

Uchida Yoshihiko:

A Japanese Civil-Society Economist and Historian of Economic Thought of Postwar Japan¹⁾

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Abstract:

It is very difficult to summarize the thought of Uchida Yoshihiko (1913–1989), one of the representative intellectuals of postwar Japan, but, we could describe the pursuit of Uchida as a search for a way to foster independent and self-reliant individuals of Japanese citizenship and to realize a fair and flexible society in Japan. He started his pursuit by resisting the authoritarianism prevalent in academic circles and the main left-wing groups of Japanese society. He made strenuous efforts to find signs of *Homo economicus* in modern Japanese society and enthusiastically advocated the academic and educational need of cultivating the spirit of developing and fostering democratic system, while believing in the civilizing influence of capital: “Everything old and outdated will be thoroughly recast and rebuilt according to the requirement of capital,” he argued, believing this to be an inevitable result of the advancement of economic law and the development of productivity. We can see key ideas underlying his lifelong works in his contribution to *Daigaku Shinbun (University Papers)* of November 1945, “Newspapers and Democracy”: “The nature of decision forming of a democratic society . . . should be seen in such a society where the people themselves obtain and activate huge, multiple social perspectives by exchanging and carefully examining the ideas expressed by the people of various positions who responsibly see and think for themselves.” Thus, his aim was to actualize an antiauthoritarian and enlightened idea of our society.

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I Before *The Birth of Economics* (*Keizaigaku no Seitan*)

1. Uchida’s Noma Experience²⁾

Uchida Yoshihiko was a representative post-

war Japan economist and historian of economic thought. He was also under the influence of Marxism. He was born in Nagoya, Aichi Prefecture, in 1913, but his family later moved to Okamoto Village in Hyogo Pre-

fecture, where he graduated from a combined ordinary and higher elementary school. There, after two years of medical treatment for tuberculosis, he entered Konan Higher School on the Regular Humanities Course. While at this higher school, he was introduced to Marxian economics by Kako Yujiroh, a full-time lecturer of the Imperial University of Kyoto at the time, as well as a friend of Uchida's brother (Uchida 1989a, 183). In his higher school days, he acquired two friends for life. One was Shimomura Masao, who, with Takizawa Osamu and Uno Jukichi, founded a theatrical company, Mingei (meaning "popular arts"), which led the "New Drama movement" of postwar Japan. The other was Takayasu Kuniyo, a poet of the Araragi Tanka School, who, later, as a professor of the faculty of literature at Kyoto University, introduced the works of Rilke, an Austrian poet, to a Japanese audience. Uchida later entered the economics department of the Imperial University of Tokyo, where he was forced to take a leave of absence for two years for the treatment of his tuberculosis. Around this time, his circle of friends extended to include Noma Hiroshi, who later became famous as a writer of the primary postwar generation. This circle of friendship continued to expand, forming a foundation for Uchida's ideas. The encounter with Noma Hiroshi was a surprisingly enlightening experience for Uchida Yoshihiko.

It was through Shimomura Masao during World War II that I made the acquaintance of Noma Hiroshi. At that time, I was under long-term treatment for tuberculosis, and I was under the influence of the aggressive enthusiasm common to TB patients of the

period. As a young man, I was pretty quick-witted, and the speed of my tongue's rotation seemed to surpass the turn of my brain, bringing me fame for invective. With the ability to know the whole from a single bit of information, it was quite easy to defeat Noma Hiroshi in an argument, however, in Noma's absence, alone at home, I was overwhelmed by the weight of Noma's words still ringing in my ears, with occasional questions of "Well, I wonder. Are you sure?" I felt the significance of words to which I had turned a deaf ear during our argument. Every single word of Noma's had been inscribed so heavily and so indelibly in my mind that I felt all that I had said in the argument and my total self lose weight and float in the air. I was annoyed by the superficiality of my reasoning then, and I am now. (Uchida 1989b, 203)

Uchida's pride in his affluent knowledge, quick wittedness and successful argument with Noma was turned down by a cold look by the other Uchida, who realized the shallowness and insignificance of his own reasoning, detonated by Noma's "Well, I wonder. Are you sure?" Uchida felt his words and his total self lose weight and float in the air. This humble revelation is remarkable especially in the world of scholarly people of his day. "The sharp tongue of Uchida" (Maruyama 1996, 84) indicated by Maruyama Masao should have involved Uchida's introspection into his own self. Uchida's awareness of his own insignificance, "the feeling of floating in the air, having lost the weight of his words and total self" constructed a foundation on which to express his ideas

throughout his life.³⁾

2. The Defeat of Japan and Uchida's Writing Activities

After graduating from the economics department of the Tokyo Imperial University, Uchida studied organization theory and the philosophical foundation of technology at the graduate school of the same university. In April 1940, he joined the staff of the "Institute of East Asian Studies" (*Toh-a Kenkyujo*), investigating the natural resources of the Southeast Asian countries including Formosa and Malaya. In 1943, he joined the World Economy Institute (*Sekai Keizai Kenkyushitsu*) as a part-timer of the Tokyo Imperial University. During his work at the Institute of East Asian Studies, he published "A Survey of Rice Production of the Malay Economy under British Rule" in *The Bulletin of the Institute of East Asian Studies*. In August 1944, he joined Sasebo Marines on receiving his call-up papers, but he left the Marines for health reasons. In December 1944, he was arrested on a charge of violating the Maintenance of the Public Order Act and was imprisoned for about four months.

