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3 U.S.-Japan Intellectual Exchange: The Relationship between Government and Private Foundations

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The relationship between Japan and the United States has, until now, been discussed almost exclusively in the context of interactions between the governments of the two countries. To some degree that is natural since it is the duty of the chosen government of a people to formally establish ties with other countries and to determine the basic structure and outline of those relations. However, that alone does not represent the entire story. A relationship between nations can be compared to the human body—it is a complex entity, comprised of innumerable interconnected parts. Without bones, there is no human form, but without flesh and blood, those bones are no more than a skeleton. Similarly, the history of U.S.-Japan relations is not complete if the skeletal structure of intergovernmental relations is described but the peoples of those nations—the cells that form the body of the relationship—are ignored.

On the other hand, if the story of U.S.-Japan relations is told from the perspective of the people, one can quickly become lost in a dense thicket of individual stories. There is no end to the fascinating episodes that can be found, but placing that multitude of tales into some coherent context is no easy task. This collaborative research project lies in between the extremes of an exclusive focus on government and the limitless stories of individual citizens, instead focusing light on the activities of private

foundations. If the government is the bones of the relationship, then the private foundations are perhaps the muscles. They clearly belong to the private sector rather than government, but they represent the organized activities of citizens rather than simply expressing each individual's personality.

There is, of course, a great deal of diversity among private organizations. While there are some private organizations that have a close relationship to government, there are also many that do not. While some private organizations work toward common social objectives, there are also those that pursue individual gain. And while one might think that private organizations most closely tied to government would have the strongest sense of public good, that is not necessarily the case. When one looks at the three legs of the famous "iron triangle" of government, bureaucracy, and industry, the business sector must establish a give-and-take relationship with the public power in order to ensure private gains. Conversely, private foundations conduct activities for the public good, and in that sense they resemble the actions of the public sector. However, foundations draw a line between themselves and the government, trying to protect their autonomy as they conduct their work in the private domain. Although they may share the same objectives, they maintain a clear distance between the public and private spheres, resulting in a complementary relationship between independent competitors. That is the American model of philanthropy.

American foundations play an important role in the private sector as they contribute to the public good, and as such, they enjoy a certain degree of prestige and security within society. What role have they played in U.S.-Japan relations? Until this study, there have only been limited, piecemeal attempts to indicate the important contributions of American foundations in this area, and the larger picture has remained a matter of conjecture. Fortunately, thanks to the wealth of information made available by the Ford Foundation, the Rockefeller Foundation, the Asia Foundation, and others, this project has made significant strides toward providing the full picture. The information on which this book is based includes both a trove of written documents and a series of extremely helpful discussions with those who have worked in or with these foundations. The tremendous work of the Japan Center for International Exchange's Kimberly Gould Ashizawa and James Gannon to read through all of that information and analyze it has provided important input for this author's research.

The primary objective of this chapter is to historically trace the role of private foundations in U.S.-Japan relations over the prewar and postwar periods. Most of the rather limited prewar activities were sponsored by the Rockefeller Foundation, and it was also the Rockefeller family's various philanthropies that played a decisive role in the immediate postwar period. The Asia Foundation, which was created and initially funded covertly by the Central Intelligence Agency (CIA), was another key player in U.S.-Japan relations during the 1950s and early 1960s. However, in light of its ambiguous nature as a government-created organization that acted as if it were private, that foundation requires more in-depth treatment than can be adequately covered here, and thus its activities will not be a focus of this chapter. In the 1960s, the Ford Foundation overwhelmingly assumed the central role in Japan-related work.

A second point that is important to emphasize is the relationship between the government and private foundations. In Japan, which pursued a path of "modernization from above" under bureaucratic guidance, there is a deeply rooted belief within the government that it has a divine duty to place private foundations under its own jurisdiction. In the United States, by contrast, the independence of private foundation activities has generally been respected. Of particular note, however, is whether limitations were placed on the foundations' activities when national security concerns were paramount, such as the period when the United States and Japan were headed toward war, or at the height of the Cold War era. That is an extremely delicate and important question. Another key question is whether government only serves to restrain foundation activities, or if it can also promote their growth and progress. This chapter will pay special attention to the fact that neither the government nor foundations were controlled by one uniform strategy, but rather they pursued many different paths, reacting and adjusting their work as time progressed.

Third, while Japanese foundations are undeniably poor in comparison with their American counterparts, that does not necessarily mean that U.S.-Japan private exchange has continued to suffer from a sort of "trade imbalance," with Americans making a one-sided contribution; the Japan side has made some contribution as well. Looking at both the government and private sectors combined, the Japan side began to play a more active role in the 1970s, mostly as a result of government initiatives. It is also useful to draw attention to the cooperative relationship between the two countries, which is grounded in two very different approaches.

Accordingly, this chapter will offer a fuller picture of U.S.-Japan relations by linking the functions of government and private foundations.

Meiji Japan and the United States

Of all the non-Western societies that rose to the challenge of modern Western civilization, Japan was the first country to succeed at modernization. In many ways, it was the Iwakura Mission of 1871–1873 that marked Japan's departure on the radically new path to becoming a modern state. That diplomatic venture, led by Iwakura Tomomi, involved an entourage of more than 100 people, the primary group of 50 being composed of ranking officials, all reformers in the infant Meiji government. Leaving their brand-new, still wobbly nation in the hands of a caretaker government, they departed for an 18-month official tour of the United States and Europe.

Their final port of call in the United States was Boston, and that city gave them the grandest welcome of all the places they visited. A speaker at a reception held for them on August 2, 1872, greeted the delegation with portentous words. In effect he said, "You have come to visit us not only in the pursuit of international goodwill. You have also come to learn, and to teach. One lesson you have taught us is your great capacity to learn." That statement probably contains the most succinct summary of the source of Japan's successful modernization. In fact, through the country's own efforts to learn from Western civilization, Meiji Japan was able to ensure its independence from the countries of the West and was soon able to take its place alongside the great powers of the Western world.

The Meiji government sent Mori Arinori as its first envoy to Washington in 1871. The Americans who knew him were astonished at how profoundly knowledgeable he was about the history, society, and Constitution of the United States. Mori balanced that thorough understanding with continued efforts at cultural diplomacy. He conveyed a fresh, honest image of Japan that evoked understanding and sympathy in Americans.

One particular episode from that time provides an interesting commentary on Japanese-American cultural exchange. In 1863, as the Edo period was drawing to a close, the Chōshū domain acted on its determination to drive out foreign powers by attacking European and American ships in the Shimonoseki Strait. The following year, a combined fleet

of British, French, Dutch, and American ships retaliated and soundly defeated the Chōshū force. They demanded indemnities from Japan, and the American government was paid in three installments totaling $785,000. It invested the entire amount in national bonds, the value of which then rose to $1.77 million. When Mori was told that no decision had been made as to how to use the money, he suggested putting it into libraries and universities in Japan, programs for Japanese students to study in the United States, and scholarly exchanges between Japan and the United States.

Mori believed that indemnities or other such funds from other countries, while they were not exactly ill-gotten gains, could, if not otherwise budgeted, do a lot of good if they were put back into a fund for promoting exchange with that country and supporting its education and scholarship. This idea may have originated in Japan or it may have been a reflection of the depth of Mori's understanding of American society. In either case, Mori was soon recalled to Japan and his wish remained unfulfilled. In 1883, the U.S. Congress determined that the reparations were not appropriate to the actual losses incurred, and the original funds were returned to the Japanese government, which gratefully accepted the funds and applied them toward further developing the economic infrastructure of the port of Yokohama (Shiozaki 2001; Iokibe 2002; Hosoya 1995).

The suggestion that questionable funds be used toward intellectual exchange and human resource development would later be followed by the United States, but in that case the other country involved was Japan's neighbor, China. Following the Boxer Rebellion of 1900, the Qing government was forced to pay huge indemnities to each of the Western countries involved. The United States used part of the reparation funds to establish a Boxer Rebellion Scholarship to be used in support of Chinese scholars studying at American universities. Some of the Boxer indemnity was also used in 1911 to establish the Tsinghua Academy in Beijing, an institution to prepare the scholarship recipients for their academic life in the United States. In 1928, it became National Tsinghua University, China's leading institution of higher education.

Although Mori's suggestion did not have an immediate impact on U.S.-Japan relations, American private groups and individuals did exert considerable influence on Meiji Japan in the areas of education and social programs. William S. Clark, who taught at Sapporo Agricultural School (later Hokkaidō University), is particularly well known, but in

truth he was just one of many such teachers who left an enduring imprint. David Murray, for example, an educator from Boston, responded to the request for advice and guidance from the Meiji government in its determined and urgent efforts to put a new system of education in place and train new teachers. In his capacity as advisor to the Department of Education, Murray was able to effect the transformation of Japan's classrooms into close copies of the familiar New England schoolroom, complete with blackboard, small lectern, and student desks lined up in rows facing front. In 1872, a teacher training institute was set up in Tōkyō. On Murray's recommendation, the Department of Education invited Marion M. Scott, a school principal from San Francisco, to direct the teacher training program. Education in Japan at the beginning of the Meiji period (1867–1911) was propelled by the ideals of "civilization and enlightenment," modernization and education for the whole populace. It followed American, British, and French models that had come out of European Enlightenment ideas, and the textbooks relied heavily on translations of books used in the modern public education systems of Western countries (Kōsaka 1996; Iokibe 1998).

