Kotkin, in contrast, the chief goal of land-use policy should be to encourage business and facilitate family.

His book would have benefited from more detailed descriptions of why most American moms prefer to live in car-centric suburbs rather than in the high-rises favored by so many single urban-planning pundits, such as bachelor blogger Matthew Yglesias. Many who write about transportation policies are too inexperienced with life to grasp why women with children prefer to drive. "Walkability" is a pleasant amenity in a neighborhood. Still, the sheer tonnage of groceries that the modern family woman buys, typically at a distant Costco or Walmart, means she needs a car to manhandle her purchases home. And once she decides she must have a car, it makes sense for her to live somewhere with ample parking, light traffic, and other suburban blessings.

But how will adding 129 million people make it easier for America as a whole to cut carbon emissions? (Especially when so many immigrants move here in hope of being able to buy big SUVs—ideally with spinning rims.)

America's future, according to Kotkin, is Los Angeles writ large. Yet L.A. has wound up with the worst of both worlds. It was planned for low density, with few parks, bike paths, or even sidewalks, but it has wound up one of the densest municipalities in the country. (Among major metropolitan areas, Greater Los Angeles now ranks second only to New York in people per square mile.)

When I was a 13-year-old in 1972 in the Valley, I biked to school. The subsequent increase in cars on the streets means that Valley parents don't encourage their kids to ride bicycles anymore. Instead, they chauffeur them around, which further worsens traffic.

This kind of path-dependent vicious circle is common in Southern California. The government can't afford to buy up property to retrofit facilities because land is so expensive. Add in Los Angeles's NIMBY attitudes and attack-dog lawyers, and you have civic gridlock.

It takes forever to build anything in California, whether a subway or a housing development, especially near the coast. Tracts with golf courses typically require a decade or more of squabbling between lawyers and environmental consultants. Because the supply of housing can't respond quickly to increases in demand, California is subject to ruinous housing-price spikes. These bubbles can deflate calamitously, dragging down the national and even global economy. A large majority of all American mortgage dollars defaulted in the current economic crash were lost in California.

Not surprisingly, Kotkin is falling out of love with Los Angeles and in love with Houston, an L.A. Jr. less hemmed in by ocean, mountains, and liberal regulations. The housing bubble didn't much happen in Texas because the second most populous state has flat, wellwatered prairies to build upon. And perhaps more importantly, Texas has a probusiness, self-confident conservative electoral majority.

Kotkin almost unloads an interesting political idea, but he can't quite pull the trigger to explain that the contrasting fates of the only two large majority minority states-high-cost and bankrupt California versus low-cost and mildly prospering Texas—suggest something paradoxical about the future of America when the whole country goes majority minority (now forecast for 2042). As mass immigration renders the population relatively less educated and productive, the only kind of government we'll be able to afford at the federal level is a Texasstyle small one.

Unfortunately, while that theory makes economic sense, it's politically unrealistic. Modern immigrants and their descendants vote solidly Democratic because, rationally enough, they're pro-tax-and-spend and pro-affirmative action. And why would that be different in 2050? ■

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[Edwin O. Reischauer and the American Discovery of Japan, George R. Packard, Columbia University Press, 368 pages]

## Juggernaut Japan

By Eamonn Fingleton

BEFORE THERE WAS Beatlemania, there was Reischauermania. Admittedly, the latter was more localized and, of course, it is not much remembered these days. But it was huge at the time, and in the end it may prove to have left a bigger mark on history.

The object of adoration, a dapper, middle-aged Harvard East Asian studies scholar named Edwin Oldfather Reischauer, shot to fame when he became John F. Kennedy's ambassador to Japan. Even before he arrived, Japanese officials had determined to treat him as a superstar. In a gesture of rare obeisance, Tokyo's Haneda Airport was cleared of all other traffic as his plane approached. After a short welcoming ceremony broadcast live on national television and witnessed by more than 100 journalists-Reischauer was whisked to his new residence six miles away. Policemen stood at every intersection, cordoning off his route. Given that all this took place at rush hour in the world's largest metropolitan area, it is a fair bet that as many as a million other road users were left fuming.

The story of Reischauer's sudden apotheosis is one of the more interesting episodes in George R. Packard's new biography. As recounted by Packard, Reischauer's five-year term was unique in the annals of American diplomacy. The scholar-ambassador was constantly mobbed by Japanese reporters and celebrity-hunters alike. He quickly concluded that there was no point in even trying to escape his gilded cage.

