

Changes of Japanese Economic Ethics in Post-War

Xi Cao

Shanxi University of Finance and Economics, Taiyuan, China

Keywords: Japanese Economic Ethics, Ethical Deficit, Ethical Confusion, Ethics Reconstruction, Ethical Prosperity

Abstract: Since World War II, the Japanese economic ethics has gone through four periods – ethical deficit period, ethical confusion period, ethics reconstruction period, and ethical prosperity period. This development process demonstrates the relationship between economics and ethics. When the economic development reaches a certain level, equality or more ethical issues becomes more and more important and needs to be addressed.

1. Introduction

Economics has been closely related to ethics since its birth. Until the 18th century, economics was not only taught as part of moral philosophy in universities, but also as words “economy” and the Chinese word “jìngjì” which means “govern and benefit the people” including the meaning of “ethics”. Therefore, it can be said that the development of economics is the growth of economic ethics. At the beginning of the 20th century, Max Weber discussed the issue of economic ethics in the book of “The Protestant Ethic and the Spirit of Capitalism” and emphasized the ethical issues in potential economics. So what is the progress of economic ethics in the history of Japan?

In the Cold War regime that lasted for a long time after World War II, the theme of “economic ethics” had hardly been considered, as Naoji Yamawaki pointed out, under the Cold War regime dominated by the US-Soviet Union The question of whether capitalism, socialism or communism brings more welfare to people has been a major issue, and it has been dismissed as a matter of systemic awareness, not an issue of ethics. [1] According to the development of the postwar Japanese economy, the Japanese economic ethics from the postwar period to the present can be divided into four periods.

2. The Ethical Deficit Period

In the early postwar years, the Japanese government and people were eager for economic growth, efficiency was the focus of public attention, the ethical issue of fairness and justice was ignored by the majority. Some scholars have not forgotten this issue and pondered the issue of economic ethics in their papers and writing. In accordance with different reasons why people ignore economic ethics, this ethical deficit period is divided into two stages.

2.1 Stage One: the 1950s

Japan suffered great pain from the Second World War. The people lost their homes, the roads and other public facilities were destroyed, the supplies were extremely scarce, and the national economy was in severe inflation. And under the GHQ (Allied Forces Headquarters), the Korean War brought about a rapid recovery of the Japanese economy using special demand for the US military. Naoji Yamawaki criticized that the miraculous economic growth in Japan by the Dodge Plan is a tragic, non- (or anti) ethical event of war on the Korean Peninsula. [1]

During the war, Kazuo Okouchi, who understands economic ethics as an improvement in national productivity, and further personal service, did not change his mind after the war. However, while emphasizing the importance of searching for new economic ethics from the inside of the economy in response to the new era, when the book “Smith and List-Economic Ethics and Economic Theory” published during the war was reprinted in 1954, deleted the subtitle. [2] Also,

Otsuka Hisao also chose the political, ethical and religious position before Marxism became a theoretical problem. He hoped that religious economic ethics and Marxism would be compatible. [3]

In actual economic development, ethical issues were ignored, but scholars still continued research on economic ethics after the war. In addition to Kazuo Okochi, Taro Togo published a series of papers on the economic ethics of the Japanese clan from the Tokugawa period to around the Meiji Restoration from 1868 to 1912, including the ginger, Matsunohira Sadanobu, Hirose Amakado and Kaiho Seiryō. He published a book called “History of Economic Ethics in Japan” (Yuhikaku).

In addition, under the influence of Max Weber, Japanese scholars mainly studied religious economic ethics. For example, Tokutaro Yanagi's book “International Relations and Economic Ethics: Religious Sociology of Economic Development” can be cited.

2.2 Stage Two: the 1960s

In the 1960s, people enjoyed the wealthy life brought about by economic development and forgot about economic ethics. In December 1960, Hayato Ikeda submitted an “income doubling plan”. This unconditional economic development plan was supported not only by the ruling Liberal Democratic Party but also by the opposition Social Party. Many Japanese modern economists were enthusiastic about interpreting real problems such as the causes of high economic growth, but were not very concerned with logic issues such as philosophy and ethics that should be in economics. They defended Paul Samuelson's “Neoclassical synthesis” and used Keynesian theory to defend the emergence of high unemployment rates, while interpreting economic operation under full employment conditions with neoclassical theory. Marxian economics scholars also studied pure theories and formed schools such as the Uno School and Mathematical Marx School. During this period, how to recognize the economic phenomena and the system theory that appeared in reality and how to predict the future was a problem debated by Marxian economics and non-Marxian economics. While the scientific nature of economic theory was emphasized, economic ethics was viewed as a kind of idealism or capitalist ideology.

