

The Future of a Limited World

Edwin O. Reischauer

At any international gathering these days the dominant theme is likely to be the obvious interdependence of all nations in a global environment that is now perceived to be sharply limited. There is, of course, nothing new in the twin concepts that the world is one and that it is not infinite. For some years prophets, statesmen, scholars, and humble citizens have been blowing on these two horns with increasing vigor. But it took the oil shock of the autumn of 1973 to transform these ideas from the realm of provocative theory to chilling reality. An interdependent, limited world was until quite recently an interesting, slightly worrisome concept, but hardly more immediately threatening than the theory of an ever expanding universe. Suddenly it seems more like the hypnotic eye of a striking cobra, inducing a mixture of terror and immobility.

Few people would dispute that rapidly rising population, particularly in the less affluent countries, and soaring per capita consumption, especially in the richer lands, will clearly meet the limits of the global environment if continued indefinitely at recent rates of growth. Viewed in long perspective, there is only a narrow area of maneuver for mankind between the upper limits imposed by the capacity of the biosphere to absorb pollutants and provide nonrenewable natural resources and the lower limits of human tolerance, or we might call it human dignity. A prolonged, lavish, and careless utilization of natural resources will inevitably smash into the upper limit. The suppression of great masses of people below the levels of human dignity will cause widespread desperation, which in this age of complex global interrelationships would probably prove no less catastrophic than an ecological breakdown.

EDWIN O. REISCHAUER, former U.S. Ambassador to Japan, is Professor of Far Eastern Languages at Harvard. This article is based on an address he presented to the Asia Society's Williamsburg Conference in Japan.

These upper and lower limits, however, are by no means clearly defined and still seem a good way off. The great change that has recently swept over the world is more one of perceptions than of actualities. What has happened has been a sudden shift from an intellectual acceptance of the concept of a limited world to an emotional realization of its impending reality.

This does not mean that catastrophe may not lie around the next bend of history or just over the horizon. It is perfectly possible that another Arab-Israeli war could produce an effective oil embargo and this in turn an economic collapse of large parts of the world or even a nuclear Armageddon. An equally plausible scenario leading to the same two possible eventualities, though over a somewhat longer period of time, would start with increasing economic difficulties in many parts of the world caused by the huge rise in energy costs and food prices, galloping inflation, balance of payments problems, and economic recession. These in turn would lead to restrictionist economic measures on the part of the more vulnerable nations in an effort to export their economic woes to others. This would then produce economic warfare, a drastic decline in world trade, the stagnation of most national economies, and all too probably social and political upheavals in some countries. Finally, these conditions might then produce a downward spiral culminating either in the collapse of world civilization as we have know it or its destruction through nuclear war. This sad story would be analogous to what the world experienced following the great Depression of the 1930's, but the collapse at the end would probably be far more complete, simply because the complexity and interdependence of the world economy has increased tremendously since the interwar years and much greater destructive power is now at the command of desperate men.

Such possibilities for early disaster, however, would not be the result of mankind having bumped hard

against the natural limits of the global environment. They would be merely the current form of an old story—the inability of the various peoples of the world to overcome parochial suspicions, fears, and hostility and to cooperate effectively in a mutually beneficial way. The institutions of international cooperation are far from adequate to meet the present needs for cooperation. Worse still is the general lack of understanding of these needs or the will to achieve effective cooperation. The development of adequate institutions may take decades; the growth of the necessary understanding and the will to cooperate may require generations. The latter is a slow educational process that has hardly started.

Seen in this light, the adjustment to the limitations of the biosphere may itself seem to be only a long-range and still distant problem, less immediately critical than certain age-old difficulties. But this relatively

the waterfall of gold at present descending on the deserts of the Middle East and the puzzle of how it is to be effectively rechanneled elsewhere, especially to the countries that need it most. By concentrating on the Pacific area we can not only sidestep these issues, but also deal in somewhat more specific terms with some of the major ways in which the problem of limitations will present itself and people may attempt to meet it.

