

“Other Visions of Virtue” in *Ordinary Economies*  
in Japan: *A Historical Perspective, 1750–1950*

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While studying the Osaka merchant academy, the Kaitokudō, I became keenly aware of the considerable commercial activity and discourse among commoners outside the academy during the Tokugawa period, including writing and publishing in the surrounding environment. The teachers at the Kaitokudō had high scholarly ambitions and addressed their thinking to other scholars at the more prestigious academies of the time. Mainly to overcome the prejudicial view often voiced among competing schools that denigrated their teachings as merely “Osaka-style merchant scholarship” (*Ōsakaryū chōnin gakumon*), they answered their critics by writing and publishing at a level of excellence that forced scholars elsewhere, especially in Edo (present-day Tokyo), to take note.

Accordingly, I decided to extend the scope of my book *Visions of Virtue in Tokugawa Japan* (1987) to include a history of that commoner thinking about the political economy taking place outside the academy. I should make clear that my objective of identifying certain themes in the Kaitokudō that might shape a history of ordinary economies should not be seen as an intent to redefine Tokugawa Confucianism as an ideology, which the modern state mobilized to reinforce the ethics of loyalty, diligence, and respect for hierarchy. As taught at the Kaitokudō, the study of “virtue”—*toku*, as indicated in the academy’s name—included epistemological approaches to complex natural and social phenomena. I understand these approaches to knowledge as broadly comparative and universal rather than as confined by ideological form or by historical boundaries such as “traditional” and “modern.”

My decision, however, turned out to be a prodigious task that could not be completed in just one study. I therefore have concentrated in this book on the commoners’ thinking about commerce, their writing about it for other

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commoners rather than for scholars, and their strategies for meeting emergencies and reconstructing villages and, indeed, for entering a variety of enterprises, all with an ethical understanding of virtue. Several themes shaped my curiosity as I stepped outside the walls of the merchant academy, which are revealed in a variety of ways in the narrative. Although it is unrealistic to expect exact correlations, these subjects helped me decide to focus on certain topics that may seem to be an arbitrary selection.

One of these themes is the relationship between economics and morality. This was a central emphasis in the inaugural lecture given in 1727 at the Kaitokudō by Miyake Sekian (1665–1730). Speaking to Osaka’s leading merchant houses, Sekian insisted that morality and economics were inseparable (a premise that remained basic to all instruction at the academy), and he anchored his propositions to two fundamental Confucian texts, the *Analects* and the *Mencius*.

Referring to ideas familiar to his audience, Sekian discussed the distinction between what scholars studied and what they learned that actually affected what they did. Scholars studied valuable teachings outside the self, such as the moral knowledge found in the classics, and they practiced them regularly in their everyday lives. In Sekian’s words, “‘To study’ means following examples or received knowledge from without. ‘To learn’ means doing things on one’s own and becoming familiar with them. The word ‘regularly’ means doing things steadily and not abandoning them.” In other words, merchants could study at the academy and acquire valuable moral knowledge. But this would mean little unless the knowledge was regularly and voluntarily put into practice. Through practice, merchants would realize their true moral nature and their humanity, as the sages had. According to Sekian, “the sages were human,” and “we here now also are human.”

Sekian strengthened his presentation with an important insight from Mencius: All humans possess the intellectual capacity to analyze and distinguish external events and to make decisions about them (*wakimaeru*). Humans also have an innate sense of the inner moral human nature in others (*mono no aware*, or *jin*). Sekian concluded that humans should respect these universal qualities in others and that therefore economic competition should not mean annihilating their opponents, as birds and beasts do. Instead, competition should be based on accuracy and fairness and not be aimed at domination, Sekian drew on Mencius’s advice to the warring kings of ancient times that “profit” and “advantage” (*ri*) should not mean engaging in wars to end all wars and thus to build a military regime. The metaphoric lesson to Osaka merchants was clear: economic competition must be accurate and fair and be based on respect for others’ humanity and not on a selfish desire for

aggrandizement. Addressing the merchant leaders in the audience, Sekian concluded: “The spirit of humaneness and rightness must be made to prevail over the desire of selfishness. This desire is pervasive in the social world. It is manifested even in small acts at the individual level. Although the acts appear the same as when emanating from one’s rightness, subtle shifts in attitude take place in which those acts are pursuits of one’s willfulness. Deep reflection is required here.” As this lesson came to be articulated at the academy, profit must never be arbitrary and one-sided but must be righteous (*ri wa gi nari*). Objectivity and precision without recognition of the moral worth or humaneness of others would not be condoned. In short, economics, however precise and accurate, must never be independent of morality.<sup>1</sup>

Another theme that remained in my perspective was the epistemological premise that nature must serve as the first principle of all knowledge, to which Goi Ranju (1697–1762) held firmly. That is, the natural universe is absolute and infinite, with neither a beginning nor an ending. Because this absolute principle must serve as the basis of objective knowledge, geographies and cultural communities acquire meaning in relation to it. Being absolute and infinite, however, nature is never totally knowable, and human knowledge also is always limited and relative. Some people know more, and others, less. Humans in the present know more than the ancient sages did, and people in the future will know things not known in the present. Rendering human history and hence human knowledge as “relative” serves as a pedagogical device to emphasize human potential and intellectual agency. Students in the present should be encouraged to acquire as much knowledge as possible and to act accordingly. It was this action ethic (*jissen rinri*) that meshed with the work of merchants. *Jissen rinri* also served as the empowering basis for merchant intellectuals like Yamagata Bantō (1748–1821) to study astronomy and offer far-reaching hypotheses about geography, world cultures, and the state of political economy.

