this project have clearly identified the efforts on the part of the U.S. foundations to respond to the changing nature of U.S.-Japan relations, reflecting both the international environment as well as the changing domestic political and socioeconomic dynamics within Japan and the United States themselves. As discussed in the previous section, the Cold War was a factor in the postwar emergence of U.S.-Japan exchange and network-building. By 1960, however, the context for Japan-related philanthropy was shifting. By the early 1960s, Japan had become a global economic power. U.S. philanthropic support continued, but it appears that increasing emphasis was given to encouraging Japan to take on greater international responsibility—particularly in Asia—"commensurate with its economic power" and to assume a greater leadership role in the community of nations.

By the 1970s, the "Cold Warrior" attitude had largely disappeared, and the focus was more on placing Japan in a broader international context—whether it be the trilateral U.S.-Europe-Japan context or the evolving Asia Pacific region. There was a growing sense among the U.S. foundation leaders during this period that the U.S.-Japan relationship had to undergo significant changes, and that the relationship should include broader cooperation beyond the economic and security realms. Moreover, there seemed to have been an understanding that the two countries should go beyond the government-to-government relationship and should be more broadly based, involving civil society organizations in the two countries. In this sense, the development of civil society in Japan has become a critical factor in further enhancing U.S. philanthropic involvement in a broadly defined U.S.-Japan relationship. Putting it another way, the slow development of civil society in Japan has proven to be a serious constraining factor in continued cooperation with U.S. philanthropic and civil society organizations. This issue must be addressed if we are to strengthen and maintain the relationship over the coming decades. The underpinnings of those ties can only be sustained through educational efforts, the creation and maintenance of bilateral and multilateral networks throughout our societies, and other forms of exchange. It is this type of continuous interaction that keeps America and Japan open to each other and produces individuals who will be committed to the relationship for years to come.

It is in many ways quite a remarkable achievement that such a small number of American philanthropic organizations, guided by a small number of committed individuals within them, working with a small number of philanthropic and civil society institutions across the Pacific could have had such foresight, compassion, and courage to invest in a relationship that started on such shaky ground in 1945. But by investing in individuals and institutions, understanding and dialogue, they quickly built a solid foundation on which the alliance has been able to stand over the ensuing decades.