Ever since the outbreak of the cold war it has been customary to divide the nations of the globe into three so-called “worlds,” and more recently the Third World has been divided between the resources-rich and the resources-poor to form a “fourth world.” For the purpose of analyzing the effect of global limitations on various types of countries, however, a division into six categories might be use-

The Six Categories of Countries				
	<u>Industrialization</u>	<u>Resources</u>	<u>Trade</u>	<u>Examples</u>
First world:	1. industrial	rich	trading	U.S.
	2. industrial	poor	trading	Japan
Second world:	3. industrial	(rich)	autarkic	USSR
	4. nonindustrial	(rich/poor)	autarkic	China
Third world:	5. nonindustrial	rich	trading	Saudi-Arabia
(Fourth world):	6. nonindustrial	poor	trading	Bangladesh
(Theoretical but nonexistent type):	industrial	poor	autarkic	—

long time-frame does not mean that the adjustment can safely be ignored at present or in the near future. It will involve fundamental changes in attitudes and ways of life that can be achieved only over a long period of time. Moreover, aspects of the problem, such as oil, are pressing down upon us already, and the sudden realization of the inexorable limits imposed by a finite environment have exacerbated international tensions, perhaps making men even less capable of rational cooperation than before and thus increasing the threat of a worldwide collapse even before actual global limitations have become the real problem.

The world is, of course, unitary, and the problem therefore is global, not regional. But I shall limit myself to a consideration only of the Pacific area as affording a particularly clear example of the problem without getting involved in certain other pressing matters that either are largely independent of the problem of natural limitations or place it in too narrow and specific a context. I have in mind such problems as the nuclear balance of terror between the Soviet Union and the United States, the Arab-Israeli confrontation, and

ful. That is because three separate sets of factors are important for such an analysis. One is the division between the industrialized and the nonindustrialized countries, which until recently has also been the division between the affluent and the poor. The second is the division between the nations that are either rich or poor in natural resources—a division that cuts across the line of industrial development. And the third is the division between those countries that are deeply involved in world trade and those which attempt to maintain their economic independence as much as possible by remaining relatively aloof from the world economy. This line, which also for the most part is the line between non-Communist countries and the Communist “world,” cuts across the other two lines of division.

This three-way analysis gives us theoretically eight types of countries, though one of these types does not actually exist, and two others do not differ enough from each other to be distinct types. There are no countries that are industrialized, poor in resources, and not much engaged in world trade (this is not a possible combination except for a satellite of a large and rich

state like the USSR), and a preindustrial autarkic country that is rich in resources would differ only marginally from one that is poor in resources. On the other hand, many countries straddle the lines between industrial and preindustrial, rich and poor in resources, and dependent on, or independent of, world trade. As a result, there is a wide variety of subcategories.

If we look at the traditional "three worlds" division on the basis of the above categories, we come up with the following results. The "first world," which consists of the affluent, industrialized nations that are deeply engaged in international trade and in fact account for almost four-fifths of world exports, should be divided between those which are also rich in resources—principally the United States, Canada, Australia, and New Zealand, which are all in the Pacific area—and those which are more or less deficient in natural resources. The latter consist largely of the countries of Western Europe, but also include Japan, a Pacific country that happens to be the largest and on the whole the most deficient nation in this category.

Similarly, the "second world," consisting of the Communist nations, which for the most part also strive for as autarkic an economic position as possible, could best be divided between those that are industrialized and those that are largely preindustrial. The Soviet Union and most of the countries of East Europe fall into the first category, while China, together with its border states of North Korea and North Vietnam, constitute the bulk of the latter category. This division of the Communist world has often been recognized by lumping the nonindustrialized Communist countries into the "third world," but, because of their relative noninvolvement in the world economy, this makes no more sense for our analysis than to lump together all the industrialized countries, both Communist and world-trading. The division between resources-rich and -poor nations could also be applied to the autarkic countries, but would not produce significant new categories, since the industrialized group, which is made up largely of the Soviet Union, happens to be relatively rich in resources, and the nonindustrial group, consisting overwhelmingly of China, is only modestly endowed with resources in comparison with its population.

