Japan's Health Insurance Policy Development in the History of Empire

Takakazu Yamagishi
Nanzan University

Paper prepared for delivery at 48th Annual Meeting of the Social Science History Association, November 17-20, 2022.

Please do not cite this version without permission.

The comment would be warmly welcomed to <taka@nanzan-u.ac.jp>.

Japan's established universal health care system is nothing like the ones in other industrialized countries, but it has historically been heavily influenced by other nations, namely “empires.” Moreover, Japan’s aspiration to become an empire impacted its development of health insurance policy.

In the late nineteenth century, Japan established the foundation of its health care system by introducing ideas rooted in Britain, France, and Germany. Among them, Germany had the largest impact on Japan’s health care system. The first major health insurance program was largely affected by the legislation under Otto von Bismarck’s rule. After the 1930s, Japan started its serious efforts to become an empire by invading China and other Southeast Asian countries. Health insurance policies became a tool for the government to make better soldiers and workers to win the total war and have imperialistic territory expansion in Asia. After Japan lost the war, the United States dominated the occupation authority in Japan and influenced health care legislation. In addition, the Beveridge Plan that was born in Britain impacted the discourse of the post-war health insurance reform. Eventually, Japan achieved universal health insurance in 1961 with the legacies of foreign traditions and the nation's aspiration to be an imperial power.

The main underlying question is how the history of empire affected the development of health insurance policy in Japan. Adopting historical institutionalism, this paper focuses on three periods: the early Meiji period, World War II, and the postwar reconstruction. It tries to see how ideas from other empires and Japan’s imperialistic aspiration, on the one hand, and the domestic politics and existing policies, on the other hand, influenced each other. This paper argues that which ideas were adopted depended largely on the domestic and international political context which gave political leverage to specific groups.

This paper hopes to contribute to the theoretical argument about the development mechanism of the health insurance policy. Particularly, because the three periods that this paper dealt with could be considered critical junctures, this paper will contribute to how policy change could take place in critical juncture periods.[1] Moreover, this paper will shed a light on how late developer countries, such as Japan, could be influenced by other countries to change their health insurance policies.

---

[1] Ruth B. Collier and David Collier, *Shaping the Political Arena: Critical Junctures, the Labor Movement, and Regime Dynamics in Latin America* (Princeton, NJ: Princeton University Press, 1991).

1. Meiji Restoration to the 1920s

The Tokugawa Shogunate had an isolationist policy for about 200 years after in 1639 it limited the relations with foreign countries to the commercial relationship with Dutch and China. Japan had had a trade relationship with Portugal. But missionary groups came along with merchants to spread Christianity in Japan. Even big clans, such as Ōtomo Sōrin, became Christian. The Tokugawa Shogunate became in fear that the teachings of Christianity would challenge the political order it was to establish. The shogunate government decided to close the national border with exception of secular trading with the Dutch and China through a small island in Nagasaki.[2]

While a small number of Japanese were exposed to medicines from western countries through the small window of Nagasaki, the shogunate government continued to rely on the traditional medicine which was the Japanese adaptation of Chinese medicine. The emperor also designated some families, such as the Wake family, to serve as doctors at the court. The way of medicine relied on herbs to fix the condition of the whole body, not engaging much in surgical operations.

The second half of the isolationist policy period, however, saw a gradual transformation of medicine. In 1720, Yoshimune Tokugawa,[3] the eighth Shogun, decided to allow the import of books in Western languages as part of his policies to revitalize the shogunate government.[4] The policy resulted in the development of the school of Dutch studies, *rangaku*. The policy change also allowed doctors to study the Western way of medicine. This policy planted seeds for the gradual transformation of medicine.

The political transformation came rather quickly, however. The external pressure from the United States led Yoshinobu Tokugawa, the fifteenth Shogun, to decide to end the Tokugawa regime by returning the governance authority to the emperor. The newly established government gave priority to modernize—almost synonymous to Westernize at that time—the political, social, and economic systems in fear that Japan would be colonized by western powers like China.