Known among Osaka citizens as the merchant Masuya Kouemon, Yamagata Bantō attended to details that some scholars would have considered too trivial for human attention. Although probably apocryphal, the story was often told that when the powerful daimyo Date of Sendai Province asked Bantō how he would like to be compensated for his financial services (he managed the province’s finances), Bantō replied he would accept as payment the small amount of rice that was spilled at check stations en route to Edo

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1 My translation of Miyake Sekian’s lecture *Ron-Mō shusho kōgi* is in Theodore W. deBary et al., eds., *Sources of Japanese Tradition* (New York: Columbia University Press, 2001–5), 2: 271–81, esp. 272, 274, 279; see also my *Visions of Virtue in Tokugawa Japan: The Kaitokudō Academy of Osaka* (Chicago: University of Chicago Press, 1987; repr., Honolulu: University of Hawai’i Press, 1997), 86–94.

(this spilled rice was called *sashigome*). Date no doubt felt fortunate that the fee was such a pittance, but Bantō is said to have turned this spilled rice into a handsome profit in the Edo market. Indeed, his point was that although seemingly small, the margin of profit in any long-term transaction was also likely to be large in the aggregate. This view did not seem to concern the daimyo but caught the unerring attention of Kaiho Seiryō (1755–1817, on whose opinion we will draw at various places in our narrative), who recorded this episode in his comments on Yamagata Bantō.<sup>2</sup>

Bantō took the nature-as-first-principle theory of knowledge to its fullest extent, and it also was part of the adventurous intellectual spirit that permeated a good part of Osaka culture. Again, we do not expect to find a treatise as sophisticated as Bantō's *In Place of Dreams* (*Yume no shiro*) to satisfy a historian's curiosity. But the question of how commoners used nature as a principle of knowledge and action piqued my curiosity and therefore also influenced my choice of readings.

Bantō's focus on the sun as the source of light and energy informing all physical reality on earth led him to understand human actions as also being relative; that is, some actions were better than others, and nothing was too trivial for unprejudiced attention. As the source of all light and energy, the universal sun relativizes everything on earth, and so it also relativizes humans' capacity to know and see in large and small things significances that inform what action they should take. Nothing is too trivial to be queried and assessed. This realization raises broader questions, especially in the economic sense: How do ordinary people use what they know? What sort of epistemological role might nature have played in defining action initiatives? As I will suggest in this book, the relationship was important, and ordinary merchants wrote about it in everyday language to encourage individual initiatives. It even played an important part in the Hōtoku movement to reconstruct villages.

Finally, in what turned out to be a first tangible stepping-stone, I was struck by the egalitarian and cooperative ethic that prevailed as an ideology at the Kaitokudō. Although the teachers at the Kaitokudō were speaking to the scholarly and intellectual communities, they also interacted with the cultural practices of the time. Thus the academy was organized according to the egalitarian, nonhierarchical principle of the cooperative or confraternity (*kō* or *kōsha*). This ideology was entwined with a widely held supposition regarding how humans seeking to realize a mutual goal should organize themselves.

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2 Kaiho Seiryō's *Masuko dan* is in vol.27 of *Nihon keizai taiten*, ed. Takimoto Seiichi (Tokyo: Meiji bunken, 1969), 355–88. See also Najita, *Visions of Virtue*, 222–27, 248–84.

Here again, the teachers’ emphasis was that the interaction among moral beings ultimately was equal in some basic sense. This idea was captured in the few basic guidelines of the academy in the 1750s: “Students will interact with one another as colleagues without regard to high and low or rich and poor.” The organizing principle of such students in the academy was the *kō* or *kōsha*, a horizontal principle in which all those with the common purpose of seeking ethical and moral knowledge would be considered “comrades and colleagues” (*dōshi dōhai*). Some students obviously would be more advanced than others in their studies. But the basic humanity, or virtue (*toku*), innate in each would prevail as the basis of collegueship, compared with distinctions between those who were advanced and those less so and also between samurai and merchants. For example, samurai were expected to relinquish their swords upon entering the academy and would not receive preferential treatment in seating in lecture rooms.<sup>3</sup>

This ethic of a mutually shared purpose serving as a unifying ideal alerted me to the broader social phenomenon of the cooperative known as the *kō*, a widespread organizing form among commoners for mutual aid and support. A clue to such a phenomenon turned out to be closer than I had expected: the stone monument marking the site of the Kaitokudō itself. In my study of the Kaitokudō, I noted that people were constantly walking to and from on the sidewalk, barely noticing the stone marker. This included me as well, for despite my many trips there, I had not noted that the marker was lodged in the wall of the Japan Life Insurance Company, Nihon sōgo hoken kabushiki kaisha or, in short, Nissei, or Japan Life, one of the largest companies of its kind in Japan.

In my account of the Kaitokudō, I began at the monument marking its former location and referred to the place where that monument is implanted as an “imposing modern building” in the East District, or Higashi-ku, in the center of downtown Osaka. I reported that “a small, odd-shaped, stone slab inscribed with archaic Chinese ideographs marks the site where the Osaka Merchant Academy once stood.” It did not signify much to me then that the “imposing modern building,” to which in the past I had given only passing glances and viewed as only one of many modern constructs, was related to my current subject. But this was a company that traced its origin to the Tokugawa ethical idea of mutual trust and aid (*sōgo fujo*), which in fact was incorporated in its title. It was from here that I began what turned into a long and circuitous journey into the field of ordinary economies.