As we have seen, the "third world" of largely preindustrial nations involved in the world economy is now usually divided between the resources-rich ones, such as some of the lands of the Middle East, and the resources-poor countries, such as those of the Indian subcontinent and sub-Sahara Africa. Most of the so-called Third World lands of the Pacific area, however, fall between the two ends of the resources spectrum or else have a good start in industrialization. There are some that have a reasonable balance between resources and population. Indonesia seems to be an example of these, and Thailand, Burma, and the Philippines might also qualify. Others are well on their way to joining the industrial trading world, as Japan did in an earlier

period. Examples are South Korea, Taiwan, Hong Kong, and Singapore. Malaysia might be considered a country that is both semi-industrialized and relatively well endowed with resources.

The Pacific area, thus, has examples of the bulk of the major categories. The industrialized, trading, resources-rich type, as well as the autarkic, nonindustrialized category, exist primarily in this region. Japan is the outstanding example of the industrialized, trading, resources-poor type. There are no outstanding examples of entirely preindustrial trading countries that, in terms of their populations, are either extremely rich or very poor in natural resources, but there are a number of the mixed type of semi-industrialized or moderately endowed countries, which are perhaps more characteristic of the "third world" as a whole. Only the industrialized, autarkic type of nation is missing entirely from the region.

The prospect and then the reality of global limitations will press down upon these various categories of nations in varying ways, producing perhaps quite different problems and divergent reactions. Sharply contrasting attitudes, for example, will develop between the industrialized and preindustrial groups regarding the allocation of limited global resources and the rules to govern environmental pollution. The preindustrial countries will demand a larger proportion of total resources than they now have in order to accommodate their own industrialization, while the present affluent consumers of the bulk of the world's resources will resist a diminution of their share. On the other hand, the already industrialized countries, being more aware of the ecological threats to the world environment, for which they are overwhelmingly responsible, will insist on stringent ecological controls, while the others will protest the brake such controls would put on their own industrialization, arguing that until they have reached the levels of pollution and consumption of the already industrialized nations, they should be exempt from these restrictions.

The handful of preindustrial countries that have only small populations but are fabulously rich in natural resources, such as the oil-rich desert countries of the Middle East, are in a special class of their own, and the future offers them a wide range of possibilities so long as world order and world trade do not collapse. For the great bulk of the nonindustrialized or semi-industrialized nations, which are involved in the world economy but are not abundantly provided with natural resources, the recognition of global limitations and the resultant slowing down of world economic growth may force profound material and psychological adjustments. Some of them have been growing at an amazing speed as new industrial producers for a rapidly expanding world market. Others have experienced economic growth only marginally greater than the increase in their populations. But even for these there has been the

hope of at least a trickle-down effect of rapid global economic growth and an eventual, even if belated, entry into the once seemingly unlimited world market for industrial goods.

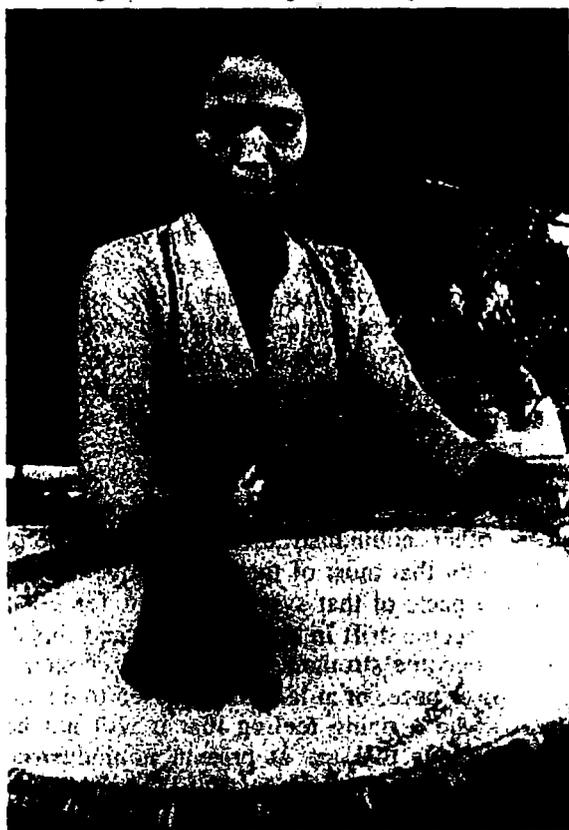
For both groups the prospects now look much bleaker. If global industrial growth tapers off and economic competition sharpens, there may be less chance for infant industries in countries like South Korea and Singapore to follow the Japanese pattern and rapidly reach healthy maturity. In fact, as the newest and least securely based elements in the industrial trading world, they may be the first to collapse under the combined pressures of skyrocketing costs for energy and natural resources and the restrictive measures of other more securely based nations. For those whose industrialization has not yet really started the prospects are probably even worse. There may be little or no trickle-down effect of global industrial prosperity to help them pay the bill for necessary imports of food or energy. They may also find it more difficult than the Japanese, South Koreans, and others did at an earlier time to find secure footing on the bottom rungs of the industrial ladder.

