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A SURVEY OF ECONOMIC THOUGHT IN
THE CLOSING DAYS OF THE
TOKUGAWA PERIOD

By EIJIRO HONJO

I. INTRODUCTION

The last fifteen years of the Tokugawa régime comprised a period of great changes and upheavals altogether unprecedented in the history of the Tokugawa administration. Money economy, developed after about the middle of the Tokugawa period, began to undermine the feudal system built upon land economy, thereby forcing the agrarian class into a state of extreme distress while it compelled the *samurai* or warrior class to gradually surrender its power to the *chonin*, or merchants and artisans, who now began to enjoy a wider financial sway. Because of these new developments within the country, the older feudal society steadily followed a course of inevitable decay. This sequence of events was further accelerated, by the visits of foreign battleships to Japanese waters. In June, in the sixth year of Kaei (1853), Commodore Perry arrived at Uraga commanding an American squadron of four battleships, and in July of that year four Russian men-of-war under the command of Putiatine cast anchor at Nagasaki. These visitors demanded, even under threat of arms, as in the case of the American envoy, that Japan open her ports to foreign commerce. While the Edo Government was able to send these battleships away temporarily by promising a reply at some future date, the country was subsequently thrown into a turmoil by a conflict of public opinion in which rival factions took sides for or against war and isolation.

In an effort to tide over this period of emergency, the

Tokugawa Government adopted, in various phases of its administration, new policies and measures of a novel nature, many of which embodied economic thought that deserves our careful attention. The purpose of the present work is to study a few of the principal economic concepts involved in these administrative policies.

II. THE RECOGNITION OF THE STATE OF EXIGENCY AND THE FUNDAMENTAL CONCEPTS

1. Recognition of the state of exigency. It is beyond doubt that during these years Japan faced a most critical situation. This state of affairs is well described by Kido-Koin 木戸孝允 in the following words. "Our current condition is as unstable as that of a ball placed on a hill-top. Any slight but critical move will inevitably cause it to plunge into the deep abyss and no one is strong enough to arrest its fall."

The gravity of this situation was fully realised by certain officials of the Tokugawa Government. The message sent to the council of Abe-Ise-no-Kami 阿部伊勢守 in November, in the second year of Ansei (1855), requested that emergency measures be adopted in view of the critical state of the country. Replies to this message only served to emphasize the view that the prevailing conditions were extremely hazardous.

2. Proposals to alter the traditional institutions. Throughout the feudal age there were two fundamental principles underlying all Government laws and measures. One of them was the principle of adhering to the traditional institutions, whether right or wrong, and the other was that of prohibiting the introduction of new practices. Under these principles efforts were made to maintain the traditional status quo and to prevent any departure from customary usage. All new policies, whether good or bad, were rejected for the simple reason that they deviated from the laws and customs established by the ancestors.

Were these principles adhered to in face of the exigency? In those last years of the feudal régime, there were found even among officials of the Central Government, those who upheld the view that laws ought not to be observed merely because they were supported by the weight of tradition, but that they should be altered to meet the changing needs of the day. They claimed that in a period of exigency, emergency measures should be carried into effect even if they should conflict with traditional practices.

Thus, in September, in the sixth year of Kaei (1853), the Tokugawa Government repealed the law prohibiting the building of ships, in particular warships larger than 500 *koku* burden. This new ruling was hailed by some Government officials as a most drastic action, welladapted to the changing circumstances, and this violation of traditional policy was in itself regarded as a valuable means of keeping abreast of the times. It clearly reflected the Government point of view that in the period of emergency ancestral policies could no longer claim paramount importance. This point of view was shared by many feudal lords who considered it necessary to alter their own traditional policies in accordance with the needs of the day.

3. View of the function of public opinion. Faced by the difficult situation previously discussed, the Government sought to elicit opinions from various quarters. In the closing years of the Tokugawa régime, the Central Government received numerous memorials regarding foreign trade and measures of reform. As a matter of fact, the Government called for expression of opinion from various *han* (feudal clans) by circulating the American Notes presented by Commodore Perry. Opinions were submitted also by Government officials and other individuals. It seems safe to conclude that in these efforts of the Government we may find a rudimentary idea of an appeal to public opinion in the decision of momentous questions.