Westernization of medicine was included in the government's priority to make the country strong economically and militarily. The civil war between the new government and the Tokugawa backers played an important role in making the government's decision. By conducting the first actual battle in more than 200 years with

---

[2] For the detailed description of the health policy development, please see Takakazu Yamagishi, *Health Insurance Politics in Japan: Policy Development, Government, and the Japan Medical Association* (Ithaca: Cornell University Press, 2022).

[3] According to Japanese custom, I have adopted the order of surname first and given name last for Japanese publications. Otherwise, the order is first name and last name. Original Japanese words are inserted for the cases that could be other English translations.

[4] Western books were allowed to be imported only if they were translated into Chinese.

the modernized powerful modern weapons, the military realized that the traditional medicine, which relied on herbs, did not work well for injured soldiers. As the government modernized the armament and made preparations for future wars, it needed to modernize medicine.

The question was how. In Japan's regime transformation, major foreign players were Britain and France. The United States was too overwhelmed by the Civil War and its post-war reconstruction to intervene in affairs in Japan. The government decided to rely on the Britain model for reforming the army and on the French model for the navy. Doctors, many of whom had a military background, were invited from both countries to modernize the medical education. For example, Willis Willis engaged in medical education in a preceding intuition of the medical faculty of Tokyo Imperial University which was situated by the government as the top of the medical education. The British minister to Japan, Harry Smith Parks, pressed the government to expand its influence in the military.[5]

However, the government decided to go with the German model for the medical education reform. The first reason was that many decision-makers in the government tried to learn from Prussia which was a late developer country compared with Britain and France. The Constitution of the Empire of Japan was drafted based on the Prussia-style constitution. This large context gave political leverage to those who pushed Prussian medicine to be introduced in Japan. The second reason was that medical research in Prussia was rapidly developing at that time. Heinrich Hermann Robert Koch, for example, became the founder of modern bacteriology.[6] The last reason was that Dutch medicine which Japan was familiar with was mostly Dutch translation of Prussian medicine. As a result, the medical education became relied on the German model.

The German model affected not only the way of medicine and medical research but also the philosophy that policymakers had to work on public health matters. Shinpei Gotō, one of the major figures in health care legislation, went to visit Germany to study social policies. Chancellor Otto von Bismarck took a top-down approach to expand social insurance and antisocialist laws to deal with the rise of a labor movement. Bismarck was trying to control workers and empower the nation to catch up with the leading developed countries, such as Britain and France. Gotō was convinced that Japan should imitate the German model.

---

[5] Sugaya Akira, *Nihon Iryō Seidoshi* [History of Japanese medical institutions] (Tokyo: Hara Shobō, 1976); Sugaya Akira, *Nihon Iryō Seisakushi* [History of Japanese medical policy] (Tokyo: Nihon Hyōronsha, 1977), 8–9.

[6] Kitasato Shibasaburō studied under Koch and became the central figure of bacteriology in Japan and later the president of the national medical association.

Gotō's efforts led to the establishment of the Health Insurance Act (HI) of 1922 as the first major health insurance legislation. It targeted blue-collar workers. Big companies were required to set up mutual societies to provide health insurance for their employees. Insurance premium was borne by the employer and employees. Like the German model, the concept of mutual aid among workers was emphasized.

The number of blue-collar workers was increasing. Some radical labor unions sought to overthrow the regime. The government made the HI in haste from the top down to protect the social order. Major parties tried to appeal to new voters because they expected male suffrage to come soon (achieved in 1925). Meanwhile, the Imperial Diet passed the Maintenance of the Public Order Act in 1925.

Internationally, the Japanese government made a serious effort to stand shoulder-to-shoulder with Western powers. Japan won two big wars: the First Sino-Japanese War (1894-95) and Russo-Japanese War (1905). As a result of these wars, the annexations of Taiwan and Korea took place in 1895 and 1910, respectively. These events gave the Japanese people a feeling that Japan now became a major player in the international community. Meanwhile, the Japanese government pushed for further economic and military development. Japan's ambition to be an imperial power was getting to be clearer.