In these various countries recent conditions of rapid growth, or at least the expectations of such growth, have made the problems of the immediate distribution of economic wealth seem less pressing than they may prove to be under conditions of slow growth and limited long-range prospects. It had seemed apparent to many that the rapid expansion of the national economic pie was of primary importance and that a more equitable apportionment of its slices could be postponed to a later stage, when there presumably would be more to

divide. Vast discrepancies in wealth and privilege and even a certain amount of constructive corruption seemed tolerable, for had not comparable conditions during the early industrialization of Europe, North America, and Japan permitted fabulous economic growth and eventually a greater degree of prosperity for everyone. But it is precisely this pattern of the past that probably cannot now be repeated. Resources no longer seem unlimited and cannot be consumed without thought about the long-range consequences; pollution must be kept within bounds; and economic growth is almost certain to be less rapid. In fact, there may be no industrial El Dorado that might justify heedless waste and social injustices during the forced marches on the way there. At least the journey may prove far longer than had been expected, requiring more attention to the interim social and political viability of the national group on its way to this promised land.

In contrast to the dim outlook for most of the preindustrial or semi-industrial trading countries of the world, the preindustrial, autarkic nations, notably China, seem the least menaced by the present situation, being probably less affected even than the industrialized autarkic nations, like the Soviet Union, simply because of their lesser involvement in the world economy. Many have seen in the Chinese emphasis on economic self-sufficiency over economic growth and on economic equality and social stability over individual freedom of choice a sort of higher wisdom, superior to the economically more dynamic but more volatile policies pursued by other nations. A slow pace of industrialization that left the bulk of the population still tied down to hand labor seemed preferable to a spotty industrialization that might prove more productive in aggregate, but left large groups of people displaced or unemployed. Now that the Chinese system is proving exempt from the worst pressures of the oil crisis and largely immune to the financial and commercial malaise of the rest of the world, the "Chinese way" appears all the more desirable. Even the relatively slow rate of growth of the Chinese economy, which may have averaged between 4 and 5 per cent a year, is now seen to have been as good or better than that of many other preindustrial countries and appears to be more compatible over the long run with emerging global conditions than are the more spectacular bursts of growth in countries like Japan, South Korea, and Taiwan.

Under these circumstances it would not be surprising if other preindustrial nations opted for the "Chinese way." But there may prove to be a large gap between the will and its execution. China, after all, is a unique country. While the Soviet Union and the United States, the two giants among the industrialized nations, could conceivably maintain an autarkic economy of a sort, no other industrial or nonindustrial nation would seem to have the combination of huge population and geographic size, together with a diversity of natural resources, sufficient to support an autarkic economy at



Photos: RNS



much above mere subsistence levels. More important, few other nonindustrial countries have the social and political skills needed to maintain the intricate controls upon which the Chinese system of social stability and relative equality of wealth is based. In other words, to follow the Chinese model closely and with success, a country would have to have two qualities: first, something like the size and the broad spread of natural resources that China has and, second, a Chinese population, or at least a population much like the Chinese in social and political skills. It is not surprising that only one country meets both these criteria.

