Part 1: Individuals

Personal Crises

Factors related to the outcome of a National crisis.

1. National Consensus that one’s country is in crisis.
2. Accepting of national responsibility to do something.
3. Building a fence to delineate the national problems to be solved.
4. Getting material and financial help from other countries.
5. Using other nations as models of how to solve the problems.
8. Historical experience of previous national crisis.
10. Situation-specific national flexibility.
11. National core values.
12. Freedom from geo-political constraints.

Part 2: Nations: Crises that Unfolded

Chapter 2: Finland’s War with the Soviet Union

Backstory: 1850 Britain and French troops had entered the Gulf of Finland to blockade or attack Leningrad during the Crimean war. So Russia had reason to (later) want control of Finland.
**Backstory: 1918** Germany had attacked Russia through Finland. SO Russia had reason to (later) want control of Finland.

**Backstory Long View:** From 1100 to 1809 Finland was controlled by Sweden or Russia, but mostly Sweden. In 1809 Russia Annexed Finland but left it alone. NOTE that Finland had a completely different language and culture from Russia. But in 1884 Russia became much more oppressive. When the Communists took over Russia in 1917, Finland declared its independence. This lead to a civil war within Finland pitting communists (reds) against the conservatives (whites). The conservatives won but there were 8000 reds were shot and 20,000 reds starved to death, so this was the most bloody civil war until Rwanda. There was a quick reconciliation and a leftist was even president in 1926. BUT this left a deep fear of Russia and Communism.

**Backstory 1939:** Russia and Germany had a propaganda war. Russia saw Germany invade (and conquer) Austria and Czechoslovakia. And Germany was eyeing Poland. Russia offered to help defend Poland from Germany, but Poland refused counting instead on Britain and France. SO Russia had reason to (very soon) want control of Finland. NO- WAIT- something else is afoot! In Auguste of 1938 Russia and Germany sign a PEACE TREATY which secretly divides up Europe, with Finland going to Russia (that is, Germany won’t interfere) and Poland being split between the two. (There were probably other territories they agreed on who got them or how to split them.)

**The USSR Tries to Annex Finland** In October 1939 the USSR demanded that Finland, Estonia, Latvia, Lithuania become part of the USSR. Estonia, Latvia, and Lithuania went along with that (they probably felt they had no choice since otherwise there would be a terrible war that they would lose). Finland resisted. Russia also had other less severe demands- change the border, let the USSR use their military bases. There were even some negotiations between USSR and Finland to see if something could be worked out. Some Fins wanted to avoid war at all costs and compromise but MOST (REDS, WHITES, LEFT, RIGHT, across the spectrum) had a hard limit on what to compromise. Reasons why they wanted NO COMPROMISE:

1. Giving them some land and bases- it wouldn’t stop there. The USSR really wanted to take over all of Finland (the USSR initially said so).

2. The Finns thought Stalin was bluffing and wouldn’t really invade so they really could refuse to compromise (this and the first reason seem to contradict).
3. The Finns thought that some of their friends would help them- but they didn’t See next paragraph.

Note that this is during WW II where the USSR was on OUR SIDE. Hence Finland could not ask America or England or France or those other countries for help even though the demand that Finland become part of them is more unjustified than today Russia demanding that Ukraine be part of them.

So Finland resisted and many died (much like Ukraine today). Finland lost around 100,000 people (Mostly men. Real Men!) That was around 2% of their population and 5% of their men (I do not know what percent of their Real Men it was.)

As noted above there is NO similarity between Finland (Liberal Capitalist) and the USSR (Commun st) politically or culturally. They are much further apart then Ukraine and Russia today. Today Russia claims that the Ukraine’s are really Russian. While that is not true, there are some similarities. The USSR in 1939 could not (and I think did not) make any kind of claim like that.

Finland did better-than-expected- they were more motivated and could do some clever things, Until 1940, for every Finn that was killed, 8 USSR soldiers were killed. But this was not enough since the USSR had so many more people and better arms. In 1940 Stalin initialed a peace process. It was a brutal treaty and they would have been better off if they took the terms first offered in 1939 (NOT CLEAR- that may have still lost more in the long term).

When Germany invaded the USSR they invited Finland to join them. Finland did to some extend and at one time even had some territory that was from the USSR. But that didn’t last and in the end some thought of them as the fourth axis power which was unfair. In 1944 the the USSR was distracted by the war and Finland once again carried out a guerrilla war- NOT to win but to make the war costly for the USSR so they would quit or at least negotiate better terms.