A new eight-year primary school system was up and running by 1872. Among the most popular texts were books on morals based on Nakamura Masanao's *Saikoku risshihen*, which was a translation of Samuel Smiles's *Self-Help,* and Fukuzawa Yukichi's *Dōmō oshiegusa*, which was a translation of Robert Chambers's *Moral Class-Book*. In his volume, Fukuzawa included a section on the life of Benjamin Franklin that he wrote with such verisimilitude that he could have been writing about himself. Beginning in the early Meiji period, Japanese people absorbed a wealth of knowledge, and a great part of that was learned from institutions, life, and thought in modern American society (Kaigo et al. 1961).

Early 20th Century: The Dawn of American Foundations

There was one area that eluded Japanese modernizers, however; they did not achieve a complete understanding of the role and activities of private foundations. Japan learned a wide range of lessons from America, and it either caught up with or surpassed its teacher in many fields, but when it came to philanthropic work, there remained a gap between Japan and the United States that persists to this day.

That gap may be a result of the different origins of their societies. The United States is a land of immigrants, a land where new people came, put down roots and, insisting on governing themselves, went about building their own society. The modern Japanese state, in contrast, came into being in the age of imperialism, which immediately forced upon it the imperative of self-preservation against the advances of the Western powers. It was urgent, therefore, that it fend off those advances by learning from and catching up with modern Western civilization. Japan took the path of "top-down modernization," following the leadership of a strong, centralized government. Perhaps that was a natural choice, for in Japan at the time the conceptual basis for the division of roles was the assumption that governing authorities represented—indeed, monopolized—the public interest. The common people, it was believed, could pursue private interests and private gain only under the supervision and management of the governing authorities.

American society, on the other hand, was built on a spirit of independence and self-government, and it contained a strong current of volunteerism and ideals of public service based on Christian values. But it is important to remember that it took the particular historical conditions of the early 20th century to produce the modern philanthropic foundation. The post–Civil War period of reconstruction led to the vanishing of the frontier by the end of the 19th century and produced an age of rapid and intense industrialization. The first condition for the emergence of foundations was the emergence of a number of industrialists who were amassing wealth in unheard-of quantities.

While a few people were growing extraordinarily rich, however, others were suffering under worsening social conditions, creating an increasingly pressing demand for social reform. Today, we look back on the early 20th century as the "progressive" era, the great iconic figures of which are Presidents Theodore Roosevelt and Woodrow Wilson. At that time, the industrialists into whose hands flowed such vast wealth were challenged to answer for it, to declare their social responsibility. Was their objective simply to amass great fortunes? What was the purpose of their wealth? Was it acceptable to dismiss any thoughts about their responsibility to the public? In 1911, when the country was ringing with such progressive social ideas, Andrew Carnegie, the "King of Steel," established the Carnegie Corporation of New York as an agency to give away his wealth for cultural and educational purposes. Two years later, John D. Rockefeller Sr. set up the Rockefeller Foundation to apply a portion of his wealth gained in the oil business to philanthropic causes.

The system of taxation was another important condition that encouraged the rise of foundations. The idea that one should contribute part of one's income toward the public good was something that had been instilled in Rockefeller by his mother since his childhood, but the decision to establish a foundation may have been influenced by an important piece of advice he is reported to have received: "You have a choice; you can either pay out all that money to the government in taxes, or you can use it in ways that you want to." People who set up and run foundations for the public good naturally factor in the significant tax advantages available to them. It is a condition that they take for granted. In American society, in other words, philanthropy does not only stem from Christian concepts of benevolence or a sense of social obligation among those more fortunate individuals. As much as it represents generosity, it also represents practical self-interest.

The Prewar Period: Intellectual Exchange and the Role of Foundations[1]

The philanthropic work of Andrew Carnegie was varied, abundant, and brilliant. He believed that what people needed most to better themselves was to acquire knowledge and deepen their understanding, and beginning in the late 19th century he was already busy funding the creation of new libraries all over the United States. His own experience had taught him the importance of self-education, and he hoped that the many libraries he funded would give a chance to people all over the United States to educate themselves further. With the establishment of the Carnegie Corporation, he poured his energy into improving higher education and paid special attention to assisting research on international issues and the social sciences. Still, the Carnegie Corporation operated on the policy of giving grants primarily to universities, research institutes, and academic organizations within the United States. American scholars and organizations engaged in Japanese studies might receive assistance, but no Carnegie Corporation funding went across the Pacific Ocean to Japan.

The Rockefeller Foundation, on the other hand, was more directly engaged in work in East Asia, reflecting the interests of the Rockefeller family itself. After the Kantō earthquake of 1923, it gave a large contribution to the library at Tōkyō University, for example. The foundation's

support for conferences held by the Institute of Pacific Relations (IPR) is also well known, and this is an area where the Carnegie Corporation contributed as well.

Before the Pacific War, the IPR was the most significant channel for Japanese-American intellectual exchange, which was still fairly limited. It started with plans by some leaders of the Young Men's Christian Association (YMCA) to expand their Christian outreach to the Pacific Rim countries through regular conferences. As preparations proceeded for the first meeting, held in Hawaii in 1925, intellectuals from countries around the Pacific were invited to participate, while Japan and the United States formed the core group. Shibusawa Ei'ichi was invited by the U.S. group to assist in forming the Japanese delegation. The discussions were focused not on religious issues but, rather, on broader social and international issues. In 1924, the previous year, the United States had passed the jarringly rigid exclusion laws, virtually barring further immigration by most Asians, and the topic of immigration became a major focus of debate at the conference. Not everyone there agreed with the official position taken by their home country on this matter, and they expressed their opinions freely. One of the Japanese who attended, Professor Takayanagi Kenzō, made a strong contribution to the discussion with a presentation that reflected intelligence, good sense, and sharp analysis. Among the Japanese who worked hard to keep the IPR going in the prewar years were Nitobe Inazō, Kabayama Aisuke, Maeda Tamon, Takagi Yasaka, and Matsumoto Shigeharu (Katagiri 2003).[2]

Several years prior to the start of the IPR, A. Barton Hepburn inaugurated a new lecture course at Tōkyō Imperial University on the history of American diplomacy and the Constitution. A distant relative of James Curtis Hepburn, who developed the Hepburn system of romanization for the Japanese language, A. Barton Hepburn was a businessman deeply anxious about deteriorating relations between Japan and the United States since the end of the Russo-Japanese War (1904–1905). Contemplating an endowment for a chair at Tōkyō Imperial University as one way to encourage better understanding between the countries, in 1917 he wrote a long letter to the Japanese business leader and industrialist Shibusawa, asking him for advice. The chair was established the following year, beginning with lectures by Nitobe on the history of the founding of the United States, Minobe Tatsukichi on the American Constitution, and then Yoshino Sakuzō on American foreign policy. In the meantime, Takagi returned from a period of study in the United States. In 1924,

he took over the Hepburn Chair and became professor of American institutions and diplomatic history. Having seen Japanese-American amity collapse into enmity, Takagi remained dedicated to rebuilding the friendship between them. He continued to teach about American institutions quietly and consistently in the hope of encouraging a deeper and more accurate understanding of the United States. His lectures became the bedrock of American studies in Japan, and Takagi became the chief actor on the Japanese side in Japanese-American intellectual exchange. Matsumoto Shigeharu, too, who had been Takagi's teaching assistant, would himself assume a central place after the war in nongovernmental exchange between Japan and the United States.[3]

As will be described in subsequent chapters, Japan's grant-making foundations did not in fact lag too far behind the Carnegie Corporation and the Rockefeller Foundation. Among a number of private funds were the Morimura Foundation (Morimura Hōmeikai), started in 1901 by the founder of the Noritake China Company and legally established as a foundation in 1914, during the era of "Taishō democracy." The Saitō Hō-onkai was set up in 1923 to privately fund scientific research. These and other organizations supported social welfare, educational, and research activities, but it was impossible for them to achieve anything on the social scale of the American foundations. In the first place, their assets were not even close to those of the American organizations. Second, and more importantly, Japan had modernized "from the top down," controlled and guided by the government. True to tradition, rather than encouraging and supporting self-starting, autonomous activities by private foundations working in the public interest, the government more often applied a heavy hand in regulating and controlling those activities.

Considering the conditions that philanthropy in Japan had to deal with, it is interesting to review Shibusawa's long-term activities. Intensely aware of the Western societies he had visited when young, he not only established more than 500 companies that he believed would be needed in a modernized Japan but also, without putting a foundation in place, set up and directed more than 600 diverse social programs and educational projects. Shibusawa became concerned to see Japanese-American relations sour after 1905, and he worried about Japan's lack of understanding or sympathy for China's renewed efforts at nation building around the time of World War I. Among his many efforts, he organized and participated in a goodwill mission to the

United States and embarked on other nongovernmental international exchange projects. Shibusawa as an individual came to represent Japan in the eyes of international society. Whether it was negotiations for the Hepburn chair or a request for Japanese participation in the IPR, Americans did not go to the Japanese government or to Tōkyō Imperial University, but rather went directly to Shibusawa. He was keenly aware of the various public functions required of Japanese society and made efforts to support and enhance them from the private sector. He also recognized the critical role of international exchange as a form of "citizen diplomacy."

