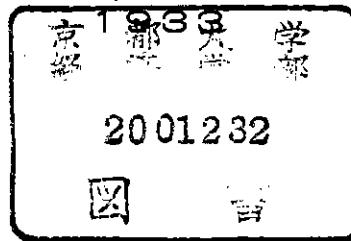


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THE IMPORTANCE OF "GOYŌKIN" OR FORCED LOANS IN THE MEIJI RESTORATION

1. FINANCIAL DISTRESS OF THE MEIJI GOVERNMENT

"The Imperial régime has been at last restored; the fundamental policy of the State has been duly established; the Emperor will hereafter administer State affairs in person; and all things pertaining to the State are about to be provided. But there is one thing lacking—State revenue. This is due to the fact that Keiki Tokugawa (徳川慶喜) has not yet transferred to the new Government the State revenue which he should have transferred at the time he gave up the political power in favour of the new Government. Although the Imperial Court has to defray various expenses for the disposition of State affairs, it has no source of revenue at its command".

The above is a quotation from a public declaration issued by the Council of State on May 8, the first year of Meiji (1868). It clearly indicates the extreme financial distress to which the Meiji Government was subjected at the beginning of its existence.

Reviewing the series of momentous events that took place at that time, one will find that it was on October 14, the third year of Keio (1867) that Keiki Tokugawa addressed a memorial to the Throne requesting Imperial permission to transfer the political power to the Imperial Court. The permission asked was granted on the very following day, namely, May 15, and a public declaration of the Restoration of the Imperial régime was made on December 14, the same year. But even at that time Keiki was still occupying the

official position of Naidaijin or Prime Minister, and still held his domain ; while the daimyos, shrines and temples likewise held their respective fiefs. The newly formed Meiji Government enjoyed a very feeble existence, as its only source of revenue was a domain which annually yielded 30,000 koku of rice and which the Imperial Court had held in possession during the feudal period. It was obvious that such a negligible amount of revenue was utterly insufficient for the administration of the new Government. Truly, "there was one thing lacking—State revenue".

The financial distress of the Meiji Government at that stage of its existence can never be adequately imagined. Tomomi Iwakura (岩倉具視) urged the priests of temples such as the Higashi Hongwanji and the Nishi Hongwanji to make monetary contributions to the Government. He also instructed the leading merchants of Kyoto such as Saburosuke Mitsui (三井三郎助), Zensuke Ono (小野善助), and Hachiroemon Shimada (島田八郎右衛門) to do likewise. He also ordered Kyuemon Kumagai (熊谷久右衛門) (the then proprietor of the Kyukyodo 鳩居堂) to urge wealthy merchants and landowners of Kyoto and its vicinity to lend their financial assistance to the Imperial Government. On December 26, the Revenue Office gave out the following instruction to the Mitsui-gumi :

"Now that the Shogunate Government has returned the political power to the Imperial Court and the Shogun himself has withdrawn to Osaka Castle, all government orders shall hereafter be issued by the Imperial Court. However, as the transfer of revenue affairs has not yet been made by the Shogunate Government, the Imperial Court is confronted by financial want. Accordingly, the Revenue Office has been established for the purpose of securing the necessary State revenue. Indications at present are that hostilities may be commenced at any moment between the Imperial Court and the Shogunate, and we are constrained to secure revenue for the general administration of State affairs and conducting military campaigns in order to maintain peace

in the realm. Now, as your firm has been in the financial service to the Imperial Court from the olden time, you are ordered to be in service of the Revenue Office hereafter. Consider the gravity of the present condition of the Imperial Court and serve it with all your fidelity".

Mitsui-gumi responded to this order with promptitude and made a donation of 1,000 ryo. The same firm also presented 1,000 ryo to the army of the Satsuma Clan quartered at the Sokokuji, Kyoto, and which was faced by a serious financial want with its resulting blow to the morale of the soldiers. This forced loan or contribution was made on the eve of the Fushimi-Toba Battle that really heralded the open hostilities of the Imperial Court and the crumbling Shogunate. In January, next year, Mitsui-gumi together with the two families of Ono and Shimada made a loan of 2,000 ryo to the new Government.