Tracing the origins of Japan Life required a visit to the regional township

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3 Nakai Chikuzan’s brief “Items of Understanding” is in deBary et al., *Sources of Japanese Tradition*, 2: 280; also see Najita, *Visions of Virtue*, 154–55.

of Ōmi, north of Kyoto. In the Tokugawa (Edo) period (1600–1867), Ōmi was a well-known and thriving merchant town. Indeed, the main street is still marked with a stone pillar reading “Chōsen dōri” (Korean avenue), indicating, without prejudice, the stopover place for envoys and their entourages from Korea on their way east to Edo to pay their respects to the Tokugawa regime. Located along Lake Biwa in today’s Shiga Prefecture, this was the home base of the “Ōmi, merchants” (Ōmi, *shōnin*) who gained widespread fame during the Tokugawa era for their brisk trade in carefully selected goods from different regions. These merchants served as a major mediating vehicle for interregional trade, moving certain high-quality products from one part of the country to another and thus contributing to the distribution or circulation of “taste” throughout the country. Examples of such goods are indigo-dyed fabrics from Kyushu, silks from Kyoto, tea from Shizuoka, and the dried kelp (*konbu*) from Hokkaido that became the seasoning base of west-central cuisine. Traversing a variety of coastal and overland routes, the Ōmi merchants gained great stature as diligent, wealth-creating traders who facilitated the exchange across domainal boundaries. Unlike the large merchant houses in Osaka, the Ōmi merchants traded over long interregional distances, uninhibited by physical or political boundaries. It is not surprising, therefore, that both modern-day trading companies and numerous other enterprises trace their genealogies to this merchant community.<sup>4</sup>

The Ōmi merchant who first proposed the idea of a life insurance company was Hirose Sukesaburō (1844–1913). The story often told about him is of a youngster who took long treks during the turbulent days of the late Tokugawa period to purchase and trade quality goods between one region and another. He and other members of his house studied at the school founded by Minakawa Kien (1734–1807), a distinguished Confucian scholar in Kyoto who taught primarily empirical textual studies and also the ideals of “saving the people,” a concept also emphasized at the Kaitokudō and the school of Dutch Learning, the Tekijuku, in Osaka. According to this concept, the main justification for acquiring knowledge must be that it would contribute to alleviating people’s suffering. Along with this ethic, Hirose absorbed another, that doing good for others was a “mutual” or cooperative process and that therefore the action ethic of “mutual aid” or “assistance” was crucial. Because this ethic of saving others was grounded in the idea of responding to crises or emergency situations, it was not so much one person acting alone

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4 Ogura Eiichirō, *Ōmi shōnin no keifu* (Tokyo: Nihon keizai shinbunsha, 1980); and Watanabe Morimichi, *Ōmi shōnin* (Tokyo: Kyōikusha, 1980). The Ōmi merchants deserve a separate study yet to be undertaken, as their history includes such modern companies as Marubeni, C. Itoh, and Seibu.

but many individuals contributing in some kind of organized way.

Still in his mid-twenties at the time of the upheavals of the 1860s that led to the revolutionary Meiji *ishin*, Hirose was attracted to the practice of mutual insurance as organized by the impressive Taga Shrine (Taga *taisha*), located nearby.<sup>5</sup> A major site for pilgrimages during the Tokugawa period, the Taga Shrine had established a “mutual insurance” contract cooperative, the Taga *kyōkai kōsha kiyaku*, or simply the Taga *kō*. The purpose of this cooperative was to meet the emergency health needs of the pilgrims visiting a network of related shrines, and it had a membership of several tens of thousands. Pilgrims making long journeys to Taga were assured of aid in case of personal emergencies, and the insurance fund, drawn from contributions throughout the country, came to serve a major insurance need among the Taga communities. The special fund was explicitly set aside so that members of the Taga society might “save and assist one another” in times of emergency (*tagai ni hinkon o aitasuku beshi*).<sup>6</sup>

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5 Throughout this narrative I have used the term *ishin* rather than “Restoration” when referring to the revolutionary events of 1868. The *ishin* (literally, “the new”) marks the beginning of the modern era and is a term used universally in Japanese historiography. Although it is not certain exactly when “Restoration” became the accepted translation of the Meiji *ishin*, Ernest Satow (1843–1929), secretary to the British legation in the 1860s and ambassador to Japan in the mid–1890s, offered an important insight: “Restoration” was the term favored by the men who had gained power following the civil wars leading to the Meiji *ishin*. But Satow and other observers of the actual events of the day referred to the *ishin* as a revolution, never as a restoration. In a letter dated April 15, 1895, Satow commented to his friend and Asian specialist in London, F. V. Dickens:

On another point touched on in your letter, whether the events of 1868 constitute a Restoration or a Revolution, I am inclined to agree with your view that it is the latter that is most characteristic of the period, the other was what the leading men of the time preferred to use as their watchword. But when you think of the transfer of power from one class to another below it, and of property also, it is difficult to say that there was not a revolution. Who are the leading men now? They were simple ordinary samurai, without rank or income. However, I dare say you will agree with me that not much importance is to be attached to a name. Only this is certain, that to the lips of those of us who were eyewitnesses of what went on, the word “revolution” came spontaneously, never the other, till it was adopted out of courtesy to the Japanese, in the same way as Tokyo [Eastern Capital] has been substituted for Yedo and Emperor for Mikado in European mouths, because the Japanese liked that better. (Satow Papers, 30/33/11/6, Public Record Office, London, courtesy of Hagihara Nobutoshi, author of *Tōi gake, Arunesto Satow nikki shō*, 14 vols. [Tokyo: Asahi shinbunsha, 1980–2001])

Andrew Gordon is an exception among Western historians in referring to the Meiji *ishin* as the Meiji Revolution. See his *A Modern History of Japan: From Tokugawa to the Present* (New York: Oxford University Press, 2003).

