"The Evolving Role of American Foundations in Japan: An Institutional Perspective," Philanthropy and Reconciliation: Rebuilding Postwar U.S.-Japan Relations; (ed. Yamamoto Tadashi, Iriye Akira, Iokibe Makoto), Tokyo: Japan Center for International Exchange, 2006, pp. 101-133.

4 The Evolving Role of American Foundations in Japan: An Institutional Perspective

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In the early postwar era, American philanthropy was able to have a significant impact on the rebuilding of Japan and of the U.S.-Japan relationship, an accomplishment made all the more remarkable given the small number of foundations and philanthropists that were actually active in the field.[1] The Rockefeller Foundation and the Carnegie Corporation of New York both began working in Asia in the prewar period, and the Asia Foundation, the Ford Foundation, and John D. Rockefeller 3rd (JDR 3rd) and his various foundations emerged to play key roles in the postwar era. Later, in the 1970s, a handful of new players appeared on the scene, including the Andrew W. Mellon Foundation and the Rockefeller Brothers Fund. The number of foundations involved in Japan-related philanthropy was small simply because then—as is true even now—foundations that funded international projects and institutions comprised a small proportion of the American philanthropic sector, and those that provided grants related to Japan were even fewer in number. Nevertheless, these internationally minded foundations were among the largest, most influential in the country at the time. Together they spent an estimated $55 million–$60 million on projects related to Japan from 1945 to 1975.[2]

When describing the impact of American philanthropy, there is a temptation to paint all foundations with the same brush but, in fact, each

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institution was quite different in what it did and why. The Asia Foundation, for example, offered more than 2,700 grants related to Japan, the vast majority of which were under $5,000 and went directly to institutions or individuals in Japan. The Ford Foundation, on the other hand, made just over 400 grants, but they averaged more than $60,000, and almost 70 percent were given in the United States rather than in Japan.[3] Meanwhile, the Mellon Foundation, which only began funding Japan-related work in the 1970s, made just 14 grants, all to U.S. institutions and averaging upwards of $88,000 per grant. Each foundation, it is clear, was unique, influenced by its own evolving set of internal and external considerations, and comprised of individuals whose particular interests and personalities shaped its funding activities. This chapter describes the individual characteristics and evolution of the foundations' work in Japan, offering the context in which specific grant-making programs and patterns emerged.

Rockefeller Foundation

One of America's first big foundations, the Rockefeller Foundation, was established in 1913 by John D. Rockefeller Sr. (JDR Sr.) in order "to promote the well-being of mankind throughout the world." The image of Rockefeller as a benevolent philanthropist stood in stark contrast to the accusations leveled against him as being a robber baron, leading many in the general public and in government to question his motives.[4] But Rockefeller had been trained as a boy by his devoutly religious mother to contribute regularly to the church and community, and when he became wealthy he took that lesson to heart, believing he had a moral obligation to spend his money wisely and generously.[5]

The Rockefeller Foundation sought to carry out its mission in a variety of ways in its early years, leading successful campaigns to eradicate hookworm, malaria, and yellow fever; spearheading massive agricultural programs in China, Mexico, and the United States; and working to raise the level of medical education around the world. Its legacy was particularly strong in the fields of the humanities and social sciences, as it helped to develop major university research centers and create new research institutions such as the Brookings Institution, the Social Science Research Council (SSRC), the Institute of Pacific Relations (IPR), and the National Bureau of Economic Research.

At a time when few American foundations were working in Asia or on Asia-related issues, the Rockefeller Foundation stood out for its commitment to the region. Actually, the Rockefeller family's involvement in Asia predated the creation of the foundation, beginning with contributions from both JDR Sr. and John D. Rockefeller Jr. (JDR Jr.) for Christian missionaries in China. The establishment of the Rockefeller Foundation and several other philanthropic organizations that were later folded into it allowed the family to continue providing support for work in the region, particularly in the field of medicine. One major initiative, for example, involved the development of one of China's first medical schools, the prestigious Peking Union Medical College, which had been created at the initiative of missionaries. The school's official establishment brought JDR Jr., his wife, and their eldest child, Abby, to Asia for the first time, and the three-month journey through China, Korea, and Japan had an enduring impact on the family.

While China was clearly the foundation's central focus, Japan also benefited from pre–World War II funding. The foundation funded medical education projects in Japan during that period and provided fellowships for Japanese scholars to study abroad.[6] In the 1930s, the foundation began supporting U.S. efforts to learn about foreign languages and cultures, and Japan was given high priority. Support for research and teaching about Japan and the Japanese language further increased during World War II.

THE IMMEDIATE POSTWAR PROGRAM

The foundation began focusing more closely on Japan after the 1946 hiring of Charles Burton Fahs, a Japan expert who had studied in Tōkyō and Kyōto in the 1930s with Rockefeller funding and had worked in academia, in wartime intelligence, and briefly in the State Department. In 1947, Fahs was given authority to represent the foundation's Humanities and Social Sciences Divisions with regard to Japan. That year, he traveled to the Philippines, China, Korea, and Japan, after which he proposed a modest program in each country. His initial recommendations for Japan focused on the provision of aid for libraries, books on higher education and language teaching, small-scale support for Chinese studies in Japan, and a few fellowships for Japanese scholars (Fahs 1947).

This program was naturally limited in scope because, as an occupied country, Japan was the responsibility and jurisdiction of the Occupation forces. This reality, as well as a host of practical obstacles, made it difficult for the foundation to provide support directly to Japanese organizations and individuals until the Occupation's end in 1952. A 1948 memo from Fahs describes several of the concrete reasons why the foundation kept its Japan program small at the start. First was a concern about the overall balance of their funding in Asia. There was a sense that those Asian countries that suffered from Japanese aggression in World War II were more deserving of support and should be afforded higher priority. Second, the Far Eastern Commission was still blocking travel abroad by Japanese citizens. Third, there were financial problems involved as a result of the "arbitrary exchange rate" and the policy of the U.S. government of impounding any dollars paid to Japan to be applied to Japan's deficit, and then ordering the Japanese government to provide an equal amount in yen. This was overcome by providing goods rather than money, thereby explaining the foundation's heavy emphasis on book donations in the early years (Fahs 1948a).

Nevertheless, there was a general feeling that it was imperative for the foundation to take an active role in promoting the democratization and development of Japan. In the eyes of Fahs, the Occupation had "failed to influence Japanese thought and social organization very deeply." For example, he argued, new regulations that impeded travel and the translation and distribution of Western publications had resulted in a situation whereby "the Japanese, under allied occupation, have less opportunity to learn about the United States and other democracies than they had when under the control of Japan's pre-war military machine." This led him to conclude that, "(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" (Fahs 1948a).

Although Fahs was himself a noted Japan scholar, he felt that enough East Asia experts had been trained for the time being, and that further support to expand U.S. graduate programs in the field would merely result in more unemployed area specialists (Fahs 1948b). Rather than focusing on America's Japan scholars, Fahs was more interested in outlining a new, broader program for the foundation's work within Japan. In terms of the social sciences, he argued that priority should be placed on helping develop the fields of political science, public administration,

sociology, anthropology, and international relations. Meanwhile, in the humanities, he stressed foreign-language teaching and linguistics, libraries and librarianship, history, philosophy, and literature. Other important areas in his eyes included area studies in Japanese universities, the reorganization of higher education, the media, and the promotion of civil liberties.