In the 1930s, as the Japanese military continued to expand abroad, the frequency of terrorist incidents at home rose and people in the business and financial sectors became targets. At a time when industrial and financial concerns were criticized for being self-centered, the Mitsui conglomerate inaugurated a large fund called the Mitsui Hō-onkai, dedicated to improving social conditions. The IPR continued to hold conferences every two years, although tensions arose during some of those meetings, and in 1934 the Japan-America Student Conference and the Society for International Cultural Relations came into being.

Shibusawa died in 1931, upon which the charge to carry on international exchange was de facto passed on to Kabayama Aisuke, who became the head of the America-Japan Society. In that capacity, Kabayama used every opportunity to improve Japanese-American relations. He was instrumental in establishing the Edgar A. Bancroft Foundation in 1926 (and the Joseph C. Grew Foundation in 1950) which aimed at fostering a new generation of internationally minded individuals by sending young students abroad for study. Kabayama was fighting a losing battle, however. Japanese-American intellectual exchange could not prevent the rising oppression of the military government or the increasing acrimony between the United States and Japan. To the contrary, intellectual exchange was eventually curtailed by these forces.[4]

A New Start After the War: The Late 1940s to 1950s—the Rockefeller Era

We call it the "Pacific," but from December 1941—following the Pearl Harbor attack—until August 1945 when Japan surrendered, that ocean was a blood-filled theater of battle to the death between American and

Japanese military forces. The war would devastate Japan, but it also destroyed the friendship and understanding that had been steadily built up between the two countries through the work of private foundations.

Immediately after the end of the war, American foundations began moving again. According to Wada Jun, before the year 1945 ended, the Carnegie Corporation had already determined how much it would give to the IPR, and in 1948, while Japan was still under Occupation rule, the Rockefeller Foundation resumed its work with the Institute of Public Health, which was originally set up in 1938 with Rockefeller assistance. These were both cases of beneficial prewar activities that were resumed after the war.[5]

Postwar foundation projects were by no means simply revivals of prewar activities, however. The aid and assistance that private American foundations poured into postwar Japan were incomparable, both in scale and substance, to what had been given before the war.

Another significant change that took place after the war was that the American government became involved in cultural exchange. If, decades earlier, Washington had acted on Mori's proposal for the use of reparation funds, government support for Japanese-American intellectual exchange might have become firmly established back in the 19th century. The reality, however, was that government in prewar America was "small government," and exchange with people from other countries was considered entirely out of its bailiwick. Whether to receive a private delegation of Japanese citizens making a courtesy visit to the United States; whether to rein in the growing exclusionist movement in California; whether to make exclusion into law—these decisions were considered the work of government. It was not possible for the government by itself to become involved in intellectual exchange or grassroots-level citizens exchange. The fact that Washington outgrew that framework and engaged in cultural exchange in the postwar period was therefore a decisive change. While this was in part a reflection of the expanding functions of the state in modern and contemporary history, it was also an effect of the general awareness after the tragic experience of war that if the foreign relations of states are not supported by mutual understanding between their peoples, diplomacy cannot function in a healthy way.

In the wake of the state-level failures that turned the Pacific Ocean into an ocean of war, thoughtful individuals in both the United States and Japan were intensely aware of political responsibility. One such

individual was Senator J. William Fulbright, who initiated a large-scale exchange program for students and scholars, a practical and visionary plan that he believed would promote the cause of peace and mutual understanding among nations. The idea received praise and enthusiastic support both from within the United States and from the international community. A great many projects came out of the United States after World War II, but those that earned the greatest and most enduring praise were the Marshall Plan and the Fulbright Program.

A central figure in the conclusion of a peace treaty with Japan in 1951 was the United States' principal negotiator, John Foster Dulles. Knowing how important Japan was to the American Cold War strategy in the Far East, Dulles worked hard to hammer out a peace that served that interest, but he was just as concerned about another aspect of the treaty. He had learned a lesson from history and did not want to repeat the mistakes the Allies made when they imposed punitive, economically crippling peace terms on Germany in 1919. This time he was determined to listen to Japan, to heed its concerns, and to conclude a peace that was fair. Dulles had been a board member of the Rockefeller Foundation since 1935; he recognized the need to build ties through cultural exchange, deepening the understanding between the people of Japan and the people of the United States. Moreover, he was committed to the wisdom of entrusting cultural exchange to private philanthropy rather than putting it in the hands of government agencies, and so he requested that John D. Rockefeller 3rd (JDR 3rd) accompany him on his January 1951 mission to Japan, study the educational and cultural issues, and produce recommendations on what sort of programs might contribute to sustaining U.S.-Japan relations over the years.

In effect, this involvement by the government of private citizens and institutions created a new dimension to Japanese-American cultural exchange after the war. JDR 3rd had attended the 1929 IPR conference in Kyōto, where he had become acquainted with Matsumoto, and they met again in 1951. Subsequently, JDR 3rd and Matsumoto became a two-person team driving Japanese-American exchange in the 1950s. The most visible sign of the new era of exchange was a building—the International House of Japan, or I-House, built in the Roppongi district of Tōkyō.

Matsumoto and others had pushed hard to establish a base for international intellectual exchange in Japan, and JDR 3rd succeeded in convincing the Rockefeller Foundation to respond by offering $676,000

(¥240 million) in assistance if the Japanese side could raise ¥100 million. Among those who greatly helped in securing a site and raising funds in Japan were Prime Minister Yoshida Shigeru, Finance Minister Ikeda Hayato, and Secretary Miyazawa Kiichi. I-House was completed in 1955. The handsome, airy building, with its conference rooms, ample lodging and food services, and beautiful Japanese-style garden, became a gateway to nongovernmental intellectual exchange among people from Japan and other countries around the world.

More important, however, was the substance of their venture. Without waiting for the completion of I-House, Matsumoto and JDR 3rd agreed on an intellectual exchange program between Japan and the United States and set it in motion in 1953. For this program, JDR 3rd offered his personal funds, totaling more than $380,000 over a period of nearly two decades. The Cold War was on and the U.S.-Japan relationship tended to be considered in terms of military concerns and political ideology. Despite such circumstances, a plan was devised for both sides to send recognized intellectuals and others active in the arts and society to the other country for specified periods, with the expectation that persons of such caliber, as they got to know people in Japan or the United States, would gain a deeper, more nuanced, and appreciative understanding of the other country. Among the Americans who came to Japan on this program were Eleanor Roosevelt, writer Norman Cousins, sociologist David Riesman, and political analyst and policy advisor George Kennan. The Japanese who met her loved Eleanor Roosevelt, while the American scholars provided a stimulating presence among Japanese colleagues in their fields. The effect was to create among postwar Japanese a wider and more diverse image of the United States, and because of that, the program was a meaningful contribution to supporting one aspect of Japanese-American mutual understanding. Among the Japanese who were sent to the United States were feminist Ichikawa Fusae, philosopher Abe Yoshishige, economist Tsuru Shigeto, and Nagai Michio, who would later become minister of education (Katō 2003; Matsumoto 2001).

During the 1950s, then, intellectual exchange between Japan and the United States, sustained largely with assistance from the Rockefeller Foundation, JDR 3rd, and the Council on Economic and Cultural Affairs (a foundation established by JDR 3rd in 1954), injected new vigor into Japanese society. Its hallmarks were a close and sustained association between Matsumoto, Takagi Yasaka, and others in Japan with Hugh Borton and his colleagues at Columbia University. Together they

conferred, exchanged counsel, and handcrafted a carefully wrought exchange program that followed Rockefeller's vision of postwar Japanese-American exchange.

JDR 3rd, who was the real driving force behind Japanese-American cultural exchange, recorded some of his thoughts about international exchange. Following his trip to Japan in January 1951, he sent a report that he had written, dated April 16 and titled "U.S.-Japanese Cultural Relations," to Dulles. It reflected the thoughts and observations by Japan scholars Hugh Borton and Edwin O. Reischauer, with whom he consulted prior to his trip. In it he outlined the following three purposes of U.S.-Japan exchange: "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" (Rockefeller 1951, 1–2). That paper demonstrated a solid appreciation of the fact that, in view of the political reality of the Cold War and the decision to continue stationing American troops in Japan after the Allied Occupation was over, it was all the more important that cultural exchange, which is a meeting of hearts and minds, not be dominated by the more powerful side. The only real basis for exchange is trust and respect, rooted in understanding on both sides.

For the ties between the two countries to develop into a relationship of lasting substance and value, they must progress beyond the stage of using each other for purposes of national security and national interest. It must become a relationship based on mutual affection for the people and culture of the other, which implies that both sides value the relation itself between Japan and the United States. It is just that element of goodwill and affection that JDR 3rd injected into the postwar intellectual interchange program, which speaks volumes about the value of private leadership in international exchange.

