

Kyoto University

Economic Review

MEMOIRS OF
THE DEPARTMENT OF ECONOMICS
IN
THE IMPERIAL UNIVERSITY OF KYOTO

VOLUME XV

1940

京都大学
経済学部

20 01239

図書

PUBLISHED BY THE DEPARTMENT
OF ECONOMICS IN
THE IMPERIAL UNIVERSITY OF KYOTO

49/3/18

KYOTO UNIVERSITY
ECONOMIC REVIEW

MEMOIRS OF THE DEPARTMENT OF
ECONOMICS IN THE IMPERIAL
UNIVERSITY OF KYOTO

VOLUME XV

(October 1940)

NUMBER 4

ECONOMIC THOUGHT IN THE LATTER
PERIOD OF THE TOKUGAWA ERA

By EIJIRO HONJO

1. GENERAL REVIEW

By the latter period of the Tokugawa Era I mean a period of some 90 years from the Meiwa-Anyei period (1764—1780) to a time just prior to the visit of Commodore Perry to these shores in the 6th year of Kaei (1853)—a period in which the influence of the Tokugawa Shogunate was on the wane. Although under the wise rule of Yoshimune 吉宗, the Eighth Shogun, conditions somewhat improved, the improvement was merely ephemeral, for the current of the times was too strong to be easily stemmed. Various evils became evident again during the Tanuma. 田沼 régime and another reform had to be carried out in the Kwansei era. The Tanuma régime is characterized by historians as an age of corruption, but the fact cannot be denied that sincere efforts were put forth at this time to break down the arid conventionalism which prevailed. The new spirit of the age was already in evidence in this period,

accompanied by an extension and deepening of loyalty and an increasing interest in Dutch learning. On the other hand, the financial straits of the *samurai* class were aggravated and the exhaustion of agrarian communities became more pronounced. Altogether, the need was pressing for the introduction of drastic measures to break the impasse. At home, peasant riots and other movements of insubordination became more frequent, while in foreign relations, there was increasing tension vis-à-vis Russia. The new policies established by Tanuma were completely undermined by the Kwansei Reform carried out by Matsudaira-Sadanobu. In the Tempo era, which followed the Bunkwa and Bunsei eras, the so-called Tempo Reform was effected by Midzuno-Echizen-no-Kami 水野越前守. Thus, in the period under review, two reforms, namely the Kwansei and the Tempo, were carried out. This was a period in which conservative policies were followed by positive policies and policies of retrenchment alternated with policies of extravagance. In spite of these reforms, features irreconcilable with feudalism steadily developed. In the meantime, foreign relations reached a more complicated phase, culminating in the opening of the country to foreign intercourse in the Ansei era.

One prominent aspect of the economic thought in this period is the wide diversity in the character of its exponents. They included Confucian scholars, scholars of Japanese classics, *chonin* pundits and men familiar with Dutch learning. The problems dealt with by these scholars naturally covered an extensive field. Some scholars held conservative views regarding social and economic conditions, while others advocated radical reforms in the political, social and economic systems. The radical school of thought had not lacked representation in the previous period, but it found bolder and more powerful exponents in the period under consideration. Motoori-Norinaga favoured restoration and conservative policies, while Nakai-Chikuzan held views that were more progressive than those of Norinaga. He was of the opinion that, if necessary, even the policies laid down by the

founder of the Tokugawa Shogunate should be revised. Honta-Toshiaki held most progressive ideas. He supported the opening of the country and the development of Japanese interests abroad. As a scholar who studied the social organization of his day in a most thoroughgoing manner, the name of Sato-Nobuhiro may be mentioned. Whereas Hakuseki 白石 and Sorai 徂徠 of the previous period had been Confucian scholars of Edo (Tokyo), Norinaga of the period under discussion was a profound scholar of Japanese classics viewing all problems from the standpoint of the Japanese classical learning. Chikuzan was a Confucian scholar of Osaka, the metropolis of Japanese commerce. Toshiaki's opinions were those of a scholar devoted to Dutch learning. Ninomiya-Sontoku was also a thinker of outstanding distinction.

The principal books dealing with economic problems, published during this period, were as follows:—