This worked- in 1944 Finland got a better deal from the USSR in terms of land and stuff, but Finland had to drive out German troops. They did this but the German Troops destroyed everything on the way out- so Finland to this day hates the Germans. They probably hate the USSR also. Not sure who they hate more.

At the end of the war Finland got some additional terrible terms:
1. Since the USSR won the war, people in Finland who opposed the USSR were deemed war criminals. Finland itself prosecuted them (otherwise the USSR would have given harsh sentences). Finland’s wartime president, prime minister, four other ministers, and the ambassador to Berlin were convicted of war crimes, served jail time (in very comfortable jails) and when they got out, some got back their old jobs.

2. War reparations- despite Finland being the victim, they had to pay the USSR $226,000,000 over 8 years.

3. Carry out much trade with the USSR. This was actually good- Finland got most of their oil from the USSR hence they could avoid being sucked into middle east crap. But bad in that they had to import shoddy USSR merchandise like bad cars.

SO, post WW II Finland still feared both an external take over of their country by the USSR and also an internal one by their own Communist Party (supported by the USSR). So what to do? They were very nimble diplomatically. They had to sacrifice a lot (see the above three points) just to survive. But they did! There is even a word for the situation, invented for the situation From Wikipedia (I am citing my sources to avoid having to resign):

*Finlindization* is the process by which one powerful country makes a smaller neighboring country refrain from opposing the former’s foreign policy rules, while allowing it to keep its nominal independence and its own political system.

The term has been used negatively; however, in the case of Finland, they really did not have a choice. They certainly could not count on any allies helping out (unlike Ukraine today).

Here is what Finland did:

1. The three points above.

2. Keep in constant dialogue with USSR so they know what you are doing. This builds Trust. When Finland began trading more with the West it was slow and the USSR was informed so never felt betrayed. As a negative example- Finland refused Marshal-plan aid from America.

3. Realize that IF the USSR is secure then Finland can be secure. Note that the invasion of Finland was to prevent the USSR from being in-
vaded. So if the USSR does not feel threatened it can leave Finland alone.

4. (Earlier) The Guerrilla warfare showed that attacking Finland is costly, better to negotiate with them.

5. Finland scarified *some of* its economic and political independence. For example, trade as noted above, and free speech was curtailed some. They could not criticize the USSR.

6. Realizing that a small country with a big oppressive neighbor will have a hard time, they developed their education system to be excellent as an acceptable way to develop. GEE- thats a good idea for any country at any time.

Lets go to the chart:

1. National Consensus that one’s country is in crisis. YES.

2. Accepting of national responsibility to do something. YES

3. Building a fence to delineate the national problems to be solved. YES-they had to be very clear about what they could (some independence) and could not (get the USSR out of their country) accomplish.

4. Getting material and financial help from other countries. NO, they were unable to.

5. Using other nations as models of how to solve the problems. NO, there situation was somewhat unique.

6. National identity. YES.

7. Honest national self-appraisal. YES.

8. Historical experience of previous national crisis.

9. Dealing with National Failure. YES. They tried to resist, it failed, and they tried negotiating.

10. Situation-specific national flexibility. YES.

11. National core values. YES.
12. Freedom from geo-political constraints. NO. Indeed- some of the solution was to give into some of the USSR’s demands.

Chapter 3: The Origin of Modern Japan

Back Story: Initial Contact with Europeans Europeans first reached China and Japan in the early 1500’s. In Japan they initially had some success with trade and culture (there were 300,000 Christians in Japan). The Shoguns (the Feudal leaders) were concerned since Catholics preached intolerance of other faiths, and obeyed the Pope who was a foreign power. The shoguns crucified thousands of Christians and closed the border, so by the 1630’s Japan returned to its isolationist state.

Back Story: China Britain had trade with China and sold them Opium. The Chinese government tried to stop this but Britain attacked. The Opium Wars 1839–1842 were won by Britain and they imposed harsh terms on China. Japan noticed this.

Main Story: The Opening of Japan

In 1853 American Prez Millard Fillmore send Admiral Perry to Japan with a list of demands, and Perry gave the Japanese a year to decide what to do. Japan had to balance preserving their culture and way of life with the threat of America attacking it. Japan and America signed a treaty:

1. Two Japanese ports would be harbors of refuge for American ships. In the past if an American Ship was shipwrecked near Japan, the Japanese might seize them and kill them. No more.