All this is not to say that there were no problems in the Japanese-American exchange that Matsumoto and Rockefeller worked so hard to achieve in the 1950s. At one point, for example, the Japanese side objected to having Columbia University administer the American side, and so from 1957, the Japan Society in New York assumed that role. The Americans, for their part, complained that the Japanese side did not include a broad spectrum of the country's intellectuals but rather seemed to be concentrated in Tōkyō and involve primarily those in Matsumoto's own circle. While there was undeniably a certain bias

among the participants, it stemmed from difficulties related to the intellectual climate of the postwar years in Japan. Matsumoto and the I-House group were supported and highly respected by those in Japan's "establishment," but they did not represent the pacifist-leftist coalition that dominated the academic and intellectual currents at the time.

The Japanese intellectual community was primarily comprised of individuals who wished for peace and who felt regret for a war that had ended in disaster. At the same time, it was also comprised of leftists, including communists who had opposed and were oppressed by the militarist government and who had now gained momentum with the end of the war. These groups were called the progressive forces and believed in "peace and democracy," and they sought to solidify their legitimacy under the new constitution. When the Occupation changed policy in its famous U-turn, they felt betrayed; anti-Americanism mounted, led mainly by socialists and communists. The anti-American faction was critical of the United States for its stance on the Cold War and of its own conservative government for meekly following suit, and they also criticized the pro-American intellectual group within Japan. Those associated with the Hepburn Chair and I-House undoubtedly formed a core group of internationalist liberal intellectuals—the progressive faction that shared the values of democracy. However, at a time when Japanese society was leaning heavily toward left-wing thinking, it was risky to be viewed as pro-American. The political and intellectual worlds were sharply polarized in Japan, reflecting the Cold War division between East and West. In such a climate, it was not easy to mobilize participation in Japanese-American intellectual exchange.

Complications and Developments in U.S.-Japan Relations: The 1950s and Early 1960s

Insofar as politics has the power to set the parameters of private exchange, no discussion of private activities between Japan and the United States would be complete without reference to the vicissitudes of the two countries' political relations.

Although pursued through private initiatives, U.S.-Japan intellectual exchange in the 1950s was loosely supported and encouraged by both governments. Dulles, after serving as President Harry Truman's special envoy in charge of formalizing peace with Japan, went on to serve in

the Dwight D. Eisenhower administration as secretary of state. The Yoshida Shigeru administration, which placed utmost importance on U.S.-Japan relations, was unstinting, as noted above, in its encouragement of the movement behind the establishment of I-House. Thus, in the Rockefeller-led 1950s era of U.S.-Japan intellectual exchange, although neither government had a direct hand in implementing that exchange, both gave it warm and light-handed support.

This goodwill between the public and private sectors set the basic tone of U.S.-Japan relations in the 1950s, but the relationship was far from stable. The two countries diverged in their respective stances vis-à-vis the Cold War, and this led to considerable turbulence and complications in bilateral relations.

The U.S. Cold War strategy and anticommunist stance, however, should not be viewed as monolithic. Kennan, director of the State Department Policy Planning Staff and one of the principle architects of U.S. Cold War strategy, stressed the vulnerability of the Soviet Union as much as the threat it posed and was confident in America's fundamental superiority. As suggested by the term, his "limited containment" policy incorporated a readiness to check with force any expansion of Soviet military power, but it held that the steady, long-term development of sound democracy in the West was even more important. In Kennan's view, rebuilding war-ravaged Japan and Western Europe and ensuring their political and social stability were the key to winning the Cold War against the Soviet Union.

As is evident in policy document NSC 13/2—drafted by Kennan in October 1948, after he visited Japan and met with Douglas MacArthur—on the basis of this Cold War strategy, U.S. policy on Japan was focused on hastening economic development for the sake of Japan's social and economic stability, and Japan's rearmament was postponed. Even after Kennan left the government, Philip Jessup and others in charge of Japan policy in the State Department adopted the same stance. This policy lineage within the U.S. government was amenable to Yoshida's economy-first approach on the Japanese side, and set the basic tone of U.S. policy on Japan until the outbreak of the Korean War.

As the Cold War intensified, however, U.S. strategy hardened. The anti-Soviet hardliners, centered around Paul Nitze, Kennan's successor as director of the Policy Planning Staff, enjoyed a gradually strengthened position in the wake of the Berlin Crisis of 1948 and the fall of China to communism in 1949. With the outbreak of the Korean War,

they quickly took the initiative and effected a doubling of the defense budget. American politics was now steeped in a mood of all-out national mobilization to win the Cold War.

From the viewpoint of the hardliners, who saw the Cold War as a global struggle against the spread of communism, policy on Japan also had to be brought into line with Cold War strategy. This meant giving top priority to strengthening Japan, now a fellow member of the Western camp, regardless of Japan's military or nonmilitary status. When Dulles strongly urged Prime Minister Yoshida in 1951 to rearm Japan, the request came against the backdrop of war on the Korean peninsula and an American political scene dominated by calls for an all-out confrontation with communism.

This situation also had a significant impact on aid provided to Japan by American private foundations. Senator Joseph McCarthy's "red hunt" cast suspicions not only on a number of liberal Asia experts—including Owen Lattimore, John Fairbank, and Canadian diplomat Herbert Norman—but even on the prewar activities of the IPR. The Rockefeller Foundation and the Carnegie Corporation, as major sponsors of IPR activities, were forced to undertake a grueling process to demonstrate that there had been no wrongdoing in their own activities (Sasaki 2003).

With help from Dulles and Dean Rusk, among others, the Rockefeller Foundation tried to stave off the anticommunist hysteria directed at it and continued to provide assistance to the IPR even after this problem arose. Eventually, however, it terminated its support for the institute and allowed it to dissolve. This incident shows how the Cold War strategy of those in favor of "all-out confrontation" could easily violate even the autonomy of private foundations. There is no evidence suggesting that the Rockefeller Foundation changed its operational policy as a result of the controversy. But while its overall approach seems to have remained the same, it subsequently had no option but to act with more political caution during this intense period so as not to become a target of further censure.

The Rockefeller Foundation, in addition to its support for I-House's program for U.S.-Japan intellectual interchange, had also been providing ongoing assistance for Japanese studies in the United States. Along with the Carnegie Corporation, it had begun support for that field in the prewar period, and from the 1950s, it was joined by the Ford Foundation as well.[6] Taken as a whole, the fundamental approach of these foundations stressed three approaches: (1) establishment of and

assistance for academic centers engaged in advanced research in fields such as the social sciences, international relations, and area studies; (2) research fellowships for individuals; and (3) support for the creation and administration of academic institutions such as the Social Science Research Council (SSRC), the American Council of Learned Societies (ACLS), and the Association for Asian Studies (AAS). Furthermore, once their support for leading graduate schools had made sufficient progress, the foundations expanded the scope of their assistance to include international exchange programs at the undergraduate level and support for language education at the high school level. In terms of their relationships with the government, the foundations' operations were autonomous and pioneering, and there is no evidence of any government censure of or intervention in their Japan-related aid.

While the foundations sometimes exchanged views with government agencies, they did not conduct activities in collaboration with the government. Like the Carnegie Corporation, the Rockefeller Foundation had taken for granted since the prewar years that a private foundation should conduct its activities on its own initiative. With the 1946 addition to its staff of Charles Burton Fahs, who had been an eminent Japan scholar since before World War II, the Rockefeller Foundation implemented a vigorous independent program of Japan-related activities in the social sciences and humanities that continued until the early 1960s.

To the advocates in the U.S. government of moderate containment, whose bottom line on Japan was that it should achieve social stability through economic reconstruction and the advancement of democracy, such independent foundation activities merited support and respect. In contrast, the hardliners, who advocated a concerted, all-out effort by both the government and the private sector in the fight against communism, took it for granted that some system of loyalty checks should be in place to ensure that grants did not go to communists or to people who were anti-American. Cold War strategy in the U.S. government was thus split into two camps, each of which could sway not only the government's policy on Japan but also the activities of private foundations.

Conservative politics in Japan was also divided along two lines as the country prepared to regain its sovereignty. The Yoshida line gave top priority to rebuilding the economy and was wary about rearmament. The other line, championed by Hatoyama Ichirō and Kishi Nobusuke, among others, called for revision of the constitution and rearmament.

What is notable here is that throughout the 1950s, the U.S. and Japanese official lines were consistently out of sync with each other. At the time of the U.S.-Japan peace negotiations in 1951, at the height of the Korean War, Dulles and the U.S. government as a whole naturally expected Japan, once it regained sovereignty, to rearm, not only in order to be self-reliant in maintaining its own security but also so that it could contribute to the security of the free world as a whole. In contrast, Prime Minister Yoshida, despite being pro-American and actively promoting efforts toward a U.S.-Japan security treaty, showed no sign of changing his stance against rearmament and for the prioritization of economic reconstruction. As a result, postwar Japan took its time in pursuing a modest rearmament.