In October 1946, Uchida became an assistant professor at Senshu University in Tokyo. Uchida wrote "What Should We Do?" for *The Conference on Culture* (Bunka Kaigi), the Bulletin of the Youth Conference on Culture, in which Maruyama Masao's first postwar essay, "Modern Thinking" was published. Here, Uchida writes, "Let us not hurry to get ourselves accustomed to the authority of academic circles. Let us not hurry to take up specialist methodologies, in order to acquire true learning and true art, in order to secure and master true culture" (Uchida

1999, 189). In this, we can see a sprout of his scientific conscience announced in his later years: "Do not be satisfied with an easy and common understanding of the ground built up by social sciences" (Uchida 1988k, 27). Takabatake Michitoshi appropriately indicates: Uchida found the same mentality that supported the emperor system of Japan in the left-wing majority groups after the war. This mentality is characteristic of the authoritarianism that permeated in the minds of Japanese people. A result of a revolution, if one ever broke out, would be the conservation of the same mentality, which would lead to the danger of producing the same authoritarian, high-handed academic and political power against which Uchida has always fought. This shows how Uchida had been a forerunner of the theorists of civil society throughout the world in the twentieth century (Takabatake 2001, 7).

3. Theory of Technology as the Ground of Productive-Forces Theory

During his graduate school days, Uchida came to be interested in technology, which greatly influenced his understanding of Marxism and his perspectives on history and prepared the basis for his core thinking on productive-forces theory in the first half of his life. On the postwar reconstruction of the Japanese economy, Uchida discussed the problem of reparation in light of improving productivity. He argued that the central problem of reparations did not lie, as the government claimed, in the material facilities and the amount of material resources themselves left for economic reconstruction of Japan. A successful resolution of reparations problems would have to rely on a method of recon-

structuring the domestic industry of Japan that would be sure to develop and improve productivity. In other words, Japan should proceed along the historically progressive road built into the Potsdam Declaration, give concrete forms to the systems of our civil liberty, and by so doing give reality to the power of civil liberty as social productive forces. Moreover, these social productive forces should be continuously improved according to historically progressive ideas. Japan's reformation should be advanced along the historically progressive line proclaimed in the Potsdam Declaration (Uchida 1989c, 85–86).

In the *Economic Review* (Keizai Hyoron) of November 1948, under the pseudonym N. N. N., Uchida referred to a treatise on the philosophy of technology written by Hoshino Yoshiroh, saying:

The businesses of our country have preserved a semi-feudal structure, which has made it impossible to give engineers legitimate positions even when they were the capitalists of the businesses they owned. Under this semi-feudal business structure it was also impossible to establish any real technology. The emphasis was on military-style control of the business, not on business administration based on ability and realized by a rationalized process of labor. Thus, a boss was required instead of the engineers essential for the industry. (Uchida 1989d, 140)

Uchida writes in his review of a play, *The Land of Volcanic Ash* (Kazanbaichi), written by Kubo Sakae, that because of the incomplete logical operation of capitalism in Japan, the rational control of natural forces

has been impeded. He was justifiably aware of the unreasonable position of technology-engineers in Japanese capitalism (Uchida 1988e, 69–75). In Uchida's argument, we find the same understanding of the power structure of Japanese society as in Maruyama Masao's *Theory and Psychology of Ultra-Nationalism*. Maruyama did not regard modern Japan as "Ein neutral Staat." The most important aspect of the country's heritage was that "modern Japan" which had built the basis of its national sovereignty not on a purely formal legal structure, where all internal values such as truth and justice are abstracted, but on the feudal society that preceded it a system of maintaining equilibrium by transferring oppression. Maruyama wrote; "By exercising arbitrary power on those who are below, people manage to transfer in a downward direction the sense of oppression that comes from above, thus preserving the balance of the whole" (Maruyama 1969, 17–18). According to the eulogy given by Maruyama, Uchida and Maruyama were complete strangers to each other before and during World War II, first meeting during the organization of Youth Conference on Culture, but we find a strong influence of Maruyama's ideas on Uchida's concerns about "pre-modernity in Japan," as will be seen here.

4. Progress of History and the Law of Value

Throughout his life, Uchida wished to talk about his aspiration after progress of history, not in terms of the literature of history or the philosophy of history but the science of history. To Uchida, the science of history meant an approach that viewed and studied the dy-

namics of developing productivity in accordance with *the law of value*. This was precisely Marxian economics. Uchida thought that the history of economic thought found only in Marxian economics was the scientific perspective on history. This was precisely why, throughout his life, Uchida paid the greatest attention to the classical economics propounded by Adam Smith, to the history of economic thought and economic doctrinal history, and to Marxian economics. His biggest task was to examine in the economic discourse of each economist whether the dynamics of developing productivity could be explained in light of the law of value. Uchida highlighted Adam Smith and Karl Marx as economists who interpreted the dynamics of developing productivity in the law of value. Uchida writes that the powerful development of productivity—whether it was seen in harmony with the society involved or seen in conflict with it—was interpreted by these two eminent economists as the realization of the law of value.