Even so, as Takeshi Matsuyama said, “Many economists do not always deal with morals and ethics in their economic theory, but the closeness and fusion of economics with morals and ethics is also a practitioner for economists. It is also a useful and urgent research topic for the future. “[4] Some scholars emphasized sex.

In short, from the 1950s to the 1960s, the majority of Japanese economists were eager to simulate economic operations using mathematical models, and even if they recognized the importance of economic ethics, Religious economic ethics was the main research subject, and there was still little research on ethics in modern economic theory.

3. The Ethical Confusion Period

In the 1970s, the economic growth began to be limited, led by industries such as the automobile and electronics industries, and entered a period of stable growth. Japan, which quickly overcame two oil crises, became the world's second largest economy after the United States, and its development miracle attracted worldwide attention. Among them, the book “Japan as Number One” written by Ezra Vogel, an American sociologist, is the most famous. In both the economics and business worlds, there was an atmosphere that emphasized “efficiency” and neglected “justice”.

However, people who have become rich in their lives due to economic growth, such as knowing the courtesy of clothing and clothing, blame “economic priority” for the occurrence of social problems such as double structure, environmental pollution and pollution diseases. A voice came out. In order to solve such problems, economists began to analyze the logic from the viewpoint of economic ethics. Ryutaro Komiya analyzed neo-classical theory that the bias in economic policy was the cause of the decline in economic equity, industrial imbalance, and environmental pollution. He also pointed out that policy special treatments for certain large companies have damaged consumer interests.

And Marxist economists began to use social economic theory to analyze the social problems

caused by economic growth. Representatives are Kenichi Miyamoto, Shigeto Tsuru and Yoshikazu Miyazaki. Kenichi Miyamoto is the first scholar to study pollution issues in Japan. In his book "Pollution in Japan," he argues that the cause of pollution problems is too much pursuit of GNP, deficiencies in the capitalist market system itself, and reaction of surplus values. Shigeto Tsuru is a scholar who criticizes Japan's high economic growth. His research is closer to Marxian economics, but he also thinks of modern economics. He analyzed the economic roots of the international environmental crisis and pointed out that he was far away from the actual human welfare and GNP calculation standards. In reality, capital, social structure and resources are the real elements that determine whether a person is happy. Yoshikazu Miyazaki is a scholar who absorbs the advantages of Marxian economics and modern economics. He argued that Japan's unique corporate group was the key to economic growth and encouraged competition between different corporate groups, while monopolizing resources in that area and undermining the fairness of resource distribution.

In addition, Yasuaki Murakami, a mathematical economist, said the crisis of industrialized capitalism was due to changes in values in the era of mass consumption, limited resources constraining the economy, and intensifying friction between developed and developing countries. It was analyzed that it consists of three parts. Among them, the root of the economic crisis is a change in values. It is said that, through mass consumption and mass education, individualism has pursued the satisfaction of selfishness without increasing personal well-being and status through work and savings. [5] The results of modernization in Japan benefited the power of family groups, but due to the weakness of collectivism, there is a possibility of infecting the pathology of the industrial society. In a sense, Murakami's theory is an improvement based on Weber's approach.

As mentioned above, there are many economists who are still enthusiastic about mathematical models, but there are also economists who consider the issue of social equity in high economic growth. I am still confused by the relationship between the economy and ethics, but the author believes that it shows a return to economic ethics research.

4. The Ethics Reconstruction Period

In the 1980s, people were enthusiastic about speculation economies such as finance and real estate due to the fermentation of the bubble economy. For Japanese economists, fiscal deficits, exchange rates and trade surpluses were the main issues. For both companies and individuals, the classic "idea of justice" and ethics have been driven away from oblivion. Japan at this time is very similar to the United States in the 1920s, and the pursuit of self-interest is the essence of the "capitalism spirit", and no one is foolish. Takamitsu Sawa pointed out that the ethics of erasing disappeared beyond the darkness, and that mass consumption and mass disposal continued to be pursued with greed. [6] A large number of papers demonstrating the existence of such things have emerged, and neoliberalism such as monetarism and supply economy has become the mainstream of economics.

Against this background, it appears that research on economic ethics did not fit with the times. However, as social problems such as widening disparities and pollution problems become more serious, people are searching for ways to solve the roots of the problem and social unfairness. Because of this, many economists have recognized the importance of economic ethics.