Yoshida left office in 1954. In the latter half of the 1950s, Hatoyama, Kishi, and other prewar-era politicians who had returned to political life with the lifting of the Occupation purge came to power and pushed for constitutional revision and rearmament. Had those politicians been in power at the time of the U.S.-Japan peace negotiations—or, alternatively, had the U.S. government still wanted Japan to rearm in the late 1950s as fervently as it did in 1951—Japan would probably have undergone full-scale rearmament in line with the U.S. government's Cold War strategy and history may have taken a quite different course.

In reality, however, just as the reins of the Japanese government were passing to these advocates of the traditional view of the nation-state—and therefore of the revise-and-rearm line—the thrust of U.S. government policy on Japan shifted. Instead of urging Japan into military buildup, now Washington focused on maintaining Japan's economic and political stability. In light of a number of factors—including the ending of hostilities in Korea, the slump of the Japanese economy in 1954 following the loss of special procurement contracts in connection with the Korean War, and mounting anti-U.S. sentiment—Washington approved Ambassador John Allison's policy proposal stressing the importance of Japan's domestic stability. This was in essence a return to the Kennan-Jessup line that had prevailed at the State Department prior to the Korean War. Thus, although Yoshida himself left office in the middle of the 1950s, his economy-oriented stance became the basis of U.S. policy toward Japan. Meanwhile, Japan's political leadership of the late 1950s, having lost both popular domestic and American support for constitutional amendment and rearmament, failed to carry that plan through. The new reality was thus a "Yoshida line without Yoshida."

In the Japanese government of the late 1950s, control shifted to the right wing within the conservative party—to the faction that believed in constitutional amendment and rearmament. Meanwhile, however, the intellectual community and the press grew increasingly antimilitaristic and pacifistic. The end of the Korean War crisis in 1953, followed by the Lucky Dragon Incident in 1954—in which a Japanese fishing boat was sprayed with radioactive ash from a U.S. nuclear weapon test on Bikini Island—served to boost Japanese pacifism. Other developments around that time, including Vietnam's historic victory over the French at Dien Bien Phu (1954) and the Soviet Union's success in launching a satellite before the United States (1957), bolstered the view that history would eventually favor socialism and encouraged the forces of reform. In Japan, these movements and opinions crystallized into widespread opposition to the Kishi government's proposed revision of the U.S.-Japan Security Treaty. In 1960, massive demonstrations against the treaty filled the streets not only of Tōkyō but of other major cities as well, forcing the government to cancel a planned visit to Japan by President Eisenhower.

Following the treaty crisis, the Kishi government fell and a new cabinet was formed under Prime Minister Ikeda. Under the slogan "tolerance and endurance," Ikeda ushered in an era of conciliation and compromise and developed the "income-doubling plan," putting even greater emphasis on the economy than had Yoshida, his mentor. In regard to the intellectuals of the pacifist-leftist coalition, whereas Kishi had preferred confrontation and suppression, Ikeda, heeding the advice of Ōhira Masayoshi and other close advisors, opted for an approach aimed at control through tolerance.

The U.S. government could not but be perplexed by what seemed like an explosion of anti-American sentiment during the 1960 security treaty furor. How could that result from the equalization of a treaty in Japan's favor? A brilliant explanation of the situation came in the form of Reischauer's article, "The Broken Dialogue with Japan," published in the October 1960 issue of *Foreign Affairs*. Reischauer analyzed the 1960 security treaty controversy as essentially a consequence of the conservative-versus-progressive regime established within Japan after the war. In a sense, it was partly a demand by postwar Japan for greater democracy and partly a resurgence of Japanese nationalism. He concluded that the United States needed to pursue dialogue with a broad cross-section of the Japanese people, including those who were anti-American (Reischauer 1960).

President John F. Kennedy appointed Reischauer as U.S. ambassador to Japan in 1961. This led to the U.S. government's development of a broad program of intellectual and cultural exchange with Japan along the so-called Kennedy-Reischauer line. Aided by various other factors—including an easing of Cold War tensions, President Kennedy's great popularity in Japan, and the recovery of Japanese confidence thanks to the high economic growth from 1955 on—Ambassador Reischauer, rising above the postwar intellectual climate of leftist anti-Americanism, spoke to the hearts of the Japanese people and won many friends and admirers.

What Reischauer put forward was the so-called modernization theory. According to this view, any post–industrial revolution society, whether Eastern or Western, will undergo essentially the same process of modernization, centering on industrialization, whatever its particular system or cultural tradition. On this basis, Reischauer characterized Japan as playing a historic role as the first non-Western society to meet the challenge of modernization with resounding success. The 1960 Hakone Conference was a seminar for the joint study of Japan's modern history from that universalistic standpoint. The conference had a tremendous impact on the intellectual community, bringing together many of the growing corps of Japan scholars that the United States had cultivated with the support of the foundations, and publishing the results of the latest research in this field.

By World War II, a few Japan scholars had already established their reputations, among them Borton (Columbia University), Reischauer (Harvard University), and Fahs (who, after serving during the war as an intelligence analyst at the Office of War Information, left academia following the war to work for the Rockefeller Foundation). Then there were the bright minds who, after the Pearl Harbor attack, were given intensive Japanese-language instruction as part of U.S. efforts to cultivate specialist military personnel to deal with Japan. After completing their duties in the Occupation of Japan, these scholars returned to become full-fledged Japan experts at graduate schools in the United States. Among the top-caliber Japan scholars thus born of Japan's wartime folly were Albert Craig (Harvard University), Herbert Passin and James Morley (both of Columbia University), Marius Jansen (Princeton University), Robert Ward (University of Michigan), and Robert Scalapino (University of California, Berkeley). Emerging all at once during the Reischauer era, this new body of talent went on to play key roles on

the American side of U.S.-Japan intellectual exchange right through the 1980s. One of the enormous contributions Reischauer made was to bring in Japan scholars from the American academic world and equip them with the necessary theoretical knowledge.

The Peak in the 1960s: The Ford Foundation Era

The 1960s brought three major developments. First, with the appointment of Edwin O. Reischauer as ambassador, the U.S. Embassy in Japan, while continuing to encourage the activities of private foundations, itself assumed an active role at the forefront of Japan-U.S. intellectual exchange. Second, the Rockefeller Foundation decided to refocus its priorities, and as a result, phased out its Japan-oriented activities; this coincided with the resignation of Fahs in 1962. And third, the Ford Foundation filled that void by shifting its own Japan program into high gear.[7]

The Ford Foundation was established in 1936, but prior to and during World War II it had remained a modest, provincial organization. When founder Henry Ford died in 1947, his stocks in the Ford Motor Company were donated to the foundation. The stocks rose markedly in value throughout the 1950s, quickly burgeoning into a considerable fortune that made it by far the largest private foundation of its day.

What kind of policy did the Ford Foundation adopt for utilizing its now quite plentiful financial resources? Paul G. Hoffman, who had played a key role in implementing the Marshall Plan, was appointed the foundation's president in 1951. In the policy he announced that year, the foundation's main challenges were identified as averting full-scale war and establishing lasting peace. With the threat of war so great, the United States and the rest of the free world had to pour all possible resources into preventing aggression, maintaining peace, and ensuring victory in the event that war did in fact erupt. The key point here was the view that the free world had to do more than simply devote itself to military buildup: the policy advocated the need for a system and philosophy aimed at strengthening the free society and minimizing its vulnerabilities, or in other words facilitating its advance toward democratic goals.

Interesting here is the fact that, in recruiting someone who had been involved in implementing the Marshall Plan, the Ford Foundation

adopted what was to some extent a Cold War strategy. However, it was a Cold War strategy based not on the premise of all-out military conflict but rather on the policy of limitation and containment, advocated by Kennan and others, according to which it was imperative that the West build up a robust democratic society. The foundation thus adopted a stance of international cooperation toward a world order based on law and justice and pursued through the strengthening of the United Nations.

Although the Ford Foundation's program happened to be consistent with U.S. government objectives and may have been conducive to U.S. government policy, the foundation defined itself as an independent organization not expressly geared toward cooperation with the government. The Carnegie Corporation and the Rockefeller Foundation, having pursued various programs and international activities since before World War II—in areas such as human care (medicine, welfare, and so on) and research and education to raise intellectual standards and develop human resources—were already widely recognized and firmly established. On the strength of their track records, these two foundations were able to avoid government intervention and the effects of Cold War strategy as they continued and further developed their respective programs after the war. By contrast, the Ford Foundation's program, having moved into full swing under Cold War conditions, had elements of that milieu in its very makeup. Nonetheless, the Ford Foundation disdained direct cooperation with the government's Cold War strategy or government interference in its activities. In other words, the question was not one of the government's Cold War–minded pressure on or interference in the foundation but rather the perception and philosophy of the foundation itself. Of the two main schools of Cold War strategy within the U.S. administration, the Ford Foundation had a greater affinity with the moderates, who stressed the importance of the vitality and soundness of Western society.