When they (Smith and Marx) asserted that the labor theory of value consisted of the physiology of bourgeois society, they did not present it as a theory of value, a simple explanation of price principles, isolated from the system of production. In particular, bourgeois society was seen by them as a historically specific form of developed productive-forces . . . they thought that, in bourgeois society, the system of production itself was released from the traditional compulsion by the community and grammatically constructed by an independent *Homo economicus*. By Marx in particular, the system of production itself

and its process formation and movement was self-sufficiently explained through the law of value, as successive, self-moving and consecutive processes of various categories. (The words in the parentheses are mine; the italic are in the original. Uchida 1989c, 94–95)⁴⁾

In his work “The Contradictory Development of Wartime Economics and Economic Theory,” published in the journal *Chohryuh (Current)* in January 1947, Uchida referred to Ohkohchi Kazuo’s following statement in *Fundamental Problems of Social Policies: Economically, Wars really expand society intensively. A social policy whose realization might take scores of years’ enlightened endeavor could be carried out at a stroke. In the clamor of wartime regulations, the steps of social policies silently proceed* (cf. Ohkohchi 1946, 601–03). Here, Uchida admits the fact of wartime regime’s intensively executing social policies and heightening productive forces. Singularly from the perspective of expanding productive forces alone, the wartime thought and mobilization of labor forces should have contributed to social progress at least to a certain limited extent (Uchida 1989e, 113). Uchida’s evaluation of this limited contribution of the wartime regime must have been supported by the perspective on history of the Lectures School (*Kohza-ha*) which regarded the modernization of Japan as a prerequisite for socialist revolution. The following is from the last lecture given by Uchida at Senshu University, published in *The Bulletin of Research Institute for Social Sciences*, under the title “What I have been thinking and what I think now.”

I have no intention whatsoever of denying that the reactionarism of the Nazis was an unforgivable treason against human history However, historical reaction here does not mean restoration or revival of the historically antique, does it? The Nazis did not return to the past. We find some historical progress in the innovations the Nazis propelled The whole body of Nazi politics and economy was permeated by a “capitalist-rationalistic innovation” that must have given a sense of discomfort to the Junkers with their antiquated ideas. (Uchida 1988 b, 332)

Needless to say, the above comments were not made to place any great value on the carnage of wars but were made to evaluate the wartime expansion of productivity resulting in accelerating rationalization, the natural and common process of human history. In other words, they were made to evaluate some of the “unintended consequences” of wartime activities of economies as expressed by Adam Smith through his “invisible hand.” These evaluations were based upon a due realization of the law of value, supported by the Lectures School’s perspective on Japanese capitalism. When the law of value is duly realized, Uchida writes, “Everything old and outdated will be thoroughly recast and rebuilt according to the requirement of capital”; in the market “one commodity, one price” will be realized, and “a system will be established that will never tolerate such inequalities as the unjustly high (or low) estimation of certain financial resources and abilities through the influence of privileges and personal connections (namely the “civilizing influence of capital”).” At the same

time, the productive-forces will be dramatically developed, improving people’s standard of living. Naturally, Uchida was trying hard to deal with the critical problem of overcoming the nation’s poverty in the postwar period. But this was not the only reason why he stressed the importance of developing productivity, however. He recognized the dynamics of developing productivity as the foundation for the historical improvement of human society. He expressed this view as “natural law actualizing itself along with the progress of civilization.”

However, in a talk with Hirata Kiyooki, his favorite student, Uchida spoke of some dissatisfaction with his work in his essays published in the journal *Chohryuh* Uchida recollected, “I feel somewhat unhappy about my excessive approval of productive-forces theory in the raw. I think it made sense to stress productive-forces theory for a better understanding of *Das Kapital*, but through this, I felt that I have been inclined to miss the weight of the theory of absolute surplus value, tending to defend capitalism by emphasizing the theory of relative surplus value” (Uchida 1988j, 534). This reexamination of his work led Uchida to absorb himself in the study of Adam Smith, producing his representative work in the study of history of economic thought, *The Birth of Economics*. His awareness that he had overemphasized the theory of productive forces in the raw meant that the theoretical work seen in *The Birth of Economics* was to study the problem of poverty not primarily as a problem of social inequality but as a problem of social productivity, which was Smith’s understanding of society. Uchida intended to criticize the Smith-style understanding of society

through the discourse of the theory of absolute surplus value of Marxian economics.

II The World of *The Birth of Economics*

1. Smith's Political Economy and British Mercantilism

In 1949, with Ohkohchi and others, Uchida founded the *Adam Smith Society*, which greatly influenced postwar Japan's study of the history of economic thought, and became a member of this *Society*. In same year, Uchida published "The Dissolution of the British Mercantilism and the Establishment of the Classical School of Economics" as volume 8 of *Collected Works on Economics*, edited by *Chohryuh Lectures*. In this article, on the assumption of the above-quoted thesis: "A Study of the Domestic Industry" published in the journal *Chohryuh*, Uchida indicated the superiority of Adam Smith's political economy to the ideas of the British mercantilists. In Smith, the theory of value operated not simply as an explanation of price principles but was grasped as a development of the form of productivity in the history of bourgeois society, and the formation and functioning of production systems were properly and self-sufficiently accounted for by the law of value (Uchida 1989c, 94–95).