There were other instances of such loans. The transfer of the political power by the Shogunate placed a heavy financial burden on the new Government and the burden was further increased in weight by the Battle of Fushimi-Toba. As the Government had no permanent source of revenue, it inevitably depended on the donations and loans by wealthy commoners in the disposition of its immediate problems.

2. FORCED LOANS DURING THE EARLY STAGE OF MEIJI

The Revenue Office was established on December 23, 1867 and Samon Hayashi (林左門) and Hachiro Mitsuoka (Kimmasa Yuri) (三岡八郎, 由利公正) were appointed as its directors, and charged with the duty of securing revenue for the Government. Mitsui-gumi was represented by several of its own men at the Revenue Office. These men carried out the financial work. They often found it impossible to make both ends meet, and the Mitsui-gumi had to make up the deficit by accomodating loans. According to an official

statement made under date of January 15, 1868, Mitsui, together with Ono and Shimada, filled the financial requirements of the Government by accomodating loans out of the bills of exchange which people had drawn with these three financial houses on their credit. There was a persistent danger of an over-imposition of forced loans resulting in a stoppage of the payment of the bills and thus in a loss of confidence in the credit power of these houses—which loss would have prevented them from further serving the Revenue Office. Accordingly, on January 17, the same year, the Revenue Office issued a statement saying that funds given to the Government were to be regarded as loans and would not be therefore confiscated (as was often done under the old régime) and that the payment of bills of exchange in big sums might be suspended at the convenience of the Government. On January 19, a loan of 10,000 ryo was made jointly by Mitsui, Ono and Shimada.

Thus, the forced loans extended by these three financial houses enabled the new Government to defray its immediate expenses. But it was faced by the need of raising funds for sending a punitive expedition to Edo, which step became necessary after the Battle of Fushimi-Toba. The Council of State met on January 7 in order to discuss the problem. The meeting was presided over by Tomomi Iwakura and attended by the following officials: Hachiro Mitsuoka, Ichizo Okubo (大久保一藏), Hyosuke Hirozawa (廣澤兵助), and Shojiro Goto (後藤象二郎). Hirozawa expressed his opinion that a fund of 200,000 ryo was required for undertaking the proposed military expedition to the seat of the old government, but Mitsuoka argued that at least 3,000,000 ryo was absolutely required. The meeting accepted Mitsuoka's opinion and decided to raise it at once.

On January 21 the Revenue Office assembled the representatives of Mitsui and other houses which were in its service and asked them to present a list of the names of leading business firms and wealthy citizens in Kyoto, Osaka and near by districts. This instruction was followed by the

presentation by these firms of three lists of such names. The first list included such names in Kyoto and its vicinity; the second list contained those of Osaka and of its neighborhood; and the third list contained those of the Province of Ohmi. The new Government accordingly invited more than 100 merchants of Osaka and Kyoto to the Imperial Palace of Nijo on January 29, and asked them for their cooperation for raising a fund of 3,000,000 ryo.

Mitsui-gumi wrote a letter to the Revenue Office under date of February 2 regarding the right method of raising this fund. It urged that the only way to overcome the difficulty involved was to despatch an official of the Revenue Office to Osaka for the purpose of securing the agreement of the wealthy citizens of that city as a preliminary step for raising the needed fund.

This suggestion was accepted and on February 12 Hachiro Mitsuoka was despatched to Osaka. On the following day he summoned 15 leading commoners of Osaka headed by Zen-emon Konoike (鴻池善右衛門). These men were instructed to assist the Revenue Office in raising the proposed fund and put under the employment of the Revenue Court. On February 19 and 20 650 wealthy citizens of Osaka were summoned (322 on the first day and 328 on the second day) and were instructed to assist the new Government in its attempt to raise the fund.