So how did the Ford Foundation actually treat Germany and Japan? In the 1950s, the image of former enemy states was clearly superseded by the Cold War imperative of bringing the two countries, both of which held enormous potential, into the fold of the free world. For the West to lose Japan and Germany would mean losing the balance of power between the West and the communist bloc. The crucial question was whether or not Japan and Germany could sustain democracy once the reins of occupation were removed. If they were not leftist, would they not therefore spring back toward the right? How could both countries

grow to become responsible members of international society? Was it not precisely private foundations that should help Japan and Germany achieve independence and growth in the difficult post-occupation period? Such was the argument put forward in a memorandum by one Ford Foundation official (Brown 1951).

Even so, the Ford Foundation was perplexed at first over exactly how to approach Japan. Japan was neither like Europe nor like the rest of Asia. In 1952, the foundation divided its activities under its Peace Division into four programs focusing on (1) Overseas Development (focusing on poverty, population, agriculture, etc., with an emphasis on India); (2) International Affairs (targeting American and Western European universities, think tanks, nonprofit organizations, etc.); (3) Exchange of Persons (a program that reached its peak of activity in the 1950s); and (4) International Training and Research, which handled area studies. The first two programs specifically targeted developing countries and advanced Western societies, respectively, but Japan fell into neither category.

During the 1950s, the foundation's assistance to Japan was provided mainly under the framework of its International Training and Research Program. Its principle areas of concern in that scheme were Asia and the Middle East, and in the Asian context it viewed Japan as a nation about which the United States needed to improve its understanding. Through graduate and postgraduate fellowships, grants for field work, and so on, in the ten years until 1960 the foundation spent a total of $3 million on Japan-related projects under this program. However, some 80 percent of the grants for Japan studies were for organizations in the United States, with only 20 out of a total of 102 grants going directly to Japan itself (i.e., to organizations such as I-House, the University of Tōkyō, and Keiō University).

In 1953, the Ford Foundation sent John Condliffe, a University of California professor who had also been involved in the IPR, to Japan on a fact-finding mission and refined its policy toward Japan on the basis of his findings. Condliffe recommended (1) treating Japan as a developed country; (2) treating Japan as an equal partner in the Western intellectual community; (3) directing assistance for Japan to projects rather than to organizations; (4) developing Japan as a base for Southeast Asian studies; and (5) guiding Japanese thought away from both communism and nationalism (Condliffe 1953). These opinions reflect the Japan strategy of America's liberal internationalists. Particularly noteworthy was the

concept that Japan should be included in a U.S.-Europe-Japan community and that it should be placed on the front line of Southeast Asian studies and the development of that field. After careful deliberation on these points, the Ford Foundation prepared to change from regarding Japan as an object for area studies to assisting it as a developed nation and as a base for Asian studies. This shift led to the foundation's large-scale assistance for Japan-based Asian studies during the 1960s, including Chinese studies conducted by Tōyō Bunko and Southeast Asian studies at Kyōto University.

It was also in the 1960s that the Ford Foundation's activities came to attract widespread attention in Japan. Actually, this higher profile was only part of the blossoming of its overall activities at that time both in the United States and around the world. What made this possible was the swelling of the foundation's assets to a scale that surprised even the foundation itself. By the beginning of the 1960s, the foundation had assets exceeding $2 billion, comprised mainly of stocks in the Ford Motor Company, and by the end of that decade it had nearly doubled.

At first there was a growing conviction in the foundation leadership that the key to achieving world peace lay not in foreign studies but rather in enriching and invigorating American society. This was a revival of the traditional American view of American society as a "beacon to the world," a light to be held high for the guidance and salvation of other countries. However, the intellectual dispute between the America-oriented and world-oriented factions within the foundation never came to a head, simply because its abundant funds enabled it to actively pursue both approaches at the same time.

While this enormous financial strength was the driving force of the foundation's overall activities, it was largely two shifts in perceptions that lent vigor and direction to its activities in Japan. One was the foundation's 1960 decision to provide long-term assistance for non-Western area studies. The foundation reasoned that, instead of providing piecemeal grants for individual research projects, it would be better to create competitive centers of research by injecting large-scale funds into a number of major universities capable of carrying out advanced research. Accordingly, in the first year of this new scheme, it provided a total of $15.1 million to three top universities—Columbia, Harvard, and the University of California—for non-Western area studies. Of that first-year total, roughly $1 million was allocated to Japanese studies, and some $5 million was allocated to the field during the 1960s.

The other important shift in perceptions began at the individual level. As noted above, the Ford Foundation's International Affairs program originally targeted mainly Western nations. But the development of a friendship between program head Shepard Stone and Columbia professor of sociology Passin led to a major shift in the program toward activities in Japan. Stone was impressed by what he heard from Passin, whose knowledge of Japan was extensive. In this way, Passin prompted the Ford Foundation to pay considerably more attention to Japan in the 1960s. The four pillars of its new Japan policy were to reinforce modern approaches and promising scientific methods; to encourage cooperation between Japan and the West in the fields of education, culture, science, and economics; to strengthen Japan's ties with the rest of the world; and to encourage Japanese contributions to other Asian countries and the developing world in general.

Ford Foundation activities carried out under these new guidelines included large grants to bodies such as the Asian Productivity Organization and Kyōto University's Center for Southeast Asian Studies, and funding to establish the Division of Public Administration in the Graduate School of the International Christian University. In this way, whereas in the 1950s almost all grants provided under the International Affairs program went to Western countries, in the 1960s, when Passin began advising the foundation, the share of Japan-related grants rose considerably.

Thus, in addition to what it provided under the International Training and Research program, the Ford Foundation came to provide considerable assistance to Japan under the International Affairs program as well. It is intriguing that both programs, the former through the Condliffe mission and the latter through Passin's ongoing advice to Stone, arrived at the same conclusions: eschewing knee-jerk anticommunism and with a view toward a global strategy in the intellectual domain, both programs recognized the need to welcome Japan as a member of the Western intellectual community and develop Japan as a base of assistance for Asia and other regions. It was thus in the private sector that the idea of trilateral cooperation among Japan, Europe, and the United States made its first appearance.

In 1966, McGeorge Bundy, who had served in both the Kennedy and the Johnson administrations, was appointed Ford Foundation president. Prior to paying a visit to Japan in that capacity, Bundy received a report from Stone on the foundation's Japan-related activities over

the last five years. The report stated that those activities had promoted dialogue among various opposing groups and factions in the Japanese intellectual community—between the political left and right, between businessmen and intellectuals, between natural and social scientists, and so on. It also called for greater exchange between Japanese and American lawmakers, and for a strengthening of new, more up-to-date approaches in key areas of Japan's intellectual domain, such as modern economics, objective studies of the communist world, and empirical studies in the social sciences (Stone 1966). Although these are views that could have come straight from Ambassador Reischauer, this is not really surprising given that Passin was advising the foundation in these matters. Japan scholars moved in and out of key positions in both the foundation and the American government and shared a common fund of knowledge.

In short, the Ford Foundation's activities in Japan were aimed at weaving the principles of democracy, modern rational thought, and internationalism into the fabric of Japanese society, and involving concerned, intelligent Japanese people in the activities of the international intellectual community. This was not the philosophy of the Ford Foundation alone; it was a strategy toward Japan based on a worldview loosely shared by various members of a public intellectual community that included Japan scholars such as Reischauer and Passin, leading figures in the foundation, and certain diplomats and top officials of the U.S. government.

Far from some crude Cold War anticommunism, this was a highly sophisticated democratic philosophy and movement, moderate yet meaningful. The members of this intellectual community often moved in revolving-door fashion around the same or similar private and public posts, appearing now in the activities of the Rockefeller or Ford Foundations, now in government as part of the Kennedy-Reischauer line, or else in the actual intellectual and cultural exchange activities supported through those channels.

In 1966, the year Bundy assumed the presidency of the Ford Foundation, the Vietnam War intensified and both the American economy and the foundation entered a dark time in terms of financial resources. In response, Bundy was forced to adopt a policy of gradually scaling down activities in international and area studies and placing greater emphasis on joint research to reevaluate America's worsening problems—urban issues, environmental issues, and so on—including research in a

framework of international comparison with Europe, Japan, and other parts of the world.

The era of the Stone-Passin approach to Japan came to an end. Although Eugene Staples, the initial head of the foundation's new Asia and the Pacific Program, continued to stress the importance of Japan and East Asia, the period from this time to the early 1970s saw a slump in Japan-oriented foundation activity. The Japan programs of both the Carnegie Corporation and the Rockefeller Foundation came to a virtual standstill. The Asia Foundation, which had been pursuing a broad and finely tuned program of activities from its permanent office in Japan, met a similar fate. Although a full account is beyond the scope of this chapter, in 1967 it was revealed that the Asia Foundation had been dependent on funding channeled covertly from the CIA. The foundation's operations were rapidly downsized, and because much of its budget was now coming from the U.S. Agency for International Development (USAID), the programs were reorganized to stress development, thus making Japan a lower priority. Only the Ford Foundation and the Fulbright educational exchange program managed to survive this period intact.