4. Proposal to adopt the more meritorious aspects of Western civilization. Prior to this era, Western states were

regarded as barbarous and intercourse with them was strictly prohibited. During the latter portion of the Tokugawa period, however, studies of Western civilization began to attract general attention and the people showed increasingly deeper interest in the life and culture of the West. For example, the petition submitted to the Government by the officials in charge of coastal defence in August, in the sixth year of Kaei (1853) pointed out the desirability of acquiring a knowledge of Western culture. Again, in his memorial to the Shogun submitted in October of that year, Takasima-Kiheï 高島喜平 wrote: "Although our people are most reluctant to adopt any idea or practice from other countries, Western peoples are said to praise as patriotic service any effort made to that end. As they make voyages to various countries, they seek to adopt any features of merit they may find in the culture of other peoples with a view to amending the deficiencies in their own civilization. It is true that they are intent on securing profit from foreign trade, but in this they are motivated largely by the desire to enrich their own countries and enhance their military strength. Not being in the habit of adhering to outworn traditions, they are not ashamed to learn from other peoples. On the contrary, they are said to regard those who refuse to learn from others as bigots." He emphasised in conclusion that it was important for our people to adopt the meritorious features of Western culture in order to obviate their own shortcomings.

A similar point of view is expressed in the following words of Sakuma-Shozan 佐久間象山, who was a non-isolationist: "In this new era of our history, one should not remain content with a mere knowledge of Japanese and Chinese learning. It is absolutely necessary that one should acquire a mastery of the all-embracing principles applicable to the five continents. The habit of adventurous thought enabled Columbus to reach the New World, it had led Copernicus to establish the heliocentric theory and aided Newton to discover the truth of gravitation. Since the achievement of these

three great discoveries, every science has established its proper foundations leaving no room for doubt or obscurity. By means of these achievements life in the countries of Europe and America has undergone fundamental change, and it is a most amazing fact that, with the invention of the steamship, the magnet and the telegraph, they now appear to control the laws of nature." Thus he stressed the necessity of encouraging a study of this ever-advancing Western learning.

When Oguri-Kozuke-no-Suke 小栗上野介 was despatched to America to exchange notes in connection with the Ansei Treaty, he returned home with a new world vision. Among the souvenirs he brought back from that country, there were a globe and several mechanical appliances. It is reported that by the use of these objects he intended to broaden the outlook of our people and to help them to realize the position Japan was occupying in the world at that time. It is thus apparent that in the last years of the Tokugawa period, it was already considered necessary to seek knowledge throughout the world and to abandon our much abused traditions and administrative practices.

III. THE RISE OF THE *CHONIN* CLASS

The changes that occurred during the years under review took place with reference to two principal problems. One of them was a question as to whether Japan should open her ports to international commerce or remain in isolation. The other was the problem of the enhanced status of the *chonin* class, who had begun to dominate the *samurai* and agrarian classes through the medium of their financial power. Money economy had come to replace land economy or agricultural economy, which had hitherto constituted the basis of the social order. In consequence of these changes, there arose a question as to the technique to be adopted in solving such problems. Hereafter we shall deal with the Government policies pursued in seeking a solution of these

problems, taking up first of all the subject of the enhanced status of the *chonin*.

1. The recovery of commercial rights. In the *Chirizukadan* 塵塚談, a book published in the eleventh year of Bunka (1814), there is a passage that reads as follows: "Though it should be in accordance our established social order that the *samurai* should rule and the *chonin* be ruled. This seems to be an age in which the *chonin* have come to rule." It has already been pointed out that in the latter half of the Tokugawa period, there emerged a money economy which gradually replaced the older land or rice economy. With this transition it became inevitable that the agrarian and warrior classes should find themselves in a progressively more distressed condition.