2. World War II

For Japan, WWII is called "the Pacific War." On December 8, 1941, the war began with Japan's attack on Pearl Harbor. The war continued until Japan surrendered in September 1945. However, many scholars point out that Japan's war activities began way before 1941. They claim that it started when Japan engaged in the Manchuria Incident in September 1932 and began to expand its rights and interests in China. Including the period after the incident and the Pacific War, scholars call the war period the "Fifteen-year War." This long and devastating war impacted the development of health insurance policies.[7]

Japan became internationally isolated after it withdrew from the League of Nations in February 1933. It was the military that began to be concerned with the quality of the population for future wars. In getting ready for a possible high degree of mobilization, the military needed to improve the health of young men, especially in rural areas. Its main recruitment target was the second and third sons of farmers.[8]

---

[7] Shō Kashin, *Nihongata Fukushi Kokka no Keisei to Jūgonen Sensō* [The fifteen–year war and the formation of the Japanese welfare state] (Kyoto: Minerva Shobō, 1998).

[8] For the detailed analysis of the relationship between the war mobilization policy and health insurance policy of Japan in comparison with the one of the United States, see Takakazu Yamagishi, *Health Insurance Politics in Japan: Policy Development, Government, and the Japan Medical Association* (Baltimore: Johns Hopkins University Press, 2011).

However, farmers' financial condition was deteriorating largely due to the post-WWI depression. Many of them could not afford to pay for medical services. The Health Insurance Act of 1922 was not for farmers but for blue-collar workers. The military was urged to deal with the health problem of farmers, especially after the army experienced that one battalion was dispatched to China but forced to come back to Japan because many soldiers were diagnosed with tuberculosis.[9]

The military first pushed for the establishment of a health ministry. They claimed that the Bureau of Physical Strength (Tairyoku Kyoku) should be the first and the most important bureau with their strong influence in the new ministry. It was a clear sign of the military's efforts to expand its power in the new ministry and the government as a whole. Many government officials pushed back the military's ambition, but they agreed with the military to have the new ministry in general.

Many government officials believed that capitalism had corrupted Japan and party politics could not deal with it. In 1918, Takashi Hara became the first prime minister by being backed by the majority party in the Imperial Diet: before that, the prime ministers were decided by the Chamber of Elders. The Universal Manhood Suffrage Act was enacted in 1925. This democratization period is called Taishō Democracy (democracy movement in the Taishō period).

This transformation was welcomed by many who had hoped to democratize Japanese politics since the Meiji government was installed. But many bureaucrats did not see it very positively because, with the Chamber of Elders as an ally, bureaucrats had a dominant power in the decision-making process. Meanwhile, the economic gap was widening in the same period, and poor farmers further suffered from the Great Depression which began with the fallout of the New York stock market in October 1929.

To find a solution to the problematic capitalism and party politics, some of these bureaucrats studied Marxism. While some were deeply connected with the Japanese Communist Party, others were to use Marxism ideas to control and rationalize the economy for war mobilization. These two groups appeared ideologically different, but they shared the same conviction: free-market capitalism is bad for Japan. These bureaucrats were called "progressive bureaucrats" (kakushin kanryō). They allied with the military to fight against capitalism and party politics.[10]

The progressive bureaucrats and the military became more actively pressed the government to establish the new ministry after the war front in China expanded due to

---

[9] Kōseishō Gojūnenshi Henshū Iinkai, *Kōseishō Gojūnenshi*, 375.
[10] Furukawa Takahisa, "Kakushinkanryō no Shisō to Kōdō [The thought and practice of reformist bureaucrats in Japan, 1935–1945]," *Shigaku Zasshi* 99, no. 4 (1990): 457–64.

the Marco Polo Incident in July 1937. Army Minister Hisaichi Terauchi referred to Britain and Germany as successful cases to improve the health of their people and argued that Japan should follow them.[11] To control and improve human resources for the war mobilization, the new ministry, the Ministry of Health and Welfare (Kōseishō) was established in April 1938.

