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THE ORIGINAL CURRENT OF
"JAPANESE POLITICAL ECONOMY"

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1. PREFACE

Many foreign ideas have been imported into this country from ancient times. These imported ideas have gone through remarkable changes due to various factors such as physical conditions, national traits, the mode of living, and political and social conditions of this country until they have become virtually Japonized. To take the case of Confucianism, for instance, it had been deprived of its democratic phases and its idea of dynastic revolution before it was absorbed into the Japanese system. In assimilating Buddhism also, special pains were taken to bring it into harmony with Shintoism. It may at least be said that Buddhism which caused the ruin of India, has done nothing to impair the prosperity of Japan. It assumed rather nationalistic aspects in this country. In short, Japan has always been tolerant, instead of being exclusionist, in her attitude towards imported cultures. Instead of being blindly imitative of, or subservient to imported ideas, she has shown much capacity for assimilating and re-creating them, as is shown by the fact that Japan gained the mastery over them and reconstructed them in such a way as to make them conform with her national conditions, thereby

turning them into Japan's own ideas. Although neither Confucianism nor Buddhism had its cradle in Japan, they were moulded after the Japanese fashion and a new life was imparted to them, with the result that they took on a new form once they were imported into this country and came to maintain their existence as Japanese Confucianism and Japanese Buddhism. Such being the case, it is only proper that they should be regarded as Confucianism and Buddhism of Japan's own. The same thing may be said of other imported ideas.

Imported ideas are not necessarily in keeping, in all respects, with the ideas inherent in the Japanese people, so that it is inevitable that when they gain much influence in this country antagonism develops and grows between them and the ideas which are characteristically Japanese. This state, when it arises, stimulates the vigorous growth of the ideas based on the Japanese principle, and finally it develops that imported ideas are put into the melting pot of the Japanese spirit and are tempered and forged until they become converted into ideas with the form and traits peculiar to Japan. This is what we call the mastery or conquest of foreign ideas. That is to say, imported ideas are remoulded by various agencies such as the Japanese national polity, racial traits and other factors peculiar to this country until they become transformed into ideas which are definitely based on the Japanese principle. Such being the case, we may assume that whenever there was strong advocacy of ideas based on the Japanese principle, there invariably existed imported ideas which were then exerting much influence. After a frequent repetition of such a state of affairs, Japan has reached the present stage at which the establishment of Japanese science or Japanese political economy is claiming considerable attention.

In the previous number of this journal, I pointed out that Japanese political economy means political economy based on the Japanese principle, and made a general survey of the process of the growth of Japanese political economy.

In the course of my discussion of the subject, I mentioned that Japanese political economy has its original current in the economic ideas which prevailed in the Tokugawa Age. In the present article, I propose to dwell on this point in fuller detail.

2. GENERAL REVIEW OF JAPANESE ECONOMIC IDEAS IN THE TOKUGAWA AGE

In the Tokugawa Age, scientific study witnessed remarkable progress, on the one hand, and the economic life of the nation became enriched and developed, on the other. As a natural result, the science of statecraft and practical utility advanced and many economic ideas found public expression. Of all ideas then prevalent, Confucian ideas exerted the greatest influence on the Japanese world of thought of that day, and of all schools of Confucianism, that of Chutze was particularly dominant because of the support given it by the Tokugawa Government. Because all schools of science were based on Chinese ideas, a certain Japanese scholar went to the length of denouncing all scholars of the Tokugawa Age as slaves of Chinese ideas. He declared: "It is no exaggeration to say that their economic thoughts were, without exception, Chinese scientific theories rehashed and that they were singularly devoid of originality."* It is true that there were some scholars, of whom Ogyū Sorai was a notable example, whose attitude was so despicable that they revered China as Middle Kingdom and depreciated themselves as eastern barbarians, but it is undeniable that most scholars of those days revised Chinese ideas to some extent so as to make them conformable to conditions in Japan. They expounded Confucian ideas in a form which gave them aspects of Japanese Confucianism. Their ideas thus contained no small element of Japanese ideas. The Japanese scholar refer-

*) Takimoto-Seiichi, *Nippon Keizai-gakusetsu no Yōryō* 日本經濟學說の要領, p. 31 et seq.

red to was, therefore, guilty of exaggeration when he denounced all scholars of the Tokugawa Age as "slaves or Chinese theories" or as "blind imitators of Chinese ideas." It must nevertheless be admitted that Chinese ideas exerted such strong influence on the Japanese world of thought in those days that it prompted him to use such extravagant words of criticism.