Given the obstacles to carrying out programs directly in Japan, however, the foundation's initial approach primarily involved the provision of publications and this was later expanded to include fellowships when they became feasible (Fahs 1948b). From 1945 to 1951, funding for Japan-related endeavors totaled more than $400,000, including 30 new fellowships for Japanese scholars, $120,000 for the establishment of an East Asian Institute at Columbia University (EAI), and $75,000 to support a study program in New York for Japanese journalists and broadcasters.[7]

THE 1950S

With the end of the Occupation in 1952, the Rockefeller Foundation could operate in Japan with greater freedom and confidence. The foundation prided itself on being the first to venture into new areas, opening the way for others to follow, and it held true to form in Japan. Even prior to the end of the Occupation, it made the first postwar grant outside the field of humanitarian relief that went directly to a Japanese institution rather than through an American intermediary. It was a small grant in 1950 to Tōkyō University to support a five-week program for American studies specialists that was organized in partnership with Stanford University. From this modest start, the foundation's Japan activities expanded dramatically and, over the ensuing decade, it was the largest source of private American funding for Japan-related issues. It concentrated on the fields of agriculture, medicine, the humanities, and social sciences, helping establish or rebuild institutions considered integral for the country's economic and political development and underwriting projects that encouraged the professional development of a wide range of experts in these fields. For example, major grants were given to develop the field of American studies, fund the new Japan Library School at Keiō University and the creation of the National Diet Library, and support research on Western economics, all of which were seen as promoting democratization.[8]

Direct leadership of the foundation during the 1950s resided in the hands of Dean Rusk, the former assistant secretary of state for Far Eastern affairs, who took over as president in 1952.[9] Despite the strong governmental ties of Rusk and many of the foundation's other officers and executives, foundation officials did not always hew closely to official government policy but sought to chart their own course in keeping with a broader conception of the national interest of the United States by helping make the world more peaceful, just, and free. This became starkly clear immediately after Rusk joined the foundation when, at the height of McCarthyism, he was forced to defend the foundation from governmental attempts to extend control over its activities. In 1952, the foundation was taken to task in Congressional hearings by the Cox Committee for having earlier involved several suspected communists, both American and foreign, in their fellowship programs. Rusk refused to be bowed and dedicated his first annual report message to a defiant defense of the foundation, arguing that "having made the basic judgment that (a grant) recipient has the capacity and character to carry out the study, we exercise a minimum of further control" (Rusk 1953, 16). While foundation officers were eventually directed to consult with U.S. embassy officials regarding the backgrounds of foreign fellowship recipients (this appears to have not been a sincere effort to keep out leftist participants but rather an effort to insulate the foundation by shifting blame for lax screening procedures to the State Department), foundation officials steadfastly refused to rule out granting fellowships to leftist scholars.[10]

In terms of operational decision making, considerable autonomy was given to the program directors and officers. The main individuals responsible for grant making in Japan in the fields of the social sciences and the humanities were Fahs and his assistant, Chadbourne Gilpatric, both of whom had served in high-level intelligence posts during and immediately after the war.[11] Despite their backgrounds and government connections, however, they seem to have operated with surprisingly little interaction with or input from government officials. During the course of the Occupation, Fahs paid courtesy calls to Allied officials when he visited Japan, for example, but he was generally critical of the efficacy of Occupation policies and of General Douglas MacArthur himself, whom he considered vain, intolerant, and naive (1948a, 3). In fact, given his experience working in government, Fahs's personal diaries indicate remarkably few meetings with U.S. government officials during his tenure at the foundation.

While Rockefeller Foundation officials resisted government pressure and interference, it is also true that they consciously operated in accordance with their view of the U.S. national interest. Anticommunism was seen as an integral part of democratization, and this certainly applied to Japan, where academics leaned heavily toward Marxist theory. Internal foundation documents clearly reflect a deep conviction that the foundation had to act to counter the spread of communism if its efforts to promote the development of "intelligent, democratic" policy were to succeed. For example, Fahs noted in a 1951 report to foundation trustees that "the Communists have demonstrated that original writing under authoritarian control can be made an effective means whereby a few can manipulate the subconscious attitudes and beliefs of a nation. . . . The question for the Foundation is whether it is possible to find means whereby creative activity in philosophy, religion, history, literature, and drama can be made more vigorous, mature, and effective without at the same time interfering with its freedom." It was only natural, therefore, that foundation activities in Japan include substantial support for the introduction of Western publications and the exchange of leading intellectuals in the arts, humanities, and social sciences, as well as for Japanese research on Asian and Slavic studies, religion, economics, international relations, art, and history. While references to communism and democratization became much less frequent in Fahs's writings and other internal documents later in the 1950s, the rationales given for grant making continued to reflect an underlying sense that foundation activities would contribute to the broader interests of the United States.

THE 1960S AND 1970S

In 1961, Rusk resigned to become secretary of state and was succeeded by J. George Harrar as president. Harrar was a leading agronomist who had pioneered the foundation's agricultural programs, and he was very receptive to JDR 3rd's ideas about focusing the foundation on the least developed nations of the world. In 1962, in anticipation of the foundation's 50th anniversary, the board set up a committee to review the foundation's program guidelines and proposed that the foundation withdraw from areas in which the government or international agencies had become major players. The new focus would be on interdisciplinary projects addressing five priority problems: (1) hunger, (2) world

population, (3) higher education in underdeveloped countries, (4) equal opportunity, and (5) cultural development.

That same year, Fahs tendered his resignation. The shift in priorities and the departure of the foundation's main Japan hand coincided with a rapid drop in Japan-related grants. From around 60 grants per year in the late 1950s to early 1960s, the number fell to just 11 grants in 1964, 7 in 1965, 6 in 1966, and then none.

All told, during the first three decades following World War II, the Rockefeller Foundation expended at least $9 million for Japan-related activities through more than 600 grants, placing it among the leading U.S. foundations working on Japan during this period.[12]

Carnegie Corporation of New York

Founded in 1911, the Carnegie Corporation of New York was an early leader in philanthropic efforts focused on higher education, including international studies. It also supported adult education (including education on foreign affairs), social science institutions, and scholarly associations. Its mandate called for the foundation to concentrate on projects either in the United States or in the former British colonies, and as a result it never provided funding directly to organizations in Japan. However, it did provide a number of grants to American institutions for work related to Japan and Asia. The Institute in Oriental Studies received a small grant in 1931, for example, while the first grant specifically focused on Japan was a 1939 grant of $2,168 to the Society for Japanese Studies.

In 1944, corporate lawyer Devereux C. Josephs became the new president of the Carnegie Corporation.[13] Following a review of the foundation's programs, Josephs outlined new "Policies and Plans" in the foundation's 1945–1946 annual report which placed greater emphasis on international relations and especially "adult appreciation of international responsibilities." Josephs explained, "Without peace and the prospect of peace, all other plans are worthless. Here then is a basic interest." For this reason, the foundation was to focus on "responsibilities of citizenship," the field of education, the social sciences, and surveys (Carnegie Corporation 1946b).

Area studies was first mentioned in the 1946–1947 annual report, which described the foundation's support for area institutes as "an

effort to contribute to a better understanding of world events and of our participation in them." The funding at that time went to improve graduate schools "in order to assist in raising standards for teachers and administrators in governmental and industrial fields and to insure a continuing flow of competent personnel." That year marked the first grant to the University of Michigan, which was the primary recipient of Carnegie Corporation support for Japanese studies (Carnegie Corporation 1947b). In 1947, Charles Dollard took over the helm of the foundation when Josephs returned to the business world. Dollard had been with the foundation since 1939, and under his leadership the foundation sharpened and deepened its commitment to the social sciences, human behavior, and international affairs. From 1948, the Carnegie Corporation began offering area studies fellowships to graduate students through the Social Science Research Council, some of which supported Japanese studies.