Response from Japan: The 1960s to the 1970s

In the evolution of Japan's intellectual milieu, the 1950s were the heyday of the pacifist-leftist coalition, but after much of that energy had played itself out in the 1960 security treaty protest movement, the tide changed. In the 1960s, the group centering around Ambassador Reischauer, armed with modernization theory, launched its "assault" on the Japanese intellectual scene. During the tenure of Reischauer's predecessor, Ambassador Douglas MacArthur II, "communism-corrupted" Japanese intellectuals and opinion leaders had been prohibited from entering the U.S. embassy premises and had been regarded even by the I-House coterie with suspicion.[8] MacArthur had tended to inject Cold War logic into exchanges with Japan's domestic intellectual community. Reischauer, on the other hand, sought dialogue with a broad cross-section of the Japanese people, including anti-American elements. In that connection, the memorable event when U.S. Attorney General Robert Kennedy engaged in a vigorous debate with students at Waseda University during his 1962 visit to Japan could be said to symbolize the verve with which the Kennedy-Reischauer line was pursued in this

era. The Japan–United States Conference on Cultural and Educational Interchange (CULCON) was also launched at the initiative of Ambassador Reischauer. The Japanese media reports on these developments had a fresh impact on public opinion.

As described earlier, it was also around this time that the Ford Foundation's program of assistance for research and exchange got into full swing. One Ford Foundation–funded project promoted by Stone and Passin that attracted considerable interest in the area of U.S.-Japan intellectual exchange was the 1962 Japanese-American Round Table, often called the Dartmouth Conference. This became the first of a series of three gatherings that continued with the Kurashiki Conference held in 1964 and the Williamsburg Conference held in 1967. Administered on the Japan side by I-House, and involving such figures as Matsumoto Shigeharu, Saitō Makoto, Nagai Michio, Sakamoto Yoshikazu, Tsuru Shigeto, and Nagai Yōnosuke, the conferences were the venue of open, off-the-record discussions, aided by simultaneous interpretation, between scholars from both countries primarily on issues of foreign policy and security, such as the problem of China.[9] The series set the stage for further international conferences bringing together broadminded intellectuals from Japan and the United States for vigorous and stimulating exchanges on a wide range of topics.

The mid-1960s, the period in which this three-part conference series was gaining momentum, was one when a new breed of intellectuals was emerging in Japan. Whereas the intellectual scene in the 1950s had been dominated by postwar pacifism, a different mood had begun to prevail in the 1960s and a new type of scholar was appearing. This does not refer to the corps of new talent developed from scratch in the 1960s through the efforts of the Reischauer circle. Rather, this new group emerged so quickly that it could only have been the realization of elements that already existed in latent form.

Nagai Yōnosuke had attended the Dartmouth Conference while a visiting scholar at Harvard University. The author of *Heiwa no daishō* (The price of peace), Nagai delineated fresh perspectives and new standards of analysis for postwar Japanese scholarship in the field of international political science. Kōsaka Masataka also studied at Harvard in the early 1960s, later returning to Japan and publishing such works as *Kaiyō kokka Nihon no kōsō* (A view of the maritime nation of Japan) and *Saisho Yoshida Shigeru* (Prime Minister Yoshida Shigeru). Whereas the discourse on postwar pacifism had evolved out of remorse about

the past, Kōsaka reevaluated postwar Japan more broadly in terms of both the history and current realities of international politics. Also on the scene now were the scholars of international politics known as the realists, including Kamiya Fuji, Saeki Kiichi, Inoki Masamichi, and Etō Shinkichi; they served as the Japanese delegation to the 1967 Shimoda Conference, another forum convened with assistance from the Ford Foundation.[10] Whereas the Japanese participants in the earlier Dartmouth Conference had a 1950s-style tendency to be rather academic and rationalistic, and were for the most part affiliated with either I-House or the University of Tōkyō, the newcomers were more interested in the actual conditions and policies of the U.S.-Japan and other international relationships, and were more diverse in their backgrounds and affiliations.

Held as a Track II meeting of leading Japanese and American intellectuals, the Shimoda Conference received considerable coverage in the Japanese media. Instead of I-House, which normally administered the Japan side of conferences of this kind, the meeting was organized by the Japan Council for International Understanding, and Yamamoto Tadashi, then one of the younger generation of Japanese intellectuals, served as secretary-general. The conference was the result of collaboration between Yamamoto and Passin and others at Columbia University involved in planning and administering the American Assembly, one of the United States' most highly esteemed gatherings of opinion leaders. Yamamoto is himself now widely respected for his long career in the service of international exchange in Japan's private sector. On the Ford Foundation side as well, a similar generational shift got under way as Bundy took over as foundation president, notably with the replacement of Passin with young Columbia University scholar Gerald Curtis in the role of academic advisor on U.S.-Japan exchange. From the 1969 conference on, Curtis played a leading role as a partner on the American side in the Shimoda Conference series.

The arrival on the scene of Kōsaka, Nagai, and other newcomers on the Japanese side—intellectuals who debated Japanese foreign policy in the context of U.S. diplomatic strategy and international politics—spurred even greater activity in U.S.-Japan policy dialogue and intellectual debate. The effect was reciprocal: private foundation–backed intellectual exchange between the two countries worked to cultivate this new breed of international-minded Japanese intellectuals by providing them with opportunities to express and test their views. As major conferences were

given increasingly wide coverage by the press and other media, they made a considerable impact as a new social phenomenon.

At the U.S.-Japan Kyōto Conference in 1969, the Japanese and American delegates, who in both cases straddled the realpolitik and intellectual spheres, reached a common understanding on the issue of the reversion of Okinawa to Japanese sovereignty.[11] The conference delved deeply into the extremely sensitive and crucial issue of whether or not the islands would be returned to Japan "nuclear-free" and subject to the same security treaty conditions that applied to the mainland—key provisos commonly referred to in Japanese as *kaku-nuki, hondo-nami*. By addressing this question, the conference substantially influenced public opinion and even government decision making on the issue in both countries. After receiving a report of the conference, Prime Minister Satō Eisaku mentioned in the Diet that the government would insist on the *kaku-nuki, hondo-nami* condition, and the U.S. government subsequently accepted that. Of course, it is highly unusual for a Track II conference to influence actual government decision making on an issue of such importance to both countries. More normally, the value of such conferences lies in facilitating stimulating debate on various important bilateral and global issues, enabling the two sides to enrich each other's understanding and fostering relationships of trust and respect at the person-to-person level.

Until that point in the history of intellectual exchange between Japan and the United States, the flow of ideas, policies, funds, and initiative had been overwhelmingly from the American side. Now, however, even the superpower United States was feeling the effects of the Vietnam War and worsening economic and fiscal conditions. As mentioned earlier, by the beginning of the 1970s, American support for bilateral intellectual exchange was beginning to dry up, with only the Fulbright Program and the Ford Foundation still active in that role. These difficult circumstances make all the more impressive the decision by Japan, which was pursuing rapid economic growth, to take action of its own in the early 1970s. Japan was not going to be simply the recipient forever.

In 1972, Foreign Minister Fukuda Takeo, at the direction of Prime Minister Satō, used a grant of ¥50 billion provided by the Japanese government to establish the Japan Foundation to administer programs for international cultural exchange. Fukuda explained his motives for the move in terms of the acute awareness he had developed in the course of his involvement in ongoing diplomatic negotiations with the

United States of the perception gaps between the two countries. He was convinced that the prospects for resolving the problems through government-level coordination and compromise alone would be difficult unless those gaps were resolved. It was a fine act of leadership based on the recognition that nations cannot conduct their international affairs effectively at the government level alone and must achieve a broad base of mutual understanding at the people-to-people level.

This initiative helped establish a principle of reciprocity: as the American side began to struggle, the Japanese side started to shoulder more of the responsibility for maintaining the bilateral exchange. But whereas the initiative on the American side was for the most part taken by private foundations, on the Japan side it took the form of a government-funded body. Generally speaking, it is preferable that this kind of exchange be led by private foundations. In Japan's case, however, the private nonprofit sector was still in its infancy—a consequence of Japan's top-down style of modernization, whereby the government had presided over virtually everything. In that context, the Japanese move to establish a government-initiated and -funded foundation was appropriate. Unless the government did something, no significant support would have emerged from Japan at all, and at the very least it would have taken much longer to rectify the one-sidedness of bilateral exchange.