This fund (goyokin) the Revenue Office tried to raise was really a domestic loan redeemable through the tax on land. When the Emperor's visit to Osaka as a preliminary step for sending a punitive expedition to Edo was decided on February 3, a fund of 50,000 ryo each was raised at both Kyoto and Osaka to be used as the travelling expense of the Imperial visit. The stupendous difficulty the officials of the new Government faced in raising the needed fund of 3,000,000 ryo is described by "kojo-oboegaki" (口上覺書) which gives an account of the efforts made by the Mitsui-gumi in conjunction with the two houses of Ono and Shimada at the command of the Government under date of November,

1869. It says in part: "When the Revenue Office tried to raise the funds, many expressed their misgivings (as to the possibility of redemption) and we had to act as guarantors. We have collected the money from the persons whose names are given in the list attached. The total amount now collected at Kyoto and other places is about 1,300,000 ryo." In a report to the Government by Tomomi Iwakura in May of the same year, he says: "Recently we tried to raise only 3,000,000 ryo and we fail to understand why we have not succeeded in raising even half of that amount." It appears, however, that even Mitsuoka had not really believed that he could raise the amount he proposed; he wanted to impress the wealthy merchants with the statement of the amount in his wish to raise as much as possible under the circumstances.

Prior to all this, just before Iwakura set out on his journey to Tosando following the decision to send an expedition against Edo, the Mitsui-gumi was ordered to join his suite and two representatives of the firm joined it. They were given the full privilege of samurai and proved instrumental in raising funds on many occasions on the way. At Otsu, they donated a fund of 10,000 ryo (January 24), another 10,000 ryo at Ogaki (February 21); they purchased 1,000 bales of polished rice after the party had arrived at Warabi in Musashi Province (March 13) and stored them in the Mitsui warehouse at Fukagawa, Edo (the value being 1,712 ryo); on April 16 a donation of 25,000 ryo and at later date another donation of 10,000 ryo were made to the headquarters of the Iwakura expedition. Still another donation of 30,000 ryo was made after H.I.H. Prince Arisugawa (有栖川宮), commander-in-chief of the Expeditionary Army arrived at the Zojoji Temple, Shiba, Edo.

In leap-month April (閏四月) of the Same year, the Government levied a loan of 500,000 ryo among the wealthy merchants and trade guilds of Osaka and its vicinity, as the expense of sending a superintendant-general to Edo. Prior to this the Imperial Army took over Edo Castle. Although dis-

contented samurai betook themselves to Ueno for the purpose of resistance, no move was made by the Imperial Army because it was under financial privation. It was because of this that Sanetomi Sanjo (三條實美) was ordered to go to Edo in the capacity of superintendant-general. But there was another reason for raising this fund; the Government had to purchase a warship. The fund was apportioned as follows: 100,000 ryo among 15 merchants headed by Konoike who were in the service of the Revenue Office; 50,000 ryo among Mitsui, Ono and Shimada who were engaged in the exchange business; 344,000 ryo among some 87 guilds of various trades such as *sake*-brewing, pawning, exchange, etc. The merchants in the service of the Revenue Office actually turned in 80,000 ryo and Mitsui and two others paid 40,000 ryo; but the amount paid by the various commercial guilds is unknown.

The Government on May 15 issued the so-called Dajokan notes (太政官札) (Notes of Council of State), but it was unable to defray all expenses with these notes. It had to use cash in the payment of salaries to the soldiers of the Imperial Army in the O-u district where people were not accustomed to the use of such paper money, and also in the purchase of military weapons from foreign countries. The Government, accordingly, had to depend on Mitsui-gumi in securing the needed cash. On May 22, the firm furnished the Government with a fund of 50,000 Mexican dollars. Again, on August 25, the Government summonsed the representatives of Mitsui and other firms in Tokyo to the Imperial Palace at Tokyo in order to raise a fund of 860,000 ryo. On this occasion, Mitsui, Ono, and Shimada supplied a total of 60,000 ryo. This loan was redeemed entirely by gold paper notes when they were issued in December, 1869.