6 Shashi hensan, *Nissei 100-nenshi* (Osaka: Nihon seimei hoken sōgo kaisha, 1987),

As Hirose Sukesaburō's grandson Gen recalled:

According to the history of Japan Life, the Taga Shrine that worshipped the kami of long life housed from ancient times a prayer group of faithful believers called the "Taga cooperative."... In the early Meiji era [1868–1911], the founder of my company, Hirose Sukesaburō, fixed his eyes on this mutual trust organization and, relying on the "Taga Society" as the basis, set forth to establish an enterprise called the "Taga Life Insurance Company."

For various reasons the "Taga Life" did not materialize. But soon thereafter, he used that very same project to establish a life insurance company for the Japanese people as a whole. This is today's Japan Life.

In this way, from its beginning, our company and O-Taga-san were closely bonded together. We have kept our faith in O-Taga-san with great devotion over the generations.<sup>7</sup>

In the early 1870s Hirose proposed using Taga's mutual fund to establish the Taga Life Insurance Company (Taga seimei). Although the shrine's leaders initially received the proposal sympathetically, they eventually turned it down because they believed the Taga fund should be reserved for use within the shrine system. Hirose, however, had in mind a much more broadly conceived insurance program, one that contained the ideal of "saving the people" as a whole, a goal that went well beyond the purposes set forth in the contract of the shrine's fund.

Leaving his established vocation as an itinerant Ōmi trader, Hirose inspired by Taga's mutual insurance, went on to organize dozens of local cooperatives with credit funds and to establish a life insurance company in Osaka, the city that for merchants like himself was still the merchant capital or, more derivatively, the "kitchen" of the country. The life insurance company was formally named Japan Life in 1896, while retaining, as noted earlier, the Tokugawa ethical ideal of mutual aid.<sup>8</sup>

The story of Hirose Sukesaburō is integral to the transformational history of the Meiji *ishin* that provided the conditions of revolutionary change. Although not directly involved in the violent contests and civil wars of the

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7 Taga shinkō hensan iinkai, *Taga shinkō* (Taga machi: Taga taisha shamusho, 1986), 149.

8 Shashi hensan, *Nissei 100-nenshi*, 32–34. See also Morita Tsunemichi et al., eds., *Hirose Suketarō ō* (Osaka: Josui ō Eibōkai, 1940), 18–24; Nihon seimei hoken sōgo kaisha, ed., *Nihon seimei 90-nenshi* (Osaka: Nihon seimei hoken sogō kaisha, 1980), 10–13.



*ishin*, individuals like Hirose responded by organizing local resources to save the nation. Hirose’s proposal to form a life insurance company for the country as a whole, as well as his projects to establish a railroad line and a middle school for girls, are modern ideas and thus part of modern history. But the impulse “to save the people” based on local cooperative practice was an extension of Tokugawa ethics that commoners like Hirose had internalized as part of their education and upbringing. The fact that the organizational consciousness present in that ethic was articulated in the form of a mutual aid cooperative, the *kō*, is well worth noting, as variations of this phenomenon were widespread and will be a continuing theme in this book.

My return from Ōmi and Taga to Japan Life in Osaka gave me much cause for reflection. That “imposing modern building” to which I had often walked on the central Midōsuji Boulevard now represented something quite different as other features of this history gained prominence. Through the intercession of Kōnoike—the largest financial house in Osaka in the Tokugawa and modern eras and the leading philanthropic supporter of the Kaitokudō—Hirose and his colleagues purchased the area where the merchant academy had stood to build the life insurance company. The juxtaposition of the Kaitokudō and Japan Life, and the stone marker lodged in the side of the modern Japan Life building, made eminent phenomenological sense to me in a way that it had not in my many previous visits. The confluence of the Tokugawa merchant ethic and Japan Life and its linkage to the idea of mutual aid at the Taga Shrine made me realize that intellectual history is embedded in a physical and material reality. Hence, by only minimal extension, other specific items located nearby became part of this intellectual reality.

Only a modern city block away from the site of the Kaitokudō Japan Life is the elementary school that “loves the light of day,” Aijitsu shōgakkō. It was founded by the House of Masuya that Yamagata Bantō had served. Bantō’s impressive personal library is housed in that school, reminding us of the scope of knowledge that informs his work *In Place of Dreams* (*Yume no shiro*). His emphasis on the sun as the source of universal nature called on humans to discard their superstitions and the expectation of divine interventions and to leave behind the dreams of the night and embrace each day when the human mind could be in accord with the reason of nature. The school is a restatement of Bantō’s celebration of natural light and reason, and it also reflects the enlightenment movement, led by Fukuzawa Yukichi (1834–1901) in the early Meiji era, that sought to end centuries of feudal darkness.

Equally close to the site of the Kaitokudō is the Tekijuku where Fukuzawa and some six hundred others studied the Dutch language under Ogata Kōan

(1810–63) in the 1840s and 1850s in order to become physicians and “to save the people.” A return visit to the Tekijuku under scored for me the importance of Kōan’s teaching that “precision,” the science of medical practice (*jutsu*), must always be combined with moral purpose, the compassion to save other humans (*jin*). Reading and translating Western works on medicine was part of the physicians’ training, and Kōan taught Dutch within the framework of this methodological precision. The constant goal was to extend compassion in times of illness. Kōan worked hard to dispense smallpox vaccinations and desperately fought the spread of cholera. His teaching that the exercise of reason and precision must have a moral purpose closely parallels the Kaitokudō position that economic accuracy or “method” must never be devoid of moral content. In the ethical guidelines he posted for his students, Kōan wrote that true “profit” derived from the moral purpose that informed the physician’s scientific skills: “When encountering a patient, see only the patient. See not high or low, poor or wealthy. Consider the gain to yourself in comparing the tears of gratitude in the eyes of the poor with the handful of gold given by the wealthy.... Reflect on the lack of wealth of the patient. When seeking to extend life, if the capital that ties that life together is taken away, what sort of profit will there be? Weigh this thoughtfully in treating the poor.”