As the planning of the new ministry was going on, a new public health insurance program was debated as well. The new policy would provide farmers and other self-employees with financial assistance to medical access. The National Health Insurance Act (Kokumin Kenkō Hoken Hō) was enacted in July 1938 to become the first law for the new ministry to implement.

The new program could not have been established at that time without the pressure from the war. As the war in China was bogged down, Japan expanded its war front to Southeast Asia. In contrast to the Army which had a strong interest in Manchuria since the Manchuria Incident, the Navy insisted that Japan invade Southeast regions to secure natural resources. The government foresaw the expansion of the war front for a long period.

In August 1936, the Kōki Hirota administration adopted the idea in the national security plan and the following administrations continued it. In 1939, an important actual military action took place to invade areas colonized by France.[12] To justify the actions to invade Southeast Asian regions, in July 1940, Prime Minister Konoe Fumimaro declared the establishment of the Greater East Asia Co-Prosperity Sphere (Daitōakyōeiken). It is a philosophical idea that Japan would take leadership to liberate Asian regions from European imperialism. However, the idea demonstrated that Japan sought to be another major imperial actor in the region and that Japan was urged to be prepared for future international conflicts. Health insurance policy became part of the national defense policy.

The war pressure resulted in the creation of the new health insurance program mainly for farmers in 1938. But at the same time, it shaped the content of the new program. The priority for the government was to expand health insurance coverage to people in rural areas as soon as possible and as cheaply as possible. The government needed the new health insurance program to improve human resources but could not spend too much for securing a sufficient military budget.

The National Health Insurance associations were to be created to administer the

---

[11] "Kokumin no Hoken Kakuritsusaku: 'Eiseishō' Secchi wo Teishō [Proposal to improve the people's health care: Proposing the establishment of the Ministry of Hygiene]," *Tokyo Asahi Shimbun,* June 26, 1936.

[12] Kojima Kazutaka, "Nihon Shakaifukushi Gyōsei no Keisei to Kōseisho Sōsetsu [The Japanese Social Welfare Administration]," *Japan Association of Legal and Political Sciences* 33 (1997): 196;

NHI. But it was voluntary. The government could not make the NHI a mandatory program largely because it did not have enough budget to do that. Even if the government's subsidy made it possible for some NHI associations to be established, they had difficulties increasing enrollees. Many farmers did not have much cash in their hands. Moreover, many villages did not have doctors and clinics. Doctors who were based on traditional Chinese medicine were a lifeline for many farmers. Those doctors practiced using herbs with limited medical devices. They could make living by serving in poor rural areas. But their number had decreased due to the government's policies for the westernization of medicine. Doctors who were trained in Western medicine liked to move into cities to work in well-equipped clinics and hospitals and attract wealthier patients. Many farmers did not have a chance to contact doctors until they needed notification of death. Public hospitals had not developed for the rural population after the government prohibited prefectures from using tax money for public hospitals in 1881 as part of its deflation policy.[13]

If the NHI had been created as a mandatory program, the government would have needed to invest not only in covering a large part of insurance premium but also in securing medical providers in the rural area. The government was not financially ready for that. However, it had enough political power to enact the not-ready policy and press the implementation responsibility on NHI associations and medical associations. The government silenced opposition by using wartime patriotism.

The Japan Medical Association initially opposed the creation of the NHI, but it lost the political battle. The JMA was created as a public corporation in 1923. It had been a voluntary organization, the Greater Japan Medical Association which was established in 1906. When the government created the HI of 1922 as the first major health insurance program, it needed to have the national medical association play a large role in implanting it. The HI also gave elites in the JMA a chance to expand their influence on local medical associations and private doctors, mostly solo practitioners. The JMA made efforts to be independent of the government, but they had limitations because the JMA began its history by allying with the government.