Title of Books	Date of Publication	Name of Authors	Date of Authors
Kagen 價 原	1773	Miura-Baiyen 三浦梅園	1723—1789
Hihon Tamakushige 秘本玉くしげ	1787	Motoori-Norinaga 本居宣長	1730—1801
Sobo Kigen 草茅危言	1788	Nakai-Chikuzan 中井竹山	1730—1804
Hensaku Hatsumo 邊策發隙		Baba-Masamichi 馬場正通	1730—1805
Keizaidan 經 濟 談		Kaiho-Seiryō 海保青陵	1755—1817
Keisei Hisaku, Seiiki Monogatari 經世秘策, 西域物語		Honta-Toshiaki 本多利明	1744—1821
Yume-no-shiro 夢 の 代	1802	Yamakata-Banto 山片蟠桃	1746—1821
Rakuo-ko Isho 樂翁公遺書		Matsudaira-Sadanobu 松平定信	1758—1829
Sanka Dzui 三貨圖彙		Kusama-Naokata 草間直方	1753—1831
Sato Nobuhiro Kagaku Zenshu 佐藤信淵家學全集		Sato-Nobuhiro 佐藤信淵	1769—1850
Yabureya no Tsudzukuri Banashi 破れ家のつゞくり話	1828	Shingu-Ryotei 新宮涼庭	1787—1854
Keizai Mondo Hiroku 經濟問答秘錄		Shoji-Koki 正司考祺	1793—1854
Ninomiya Sontoku Zenshu 二宮尊德全集		Ninomiya-Sontoku 二宮尊德	1787—1856

2. VARIOUS VIEWS ON CURRENCY AND CURRENCY ECONOMY

(A) Views on currency. As I have already had occasion to observe, various matters relative to currency—the question of recoinage and the relation between currency and prices especially—had been discussed freely during the previous period. These subjects were also discussed by many scholars in the period under review (by Yamakata-Banto, for instance), but what is particularly noteworthy is the fact that in this period, as many have pointed out, Miura-Baien, in his book *Kagen*, expounded Gresham's law. Let me now summarize his views on currency.

According to Baien, currency is a medium of exchange; it is neither a means of accumulating wealth nor is it wealth per self. The necessities of life constitute wealth, and currency is merely a medium of exchange required in obtaining these necessities. As the amount of money in circulation increases, prices go up, but this does not mean that the wealth of the nation has increased proportionately. Money need not necessarily consist of gold or silver; paper will serve the purpose just as well. While peace prevails, all classes are intent on acquiring gold and silver. Merchants are most favourably circumstanced to acquire possession of such specie consequently many are attracted to commerce and settle down in towns. Farmers and artisans, for their part, are impatient to obtain money in exchange for their goods. Wealthy merchants resort to money-lending and live comfortably on the interest from their loans. "Gold and silver acquire much power when they are valued by people, and when they have become thus valued and powerful, people are naturally eager to obtain them. As more people accumulate wealth, a correspondingly larger group will be reduced to penury." He thus contends that the excessive value which people set on money tends to make rich people richer and poor people poorer. The remedy for this lies in treating money always and consistently as a mere medium

of exchange. To this end, feudal lords must try to refrain from borrowing money from *chonin*. They must also adopt the policy of bettering the lot of the farmers by keeping them well stocked with goods. If they had an ample supply of goods, "they would never think of borrowing money, a thing which can neither be eaten nor worn. If no borrowers were forthcoming, money-lenders would be deprived of their means of livelihood." From this point of view, Baien denounces the monopoly policies pursued by certain feudal lords as tending to degrade them to the status of merchants.

Baien is reputed as being an exponent of Gresham's law on the strength of the following observation: "If bad money finds wide circulation, good money will go into hiding." From the context, however, it appears that he used this phrase in order to explain that too high a value set on money serves only to widen the gulf between the rich and the poor, bringing about the concentration of wealth in the hands of the rich. The remark is not necessarily to be taken as a theoretical enunciation of Gresham's law. No matter what his real object, however, it is noteworthy that he expresses in this pithy phrase an idea closely paralleling Gresham's law.

(B) On the limitations of monetary transactions. Motoori-Norinaga expatiated on the use of money, which he looked upon as a mere medium of exchange, pointing out that many evils gradually develop in connection with money transactions which were in themselves originally harmless. He says:—

"Exorbitant profits often accrue from such transactions. There are now many merchants who live on profits from money deals, instead of following their regular occupation of commerce, and rich men rapidly amass enormous wealth by this means. This has had demoralizing effects on all classes of the people, who have gradually become obsessed by the idea of securing quick returns,

neglecting their regular pursuits. Any profit made by money deals means so much loss to the world as it has been obtained at the cost of the neglect of regular business. Those who live by money deals are so many idlers, and the existence of many idlers is bound to add to the distress of the country."

Norinaga thus put his finger on the main evil of currency economy, and denounced unearned incomes most bitterly. As another evil of currency economy, he points out that with the spread of the use of money, people acquire the bad habit of buying things which are not really useful and of indulging in unprofitable activities. The consequent growth of luxurious habits increases the distress of the community, he contends: "When all classes of the people, *samurai*, farmers, priests and so forth, adopt a mercenary attitude, public morals are bound to deteriorate."