Because of their growing destitution, the warriors were compelled to submit to the financial tutelage of the *chonin* class. It was an age of transition from the preeminence of military authority to that of financial power. In consequence of the peaceful administration of the Tokugawa Government which extended over a period of some 250 years, the nation had found it unnecessary to maintain large military establishments. It became customary that even the *samurai* should seek to raise their standard of living by hoarding money and treasure. Under the all-pervading influence of money, it was only natural that the *chonin* class, by virtue of its monetary possessions, should begin to enjoy a very real though still latent power in society. Even the *samurai* and the farmers, who belonged traditionally to a higher social order than the *chonin*, frequently found it necessary to secure loans from the latter in order to manage their financial affairs.

In order to regain their lost power and status and to restrict the growing power of the *chonin*, the *samurai* attempted to adopt the trade practices of the common people. Dazai-Shuntai 大宰春臺 had reported that most of the *han* were in stringent financial straits, but those that had adopted the monopoly system were relatively affluent. It was a system whereby the respective local Governments monopolized

the right of selling certain classes of merchandise.

The adoption of such business practices had been recommended by the author of a book entitled *Rikenron* 利權論. It was argued by this author that so long as the *chonin* retained the power of monetary control and made loans to feudal lords and warriors, the latter would remain under their yoke. He proposed that commoners be deprived of the privilege of advancing money to the *samurai* and that the Central Government should offer loans instead at low interest rates. In other words, he advocated a government monopoly of the money-lending business.

Similar ideas were expressed by others in those closing days of the Tokugawa administration. *Shumaiken Josho*, 收米權上書, a memorandum submitted to the Government authorities in the third year of Keio (1867), attacked rice dealers for the sharp practices to which they resorted and contended that it was most detrimental to national welfare to leave the right of controlling the price of rice in the hands of the *chonin*. As a remedy for this situation, it was recommended that the Government take over the business of selling rice on a monopoly basis.

We find the same ideas expressed also in the old documents relative to the establishment of *sanbutsu kaisho* 産物會所, a Government agency for controlling certain classes of commodities, and the operations of monopoly systems. It was stated, for example, that unless the Government recovered from the *chonin* the right to control wealth, it would fail in its task of the increasing nation's wealth and military strength. It was argued therefore that the Government should seek to recover the right of controlling commodity prices which now largely rested in the hands of the *chonin*.

2. Confiscation of wealth. Both the central and local Governments early entertained the idea of confiscating the wealth of rich commoners with the object of relieving those *samurai* who were in financial stringency. This idea was given increasingly stronger public support toward the end of the Tokugawa régime. During these years the Government

found its finances in a badly disorganized condition due to the enormous expenditure for armament. It therefore attempted to reconcile its revenue and expenditure by confiscating money from various sources. We find this method of raising funds proposed in a memorandum sent to the Government in July, in the sixth year of Kaei (1853). It was recommended then that the Government force rich merchants, farmers, temples and shrines possessing a fortune of 10,000 *ryo* or more, to donate a tenth of their treasure. It was estimated that donations of such proportions would not seriously impair the financial position of the donors and that the total amount of funds thus collected would reach about seven or eight million *ryo*. This proposal was based upon the argument that since citizens owe their peaceful existence to the protection of the Government, they should be persuaded to pay a part of the administrative expenses as a token of their appreciation.

In his memorandum submitted to the Tokugawa Government in August in the sixth year of Kaei (1853) while recommending various political and coastal defence measures, the Lord of the Fukui Han advanced the opinion that the funds amounting to some two or three hundred thousand *ryo* necessary for the proposed measures should be collected from the citizens. He also based his opinion on the argument that since the citizens had been enabled to carry on commercial activities because of the reign of peace that had lasted for more than 250 years, they should show their appreciation by donating a part of their fortunes which had been acquired by such business activities.

3. Imposition of commercial taxes. The word tax as used in the period under review applied exclusively to rice turned over to the Government by farmers. Money paid by the *chonin* to the Government under the term of *myoga* 買加 or *unjo* 選上 represented a monetary donation and was not considered a tax. In this connection, a memorandum submitted to the Government in March, in the first year of Keio (1865) advanced the opinion that taxes should be levied on

business transactions since the rice tax alone was entirely inadequate. Léon Roches, a French minister to the court of the Shogun, also advised the Government to levy direct and indirect taxes. These recommendations, however, failed to materialize although preliminary investigations were made by the Government.*

4. Government operation of marine transportation. Honta-Toshiaki 本多利明 (1744—1821), a student of the Dutch language and a great navigator who lived in the Kansei period advocated that the Government should build large ships for the purpose of carrying on foreign commerce and that the state should take over maritime transportation enterprises from the *chonin*. During the period under review, marine transportation business was given the impetus necessary for its development by the lifting of the ban upon the building of large ships. In competition with the shipping enterprises carried on by the *chonin*, the Government built merchant vessels and warships in order to undertake foreign trade with China. In those days there was a very general popular opinion that the whole shipping business hitherto monopolized by merchants should be taken over by the central and local Governments as a monopolistic enterprise.