The word "economy" was used in those days in the sense of "government and salvation of the people," and the arguments then advanced were largely comments on actual politics. They were concerned more with the discussion of policies to meet the situation then prevalent than with the fundamental principles and rules of economics. Their arguments were practical rather than abstract. Nakae-Tōju, for instance, stressed that the fundamental aim of policy should be to take the golden mean which held true for all times, through the exercise of judicial judgment of what was in best accord with the requirements of the three factors of time, place and position. Kumazawa-Banzan, one of Nakae-Tōju's disciples, in the discussion of various subjects, also frequently emphasized the need of special consideration being given to the requirements of time, place and position. Dazai-Shundai, in giving four points which he contended must be kept in mind by those who discuss economy, mentioned the needs of the moment, the reason of nature, the trends of the times and human sentiment. All this indicates that scholars of the day laid stress, in their economic views, on the necessity of studying carefully the circumstances actually prevalent in the country, instead of propounding abstract principles and rules of economy. It will thus be seen that the economic ideas enunciated in those days were practical. It is, therefore, hardly correct to conclude that all scholars blindly upheld Chinese ideas in their entirety and attempted to apply them to Japan without regard to conditions characteristic of this country.

After the middle period of the Tokugawa Age, the study of ancient Japan witnessed a growth and many scholars

dilated on the excellence of the Japanese spirit, stressing its peculiar and superior characteristics and urging the return of Japan to her characteristic ways by discarding imported ideas like Confucianism. There were such thinkers in the initial stage of the Tokugawa Age also, as, for example, Yamaga-Sokō. The main current of thought in opposition to Confucianism was represented by scholars of Japanese classics, though there were some among the followers of Dutch learning who, rejecting Chinese ideas, stressed the need of all people forming a correct estimate of things Japanese. Besides, there were many other scholars whose theories were based on conditions peculiar to Japan. Let me now give a summary of the ideas entertained by these scholars.

3. VARIOUS JAPANESE ECONOMIC THEORIES IN THE TOKUGAWA AGE

(1) Yamaga-Sokō. As I had the occasion to mention already, the ideas of Yamaga-Sokō, who lived in the early period of the Tokugawa Age, are noteworthy as signifying Japanese thought. His ideas are clearly expressed in his work "Chūchō Jijitsu 中朝事實." This book was written by him when he was forty-eight years of age (in the 9th year of Kanbun). In the preface, he admits the mistake of his former attitude of worshipping China. With full appreciation of Japan's fine characteristic traits, he sets forth all the merits of this country in his book. Calling Japan by the fine name of Middle Country, he dwells on the sanctity of the national polity of Japan, which he regards as the highest moral country of the world.

This book was not designed for the discussion of economic matters; it was intended for "the description of the sanctity of the Imperial line and other historical facts for perusal by Japanese children so that they may not neglect the fundamentals of the Japanese national polity." It nevertheless refers occasionally to items bearing, directly as well as indirectly, on the economic life of the nation, with his

comments from the standpoint of the Japanese spirit. For instance, he declares that the basis of the national life was granted by ancestral gods at the time of the foundation of the country. He also mentions that the Sun Goddess laid out divine fields and wove divine robes. He regards the encouragement of agriculture and the weaving industry by successive illustrious Emperors as indicative of the paramount importance attached to agricultural pursuits in the administration of the country. This, indeed, may well be taken as embodying the Imperial wishes to base State administration on industrial development. In the "Yamaga Gorui 山鹿語類" and other books, Yamaga-Sokō copiously sets forth his views and policies regarding economy, and it is quite obvious that in his ideas we can find economic ideas which are peculiarly Japanese.

(2) Japanese classics. The phrase, "Japanese classical learning," is always used as against foreign learning, and it is a nomenclature implying the superiority of Japanese learning to foreign learning. Japanese classical learning formed, indeed, the corner stone on which Japanese science was erected. It made clear the essentials of the Japanese mind, the Japanese traditions and the Japanese culture.