The point about the resources base of the Chinese system may be obvious enough, but that about the special social and political skills of the Chinese may be less clear and also less demonstrable. A few illustrative facts, however, can be cited. The other great national giants—India, the Soviet Union, and even the United States—are much less culturally homogeneous than is China, and actually few of the smaller units in the nonindustrialized world are as homogeneous. None of them has anything like China's long history as a unified political unit. It emerged in the third century B.C. as essentially the same political entity it is today—almost a thousand years before the next oldest existing political units, Korea and Japan, appeared. Despite its huge size, it has been a successfully operating political unit almost without interruption for the past fourteen hundred years. More than a millennium ago it had developed a system of intricate economic and social controls over its vast population of a degree of complexity and uniformity of application approached only in the past couple of centuries even in the West. Its people throughout have shown a highly developed work ethic,

great social cohesiveness, and a tremendous talent for social and political organization. Finally, China in recent years has survived the traumatic impact of the higher technology and economic exploitation of the West, as well as the disruption of long foreign wars, to emerge even more closely knit and highly regulated than ever before.

In contrast, most of the nonindustrial lands of the world have at best relatively shallow national histories, much greater ethnic and cultural diversity, and little if any experience in the uniform organization of large bodies of people. Only in nearby countries, such as Korea, Vietnam, and Japan, which have derived many of their political attitudes, social habits, and cultural values from the Confucian Chinese tradition, are similar organizational qualities to be found. Japan, as a highly industrialized country, is a separate case, but parts of Korea and Vietnam have already adopted with success elements of the Chinese model, though as modified by a smaller geographic and demographic base. On the other hand, when Burma opted for something similar under the name of "the Burmese road to socialism," such factors as ethnic diversity, less work-oriented and more permissive social norms, and relatively shallow administrative experience led instead to economic stagnation and political immobility. For most of the nonindustrialized countries of the world, including those of Southeast Asia, which lack a Confucian-type population, the unhappy Burmese experience is more likely to prove relevant than the more successful Chinese one.

Even in the cases of North Korea and North Vietnam the lack of a broad resources base will probably force them either into economic subordination to China or else to greater dependence on world trade, thus increasing their vulnerability to world economic crises and probably their susceptibility to external influences on their social and political systems. Even for China one wonders if its present degree of autarky will not decline over time, lowering the dikes that keep out the waves of external economic, social, and political influence. The rapid growth in recent years of China's foreign trade and the hints that it may utilize its newly discovered oil resources for a sizable export trade to pay for a large inflow of industrial capital goods both point in this intriguing direction. At this time of impending change in China's leadership, however, it would be hazardous to make firm predictions about a drift away from the autarky of their present system.

While the "Chinese way" may not be open to easy adoption by other nonindustrialized countries, there seems little doubt that most of them will move toward at least some aspects of that system. In fact, for some time there has been a drift in that direction, and this is likely now to become stronger. If the world economy grows at a slower pace, or at least is expected to do so, then there will be a rising feeling that it will not be possible for nations that are at present nonindustrial simply to catch onto flying industrial coattails or to

prosper merely through a trickle-down effect from the more affluent nations. There are also likely to be even greater economic pressures on most of these nations than already exist. Under these conditions demands will almost certainly increase for a more thoroughgoing effort to control the economy and to conserve resources and investments for the most important economic tasks. In short, there will be growing demands for more careful economic planning and greater economic controls.

As the nonindustrialized nations see their economic future more in doubt and the industrialization of their economies as a slower and more complex process than they had earlier assumed, many will probably begin to pay more attention to interim economic and social conditions. Some may consciously imitate the "Chinese way" of putting emphasis on handwork modes of production until such time as overabundant labor resources can be absorbed into modern industrial facilities. They may also attempt to follow the "Chinese way" by trying to lessen the great inequalities of wealth and privilege and to eliminate rampant corruption. While once tolerated as perhaps serving over the short run more as stimuli than as brakes to economic growth, such social injustices may now be seen as too destructive of society and political stability to be tolerable over a long period of relatively slow economic growth.