While the general pattern of Carnegie giving shows continuity in terms of the programs and priorities, there were some evident shifts in terms of grants for Asia and Japan, and they generally followed shifts in leadership. From 1955, the year in which John Gardner became president, support began to focus on Asian studies at the undergraduate level, including efforts to introduce Asia to non-specialists. Then, from the late 1950s through most of the 1960s, the focus turned to Chinese- and Japanese-language teaching, primarily at the secondary school level.

Alan Pifer, who had risen from a staff position, became president of the foundation in 1965. In response to the turmoil facing American society in the 1960s, the Carnegie Corporation made what was at first a gradual, and then under Pifer's direction a rapid, transition to domestic rather than international concerns, with new programs in support of civil rights and equal opportunity in the United States. In a 1968 essay, "Foundations at the Service of the Public," Pifer concluded that "foundations should anticipate the strains of social change and facilitate the adaptation of major institutions to such change" (Nielsen 1972, 45). As a result of this new focus on social activism, only a handful of grants from the late 1960s onward were related to Japan or Asia, and most of these were simply continuations of programs for Chinese- and Japanese-language teaching.

The Carnegie Corporation's funding during the period 1945–1975 for projects that had some connection to Japan totaled approximately $5 million, and roughly half that amount, or just under $2.5 million,

can be attributed to work specifically on Japan. From the documents available, however, it does not appear that the officers or staff gave any particular priority to Japan as compared with other countries or regions. The foundation recognized Asia's importance but was more interested in the broader objective of improving the general American understanding of international affairs and foreign areas. That having been said, the foundation made a number of grants that were of significant value in promoting Japanese studies. More importantly, the Carnegie Corporation was a leader in supporting area studies as a critical field of intellectual endeavor, and its funding undoubtedly had the greatest impact by serving as a catalyst to attract other support.

The Philanthropies of John D. Rockefeller 3rd

JDR 3rd, the eldest son of JDR Jr., was born in 1906.[14] His first contact with Japan came during the summer after he had finished his studies at Princeton University, when he was given a chance to serve as an assistant secretary to the head of the American Council of the Institute for Pacific Relations at a conference to be held in Kyōto in 1929. This was part of a round-the-world trip he made with James McDonald, chairman of the Foreign Policy Association, and it launched a lifelong affinity for Japan's culture and an equally enduring friendship with the assistant secretary to the Japanese delegation to the conference, Matsumoto Shigeharu.

Following that trip, JDR 3rd joined his father's office and became increasingly occupied with the family philanthropies. This changed when he joined the Navy during World War II, where he worked on plans for the postwar occupied territories, including Japan.[15] His wartime experience convinced him that the postwar period would be fraught with serious foreign policy challenges for the United States—challenges that the government was unlikely to be able to meet on its own. As a result, he concluded that the leadership of private agencies such as the Rockefeller Foundation would be critical in helping meet these challenges.

In the immediate postwar years, JDR 3rd returned to private life and tried to take a more substantial role in the operations of the Rockefeller Foundation, where he had been a board member since 1931, most notably by encouraging greater emphasis on global issues such as poverty, overpopulation, and malnutrition. However, the board had long felt

it was imperative to maintain its independence from the Rockefeller family, and his efforts were frustrated by the foundation's old guard. From this point on, JDR 3rd realized "that the (Rockefeller Foundation) could never be the base of operations for him that he had once envisioned," which eventually contributed to his decision to create his own charitable organizations (Harr and Johnson 1991, 25). Even when he became chairman of the Rockefeller Foundation in 1952, his earlier experience made him wary of appearing to apply too much pressure on the foundation.

Stymied on this front, he instead turned his attention to a number of other initiatives. One such focus was the restoration of Colonial Williamsburg, which he tried to shape into a site that could be used for education on American history and the promotion of democratic ideals. He also sought to increase his expertise on international affairs in general and population problems more specifically, and in 1947 he made a trip to East Asia. His biographers, Harr and Johnson, describe him as having come away from that trip ". . . with an accurate impression of Nationalist China in fatal difficulty, South Korea looming as a 'trouble spot,' and Japan's sudden emergence as the best hope for a solid anchor in the region" (1988, 444).

His familiarity with Japan eventually led to an invitation in 1951 from John Foster Dulles to join the U.S. mission to Japan to conclude a peace treaty. Dulles had recently been appointed chairman of the Rockefeller Foundation after serving on the board for many years and was tapped by President Truman to head up the Japan mission. JDR 3rd was asked to be in charge of the cultural, educational, and informational aspects of U.S.-Japan relations. Dulles felt certain that his knowledge would be useful, that his personal style would be particularly effective with the Japanese, that his stature would add weight to the recommendations, and that his connections to private foundations would encourage support for new initiatives that might be suggested (Harr and Johnson 1988, 506).

JDR 3rd spent four weeks in Japan, meeting with a wide range of Japanese political and cultural leaders, including his old friend, Matsumoto. His final report, submitted on April 16, 1951, advocated both publicly and privately funded "cultural interchange" initiatives. He outlined three long-term objectives: "To bring our peoples closer together in their appreciation and understanding of each other and their respective ways of life, to enrich our respective cultures through such interchange, and to assist each other in solving mutual problems." Stressing the need for

Japanese participation in the planning, implementation, and funding of any new program, he called for the establishment of cultural centers in Japan and the United States; an International House in Japan; exchanges of students, young leaders, teachers, artists, and scientists; and greater contact between organizations in Japan and the United States.

Although the memo was intended to advise the government, it was JDR 3rd himself who most aggressively and effectively took up the challenge he had laid out. His contributions came in three areas: (1) he funded a variety of initiatives through new foundations that he established to deal with his general interests in Asia; (2) he provided funding directly from his own money; and (3) he lobbied other funders and served as an intermediary with various leaders in Japan.

One manifestation of JDR 3rd's growing involvement in the field came in 1953, when he founded a charitable organization, the Council on Economic and Cultural Affairs (CECA), with his own funds and a contribution from the Rockefeller Brothers Fund (RBF) in order to "stimulate and support economic and cultural activities important to human welfare" (Council on Economic and Cultural Affairs, 1956). Its focus was on Asia, "from Japan through Pakistan," and its grants centered mainly on agricultural economics and specifically on the integration of training and research on the subject into Asian agricultural colleges. Programs included fellowships for study abroad, visiting professorships, regional training courses, provision of books and equipment, and support of pilot research projects.[16] Over a decade's time, the CECA made about 30 such grants in the field of agricultural economics for a total of more than $140,000.

The CECA also supported cultural projects, which, in the case of Japan, were defined as including the development of English-language teaching. The category of cultural projects was a secondary interest of the organization, but in terms of support related to Japan, it actually accounted for roughly 70 percent of the total amount, the bulk of which went for English-language projects. Grants ranged from relatively small sums for such projects as student seminars in Japan held by the American Universities Field Staff, to such larger grants as assistance for the Japan Society in New York to bring an authentic Japanese house for display at the Museum of Modern Art. Major support, meanwhile, was given for an English-language teaching program in Japan, most of it through the Japan Society. From 1954 to 1961, the Japan Society received more than $230,000 from the CECA, which was apparently

funneled, at least in part, to the English Language Education Council (ELEC) in Japan.[17]

When he first created the CECA, JDR 3rd intended it to be a flexible means of contributing to his various Asian interests. However, the foundation's executive director, Arthur Mosher, was so successful at developing the agricultural economic side of the foundation that after a decade it was clear that the cultural program no longer fit. As a result, in 1963, JDR 3rd decided to rename the foundation the Agricultural Development Council (ADC) to more appropriately reflect its primary interest, and created a new foundation, the JDR 3rd Fund,[18] that would assume and expand the CECA's cultural programs.