The vigorous growth of the study of Japanese classical literature was due to a variety of causes such as the encouragement of learning by Tokugawa-Iyeyasu, the inculcation of Shintō ideas and the vehement attacks on the worship of Chinese ideas which followed the prevalence of Confucianism. As the pioneer scholars of Japanese classics, the names of Shimokawabe-Nagaru and Kada-Azumamaro may be mentioned, while the names of Kamo-Mabuchi, Motoori-Norinaga and Hirata-Atsutane stand out conspicuously as typical scholars of this branch of learning. In his "Kokuikō 國意考," Mabuchi expatiated on Japan's ancient codes of morality, and urged the nation to return to the ways of ancient Japan. Mabuchi's idea was further developed by Norinaga in his works, the "Naobi-no-Mitama 直毘靈" and the "Tamakatsuma 玉勝間." It was not necessarily Norinaga's special line to

discourse on political and economic subjects, but the ideas of government, which he sets forth in his "Hihon Tamakushige 秘本玉くしげ" is of great significance as embodying one economic theory of his day. It is, therefore, not improper to regard him as one of the economists of those days.

It is true that Norinaga's ideas were reactionary and conservative, but he was not given to the enunciation of impractical theories. He was a positivist, not a doctrinaire. He took Confucian scholars to task for the fact that they were too wedded to Chinese ideas, contending that policies should be framed in accordance with the great principles which are purely and characteristically Japanese, free from anything pertaining to the Chinese way of thinking. He says in condemnation of Confucian scholars: "They say that ancient Japan was without any path of righteousness to show to the people to tread, but this betrays their ignorance of the existence of a truly excellent path in this country. Their mistaken conception arises from the fact that they regard Chinese teachings as the only proper rules calling for observance." He declares also that there is only one true path to tread in the universe and this path is the same in all countries. It is, however, in Japan only that this true path has been handed down without suffering any vitiation. In all foreign countries, it has lost its true character. For this reason, various perverted ways are being preached there as though they were true paths for people to tread. As a matter of fact, however, the ways preached in foreign countries are all by-paths and not the true path. He explains the true path as that one which the Sun Goddess followed and handed down to her descendants. Her oracle announcing the coequality of the Imperial Household with heaven and earth indicates the great foundation of the true path, he argues. In this way, he explains why the Imperial Household must be held in reverence and stresses the need for the Japanese people to revert to the ancient spirit of their country. "To apply what Chinese books teach to the administration of state affairs is very irrelevant, because they do not

take account the trends of the times, the customs and manners of this country and the vicissitudes in the history of Japan. The dictates of Chinese canons are often inferior to the judgment of affairs formed by the common herd," he declares. From this point of view, he concludes that the only proper course for the people to pursue is to observe the laws and rules actually in force and do what they are called upon to do, without committing themselves to any extraordinary course of conduct from selfish or self-righteous motives. By shaping their course in this way, he says, they will be treading the righteous path handed down in Japan from the age of the gods.

In short, Norinaga made clear the essential character of the national traits, which are natural and real, through the study of Japanese classics. Pointing out that Japanese senses and sentiment are skewed by the Chinese way of thinking, he urged that the Japanese people should recover their natural characteristics and that good government should be enforced in accordance with the guiding principles of Imperial Japan. Thus, Japanese classical learning acquired considerable significance as social thought.

Hirata-Atsutane not only developed the thought of Norinaga further but pushed the movement for the study of Japanese classics so vigorously that it played an important part in inducing social reform. Having high regard for his own country, Japan, and inspired by a strong faith in the idea of subordinating everything to Japan, he strongly denounced both Confucianism and Buddhism. In his book "Ibuki Oroshi," he was particularly vehement in his condemnation of the pernicious teachings of Confucian scholars. Not content with expatiating on the superiority of Japan's national traits and character, he expressed high resentment at the attitude of Japanese Confucian scholars who looked up to China and India as countries more advanced than Japan. He took the line that Japan was the cradle of religion and culture and that China, India and Western countries copied after Japanese religion and culture. Whereas Norinaga stress-

ed the point that Japan alone inherited the true path of morality, Atsutane went a step further and positively condemned Confucian scholars who preferred Chinese teachings to Japanese precepts. In any case, such asseverations as one which Dazai-Shundai made that "Japan has never had the regular path which the people should follow," provoked strong refutation from Japanese classical scholars. It may fairly be said that the idea of centring in Japan subsequently made a very vigorous growth.