In Britain, Uchida argues, because the primitive accumulation of capital proceeded according to the law of value, the development of industrial capital was typically based on the development of productivity. The natural spread of the capitalist mode of production therefore sublated the primitive form of capital accumulation completely. The political power established through the Puritan and Glorious Revolutions advanced this

primitive accumulation of capital, and their policies and ideas were precisely those of the British mercantilism, but the fact that the major subjects promoting the primitive accumulation of capital were landlords and commercial capitalists meant there was a danger of deviating from modernistic ways of accumulating capital. Consequently, the development of the capitalist mode of production made it possible for industrial capital to proceed independently, through the working of violence in a peaceful form (namely, the law of value). Severe conflicts soon broke out between the warped mode of capital accumulation and the modern mode of capital accumulation. The industrial capital, which was the consequence of the whole violent process, came to criticize this process as an "essentially unrelated constraint placed upon them." In this situation was born the classical school of economics led by Adam Smith together with the social scientists with progressive ideas, the youthful representatives of bourgeois society (Uchida 1989f, 183–85). The classical economist Adam Smith identified the two conflicting characteristics in capitalism. "One was the marvelous development of productivity and the other was the extreme social inequalities" (Uchida 1989f, 204). Adam Smith explained the development structure of productivity in the law of value by mediating the theory of productive labor (where surplus value was naturally understood as relative surplus value), thus producing the physiology of the bourgeois society (Uchida 1989f, 204).

With Smith, Uchida indicates, the theory of value was not simply presented as an explanation of price principles but as a development form of productivity in the history of

bourgeois society. Furthermore, says Uchida, Smith completed a comparative historical study of European nations on the basis of productive forces theory, identifying the conditions required to produce a rapid, full scale development of the capitalist mode of production as well as the conditions to impede such a development. Because of this study, Smith's political economy should be regarded as a science of history. Smith's political economy analyzed capital from the perspective of circulation, whereas the comments on current events by mercantilists blinded themselves from the circulation factors. In his analysis of capitalism, Smith went back to the common history of human beings, who had always engaged themselves in production by working on nature, and consider how the relationship between nature and humans worked in a capitalist society. Smith's economic theory is superior not only to that of mercantilism but often to the economic theory of David Ricardo (Uchida 1989f, 209–10).

2. Three Types of Study of Smith

In the introduction to *The Birth of Economics*, Uchida indicates three types of Smith studies. One is the type in which Smith is regarded as the founder of equilibrium theory or welfare economics, namely, those studies that see the conflicts between modern economists such as Hayek vs. Keynes in terms of their interpretations of classical economics. In those studies, the researchers claim replacing Adam Smith by James Steuart. But Uchida says he will ignore this type of Smith study because he thinks that the present opposition should not be understood by comparing Hayek and Keynes but Marx and

Smith (Uchida 1988a, 6–7). It is quite natural for Uchida, who seeks to understand the progress of history in terms of a science of history, to regard Marxian economics definitively as the science of history. Consequently, he considers the history of economics specific to Marxian economics to be the scientific perspective on the progress of history.

The other types of Smith study are those that approach him through *Theorien über den Mehrwert* (*Theories of Surplus Value*), and those coming at him from the perspective of the history of British civil society. In Uchida's view, in the former the range of study has been limited to economics, especially to the theory of value and the theory of surplus value, the "axis" of the study of economics, leaving behind historical studies and "descending to the level of tinkering with the theory of value." The latter kind of study, however, has brought forth a more clarified, integrated figure of Adam Smith, a social scientist with progressive ideas, representing the youthful bourgeois of the period. However, in these studies of Smith, because the theory of value and the theory of surplus value are excluded, they neglect the establishment of a basic science for historical and structural understanding (Uchida 1988a, 6–7). Uchida warns that we should not reduce the study of classical economics to historical studies or researches on the history of ideas, in the process ignoring economics (the theory of value); nor, should we fumble with the theory of value by turning away from the science of history (Uchida 1988a, 13). What we should do, declares Uchida in *The Birth of Economics*, is to illustrate the characteristics of Smith's political economy as a science of history by extensively unifying the study

of Smith from the perspective of *Theorien über den Mehrwert* and that from the perspective of the history of British civil society.

3. Economics as a Basic Historical Science

The supremacy of Marxian economics in Japanese academia is no longer a given, however, rendering Uchida's criticism of the first type of Smith's study relatively unper-
suasive. We might find it natural that the decline of Marxism in Japan as an approach to the study of the history of economic thought has meant the restoration of James Steuart and a reexamination of the position of Adam Smith in the history of economic thought.

How should we understand Uchida's "witnessing the establishment of economics as a basic science of history by extensively unifying the second and the third ways of Smith's study" and "the essence of the study of classical economics should be a part of a most fundamental science of history"? Let us consider these statements by decoding the paragraphs in the introduction to *The Birth of Economics*, titled "Classical Economics as a Science of History."