2. There would be an American Counsel in one of the ports.

3. Japan DID NOT allow trade, though this changed in 1858 when trade was added.

4. Americans in Japan did not have to abide by Japanese laws.

5. Once America got this treaty, many Europeans nations demanded and got similar treaties.

Japan’s strategy was to give in to some of the demands and bide their time, learning what American had for technology and strategy. In fact they
also avoided parts of the treaty by taking advantage of America being unfamiliar with Japanese culture and language. This worked pretty well as we will see. However, the Shogun had their own problems and were overthrown in 1867, partially because they had signed what was called the unfair treaties. The revolution was called the Meiji Revolution. Like most revolutions, once they won there was much debate about what to do now. The most important issue (at least for this book) is how to deal with the foreigners.

Japan's basic strategy was to keep learning from the west (visiting there, hiring advisers) to learn their ways: Weapons, military strategy, Government (The Japanese Constitution is based on the Germany one), and just waiting until they were powerful enough to somehow take on the West and in particular America.

Making changes was hard as people liked the traditional ways, so the government often claimed that the new ways (e.g., the new Constitution) was a return to old values. This was probably not true.

Changes and non-changes

6. Change: The Legal system.
8. Change: Western hairstyles and clothes.
9. NO Change: The Emperor was retained.

Looks to me like they didn’t maintain much. But the book says that they did as all of the above were done in a Japanese style.

They gradually got better militarily and astounded the world by beating Russia in the Russo-Japanese war 1904-1905 (I tried to see who the aggressor was on Wikipedia

but it was complicated.)  
Note the following contrast:

1. From 1853 to (say) 1930 Japan only fought a country when it was ready 
and won many wars or conflicts. They won since they were careful and 
chose their enemies carefully and only when they were ready.

2. In 1941 they bombed Pearl Harbor and hence engaged a big powerful 
country that could defeat them— not just in hindsight. Many older 
Japanese knew this was a mistake. One general said *we have awoken a 
sleeping giant*. A Steel manufacturer in Japan who had been to America 
KNEW that Japan would lose since America made 50 times as much 
steel, and of high quality.

SO what went wrong and why? The key was that the Meiji Regime 
(the older one) had *honest self appraisal* whereas the younger leadership was 
naive about America. They have never visited it or saw a reason to get more 
familiar with it. They did not understand American Psychology. Also the 
usual victim of their own success.

But back to the original crisis of 1853 and what the did right.

1. National Consensus that one’s country is in crisis.

2. Accepting of national responsibility to do something.

3. Building a fence to delineate the national problems to be solved. YES- 
they were careful on what parts of their culture to change vs what to 
retain.

4. Getting material and financial help from other countries. YES in a 
way that is interesting. They got a lot of help from other countries. 
Americans advisor gave them advice. Japanese visited other countries. 
This is interesting since the countries that helped them were viewed by 
them as the enemy. Perhaps those countries did not view themselves 
that way.

5. Using other nations as models of how to solve the problems. YES. 
They learned a lot by studying other countries, including America and 
European countries- their enemies.

7. Honest national self-appraisal. YES, very strong early on. This declining is why they eventually declined.

8. Historical experience of previous national crisis.

9. Dealing with National Failure. YES- they were willing to change some things.

10. Situation-specific national flexibility.

11. National core values. YES for the issue at hand, but later on they held on to their core values to much- they refusal to end WW II which lead to the atomic bombins.

12. Freedom from geo-political constraints. PARTLY. Japan is an island so harder to attack. However, Perry’s arrival was not quite an attack. And of course the entire crisis was due to other countries.

Chapter 4: A Chile for all Chileans

Chile had been a very stable democracy. Very few past wars. Some of it is in a mild climate, good for farming. No real race problem since lots of intermarriage made most people both Spanish and Indian. It was also a Catholic country, so no religious conflicts. There was a problem with the very rich and the very poor. (Interesting side note: America really was settled by small farmers so income inequality wasn’t that big. Latin America was settled by Rich Landowners, causing more of a problem.)

There were three political blocks: Left, Center, and Right. They alternated power in various ways. A real democracy. UNTIL 1973.

1. A Marxist Allende is elected president. He had 36% of the vote. The Right had 35% of the vote, and the Center had 28% of the vote.