In short, Japanese classical literature, the study of which received a great stimulus from the teachings of Mabuchi, Norinaga and Atsutane, fostered the idea of the national polity among the people. It laid the foundations on which Japanese learning was erected. In practice, it had close bearings on the development of the movement for the inculcation of loyalism. It also had a great deal to do with the growth of economic ideas, as is evidenced by Norinaga's teachings. Thus, Japanese classical learning may be regarded as supplying one of the main sources of Japanese political economy.

(3) Dutch learning. Dutch learning claims attention, next. After the middle period of the Tokugawa Age, the study of things Western found increasing favour. When Yoshimune was Shogun, the ban on the perusal of Dutch books was lifted, which led to the gradual development of the study of Dutch learning. At first, attention was chiefly directed to the study of the Dutch language, and later chemistry, medicine, astronomy, military science and other branches of science were introduced into this country through the study of Dutch books. In the era of Kansei, there appeared Dutch scholars whose economic ideas claim special attention. The more celebrated of these scholars are Honda-Toshiaki and Satō-Nobuhiro.

Honda-Toshiaki's ideas can be gathered from his books, "Seiki Monogatari" and the "Keisei Hisaku." Although his thought was evidently influenced considerably by Western ideas, he expatiated on the nobleness of the Japanese national

polity, saying: "Japan is a country much superior to China. Ever since the Emperor Jimmu's accession to the Throne, Japan has been ruled by an unbroken line of Emperors. She has never been invaded by a foreign foe. Notwithstanding this excellent character of the country, some people are foolish enough to try to copy after Chinese customs and habits." He further contends: "As the main object of letters is to describe things and express sentiment with them, it is far more convenient for the purpose to use Japanese *kana* 假名 than to use Chinese characters, the mastery of which requires an enormous amount of energy and effort because of their stupendous number. It is far better to express sentiment by means of Japanese *kana* than try to attain proficiency in Chinese characters and win fame for scholarship." He thus advocated the adoption of Japanese *kana* against the use of Chinese characters. His economic ideas were vastly different from those of most scholars of the day who were under the influence of Chinese theories. He says: "As Japan is a sea-girt country, it is the first duty of the Ruler to try to encourage and develop maritime trade. The best way to enrich Japan is to send ships to all countries and bring home various products, gold, silver and copper which are of great national necessity. If nothing is done beyond trying to meet the national demand with the products of its own country, the national strength will gradually become weakened, and the more impoverished the country becomes, the heavier will be the burden put on the farming population, which will consequently be thrown into greater distress every year." From this point of view, he traverses the theory of self-sufficiency, stressed the benefits which accrue from foreign trade to both trading parties and maintained that trade should be carried on between countries on an equal footing. He further pointed out the necessity of importing necessary materials and exporting finished goods. Moreover, Toshiaki urged the need for developing the resources of the islands belonging to Japan, the Ezo islands particularly. He contended that in the administration of these

islands, the customs and habits of the islanders should be respected in all things, introducing Japanese customs and habits only by degrees. "To begin with," he said, "the natural products of these islands should be transported to Japan for trading purposes." He went further and insisted that Japanese territory should be extended to Kamchatka, Karafuto (Saghalien), Santan and Manchuria. The far-sighted views of Toshiaki, who, in the days when the country was closed to foreign intercourse, studied Japan's national conditions in the light of his principles of opening the country and developing the national life indicated the way of enriching the country and promoting the national advance, are really worthy of special note. Toshiaki was, indeed, a great economist who saw Japan in her true light and, stimulated by the conditions then prevailing at home and abroad, enunciated the new course to be pursued for helping forward the development of the country.