According to Uchida, before Adam Smith there were two sources of economic thought. One was the natural jurisprudence derived from Thomas Hobbes, and the other was the mercantilist's contemporary views. The former derived from various feudal powers or their ideologues of the period and shouldered the task of materializing the legal body of a new state whose historical mission was to advance violently the primitive accumulation of capital. They laid the basic idea of legislation on the *nature* of civil society itself. Their arguments, therefore, contained

the beginning of analytic statements about the social economy and could embody the idea that "it was a natural fact that every person had one and the same legal capacity to hold rights." Accordingly, all people could be legally equal as possessors of the commodity. They did not, however, identify the *autonomous law of economic substructures*, namely, the law of value.

The latter current, the views of the mercantilist, established the foundation for the *economic policies* of mercantilism to realize the primitive accumulation of capital, analyzing the individual economic policies of their time without searching systematically for the law underlying economic processes. They did not understand value as a medium of metabolic process between nature and humans. Then along came Adam Smith. Smith's economic analysis went deep into the metabolic process between humans and nature (the process of reproduction), trying to identify how the law of value of capitalist society functioned to mediate this metabolic process. Smith also studied how money and capital appeared and influenced the metabolic process. Unlike the mercantilists, Smith's work was a fundamental, all-inclusive analysis of history on the systematic understanding of economic substructures, the law of value (Uchida 1988 a, 3–52). On this basis Uchida finds in Smith the founder of the basic historical science of economics, and, therefore, the forerunner to Marx. Uchida locates *The Birth of Economics* proper in Adam Smith.

4. *The Wealth of Nations* as a Critique of Old Imperialism (Mercantilism)

According to Uchida, it was in Britain that the perspective of social sciences came to

examine the problems of basic economic processes, the country where the industrial revolution took a really classical form and “everything old and outdated was thoroughly recast and rebuilt according to the requirement of capital, and the classical school of economics representing the social sciences of Britain was the first and the sole school where this perspective was taken” (Uchida 1988 a, 25). Uchida stresses the importance of the theory of value and the theory of surplus value in the establishment of the basic historical science of economics, but he indicates that the traditional study of Smith through *Theorien über den Mehrwert* did not incorporate the theory of surplus value into the theories of historical sciences. That is, the authors of such studies abandoned efforts to show “how the economic substructures manifested their historical significance in the theoretical structure of the social sciences” (Uchida 1988 a, 38). Uchida produced *The Birth of Economics* as a multilayered understanding of Smith’s political economy as a historical science of economic ideas strengthened by the theory of value and surplus value.

In the first part of *The Birth of Economics*, Uchida indicates that Smith’s political economy was not born out of the field of political economy alone nor solely out of the consideration of economic phenomena but as a result of studying various concrete facts and phenomena in the light of social scientific and philosophical thought. Uchida traces Smith’s progress from *The Theory of Moral Sentiments* to *The Wealth of Nations* in the thought of Jean-Jacques Rousseau and David Hume, but also in the history of the wars between the European and American imperial-

ists, including the Seven Years’ War of England against France and the American Revolutionary War together with consideration of the historical consequences of the major earthquake that destroyed Lisbon in 1755. Uchida tries to make clear that Smith’s *Wealth of Nations* was a critique of the old imperialists and traditional mercantilism by examining Smith’s attempts to formulate a system of jurisprudence driven by his strong interest in economic problems during his Edinburgh days. For Smith, the world of political economy was decidedly part of jurisprudence, and therefore, for him, systematizing jurisprudence meant to clarify the economic structure of the civil society, the central task of which was to prove the harm and uselessness of monopolies and compulsion contrary to the law of value (Uchida 1988 a, 65–67). Establishment of economic liberalism was the most important task in Smith’s philosophy.

Uchida observes that the compulsion generated by monopoly was doubly understood by Smith as referring to feudalistic monopoly and the monopoly of mercantilism, both of which were his targets, although feudalistic monopoly and the royalist mercantilism constituting the backbone of the Tory Party was not the principal target of Smith’s criticism. The true target of Smith’s criticism, emphasizes Uchida, was the Whig parliamentary mercantilism that emerged after the bourgeois revolution (Uchida 1988 a, 65–67). It was in the transitional period from the landocracy-dominated society to the industrial capitalist-dominated society that the Whig mercantilist monopoly tried to ground its social policies on the so-called “public welfare.” Historical evidence shows the in-

tense rivalry between the feudalistic Tory monopoly and the Whig mercantilist monopoly. Smith, living in this period of transition, criticized feudalistic monopoly but made an earnest effort to reveal the nature of the class system being retained under the guise of “public welfare” on which Whig social policies were based. This criticism of Whig policies by Smith is the basis of Uchida’s emphasis on Smith’s anti-utilitarian position; since utilitarianism, in general, tends to justify legislation and social policies under the name of “public welfare” or “Reason of State.” This position of utilitarianism is identified with the parliamentary mercantilism justifying its policies by appeals to the public welfare in its battle with pre-industrial capital. Smith shouldn’t have stood in the position of utilitarianism, claims Uchida (Uchida 1988a, 100). Proving this position of Smith was the essential point of Uchida’s interpretation of *The Theory of Moral Sentiments*.⁵⁾

III Uchida’s Arguments on Civil-Society Theory and the Study of the History of Japanese Thought

1. Adam Smith’s “System of Natural Liberty”

In his exposition of *The Wealth of Nations*, Uchida showed Smith’s real intentions, his core economic thought expressed in this book. Smith’s idea was to construct an industrial society ruled by the law of one price by opposing upper classes, as well as “revealing the antisocial contents of the upper classes’ selfishness.” “Smith assumed a society with no particular classes or individuals with privileges of any kind, where the selfish behavior of individuals worked for the general good (the way *Homo economicus* should).

