On April 30, 2019, Akihito, Emperor of Japan, will retire from the throne. This represents the literal end of an era, as the Heisei period (a combination of the Chinese characters for peace [平] and completion or perfection [成]) will conclude upon his retirement. The accession of his son Naruhito will inaugurate a new era for Japan. Since the Heisei period began in 1989, numerous journalists, economists, political scientists, anthropologists, and sociologists have provided us descriptions and running commentary about what was happening in Japan as the era played out. Now that we can look upon the period as an accomplished whole, historians finally have their opportunity to analyze the period, describe its significance, and note the most important themes that have emerged.

What, then, can a historian make of the Heisei period? Throughout the period, the word most people were inclined to associate with Japan during the thirty years of Akihito’s reign was “decline.” Indeed, Japan appeared fated during these years “to stagnate, to shrink, to stop competing, to lose [its] entrepreneurial and industrial edge, and to be crushed by mountains of debt.” For many, the hallmarks of the period were “shrinking population, fading international visibility, and domestic policy drift . . . lack of innovation, insularity, and a broken political system.” The case for decline as No. 1 in any list of keywords for the Heisei period can be laid out pretty concisely.

Decline
Japan began the Heisei era apparently poised to displace the US as the leader of global capitalism at the peak of the bubble economy. In 1989, all the land in metropolitan Tokyo was theoretically worth more than all the land in the continental United States. The Tokyo stock exchange accounted for 42 percent of the value of all the world’s equity markets. Japan’s banks were the biggest in the world; its global corporations were innovators in technology, production processes, and management techniques. And while Japan was the second-largest economy by size, the per capita figures for individual Japanese had risen to 90 percent of the US figure and appeared to be closing the gap.

All that changed during the second year of the Heisei period. The artificially inflated asset bubble that had sent stock and real estate prices soaring burst once Japan’s Central Bank raised interest rates in an effort to keep the economy from overheating. This began a precipitous decline in asset prices, causing trillions of dollars in wealth to simply vanish. The nation fell into recession and subsequently suffered a “lost decade” of flat economic growth. Corporations and individual Japanese who had borrowed heavily in the 1980s to invest in the asset bubble now found themselves buried under mountains of debt for vast portfolios of assets they could only liquidate at heavy losses, while the banks, which had so eagerly (and imprudently) lent them the money, staggered under the weight of their unrecoverable loans.

Simultaneously, though largely separate from Japan’s economic troubles, the number of births fell precipitously as women postponed marriage and childbirth. This mirrored processes taking place in other developed nations but was more pronounced in Japan. The portion of the population over the age of sixty-five (already the highest among developed nations)
grew steadily while the number of younger people to support them in their old age dwindled. Japan’s population began an absolute decline from its peak of 127 million, with rural communities and smaller towns literally disappearing.

At the end of the Heisei period, the Tokyo stock market has rebounded from its lows but is still little more than half of its 1989 peak. Property prices have not rebounded nearly so much. Japanese banks did manage to retire most of their bad loans, but only if they survived a grueling, winnowing process of consolidation. However, even today, stories emerge of Japanese companies (such as Canon) still saddled with massive bubble era debts. Japanese automakers remain a global presence, but much of their production and management have been moved overseas, and only Toyota and Honda remain wholly Japanese-owned. Despite their pioneering work in cellphones and mobile apps, no one carries a smartphone made by Sony or Panasonic today. The nation that was poised to be the new leader of global capitalism in 1989 was perceived as irrelevant to solving the problems posed by the Great Recession of 2008. The clamor for China to step in and save the global economy merely ratified its centrality to world markets two years before it passed Japan to become the second-largest economy.

Yet, while one cannot deny that decline is a significant theme of the Heisei era, it does not tell the whole story. Japan’s decline did not simply happen; there were many reasons for it, including a steady drumbeat of both domestic and international crises to which the Japanese needed to respond. The choice of response was often conditioned by whether Japanese sought to preserve a system that privileged them or evade roles and responsibilities they found onerous. Yet, whether they chose to fight or flee, the changes came one way or another. Still, despite predictions that Japan must inevitably face a reckoning for its many problems, Japanese have managed to carry on, adapting, creating, and enduring the changes of the era. Given that, a “top five” list of keywords that could fully account for what Japan and the Japanese have gone through during these years would also have to include the words tribulation, resistance, resilience, and transition.