The context in the JMA was created added an obstacle for the JMA to oppose the new program. Seeing the HI not popular among doctors because of low reimbursement and heavy administrative paperwork, the JMA had the campaign to kill the bill to introduce the NHI. But the expanding war pressured the JMA to make compromises. The government began policies to control all aspects of the economy, society, and people's

---

[13] Sugaya Akira, *Nihon Iryō Seisakushi* [History of Japanese medical policy] (Tokyo: Nihon Hyōronsha, 1977), 42, 189.

lives.

In April 1938, the National Mobilization Act (Kokka Sōdōin Hō) was enacted to drastically change the nature of the government's involvement in the economy and society. The Act allowed the government to control and use human and material resources for pursuing the war. The Board of Planning, with the direct supervision of the prime minister, took a lead in the government's new mobilization planning. Kōgorō Uemura, head of the Industrial Division of the Board of Planning, said, "Money and material might be borrowed or found, but human resources cannot be supplemented easily, and they are at the center of the war mobilization."[14]

As the government strengthened its control over the economy, society, and individuals, private actors reduced their autonomy. Labor unions, for example, were dissolved in a state organization. The JMA was not an exception. In fear of being labeled as unpatriotic, the JMA had to give up opposing the government's intervention in health care. All it could do was to maximize its interest within the given political environment and institutional arrangement.

The situation drastically changed with the outbreak of the war with the United States. The government expected to have a larger war front, more casualties, and in the worst scenario to have a homeland to be under attack. The government decided to take a radical step to intervene in health care. Because it took longer to produce doctors than soldiers, the government had to have private doctors and the JMA, their representative organization, under tighter control to use them more efficiently.

The central figure in this government's initiative was Chikahiko Koizumi, the Minister of Health and Welfare. He had a doctoral degree in medicine from Tokyo Imperial University. He served for many years as the director of the medical bureau of the Army. When Hideki Tōjō formed his third cabinet in July 1941, Koizumi was appointed as his health minister.[15] He had been actively involved in the creation of the HHW and the National Health Insurance of 1938. He now sought to take a drastic step to change the health care system in the linkage of the war mobilization.

The National Medical Care Act (Kokumin Iryō Hō) was enacted in February 1942. The act changed and integrated the regulations on medical providers. Constructions of new private hospitals were restricted. Existing private hospitals and clinics were to be

---

[14] Uemura Kōgorō, "Genka Senjitaisei no Gaiyō [An overview of the current war mobilization]," *Nihon Sangyō Eisei Kyōkai Kaihō* 90 (January 1938): 838; Ikuta Makoto, *Nihon Rikugunshi* [The history of the Japanese Army] (Tokyo: Kyōikusha, 1980), 165.

[15] Nihon Kindai Shiryō Kenkyūkai, ed., *Nihon Riku Kai Gun no Seido, Soshiki, Jinji* [Institution, organization, and personal affairs of the Japanese Army and Navy] (Tokyo: Tokyo University Press, 1971), 29.

purchased, and public hospitals and clinics were planned to be created for training new medical professionals. In addition, nurses and midwives, for the first time, were given the legal status as medical personnel, joining doctors, dentists, and pharmacists. By investing 100 million yen, the government tried to change the existing medical provider system which started in the late nineteenth century to rely largely on private hospitals and clinics.[16]

The act also established a new umbrella organization to command medical care providers, the Japan Medical Corporation (Kokumin Iryō Dan). The government appointed Ryōkichi Inada, a professor at Tokyo Imperial University, as the president and Shin'ichio Takasugi, the navy's Surgeon General, as the vice president. The JMA was turned into a state organization under the umbrella. To make it worse for the JMA elites, they were not allowed to send their representatives to the decision-making process of the new corporation.[17]

As the government intervened in restructuring the medical provider system, it expanded public health insurance. In 1942, both the HI and NHI were amended to expand their coverage. The former was made to cover workers in smaller firms, more than five employees, and the enrollees' dependents. The latter made the establishment of NHI associations mandatory and the participation of doctors in public insurance practice mandatory. Koizumi declared that all municipalities would have national insurance associations within three years.