It is admittedly difficult to remedy these evils. Norinaga stressed the importance of restricting transactions in money, urging instead deals in kind wherever possible. He took the line that if transactions in money were rigidly restricted, people would come to hold money in less regard and learn to apply themselves to their respective occupations with greater assiduity. It is inevitable that a currency economy, as it develops, should conflict with the feudal system which is based on a natural economy. Setting aside the question of whether it is possible, as Norinaga argues, to restore natural economy by checking the development of currency economy, it is indisputable that his opinion reflected his restoration outlook.

(C) On the fair distribution of wealth. The widening gulf between the rich and the poor, in consequence of changes in the economic situation, came in for a good deal of scholarly attention. Norinaga writes:—

"It is desirable that the authorities should take measures to cause the rich to distribute their wealth for the benefit of the poor. Care must be taken, however, to

see that rich people cooperate willingly. Donations made by them must be devoted to the relief of the poor."

Uezaki-Kuhachiro 植崎九八郎 and Yamakata-Banto also advocated a similar policy. Their contention was that whereas the *samurai* were not only the descendants of those who had rendered meritorious service on the battlefield but were themselves occupied in the public service, while the farmers were also doing good work in producing foodstuffs for the nation to live upon, the merchants were simply engaged in making big profits without useful effort. Seeing that they owed their easy and comfortable life to the favours of the state, they ought to donate part of their accumulated wealth by way of repaying the benefits bestowed by the nation. The same point of view was set forth in the order levying donations on wealthy persons, issued in July of the 14th year of Tempo.

Shirakawa-Rakuo took a different view, however. In his book entitled *Shoyuhen* 庶有編, he writes: "Attempts to diminish the wealth of the rich with a view to securing a fair distribution of wealth will have the evil effect of causing a currency stringency."

3. VARIOUS OPINIONS ON AGRICULTURE AND FARMERS

(A) The agriculturists. The policy of encouraging agriculture as the basis of the national economy was upheld rigidly by the Shogunate, yet the distress of agrarian communities increased as time went by. Not content with a theoretical enunciation of the value of agriculture, therefore, many scholars entered into an earnest discussion of the ways and means of increasing agricultural production by introducing improved technical methods. It is true that such efforts were not lacking in the previous period, and, indeed, it was in the previous period that Miyazaki-Yasusada's book *Nogyo Zensho* 宮崎安貞, 農業全書 was published. Our period, however, is noteworthy for the number of its agricultural

leaders which include such men as Sato-Nobuhiro and Okura-Nagatsune 大藏永常, who wrote many outstanding books dealing with the technical improvement of agriculture. Ninomiya-Sontoku, a practical man of learning, who did much to better the life of the agriculturalist, also belongs to this period. Sontoku's *Shihogaki* 仕法書 is an epoch-making contribution not only because it contains valuable opinions on the relief of agricultural communities but because it sets forth what is called the *Hotoku* 報德 school of thought. One prominent feature of this period is that many practical theories were advanced on agriculture in general and agricultural techniques in particular.

(B) The theory of the detachment of rural from urban life. It is a well-known fact that the policy of the Tokugawa Shogunate towards agricultural communities was to prevent any elevation in the standards of life. The authorities naturally regarded it as highly objectionable that farmers should lead a luxurious life by imitating the habits of the *chonin* or the urban mode of living. They put forth special efforts to segregate the farmers from the *chonin* in order to prevent the spread of economic knowledge among them to the end that they might remain content with serfdom all their lives. Many scholars of the day believed in this type of social policy. In the previous period, Nishikawa-Joken writes: "Farmers should not for a moment think of imitating the ways of *chonin*. While *chonin* get rich quickly, they lose this wealth with equally celerity. On the other hand, as farmers are slow in acquiring riches, they rarely lose their wealth suddenly. If farmers are content with their lot and keep to their station in life, they will be able to live in perpetual comfort." In the period under review, Shingu-Ryotei, in his book, *Yabureya no Tsudzukuri Banashi*, says: "If farmer communities become contaminated by the habits of merchants, they will come to detest farm work and will fall into the mistake of regarding agriculture as economically unsound."

Shoji-Koki also says:—

“Farmers who live close to urban districts gradually acquire urban habits and manners. They become luxurious in their outlook, with their minds set on gain, so that even rich farmers may become bankrupt in a comparatively short time. On the contrary, farmers in the more remote districts can live in comfort from generation to generation, as they are content to live on what they produce.”

“As agriculture is the normal occupation to be followed by rural communities, farmers should always instruct their children never to abandon the plough under any circumstances. They can apprentice sons of weak constitution to various trades in town, but once they have put them to trade, they should not bring them home again, lest their urban habits and manners should affect good rural customs and traditions.”

He even warned farmers against entering into matrimonial alliances with the merchant class. He says: “Farmers should not enter into conjugal relationship with townspeople lest they should gradually acquire urban manners and habits.”