Satō-Nobuhiro's ideas represent a further development of Toshiaki's ideas. He imbibed not only the theories of Confucian and Japanese classical scholars but those of Dutch scholars also, and, moreover, travelled widely in the country to acquaint himself with national conditions. On the basis of the profound knowledge thus acquired, he elaborated the views along the lines of State Socialism. He dwelt upon the morality of the rulers, discoursed on the industrial policy and productive arts, discussed the theory and policy for transportation, traffic and commerce or the exchange of goods, and dilated on the organization and system of an ideal State. In his "Kondō Hisaku 混同秘策," he set forth at considerable length his theory that Japan is the root from which all countries sprang and that it is not difficult for Japan to assimilate all the countries of the world. Some people regard Nobuhiro's theory as no more than visionary, but as is clear from his "Tenchūki 天柱記," he held divine precepts in high regard, attached great importance to the national polity of this country and dwelt on the superior characteristics of Japan. That he evolved the theory on the lines of State

Socialism in accordance with the idea of centring in Japan is worthy of special attention.

(4) *Shingaku* 心學. By *shingaku* is meant the theory propounded by Ishida-Baigan in the 14th year of Kyōho. It is what is called *Sekimon Shingaku* 石門心學. *Shingaku* shows no special inclination to either Shintoism, Confucianism or Buddhism. By discarding what is considered defective in these three faiths, he set forth the point of view which is characteristic of Japan. His theory was born of his own experience, and setting much store by experience, he strove to put his learning into actual practice. Stressing the noble character of the national polity, he asserted that, given their proper places, all classes of people could combine to promote the development of Japan. He said that the four classes of people, *samurai*, farmers, industrialists and merchants, are alike essential to the good government of the country. Lacking one of these classes, the country would be robbed of one valuable help. It is the function of the Emperor to rule the four classes of people and it is the proper functions of the four classes of people to aid the Imperial rule. He further declared that it is the plain duty of all subjects to be useful to the Emperor, and that it is helpful to the rule of the country for merchants to engage in commercial transactions. In this way, he justified the money-making action of merchants and indicated the proper way which merchants should tread in the national service. He opposed the theories, which were then in vogue, of regarding commerce as subordinate to agriculture and of putting pressure on the *chonin* class. Not that he recognized selfishness in merchants. His object was to recognize the usefulness of the commercial class in distributing all commodities, which is helpful in promoting the sense of security among all classes. He accordingly urged the commercial class to practise the virtue of honesty and keep within proper limits in their quest for profit. In order to awaken to commercial class to its proper sense of duty, he emphasized the need of contentment. All classes of people can fulfil their duties properly when they are given

their respective proper places, he contended. In short, Baigan held the national polity in high esteem and expatiated on the way along which all classes can aid the Imperial rule. His ideas spread all over the country after his death, and nearly three hundred halls for propagating *shingaku* were opened. Whereas scholastic knowledge had formerly been imparted to people through books, in *shingaku* lectures were given on precepts at these halls so as to enlighten the listeners through their ears. These halls played an important part as organs of social culture in the Tokugawa Age. It must be admitted that the ideas of *shingaku* contained much of what may be called characteristically Japanese.

(5) The *hōtoku* 報德 idea. The *hōtoku* idea is the idea preached by Ninomiya-Sontoku. It urges people to do their best to repay the favours which they receive from the universe, the state and parents. As is clear from his precept: "Sincerity and practice should be our sole guides in our conduct in life," the *hōtoku* idea was preached not as a mere idea but as one which should be translated into actual deed.

Ninomiya-Sontoku was not what we may call a scholar. He was a self-made man; he was a man of practice. Although his idea was influenced by Shintoism, Confucianism and Buddhism, it aimed primarily at the development of the country and the security of living for the people, an aim which he strove to attain in faithful observance of the grand way which the Sun Goddess indicated at the time of the foundation of the country. He says that at the very beginning, the Sun Goddess put small tracts of land under cultivation so that harvest might be gathered the following year. By extending the land under cultivation year after year, large tracts of waste land were gradually converted into rich fields until rice, millet and other crops and materials began to be produced in plenty everywhere in the country. The grand way of the rule of the divine country of Japan is seen in the Sun Goddess' transformation of the extensive areas of waste land into Toyoashihara-no-Mizuhonokuni (a

country rich in rice production). Sontoku urged that in faithful observance of this divine will, the affairs of the country should be ministered to properly and the welfare of farmers be promoted.