As the foregoing discussions clearly indicate, it was the prevailing idea of those days that, in order to tide over the difficulties of the emergency period, the Government should resort to business practices which would in effect tend to dispossess the common people of their financial power.

IV. ADVOCACY OF FOREIGN INTERCOURSE

1. The Study of Western affairs. The foreign policy pursued by Japan during the Tokugawa period can be fully explained by the single word, exclusionism. Although trade activities with China and Holland continued to be carried

* See E. Honjo, "Léon Roches and Administrative Reform in the closing years of the Tokugawa Régime", *Kyoto University Economic Review*, Vol. X, No. 1.

on at Nagasaki, these constituted exceptions. However, the desire for knowledge of Western affairs was not entirely lacking. As early as the Genroku era (1688—1703), Nishikawa-Joken 西川如見 introduced foreign manners and ideas to his countrymen in a book entitled *Kai Tsusho Ko* 華夷通商考. Later, in the Shotoku era (1711—1715), Arai-Hakuseki 新井白石 published in two books entitled *Sairan Igen* 采覽異言 and *Seiyo Kibun* 西洋紀聞 an introduction to Western life acquired through the medium of his knowledge of Dutch culture. Particularly noteworthy is the fact that Tokugawa-Yoshimune 德川吉宗, the eighth Shogun, repealed the laws that prohibited the circulation of Dutch books, allowing the people thereafter to read all foreign books except those on religious subjects. Thereafter the study of Dutch learning made very rapid progress. It was during the same epoch that Aoki-Konyo 青木昆陽 received instructions in the Dutch language from Dutch officers who made yearly visits to Edo to pay homage to the Shogun. Not only did the study of the Dutch language increase in popularity, it served at the same time as a medium for introducing to this country various branches of scientific knowledge such as chemistry, medicine, astronomy, the military sciences, etc.

Another new development in Japan's international relationship was her contact with Russia in the Saghalien and Kurile Islands which followed as a consequence of Russia's eastward advance. In the years of Meiwa (1764—1771) and An-ei (1772—1780) the people enlightened began to turn their attention to the island of Ezo, now known as the Hokkaido, and those who discussed the reclamation of that land steadily increased in number. Kudo-Heisuke 工藤平助, who published his views on the development of Ezo in his book, *Akaezo Fusetsuko* 赤蝦夷風説考, may properly be called the forerunner of the advocates of foreign intercourse. Under the prompting of his opinions the Government undertook an investigation of Ezo in the Temmei era (1785—1786).

Another publication issued by a famous economist named Honta-Toshiaki under the title of *Sei-iki Monogatari*

西域物語, discoursed on the prosperity and power of Western nations, which acquired their status, according to this author, by means of their vigorous activities in shipping and foreign trade. It was of paramount importance, he concluded, that Japan too should develop her foreign trade as a means of enhancing her international position. He insisted, furthermore, that Japan should extend her colonial operations not only to Ezo but also to Tartary, the South Sea Islands and Alaska. His opinions thus embodied a very progressive policy for the promotion of foreign intercourse.

It is reported that Motoori-Norinaga 本居宣長, a very famous student of the Japanese classics, was also dissatisfied with the former isolationist policy of our country and that his book, *Gyoju Gaigen* 駁或褻言, on the history of Japan's international relations from her earliest times, which was published in the seventh year of An-ei (1778), gave vent to his dissatisfaction on this score.

Thus we perceive that progressive leaders of the period under consideration who had some knowledge of advanced Western civilization were fully aware of the fallacy of exclusionism and frequently voiced their opinions in favour of opening the country to foreign intercourse. Toward the end of the Tokugawa period the study of Western affairs steadily developed in scope and popularity.