The government had the additional budget to make the NHI a compulsory program. But it was not enough obviously. The government needed to use wartime control and patriotism to do so. The Imperial Rule Assistant Association (Taisei Yokusan Kai) became a strong arm of the government. It was established to merge all political parties into a single party. The Association cooperated with Koizumi's initiative to create NHI associations.[18]

3. Postwar Reconstruction

By the war was over, it was estimated that most of municipalities had NHI associations. But many of them were feigned organizations. The establishment of the NHI was hastily constructed, but they did not have much time and incentive to extend the coverage. At the same time, the war became more destructive for Japan, and air raids

---

[16] Kōseishō Gojūnenshi Henshū Iinkai, *Kōseishō Gojūnenshi*, 432.

[17] Sōmae Kiyosada, *Nihon Iryō no Kindaishi: Seido Keisei no Rekishi Bunseki* [A Modern History of the Japanese Health Care: Historical Analysis of Institutional Development] (Kyoto: Minerva Shobō, 2020), 118.

[18] Saguchi, "Kokumin Kenkōhoken to Iryō no Shakaika," 6.

destroyed many big cities, including the national capital. Many hospitals and clinics were burned down or did not function while there were many injured civilians and many soldiers coming back to their home country with injuries. The government lost its motive to invest in health care concerning war mobilization. Japan lost the war, saw medical providers and health insurance not functioning well, and had many people who needed medical care. Now a completely new actor came into the policymaking process, the United States.

The General Headquarters, headed by General Douglass MacArthur, began its operation as the governing authority of Japan in September 1945.[19] Interestingly, the GHQ officials who were in the Public Health and Welfare Section (PHW) did not seek to introduce the American-type health insurance policy. Man of them were former federal government officials in the Democratic administrations, called New Dealers. New Dealers both in the United States and Japan were inspired by the Beveridge Plan in 1944. While they in the US pushed for Truman's campaign to introduce the centralized universal health insurance system, their fellows in Japan were to consolidate multiple public health insurance programs into a single program.

Many scholars and bureaucrats in the MWH also supported it. They voiced for a fundamental reform in the Social Insurance Investigation Committee (Shakaihoshō Seido Chōsakai) created by the MHW in March 1946. They claimed that the HI, employment-based program, and the NHI, residence-based program should be merged into a single program. They were closely working with the health officials in the PHW. In October 1947, they released a reform outline. Because its content was like Beveridge Plan, it was called the "Japanese Beveridge plan."[20]

The GHQ and the reform-minded Japanese scholars and bureaucrats made efforts for policy changes. They got along not only because they shared a similar policy vision, but also because of GHQ's overall policy to use the existing bureaucracy to efficiently implement its directives.[21] On the other hand, GHQ did not like to work with the JMA. GHQ directed the JMA to return to being a private organization, but it still considered that the new JMA would not contribute to achieving its policies. Crawford Sams, head of the Public Health and Welfare Section, did not like the way Japanese medicine worked, particularly the fact that the doctors were involved in the selling of

---

[19] For the details of the impact of GHW on Japan's health care reform, see Adam Sheingate and Takakazu Yamagishi, "Occupation Politics: American Interests and the Struggle over Health Insurance in Postwar Japan," *Social Science History* 30, no. 1 (Spring 2006): 137–64.

[20] Saguchi, "Bebarijji Hōkokusho to Wagakuni Shakaihoshō Keikaku," 71.

[21] T. J. Pempel, "The Baby Target: 'Reform' of the Japanese Bureaucracy," in *Democratizing Japan: The Allied Occupation*, ed. Robert E. Ward and Yoshikazu Sakamoto (Honolulu: University of Hawaii Press, 1987), 179.

medicine. Sams blamed elite doctors for their backwardness and used the MHW bureaucrats to change their tradition.