To Kōan, therefore, the physician must regard method and moral purpose, or *jinjutsu*, as indivisible. Concerning his successful effort with two colleagues to distribute the new method of smallpox vaccination, he noted: “From the beginning, the three of us.... agreed to a pledge. This project would have compassionate healing as its sole purpose. The plan was to spread the new method of vaccination throughout society. Thus, no matter how much money we received in gratitude, we would not take any of it for personal profit, nor would we accept it as payment for compassionate treatment. That was the first principle we agreed on.” The phrase “a physician practices compassionate healing” (*i wa jinjutsu nari*) was a basic value to every physician in Tokugawa times, regardless of whether his specialization was Asian or Western medicine.<sup>9</sup>

The inherent relationship between precise method and moral purpose that we find in the teachings of Miyake Sekian and his successors Nakai Chikuzan (1730–1804) and Nakai Riken (1732–1817) at the Kaitokudō were clearly in accord with Ogata Kōan and his ethical instruction to students at

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9 See my essay “Ambiguous Encounters: Ogata Kōan and International Studies in Late Tokugawa Osaka,” in *Osaka: The Merchants’ Capital of Early Modern Japan*, ed. James L. McClain and Osamu Wakita (Ithaca, N.Y.: Cornell University Press, 1999), 212–42, esp. 231, 240.

his Tekijuku. We find this relationship, too, in Hirose Sukesaburō’s perception that the organizing method of the Taga *kō* might serve as the basis for a mutual insurance program to save the people from unforeseen emergencies. All these ideas belong to a common Tokugawa intellectual culture skeptical of objective knowledge that lacked some moral moorings to hedge the excesses of scholarly arrogance. This skepticism was criticized and discredited by advocates of modern reason and progress as being “premodern,” as belonging to the world that had failed and should thus be abandoned. Accordingly, neither the Kaitokudō nor the Tekijuku survived the Meiji *ishin* of 1868. They are remembered only in museums as part of a world that has been lost. Hirose’s venture, however, turned into a modern life insurance company, whose links to this intellectual culture are barely visible. Perhaps with scrutiny informed by historical memory, the intellectual linkages between the stone monument marking the site of the Kaitokudō, Ogata Kōan’s Tekijuku, and Yamagata Bantō’s library in the Aijitsu elementary school can be held together by the image of the modern insurance building marked “Japan Life.”

The contrasting images often presented of the modern with the pre-modern—even those as dramatic as a modern insurance company and a Tokugawa *kō*—are misleading because they conceal or suppress a certain kind of history that individuals and institutions shared. Concrete physical evidence located at the base of a modern building reveals in a sedimented way how fragments with no apparent coherence with one another are actually interrelated events. Historians also tend to forget that Fukuzawa Yukichi, the proponent of individualistic modernity who rejected the burdens of tradition and favored modern commerce, was a contemporary of Hirose and, as a student of Ogata Kōan, walked the same grounds in Osaka. Fukuzawa went to Tokyo to lead the enlightenment movement and espouse the virtues of individualism and commerce at his academy, Keio. Hirose, traveling from Ōmi to Osaka, brought with him the virtue of cooperative practice to establish a modern insurance corporation. In retrospect, both Fukuzawa and Hirose were products of, and participants in, the Meiji *ishin*, each taking bold initiatives under trying circumstances: Hirose, toward an insurance company grounded in Tokugawa values basic to the new nation, and Fukuzawa, turning from the traditional cooperative to the new ideology of the individual in the modern era.

It is within this understanding that we find the young Fukuzawa encountering the world of cooperative mutual aid. In his autobiography, Fukuzawa recalled his family’s economic difficulties following his father’s untimely death. We learn that with the help of neighbors, his mother established an

emergency mutual assistance *kō*, known as Fukuzawa's *tanomoshi*, to maintain the household's emergency needs. Fukuzawa wrote:

When we moved to Nakatsu *han* after my father's death, my mother needed money to have repairs made on the family house, and she was obliged to take the advice of friends to make use of what was known as a *tanomoshi kō*.

A *tanomoshi kō* is a kind of cooperative loan fund in which a number of persons agree to deposit a small sum of two *shu* each for the benefit of other members, who are chosen by lottery until the round has been completed.<sup>10</sup>

Thirteen years later, Fukuzawa's mother instructed her son to repay her debt to one of the participants, Ōsakaya Gorōbei, an Osaka merchant. Gorōbei had taken part in the Fukuzawa *tanomoshi*, but since the sum involved was insignificant to him, he did not claim his portion of the financial pool when it was his turn, a practice known as discarding one's deposit (*kakesute*). Having thus accrued an extra two *shu*, Fukuzawa's mother felt obliged to repay that amount to Gorōbei, which Fukuzawa dutifully did during a return trip to Osaka.

Fukuzawa's commitment to repay his mother's debt confirms the ethic of promise that held together the contract cooperative. In mentioning such traditional cooperative practices, Fukuzawa did not comment on whether they were at odds with his ideas on modernity. He merely accepted such practices as part of a cultural environment that had little bearing on the events of his day.