2. Views on the American notes. The American note presented to the Government by Commodore Perry in June, in the sixth year of Kaei (1853), was despatched by the Ministry to all *hans* on July 1 with a request for an unrestrained expression of opinion. Prior to this move of the Government, however, various opinions had been submitted voluntarily by several *samurai* and Confucian scholars, the number of such memoranda being seven in all. One of them recommended an immediate assumption of hostilities, two others advocated the strengthening of defensive resources. Two favoured peaceful settlement, and each of the remaining writers suggested the postponement of a reply and the immediate opening of the country to foreign trade.

The last mentioned opinion was advanced on June 13 by a *samurai* named Mukoyama-Gendayu 向山源太夫, who maintained that the times had changed and that since Japan could hardly expect to emerge a victor in an armed conflict, she should seek future prosperity by accepting the temporary humiliation of yielding to foreign demands. He stated that foreign trade, would provide a foundation of permanent prosperity for a nation if properly conducted. Furthermore, he observed that the isolationist policy was intended primarily to exclude the Catholic religion from the country and that since Tokugawa-Iyeyasu 徳川家康, the first Shogun, had permitted foreign trade activities, the lifting of the ban was not a violation, but a mere restoration, of the earlier ordinances. He therefore recommended to the Government that so long as foreign countries agreed to carry on no religious propaganda in this country, the people should be allowed to pursue commercial relations with their nationals.

In response to the Government inquiry of July 1, officials, and independent scholars, as well as many of the *hans* presented their opinions, the nature of which will be surveyed in brief outline since detailed discussions have been offered in one of the earlier issues of this publication.* In general feudal lords preferred the rejection of foreign demands, not however by open hostility but by peaceful negotiation. There were some opinions based upon doubtful theory that, the Government should delay its reply for a year or two, in the course of which time the country could consolidate its defensive position.

While the opinions favouring the opening of the country differed on various points, most people considered it necessary to allow foreign trade for a limited period of five or ten years. The prevalence of this opinion was due to the fact that the American note itself suggested the designation of such a trial period with the option of continuing or discon-

* See E. Honjo, "The Views of Various Hans on the Opening of the Country," *Kyoto University Economic Review*, Vol. XI, No. 1.

tinuing such relations thereafter, depending upon the results observed during the trial period. There were those who recommended the inception of foreign trade on the basis of the argument that the profit derived therefrom could be applied to the expansion of armament. There was, however, a very small group who favoured this move with positive knowledge of the advantages of foreign trade. Among those who made the latter recommendation was the lord of Fukuoka Han. He maintained that foreign trade would inevitably bring prosperity to Japan and that such arrangements would by no means violate the traditional policy of the Government. Another representative of this faction was the lord of Hikone Han. In an earlier recommendation submitted on August 10, in the sixth year of Kaei (1853), he maintained a conservative opinion favouring a refusal of intercourse with the countries whose manners and customs were at variance with those of the Japanese people and who could be expected to endeavour to propagate Catholicism in this country. In a later recommendation, however, dated August 29, he took a very progressive stand, favouring the restoration of *shuinsen* 朱印船 (licensed ships for foreign trade) and the institution of a vigorous foreign trade policy. He stated in his recommendation that "although foreign trade has been under restriction, circumstances are changing. To supply each other's needs is a universal practice. In the future, with the blessing of the ancestral diety, merchant ships should be despatched to the Dutch factory in Java for the purpose of exchanging goods."

The treaty which was concluded with the United States in the first year of Ansei (1854) was a treaty of amity and not a trade agreement. Hence it legalized only such trade activities as the sale of provisions, water, coal and other daily necessities in a limited quantity to the crews of American vessels visiting Japanese ports. It was hardly possible, therefore, to satisfy the commercial enterprise of the United States with this meagre treaty. In October, in the fourth year of Ansei (1857), the American consul-general Townsend

Harris proceeded to Edo and presented to the Government a demand for a trade agreement.