He further says: “He is a good farmer who does not know the prices of cereals.” “If the farmer wants to enrich himself,” he says, “he should make it a rule not to care about the prices of cereals. He should regard rice as rice and nothing else. Without regard to its market price and free from any intent to make profits, he should only try to increase the yield by cultivating and manuring his land well so that he can pay his tax regularly. If he is a tenant farmer, he should pay his farm-rent out of his yield and support his family with the remainder of his produce, taking care at the same time to lead as frugal a life as possible. If he works hard in the conviction that wealth is in the gift of Heaven, he will in due time get new land and become landowner himself.”

He thus advised farmers to give undivided attention to the production of cereals so that they might be able to pay higher taxes. This mentality accounts for the aphorism: "No (農 farmers) means no (納 payer the tax)."

(C) Agrarian risings. Due to the impoverishment of agrarian communities, agrarian riots broke out in many places in this period. It is true that such risings were not unknown in previous periods, but they were more frequent in this period. Commenting on these risings, Motoori-Norinaga says:—

"Although it is undeniable that in each case the dire distress of rioters was the cause, defiance of authority was, no doubt, the impelling motive. Defiance of authority is a very serious matter as it inevitably leads to disorder. Above all, it reflect serious discredit on the feudal lord whose authority is defied."

Concerning remedial measures, he says:

"The most important thing is to remove the causes. That is to say, farmers must be treated with fairness and sympathy. If there is good government, there will be no rioting, no matter how poverty-stricken they may become. Uprisings of this kind have become so common in recent years that the authorities concerned are satisfied when they are pacified; they make no serious attempt to remove the cause. When they have arrested a few ringleaders and punished them, they regard the situation as settled and do not trouble their heads about remedial measures. They do not even feel ashamed of the occurrence."

Attacking this irresponsible attitude of the authorities, he says:—

"Even if a riot is put down, it does not mean any gain to the feudal lord, for the rioters being inhabitants of his fief, any loss of life involved means so much loss to the feudal lord himself. It is, of course, important to suppress a riot quickly, once it breaks out. The use of force for its suppression may also be justifiable from the

necessity of warning the people against a repetition of lawless conduct. But the use of force alone will not settle the situation. Harsh measures of suppression may be met with stiffer resistance in future. In any case, it is most important to try to eliminate all causes of trouble."

4. VIEWS ON COMMERCE AND THE *CHONIN*

(A) On the exclusion of merchants. In his book, the *Kagen*, Miura-Baien expatiates on the co-existence and parallel prosperity of four classes of people. He describes the *samurai* as a class of people who, while serving their masters faithfully, lead their inferiors correctly. They observe etiquette and administer public affairs and measures of justice. They defend the country and preserve peace. "Farmers," he says, "produce millet, rice, mulberry and hemp to feed and clothe others as well as themselves. Artisans manufacture articles necessary in daily life, thereby mitigating the discomforts of existence. Merchants distribute rice, barley, fabrics, etc., produced by farmers and the articles and tools manufactured by artisans so that all the people may have their wants supplied." As the public would be seriously inconvenienced if any one class were lacking, each group must be attentive to its respective functions. Motoori-Norinaga says: "Merchants are indispensable in trade. The more merchants there are, the better for the state and the public at large." With the growth of the influence of the *chonin*, however, public antipathy increased until there actually appeared a body of opinion which denounced the *chonin* as socially useless. For instance, Yamakata-Banto remarks:—

"Agriculture should be encouraged and commerce discouraged. Farmers are part and parcel of the state, while artisans and merchants can be dispensed with. Farmers must take precedence of artisans and merchants. Should a dispute arise between a farmer and a merchant, the farmer's case should be given special consideration.

Efforts must be made to increase the farming population, while, on the other hand, the number of merchants should be reduced as far as possible. Farmers must be forbidden to become artisans or merchants. This is the secret of enriching the country."

"It should be the first aim of administration to treat townspeople badly and to treat farmers with special favour.It is good government to encourage agriculture and discourage commerce and industry, with a view to causing the decline of urban districts. When towns are prosperous, the provinces decline and *vice versa*. This is in the natural order of things."

Hayashi-Shihei 林子平 remarks: "*The chonin* are quite useless; they simply batten on the fiefs of the *samurai*. They are, indeed, a good-for-nothing lot." Takano-Shoseki 高野昌碩 has the following to say: "Merchants deserve the name of idlers. They are people who live on foodstuffs produced by others and they wear clothes manufactured by others. They are like parasites."

(B) Views on commerce. These bitter criticisms of merchants were prompted not so much by the conviction that commerce was really useless as by the hatred for merchants which greedy practices had provoked among these critics. Some scholars suggested that commercial transactions should be restricted in order to put an end to profiteering. Miura-Baien writes, for instance:— "I do not mean to say that money should be abolished altogether. My suggestion is that a careful inquiry should be made into the cause of all heavy expenditure. Borrowings should be checked and steps taken to prevent rich people from monopolizing commodities. This is the way to bring peace and security to all the provinces and to enable all classes of the people to follow their respective pursuits in security."