The ADC continued to provide small grants for Japanese scholars to travel and conduct agricultural research abroad and for institutions to conduct research, purchase equipment, and publish journals. Its primary contribution, however, was the continued funding of ELEC. JDR 3rd's interest in raising the level of English fluency in Japan began in the mid-1950s, in response to the urgings of such friends as Matsumoto, John Overton of the Japan Society, Edwin Reischauer of Harvard University, and Hugh Borton of Columbia University. In 1955, during a visit to Japan, he recorded in his diary, "As never before I am appreciating on this trip the importance of English-language teaching in Japan. The lack of a common foreign language is a barrier which becomes increasingly serious with the development of modern communications. What has particularly struck me on this visit is the fact that it is not only a barrier to the West but also within Asia itself" (Harr and Johnson 1991, 88). As was usually the case, JDR 3rd stressed the need for Japanese leadership in this endeavor. ELEC's board was composed of Japanese leaders, and local funding was required to match contributions from JDR 3rd and the Ford Foundation when it came time to construct a new building for ELEC. Between 1963 and 1967, the ADC provided $1.22 million to the institution, and, all told, JDR 3rd's various philanthropies spent roughly $1.9 million for the improvement of English-language teaching in Japan.

While the JDR 3rd Fund was created to focus on cultural activities, it also funded English-language projects in Japan, taking over support for ELEC in 1968, and contributing $170,000 to the institution. It also provided similar amounts to back the establishment and operations of the Committee for Cooperation on English in Japan (CCEJ).[19] Of course, a substantial portion of the fund's activities did involve cultural and

artistic exchanges with Asia, including individual fellowships and travel grants and support to institutions for such projects as a U.S. tour by a Japanese *kyōgen* theater group (Harr and Johnson 1991, 260).

In addition to creating and funding the CECA, the ADC, and the JDR 3rd Fund, JDR 3rd made substantial personal donations to realize the concepts he had laid out in his memo to Dulles. One of the first Japan-related programs he supported was an "Intellectual Interchange Program," which was initially operated on the U.S. side by Columbia University and on the Japanese side by the International House of Japan and was in a sense designed to support the latter's activities. JDR 3rd provided more than $230,000 to run the program, which continued for a decade, bringing 13 Japanese intellectual leaders to the United States and 12 Americans and 1 Englishman to Japan.[20] Participants included such notable figures as Eleanor Roosevelt, physicist J. Robert Oppenheimer, editor Norman Cousins, and feminist leader Ichikawa Fusae.

A second program involving cultural interchange was launched in 1953 through the Japan Society. With JDR 3rd contributing a total of more than $350,000 between 1953 and 1967, the Committee on Cultural Interchange undertook a wide variety of projects, such as preparing a traveling exhibit of Japanese art to tour small museums and libraries throughout the United States, purchasing documentary films on contemporary Japan for circulation to schools, and offering summer courses on Japan for New York City teachers (Borton 2002, 244–45).

This program represented one element of JDR 3rd's effort to resurrect the Japan Society in order to serve as the U.S.-side cultural center for Japan affairs that he envisioned in the Dulles report. Founded in 1907 in New York City, the organization had fallen dormant during the war. By 1950, however, a group of local business leaders was trying to revive it, and after careful consideration, JDR 3rd agreed that strengthening it would be preferable to creating a new institution from scratch. In early 1952, the board of the Japan Society was reorganized to include Dulles as chairman, JDR 3rd as president, and Reischauer as one of the members. A former State Department official, Douglas Overton, who had worked with JDR 3rd on the Dulles report, became the new executive director. Major financial support came from JDR 3rd himself. From 1952 to 1975, he provided the organization with more than $3 million, including extensive support for the Cultural Interchange program and a gift of property valued at $1.35 million in 1968—the site on which the Japan Society currently stands.

In terms of other personal contributions, while JDR 3rd left the support of university study of Japan and Asia to the Rockefeller Foundation and others, he did make generous donations to the East Asian studies program at his alma mater, Princeton University, providing them with just under $1.5 million between 1958 and 1961. Also, at the urging of Borton and Overton, he anonymously provided more than $250,000 to the International Christian University for the construction of its library in the late 1950s (Borton 2002, 246). In addition, he made numerous smaller grants for art exhibits, Japan-America societies, and U.S.-Japan student exchanges over the years.

JDR 3rd's contributions to the field extended well beyond the monetary aspect. He often worked quietly, behind the scenes, to assist many initiatives in the field of U.S.-Japan relations. Even if he did not fund them, he played a role in bringing people together, lobbying for various projects that he felt he could not fund directly. This was most clearly represented by his efforts to establish an International House of Japan, similar to those founded in New York and elsewhere by his father. Shortly after his 1951 trip to Japan, JDR 3rd worked with two people he had met in 1929, Matsumoto and the venerable Kabayama Aisuke, to create a committee that would gain support in Japan for an International House and cultural center. JDR 3rd was insistent that the Japanese group take the lead in planning. After one trip to Japan, he noted in his diary that despite his regret that the progress was so slow, he believed that the result would be better for it, "that it would be better adapted to Japanese needs and conditions and better received from the Japanese point of view as being more theirs" (Harr and Johnson 1988, 516). His patience paid off, and by May 1952 the Japanese committee had sent a proposal to the Rockefeller Foundation requesting $676,121. JDR 3rd had already negotiated with the foundation board the previous year and had been assured that support would forthcoming. The grant was made conditional upon the committee's ability to raise ¥100 million (about $240,000) by August of the following year. With contributions from more than 12,000 donors in Japan, the committee succeeded in meeting their target, and the International House of Japan was born. For more than five decades, "I-House" has served as a center of intellectual exchange between the United States and Japan, and between Japan and the rest of the world.

Altogether, JDR 3rd and his charitable organizations provided nearly $7 million for Japan-related projects from 1945 to 1975. However, his

substantial financial contributions are dwarfed by his catalytic role in encouraging and enabling other institutions and individuals to improve mutual understanding and strengthen U.S.-Japan relations. He heavily invested his time and energy in creating sustainable institutions such as the International House of Japan and the Japan Society, which went on to play central roles in U.S.-Japan relations. Meanwhile, his ability to listen to others, to lead both by example and through consensus, and his consistent eschewing of a unilateral or condescending approach made him an especially effective actor in the effort to forge new bonds of understanding, respect, and friendship between the United States and Japan.

Asia Foundation

Since the early 1950s, the Asia Foundation has sustained the most consistent presence in Japan of any American foundation, despite its heavy dependence on notoriously capricious government funding. It was the first U.S. foundation to establish an office in Japan following World War II and has long relied on academics and others with an in-depth knowledge of Japan to represent it. At the height of its Japan operations it maintained a staff of eight people in Tōkyō, and its strong presence on the ground has allowed it to work with an extremely broad range of institutions and individuals in pursuing its grant-making objectives.[21]

The Asia Foundation was unquestionably a product of the Cold War. It began in 1951 as the Committee for Free Asia, which, according to the Congressional Research Service, was "an ostensibly private body . . . sanctioned by the National Security Council, and, with the knowledge of congressional oversight committees, supported with covert indirect CIA funding" (Congressional Research Service [CRS] 1983). The committee unambiguously stated in its initial prospectus, "We hold as self-evident that the Kremlin's strategy includes the enslavement of the peoples of Asia as part of its long range campaign to attain world domination" (Committee for Free Asia 1951). Comprised primarily of California businessmen, the organization aimed to combat that strategy and push back the new communist regimes in China and North Korea through its own propaganda program in Asia, centered on Radio Free Asia.