2. Allende then did TERRIBLE things to the economy (e.g., nationalizing a lot of stuff) that WITHOUT HINDSIGHT one could predict would upset America and Right Wing, and even the center, and even some moderate leftists. He also hosted Fidel Castro and accepted a machine gun gift from him. WHY he did any of this is a mystery, even now.
3. The Army had a cue and installed General Pinochet as President. At the time this may have been welcomed by most of the people. Everyone (including the Junta) that Pinochet would be a caretaker and step down to have real elections within (say) 2 years. The CIA’s assessment of him (and it was believed by many people) was that Pinochet was quiet, mild-mannered, honest, harmless, friendly, hard-working, business-like, religious, modest in lifestyle, devoted and tolerant husband (“tolerant”? ), and religious (Catholic).

4. Pinochet was good and bad.

BAD: lots of torture and killing of his enemies, perceived enemies, random people.

BAD: He was supposed to rotate out and let another General have it OR hold free elections. He was in office for 17 years (see next item).

GOOD: Put in place good economic policies that actually worked. He asked help from good American Economists, The Chicago Group. Caveat to that—these policies helped the middle class but were not so good for the poor or the rich.

REALLY BAD: Had people in other countries who opposed his policies killed. That includes an American Citizen on American Soil, which was the first time that happened.

WHY he did any of this is a mystery, even now.

5. Allende seems to have killed himself with the machine gun Castro gave him. Jared D was initially skeptical of this but has some inside info so he thinks its really true.

6. America and other countries kept giving Chile foreign aid and trade, so no punishment.

7. In 1980 he held a vote (keep or dump) that he rigged and won. In 1988 he held another one, but this time he miscalculated. There were international observers and it was a fair election. He lost 58-42. Amazing that 42% still wanted him. He was urged to accept the vote and did.

8. Part of his fall was that in the mid 1980’s. (1) His abuses including killing American citizens turned the US against him, and (2) the economy tanked so Chileans turned against him.
9. Perhaps as part of a deal to step down he was made a Senator-for-life and also was still commander-in-chief of the army.

SO, how does Chile put itself back together? This chapter has a lot about Allende and Pinochet, but its real point is NOT the upheaval caused by Allende’s election or Pinochet’s cue, its the upheaval caused by Pinochet’s leaving.

1. Punishing those who killed people. A Mixed bag. Pinochet had some legal problems from the killings, but MORE for corruption and tax evasion. Even so, he got off scott-free. Some of those in high command positions (“dozens”) were jailed. And the truth was revealed, though most people already know it.

2. 100,000 people left the country. Leftists went to Europe and saw that a left-government could do some good if it COMPROMISED. When they came back, the country had a more moderate left.

Lets go to the chart. The book seems to cover all three upheavals: Allende, Pinochet, Deposing Pinochet.

1. National Consensus that one’s country is in crisis. YES for all three.

2. Accepting of national responsibility to do something. YES for all three.

3. Building a fence to delineate the national problems to be solved. YES for Pinochet, so the country needed the Chicago Groups plan. YES for post-Pinochet where the kept his economic policies but also restored democracy.

4. Getting material and financial help from other countries. Pinochet kept getting help from other countries and he stayed in power. Its when they stopped it that he began to falter. They began to stop in the 1980s’s when the abuses became more obvious and Pinochet killing American citizens came to light they did help but cutting of aid (the book never quite says that).

5. Using other nations as models of how to solve the problems. YES-Pinochet, YES-post-Pinochet. Pinochet used the American Free Market Model with success. Later, when he was deposed, the Leftists used the model of incremental change.
6. National identity. YES-post-Pinochet. National pride in having a democracy and being the only South American Country that did helped defeat Pinochet at the polls and helped reform the government.

7. Honest national self-appraisal. Allende did not have an honest national self-app since he thought he could go full Marxist and survive. Pinochet, sadly, did have an honest national self-app since he thought he could go full dictator and he did. Post-Pinochet the country seemed to know it needed to change.

8. Historical experience of previous national crisis.

9. Dealing with National Failure. SLOWLY in that it took 17 years.

10. Situation-specific national flexibility.

11. National core values.

12. Freedom from geo-political constraints. YES- the geography and friendly neighbors gave it lots of freedom ind of other countries.

Contrast with other countries crisis.

1. Chile-1973 and Indonesia-1965 (later chapter) were both internal and were brought about by a violent revolution, but resolved (some years later) peacefully. No other nation caused it or was even much involved in it. Finland-1939 and Japan-1853 were forced by other nations.

2. Germany-1848 and Germany-1968 had violent revolutions that utterly failed, but later peaceful ones that achieved some of the same goals.