3. THE SIGNIFICANCE OF "GOYOKIN"

The foregoing account will be enough to show the financial distress under which the Meiji Government laboured

in the early years of the new régime. The following table indicates the receipts and disbursements of the Government in four different periods:

	1st period (Dec. 1867— Dec. 1868)	2nd Period (Jan.— Sept. 1869)	3rd Period (Oct. 1869— Sept. 1870)	4th Period (Oct. 1870— Sept. 1871)
	(yen)	(yen)	(yen)	(yen)
Ordinary revenue	3,664,780	4,666,055	10,043,627	15,340,922
Extraordinary revenue	29,424,533	29,772,348	10,915,871	6,803,675
<i>Sub-division:</i>				
Dajokan notes	24,037,389	23,962,610		
Funds and Domestic Loans	3,838,107	811,000		
Foreign loans	894,375	100,500		
Total Revenue	33,089,313	34,438,404	20,959,499	22,144,597
Ordinary expenditure	5,506,253	9,360,230	9,750,003	12,226,382
Extraordinary expenditure	24,998,832	11,425,609	10,357,669	7,008,775
Total expenditure	30,505,085	20,785,839	20,107,672	19,235,158

As the above figures show, the extraordinary revenue constitutes the greater portion of the total revenue of the first period. The same is true to some extent of the second period, but just the reverse is the case for the third period. The extraordinary revenue during the first period was derived from three sources, namely, Dajokan notes, money contributed or loaned by citizens, and foreign loans. Because of the difficulty of accounting, the Government raised or loaned money first from among the citizens of Tokyo, Kyoto, Osaka, Hyogo and Otsu and then further from those in other parts of the country. The Government also commandeered rice stored in the municipal warehouses of Tokyo and Yokohama with a promise to pay for it at later dates. As to foreign loans, the Government borrowed 500,000 dollars from the Oriental Bank, a British financial house in Yokohama and 400,000 dollars from a British firm. Dajokan notes also constitute a greater portion of the extraordinary revenue during the second period and domestic as well as foreign loans are also included.

The foregoing statistics in the first and second periods

in the government finance of the early Meiji years evince the fact that the Government found it impossible to cope with its financial distress only by depending on financial accommodations by the wealthy merchants in Kyoto, Osaka etc.—a policy which had been handed down from the Shogunate days. Thus, the Government felt the necessity of issuing notes and borrowing from foreign sources. In other words, the three financial policies of raising funds and domestic loans, of seeking the aid of paper money and of borrowing foreign capital, were employed in order to patch-up the financial problem of the time. I have above dwelt chiefly on one of these three policies, namely, the policy of raising "goyokin" or forced loans the Government raised from wealthy citizens. Now, it is to be noted that "goyokin" during the feudal days was not the same with that in the period under our consideration. During the Tokugawa Period, "goyokin" and "kenkin" or monetary contribution was differentiated only in name, and although the redemption of "goyokin" was presupposed, it was not actually practised. In some cases, "goyokin" was arbitrarily changed into "kenkin" afterwards. Let us now consider the nature of "goyokin" as it was raised by the Meiji Government. As we have already pointed out, the government declaration issued on January 17, the first year of Meiji (1868) made it clear that the "goyokin" raised by the Government was to be regarded as loans and would not be confiscated. We regret that very little is known now of the methods of raising this money and of the conditions of its subscription, etc., each time it was raised by the Meiji Government.

When 3,000,000 ryo was raised as the basic fund of the Revenue Office, the tax on land was made security. And we know that the land tax was the only source of revenue for the Government at that time. Later, when the Government announced its intention to raise money as the expense for the Imperial expedition, the assurance was given that no subscribers would be placed in a condition of

distress, thereby hinting that the money would be paid back at some future date. When another fund was raised as the expense of sending a superintendent-general to Edo, the rate of interest was specified as 1.5 per cent a month, and the Government assured lenders that the money would be paid back within October. Thus, the Government promised as to the rate of interest as well as the time of redemption. The Government fulfilled its promises. It paid a monthly interest of one per cent for the Revenue Office fund and 1.5 per cent for the money which was raised on the occasion of the sending of the superintendent-general to Edo.

