In his new book titled *Bending Adversity*, David Pilling paints a landscape portrait of modern-day Japan steeped in historical perspective. Henry Kissinger, he notes, once told Chinese Premier Zhou Enlai that “Japan believes that their society is so different that they can adjust to anything and preserve their national essence.” Pilling too is wishful that Japan’s unique culture will adapt to the challenges the nation faces. They include an aging population, economic uncertainty, entrenched vested interests, increased youth unemployment and rising tensions with a more assertive China.

Pilling is the *Financial Times* Asian editor based in Hong Kong. He was the FT’s Tokyo bureau chief between January 2002 and August 2008. While living in Japan, he learned to speak the language and became a Japanophile. Pilling leverages his top position at the FT to offer the reader a kaleidoscope of often opposing opinions from leading politicians, bureaucrats, economists, historians, sociologists, authors and ordinary individuals. It is, as duly noted in the preface, a book about Japan as he finds it.

Relying on experts like postwar scholar John Dower, Pilling recounts Japan’s history beginning from ancient times. He draws increasingly from personal experience after Junichiro Koizumi became prime minister, a period roughly corresponding to when Pilling lived in Japan. He shifts to “on the ground” reporting to depict the trauma caused in tsunami-affected areas by the events of 3.11.

Pilling credits Japan’s unique culture to its geographic isolation as an archipelago lying 500 miles from China. Japan, he says, is “an apostrophe on the edge of the Eurasian landmass.” In ancient times that was a sizable distance. From about 400 AD, when China’s centrality in Asia was undisputed, Japan took lessons in ethics, religion and technology from the Middle Kingdom. It adapted rather than adopted what it took.

According to the Asahi newspaper’s Yoichi Funabashi, Japan at its worst could be “Galapagos” — a culture perfectly adapted to its own environment but not that of the rest of the world. In the book, Funabashi describes Galapagos as intoxication by the Japanese with their own Japanese-ness, which affects everything from mobile phones to nuclear safety regulations. It is toxic because it contributes to a narcissistic belief in Japan’s own exceptionalism. He told Pilling that Japan lost the balance between “Japanese spirit and Western knowledge” (waken yosa) in the lead-up to its militarism of the 1930s and 40s.

Pilling says Japan is hardly alone in believing its people exceptional. Americans too think there is something uniquely special about them. But to some, Japanese exceptionalism could be considered different. Towards the end of the 19th century it increasingly came to include a belief in the purity of the Yamato race, devotion to the emperor and a wish to spread Japanese values throughout Asia.

Exceptionalism had its roots in the Edo period starting in 1603, when under the threat of colonization people were prohibited from entering and leaving the country. Peace reigned and Japanese culture flourished for 260 years. *Bushido* — originally related to 12th century samurai sword fighting — evolved into a spiritual code incorporating values which included courage, justice, kindness, patience and sincerity. During this “golden age” Japan was a nation apart.

Isolation ended when Japanese leaders awoke to the need to modernize with the arrival of Commodore Matthew Perry. As Pilling recounts, “When Commodore Matthew Perry first stepped ashore in 1853 determined to prise open Japan, many of the warriors who faced him were armed with seventeenth-century flintlocks.”

Pilling quotes the Australian academic Gavan McCormack, who argues that much of what was considered to be Japanese “essence” was in fact a collection of “emperor-centered myths” created by 19th century nationalist rulers “around which a new, post-feudal nation could rally.”

The myths were inflated after the end of World War II by the publication of Ruth Benedict’s *The Chrysanthemum and the Sword*. Her book describes Japan as “the most alien enemy the United States has ever fought”. McCormack called it “one of the great propaganda coups of the century”. It helped unleash an entire style of literature known as “Nihonjinron” which purports Japan to be a nation apart, often uniquely superior — even unknowable.
Pilling debunks those notions as do many experts, but there remain some who still cling to it. Author of The Dignity of a Nation, Professor Masahiko Fujimura, blames Japan's descent into militarism on the country's embrace of Western thought over samurai values. He told Pilling that in its search to become a great power, Japan had aped colonial Britain: "I always say Japan should be extraordinary; it should not be an ordinary country. We became a normal country, just like other big nations." The Dignity of a Nation was published in late 2005 and sold 2 million copies in Japan. Only the latest translation of Harry Potter had sold more.