First, more mathematical economists have been conscious of ethics. For example, in the book "Why Japan was "successful" by Michio Morishima, who was active in the 1970s, the cultural elements that promoted the development of the Japanese economy were unique to Japan and had a terrible social effect. It pointed out. Hirofumi Uzawa tried to create a healthy and just economy by taking social capital into consideration in the production function of modern economics. The research combined the complicated mathematical model with the social and philosophical significance of economics, and expressed the meaning of "Jin People" that should be in the economy.

And some Marxists are paying attention to ethical issues that have emerged during economic development. For example, there are social exploitation problems caused by unfair industrial development, so-called rich poverty. Kenichi Miyamoto pointed out that, depending on the times,

traditional Marxist concepts such as poverty need to be reconsidered, arguing that modern poverty is pollution, urban population overcrowding, and chronic inflation.

There has also been much controversy over economic freedom, equity and justice. Rolls, Hayek's view of justice and political and economic policies were studied. For example, Ikuta Ikuo analyzed Rawls's view of justice in "Ethics by public consensus: The basic structure of Rawls' philosophy".

Until the late 1980s, Japan's economic ethical thought was divided into neo-liberalism and Marxism, with the former emphasizing economic freedom and the latter emphasizing the interpretation and resolution of modern poverty. It should be noted that during this period, few Japanese scholars evaluated Rolls from an egalitarian point of view, but classical liberalism was viewed as a modern development. So, the recovery of Japanese economic ethics in the 1980s is still the beginning.

5. The Ethical Prosperity Period

After the collapse of the bubble economy in the 1990s, against the backdrop of economic recession, more economists focused on issues such as freedom, equality, fairness, justice, and modern economic ethical ideas represented by libertarianism, equal liberalism and analytical Marxism Formed the school.

Representatives of libertarianism include Susumu Morimura and Yuko Hashimoto. Susumu Morimura's economic ethical thought can be divided into the following three aspects. First, individuals claim to have self-ownership not only for their own bodies, but also for their own labor and the outcome of their work, that is, their products. Second, I advocate the principle of redistribution, not to be unequal, but to worry about the poor. Third, the government takes the position that it is sufficient to guarantee the minimum welfare. Yuko Hashimoto criticized an egalitarian welfare state and advocated a minimal welfare state based on classical liberalism. So-called restricted governments pursue the minimum system necessary to realize human welfare.

Among equal liberals, Shintaro Nakanishi studied the current state of youth and the roots of poverty, and resulted in inequality of ability. Michio Goto studied the failure of working poor and Japanese-style employment, and proposed to solve the poverty problem in modern Japanese society. Shinya Tateiwa criticized Libertalia for equality of Zum's opportunity and submitted an equal distribution of freedom. Akira Takeuchi considered the ability to be more than a private property and a kind of resource, and tried to build a new modern equality theory based on it.

In analytical Marxism, Naoki Yoshiwara used mathematical methods to examine exploitation theory and to examine the legitimacy of exploitation theory in the modern economic background. Satoshi Matsui advocated free socialism by analyzing Marxist value philosophy and the interrelationship between liberalism and socialism from the perspective of normative theory, and introducing liberal value philosophy into socialism. He compares socialist normative theory with modern liberal normative theory, and that socialism inherits the positive outcomes of liberalism and expands it into the future. It is concluded that it can be characterized as socialism.

6. Summary

Looking back on the flow of post-war Japanese economic ethics, the relationship between economic growth and economic ethics is even more apparent. If the economy cannot guarantee the lives of the people, developing the economy is the best choice? From the perspective of economic ethics, this means giving priority to the so-called efficiency. On the other hand, when the economic development reaches a certain level, the issue of fairness or more ethics becomes more important and needs to be solved. Looking back on the 40 years since the reform and opening up in China, simply speaking, from "prioritizing efficiency" to "prioritizing efficiency and taking fairness into account", now "There has been a change in economic ethics that both efficiency and fairness must be considered simultaneously."

Acknowledgement

This research was financially supported by the Shanxi University of Finance and Economics Youth Research Fund Project (Grant NO. QN-2017016).

References

- [1] Naoji Yamawaki, “Economics of Economics”, Maruzen Shikisha, 2002
- [2] Kazuo Okouchi “Smith and List” (complete edition), Kobundo, 1956
- [3] Otsuka Hisao “The Spirit of Capitalism” “Otsuka Hisao Works” (Volume 8), Iwanami Shoten, 1969
- [4] Takeshi Matsuyama” Difference and Approach between Economics and Ethics “,” Doshisha University Economics Phrase “13 (6), 582-596
- [5] Yasuaki Murakami, “The Pathology of Industrial Society” Chuo Koronsha, pp. 1975
- [6] Takamitsu Sawa, “Economic Ethics of Matured Society”, Iwanami Shinsho, 1993