Contrariwise, in a society where privileges of some kind were given to particular classes or individuals, the same self-interested behavior of the people would result in antisocial contents and directions” (Uchida, 1988f, 222). This can be said to be Smith’s economic assumption about civil society, as well as the framework of Uchida’s conception of civil society. Uchida emphasizes that Smith’s great achievement lies in seeing industrial society as an economic world ruled by the law of one price, in inwardly sympathizing (going along with) the acting individuals while outwardly analyzing the results of the individuals’ behavior in view of the social division of labor and adopting the idea that what acting individuals plan to do is different from its results, namely, Smith’s idea of “*Homo economicus* and the invisible hand” (Uchida 1988f, 217). This emphasis is the kernel part of Uchida’s interpretation of Smith’s works and Uchida’s theory of civil societies.

According to Uchida, the “system of natural liberty” conceived by Smith as the logical perspective of political economy differed from the capitalist society that David Ricardo witnessed. If a “system of natural liberty” was to come into being, one would be realized in a sort of Utopia of a new civil society, which would evidence “a happy marriage of civil liberty and social productive forces.” Uchida indicates that the social division of labor to increase social productive forces was an essential factor in effectuating a system of natural liberty, and the way the social division of labor should be was assumed by Smith as a way to realize human equality in a society where every member was equal in value as in the sense of “one commodity, one

price.” This idea of a utopian civil society, with its utopian characteristics increased, was succeeded by Saint-Simon in his thought of industrial society, and critically adopted by Karl Marx in his *Outlines of the Critique of Political Economy* (*Grundrisse der Kritik der politischen Ökonomie*). The advancement of the idea of civil society as a “happy union of civil liberty and social productive-forces” created by Smith and succeeded by Saint-Simon and critically re-examined by Marx was the core history of economic thought which Uchida took into the core of his conception of civil societies (Uchida 1988c, 252). In his genealogy of conception of a civil society, Uchida identifies Marx’s “transition from the world of personal dependence to that of material dependence” with Smith’s “transition from the world influenced by privileges and connections to the world of the law of one price” whose completion would establish the “human relationship of a civil society.”

2. Marx and the Civilizing Influences of Capital

In his book *The World of “Das Kapital”* (1966), Uchida uses the production of *Katsuobushi* (dried bonito) in Shizuoka Prefecture, Japan, as an example of the market society described by Marx, which, unlike feudal society, is ruled by the law of one price without tolerating any inequality of unfair evaluation of individuals’ capital or ability under the influence of privileges and connections. Uchida understands the “civilizing influences of capital” as a process of social progress in “the law of one price where everything old and outdated will be thoroughly recast and rebuilt according to the require-

ment of capital.” Uchida says that Marx regards capitalist society as being under a *unique* system of private ownership, which is the *final* stage in the *pre*-history of human societies, namely, before the historical stage of final and real liberation of human beings. Whereas for Smith capitalism is positioned as a liberated society at the historically final stage of social progress, Marx regards existing capitalism as being *contradictory* through his lucid understanding of the positive and negative sides of capitalist societies. In this perspective, the unique character of “wage laborers,” the direct producers in capitalist societies, is recognized by Marx; they have the right to dispose of their labor-power but not the right to dispose of their labor (Uchida 1988d, 261).

Smith assumed of a society where the system of natural liberty properly functioned; Marx positioned capitalism at the final stage in the *pre*-history of human societies, acknowledging the positive side of capitalism; and Uchida defined the “modern *Homo economicus*” in a civil society as a “man of prudence” who, with a true sense of social justice, tries to obtain profits in conformity with the law of equivalent exchange. Uchida thinks that the law of value supporting modern capitalism enters the mind of “the man of prudence” to bring forth “modern ethics” while externalizing itself in legal systems on the basis of modern ownership. By claiming the necessity of establishing a system of natural liberty, Smith aimed to contrast modern *Homo economicus* against the contents of upper classes’ selfishness. By opposing the privileged feudal classes, Smith assumed an industrial society ruled by the law of one price where a system of natural liberty

worked properly (Uchida 1988 a, 86).

3. “Homo economicus” Depicted in Literary Works of the Meiji Period

In *An Intellectual Portrait of Japanese Capitalism* (1967), which was awarded the 22nd Mainichi Prize for Cultural Publication, Uchida indicates that political economy did not constitute the core of Japanese individuals’ thinking, and that the way of life of *Homo economicus* was both praised and denunciated in a history of literature normally thought of as being devoid of economic thought. The *Homo economicus* living in the world of one commodity, one price, became an authentic character in the literary works of Tokutomi Sohoh (1863–1957), Yamaji Aizan (1864–1917), Tokutomi Roka (1868–1927) and others (Uchida 1988f, 86).