It quickly became apparent, however, that communism would not be easily rolled back. What was needed was a different, more subtle,

long-term strategy to promote democratic development. As a result, the committee reorganized itself in 1954, incorporating as a public charity called the Asia Foundation. The CIA remained the primary source of funds, but the anticommunist rhetoric was toned down dramatically and a fundamentally new approach emerged that went well beyond the scope of the committee's original program.

Setting aside the foundation's origins or intentions, a review of the actual grants that it made in Japan shows that they covered a broad range of issues and methods, were often similar in objectives to those of other U.S. foundations, and were actually more progressive in a number of ways. Strikingly, in the face of persistent rumors regarding its CIA ties—and the eventual "revelation" in 1967 that those rumors were in fact true[22]—the foundation gained considerable respect among American philanthropists and intellectual leaders in Japan for the quality of its programs and its responsiveness to indigenous needs and initiatives.[23]

GRANT-MAKING IN JAPAN: THE 1950S AND 1960S

The foundation's grant-making in Japan began under the Committee for Free Asia, which supported mainly media projects but also funded a small number of programs in other areas thought to be important in the struggle against communism. This focus was broadened significantly after it became the Asia Foundation, and by 1956 the annual budget for the Japan office was averaging just under $600,000 (including a Ryūkyū Islands program), with grants being made to about 170–180 institutions and individuals each year. The committee sent a representative to Japan as early as 1952, and the subsequent Asia Foundation representatives—including noted Japan scholars such as Delmer Brown and Robert Hall—carried considerable weight in the decision-making process. A CIA officer in Japan had to issue a verdict of "no objection" with regard to the grant recipient before the grant could be made, but it appears that this was largely a formality.[24]

While foundation records do not offer detailed information on the content or rationales of grants in the early years, certain patterns of funding clearly emerged. First, the Asia Foundation primarily provided grants on a very small scale, with most falling in the range of $500 to $5,000.[25] As explained in its 1970 annual report: "The principle that

outside assistance should facilitate, but not direct local development has been basic to The Asia Foundation's philosophy since its establishment sixteen years ago. Through its experienced field Representatives . . . the Foundation relies upon the small grant to encourage local initiative. Experience has shown that clusters of small, interrelated projects, and proper encouragement of the right people at the right time yield impressive results" (Asia Foundation 1970). There were a handful of institutions that did receive more substantial support, such as the Institute for Democratic Education (IDE), but they were the exception rather than the rule.[26]

Encouragement of the "right people at the right time" entailed a large number of grants designated for individuals, either for travel and study abroad or participation in international conferences. Out of 170 grants given in Japan from July 1955 to June 1956, for example, 81 were for overseas travel to the United States or elsewhere in Asia by individual Japanese scholars, political leaders, artists, students, and others. The grants were usually only partial support—the individual or their organization was expected to make up the difference, implying that there was already a strong commitment to undertake the trip, and thereby belying the argument that the foundation was somehow able to "buy influence" through these grants. The interest of the foundation appears to have been in bringing Japanese individuals into contact with their Western counterparts, exposing them to American democracy, and creating (or reestablishing) networks of like-minded individuals in Japan, Asia, and the West.

The foundation's current executive vice president, Barnett Baron, compared the Asia Foundation's guiding philosophy at that time to a sort of missionary quest for "individual conversion," pointing out that there was a sort of "religious belief in American liberalism and the beneficial effect of exposure to it." A key part of this effort at "conversion" was a conscious attempt to reach out to moderate elements of the Left. It is quite remarkable that in the 1950s the CIA was funding programs through the Asia Foundation (as well as through organizations such as the Congress for Cultural Freedom in Europe) for which other foundations might well have been castigated given the American political environment of the day. As Baron noted, "There were people within the Asia Foundation at the time who argued, ironically, that the CIA was the only liberal part of the U.S. government."[27] Given the volatile Japanese political scene at the time, however, it is unlikely that the Asia

Foundation would have been successful in this area of its work had its CIA connections been known.

Another critical aspect of the support for travel abroad was a conscious attempt to reestablish Japan's place within Asia. According to a former foundation official, the staff in Japan spent a good deal of time aiding Asian visitors to Japan, while staff posted in other Asian countries often worked with Japanese visitors, serving as a go-between and helping arrange meetings with appropriate individuals.

In addition to these general patterns of funding, a number of programmatic priorities emerged in the 1950s and 1960s, the most significant of which included the following.

Youth and Students

Reaching out to the young people of Japan was seen as critical to democratization and as a response to communist efforts to target Asia's youth.[28] A total of 52 grants in 1956 alone were related to youth and children, from donations of children's books to support for youth groups such as the Boy Scouts and Girl Scouts, Seinendan (the national network of young men's associations), and the Catholic Young Workers League. The grants tended to adhere to several patterns: institutional support for student associations; exchange and exposure to counterpart organizations abroad; and, particularly in the early years when unemployment was rampant, support for projects and organizations aimed at career training and counseling or at agricultural training. However, these types of grants steadily declined over time, dropping to less than three per year by the 1970s.

Support for Civil Society and Grassroots Institutions

Another distinctive feature of the Asia Foundation's work in Japan was its strong support for civil society and grassroots organizations, including organizations focused on women, agriculture, and civic involvement.[29] Many, particularly in the early years, were based on Western or American models—e.g., the YMCA, Lions Clubs, and the Japan League of Women Voters—while others were homegrown, such as the Mothers and Students Association, the Nagano Prefectural Federation of Women's Organization, and the Japan Federation of Settlers' Unions. In the early days, foundation literature reflected a pride in reaching out to the grassroots, to the common man, which Baron notes "was all about converting them one soul at a time." As with the emphasis on youth, however, support for grassroots organizations faded away during the 1960s.

Library Support and Book Donations

Similar to the Rockefeller Foundation, the Asia Foundation was a firm believer in the need to provide English-language books throughout Asia. Its book donation program was a core activity throughout the first two decades of its work in Japan, with an annual budget of roughly $40,000 in the mid-1970s. The foundation accepted donations of reference works, textbooks, periodicals, journals, and children's books, and then distributed them to universities, junior and technical colleges, institutes, libraries, and individuals in Asia. Between 1954 and 1974, Japan received more than 2.1 million books and journals—second only to the Philippines. The foundation also provided support for training programs and overseas study trips for librarians to learn the newest techniques in library science.

English Language

Until the late 1960s, the foundation invested substantial energy in improving English-language teaching, making more than 200 grants to support study abroad by Japanese teachers, the dispatch of American teachers to Japan, training seminars, and English speech contests. The foundation was quick to stress that support was given "not because English is the language of Americans but because the Japanese people have urgently requested it and because it provides the Japanese with a valuable *lingua franca* for international intercourse."[30] While the Ford Foundation and JDR 3rd's charities eclipsed the monetary contribution of the Asia Foundation in this field, they tended to focus on national-level initiatives and elite institutions. The Asia Foundation, meanwhile, opted to make a large number of small grants to a geographically diverse set of institutions, including the newly established prefectural public universities and colleges in remote areas—an approach made feasible by having an office in Japan.

International Exchange

Starting in the 1960s, the foundation increasingly made diverse grants for "international exchange programs," most involving research and meetings in Asia or the United States. Recipients were primarily academic and research institutes, and typical projects included funding for scholars to participate in Henry Kissinger's Harvard International Seminar, field research by professors from Kyōto University's Center for Southeast Asian Studies, and an exchange between Keiō University

and the Fletcher School for graduate study in international affairs. This apparently reflected the interests of two of the foundation's Japan representatives, James Stewart and Gaston Sigur Jr., who focused more on policy-relevant projects.

Other Priorities

The foundation also gave many grants in the field of education. The Occupation had introduced significant structural changes to Japan's educational system, and the 1950s was a period of adjustment. The foundation made grants to support the strengthening of specific fields, such as aid for an American studies program at Dōshisha University and institutional support for the Center for Modern Chinese Studies, and it assisted work on education itself, including a book on Japanese higher education and research on rural education.

