

Globalization and Vernacularization in Economic Thought

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1. Intercultural Perspective in Economic Thought

Professor Schefold included Miura Baien's *Kagen* and Huan Kuan's *Yantie-lun* in the facsimile reprint series he edited, *Klassiker der Nationalökonomie*. Both texts were translated into a Western language, i.e. German and printed in separate books together with several commentaries including ones written by the editor himself. Before this brave decision Prof. Schefold printed in this series Ibn Khaldun's deep insight into the socio-economic structure of the Islamic dynasties in his *al-Muqaddimam*, in addition to several ancient Greek and Roman classics that were neglected even by most Western historians of economic thought. However, the inclusion of two East Asian classics is more memorable in the respect that they belong to another cultural world that is totally independent of the Greco-Judean cultural tradition. Thus the necessity of an "intercultural perspective" in economic thought emerges as a consequence of this inclusion.

Culture is a complex of various beliefs that are generated and reproduced by the multi-layered life of human population. It consists of "material beliefs" that are applied in the concrete actions of economic life, but also of "immaterial or cosmological beliefs" that provide people with an intellectual frame of reference by which people understand their action in their meaningful world. If we use the term of Karl Polanyi, every economic actions are embedded in the social life that is inseparable from its peculiar cultural and institutional settings.

The "intercultural perspective" is fitted more to the "substantialist" position than that of "formalist" that maintains the universality of the efficiency criteria beyond the diversities in the level of culture and institution. However, it does not abandon the investigation of finding similarities in different settings. It argues for the functional equivalence of different beliefs in their peculiar settings and also for the comparative studies of the economic thought in different cultural worlds.

However, there is a good reason for East Asian researchers in particular to go further, since they are themselves the product of the marriage of the traditional culture and the Western learning. In the transformation process of the socio-economic thought of East Asian nations in the 19th and 20th century, the transfer of Western ideas played an essential role besides the endogenous growth of the traditional thought. Multitude of different cultural worlds got into direct transactions in their socio-economic relations. The beliefs, whether being derived endogenously or exogenously, were tested by the transactions in various levels and transform themselves as well as the constitution of cultural settings.

2. "Globalization" and "Vernacularization"

In the last decades of the 20th century the "intercultural perspective" faded away among Japanese researchers in accordance with the progress of intensive investigation into

Western classics. On the other hand, economic thought of other cultural world such as the Chinese, the Korean, the Indian and the Islamic are totally neglected with the exception of that of the home country. A Western modernist bias is thus apparent in the research interest of the members of our Society.

Comparison presupposes a stable distance between the two that are to be compared. Probably the disappearance of the sense of the distance among young generations has contributed to some extent for the weakening of the "intercultural perspective" among researchers. However, in my view, Japanese researchers are not well prepared to the age of "globalization", in which, paradoxically enough, the very disappearance of the barrier of distance is revealing the diversities of the people that live in different cultural settings and show diversified reactions to the common destiny of the "globalization". To most of the societal units of the people "globalization" is an exogenous challenge that engenders the danger of losing their cultural identities. On the other side the same "globalization" provide them with the chance to renovate their cultural heritage by assimilating new elements. Schumpeter may call it as a "creative response" to the changing circumstances. I prefer to call it the process of "vernacularization" paying respect to Ivan Illich's deep insight into the communal aspect of the economic life. The "vernacular" means originally the local language that is used by common people without a unified teaching in the school. All modern Western national languages were once "vernaculars" that were graded under the formal common language of the Latin.

Whether the rapid integration of the world economy promotes the "vernacularization" or the convergence under the hegemonic culture is still not clear. However, the core of the cultural problem consists not in the conservation of tradition per se but in the recognition of the autonomy of the people concerned. In several branches of the movements of alternative globalization, the principle of subsidiarity is interpreted in such a way and demanded its incorporation in the cultural policy in the global level.

3. Types of Vernacularization in Modern Japan and China

The intellectual history of East Asian nations after the mid of 19th century was full of the dynamics that was moved by the transfer of new ideas and their assimilation in traditional settings and/or the recombination of the settings.

Prof. Komuro would focus on Fukuzawa Yukichi and discuss his relationship to the traditional backgrounds. Fukuzawa was a devoted advocator of the Western civilization, which he interpreted as the teaching of self-esteem and independence of individuals. In this sense, the Western civilization had the universal validity to him. On the other hand, he was fully aware of the task of "vernacularization", since he always paid efforts to mould the transferred ideas into accessible forms to the common people. The political utility for the national autonomy was adopted as the criterion in the assimilation of elements of Western culture. The critical thought against the existing order of the society such as socialism and communism were excluded from the list of assimilation.

I would mention Kawakami Hajime as the representative figure of another type of "vernacularization". In his youth Kawakami was deeply impressed by the patriot scholar of

the same prefecture, Yoshida Shoin, and grown into an academics of nationalist tendencies. It was Kawakami that recognized the value of Baien's Kagen before anyone else. He paralleled Baien with Adam Smith and called Baien as the ancestor of Japanese political economy. However, the policy stances of two ancestors were opposite; in clear contrast to Smith's liberalism, Baien remained as the supporter of class system and regulative policies of feudal clans. Kawakami kept his dissatisfaction to the liberal Western economics, since to him economics must be the art of the salvation of the people from adversities as the traditional concept of the "economy" (Keizai) told him. He was deeply annoyed by the discrepancy between self-interest and altruism and after the long quest for the renewal of economics found finally in Marxian economics his last resort. In the eyes of younger generation, lots of traditional moralist elements were intermingled in Kawakami's Marxism. Younger generation accepted Marxism as they thought that it represented the newest intellectual trend of the world. Kawakami's conviction in Marxism survived prison and war years until his death in 1946. To ordinary Japanese Kawakami personified the valuable bridge between the old tradition of the moralist scholar and the modern criticism of Marxism.

Though I am not a specialist in the modern Chinese history, the intermingled process of the Westernization and vernacularization of Chinese intellectuals seems to me more dramatic than that of Japan, since the same person had to assume plural roles successively or at the same time. Under the hard pressure of the traditional learning, Yen Fu (嚴復), the translator of Smith's *Wealth of Nations* and Spencer's *Theory of Social Evolution* could not become the intellectual leader of the Westernization. The break of the modernity in the intellectual world of China started like a revolution in 1919, together with the May-Fourth Movement of students. The two leaders Chen Du-xiu (陳獨秀) and Li Ta-chao (李大釗) soon adopted Marxism and founded the Communist Party in 1921. Chen introduced an orthodox teaching of Marxism, while Li animated Marxism with his voluntarism derived from traditional philosophy. Whether the comparison between Fukuzawa and Yen Fu, Kawakami and Li make sense, and what were traditional factors that generated the difference of the setting in both nations? This is a really tempting question.

(Very provisory! Please don't quote!)