According to Uchida, Tokutomi Sohoh, who ended up as a spokesman of businessmen with political contacts, depicted in some of his early works the ideal type of man for a new Japan, hardworking man (*rikisakugata ningen*) and self-reliant, rather than using personal connections to get ahead. Tokutomi Sohoh’s ideal type of man was born out of his own reflections on Meiji society, and Sohoh’s historical conception is seen in his work *The Future Japan*. Sohoh characterized the history of Japanese society as a transition from feudalism to commercialism, from aristocracy to democratism, from artificial distribution to natural distribution. Sohoh aspired to complete a revolution from a feudalistic society ruled by authoritarianism, aristocracy and artificial distribution to a prosumer society, with the sole ruler being the law of one price, where “the amount one consumed” was “always equilibrated with

the amount one produced.” The hero of such a prosumer society that Sohoh aspired to was the hardworking man exercising his ability to the full and who pursued secular success in his life. In Sohoh’s work, we see for the first time in Japanese literature “the hardworking man,” the ideal of “modern *Homo economicus*” (Uchida 1988f, 91–99).

Uchida says that Yamaji Aizan studied Ogyuh Sorai (1666–1728), who advocated a “spirit of independence” and “freedom of thought” in order to “excavate the development of modern thought arising from within Japan.” This is exactly why Uchida examined the works of Yamaji Aizan and other literary men of the Meiji period in order to find the embryo of “modern *Homo economicus*” in literary works of the time. According to Uchida, Yamaji Aizan became an ideological convert around the time when he wrote *Essays on the Modern Japanese Church*, frankly confessing to Uchimura Kanzoh, a famous promoter of the Non-church movement, saying “Why do I have faith in imperialism?” Even after his conversion, Yamaji continued to emphasize the importance of “freedom of thought” and a “spirit of independence.” Therefore, “unlike Tokutomi Sohoh who discarded the core of his idea, Yamaji’s conversion did not mean a total reversion of his earlier ideas.” In his early work, *Ogyuh Sorai* can be found the perfect original forms of his thought. As Sohoh exemplified in his theory of knowledge and education the two basic categories of the economic personality, the hardworking type and the personal connection type, Aizan in *Ogyuh Sorai* opposed “ear” people to “eye” people. “Ear people” were those who followed what they heard about, and “eye people”

were those who trusted what they had witnessed with their own eyes. It was not the ear people, who had now descended to the level of men with extensive knowledge but no substantial learning (to use Fukuzawa Yūkichi's terms), and who were entirely dependent on the import of finished products, who were fit to run modern Japanese society, but the eye people, with their independent, enterprising, and spontaneously productive spirit (Uchida 1988f, 100–07).

With occasional reference to Jean-Jacques Rousseau's ideas, Uchida notices in the works of Tokutomi Roka the sprouts of self-dependent, enlightened individuals fit for shouldering the new age of typical-mercantilism, which was quite different from an absolutism supported by personal influence. Uchida paid attention to Roka's statement in *Nature and Human Life* to the effect that the wealth of the universe is contained in a small garden of ten square meters, seeing in it one of Rousseau's themes that for "natural man," isolated from civilized society, "fame ceases to be its own end." Moreover Uchida indicates that, as with the "natural man" in Rousseau, so for the dweller of a society in its natural state, "wealth ceases to be a means of feeling superior to others" and the ideas of superiority over others becomes meaningless to him. Consequently, for Roka, just as for Rousseau, the "natural man" constitutes a way of criticizing "the people living in the existing society" (Uchida 1988f, 119–20).

4. Taguchi Teiken and Bourgeois Rationalism

Comparing Japanese capitalism with the typical horizon opened up by the bourgeois revolution—establishment of the private prop-

erty system, freedom of land ownership, freedom of trade, equality of people under the law, establishment of free competition—, Uchida adopts the same perspective as the Lectures School (*Kohza-ha*), observing that Japanese capitalism, having dragged feudalistic elements along with it in an incomplete modernization of the social system, has been highly developed but within a framework of absolutist political institutions. Since Japanese capitalism has achieved high economic growth while still at an underdeveloped level of rational capitalism, the bourgeois rationalism that went hand in hand with typical-mercantilism never became dominant enough to mark an era. Before bourgeois rationalism could establish a firm foothold, socialism came to the fore, the consequence of which was the birth of twins, socialism and individualism, as *new* ideas opposing absolutism. The simultaneous appearance of these twins, which are essentially opposing ideas, constitutes a characteristic of the history of Japanese thought. One of the twins, individualism, has only been considered within the context of the history of modern ego formation in the fields of literature and philosophy. It has not been considered in relation to secular rationalism; that is, it has not been illuminated in terms of bourgeois rationalism in the history of economic thought. As a result, the study of Japanese intellectual history has abandoned the search for the birth of *Homo economicus* and the aspiration for civil society (Uchida 1988g, 310–11). It is to fill in this blank in Japanese intellectual history that Uchida discusses the bourgeois rationalism of Taguchi Teiken.