One year later Shinzo Abe published his political manifesto, Towards a Beautiful Country. In it he said Japan should stop apologizing for itself, learn to appreciate its culture and stand on its own two feet. Abe set out to revise (with some recent success) the pacifist Article 9 of the Constitution which renounces the nation's sovereign right to wage war. Some people could hear the nationalist rallying cry — "rich country, strong army" — that Meiji period leaders coined to marshal the country towards militarism. Others feel Japan must adapt to the realities of a resurgent China and the diminishing capacity of the United States to protect its interests in the Asia-Pacific region.

Another chapter in the book focuses on the nation's declining international influence. Japan surpassed Britain and Germany to become the world's second-largest economy between 1950 and 1973, a period when the country enjoyed a 10% average yearly growth rate. Growth significantly slowed after the bubble burst in 1990. In 2010 Japan slipped back to 3rd place when China overtook it. Japan's share of global GDP also fell from 17.9% in the mid-1990s to 8.3% by 2010 and is expected to further decline along with the nation's shrinking population.

Yet Pilling believes Japan is far from the economic basket case the Western press would have you believe. In fact, its economy is not much worse off than that of most other advanced nations. He sets out to correct mistaken perceptions by providing a more balanced overview. To do so, he relies on the wisdom of Martin Wolf, the FT's top economic commentator who kindly reviewed the book's economic chapters.

Japan performed poorly in terms of nominal growth over the past decade compared to other developed nations. After adjusting for deflation and demographics, however, it marginally outperformed them. On average Japan's real annual per capita income grew by 0.9%, while those of the US, the UK and Norway grew by 0.8%, 0.7% and 0.5% respectively. The nation's unemployment rate is about half that of the US. Non-financial performance indicators too suggest Japanese live longer and healthier. Their society has only a fraction of the US's crime rate too. Representative of the typical misunderstandings held by foreigners, one British member of parliament said on arrival in Tokyo for the first time, "If this is a recession, I want one."

Still, Japan has significant problems resulting from slow growth and a shrinking, aging population. With insufficent tax revenues, living standards are maintained only by building up huge public debt and through aggressive monetary policy. The main culprit is the pension and healthcare systems, never designed to cope with an aging society.

While most of the national debt is owed to the Japanese people themselves, the nation cannot live off accumulated past wealth indefinitely. Pilling quite rightly predicts, "At some point the state is likely to renege on these obligations, either by outright default (unlikely), cutting social welfare, or eroding it away through inflation." Japan would need to learn to live within its means, something he thinks "should not be beyond the wit of man."

Filled with angst about uncertain economic times, Japanese youth find themselves working at insecure and second-rate jobs. Pilling talked to Kumiko Shimotsubo, a young lady who after graduating from university in the mid-1990s was unable to secure a job at any of Japan's prestigious trading houses. She had applied, but top firms had cut back on their recruiting that year. The single brief window to secure a job for life within the nation's unique recruiting system had closed. "Frozen out" of a good job, Shimotsubo, now 37 years old, considers herself to be one of the country's "lost generation."

Another young person Pilling spoke to was Noritoshi Furuchi, the 27-year-old author of Happy Youth in a Desperate Country. Furuchi reaches an altogether different conclusion about diminishing future economic prospects. He believes that young people have never been so content. They were learning to live with less, but at the same time were unleashed. Fathers of his generation, he says, were hapless cogs at work and mothers essentially maids and servants. He believes his generation doesn't need to suffer the same deferred gratification.

Best-selling author Haruki Murakami told Pilling he believed the end of Japan's economic miracle gave the nation a better chance of finding itself again. Waseda University Professor Norihito Kato wrote "Japan doesn't need to be No. 2 in the world, or No. 5 or 15", referring to the time when China overtook it. It was "time to look to more important things" other than endlessly chasing GDP. Pilling, too, is hopeful. "In the disappearance of something old lies the possibility of something new — at least a chance to bend adversity and turn it into something better," he says.

Bending Adversity is an enjoyable and easy read. I wholly recommend it to anyone seeking a modern interpretation of Japanese history and current-day Japan.

Richard Solomon writes about Japan's thought leaders who are the shapers of Japanese society. He contributes to the Nikkei Asian Review and The Japan Times. From Tokyo he posts regular Beacon Reports at www.beaconreports.net