The long time between events from the past into the modern era makes it difficult to grasp their being in the present. As historians of modernity, our interpretive eyes are not accustomed to seeing these relationships. The traditional cooperative, such as the Taga and Fukuzawa *kō*, is perceived as a lag on modernization and is presented as part of an unchanging feudal culture rather than as being crucial, in its many varieties, to ordinary people's survival then and now. Japan Life, for example, does not advertise that it stands on the ground once occupied by the Kaitokudō or that it gained inspiration from the Taga *kō*.

Modernization is a stylized conceptual scheme that frames and determines

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10 Fukuzawa Yukichi, *The Autobiography of Fukuzawa Yukichi*, trans. Eiichi Kiyooka (New York: Madison Books, 1992), 261–63; Fukuzawa Yukichi, *Fukuzawa ō jiden* (Tokyo: Keio tsūshin, 1958), 131–33: See also Najita, "Ambiguous Encounters," 213–42.

historical content. It is largely shaped from the outside looking in, or in anticipation from within of such a view from without. According to Wlad Godzich, when viewed from the outside, every company, nation, and society, though outwardly modern, is not truly modern but is viewed as the “other” in a limited way, “thematized . . . as a threat to be reduced, as a potential same-to-be, yet not same.”<sup>11</sup> Such a cosmopolitan knowledge/culture generalizes and dehistoricizes social processes and denies them an authentic place. Our theoretical range is thus curtailed by epistemological boundaries, and as Clifford Geertz pointed out, we comprehend the historical object in terms of simplified formulas that permit little or no understanding of the problems in other societies in regard to knowledge and commitment, contract and practice.<sup>12</sup>

The countergaze to cosmopolitanism is nativism, which insists that a society should view itself as a stable and unchanging identity rather than one described as “yet-not-same.” By disavowing change, however, nativism also denies a country its history, and thus it too confounds our understanding of social development. In its claim to a distinctive identity, nativism may refer to an autonomous “language” as a society’s essential core and thus may relate cultural identity to poetics and oral and mythic traditions. Or it may reduce cultural essence to an absolute political identity. Or in the case of traditional cooperatives, it may declare them to be unique to an unchanging Japanese culture (which they are not) and to separate them from ever-changing modern history. Both the hierarchical cosmopolitan view of societies, considered to be in relative states of unreadiness, incompleteness, and unevenness, and the nativist insistence (with its nuanced gradations) on distinctiveness and militant indifference persist as seductive sense-making devices. They perhaps are unavoidable. Yet to shape a perspective on social history of thought and practice, we need to acknowledge these restrictive binary alter actives and then put them aside.

The history of ordinary economies in this book lies mostly on the far side of the public order, beyond the management of earlier regimes and, in modern times, in only superficial ways. It is not a history that is integral to the formation of the modern authoritarian state or to the gross accumulation of material reason. Nor is it to be confused with an underlying and unchanging native soul, for this history adapts and changes over time. As a broad social experience, the history of ordinary economies is relatively recent, even

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11 Wlad Godzich, foreword to Michel de Certeau, *Heterologies: Discourse on the Other* (Minneapolis: University of Minnesota Press, 1989), xiii.

12 Clifford Geertz, *The Interpretation of Cultures: Selected Essays* (New York: Basic Books, 1973), 3–30.

though small points of origin can be traced back into time immemorial. It is a history of the social practice of commoners confronted by poverty and the ever-present threat of famine in the far-flung money economy distinctive of the mid-Tokugawa era, or, by general Western reckoning, the eighteenth century.

This is a history, therefore, about commoners within a historicity of hardship in which ordinary people were knowledgeable about commerce and skilled in putting that knowledge into practice over some two hundred years, roughly from 1750 to 1950. But these dates are mere conveniences, as they simply suggest the chronological frame extending from the middle to the late Tokugawa, or “early modern” (*kinsei*) into the “modern” (*kindai*), which are formal designations of limited use in the case of ordinary economies.

Since the subject of ordinary economies is extensive, the narrative has no linear development to trace, and so it might be tempting to state that here there is no “history” to convey. What follows argues otherwise, that there is indeed a discourse grounded in history, and, accordingly, that it is worthy of narrative attention.

My approach is to preface the following chapters by calling attention to the hidden markers in the present or recent past, as in the example of Japan Life, that establish a basis for reentering history. Although spatially separated and appearing to have relatively little significance when examined in isolation, these markers in the recent past nonetheless gain relevance when I refer to them in regard to the study of commoners engaged in the thought and practice of commerce. The approach from present to past also circumvents the absence of either a specific and visible “event” that might mark a convenient point of entry or a single “biography” of a figure emblematic of the whole that would be the starting point from which to proceed toward the present.

To say that the fragments of this history are widely scattered also suggests that they are not causally linked but are, nonetheless, discursively related. Visits to different locales—such as Kyushu, Hokkaido, Okinawa, Chita Peninsula, and the more familiar Osaka and Ōmi—allow historians to establish in broad strokes the basis for a history extending beyond particulars. This is a social history of a modernity that might best be understood on its own historical terms rather than those of the prevailing narratives of modernization, such as Western progress and economism.

This is also a history of initiative and agency, of life and survival. Presenting a coherent chronology would be misleading, since it is a history that, though broad, is “uneventful.” Or perhaps the “event” consists wholly of commoners thinking and writing about commerce and engaging in the prac-

tices of this labor without political guidance and unaware of the probable significance for modernity. The phrase “beyond the public order” seems appropriate to characterize the social history of cooperatives. It is a history that was not shaped or dictated from above and was seldom regulated by juridical instruments. Only when a “social problem” is anticipated does the modern regime bring the question of traditional cooperatives into the arena of public discourse.