By reading *A Brief History of Japanese Enlightenment* and other books written by

Taguchi Teiken, Uchida summarizes Taguchi's criticism of absolutism from the viewpoint of "laissez faire," meaning "in the normal state of human society, the selfish behavior of the people by chance contributes to the good of society." Taguchi discussed freedom of trade as a part of the theory of free trade but, Uchida says, his discussion was not based on the very industrial capital, which claimed various industrial protection policies, including freedom of trade, but on the trading capital that influenced the growth of provincial industrial capital (Uchida 1988 g, 320). By opposing capitalist rationalism to an absolutism in which the order or system was forever the essential spirit of the society, Taguchi tried to eradicate every outdated moral and institutional codes in order to instill a typical mercantilism whose spirit and essence was capitalist rationalism. In such theoretical attempts of Taguchi, one can see some intention and possibility of overturning absolutism for typical mercantilism (Uchida 1988 g, 320).

It is exceptional with Uchida to discuss a theory of modern *Homo economicus* in the field of economic thought in Japan. He persistently sought out the multifaceted appearance of modern *Homo economicus* in Japan in the history of its literature. Such work was necessary for him to show that, unlike Britain where the liberation of the people from oppression was accomplished simultaneously with the development of productivity, in Japan the thought of the citizen took the form of anti-civil theories. This characteristic of Japanese social thought is illustrated in "A New Study of Saint-Simon" published in the journal *Shisoh (Ideas)*, in August 1962. This essay was written in the form of a review of

Sakamoto Keiichi's study of Saint-Simon, however, Uchida's main argument is that, faced with the lamentable aspects of careerism and "economism" in real life, Japanese people and intellectuals have refused to concern themselves with economic issues and have instead developed anti-economic, non-economic and even antisocial ideas. Essentially, these ideas are incompatible with an economic system ruled by the "one commodity, one price" principle and characterized by an absence of influence by privilege and personal connection. This tendency of anti-economism in Japanese social thought contrasts strongly with the tradition of French social thought of Saint-Simon, which tolerated "inequality of ability" in advancing an economic system where "one commodity, one price" was to be properly realized (Uchida 1988 h, 231). Uchida criticizes Sakamoto's argument that Saint-Simon argued for the social theory of the bourgeoisie in admitting inequality of ability, saying:

Displaying abilities extends properties and inequality of ability necessitates inequality of properties. *In this sense*, natural inequality of ability and financial resources cannot but be admitted, however, this does not mean tolerating inequality of influence, in the form of privileges and personal connections on the evaluation of individual abilities or financial resources. The "*principle of private property*" is understood by Saint-Simon as enabling unequal evaluation of abilities and financial resources through the influence of privileges and personal connections. The point of Saint-Simon's contemporary opinion is to submit the essentially bourgeois principle of real-

izing the law of one price as an equal and public principle of society by opposing the “*principle of private property*.” (Uchida 1988h, 254, italic in original)

Therefore, in his discussion of Rousseau published in the journal *Bungaku* (*Literature*), in August 1963. Uchida writes, “I do not think of the issue submitted by Rousseau as completely contradictory to the issue presented by Saint-Simonians in their attempt to reform the world of music to fulfill their mission of replacing the control by the ability (*nohryoku no shihai*) for the control by the credit of the store (*noren no shihai*)” (Uchida 1988i, 194). To Uchida, Adam Smith’s “system of natural liberty,” Karl Marx’s “civilizing influence of capital,” Saint-Simon’s “meritocracy,” and Jean-Jacques Rousseau’s “natural man” were all valid grounds on which to reveal the antisocial nature of the selfishness of the privileged feudal classes. Moreover, these were essential notions in enabling Uchida to reveal the remnants of pre-modern Japan while formulating an antiauthoritarian, flexible, and fair society for this country.

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Notes

- 1) In the main text, I follow the Japanese custom of placing family names first.
- 2) Uchida’s “Noma Experience” later laid the foundation for his essays on learning and knowledge, which were discussed in his works of the 1970s–1980s. Uchida’s essays on learning and knowledge were the most important part of his work, but I cannot go into detail here because of the limited space (cf. Suzuki

2010, 99–176).

- 3) Uchida’s “Noma Experience” reminds me of Kant’s “Rousseau Experience.” Kant wrote, “There was a time . . . when I despised the rabble who knows nothing. Rousseau has set me right. This blinding prejudice vanishes, I learn to honor human beings.” (Kant 2011, 96)
- 4) Uchida’s claim that the labor theory of value should not be taken as the sole explanation of price principles but should be studied in close relation to the system of production which has been revolutionized daily through the developing productivity of a historically specific development of bourgeois society, was put forward as a criticism of his friend and his opponent in argument, Kobayashi Noboru, specifically his works on Adam Smith and Sir James Steuart.
- 5) This may be an explanation for Uchida’s lack of comment on the historical significance of the “theory of sympathy” in *The Theory of Moral Sentiments* in relation to developing a theory of social formation to replace social contract theory (Suzuki 2010, 49–54).

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