

## Japan

Unified in 1600's by Tokugawa

- adopted a set of policies

alternate attendance system

- all the daimyo spent half their time in Edo (Tokyo) and half their time in their land

- when they are in the capital, they cannot conspire

- why the need to be ostentatious? To signal power. (instead of fighting to show power)

- helped promote political stability

What were the economic consequences of this?

- Lots of wealth was brought to Edo
- Roads were built
- Lots of trade

How to make a celebrated entry into Edo?

- Banners, impressive clothes, etc. Where did they get all these?

- Rice taxes collected by the samurai.
- very organized system designed for this.

Why was Japan isolated?

- Portugese tried to convert Japanese

- Promoted political stability by isolating themselves from Westerners.

◦ Japan adopts firearms in 1600s and invades Korea. They then decide to eliminate guns.

◦ Helped eliminate instability, since guns would help reduce violence. Only the samurai were trained fighters, but anyone could wield firearms.

Perry comes in in 1853 with ships and guns.

The Japanese lose the war against Perry, and the government collapses.

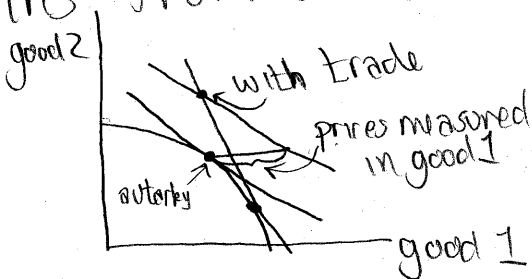
◦ The emperor is restored. (to symbolize a difference with the shogun government.)

◦ Revolution is helpful for industrialization due to the Gershenkronian forces.

### Bernhoten and Brown

Want to measure how isolated Japan was.

Gains from trade - economic issue.



◦ do you use autarkic prices or trade prices?

◦ autarkic prices are easier to deal with. Why?

Easier to answer: what is the gain from going from autarky to trade? (instead of asking, "what are the losses from eliminating trade?")

Exports: silk, tea

Imports: woolens, food

They had low tariffs.

The authors look primarily at the price of wool. Prices of wool were difficult to get prior to open trade. (But there were some data from Chinese and Dutch ships.)

Total gains from trade were only about 8-9%, since there were substitutes for wool, which made up about half of their imports (and presumably substitutes for the other goods they imported as well.)

Government factories did not do well, so they were sold off. By 1920's, most Japanese exports were textiles. Why then didn't govt factories do well?

- Not  $\pi$ -max. i.e. didn't use correct scale, etc.

- Learning by doing.

They enthusiastically adopted munitions technologies

- Fought a war with Russia. Forced their will on them. "Rich country, strong army."