Both the principal and interest of the "goyokin" raised by the Meiji Government were paid, as the following table of figures indicates:

	1st Period (yen)	2nd Period (yen)	3rd Period (yen)	4th Period (yen)	Total (yen)
Funds raised	3,838,107	811,000	—	—	4,649,107
Funds redeemed	263,293	1,465,301	1,449,318	1,471,193	4,649,104
Interest paid	197,636	202,724	195,963	84,089	680,412

The interest paid includes that which was paid on foreign loans. The very fact that both principal and interest were paid back shows that the "goyokin" raised by the Meiji Government during the first few years of its existence was radically different from that which was raised under the feudal régime.

It is clear that the funds raised by the Meiji Government were used mostly for political and military affairs during the turbulent period immediately following the Meiji Restoration. But even the wealthy citizens of that time had no magic box from which they could produce as much money as they wished. Many of them were unable to raise the amount specified by the Government. Take the Mitsui case, for instance. That firm was commanded to turn in 50,000 ryo in cash and in a lump sum on August 25, 1868, at Tokyo. The firm paid 20,000 ryo immediately and promised to pay 10,000 ryo more in the following month, but the Government allowed no delay and demanded the immediate

payment of the remainder. There was no other way than to submit to the order, and Mitsui had to sell gold and silver wares it had kept in its safe in order to raise the necessary amount of money. Merchants in Osaka also faced similar distress. Mitsui's report to the Revenue Office stated that some of the well-known merchants in Osaka had closed their doors and discontinued business. A statement issued by a drug dealers' guild pointed out the dire effects of the Government's attempt to raise money on its members who were forced to financial embarrassment thereby. Thus, it was impossible for wealthy merchants to comply with the Government's demand to the latter's complete satisfaction. The Government felt the obvious necessity of altering its financial policy. Thus, there appeared the policy of issuing the so-called Dajokan notes, promulgated on leap-month April 19.

As these notes were inconvertible, they failed to circulate smoothly, and the Government had to issue decrees several times urging their circulation. (For instance, on July 18, 1868 and July 23 the same year). Various other methods were employed in order to facilitate the circulation of the notes. Later, the Government established the Commercial Office (*Shohoshi*) which loaned out Dajokan notes to daimyos and merchants in Kyoto Osaka etc., as industrial funds. In Osaka, the notes were given to those who possessed the certificates of subscription to "goyokin". As the "goyokin" collected under the feudal régime was not paid back, merchants of Osaka thought it much safer to take the notes and they eagerly accepted them. Thus, they received these notes with the certificates of the funds they had paid on various occasions as securities. As the rate of interest on the Revenue Office funds was one per cent per month and the merchants had to pay an interest of 0.6 per cent per month, what the Government did amounted to the issuance of bearer certificates at the interest rate of 0.4 per cent per month. But the rate of interest on the notes was not uniform. In the case of the fund raised for the purpose of

sending a superintendent-general to Edo, the rate was one per cent per month instead of 0.6 per cent in other cases. This is because of the fact that the interest rate on that particular fund was 1.5 per cent per month. In consequence, in this case the Government's action amounted to the transfer to the merchants of bearer certificates at the interest rate of 0.5 per cent per month.

Let us next consider how the funds were paid back. The Osaka Prefectural Government issued the following notification on October 20, 1869:

"The Government since last spring has on several occasions raised funds to be used for military campaigns. The money so raised will be eventually repaid in due course of time. The Government is ready to repay in cash the loans it raised when it purchased the steel warship on which Lord Sanjo was despatched to Tokyo in April. Creditors are hereby asked to present themselves at the Finance Department on the 24th instant to get repayment. Those having received notes for the loan certificates shall return them to the Finance Department to receive the cash payment".