Sontoku's methods of repayment for favours are roughly classified into sincerity, labour, *bundo* 分度 and *suijō* 推讓. By *bundo* is meant the keeping of the country's finance or a family's economy within natural limits. To be more concrete, it means the drawing up of the country's or a family's budget on the basis of the average revenue and expenditure for the past several years and aims at the realization of a surplus by enforcing this budget for the fixed period without revising it. To lay down plans for rehabilitation with the surplus created is what is called *suijō*. To be more exact, *bundo* is divided into *bunnai* 分内 and *bungai* 分外. The former means to annual cost of living, while the latter means the fund kept in reserve for the benefit of descendants or for use for the public good. *Bunnai* is further divided into ordinary and extraordinary expenditures. *Bungai* is also classified into two kinds, *jijō* 自讓 and *tajō* 他讓. It is *jijō* which is intended for meeting the future expenditure for himself or his descendants, while *tajō* is of a public and charitable character which is meant for the benefit of one's relatives, friends, native place and country. *Suijō* covers *jijō* and *tajō*. Which of these divided parts should be given priority differs according to circumstances. *Bundo* and *suijō*, as described above, form the fundamentals of the *hōtoku* idea, and sincerity and labour are the means by which the objects of *bundo* and *suijō* should be attained. Herein we find the accord of morality and economy. In short, Sontoku's idea is of a peculiar kind founded on his personal experience and actual social conditions, and the grand way of the divine country of Japan forms its nucleus. Every word of his instruction springs from his own experience. With Nīnomiya-Sontoku, his idea spelt his practice, and his idea is based on morality. His idea represents the perfect harmony of morality and economy. What he preaches

is accordingly a kind of moral instruction, an embodiment of sincerity. He was an economic thinker whose idea was peculiarly Japanese.

(6) The Mito school of learning. The Mito school is a branch of learning which developed with the Shōkōkan at Mito, as the main institution for its propagation. It is designed to inculcate and foster a spirit of its own. Mitsukuni was the original and chief sponsor of this spirit, as is evidenced by the *Dai Nippon-shi* (History of Japan), which was compiled by his order. The Mito school of learning had its vicissitudes, and it was in the days of Mitsukuni and Nariaki that it prospered most.

Many scholars belonged to the Mito school of learning. In the closing days of the Tokugawa Shōgunate, a large number of men of high character rallied around Nariaki and many patriots from all parts of the country came in personal contact with them. The idea of the national polity inculcated by the Mito school of learning did much to foster the spirit of loyal patriots in those days. In his "Kokushihei 告志篇," Nariaki says that Japan is a sacred country, which has been benignly ruled by an unbroken line of enlightened Emperors ever since the country was founded by the Sun Goddess and handed down to her Grandson; and the Imperial line is as eternal as heaven and earth. All things, from relationships of high morality between the Emperor and his subjects and between parents and children down to the supply of daily necessities of clothing, food and housing, are the favours of the Sun Goddess. All people are made permanently secure from starvation and other hardships, and no one ever entertains any inordinate ambitions. One cannot be too grateful for this benign rule, he further says.

When, in the closing days of the Tokugawa Shōgunate, there were heated controversies as to the relative merits of the rival policies—one advocating the opening of the country to foreign intercourse and the other insisting on keeping the country closed—Nariaki caused guns to be cast and ships to be built, urging the necessity of strengthening the

national defence and excluding foreigners. That his true intention was to open the country to foreign trade after Japan's prestige had been vindicated by excluding foreigners is obvious from his book "Kaibō Guson 海防愚存." Both in the "Kokushihen" and in the "Kensaku 建策", the social and economic conditions of the country in those days as well as Nariaki's own views on the steps to be taken to meet the situation then prevailing, are described and his views therein deserve special attention as illustrative of his economic ideas.