Finally, another set of activities in Japan was support for the Ryūkyū Islands, which remained under U.S. control until 1972. The foundation spent an average of roughly $40,000 per year from 1958 to 1972 funding projects in a wide range of categories such as education, youth, travel and study, library development, and agriculture.

THE 1970S: THE REVELATION OF COVERT FUNDING AND ITS AFTERMATH

In 1967, the U.S. media revealed that the CIA was covertly funding a number of organizations, including the Asia Foundation.[31] President Lyndon Johnson quickly put an end to these funding programs and appointed a commission to investigate the matter. Chaired by Secretary of State Rusk, the commission eventually determined that the Asia Foundation served the national interest and should be preserved. The immediate impact of these events, however, was a drastic decline in the foundation's budget. Efforts to raise funds from the private sector proved difficult, and as a result, support was provided from 1968 by the U.S. Agency for International Development (USAID) and the State Department's Bureau of Educational and Cultural Affairs, including $2 million from the State Department that was intended as a tie-off grant to support the foundation's operations for just two more years. Subsequently, USAID and the State Department gave limited project funding and a small amount of core support.[32]

The Asia Foundation found itself compelled to restructure its programs to meet the requirements of its funders, particularly USAID. This led to a shift away from its earlier goals of "building democratic institutions and encouraging the development of democratic leadership" and toward an emphasis on Asian development (CRS 1983). The impact of this shift was particularly strong in Japan, which by 1970 was widely considered to be an advanced industrialized nation. The new emphasis was at odds with most of the Asia Foundation's existing activities there, with the exception of the promotion of greater cooperation between Japan and its regional neighbors. Subsequent annual reports show that the foundation often strained to fit Japan projects into the new program categories.[33] This incongruence of objectives was a key factor in the decline in funding to Japan in the 1970s. The share of the foundation's budget devoted to Japan fell dramatically, slipping from the largest single country program to the sixth largest, only slightly ahead of Bangladesh. At the same time, the Japan office staff was substantially reduced.

As a result, the foundation's programs in Japan in the 1970s became somewhat more conventional and closer in character to those of other foundations. The emphasis on grassroots, civil society organizations declined, and funding went increasingly to universities and research institutes. The foundation's overall approach still involved giving a few large grants and many small grants, but with the budget cuts, the former assumed a greater portion of the funding while it became difficult to make the smaller grants in a coherent fashion. Despite these changes, however, certain fundamental beliefs remained from the earliest days: a belief in the importance of investing in individuals, faith in the power of education, and trust that exchange would solve the issues facing Japan and its neighbors. Of all the funders discussed in this volume, the Asia Foundation made by far the largest number of grants—roughly 2,700—to organizations and individuals within Japan, spending more than $9 million over two decades (1955–1975).[34]

Ford Foundation

The Ford Foundation was established in 1936 as a small, Michigan-based, locally focused philanthropic organization, and it remained a minor player in the foundation world until its founder, Henry Ford, passed away in 1947. The foundation inherited a majority stake in the Ford

Motor Company just as the corporation was undergoing changes that led to soaring share prices. As a result, by the end of 1950, its assets had reached $492 million, far eclipsing even its senior colleagues in the field, the Rockefeller Foundation and the Carnegie Corporation.

DEFINING AN INTERNATIONAL PROGRAM OF GIVING

Aware that a windfall was coming, the foundation in 1948 commissioned a study of what it should do with its newfound wealth in order to meet its mission of "improving human welfare." Based upon that report, the foundation announced five new areas that would anchor programs in the ensuing decades: world peace, democracy, economic stability, education, and the behavioral sciences. The board of trustees chose Paul Hoffman, former president of Studebaker Corporation, to head this new rendering. Hoffman's background as the first administrator of the Marshall Plan and his strong interest in what he described as "winning the peace" ensured that the foundation would quickly become a strong international presence.[35]

Throughout 1951, the foundation's officials discussed the objectives and form of the program on peace, debating the appropriate role of private institutions, how best to meet short- and long-term objectives, and which parts of the world deserved attention first. The writings of Hoffman and his colleagues reveal two intertwined influences: an acute awareness of the need to avoid further world wars, and the identification of communism as the largest obstacle to ensuring peace. Accordingly, foundation thinking displayed a juxtaposition of "Cold Warriorism" and internationalism, as seen in a 1951 memo by one official, Dyke Brown, that called for the foundation's Peace Program to examine how it could aid with "the conduct of political (psychological) warfare and other activities designed to combat Communist threats to peace, freedom and the West," while pursuing "advocacy and promotion of a world order of law and justice" through the United Nations and other avenues.

A fascinating internal debate played out that year over the role of a foundation in serving the national interests and whether or not "psychological warfare" was an appropriate activity for the private sector. How the debate ended is not clear, but at least one memorandum from late 1951 indicates that senior officials recognized the need for a distinct role for philanthropy that might assist the government's objectives

incidentally but not directly (Katz 1951). The debate ended and the Cold War rhetoric quickly faded away as the foundation began making grants and further defining its programs.

THE JAPAN PROGRAM IN THE 1950S

As foundation officers struggled to define their initial programs, Japan remained a question mark in their minds. Japan was generally viewed in separate terms from Western Europe as well as from the rest of Asia. Brown's 1951 memo, for example, pointed out that the objective of the United States in Japan and Germany was to ally these "former enemy states" with the free nations, reestablish their normal political relations with other countries, and maintain the right to use Japanese facilities for U.S. armed forces in the Pacific. He believed that it was private agencies rather than government that needed to play the key role in helping Japan remain politically stable through the critical transition to the post-Occupation period. Exactly how the foundation could contribute to Japan's democratization and ensure that Japan would become part of the non-Communist West, however, was not clear. Other foundation officials stressed the need for greater American knowledge of Japan (Katz 1951), or suggested that Japan should be part of a broader goal of building "a community of responsible nations" (Howard 1951).

Eventually, the foundation's Peace Program was organized into four divisions and, while a coherent Japan program never fit easily into any single one, the International Training and Research (ITR) Division ended up funding the most work on Japan throughout the decade.[36] The ITR Division focused primarily on domestic academic institutions, aiming to increase American capacity in international and area studies. It oversaw the Ford Foundation's massive investment in the creation and strengthening of area studies centers and international studies programs at graduate schools, as well as its support for individual graduate and post-graduate area studies through grants-in-aid, fellowships, and research.[37]

The division's first areas of interest were Asia and the Near East, followed quickly by Slavic studies. Japan was considered one critical area that required greater American understanding, leading the ITR Division to invest close to $3 million in Japanese studies during the 1950s. (Meanwhile, other divisions combined for an additional $1 million in Japan-related grants.) One important result of the ITR Division's handling of

Japan was that, during the 1950s, the vast majority of the foundation's Japan-related grants went to American institutions or individuals. Only 13 of 102 grants were given to institutions or individuals in Japan, and 7 of those were minor grants for individual travel and study abroad by Japanese citizens.[38]

The ITR Division made some effort to define a Japan strategy in the 1950s. This was reflected in a set of memos prepared for the foundation in 1952 and 1953 by John Condliffe of the University of California. In them, he laid out an approach that typified the Ford Foundation's policy toward Japan over the next two decades. First, Condliffe treated Japan as a developed nation and placed low priority on economic issues. Second, he urged the foundation to engage Japan in the intellectual community of the West as an equal partner. Third, he gave more emphasis to funding projects than institutions. Fourth, he showed an interest in making Japan a center for the study of Southeast Asia. And finally, the memos show an underlying assumption regarding the need to "remodel Japanese thinking" and to counteract trends toward both communism and nationalism.[39]

NEW PROGRAMS IN THE 1960S

The Ford Foundation began the 1960s with a review of its programs and significant shifts in its approach. In an attempt to address tensions that had arisen between the board and the president at that time, Henry Heald, a new appropriations system was implemented that gave the board a greater say in broad policy decisions. Trustees also became more involved in individual programs through the creation of ad hoc committees, and the chairman was given a greater role.[40] Significantly, the new appropriations system empowered foundation officials to respond to needs and opportunities in a board-approved field with greater authority, flexibility, and speed.