I am not, of course, the first to tread in this broad field. My work follows and, I hope, adds to other scholars’ earlier work and is not intended to depart from previous interpretations. I shall mention here especially the works of Robert N. Bellah, Irwin Scheiner, Thomas C. Smith, and Anne Walthall.<sup>13</sup> My intent is to bring commoners into history without the determinations of “traditional,” as opposed to “modern” and “Western,” and without their being considered uniquely “Japanese” or precursors of “capitalism” or, for that matter, of “fascism.” Is it possible to write about the social thought of commoners as history without the macro impositions of modern expectations and determinations, and thus to give life to the thought and practices of ordinary people that “international” and “Western” observers outside as well as inside Japan have often denied them? Can we evaluate this history as having a modernity on its own terms and not as being a feudal residue divorced from the “real” history that marches to the beat of economic modernization?

I would like to add another historiographic note pertinent to my study. Sakurai Tokutarō’s work on the “process” of establishing the *kō* is a classic on the anthropological approach to the study of Tokugawa cooperatives. Although he focuses on religious practices, especially pilgrimages, Sakurai also discusses specifically economic practices. The theme of the cooperative as a political movement and practice is woven into the writings of Irokawa Daikichi and is well known to and appreciated by historians of modern Japan.<sup>14</sup>

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13 Robert N. Bellah, *Tokugawa Religion: The Cultural Roots of Modern Japan* (Glencoe, Ill.: Free Press, 1957); Irwin Scheiner, “Benevolent Lords and Honorable Peasants: Rebellion and Peasant Consciousness,” in *Japanese Thought in the Tokugawa Period, Methods and Metaphors*, ed. Tetsuo Najita and Irwin Scheiner (Chicago: University of Chicago Press, 1978), 39–62; Thomas C. Smith, *Agrarian Origins of Modern Japan* (Stanford, Calif.: Stanford University Press, 1959); Anne Walthall, *Social Protest and Popular Culture in Eighteenth-Century Japan* (Tucson: University of Arizona Press, 1986).

14 Sakurai Tokutarō, *Kō shūdan seiritsu katei no kenkyū* (Tokyo: Yoshikawa kōbunkan, 1962); Irokawa Daikichi, “The Survival Struggle of the Japanese Community,” *Japan Interpreter* (spring 1975): 465–94; and Irokawa Daikichi, “Nihon no minshū

Two other works have been especially valuable to me, those by Mori Kahei and Mori Shizurō (who are not related). A distinguished regional historian, Mori Kahei accepted the assignment of writing a history of the Northeast Mutual Bank of Iwate on its twentieth anniversary, in 1960. The study took him back into the Tokugawa past and to the contract cooperatives, which in the modern era (the eighteenth and early nineteenth centuries) were reorganized into cooperative credit-and-loan companies and, later, mutual banks. Therefore, although his book is about the history of a bank, it is pointedly historicized in terms of commoner political economy and is appropriately titled “a thesis on the history of *mujin* credit and loan cooperatives.” Mori Kahei comments in his epilogue that the project was a broad social history, not a history of the single “region” on which he had focused. The story of Iwate’s mutual bank, he concluded, was part of a broad social history of commoners.<sup>15</sup>

Mori Shizurō follows threads of thinking about credit from the Tokugawa into the modern era and emphasizes the cooperative, the *kō*, as the decisive form in which commoners fended for their lives and turned their efforts into business ventures and savings-and-insurance associations in modern industrialized cities. Mori Shizurō’s work is of special significance to me because he treats the history of commoner credit from the premodern into the postwar modern era as “intellectual history” (*shisōshi*) and thus provides a thoughtfulness missing from the works of economic historians. His book has splendid textual references and a narrative coherence that convinces the reader of its fundamental importance.<sup>16</sup>

Both these scholars agree that historians have not given enough attention to an indigenous, multiregional, economic history and have been swayed in their perspectives on the past by a highly specialized sense of modern economics, capitalism, and capital formation. This view has failed to explain how ordinary people thought about and acted in economic history, particularly during periodic famines in the premodern period and during the rapid industrialization that extended few favors to commoners. Both scholars feel that too much attention has been given to such comprehensive explanatory terms as *feudalism* and *capitalism* and not enough to how commoners controlled their own lives under conditions of drastic commercial flux.

Scholars have always assumed that each Tokugawa village set aside a certain small portion of its production, as through “by-employment,” as

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undō no tokuchō ni tsuite,” *Sekai* (February 1986): 195–205.

15 Mori Kahei, *Mujin kin'yūshi ron*, vol. 2 of *Mori Kahei chosaku shū* (Tokyo: Hōsei daigaku shuppankyoku, 1982).

16 Mori Shizurō, *Shomin kin'yū shisōshi taikai*, 3 vols. (Tokyo: Nihon keizai hyōronsha, 1981).



necessary for survival and that this portion would not be relinquished as a tax to domainal regimes. Putting the village’s surplus or “savings” into a cooperative fund for an emergency was tantamount to establishing an insurance fund within a *kō*, a safety net, which was the commoners’ protection against famine (*kiki taisaku*).