Again, on November 28, the following notification was issued by the same Prefectural Government:

"Both the principal and interest of the loans raised in the three cities shall be repaid to the creditors after the end of November. The creditors shall present themselves to the Finance Department to get repayment. As cash and notes have equal value, the payment will be paid in either of them. Those wishing to receive cash shall return the notes they received from the Government in exchange for loan certificates."

We may assume then that the loans were repaid by the Government. As the creditors had received the notes in exchange for their loan certificates as a rule, they must have received cash by presenting the notes to the Finance Department. In case the presentation of a great sum of notes was impracticable, the amount representing the difference

between the loans (*goyokin*) and the notes was repaid, we presume, by the Government. In other words, the loans were redeemed in notes issued by the Government. There is an historical record showing that the loan of 50,000 dollars and the loan of 60,000 ryo accommodated by Mitsui and others, were all redeemed in notes. We may summarise the policy of loan redemption by the Government as follows: the Government insisted on the delivery of notes the same as bond certificates. Then, taking advantage of the great difficulty of their delivery, the Government settled the debts by paying the difference between the loans and notes. The Government adopted the rate of 120 ryo in notes for every 100 ryo of gold in the settlement of the loans incurred in the second year of Meiji.

We have seen that the Government was able to secure revenue in the early part of Meiji years through Mitsui and other wealthy families of the time. Under the old régime, the daimyos entertained before wealthy merchants, offered them social positions and treated them the same as samurai, in return for the financial assistance then rendered. The Meiji Government also made similar recompenses to Mitsui, Konoike and other wealthy merchants for the financial help they had given. There is no doubt, of course, that loyalty was the motive of their act; they could not stand seeing the financial distress of the struggling Government and offered their helping hands in coping with the financial exigencies of the time. However, the fact remains that the new Government succeeded in securing the financial help of these merchants and in carrying out its work of overthrowing the feudal régime, because it could attract these merchants by the slogan of loyalty to the Imperial Court.

Osaka was the financial centre of Japan during the feudal period and the Shogunate Government often levied "*goyokin*" on the wealthy merchants of the city. There were such instances of requisitioning funds during the closing years of the period. When the critical stage of the Shogunate régime was reached, both the authorities of the Edo Govern-

ment as well those of the new Government cast coquettish glances towards Osaka. When the new Government summoned the wealthy merchants of Osaka on December 29, the third year of Keio (1867) to present themselves at Kyoto, they failed to present themselves under one pretext or another. But on January 7 Shogun Keiki returned to Edo on board the Kaiyo Maru and on January 10 H.I.H. Prince Yoshiakira (嘉彰親王) went to Osaka in the capacity of the commander-in-chief of the Imperial Expeditionary Force. This was followed by the Imperial visit of the Emperor Meiji to Osaka and the city was placed under the control of the Imperial Court. The firm establishment of the new Government was greatly aided by the financial aid thus rendered by the wealthy commoners of Osaka and other cities. This financial co-operation was made by few wealthy citizens at times, but it was rather necessary to secure money from many citizens. We have already stated that the Government summoned 650 commoners of Osaka when it tried to raise three million ryo as the fund of the Revenue Office. There is no way of knowing the exact number of the merchants who made contributions, but the following figures taken from the Osaka Section of the Government Revenue Ledger will indicate the general outline of the loans :

Loans (ryo)	No. of Creditors	Amount (ryo)
10,000 and above	1	50,000
Between 5,000 and 10,000	5	32,593
Between 1,000 and 5,000	76	149,800
Between 500 and 1,000	84	55,102
Between 450 and 500	17	7,294
Between 400 and 450	26	10,865
Between 350 and 400	38	13,316
Between 300 and 350	67	20,986
Between 250 and 300	48	12,803
Between 200 and 250	95	19,969
Between 150 and 200	176	28,452
Between 100 and 150	354	41,232
Between 50 and 100	552	35,073

Below 50	185	5,629
Total	1,724	483,114

The loans accomodated by various guilds :

10,000 and above	2	40,000
Between 1,000 and 10,000	29	53,234
Between 500 and 1,000	30	19,146
Between 100 and 500	72	17,884
Below 100	36	1,294
Total	169	131,558

The foregoing figures regarding the individuals' burden of loans indicate that the number of the persons who contributed 500 ryo or more each, constitute 60 per cent of the total amount ; but the number of persons who contributed less than 150 ryo each constitute 73 per cent of the total number of persons. This shows how comparatively small amounts were raised from among a large number of commoners.