In terms of programs, highest priority was still placed on "the mitigation of tensions which now threaten world peace" (Ford Foundation 1962b). The global events of the past decade, coupled with technological advances, had only made the problem of maintaining peace more acute. But the trustees also began to focus more on domestic issues in the 1960s, particularly on issues of poverty, education, and race within the United States. Fortunately, at the start of the decade, the foundation

found itself with an embarrassment of riches as its assets approached the $4 billion mark, allowing it to expand its programs on both the domestic and international fronts.

For the ITR Division, this led to a boom in area studies grants, as the foundation launched a program of long-term support for non-Western studies in 1960. In the Japanese studies field alone, close to $5 million in grants were made over the next ten years for graduate-level training at American universities, and additional funds went to research projects, undergraduate courses, teacher training, and academic associations. Although the Ford Foundation was in many ways picking up where the Rockefeller Foundation and the Carnegie Corporation had left off in this field, the fact that their deluge of funding coincided with the start of National Defense Education Act Title VI funding for the study of critical languages and areas—a government grant program that required matching funds from private sources—enabled the Ford Foundation to effectively alter the shape of university education in the United States.

The start of the 1960s also marked a significant shift for the International Affairs (IA) Division, as it became increasingly active in Japan. Throughout the 1950s it had focused on Europe, but a growing friendship between the division's head, Shepard Stone, and a Japanese-speaking American sociologist by the name of Herbert Passin sparked an interest in Japan on the part of Stone and convinced him that the foundation needed to focus its attention on Japan.[41] An old Japan hand with an impressive breadth and depth of knowledge about the country, Passin went on to serve as the foundation's principal advisor on Japan throughout the 1960s, writing most of the division's policy papers on its strategy there.

The IA Division's new Japan program was first brought before the board in 1962, when foundation officers proposed a five-year, multimillion dollar set of activities.[42] The program proposal cited three objectives: (1) strengthening of democratic ideas and institutions in Japan; (2) stimulation of U.S.-Japanese and of multilateral projects and efforts among Japanese and Western educational, cultural, scientific, and economic institutions and leaders; and (3) stimulation of Japan's contribution to Asia and other less-developed areas of the world. These objectives assumed that Japanese resources could be useful in addressing a number of areas of foundation interest; that Japan was a strong, industrialized nation of great importance both to the stability and development of Asia, and by extension to the "free world's position in the Far East"; and that its ability to meet these expectations depended on its domestic stability

and self-confidence (Ford Foundation 1962a). The strategic importance of Japan in Cold War terms was still an underlying assumption, but there was clearly a broader, more nuanced recognition of the interconnections between Japanese domestic issues—democracy, political stability, and economic growth—and the regional and international interests of the Ford Foundation.

The memo also reflected an awareness of the value of nongovernmental initiative as opposed to governmental programs. Noting that the U.S. government was funding a preponderance of cultural programs in Japan and very few non-official programs were in existence, it postulated that there were "large opportunities to build up associations among private institutions and people. Very often the effects of a given action or of a given visit will be entirely different, depending on whether it was sponsored by the government or by a private group."

Grants under this new program included support for U.S.-Japan intellectual roundtables, exchanges of artistic and cultural leaders, programs for Japanese teachers, and institutional funding for Kyōto University's Center for Southeast Asian Studies and the Asian Productivity Organization. Funding also went to the Japan Center for Area Development Research, which linked Japanese activities in urban and regional planning with other major centers in the world; the establishment of a Division of Public Administration in the Graduate School of the International Christian University; and ELEC, described as "Japan's major resource base for research and development in the field of English teaching" (Stone 1966). Of particular note was the extensive use of travel and study grants to Japanese individuals.

The combined impact of contacts developed during trips to Japan by Ford staff in the late 1950s and the involvement of Passin enabled the foundation to operate more effectively inside Japan, rather than just focusing its support on Japan-related work by institutions outside of the country. In the 1960s, 93 of the foundation's 223 Japan-related grants were made to institutions and individuals in Japan—roughly 42 percent as opposed to 13 percent in the previous decade.

THE BUNDY YEARS

By the time that McGeorge Bundy joined the foundation as president in 1966, the organization faced tremendous expectations and challenges.

Bundy's tenure began as many do—with a major restructuring of the programs and changes in the upper echelons of the foundation's staff. Two moves that had the greatest implications for Japan were the integration of the ITR Division into a new International Division and the departure of men like ITR Director John Howard and IA Director Stone. Bundy, given his background as special assistant for national security affairs under Presidents Kennedy and Johnson, clearly wanted to put his own imprint on the international programs. Ironically, however, Bundy's emphasis during his years at the Ford Foundation turned out to be domestic issues rather than international programs.

Whereas the early 1960s had been boom years for the foundation, by 1966 the new president was faced with severe financial difficulties and quickly needed to make cuts. That year, the U.S. government passed the International Education Act, and Bundy and others believed that the foundation's focus on international and area studies was no longer necessary. The foundation had spent more than $270 million over the previous 15 years for international studies activities in U.S. universities, and Bundy believed that it was time to move on to other issues. However, when Congress failed to appropriate funds as expected, he conceded that the Ford Foundation's support should be scaled down rather than eliminated. In the end, the vicissitudes of government budgets and strong protests from the academic community meant that it would in fact be over a decade more before the Ford Foundation could extricate itself from the field. Over the next nine years (1967–1975), funding for Japanese studies totaled close to $5.5 million before finally being phased out with a series of tie-off endowment grants in 1975.

The second important shift involved personnel. Following the departure of Howard and Stone in 1966, David Bell and Frank Sutton were appointed vice president and deputy vice president of the reorganized International Division, and in 1968, Eugene "Rocky" Staples was handed responsibility for a new Asia & the Pacific program within that division. With Stone's departure and Passin's interaction with the foundation waning, the International Division staff looked to emerging experts on Japan, such as Passin's protégé at Columbia University, Gerald Curtis.

Staples was convinced that Japan was a critical area of interest for the foundation and for the United States in general, but he found that the knowledge of Japan within the foundation was minimal and there were still only a limited number of academic and nonprofit organizations in Japan with which they could work. These issues were compounded by

Bundy's encouragement to domestic programs to look abroad in addressing common problems among industrialized nations. There was a recognition that, in dealing with industrialized nations, one needed to turn to functional specialists on specific issues rather than rely exclusively on area specialists. As a result, the source of funding for Japan-related (as well as Europe-related) programs became more decentralized, with money coming from the Education Division for teacher exchanges, for example, or from Urban and Metropolitan Development for a U.S.-Japan-Europe conference on urban planning.[43] However, as Bundy struggled with a mounting financial crisis, particularly in the early 1970s after the oil shocks, the domestic programs were forced to return to their initial focus on the United States.