Motoori-Norinaga, while recognizing the need for a merchant class, held that the *chonin* were responsible for the growth of luxurious habits among the people and urged that money transactions should be restricted.

Some scholars went a step further and insisted that commerce should be taken over by the *samurai* themselves instead of leaving it in the hands of the merchants. In the *Rikenron* 利權論, Tōyama-Kagetaka 遠山景賢 says: "If all classes of the people are to be enriched, money power should not be allowed to rest in the hands of merchants." From this point of view, he insisted that the business of monetary circulation should be taken over by the Government. Baba-Masamichi also says:—

"The State is powerless to check sharp fluctuations in the price of rice because, in default of a system under which the authorities can regulate prices, merchants are allowed to manipulate them. As merchants are unscrupulous enough to do anything for the sake of gain, they do the public incalculable harm. The urgent need of the moment is to see that merchants are kept under control and that prices are regulated properly. By giving farmers and merchants equal chances all can be saved from poverty and will be made to enjoy life."

In this way, he stressed the need of curtailing commercial rights. Hayashi-Shihei, who went so far as to condemn merchants as good-for-nothing fellows, admitted, at the same time, that it was beneficial for a province to encourage a large number of local products as considerable currency could be obtained from other provinces by the sale of these products. He also said that it was in the public interest to have many artisans, though it would not do to turn merchants into artisans. He suggested that low-class *samurai* should be trained as artisans. He was thus in favour of the conversion of *samurai* into tradesmen.

I had occasion to mention the existence in the previous period of a body of opinion which supported a monopoly of certain lines of business by feudal lords. In this period also, Kaiho-Seiryō and Hayashi-Shihei expressed the same view (Miura-Baien, Shoji-Kōki and other scholars, however, held opposite views). Seiryō maintained that the best way

for feudal lords to enrich their provinces was to engage in profitable commercial enterprises. He says:—

“The relation existing between the lord and his retainers is often likened to that existing between the parties to commercial transactions. The lord obtains the services of his retainers in return for the stipends which he grants to them. Retainers receive stipends from their lord through offering their services to him. That is to say, the lord buys the services of his retainers, while the latter sell their services to their lord. The Sovereign is a magnate who possesses property in the shape of a country, and a feudal lord is likewise a magnate who owns property in the shape of a province. In a sense, they live on interest on the loan of their property. It may well be said that the *samurai* live on the wages which they get in exchange for their intellectual talents which they put at the service of their lord. There is no difference between their way of earning a livelihood and that of palanquin-bearers who get their living by carrying their fares.”

In this way, Seiryō attempted to explain all human relationships in terms of commercial deals. He certainly held a somewhat materialistic view of society. He maintained that if the feudal lord wanted to enrich his domain, he must do two things. One was to settle clan debts with Osaka merchants and the other was to put the produce of his fief on the market at Kyoto, Osaka and other consuming centres. To this end, he urged that all barriers between clan territories as regards imports and exports should be abolished to facilitate the movement of commodities. His idea was that the provincial products should be collected and transported to Osaka, Kyoto and other places by the clan authorities so as to economize expenditure and secure better prices for the goods.

These theories recognize the need of commerce in secur-

ing the enrichment of the country. Views justifying the money-making activities of merchants were also expressed by some scholars. In the previous period, Ishida-Baigan gave expression to such views. In the period under review, Kaiho-Seiryō denounced the idea of despising commerce, saying: "To sell rice is nothing more nor less than a commercial transaction. It may therefore be said that all the people, from the feudal lords of the great provinces down, are in a sense engaged in commerce Commerce is absolutely indispensable in daily life, hence it is wrong to despise money or hold commerce in contempt." He also says: "There is nothing shameful about selling things. What is shameful is the conduct of men who fail to pay their debts to merchants." While thus rebuking the *samurai* for their failure to pay their debts, he argued that unless commerce is held in due regard and encouraged, it would be impossible for any clan to surmount its financial difficulties.

5. FOREIGN TRADE AND NATIONAL EXPANSION ABROAD

In this period, foreign relations grew more strained, and attention was increasingly directed to the question of defence against foreign foes. Not only was the colonization of the Ezo district earnestly discussed but Japan's expansion abroad was urged by some scholars. There also appeared many advocates of foreign trade.

(A) Opinions on foreign trade. In the previous period, Hakuseki stated his opinion on foreign trade at Nagasaki, and in this period, Nakai-Chikuzan, in his book, the *Sobo Kigen*, insisted that Japanese goods should be given in exchange for foreign goods, instead of continuing the practice of paying for foreign imports with gold, silver and copper. He held copper to be more important than gold and silver because of its extensive use by the public, and deplored the heavy outflow. His opinion is noteworthy in that, dissatisfied with the unilateral nature of the trade which had been

carried on, he supported a form of barter trade.