Faced by this serious problem, the Government again invited the opinions of various feudal lords as it had done on a previous occasion. The opinions then submitted were in striking contrast with those presented in the previous case in that those favouring the acceptance of the American demands now formed the great majority, only a few proposing refusal or a declaration of war. This change in public opinion can be ascribed to the changes that had been taking place in social conditions during the intervening period and to new attitudes now taken by the feudal lords towards international trade. Below we shall discuss briefly a few representative opinions that show this change from the conservative to the progressive attitude.

On the previous occasion the lord of the Fukui Han had insisted upon war with America on the ground that foreign trade would bring about the eventual impoverishment of the country by exhausting her limited supply of merchandise because of an unlimited demand on the part of foreign peoples for Japanese goods. Several years later this same lord advocated the institution of foreign trade relations stating that such as relations would become a source of national prosperity and military strength. In his considered opinion, it was a fact admitted by every intelligent person that under the prevailing circumstances, Japan could no longer remain in isolation. It was the tendency of the new age, he concluded, that every country should despatch her vessels throughout the world, voluntarily seeking trade relations with others, and hence it was absurd to refuse commercial overtures made by another country.

The lord of the Yanagawa Han was another example of those who reversed their former opinions. Contrary to his previous contention that since isolation was Japan's established policy, America should be persuaded to withdraw her demands or be repulsed by force of arms, he now favoured the adoption of a foreign trade policy, which he

considered an important factor in the industrial development of the nation.

In its memorandum sent to the Government in the fifth year of Ansei (1858), the Shimazu Han also recommended not only an acceptance of foreign demands for trade relations, but the active solicitation of commerce through missions to be sent to various foreign countries. For a number of years the Shimazu Han had been pursuing commercial activities with China indirectly through the Loochoo Islands, and its Government was probably aware of the advantages that result from foreign trade. At any rate, it reversed its previous opinion submitted in the sixth year of Kaei (1853) recommending a peaceful settlement of affairs and now favoured the granting of unrestricted freedom for international commerce.

Hotta-Masamutsu 堀田正睦, a minister of the Tokugawa Government, also underwent a similar change of heart. Although he had not expressed any ideas on the previous occasion, he now maintained that military strength would be enhanced by national prosperity, which in turn, could be stimulated most effectively by international trade.

Contrary to those who changed from the conservative camp to the progressive, there were those who shifted in the opposite direction as in the case of the lord of Tottori Han. Discarding his previous recommendation of an acceptance of the American demands for trade relations, he contended that "the foreign demands should be refused since it is doubtful whether foreign trade can be carried on for any reasonable length of time. It would probably impoverish our country and create causes for riots and civil strife."

The foregoing opinions are illustrative of those held by various *han* of the time. Among the Central Government officials and Confucian scholars, there were many who favoured the unreserved opening of the country to international trade. Mukoyama-Gendayu 向山源太夫, to whom reference has already been made, stated in his memorandum dated in June, in the sixth year of Kaei (1853) that foreign

trade being more gainful than the military conquest of foreign lands, provided a superior basis for national prosperity, and that by such profitable undertakings feudal lords should seek to recover from their financial straits, enhance their military strength, and eventually establish their markets throughout the world.

Katsu-Rintaro 勝麟太郎 also maintained that Japan should consolidate her defensive position by her gains from foreign trade and that she should build warships by which she could send her representatives to various countries for the purpose of exchanging goods. Koga-Kin-ichiro 古賀謹一郎, and Egawa-Tarozaemon 江川太郎左衛門 were also among those who supported the trend in favor of international commerce.

The opinions advanced by Takashima-Kihei 高島喜平 are worthy of our special attention. His argument was a two-fold one. In the first place he explained the inevitability of yielding to foreign demands from a strategic point of view, and in the second place he claimed that foreign trade would bring benefit to all the countries concerned since it was a process by which foreign goods were exchanged for domestic products. He maintained that if trade privileges were granted to the United States, they should also be granted to Russia, England and other powers as well. Furthermore, he refuted various criticisms aimed at foreign trade which alleged that by foreign trade Japan would eventually be deprived of her wealth or would receive useless foreign products in exchange for valuable domestic articles.