Greater economic planning, stricter controls, and efforts at economic equalization all would require an expanded, stronger, and more pervasive role for government. Since the nonindustrialized countries for the most part have relatively low standards of living and correspondingly low levels of education, and since most of them have had little experience with political democracy, it seems improbable that more pervasive government controls over the economy and society in such countries would prove compatible with democratic political development.

Throughout the nonindustrial world in recent years there has been a general retreat from bold announcements of democracy and such brave beginnings toward electoral and parliamentary institutions as have occurred, and under developing conditions this retreat is likely to continue, if not accelerate. It should be remembered that democracy developed and matured in the West under more favorable economic conditions and at a time when the role of government was much more restricted than it is today. Under the more austere conditions of the present day democracy is likely to survive and grow only in exceptional cases. A few countries with relatively high standards of living and education and considerable experience with elections and representative legislatures, such as Singapore and Malaysia, might be able to maintain their democratic institutions. Even South Korea and Taiwan, if they can weather the economic impact of the great increase in prices of energy resources and raw materials, might be able to build more democratic political institutions

than they now have, on the base of their high educational levels, their relative prosperity, and their significant even if limited experience with elective and representative government. But for many nonindustrial countries in the Pacific area as well as elsewhere in the world the general trend will probably continue to be away from democracy and toward dictatorial systems of either the right or the left.

The movement thus will probably be in the direction of the "Chinese way," but few if any countries are likely to come really close to reproducing it. Being smaller and having much narrower resource bases, they will remain far more dependent on the world economy for resources, markets, and also capital, and thus much more open than China is to social, political, and economic influences from abroad. Moreover, few of these countries, even with their more restricted territories and populations, will prove as capable as the Chinese of equalizing incomes, maintaining full even if inefficient employment, and keeping their people under the type of complete control that the "Chinese way" requires. In fact, in some cases efforts at more thorough planning and greater controls may well produce worse economic results than before and therefore greater social and political instability. An endless struggle for power between contending political groups could well become the pattern in some countries, plagued as they are by ethnic diversity and lacking a sound basis in highly developed social and political skills and an old tradition of political unity. Thus not only economic conditions but political prospects as well seem to be darkening for many of the nonindustrial nations.

The industrialized nations of the Pacific area, unlike the nonindustrialized ones, do not face any trauma of blasted hopes for rapid industrialization and imminent prosperity. If they can surmount the oil shock and the fears engendered by the specter of impending global limitations without falling into a catastrophic decline in world trade, the problem for them will be merely to adjust to a deceleration of their rates of economic growth from rapid to moderate or from moderate to slow. Since they are already affluent and do not have high rates of population growth to swallow up the slowed increase of their economies, they should find the adjustment relatively easy to make, for it will probably entail little if any loss in per capita wealth and is more likely to permit a continued, even though slackened, rise in general economic well-being. Since their democratic institutions are relatively well based on long experience, high educational standards, and strong popular support, their democratic systems are not likely to be seriously threatened, short of major economic breakdown.

There is, of course, a great difference in conditions between the two categories of the resources-poor and the resources-rich industrialized nations, which, as we have seen, are represented by their most outstanding

and extreme examples in the Pacific area. Japan, dependent on foreign sources for roughly 85 per cent of its energy, most of the metals and other natural resources it requires, and around half of its food, is obviously in a much more vulnerable position than the United States, Canada, or Australia, with their surpluses of food, vast energy resources, and other natural endowments. Obviously a serious decline in world trade would lead much more rapidly to economic collapse in Japan than in these other countries.