**Tribulation**

From the outset of the Heisei period, Japan found itself beset by a series of both domestic and international crises. We’ve already mentioned the collapse of the bubble economy, but the end of the Cold War destroyed the stable international context in which Japan had managed to operate so comfortably for decades. In particular, the First Gulf War required the Japanese to seriously discuss whether the nation had a role to play in maintaining not only the global economy, but global security as well. Would such a role be consistent with the pacifist aspirations of Article 9 of the Constitution, which renounced the right to wage war or maintain armed forces? The development of North Korean missiles and nuclear weapons coupled with the rise of China militarily as well as economically, and its increasingly strong claims to maritime territories (some of them also claimed by Japan) have presented the Japanese with a constantly evolving security environment. Adding to the challenge have been creeping doubts about whether the United States remains able to fully live up to its commitments as part of the US–Japan security treaty.

Domestically, while Japan was being beset by political, economic, and social crises (addressed later in this essay), nature itself provided the nation many serious challenges. The Japanese archipelago has always been especially vulnerable to natural disasters. Volcanoes, typhoons, floods,
and landslides provided no end of challenges, but the Heisei era was bookended by two major earthquake disasters. The Kobe Earthquake of January 1995 not only did a surprising amount of damage to supposedly hardened infrastructure but proved government response efforts to be uncoordinated, inept, and slow. The vast majority of the 6,000 deaths that occurred happened as a result of out-of-control fires that swept the city for days afterward while the government could seemingly do nothing about them. And, of course, if Heisei Japan has a signature moment, it is most likely the triple disaster of March 11, 2011 (also known as 3.11): the earthquake and tsunami that devastated the Tōhoku region, caused approximately 20,000 deaths, and triggered the Fukushima Dai-Ichi nuclear meltdown. While the government, particularly Japan’s Self-Defense Forces, responded quickly to the disaster, the Japanese government’s handling of the nuclear crisis was widely seen as inept, unresponsive, and inadequate. Even today, leakage of contaminated water continues from the plant, and no long-term solution has been adopted.

In terms of Japanese politics, as trying as the era has been for Japan’s Liberal Democratic Party (LDP), which lost power twice during the era, it has proved even more difficult for Japan’s opposition parties. In 1993, the traditional opposition party, the Japan Socialist Party (JSP), managed to form a coalition government with six smaller parties that had splintered off from the LDP. That government passed electoral reforms changing the political landscape in important ways. However, rather than reaping the benefits of these reforms, they proved the undoing of the JSP. Especially after the JSP joined the LDP in 1994 to form a new coalition government, Japanese voters lost faith in the Socialist Party. Meanwhile, the Democratic Party of Japan (DPJ), a new, more centrist party managed to emerge, but it took a long time for it to establish itself as the major opposition party. Nevertheless, the DPJ was able to deliver the LDP’s first-ever electoral defeat in 2009. Once again, though, success proved its undoing. The DPJ managed to stay in power for only three years, under three different prime ministers, and since the LDP managed to return to power in 2012, it has literally ceased to exist. As the Heisei period ends, even though Japanese voters appear hungry for an alternative to the LDP, no credible opposition party exists that might threaten its rule.

Resistance
There have been two distinct types of resistance evident during the Heisei period. The first can be thought of as rather like ohms (Ω), the force one must overcome to pass electric current through a conductor. This has manifested itself primarily as a resistance to change. Japanese privileged under the old system or enamored with a particular vision of what Japan should be were the principal authors of this sort of resistance. Change to the political system, change to economic structures, change to trade protections, and most especially change to the basic structures of Japanese society have come, if at all, slowly, painfully, and often only after last-ditch defenses of the old system.

Perhaps no better symbol of this could be found than the resistance to Prime Minister Koizumi Junichiro’s proposed reform of the postal system from within his own party. Considered a virtual unofficial campaign arm of the LDP, the money it controlled through its vast savings and insurance operations had long-served as a slush fund for the party and a key component in securing its rule. When opponents within the LDP torpedoed a reform bill that would privatize the system in the Diet, Koizumi called a snap election in September 2005 to ask for a mandate for the reforms and purged those party members who had opposed him. In the electoral campaign that followed (which turned into a thumping victory for Koizumi), Kamei Shizuka, one of the purged LDP politicians who had fought against the bill, described a vote for the Koizumi program as threatening nothing less than “the death of Japan!”

The other type of opposition manifest throughout the Heisei period might best be described as “the great passive resistance” of the Japanese
people, particularly young people. Through their words and deeds, they have consistently and comprehensively rejected the vision of Japan they were expected to embrace by the authorities and older generations. Certainly, the most telling area of this resistance has been in the realm of marriage and family. Marriage in Japan, at least in the minds of the government and conservative circles, is not a romantic union between a man and a woman but the means to perpetuate a corporate household structure with firmly drawn, gender-specific lines of responsibility. Men work and earn income for the household; women remain home to bear and care for the children. Affection, much less love, between husband and wife is neither expected nor required for the system.

No vision of what Japan should be has been more thoroughly or completely rejected by younger Japanese, especially Japanese women. Older Japanese women have made their resistance known through rising divorce rates, while younger Japanese women have simply delayed marriage in favor of work. Even when they do finally marry, they frequently postpone childbirth and have only one child. Young men, too, have proved less than enthusiastic about marriage, since it comes with social obligations to become the principal family breadwinner. That means more than just working hard but also committing to a lifestyle of devoting oneself entirely to one’s job. Whether working overtime or socializing with office mates, the opportunities to pursue interests outside of work disappear.

Attempts by young men and women to craft a new balance of work and family that would be more consistent with their desires have indicated that the old system remains remarkably resistant to change. While young people insist that they desire to make lives for themselves that are meaningful and fulfilling, government and conservative commentators frequently denounce them as selfish and hedonistic. Women especially find it difficult to pursue alternatives. The challenge of raising children while still working is made significantly harder due to the stigma that continues to surround being a single parent and the general absence of daycare facilities for working mothers. As an anonymous blog poster angrily scolded the Japanese government in 2016, “You won’t increase daycare centers, you only pay a child allowance of several thousand yen a month, and yet you claim you want to do something about the declining birthrate. You take everything for granted—how selfish can you be? You are totally clueless.”

Another area where the resistance to change of the Japanese government and the resistance to business as usual by the Japanese people has been on display is in the area of nuclear power. Following the Fukushima Dai-Ichi meltdown, all of Japan’s nuclear power stations were shut down. The vast majority of the Japanese people would prefer to see them kept that way, primarily because investigation of the disaster clearly showed a long-running pattern of collusion between government and industry that made it less safe. Yet the Abe Shinzō cabinet in particular has continued to insist that nuclear power is a vital part of its energy strategy. The issue...
has generated the largest protests in Japan since the Security Treaty Riots of 1960, and attempts by the government to restart reactors throughout Japan bring protests, lawsuits, and outright defiance by local governments to relicensing the plants.

**Resilience**
The ability of the Japanese people to weather crises was most clearly on display in the immediate aftermath of the 3.11 disaster. Everything from the patient queues of people to use public pay phones to the eagerness of people, especially youth, to volunteer to assist those impacted by the disaster made a global impression. One of the reasons Japanese insist that the nuclear power industry is not needed, despite what the government says, has been their willingness to embrace conservation efforts to save energy. Indeed, in the wake of the disaster, many Japanese have embraced a lifestyle, summed up in the phrase *mottainai*, that values frugality, efficiency, and avoiding waste.

But this ability by the Japanese to carry on despite challenges has been visible nearly the entire Heisei period. Simply listing all the challenges, crises, issues, and problems that have assailed Japan since the start of the Heisei period, from homelessness to domestic terrorism to the withering of the Japanese employment system, can quickly lead one to despair. And yet, despite it all, the worst-case scenario has steadfastly failed to arise. Japan did not plunge into a deflationary spiral. Its banks and insurance firms and pension systems did not implode. Japanese society has stubbornly declined to slip into anarchy or chaos. In short, Japan and the Japanese are still here. Indeed, if we focus too much on what has been lost during the Heisei period, we run the risk of missing much that was found or was created during that time.

Of course, like resistance, resilience also has its flipside. Certain institutions in Japan, like the LDP or the bureaucracy, which would have benefited from significant reform or just having their influence scaled back, are still very much with us. And admirable as it may be, the ability to endure, muddle through, and get by also has its problematic aspects. As the Heisei era ends, Japan faces deep structural issues regarding demographics, economics, and the viability of its politics. Occasional tweaks and innovations have provided the system enough change to manage the present, but is this only serving to bank trouble for the future? Japan now has a debt-to-GDP ratio of over 250 percent; the Japanese government has more than one quadrillion yen in liabilities. Even at virtually zero interest, this sum is vast enough that simply servicing such a debt is a major drain on its resources. Meanwhile, its population rapidly ages and shrinks, placing strains on society that will prove increasingly hard to bear without major reforms, including allowing immigration.