Yamakata-Banto sang the praises of trade, holding that it supplied the wants of a country, provided it with necessities, and distributed widely goods which would otherwise be available only within limited areas. Honta-Toshiaki went more thoroughly into the merits of trade. He declared that no country could maintain its economic life in isolation. Denouncing the idea of self-sufficiency as impracticable, he urged all countries to engage actively in trade which he held to be mutually beneficial. He further pointed out that nations must always trade on an equal footing. He also held that foreign trade resembled warfare because it was a struggle in which each community attempted to extract national resources from the others. Recognizing that the development of the country's export trade depended largely on its shipping business, he advised the Government to operate shipping services itself.

Sato-Nobuhiro was another advocate of foreign trade. He says:—

“The rulers must make it their first duty to govern the people with benevolence and integrity. They must next try to develop foreign trade. If a country is rich, good manners will prevail among its people, while, on the other hand, if it is poor, its people must necessarily become degraded morally. Now, the best way to enrich a country is to carry on foreign trade actively. Unless trade is developed and a country is made rich, good and benevolent government is impossible.....A country lacking trade relations with outside countries has nothing but its own products with which to increase its wealth, and consequently as its population increases, it must become gradually impoverished, until things come to such a pass that, unable to support their families, the poor will be obliged to commit the crime of abortion. . . . Thus, a country which does not trade with other countries actively becomes weak and poor, with the result that benevolent government becomes

an impossibility, good morals disappear and the public mind grows depraved.....”

Baba-Masamichi also stressed the need of trade holding that many articles produced in foreign countries are of great use to the people of this country. He urged the development of trade with Russia, to which country he suggested that Japanese cereals should be exported. It is noteworthy that in this period many scholars not only advocated trade with foreign countries but claimed that this was the way to enrich the country. Not all scholars of the day supported foreign trade, however. Shoji-Kôki, for instance, set his face strongly against trade and enumerated what he believed to be the five evils of trade. Aoki-Teiyen 青木定遠, in the *Tômon Jissaku* 答問十策, denounced trade with Holland as very harmful to this country (though he could see mutual benefit in trade with China).

(B) Opinions on the colonization of Ezo. For many years following the issue in the Kwanei era of the Shogunate edict closing the country to foreign intercourse, it was through trade at Nagasaki alone—a passive and unilateral trade—that Japan was in touch with outside countries. The advance eastwards of Russian influence, however, gradually brought Russia in contact with Japan in the regions of the Kuriles and Karafuto (Saghalien). Consequently, the anxious attention of scholars began to be directed to the Ezo district during the Meiwa and Anyei eras, and many scholars advocated the policy of developing the resources of the region. In those days, the Ezo district was ruled by the Matsumae clan, or alternately by the Shogunate itself, but it was only over a small portion of the area that their authority actually extended. Such being the case, there was no firm conviction among the Japanese people that the whole of the Ezo district belonged to this country. The view prevailed in some Japanese quarters at the time that Japan's neglect of the territory was the cause of the spread of Russian influence there. It was maintained that if suitable measures were quickly taken to develop and colonize the Ezo district, the

threatened Russian occupation of the region might be averted.

Some scholars held contrary views, however. Nakai-Chikuzan was one of these. Discussing the problem in his book, the *Sobo Kigen*, Chikuzan, while admitting the immense advantages which Japan might derive from the rule of the Ezo district, says in part:—

“As Ezo is outside Japanese rule, Japan can do nothing beyond stationing officials there to attend to matters of trade. If the Northern foe assumes a more aggressive attitude, these officials can be withdrawn without compromising Japan's honour in any way.”

In his book entitled *Nenseiroku* 年成録, Nakai-Riken 中井履軒 expressed the view that as the Ezo district served the purpose of a buffer state between Japan and Russia, any positive policy of developing the region would prove injurious to Japanese interests. Yamakata-Banto also advised the authorities to leave things as they were. He said that it would be a reckless venture for Japan to strive to increase trade with this region or to exploit its resources, as such a policy might well lead to disaster in the future.

The colonization of Ezo was advocated by certain scholars simply from the economic or the political point of view. I propose, however, to cite a few typical opinions set forth by scholars who supported the occupation and colonization of the territory with a view to checking the southward advance of Russian influence. In the *Akaezo Fusetsuko* 赤蝦夷風説考, which is regarded as the first Japanese book to advocate the policy of opening the country to foreign intercourse, Kudo-Heisuke 工藤平助, the author, urged the necessity of increasing Japan's wealth by opening up trade with Russia and by colonizing the Ezo district and developing its mineral resources.