These opinions of Takashima-Kihei advanced in the 6th year of Kaei (1853) were in striking contrast to those of Sakuma-Shozan 佐久間象山 who discussed the same subject in the 2nd year of Bunkyu (1862). According to this latter critic, foreign trade was a means whereby a powerful nation exploited or oppressed a weaker one, and hence it would be detrimental to our country until she acquired a parity in national prestige with other nations. Inasmuch as Japan had already granted the privilege of foreign trade to certain other powers, he further argued, she must strive to

enhance her international status as rapidly as possible in order to avoid foreign exploitation. To that end he considered it necessary to inaugurate many reforms in politics, the social order, armaments, and the economic structure of the country. As to the possible reforms in the economic sphere, he proposed a widespread development of the national industries, the promotion of machine production, a productive use of idlers in general and of members of religious foundations in particular, etc. As to foreign trade, Shozan maintained that it was a process of exchanging superfluous domestic goods against useful foreign products and hence it would result in disadvantage to the buyer country. As a natural inference from this contention he concluded that foreign trade was a process by which a stronger nation exploited a weaker. It followed also that foreign trade was profitable only when it was actively solicited. Thus he concluded that in case Japan was to inaugurate foreign trade activities, she should visit other countries to sell her goods rather than wait for foreign merchants to offer their merchandise and that by this active trade policy alone could she free herself from financial stringency and meet the new expenditures necessary for armament, coastal defence, etc. It is apparent from the foregoing discussion that though Shozan was a progressive thinker who advocated foreign intercourse and a wider knowledge of Western affairs, he was deficient in his observation of international commerce.

V. CONCLUSIONS

There are many other ideas and plans which could be enumerated as indicating the economic ideas prevailing in the closing days of the Tokugawa period. These include the suggestions made for the improvement of the system of *sankin-kotai* 参勤交代 (periodic sojourn of feudal lords at the seat of the Tokugawa Shogun), the employment of the *samurai* or *chonin* in agriculture, the development of military

strength, etc. It is beyond doubt, however, that the two problems discussed in the foregoing pages, namely, the rise of the *chonin* and the lifting of the ban on international commerce were the most significant problems of the day.

It is perhaps superfluous to repeat that the opinions which prevailed during the period were both progressive and conservative. The views that have been quoted in the present treatise represent for the most part progressive trends and contain specific recommendations of various alterations and innovations in the traditional policies and administrative practices. Some of these views deal with domestic problems, while others are more directly concerned with foreign relations. The latter suggested for the most part emergency measures designed to meet a new situation brought about by foreign demands for the establishment of international trade relations.

So far we have discussed the economic concepts of the closing days of Tokugawa period with emphasis upon the situation prevailing after the visit of Commodore Perry in June, 1853. These economic concepts, however, were by no means new ideas peculiar to the period. The idea of recovering commercial rights was in existence already in the pre-Kaei years. Nakai-Chikuzan 中井竹山 had early condemned the absurdity of perpetuating antiquated laws because of their traditional nature. The policy of progressive foreign intercourse had been advocated by Honta-Toshiaki 本多利明 long before the period under consideration. However, it was only in the closing years of the Tokugawa administration that these ideas won such popular support as to cause much administrative repercussion. It is for this reason that they have been introduced here as typical of the economic thought in the closing days of the Tokugawa period. It is interesting to note also that the opinions concerning various aspects of our administrative affairs expressed by a French minister to the Shogun's court, Leon Roches, exercised much influence on Government policies as well as on popular opinion. It is a phenomenon commonly witnessed in the economic

sphere that the realities of a certain situation reflect themselves directly in specific ideas, while these ideas in turn may be responsible for the emergence of a new situation. This mutual relationship between economic ideas and economic facts was very clearly revealed in the history of the closing days of the Tokugawa régime.

Another interesting observation we could make is the fact that there is a very prominent characteristic in these economic views that distinguishes them from the economic thought of other periods. Regardless of whether they originated before or after the Kaei years, these economic views caused a great deal of popular discussion as well among citizens as among Government officials giving rise to the formulation of many possible solutions of the momentous problems that arose in those days of national emergency. This fact may attach a peculiar significance to these ideas that ought to make them worthy of our careful attention.