Japan's democratic political system also seems to stand on less secure foundations than does democracy in these three other nations and in New Zealand. These four are all English-speaking lands and therefore share in the oldest democratic tradition in the modern world. By contrast, Japan's electoral experience goes back only to the 1880's and its Parliament only to 1890. As recently as the 1930's and 1940's domestic economic pressures and international tensions led to a collapse of Japan's still only partially effective democratic system. Its revival after World War II came only three decades ago. With such shallow roots, it would not be surprising if a serious economic downturn, or deep fears of this happening, were to topple Japan's democratic institutions once again. The fear of economic disaster may in fact be more of a menace than the reality. We should remember that it was fears sparked by poor economic conditions in the 1920's that produced the flames of reaction which consumed Japan's democracy in the 1930's, at a time actually of extraordinary economic growth and prosperity. It is also worth noting that Japan has grown economically at an average rate of 11 per cent in real terms in recent years and therefore may have to accept a much greater fall in its growth rate than these other industrialized countries, in which growth rates, in general, have not been half as high. This situation would seem to make Japan all the more vulnerable to a panic reaction.

There are factors, however, that modify this picture and suggest that in some ways the United States as well as other Western industrialized lands may have more difficulty than Japan in surmounting the problems caused by the new situation. The citizens of these countries are deeply imbued with the twin concepts of unlimited growth and unfettered individual freedoms. Both have become virtually articles of faith with them. For this reason, they may find it difficult to accommodate themselves to the disciplines enforced by actual or feared scarcities and by the dangers of global ecological damage. Their problems of adjustment will probably be not so much economic as in the realm of psychology and value systems.

In this area the Japanese may be better prepared for successful adjustments than are the peoples of the Western democracies. In fact, cultural traits the Japanese share with the Chinese, and which account for the Chinese ability as a nonindustrial nation to cope with the newly perceived conditions of a limited world, may make the Japanese better able than the

other industrialized trading nations to cope with these same problems.

One rather obvious factor is the difference in attitudes toward consumption. The Japanese, like other industrialized peoples, have developed a full consumer economy, but they are closer than Americans and most other Westerners in terms of time and psychology to the preindustrial conditions that almost everywhere made diligence in work and thrift in consumption prime virtues. In some American families Johnny may still be urged to think of the "starving Indians" and finish his porridge—a proposition that even he must see to be glaringly illogical—but in Japan most Japanese still feel a strong ethical and even aesthetic compulsion to eat every last grain in the rice bowl.

While many Japanese spend enthusiastically for nonessentials and in greater proportion perhaps than do Americans in certain categories, such as cameras, electronic equipment, and leisure pastimes, still none of them has ever accepted the wisdom current in the United States only a few years ago that the more everyone consumed and wasted, the faster the economy would move and the more prosperous all would be. Selective austerity and the careful husbanding of resources will be far easier for the Japanese to accept than it will be for Americans. Even minor efforts along this line are likely to prove extremely irksome to most Americans, but the majority of Japanese will probably find invigorating new goals and a sort of aesthetic satisfaction in much more heroic efforts at conservation and saving.

A more important factor is the greater skill of the Japanese in controlling and shaping their economy. Their unprecedented economic growth of the past two decades was in part the result of fortuitous world conditions, but another reason was careful planning that permitted a skillful shift of their economy from labor-intensive, low-technology fields to capital-intensive, high-technology industries. Today the Japanese not only have more thoroughgoing plans for the conservation of oil and other resources—they need such plans more than do most of the other industrialized nations—but they also are starting to move their industry as quickly as possible away from the heavy consumption of energy and resources and toward the so-called "knowledge-intensive industries" that call for an abundant use of advanced skills, that is, human capital, of which Japan is bountifully provided by its high educational standards. No other major industrial country has sufficient control over its economy even to attempt such a shift through government planning. If there is a serious decline in world trade, the pressures on the Japanese economy could prove too great for them to handle, but for the present they remain quietly confident that they can adapt to much greater economic pressures and to a larger drop in economic growth rates than can the other industrialized, trading countries.

Back of these capacities to adapt to adverse economic conditions are basic Japanese values and social attitudes that contrast with those of the United States and the West in general. The Japanese still see themselves, not merely as individuals, but even more basically as cooperating members of groups—the family at the smallest level, then various intermediate groups such as the school or the business firm, and finally the nation as a whole. This attitude is probably the product of the original bent of Confucian ethics, long centuries of life in a highly crowded, complex society, and a century of efforts to catch up first with the military-industrial power of the West and then with its standard of living.