Tanuma-Okitsugu 田沼意次, a *roju* (Minister) of the Tokugawa Shogunate, was so impressed by the opinions set forth in this book that he instructed Matsumoto-Idzu-no-Kami-Hidemochi 松本伊豆守秀持 to investigate conditions in the

Ezo district. Accordingly, Matsumoto-Idzu-no-Kami sent Yamaguchi-Tetsugoro 山口鐵五郎, with a party to Ezo in the fifth year of Temmei to make investigations on the spot. In the following year, Mogami-Tokunai 最上徳内 was sent to the Kuriles and Ôishi-Ippeï 大石逸平 to Karafuto (Saghalien) for the same purpose. Matsumoto-Idzu-no-Kami, after hearing a report submitted by Sato-Genrokuro 佐藤玄六郎, a member of Yamaguchi-Tetsugoro's party, on conditions in Ezo, submitted his opinions in writing to Tanuma-Okitsugu in the sixth year of Temmei. In this document, he not only described conditions in the Ezo district but put forward a proposal that 70,000 low-class people should be settled there. He suggested that officials should be stationed permanently at several points to direct the work of colonization. He even elaborated a plan to exploit Santan and Manchuria.

Honta-Toshiaki also held the development of the Ezo islands to be an urgent necessity. He denounced Japan's traditional policy of leaving the natives of these islands in an uncivilized state, declaring that so long as Japan pursued such a policy, the occupation of these islands by a foreign power would be inevitable. Regarding the possible loss of this territory as disastrous, he strongly urged the Shogunate to take immediate measures to develop it. He maintained that in colonizing that region, attention should be directed first and foremost to the question of assimilating the natives. Besides settling Japanese nationals in the region, he insisted, that the Japanese mode of living should be introduced. The dissemination of education—the spread of the Japanese language especially—among the natives was of great importance. Inasmuch, however, as any sudden change or reform of customs and manners might foment trouble, the introduction of Japanese customs among the natives ought to be undertaken gradually. At the same time, he stressed the importance of developing the gold, silver, copper, lead, iron and other mineral resources and of felling trees to obtain good timber for building ships in order to improve transport facilities.

He preferred natives of the O-U and Hokuriku districts who are inured to cold climates as settlers in the Ezo district. He also suggested that convicts should be settled there. As the colonization of the Ezo district was a matter of urgent necessity, he said, it was not enough to settle ordinary citizens in the district. He suggested that vagabonds and criminals should be settled there forcibly.

Hayashi-Shihei and Sato-Nobuhiro gave expression to similar views. In short, the need of developing Ezo was generally recognized by the scholars of the day. In the previous period, Namikawa-Temmin 並河天民 and Itakura-Genjiro 板倉源次郎 advocated such a policy; while in the years subsequent to the Ansei era many scholars expressed themselves similarly.

(C) Views on Japan's expansion abroad. It is noteworthy that in the latter period of the Tokugawa Shogunate, progressive and forward-looking ideas prevailed among a group of Japanese scholars who urged upon Japan's the duty of development and expansion abroad. Among these scholars, the names of Hanta-Toshiaki and Sato-Nobuhiro stand out conspicuously.

Some supported Japan's development northwards, while others were in favour of development southwards. The former advocated Japan's advance into Kamchatka, Karafuto, Santan, Manchuria and China, while the latter urged Japan's advance into Luzon and Java. It seems, however, that the northward policy enlisted wider support.

6. CONCLUSION

As will be seen from the foregoing analysis, various noteworthy ideas appeared in this period in consequence of changes in social and economic conditions. Particularly noteworthy is it that, stimulated by current diplomatic issues, many scholars supported the development of foreign trade and Japan's expansion abroad.

In this period, Japanese classical literature, the *Shingaku*

心學 and Dutch learning all witnessed further progress. The development of Japanese classical literature fostered restoration ideas, which led to the intensification of loyalty. The *shingaku* spread widely throughout the country, while Dutch learning had its share in fostering progressive ideas.

This period produced Miura-Baien, Motoori-Norinaga and many other scholars whose names take pride of place in the history of economic thought in Japan. It is noteworthy that Shingu-Ryotei, in his *Yabureya no Tsudzukuri Banashi*, set up a line of demarkation between polity and economy, though his discrimination may not have been of a very exact nature. Among other representatives of advanced views were Honta-Toshiaki, who enunciated the progressive policy of opening the country and developing national interests abroad, and Sato-Nobuhiro, who, besides advocating Japan's expansion abroad, expounded the theory of the ideal state.