Backed by reform-minded scholars and bureaucrats, New Dealers continued to seek radical health insurance reform in Japan. However, opposition came outside of Japan. The conservatives in the United States did not like it. The AMA and its allies considered New Dealers' possible successes in Japan as a danger to their battle in the US to stop Truman's proposal to introduce universal health care. They made an opposition campaign to label what GHQ was doing in Japan as “socialistic” and “undemocratic.”[22]

General MacArthur, who had the ambition to be a presidential candidate, replied with an assurance that GHQ was not planning to introduce socialized medicine in Japan. To put end to its worry, GHQ requested the AMA to send its mission to Japan. The AMA mission left a recommendation that Japan should introduce a health insurance system that resembles one in the United States which was based on employment-based private insurance and means-tested public programs for the poor.[23]

This external pressure from the US changed the tone of health care reform in Japan. But there is another international context that affected the course of the health care debate, the Cold War. The confrontation between the US and the Soviet Union was gradually heated up by events like Winston Churchill’s “Iron Curtain Speech” in 1946, the Marshall Plan in 1948, and the “Loss of China” in 1949. The United States defined itself as the sole leader of the Western Bloc or Capitalism Bloc and defended against the Soviet Union. The United States began to see Japan as an important military alliance partner.

As a result, economic recovery began to be more emphasized. Any policies which would harm business tended to be avoided. Radical health care reform which would need a big budget was one of them. Radical reform became out of the discussion table. All the government tried to do was to improve the existing programs with a limited budget while maintaining the basic structure of health care. This did not change when the universal health insurance system was introduced.

---

[22] George W. Coon, “Letter to General Douglas MacArthur,” September 30, 1947, RG 5, MacArthur Memorial Loose Papers, Public Health and Social Security Mission, Q–RA Rainbow Division, 1945–1951, microfilm 64, MacArthur Memorial, Norfolk, Virginia; War Department, “Radio Message to SCAP: Social Security Mission.” August 30, 1947, RG 331, Records of Allies Operational and Occupational Headquarters, World War II, 1907–1966, box 2140, file 15, NACP; George F. Lull, "Letter to Crawford F. Sams," April 6, 1948, RG 331, Records of Allies Operational and Occupational Headquarters, World War II, 1907–1966, box 9382, file 7, NACP. Before his tenure as the president, Lull was Deputy Surgeon General of the US Army.

[23] American Medical Association, “Report of the Mission of the American Medical Association,” (no date) 1948, RG 331, Records of Allies Operational and Occupational Headquarters, World War II, 1907–1966, box 9383, file 1, NACP.

Conclusion

This paper demonstrated that imperial power politics impacted what could be done in the three critical periods in the development of the Japanese health insurance system. When the new Meiji government began to westernize medicine, the German model was the most influential to shape the first health insurance measure and control the social order by a top-down approach. When Japan engaged in WWII to expand its territory and become an imperial power itself, it adopted a totalitarian regime to use human and material resources as efficiently as possible. The government made the health care policy part of national security policy and radically expanded the coverage of public health insurance. By the end of the war, Japan had quasi-universal health care. Because it relied on wartime patriotism and sacrifices of private actors, however, many of the newly established programs stop functioning at the end of the war. The post-war US-led occupation had the British model and the American model confront to shape the policy trajectory. Because the intensity of politics worried MacArthur and the Cold War changed Japan's role for the United States, the occupation forces decided to withdraw from the idea of radical reform and engaged in patchwork reforms to improve the existing programs.

Historical institutionalism emphasizes that institutional and political contexts shape the development of health insurance policy. However, as discursive institutionalism claims, ideas are important factors as well. Furthermore, international relations also can be a factor. These factors affect not only the appearance of the health insurance system but also under what culture policymakers and the public understand the issue of health care. The Japanese case demonstrates that the wartime legacy remained strong as the structure and culture of health care policy. This paper hopes to help scholars study other cases with similar perspectives.