Aizawa-Yasushi, a prominent scholar of the Mito school of learning in the latter days of the Tokugawa Shōgunate, wrote a book called "Shinron 新論," which is highly valued because it is said that the study of the national polity in this country was brought to perfection in this book. The author deals with the dignity of the national polity and expounds Japan's mission in the world. He contends that in foreign relations aliens should be excluded from the country so as to foil their ambitious designs and that in domestic administration the nation should be awakened to the gravity of the situation, and the unity of public opinion should be effected so that the national crisis might be faced with the nation in perfect accord. He further discussed measures to be taken in order to enrich the country and strengthen the national defence. The functions of all classes of people, currency, prices and other subjects were also dealt with. The "Shinron" was written by him when he was 44 years old. In a written statement of views submitted by him to Yoshinobu, then Shōgun, when he was at the age of 81 years, he espoused the cause of opening the country to foreign intercourse. He took up this cause rather negatively, compelled by the surrounding circumstances which counselled this course. In the concluding part of his "Shinron," he says: "The world is a living thing, and so is man. It is difficult to foresee how things will move and change. Measures must be revised according to circumstances and what is good at one time may not be appropriate at another time." He

further remarks: "What is urged today as good and proper may not be so tomorrow. What is said or written as the proper course to take may soon become inopportune or untenable." He thus took the line that one's opinions alter according to the changed requirements of the times. In his opinion, it was inevitable that one who once advocated the closing of the country to foreign intercourse should become converted to the opposite view. Which view was correct must be judged in the light of the circumstances actually prevailing. He took the line that the policy to be pursued must be studied and fixed in the best interests of the state, not by any means from the standpoint of one particular clan or class.

Fujita-Tōko is the second son of Fujita-Yūkoku, and he, with Aizawa-Yasushi, a disciple of Yūkoku, was a most prominent scholar of the Mito school in the closing days of the Tokugawa Shōgunate. In the days when the country was faced by grave difficulties, domestic and external, he strove to tide over the economic and diplomatic crises by enriching the country and strengthening the national defence, while unifying the national ideas through the inculcation of the Kodō spirit characteristic of Japan. His economic ideas can be seen from his books including "Shōka Fuyū-no-Gi 上下富有之議," and "Dochaku-no-Gi 土着之議."

Besides the scholars already mentioned, Yamazaki-Ansai and Asami-Keisai deserve special mention in that they bitterly denounced those who looked up to China as the Middle Kingdom and despised Japan as a barbarian country. There were many other scholars who preached various ideas which are characteristically Japanese, but I will here refrain from any description of them. Suffice it to say that what I have already described constitutes the main current of thought based on the Japanese spirit which was discernible in the economic ideas prevalent in those days.

4. ADDENDUM.

I have so far dealt with economic ideas based on the

Japanese spirit in the Tokugawa Age, and it was from these ideas that the so-called Japanese political economy sprang. Following the Meiji Restoration, the Western political economy was imported freely into this country and the era of translated political economy was then ushered in. Even in this interval, ideas on nationalistic lines developed and both in the arguments advanced in support of protective trade and in the ideas advocating the development of industries many scholars took the peculiar conditions of this country into careful consideration in the study of Japanese economy from the point of view of promoting the best interests of the State. On the other hand, during some twenty years since the beginning of the Meiji era, Government offices undertook the publication of books of various kinds treating of Japanese finance and economics. These were attempts to elucidate the economic phases peculiar to Japan and study their process of development. It demonstrates that, not content with the mere imitation of foreign political economy, efforts were made to develop economics characteristic of this country. This is why this particular period is regarded as the embryonic period of Japanese political economy. After the Sino-Japanese War, Japanese economics witnessed a development on modern lines. By absorbing not only British and American but German and Austrian political economy, Japanese scholars studied economics under scientific systems of their own, which resulted in the establishment of modern political economy in this country. This meant, after all, that Western political economy was remodelled by Japanese scholars. Later, not content with this, efforts were made to study and discuss economics pertinent to Japan's national conditions by taking the natural, human and social conditions peculiar to this country into full consideration so as to probe the essential character of the historical development of Japanese economics. In this way, Japanese political economy which was in the embryonic state in the previous period, was given birth in this period. After the first World War, nationalistic ideas witnessed a vigorous growth in consequence

of the marked changes which occurred both in domestic and international conditions, and this led to a further development of political economy based on the Japanese principles. That is to say, Japanese political economy, which was born in the previous period, has now passed its stage of childhood into that of adolescence. In short, Japanese political economy which had its origin in the Tokugawa Age has now entered on the stage of vigorous growth after passing through its embryonic and infantile periods in the years following the Meiji Restoration: