



## **Germany and Japan: A Comeback Story**

### **A Strategic Reflection 70 Years After the End of World War II**

**Dr. Volker Stanzel**

**March 2015**

#### **Abstract**

---

Seventy years after the Second World War both Germany and Japan have changed from enemies of the international order to two of its mainstays, have gained in economic and political strength, and in popularity worldwide. This success they owe to U.S. support, reconciliation with their war-time victims, and the knowledge orientation of their societies. As the international order is gradually dissolving today under the pressure of hitherto unknown problems, the two medium-sized powers they are now should employ the trust they enjoy to bring their partners together in efficient problem-solving – following the lesson they themselves have learned over the past seventy years.

#### **About ISPSW**

---

The Institute for Strategic, Political, Security and Economic Consultancy (ISPSW) is a private institute for research and consultancy. The ISPSW is objective and task oriented and is above party politics.

In an ever more complex international environment of globalized economic processes and worldwide political, ecological, social and cultural change, bringing major opportunities but also risks, decision-makers in enterprises and politics depend more than ever before on the advice of highly qualified experts.

ISPSW offers a range of services, including strategic analyses, security consultancy, executive coaching and intercultural competency. ISPSW publications examine a wide range of topics connected with politics, economy, international relations, and security/ defense. ISPSW network experts have worked – in some cases for decades – in executive positions and possess a wide range of experience in their respective specialist areas.



## Analysis

---

Seven decades ago, in 1945, Germany and Japan were two devastated countries, with millions dead, their cities in ruins and governed by occupation forces. Only 20 years later, Germany and Japan both were among the strongest economic powers in the world.

Today, both are mature democracies and industrial countries with significant political clout. In the BBC's worldwide Country Ratings Poll, they annually rank high in popularity.

This comeback story seems nothing short of a miracle. The “miracle,” however, can be explained by three crucial factors: U.S. support, good neighbors and a knowledge strategy are behind it.

### U.S. Support

The major victor of the war, the United States, was a rich country even in 1945, when much of the rest of the world was destroyed. To revive markets for the export of U.S. products, the U.S. government made a strategic choice to invest in Japan and Germany.

From 1947 onward, the United States gave \$13.3 billion in grants and loans to Germany and 15 other European countries, as well as \$2.44 billion to Japan. Commercial considerations aside, it took exceptional political wisdom and leadership on the part of the United States to pursue a policy of generosity towards erstwhile enemies – not least considering that about half a million Americans lost their lives in the war.

### Good Neighbors

Given the vastness of the atrocities committed by both Germany and Japan, it could not be assumed that the countries the two axis powers had attacked would be ready for reconciliation anytime soon.

And yet, from 1957 onward, Japan was able to normalize relations with all its former enemies, whether in Europe, East and Southeast Asia (except North Korea). Normalization with South Korea came 1965 and with the People's Republic of China, it came in 1972, after shifting recognition from the Republic of China on Taiwan.

For Germany, the recognition of the horror of the Holocaust became a driver for reconciliation efforts in particular with Israel and Jewish organizations from the moment of the founding of the Federal Republic of Germany in 1949.

Germany's re-integration into Europe took shape in the 1950s, by joining the European Economic Community and entry into NATO. These were the critical steps to provide reassurance of Germany's genuine will to reconcile with its neighbors.

From the late Sixties on, “Ostpolitik” – or détente policy – was a tool also for normalizing relations to the countries of Eastern Europe.

For both Germany and Japan, it was a combination of factors which made reconciliation possible. Probably the most critical factor was genuine remorse, once the whole extent of the atrocities committed became clear to the wider public during the war crime trials in Nuremberg and Tokyo.

Another cornerstone was simply the hope for a better future. People who had seen – or caused – unimaginable suffering during the war needed a strong sense of direction.



Finally, the political – and existential – pressure exerted by the necessity to stand together, and alongside the United States, against the Communist threat in Europe as well as in East Asia played a crucial role as well.

In an environment where people easily might have wished for nothing but revenge, it required leaders, wise and bold enough to try to do what was unexpected but the best for the people, to come to terms with a painful past. Fortunately, such leaders were there when needed.

### Knowledge Societies

Germans speak of 1945 as “zero hour” to express that things started from scratch. Possibly in Japan the feeling was similar. In truth, it was far from a new beginning.

In both countries, society proved ready for reconstruction. Even though nazism, fascism, and militarism had reigned, the values of democratic governance and individual freedom had sufficiently grown roots.

In both countries, people had learned the major precondition for the success of a modern society – education. This dimension enabled both countries to develop sustainably. There also were scientists, engineers and managers who knew how to build industries and get the economies back in shape.

All of this resulted in Japan being the U.S.’s major security alliance partner in Asia, and as a free market economy the anchor for the development of the region.

Germany, as the strongest economy in the European Union, became the engine of European development, a dynamic that became more clearly visible than ever since the fall of the Berlin Wall.

Few remnants of past problems linger. One of those is to get Japanese-Korean relations right, as vocal minorities in both countries pursue antagonistic agendas. In Europe, there is concern about Germany steamrolling over the interests of weaker EU economies – one reason why Berlin is very focused on maintaining close partnerships also with smaller countries in the current crisis over Greece.

The bipolar world order of post-WWII times as well as the unipolar order of post-cold war days is dissolving under the pressure of challenges each of which has its own distinct nature.

In East Asia, China's change from a poor, irrelevant communist country to the second-strongest economy in the world and a robustly assertive power leads to the question of how to define its new regional and global role.

In Europe, a strategy to deal with Russian efforts to reestablish a traditional sphere of influence cause frictions has yet to be found. The expansion of Islamist extremism in the Middle East threatens the values of democracy, equality, freedom the international system is built on.

Then, there are the more profound challenges such as climate change, the revolution in IT-guided industry, pandemics, migration, water and energy supplies.

In order to find solutions to rapidly arising new problems acceptable to a majority of states, the world needs to find a new order. Getting there is not so much a question of introducing new rules, but of a newly structured system that may allow stability and opportunities for all.

Both Japan and Germany are medium-sized powers with some, but not an overriding influence on global developments. They owe much of their postwar successes to strategies of balancing interests and objectives between many and diverse partners.



Both countries might successfully apply the lessons they have learned to tackling the new tasks. The BBC's poll results are not the global response to German and Japanese friendly smiles. They reflect German and Japanese soft power.

This soft power is based on the trust that both countries managed to establish in the seven decades since the war. It is a trust in the competence of both countries to solve problems.

The fact that such trust could be built at all should give them today the confidence that they have the ability – maybe not to work miracles but – to devise strategies to deal with the condition in which they find themselves in, and their neighbors and partners.

\*\*\*

**Remarks:** Opinions expressed in this contribution are those of the author.

This article was firstly published in the Japanese bi-monthly magazine *Gaiko* (Diplomacy) in January 2015 and will also be published in the daily online magazine *the Globalist* on March 9, 2015.

#### About the Author of this Issue

---

Dr. Volker Stanzel served as the German Foreign Office's Political Director from 2007-09.

From 2009 to 2013, Dr. Stanzel served as the ambassador of the Federal Republic of Germany to Japan, and from 2004 to 2007, he was German ambassador to the People's Republic of China.

Since retiring from the Foreign Service in October 2013, he has taught political science at Claremont McKenna College and University of California Santa Cruz in California. He is a Council member and Senior Advisor of the European Council on Foreign Relations



*Volker Stanzel*