The origin of the Japanese emphasis on the group rather than the individual, however, is not the matter that interests me here. I am concerned with what this attitude means for Japan today. It helps account for the coordination between government and business that makes possible effective long-range economic planning. It helps account for the efficiency of Japanese industry, in which labor and management, both with assured lifetime employment, cooperate to expand production and take pride in the company's success and growth. It helps account, not just for the group fanaticism of the wartime efforts of the Japanese in the past, but also for their continuing willingness to work hard and sacrifice for national goals in peacetime. It helps account for their skills at achieving a fundamental consensus and then cooperating in its achievement. It predisposes most Japanese to accept national or group decisions, to observe the laws strictly, to cooperate fully with the duly constituted authorities, and to do their best to observe agreed-upon restrictions or attain assigned goals.

In contrast to the group orientation of the Japanese, the glory of modern Western civilization has been its emphasis on the self-identity and freedom of the individual. Clearly the group skills of the Japanese are better adapted to industrial, urban life today than are the fierce individualism and Lone Ranger fantasies of Americans. It is true that for the past several decades there has been a trend in Japan toward a lessened emphasis on the group and a higher evaluation of the individual. This trend may well continue in the future, but the Japanese are likely to retain enough of their subordination of the individual to the group to maintain the sort of group self-discipline that the new age and, for that matter, existing urban conditions demand. The weakness of their resource base, of course, will make it necessary for the Japanese to accommodate themselves to far greater disciplines than will be required of Americans, but the Japanese undoubtedly are capable of accepting a far higher degree of such disciplines than are Americans or most other Westerners.

One might conclude, therefore, that it would take a much greater degree of economic and psychological

pressure to topple the democratic institutions of Japan, shallow rooted though they may be, than to undermine the democratic institutions of some of the other industrialized nations. Democratic governments anywhere find it difficult to subordinate the interests of individuals to those of the group or to force on the people present sacrifices in behalf of long-range goals. Such policies may be relatively easy for authoritarian governments, but not for those that must periodically face popular elections. To take the necessary measures demanded by the age of real or perceived global limitations a democratic society may require much more of the sort of group spirit and willingness to accept individual limitations and sacrifices than most Western societies now seem to have.

It is not at all certain, therefore, that democracy may be more threatened in Japan than it is in the United States or other Western countries. In view of Japan's extremely vulnerable economic position, it could be that the high levels of pressure sufficient to overturn its democracy are more likely to be reached than the much lower levels of pressure that might destroy American democracy. But this may not necessarily be the case, and certainly some Western countries, such as Italy, which, like Japan, are poor in resources, face a far greater threat to their democratic institutions than does Japan.

This quick survey of the probable effects of the reality or perception of global limitations on the various countries of the Pacific area shows a wide variety of resulting conditions and reactions. China as a nonindustrial autarkic country seems to be the least affected, but for it the question is whether its relative autarky may not gradually erode in the future. For most of the nonindustrial, trading countries the prospects look definitely more gloomy. However attractive the Chinese pattern of autarky and firm social controls may be, it is probably not possible for most of them. Their economic growth will probably slacken; governmental controls over the economy and the lives of the people will probably increase; some countries may witness a further retreat from democracy; and complete economic and political collapse is a possibility, though this is more likely to be the case among the politically weak and resources-poor nations of other areas of the world than among the moderately rich or semi-industrialized countries of the Pacific area.

Japan, the outstanding example of the industrialized trading countries that are poor in natural resources, will face severe pressures. But, short of a complete economic catastrophe, it probably has the social skills to see it through without the abandonment of its democratic institutions. The United States and the other industrialized trading nations that are rich in natural resources will be much less severely squeezed by the pressures of the new situation, but, ill-prepared for the group self-disciplines that may be required, they may face a severe challenge to their traditional value systems and social habits.