By 1970, Staples was bemoaning the lack of attention by the other divisions to Japan (even more so than to Europe), complaining that it was "very shortsighted for our education and research division to continue to ignore what is happening in Japan, and not much less than shortsighted for our people concerned with urban planning or environmental problems to ignore the Japanese experience. It is far easier to make grants to Europeans, but I am not sure this is the best use of Foundation resources" (Staples 1970). Staples believed the foundation's approach had been too ad hoc up until that point, and that a more systematic evaluation of the needs in Japan and Asia was required, taking into account changing geopolitical conditions.[44] Despite the budgetary pressures facing the foundation, Staples argued that the Ford Foundation's role in the region was particularly important in light of recent developments: government funding for Asian studies was falling; the Fulbright programs in the region were, in Staples's words, "barely operative"; and the recent revelation of the Asia Foundation's covert CIA connections had left the future of that organizations in doubt (Staples 1970). Meanwhile, the Rockefeller Foundation and the Carnegie Corporation were no longer engaged in the field by this point and other funders had not yet emerged.

While support for Japanese studies continued until the mid-1970s, growing emphasis was placed on nurturing bilateral and multilateral exchanges and dialogues involving Japan, including a U.S.-Japan parliamentary exchange, various bilateral and multilateral study groups run by the Brookings Institution, and the newly established Trilateral Commission.[45] There was also an increase in funding for comparative research projects on issues facing Japan and other advanced industrialized

nations and for bilateral research projects on economics, trade, and security issues.

By the mid-1970s, Japan was an economic power, the third largest democracy, and the most literate nation in the world. It had a considerable strategic significance and played a crucial role as the only fully "modernized" Asian nation. However, as Carl Green, a foundation program officer and Japan specialist working in the International Division, noted, its role in world affairs and its own identity were still "clouded issues." Recent events—Nixon's surprise reversal of China policy, the textile dispute, a soybean embargo, and the progress of the Vietnam War—had called into question the fundamental assumptions underlying Japan's postwar policy and fueled Japanese frustration with its ally. Green pointed to an urgent need to reconstruct the U.S.-Japan relationship and establish a more mature relationship in which differences could be perceived, aired, and resolved. While U.S.-Europe relations were also strained, Green claimed that those conflicts "are being aired in open polemics while, in contrast, the U.S.-Japan drift is largely subterranean" (Green 1974).[46]

The early to mid-1970s did see an increase in the sources of funding for Japan-related efforts, but Japan continued to be underrepresented in the international intellectual community. Bundy, during a visit to Japan in 1975, emphasized this point and noted that there was a need for the Ford Foundation to do more. Green argued that to do so, the foundation needed a representative in Japan who could work more closely with Japanese institutions (Green 1975). By fall of that year, a decision had been reached and Green was headed to Tōkyō as the foundation's first representative in Japan.[47] By the time that office was opened in 1975, the foundation had made grant commitments of more than $32 million over the course of a quarter century for projects and programs related to Japan.

Other Funders

Rockefeller Brothers Fund

The Rockefeller Brothers Fund (RBF) was founded in 1940 as a vehicle for the charitable contributions of the five Rockefeller brothers, JDR 3rd, Nelson, Laurence, Winthrop, and David. By the 1960s, it was one of the

largest foundations in the United States, having received $72 million following the death of JDR Jr.

Despite JDR 3rd's fascination with Asia, grant-making for Asia-related organizations was accorded lower priority at RBF during its first three decades, with only two to four grants given each year. Most were made as general support grants to help strengthen U.S. organizations that JDR 3rd had founded or nurtured, almost all going to the Asia Society or to the CECA and its successor organization, the ADC.

It was not until the early 1970s that the RBF began making grants related to Japan on a modest scale. According to Russell Phillips, former executive vice president of the foundation, 1973 was the decisive year in which the board directed the foundation staff to develop an active grant-making program in Asia. Beyond that, no instructions were given. The inclusion of Japan in such a program was by no means a given, despite JDR 3rd's personal interest in the country. The decision fell primarily to Phillips, a former lawyer with a background in Africa who was asked by the foundation's president to devise an Asia program. As part of his learning process, he turned to Green of the Ford Foundation and experts such as Passin and James Morley at Columbia University to improve his understanding of Japan, and thanks to their influence, a Japan program began to emerge as a key part of the foundation's overall focus on the Asian region.[48]

From 1972 to 1975, 12 Japan-related grants were made for a total of $432,500. Five went to two family-related institutions, the Japan Society and International House, but the remaining seven reflected a developing interest in promoting both understanding of and dialogue with Japan. Three grants went to the Japan Center for International Exchange (JCIE) for publication of the *Japan Interpreter*, while other grants went for the creation of the Trilateral Commission—a dialogue between leaders from the United States, Japan, and Europe that was also connected to JCIE—for Stanford University's Inter-University Center for Japanese Language Studies, and for a research project at Columbia University on "The United States and Japan in Multilateral Diplomacy."

ANDREW W. MELLON FOUNDATION

Created in 1969 through the merger of the Old Dominion and Avalon Foundations, the Andrew W. Mellon Foundation emerged as a significant

player in the field of areas studies in the mid-1970s. In 1971, Nathan Pusey, the former president of Harvard, was named to head the foundation. Given his background, he naturally focused his energies on the impact of the financial crises at the universities and on opportunities for young scholars. Two years later, apparently as a result of discussions with his former Harvard colleagues Reischauer and John Fairbank, Pusey recommended to the board of trustees that the foundation enter the field of area studies, initially by providing $1.8 million to 12 East Asian research libraries. This was explained in the foundation's 1973 annual report as an effort to meet the growing intellectual needs in the field and to keep up with the growing supply of publications at a time of considerable financial difficulty for universities.

The foundation also made several additional grants related to Japan during the early 1970s, including a large research grant to the Brookings Institution for work on the Japanese economy, a small grant for emergency support of the Middlebury College summer school in Chinese and Japanese, and a comparative project on energy options in the United States, Europe, and Japan. All totaled, they disbursed 14 Japan-related grants from 1972 to 1975, providing slightly more than $1.2 million for work specifically on Japan.

THE JAPAN FOUNDATION AND THE JAPAN-U.S. FRIENDSHIP COMMISSION

In the final years covered by this study, two new philanthropic organizations were established that significantly increased the funding available for U.S.-Japan relations. In 1972, the Japanese government created a quasi-governmental entity, the Japan Foundation, to promote international cultural exchange and greater understanding of Japan abroad. The initial endowment was ¥5 billion, although that was subsequently increased, and it also began receiving an annual subsidy from the government. While the Japan Foundation's programs are global, it has traditionally spent a considerable portion of its budget on programs in the United States. In the early 1970s, its impact was already being felt as its presence allowed funders such as the Ford Foundation to ease out of the Japan studies field.

In 1975, a U.S.-based funding agency that focused solely on U.S.-Japan relations was also created by the United States government. Through

an act of Congress, the Japan-U.S. Friendship Commission was created with an initial trust fund of $18 million, plus a Japanese yen amount equivalent to about $12.5 million. These funds were created with monies that had been returned to the U.S. government by Japan to reimburse it for its assistance during the course of the Occupation and in connection with the return of military facilities in Okinawa. With the goal of promoting "scholarly, cultural, and artistic activities between Japan and the United States," the commission initially focused on funding Japanese studies in the United States, American studies in Japan, the arts, and public affairs.

The entrance of these two quasi-governmental funding agencies onto the scene, combined with the rapid growth of Japan's economy and the subsequent increase in Japanese corporate philanthropy, marked a significant change in the funding landscape in the years after 1975. Although the Ford Foundation continued to be engaged in Japan to varying degrees over the years, many of the actors—both institutional and individual—who had played critical roles in reestablishing the U.S.-Japan relationship in the first three decades following the war turned their attention to other countries, other regions, or other issues. Their tremendous investment in people, processes, and institutions during that critical period, however, left an indelible imprint on the U.S.-Japan relationship—one that carries through to this day.