His partisans have always presented Reischauer as one of America's all-time great experts on Japan. Although this is a view Packard outspokenly propounds, the balance of evidence suggests that, at least as far as key policy issues were concerned, Reischauer was badly misguided. It was on his watch that U.S.-Japan economic relations began to go off the rails. Trapped in a diplomatic bubble and with more than a touch of hubris, Reischauer opted not to disappoint his doting Japanese fans. Instead of pressing firmly for a phasing out of Japanese mercantilism, he initiated an inglorious American diplomatic tradition of turning a deaf ear to U.S. exporters' complaints about rigged markets.

That legacy remains relevant today because, though you would never know it from reading the American press, Japanese mercantilism is still going strong. U.S. trade negotiators have simply given up fighting it, and the results are written all over international trade statistics. It is an interesting, if little known, fact that between 1989, the year of peak American concern with "juggernaut Japan," and 2008, Japan's current account surplus increased more than threefold. In the same period, the U.S. current account deficit ballooned more than sixfold. Not one of the major U.S.-Japan trade disputes of the 1980s was ever resolved—not cars, not financial services, not even rice.

Japan's stonewalling has in recent years come to be widely admired and imitated throughout East Asia. Meanwhile, the United States, which in the 1960s enjoyed unparalleled leverage to shape the world trading system along open-market lines, is now more abjectly in hock to foreign creditors than any major power since the late-era Ottoman Empire.

It is hard to exaggerate how far Japan still diverges from American ideas of fair trade. Take the car industry. The combined share of all foreign makes in Japan totals a mere 4 percent. Even Volkswagen, which outsells Toyota in many markets around the world, is nowhere. Then there is Renault, which in 1999, via a major stake in Nissan, acquired ostensible control of Japan's second-largest car distribution system. It cannot get its cars into its own showrooms. All this provides the Japanese auto cartel with a highly profitable domestic sanctuary from which to target world markets.

Characteristically, Packard, a diplomat-turned-policy-entrepreneur who has long been close to the Japanese establishment, makes no mention of cars and gives the entire trade story short shrift. Nonetheless, for anyone whose interest in Japan extends beyond kimonos and cherry blossoms, trade policy is surely key. It is now obvious that Tokyo was never sincere in its rhetorical support for free trade. Thus any serious assessment of Reischauer's legacy must begin by asking what he knew and when he knew it.

This book offers no enlightenment. Evidence from other sources, however, suggests that Reischauer started off his ambassadorial term as a relative innocent. He soon went the way of many lesser "Japan hands," however, as he was sucked into a pattern of increasing self-censorship and dissembling. That said, even intellectual opponents remember him as a generous-spirited man—a striking contrast to many of the other denizens of the intellectual alligator swamp that is Japanese studies. Moreover, he boasted an impressive tally of former students, including John Dower, author of War Without Mercy; Ivan P. Hall, author of *Bamboozled*; and Sen. Jay Rockefeller.

Although Reischauer was born and brought up in Japan, he had never lived there as an adult, and his childhood had been spent mainly among foreigners. It is a fair bet that his feel for 1960s Japan was not nearly as sure as his boosters have often suggested. Certainly Packard does little to counter revisionist doubts on this score.

That said, Reischauer certainly had some premonition of the train wreck ahead. This is clear from Wanted: An Asian Policy, a book published in 1955 in which he predicted that East Asian policymakers would systematically suppress their nations' consumption in an effort to generate super-high savings rates. As Reischauer was the first to realize, any serious policy of suppressing consumption almost by definition implied a mercantilist approach to trade.

Of course, Japan was still poor in 1961, and Reischauer may sincerely have felt that it was in everyone's interests to cut the country a little slack. What he seems to have missed—arguably because of his "house arrest" in the embassy residence—was how quickly things changed. Certainly before he left Japan in the summer of 1966, it had drawn broadly level with Britain. Thus the time had surely come for Washington to press the Japanese for the same sort of trade reciprocation it had long expected from the British. (Japan's current account surplus reached a stunning 1.6 percent of national output in 1966, handily trouncing a flagging post-imperial Britain's surplus of 0.3 percent.)

On his return to the United States, Reischauer generally endorsed the Tokyo line even as Japanese mercantilism moved to the front pages. In spite of all this, or perhaps more correctly because of it, his reputation soared in many quarters. In 1985, Harvard named its Japan Institute after him.

Echoing a standard Japanese propaganda point, Reischauer slammed Detroit for failing to make cars configured for Japan's drive-on-the-left roads. To uninformed American readers, this seemed like a devastating indictment, but Reischauer knew better. It was one of the cheapest shots in Tokyo's propaganda arsenal. The Detroit companies had always, via subsidiaries in Europe, produced an impressive range of cars for drive-on-the-left markets. Although these cars — many of them made in Germany to superb engineering standards were eminently saleable in Japan, they had always been frozen out. In any case, Japanese buyers of foreign cars are a group apart, who actually prefer to have the steering wheel on the wrong side. This has great snob appeal in a country where, thanks to high trade barriers, foreign cars are often priced up to twice as much as the locally produced equivalents. So great has been this tendency that, given a choice of configuration (both are usually available in Europeanmade cars), Japanese buyers are prepared to pay as much as \$5,000 more for an American-configured car. Reischauer's betrayal of Detroit goes entirely overlooked in Packard's account.