Sato-Nobuhiro's ideas were influenced both by the Japanese classics and by Dutch learning. The hereditary learning of his family has been alternately designated a science of agricultural administration and a political economy. By whatever name it may be referred to, however, this learning was in substance a science of statecraft. Systematically, it consisted of four parts, namely, the *sogyo* 創業, the *kaibutsu* 開物, the *fukoku* 富國 and the *suito* 垂統. In the section entitled *sogyo*, the morality of the Ruler was elucidated. The *kaibutsu* was concerned with the study of industrial policy and the technique of production. The *fukoku*, which was also called the *yudzu* 融通, dealt with both theory and practical policy in the field of communication, transport and commerce, and the exchange of goods. The *suito* was concerned with an exposition of the organization and administration of the ideal state. Taken altogether, his school of thought smacked of state socialism. He visualized three Boards as cultural organs of the state, namely, the *Kyokadai* 教化臺 (Cultural Board), the *Shinjidai* 神事臺 (Divine Affairs Board) and the *Dajodai* 太政臺 (Administrative Board). He also evolved industrial organs to accord with his concept. Nobu-

hiro maintained that every individual should have a regular occupation. He divided the nation into eight classes, viz. the *somin* 草民 (farmers), the *jumin* 樹民 (woodmen), the *kômin* 礦民 (miners), the *shomin* 匠民 (artisans), the *komin* 賈民 (merchants), the *yomin* 傭民 (employees), the *shumin* 舟民 (boatmen) and the *gyomin* 漁民 (fishermen), and placed them under the jurisdiction of six different offices of administration as follows:--

1. The *Honji-fu* 本事府 or *Nôji-fu* 農事府. This office was to have charge of agricultural administration and hold jurisdiction over farmers.

2. The *Kaibutsu-fu* 開物府. This office was designed to promote production, with jurisdiction over people engaged in forestry and the mining industry.

3. The *Seizo-fu* 製造府. This office was to be in charge of the manufacture of all kinds of articles having jurisdiction over those engaged in various industries, which were divided into 47 groups.

4. The *Yudzu-fu* 融通府. This office was to have jurisdiction over merchants who were to carry on business under state control. No producers, including farmers, were to be allowed to sell their produce privately. The state was to undertake the distribution of goods besides controlling production and merchants were to engage in commercial transactions merely as employees of the state. The *Yudzu-fu* was empowered to advance funds to citizens without interest with a view to increasing production, whenever the step was deemed necessary. The pawnbroking business was to be taken over by the government to save the poor from high-interest debts. This office was to have charge of state finance also.

5. The *Rikugun-fu* 陸軍府. This office was designed not only to control soldiers and attend to national defences but to exercise supervision over land labour and transportation. It had the added duty of providing pastures in all provinces and encouraging stock-farming.

6. The *Suigun-fu* 水軍府. This office was designed to

control sailors, to provide armaments and to promote national expansion abroad. Fishermen and boatmen were placed under the jurisdiction of this office, which also was empowered to control the shipping of the country and to take charge of all transportation by water.

In order to establish the foregoing system and to enforce it successfully, Nobuhiro proposed that the country should be divided into administrative districts comprising two urban prefectures and fourteen provinces, with Edo as the capital, and that each province should have its own metropolis. The administrative organs with which these prefectures and provinces were to be provided were described in detail. He also laid down the duties which should be undertaken by the provincial organizations in order to enable Japan to fulfil her mission of unifying the world. In short, he dealt with a wide range of reforms to be effected in Japan's domestic and foreign administration. Apart altogether from the feasibility of his plans, his theories deserve special notice.

Lastly, allow me to add a few observations about Ninomiya-Sontoku. Sontoku was not a man of profound learning. He was a self-taught man and a scholar who lived up to his teachings. His ideas, which were influenced by Shintoism, Confucianism and Buddhism, were very conservative. His views were based upon a just recognition of the feudal relationship of master and servant. The so-called *Hotoku* method of government stressed four points, namely, *shisei* 至誠 (sincerity), *kinrô* 勤勞 (assiduity), *bundo* 分度 (sound finance) and *suijo* 推讓 (provision for the future). Of these, sound finance and provision for the future are of peculiar importance as they embody his economic theory. Sound finance implies keeping national or domestic finance within reasonable limits. He urged the compilation of estimates on the basis of the averages of revenue and expenditure for several years previous, in the hope of creating thereby a surplus. Provision for the future meant the use of this surplus for reconstruction purposes. Sincerity and assiduity were urged as the means by which to ensure the pursuit of sound finance and

provision for the future. Morality and economics were thus harmonized in his teachings. Sontoku's ideas were founded on his own experience and on actualities in human affairs. With him, thought implied practice, and morality lay at the basis of his economic outlook. His teachings were a mass of precepts. Sontoku was, indeed, a thinker of unique and sterling character.

To sum up, in the period under review, certain discrepancies as between the political social systems on the one hand and economic conditions on the other became more manifest. In order to remove these inconsistencies, certain scholars advanced reactionary and conservative theories, while some others set forth more progressive views. Some supported exclusionism while others advocated the opening of the country. Various factors incidental to the period of the decline of the Shogunate were manifest in these opinions.