3. Australia from 1945 on were all peaceful changes.

4. The key to keeping power was that Pinochet was a strong leader (that sounds like a tautology).

5. Germany-1945 kicked out or imprisoned the Nazi’s. Chile-1973 only imprisoned some, but Pinochet himself was a senator and commander-in-chief. Indonesia-1965 is even more friendly to awful prior leaders who are still somewhat in power.
Indonesia: The Rise of a New Country

Similar to Chile so I skip for now.

Rebuilding Germany

After WW II Germany was split into two parts.

1. West Germany. American and some of Europe helped West Germany economically and politically to get back on its feet after the defeat from WW II. Key: They did NOT treat West Germany as an enemy to be beaten down. Hence West Germany evolved quickly into a normal liberal democracy. WHY was America so nice to West Germany? As a bulwark against the USSR and Communism.

2. East Germany. The USSR imposed communism and some punishment for WW II. The Berlin wall was to keep people from fleeing the country. WHY didn’t the USSR help East Germany prosper. Two reasons (a) they truly believed in communism, and (b) they really wanted revenge. This was idiotic since it made the USSR weaker in the Cold War to not have real allies (note that the Baltic states hated the USSR). I’ve read that this is general Russian Problem—they just don’t believe in a win-win scenario. They honestly believe that the countries in NATO have been coerced to be there.

West Germany had good leaders who had sound economic policies and used the fear of communism to get help from America. West Germany did not want to re-arm militarily but incredibly America and Europe insisted they do so as a defense against the USSR. (Even to this day Germany is shy about getting involved in a war and was even reluctant to send tanks to Ukraine.)

But there was one big issue: Nazi’s and DeNazification. The Nuremberg trials lead to the execution of imprisonment of only the very top brass. There were many Germans who worked for the Nazi’s. Were they Nazi’s? Were the anti-semitic? Hard to tell. But surely many of them were both. The Germany Government decided to not bother with this and get on with re-building a country. They stopped investigating if someone was a Nazi or not (sort of a don’t-ask-don’t-tell policy). A myth settled in that there were very very few Nazi’s and most of the citizens were not. (This was very false.)
In 1958 this changed and the Germany Ministers of Justice began taking action against ex-Nazi’s. Not sure why, but might have been the work of a very few number of people including Fritz Bauer who had been a member of an anti-Nazi party during WW II. He prosecuted A LOT of people, both high ranking Nazi’s (he tipped off Israel about the whereabouts of Eichmann) and low level people. The low level ones usually were found innocent by German courts that wanted that era entirely.

Bauer’s actions (and others I assume) lead to the Germans in 1960 waking up to the fact that in the 1930’s and 1940’s MANY German’s were Nazis. From the 1970’s on German children were taught a lot more about the Nazi’s than prior generations had been taught. They visit death camps. Note that NO other country teaches their children about that countries WAR CRIMES.

Many countries had student protests in the 1960’s. Germany had more violent ones and a big gap between the generations since the Teenagers (born in say 1945) had never experienced the hardships their parents had and learned that their parents were Nazi’s who caused the Holocaust and WW II (which was true).

Another gap was authoritarian. Germany had been a very authoritarian country (e.g., Barbed Wire to stop kids from walking on the grass). But the Young generation didn’t see it that way and had Hitlers as an argument why that was a bad way to be. Germany is less authoritarian today.

Willy Brandt became the first leftist prime minister of West Germany in 1969 (the Germany Gov had been conservative since the end of WW II). He opened up diplomatically to East Germany (which prior prime ministers refused to recognize existing). He also signed treaties with Poland and he Eastern Bloc Countries. Land lost in WW II (to Poland) he accepted as lost as opposed to the conservatives who had always had the unrealistic goal of getting it back. The country supported Brandt on this. He also acknowledge the horrors of Nazism in Poland and apologized for the past. Note again that no other country apologizes for its past unless its WAY in the past.

Brandt’s policy on East Germany helped pave the way for the Unification; however, the book points out that there were many other factors at play.

This chapter seems odd- what is the CRISIS that Germany dealt with? Rather than have one intense crisis there were three mini-crisis (a) Recovering from the defeat of WW II, (b) The student protests in the 1960’s (c) Reunification with East Germany.
Australia: Who Are We?

Part 3: Nations: Crises that Underway

What Lies Ahead for Japan

What Lies Ahead for the United States: Strengths and the Biggest Problem

What Lies Ahead for the United States: Three Other Problems

What Lies Ahead for the World

Epilogue: Lessons, Questions, and Outlook