In fact, the book is marred by several rather revealing factual errors. For instance, Packard states, "the United States ran chronic balance of payments deficits in the early 1960s." In reality, and despite increasing pressure from Japanese mercantilism, America's overall trade remained in healthy surplus in the 1960s. The first significant overall deficit did not appear until 1972, and even then another decade was to pass before the deficits became baked in. The larger political point here is that to the extent that America's bilateral trade with Japan deteriorated in the early 1960s, this was a Japan-specific issue, and it said vastly more about Japanese protectionism than about American competitiveness.

Packard breaks new ground in some of his more personal observations. He suggests, for instance, that Reischauer's marriage to the Tokyo-born journalist Haru Matsukata was not the idyllic love match it was often portrayed as. Perhaps the book's most valuable contribution is its account of how Reischauer handled the Vietnam War. He knew better than almost anyone that the American effort was doomed. But he kept quiet for fear any challenge to the pro-war crowd would weaken his ability to influence Japan policy. His spinelessness contrasted sharply with the spunk with which John Kenneth Galbraith, the contemporaneous ambassador to India, denounced the war.

Trade apart, another key topic conspicuously overlooked in this book is the extent to which East Asian studies programs at American universities have come to depend on corporate donations for funding. Here Reischauer's legacy has proved positively toxic. In his capacity as Harvard's grand old man, he should have led his fellow scholars in resisting the trend. Instead, he was among the first to embrace it. In so doing, he gave vital cover to hundreds of less august-and less wealthy-institutions. The problem for American universities is, of course, that few corporate donors are entirely disinterested and this applies in spades in East Asian studies. Self-censorship is hard to prove in any particular case but the overall pattern is clear. When did Harvard last do a serious study on the Japanese car market? So much for that hallowed motto, "Veritas."

Unfortunately, where self-censorship is concerned, few observers are less likely to spill the beans on their East Asian studies peers than Packard himself. He is, after all, president of the United States-Japan Foundation, a controversial grantgiving institution endowed by the late Ryoichi Sasakawa. A Japanese ubernationalist who delighted in describing himself as "the world's wealthiest fascist," Sasakawa narrowly escaped hanging as one of a small group of Japanese war leaders accused of so-called Class A war crimes after World War II. Among other things, he had been accused of torturing prisoners of war, a charge he implicitly admitted-to the foundation's acute embarrassment—in 1987. The fact that he boasted of a prodigious sex life has hardly added to the foundation's respectability; he claimed to have had sex with more than 500 women. Perhaps most controversially of all, Sasakawa never expressed remorse for his wartime activities.

Sasakawa money is terribly tainted, but that has not stopped dozens of top American educational institutions, not least allegedly Harvard, from sticking their erstwhile snooty snouts in the trough. (For the record, the Reischauer Institute's director Susan Pharr did not respond to repeated requests from The American Conservative to clarify Harvard's position.)

Edwin O. Reischauer, as a pivotal force in U.S.-Japan relations whose legacy remains central even today, was well worth a biography. But George R. Packard was not the person to write it. ■

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[Last Exit to Utopia: The Survival of Socialism in a Post-Soviet Era, Jean-François Revel, Encounter, 348 pages]

## The French **Neoconnection**

By Claude Polin

THE LATE J.F. REVEL was a center-left journalist whose writings earned him a reputation as a reasonable, courageous, and profound political thinker. A member of the Académie Française basically a social club that co-opts its members on various grounds, including even literary or scholarly talent—he attained some fame in the United States, where his professed anticommunism, after a fiercely pro-communist youth, has been favorably received on the

Yet Revel's thinking is mostly comprised of received wisdom about the relative merits of liberalism and communism that has long been standard among supposed conservatives. Even ignoring the fact he spends too much time relating esoteric disputes among French intellectuals, the real interest of his books does not lie in their content but in the opportunity they give to assess the shortcomings of the arguments used by the Western Right to criticize the Left.

The modern world, he says, knows basically two types of societies: the communist and the liberal, the latter term being used in the European or Lockean sense. Individual freedom is the keystone of a liberal society, whereas a communist one strives to abolish it. Thus the latter produces utter economic scarcity, while liberalism stands for economic vigor, creativity, and efficiency. Finally, communist societies boast of their capacity for solidarity, but end up being brutally oligarchic, whereas "the liberalization of a society does not compel the abandonment of social programs, but better management of them."