Mori Kahei and Mori Shizurō thus provide insights into a practice intrinsic to a history of commoners fending for themselves against polities interested in taxation but not in the well-being of the local human community. Both these historians argue that this history of commoners working out their own economic destinies must be treated on its own terms and not in relation to agricultural productivity in the premodern and modern eras, even though the history affects and interrelates with both. Their histories also make clear that the source materials have been scattered about, buried, or discovered in unexpected places like the archives of a regional cooperative bank or the records of contract cooperatives involving vast numbers of people who signed or affixed their seals to long-term agreements to give order to their lives. Both historians, in short, write about the political economy from the ground up. The persistent theme in this history is that commoners refused in various ways to sink below the limits of human endurance and, instead, formed contract relationships that provided lines of self-governance that were not covered by formal politics. These lines are the netting that commoners used to save themselves from the Tokugawa system of taxation and the harsh conditions imposed by the industrial revolution.

Based on a commoner or commonsense epistemology, commoners wrote and published in the hope that other commoners would read and reflect on how ordinary people were able to control knowledge and overcome poverty. Such efforts were intrinsic to ethical practice and not demeaning to human virtue. The issues addressed here were fundamentally about trust and contract relations that could save lives by means of initiatives taken without any expectation of political benevolence. Everyone in the community understood that as a matter of common sense, as many people as possible had to join in this self-help effort. Few formal scholarly works were written to explain the philosophical principles governing what and how things were to be done and why. From this perspective, even the philosopher Miura Baien was relevant not so much for his treatises about the ultimate meaning of nature as about his use of village-level ethics to document why humans should help themselves and improve conditions close to home and not rely on the aristocratic regime. Except for the few scholars like Baien, who will be discussed later, this remains a history without names, primarily one about social thinking and action and not about the scholarly debates that abounded in Tokugawa times. Mine also is a history that discusses the theme of organization and practice in

the form of economic and insurance confraternities known as *kō*, termed most commonly as cooperatives of “inexhaustible compassion” (*mujin kō*) and of trust like that between mother and child (*tanomoshi kō*), as in Fukuzawa’s *kō*, which proliferated in the eighteenth century and persisted through the industrial revolution in the nineteenth and twentieth centuries. The theoretical importance of the *kō* is that it emphasizes that ideas do not travel abstractly, as in a vacuum, but in a form, or mode, of social organization and practice, which in our case is the cooperative and its inherent ethical values of trust, promise, and contract (*shin*, *yakusoku*, and *keiyaku*).

In the Hōtoku movement exemplifying the theme of virtue in work, the cooperative became part of an effort to reconstruct villages. Founded by the peasant sage Ninomiya Sontoku, this movement played a prominent role in the debates over mediating the traditional cooperative with the modern effort to establish a national savings-and-loan program based on German models. Later chapters in this book examine the Hōtoku movement and these debates, which created an intriguing theme in Japan’s modernity.

In the early twentieth century, laws were passed to regulate and incorporate traditional cooperatives as licensed entities in the constitutional system. Although the effects were significant, the laws were ambivalent and complex, and most cooperatives continued to remain outside the juridical order.

I should note here that even though it was widespread as a social practice, the *kō* is not considered an important component of Japan’s civilization or its modernity, perhaps because it appears to be a burdensome “tradition,” a “feudal”, remnant that should have disappeared long ago in the processes of modernization. Except for a few scholars who understand the importance of the “horizontal” and “egalitarian” dimension of modern political theory, including E. H. Norman (1909–57) in the Western world, the *kō* is not valued as being consistent with Japan’s projection of itself internationally as a modern society. Even though the *kō*’s history and presence are not self-consciously concealed, they are rarely publicized. At many different levels, Japan has always felt a sense of urgency to present itself as modern and international and to disregard much of the history of ordinary people.

The history of the *kō* nonetheless flows out of a broad human and intellectual experience grounded in time and space, in short, in history itself, in a materiality within which commoners produced an ideology about their self-worth in everyday work, without regard to the negative assessments of those with scholarly knowledge and formal aristocratic power. This history is therefore about commoners acting in spaces that belonged to them and in which they acted without apology on the basis of knowledge they believed to be truthful (*makoto*). But these spaces were not timeless or static, for they

gained prominence and adapted and changed over the course of early modern and modern history.

I am constantly reminded that discourses from the past do not simply disappear under the impact of pivotal thresholds, even one as sweeping as the Meiji *ishin* or, for that matter, the unconditional surrender that ended the Pacific War. At the same time, it certainly is true that while these discourses do not vanish, they also do not persist intact. Instead, they are scattered about in bits and fragments, often not readily noticeable and sometimes hidden from view, appearing only as traces, as unadvertised practices, de-emphasized by the language of “true” modernity and of the attitudes spun out of the cosmopolitanism and internationalism that accompany that new language. The relentless surge and resurgence in the urban and industrial reconstruction that produces a vast and indiscriminate technological sprawl simply reinforce the process in which, in its constantly changing physicality, the present is thought to be unthinkable as an extension of the distant past. In its urgency to present itself as modern and international, Japan often has abandoned much of the history that ordinary people hustled through. Accordingly, the past is intermixed in this context in ways that, like those of a recessive gene, are subtle, complex, and also embarrassing if too readily visible.

The markings, however, still are discernible and therefore challenging to intellectual historians and ethnographers who choose simply to explore on the ground, here and there, the traces that are neither random and chaotic nor a broad light on the road ahead. As one anonymous itinerant monk inscribed on a scroll (as payment for food and lodging) at a country home during the turmoil of the late Tokugawa and Meiji *ishin*: “Leaving behind me the way of confusion or enlightenment. I simply see the level ground and clear sky before me” (*Seigo nidō subete bōkyaku, tada miru heihō seiten jin*).<sup>17</sup>

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17 From a scroll at a country physician’s residence outside Niigata City. The wording may be interpreted to derive from either Faith or Zen Buddhism.