It was on occasion of despatching the Superintendent-General to Edo in leap-month April that an enormous burden was imposed on the various guilds ; but the foregoing figures show that the guilds also shared the burden of raising the Revenue Office funds.

The same is true of the raising of the Revenue Office funds in the city of Sakai, as the following figures indicate :

Loans (ryo)	No. of Creditors	Amount (ryo)
1,000 and above	2	2,300
Between 500 and 1,000	2	1,450
Between 400 and 500	2	960
Between 300 and 400	2	740
Between 200 and 300	6	1,265
Between 100 and 200	34	4,510
Between 50 and 100	48	3,060
Between 30 and 50	57	1,948
Between 20 and 30	53	1,175
Between 10 and 20	372	4,115
Total	578	21,523
Sake brewers' guild in Saikai		1,400
Sake brewers' guild in Kishiwada		125

The number of those contributed less than 100 ryo, especially those whose amounts were 10 or 20 ryo, is very large. This is additional evidence of the fact that the money was raised from many people in small amounts.

When the Emperor Meiji's expedition to Osaka was decided, a sum of 50,000 ryo was raised from Kyoto and Osaka each. Although a few wealthy persons played a prominent rôle in the raising of this money, many others in Osaka, Sakai, Nishinomiya, Itami and other points in the old province of Settsu made contributions in various amounts. The money is subdivided as follows :

Individuals' burden (ryo)	No. of persons
1,500	2
1,000	6
700	1
600	3
500	8
400	9
Between 300 and 400	38
200	1
100	2
70	1
50	1
Total	72

There are also many cases in which a number of persons jointly contributed, their number sometimes being several scores. A group of persons numbering 893 made a contribution of 84,035 ryo, the average amount per person being little over 94 ryo.

As the above table shows the number of individuals who contributed less than 100 ryo and only four and the total amount is comparatively large. But if we think of adding the case of contributions made by groups of individuals, the total number of persons is 965 and they raised a total sum of 167,000 ryo. This is another proof of the undeniable fact that the raising of the funds was participated in by many instead of few.

We have already seen that the Government no longer could raise funds through forced loans and had to resort to

the policy of issuing Dajokan notes which was regarded as similar to bond certificates. In a debate held among an official council in March, the second year of Meiji, arguments pro and con were advanced regarding the proposed abolition of the system of "goyokin". The council decided in favour of its abolition in April of the same year and addressed a memorial to the Throne in favor of the replacement of goyokin by a system of government loans. The memorial was accompanied by the following recommendations:

"As we have decided to abolish goyokin and establish a system of government loans, we recommend that all indispensable government expenditure be met by floating loans, that all goyokin which have been levied on landlords and merchants since the Restoration be turned into government loans without delay; and that the interest on the loans be paid at the request of the bondholders."

However, as the grant of Dajokan notes was made in order to carry out the same function as government loans, one may say that the idea contained in the above memorial to the Throne had been carried out before the presentation of the memorial.

It was the samurai of the lower ranks who actually carried out the political reformation of the Meiji Restoration, and there is no denying that the activities of commoners participated in the same movement were characterised by passivity. But would the establishment of the Meiji Government have been possible without the financial assistance of commoners? We gravely doubt such a possibility. The accomplishment of the Restoration was possible because the Meiji Government could raise forced loans from wealthy commoners and then issue paper money. For this reason, the efforts made by the commoners in the Restoration movement cannot be lightly regarded, although they appear to have been passive. Moreover, although few commoners played the rôle of leadership, a large number of commoners also participated in the movement and its final success was due to their co-operation and assistance. We may then say

that the power of the many rather than of the few brought about the Restoration and gave it their support.

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