**Transition**
The tribulations assaulting Japan, spurring either resistance or requiring resilience, came about as the result of changes to both the international and the domestic order to which postwar Japan’s political economy had become especially well-adapted. The question is, change from what to what? We’ve already mentioned the international transition to the post-Cold War era, but the world changed again as the result of 9/11, changed yet again with the Great Recession of 2008–2009, saw the rise of a more economically and militarily assertive China, and now is dealing with a wave of global populism symbolized by the presidency of Donald Trump. Japanese have found it very difficult to gain their feet in this constantly evolving international landscape, which changes the very moment they feel they’ve figured out its latest iteration.

If March 11, 2011, is the single most impactful day of the Heisei era, the most consequential period during it was probably the so-called Lost Decade (actually lasting from about 1992 to 2004). While often characterized as a prolonged economic slump, or even a collection of economic, political, and social crises, what the Lost Decade ultimately turned out to be was a period of transition that saw the end of postwar Japan’s political economy. That system, coming into full flower in 1960 and under the direction of the “iron triangle” of Japanese economic bureaucrats, big business, and LDP politicians, was designed to promote economic growth but also secure the approval of the Japanese people by delivering them an affluent, stable, middle-class society.

And it worked! Along with all the things we previously mentioned, by the end of the 1980s, government surveys consistently showed that over 90 percent of Japanese identified themselves as middle class, with the vast majority of them placing themselves in the very middle of the middle. None of this had been accomplished without costs, of course. The system required favoring rural over urban populations, producers over consumers, small retailers and farmers over larger, more efficient firms. Consequently, Japan became one of the most expensive nations in which to live.

Especially under the rule of Koizumi (2001–2006), but continuing under the Abe cabinet since 2012, the Japanese government undercut many of the policies that helped foster the middle-class consciousness of most Japanese. Employee protections of the “Japanese employment system,” which extended to only about a third of workers as the Heisei era began, now encompasses only about 17 percent of workers. The government surveys that used to show more than 90 percent of Japanese identified themselves as middle class, with the vast majority of them placing themselves in the very middle of the middle. None of this had been accomplished without costs, of course. The system required favoring rural over urban populations, producers over consumers, small retailers and farmers over larger, more efficient firms. Consequently, Japan became one of the most expensive nations in which to live.

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---William M. Tsutsui, President, Hendrix College
agricultural cooperative associations (JA), something that would have been impossible to contemplate under the old system.

In the face of all this, the Japanese people themselves have had to change and adapt to their new circumstances. One of the most significant of these transformations has been the way in which ordinary Japanese have either rejected government-suggested solutions (such as the perpetuation of the traditional household) or simply went ahead without the government in working out solutions to their problems. This can be seen in the vast growth of voluntary associations that blossomed following the Kobe Earthquake of 1995. New laws allowing for private nonprofit or nongovernmental organizations (NPOs and NGOs) have made it considerably easier for Japanese to band together to meet problems and challenges. Everything from suicide prevention to disaster relief to elderly care finds increasing numbers of Japanese banding together as private individuals to help each other. And while this phenomenon is most notable among Japanese youth, it’s worth remarking that even the elderly in Japan are working together to provide the care and support the government seems unable or unwilling to provide. Among all the ways Japan has been transformed over the three decades of Emperor Akihito’s rule, this may be the most profound.

Somewhere in the offices of the Imperial Household Agency, the bureaucracy that “runs” the imperial family, lies an envelope where the name of the next era in Japanese history, which will begin with the accession of Naruhito on May 1, 2019, has already been decided. This will remain a closely guarded secret until just before Emperor Akihito’s retirement. At this point, one can only speculate what aspirations for the new age the chosen name will evoke. One thing we do know, however, is that the problems Heisei Japan managed to muddle through will demand solutions or bring potentially devastating consequences in the new era. And whatever the hopes are for Naruhito’s reign, what we make of it will depend on how Japanese meet those challenges. Whether the new era will be known as a success or a failure is anyone’s guess.

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