As if in appreciation of Japan's efforts, the American side returned the favor. In 1975, the U.S. government established the Japan-U.S. Friendship Commission. As in the proposal by Mori, and in the actual case mentioned earlier of the Boxer Rebellion reparations, the funds for the commission came from money paid to the United States by the Japanese government. When Okinawa was returned to Japan, U.S. military bases there were consolidated, and the Japanese government paid for the transfer and downscaling of the bases involved. Leading American Japanologists, including Ward, John Hall, and Reischauer, lobbied to use part of the money left over from this payment for Japanese-language education and Japanese studies in the United States. Taking up this cause, Senator Jacob J. Javits and others drafted a bill to that end and in August 1972 submitted it to both houses of Congress. The State Department opposed the establishment of an independent body in this case, insisting that the proposed fund be placed under its jurisdiction and control. While this was a case of timeless bureaucratism, the State Department's request was turned down. Meanwhile, further funds were added in connection with the Government Appropriations for Relief

in Occupied Areas (GARIOA) program administered during the Allied Occupation of Japan. Of the roughly $2 billion in aid provided to Japan under GARIOA, Japan had returned $500 million, or about one quarter, to the United States in the 1960s. Of that returned portion there now remained $12.5 million. This was combined with $18 million of the money Japan paid to cover the cost of consolidating the Okinawa military bases. Thus, the Japan-U.S. Friendship Commission came into being in 1975 with an endowment of $30 million. This took place during the Gerald Ford administration. President Ford was eager to repair the damage done to U.S.-Japan relations by the "Nixon shocks," among other things, and it was Ford who hosted the first-ever visit to the United States by a Japanese emperor. Surveys of Japanese public perceptions around that time also suggest that Japanese sentiment toward the United States, which had deteriorated during the Vietnam War, had stopped its downward trend; pro-American feeling was on the upswing once more.

Conclusion

The 1900s have been called a "century of war and revolution," but in American society, that period was also the century of philanthropy. A spirit of charity and benevolence, tied to Christianity, had existed since the earliest days of American history, but it was not until the start of the 20th century that those sentiments congealed to inspire the creation of philanthropic foundations that would carry out work for the greater public good. While the successes of huge corporations were leading to the accumulation of great fortunes, at the same time, the logical result of a society of freedom and opportunity was the creation of vast gaps in wealth. This led to the age of progressive thought, which sought to correct social ills and called into question the social responsibility of those who had accumulated this wealth. In addition, the taxation system also provided an important incentive to fund work that would benefit society.

The foundations created by Andrew Carnegie, John D. Rockefeller Sr., and others at the start of the 20th century had not only earned respect in the period prior to World War II for their work in U.S. society in such fields as education and learning, welfare and medicine, but the Rockefeller Foundation and others had also begun funding efforts to promote international understanding and exchange.

However, when an exchange of power politics begins, citizen exchange activities become painfully powerless to intercede. Japan's prewar trade with the United States accounted for roughly one-third of its total external trade and was qualitatively critical to the country's prosperity and to its very existence. And yet the war between the United States and Japan began, as if to mock the pragmatists who had believed that a nation's actions are based on economic interests. It was a painful loss for those foundations and individuals who had worked so hard to support good will between the two countries through such organizations as the IPR and the Japan Society. It became clear that when a nation becomes a behemoth or a leviathan, raging like a huge beast, then neither economic rationality nor private philanthropy can stand in the way.

But as is symbolized by the fateful meeting of JDR 3rd and Matsumoto at the 1929 IPR conference held in Kyōto, the explosive expansion of foundation activities after the war was clearly built upon those budding prewar activities. It appeared that international exchange among citizens had been destroyed by the war. But the seeds had been sown in the hearts of the people, and they would not be so easily uprooted. When the storm of war had passed, those seeds quickly began to grow and bear fruit. Although it may have appeared ineffectual at one point in time, the true core strength of philanthropy emerged in this postwar era.

Although one crisis had passed, the world quickly became divided by the Cold War, bringing a new test for American philanthropic activities. The threat to national security gave rise to anticommunist hysteria in American politics and an atmosphere of all-out confrontation with communism within American society. The Rockefeller Foundation and others that had an established track record of liberal philanthropic activities were forced to battle the sparks that flew from the McCarthy hearings. And the Ford Foundation, which was in the process of establishing its international activities at that time, was forced to choose its path in relation to Cold War strategy.

As noted above, American strategy itself was not monolithic; it can roughly be split into two camps—those who called for an all-out struggle against communism and those who supported a policy of "limited containment." The latter concept emanated from George Kennan, who proposed that the spread of communist dominance be contained, while waiting for long-term changes to occur in Soviet society. The key to victory, he stressed, was for American society to lead the way for Western Europe and Japan, developing vigorous economic power and healthy

democratic societies. When the Ford Foundation chose Hoffman as its first president, it selected a man who had worked under Kennan to oversee the Marshall Plan. Under Hoffman, the organization chose a path that put priority on strengthening and fulfilling society rather than a hardened military confrontation. Instead of trying to involve Japan in an anticommunist military strategy, they tried to familiarize the Japanese people with rational thought derived from the broad social sciences, anticipating that Japan would build a democratic society that veered neither too far toward the communism of the Left, nor too far to the nationalism of the Right, and that an internationalist Japan that cooperated with the United States and Europe could serve as a leader for Asian research and for Asian industrialization.

Although this chapter could not adequately cover the issue, the work of the Asia Foundation contains an ironic paradox. Given that the foundation was being funded with CIA money, one would naturally suspect that it would be firmly anticommunist and that its grants would have had strings attached. According to those involved in the foundation, however, quite the opposite was true. There was no other foundation that provided funding to groups on the Left as vigorously as the Asia Foundation did. Apparently, the hope was that these left-leaning groups of researchers would become more moderate and diverse in their thinking.

The interaction between America's strategy toward Japan and the Japanese government's political path in the 1950s is extremely interesting. Even within Japan's political conservatism there were variations—there was the Yoshida line that stressed economic recovery and took a more cautious approach to remilitarization, and there was the "constitutional revision and rearmament" line taken by Hatoyama, Kishi, and others—but the governments of the United States and Japan were not on the same wavelength. In the end, the "revision and rearmament" camp lost favor, and postwar Japan proceeded as an economic nation in keeping with Prime Minister Yoshida's position. That was a favorable environment for U.S. foundations as well, since they shared the Yoshida line's orientation toward stressing the building of a healthy society and the avoidance of a strategy centered on militarism.

As described above, the 1951 report submitted by JDR 3rd to Dulles stressed three objectives for private international exchange activities: the promotion of mutual understanding; the enrichment of one's own culture by learning from other cultures; and cooperation in addressing mutual problems and those facing human society as a whole (Rockefeller

1951). The actual content of the funding by the various foundations leaned toward priority on (1) support for exchanges of individuals through travel and conferences; (2) encouragement of study abroad and other methods of human resource development; (3) support for research projects; and (4) large-scale funding for the formation of centers of research.

The Shimoda Conference held in 1967 marked a new stage in U.S.-Japan intellectual exchange. Through the emergence of scholars of international politics on the Japan side who could debate U.S.-Japan foreign policy, it expanded the horizon for discussions between the two countries on issues of common concern. The 1969 Kyōto Conference became a site for policy discussions on the critical issue of the reversion of Okinawa to Japanese sovereignty, and those discussions provided the lead for thinking among political and foreign policy leaders in both countries. Subsequently, Track II policy dialogues between the two countries became much more common, and a number of institutions were created that could provide a forum for discussion and advice on the U.S.-Japan relationship.

One such example is the U.S.-Japan Wisemen's Group, which was created in the 1970s at the request of both governments to meet regularly and offer policy advice. A second is the Advisory Committee of the Japan Foundation Center for Global Partnership (CGP), which was established in 1991 and is composed of Japanese and American experts from a broad range of fields. The committee meets twice a year to discuss the state of the bilateral relationship and offer advice on the foundation's grant-making activities. Both of these groups were created at the initiative of government.

It was extremely significant that the Japanese government created the Japan Foundation in the 1970s, and later established the CGP as well. But why is it that an advanced industrial nation such as Japan has such a limited private foundation sector? When the Japanese economy became a global leader in the 1980s, talk of corporate social responsibility and corporate support for the arts and culture (*mécénat*) became fashionable, and major companies that had built up their wealth raced one another to set up foundations. Japan in the 1980s possessed both a level of wealth and a spirit that was similar to that of the United States in the early 20th century. However, the foundations that were created in Japan in the 1980s were quite small—hardly comparable to those created in the United States. Perhaps the consciousness of contributing to

society was not as deep or widespread in Japan as it was in the United States, and the scale of the accumulated wealth was probably not as large. However, it was systemic factors that decisively divided the two experiences—above all, the tax system.

The system by which corporations and individuals could make tax-exempt donations to private organizations for the public good was weak in the 1980s and remains weak today. Even during the period when Japan was enjoying the effects of the economic bubble, the country did not create a system that would cultivate private foundation activities supported by private funds. The inertia created by the "modernization from above" legacy, combined with the desire on the part of the bureaucracy to maintain its grasp on the funds and authority under its control, have inhibited the ability of the private sector to establish such a system for itself. In the 1990s, often referred to as "the lost decade," Japan's economy entered a prolonged recession, from which it has only recently shown signs of recovering. But those in the corporate world today who have wealth are showing greater interest in money games or the purchase of baseball teams and there is a dearth of philanthropic spirit to pursue work for the greater society. If one looks at the rise in volunteerism since the Great Hanshin-Awaji Earthquake of 1995 and the spread of efforts by nongovernmental organizations, it is difficult to believe that the Japanese people are lacking the will to support their own society or the global society. If Japan is to overcome the current irrational situation by which public needs cannot be resolved without the involvement of the state, it must quickly create a new mechanism to support its philanthropic and nonprofit sectors.