

The Origins of Japanese Communism, Debate over “Two-Stage Revolution” and the American Occupation

The Meiji Restoration: A Bourgeois Non-Democratic Revolution

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This article follows the standard Japanese practice of listing family names before given names. With the exception of the Japanese Communist Party, which is always given in English, the names of Japanese institutions and organizations are rendered in romaji transliterations. The first time a transliterated name appears, the English translation is given in parentheses.

Today, Germany and Japan are second only to the United States as the major capitalist-imperialist powers in the world. In the mid 19th century, both these countries underwent “revolutions from above” which removed the feudal (in Japan) and feudal-derived (in Germany) obstacles to their subsequent development as modern capitalist societies and states. In Germany, Prussian chancellor Otto von Bismarck waged a series of wars from 1864-71, unifying the country under the Hohenzollern monarchy and modernizing the state structure. Bismarck’s actions greatly strengthened an already economically ascendant industrial, financial and commercial bourgeoisie. In Japan, a section of the old warrior caste, wielding the image of the Emperor Meiji, ousted the feudal regime in 1867-68 to build up the Japanese military and enable it to stand up to the encroachments of the Western powers. In the following decades, they created a Japanese industrial bourgeoisie. By the beginning of the 20th century, Germany had become the strongest industrial capitalist state in Europe, Japan the only industrial capitalist state in Asia.

Both Western and Japanese academics have long recognized the substantial similarity of the course of development of Germany and Japan. However, when the Japanese Communist Party (JCP) was founded in 1922, Japan was much more backward in all major respects—social, economic and political—than Germany; not only the Germany of the interwar Weimar Republic but also the pre-1918 Germany of the Hohenzollern monarchy. The emperor ruled not merely “by the grace of god” but as the descendant of the sun goddess, the mythical founder of the Japanese nation. Half the Japanese labor force was still engaged in agriculture, for the most part utilizing pre-industrial technology.

While the leaders of the early Communist International (CI, or Comintern) sometimes referred to Japan as the “Prussia of the East,” there was no unanimity on the nature of Japan as an advanced, industrial society qualitatively similar to Germany. The main CI leader assigned to help the Japanese party, Nikolai Bukharin, insisted that Japan remained “semi-feudal.” Beginning in the fall of 1922, the CI sought to impose on the JCP cadre Bukharin’s analysis of Japan, and with it the two-stage schema of revolution which the CI was then imposing on all the young Communist parties of the East. The JCP was instructed to fight for a bourgeois-democratic revolution in which the Communist Party would join with the liberal bourgeoisie and the peasants in overthrowing the monarchy; it was only with the completion of the bourgeois-democratic stage that the Communist Party was to begin the fight for socialism. Moreover, those in the CI leadership responsible for the JCP failed to straightforwardly apply the lessons of Bolshevik organization under tsarist repression—the need for a stable émigré leadership center and network of couriers to maintain contact with and provide propaganda for underground party cells in Japan. Thus the JCP was set up to be destroyed by the severe state repression.

Under the impact of the burgeoning bureaucratic degeneration of the Soviet state and party, the Communist International in the fall of 1922 was showing the first signs of abandoning its internationalist purpose (see “Rearming Bolshevism: A Trotskyist Critique of Germany 1923 and the Comintern,” *Spartacist* No. 56, Spring 2001). The isolation of the Soviet Union and the extreme backwardness of the old tsarist empire—made worse by the destruction wrought by World War I and the Civil War of 1918-20—led to the development of a bureaucratic caste within the world’s first

workers state. This bureaucracy usurped political power from the proletariat at the Thirteenth Party Conference in January 1924 and toward the end of that year Stalin propounded the dogma of building “socialism in one country,” the theoretical rationale for this conservative, nationalist layer.

Over the next decade the zigzags and increasing class collaborationism of the Comintern’s policies, first under Zinoviev and then under Bukharin and Stalin, led to disaster after disaster as the Communist parties were gradually transformed into border guards for the Soviet Union and instruments of its foreign policy. Trotsky fought the CI’s growing misleadership of revolutionary struggles. Standing on the political heritage of the Comintern’s first four congresses, he built the Left Opposition in battle against the CI’s abandonment of a revolutionary perspective, especially in China. There the program of “two-stage revolution” provided the cover for the subordination of the interests of the Chinese proletariat to those of Chiang Kai-shek’s Guomindang (with which the Soviet Union was seeking an alliance against British imperialism). The result was the strangling of a nascent proletarian revolution in 1925-27: the “first stage” was the Chinese Communists’ political liquidation into the bourgeois-nationalist forces, the “second stage” was the physical extermination of the Communists and advanced workers at the hands of these same bourgeois forces, most notably in the Shanghai massacre of April 1927.

Forcibly exiled from the Soviet Union in 1929, over the next decade Trotsky built a movement which resulted in the founding of a new communist international, the Fourth International, in 1938. The Comintern’s degeneration culminated in the adoption of an explicit program of class collaboration (the “popular front”) at the Seventh CI Congress in 1935. In 1943, Stalin dissolved the Comintern in the interests of his World War II alliance with British, American and French imperialism.

Trotsky did not write specifically about Japan until the 1930s, and then only infrequently and mainly in articles about the military situation in the Pacific leading into WWII. By this time the JCP had been crushed by state repression. In a 1933 article Trotsky commented that the Meiji Restoration represented “not a ‘bourgeois revolution,’ as some historians say, but a bureaucratic attempt to buy off such a revolution” (“Japan Heads for Disaster,” 12 July 1933). However, Trotsky viewed Japan as a full-fledged imperialist power, standing on a qualitatively higher level of social and economic development than semicolonies like China. He defended China against Japanese imperialist invasion in the 1930s. A resolution adopted at the founding conference of the Fourth International stated with regard to Japan: “Bourgeois property relations and the capitalist system of exploitation, extending over both the proletariat and the peasantry, decree revolutionary overthrow of the ruling class and the establishment of the dictatorship of the proletariat as the only reed of salvation for both workers and peasants” (“The War in the Far East and the Revolutionary Perspectives,” September 1938, *Documents of the Fourth International*).

Taking off from Trotsky’s 1933 comment about the Meiji Restoration, the Spartacist Group Japan (SGJ), Japanese section of the International Communist League, had the position that the Meiji Restoration represented an “incomplete” bourgeois-democratic revolution. For example, the SGJ wrote that “The Meiji Restoration was not a bourgeois revolution, but a defensive measure by the feudal bureaucracy for themselves” (*Spartacist* [Japan] No. 16, May 1994).

This present article is the result of some extensive research and discussion within the ICL on the development of Japanese capitalism and the history of the early JCP, in the course of which the Japanese comrades have come to change their understanding of the Meiji Restoration and its implications. However, we recognize that our article is limited because the research is based mainly on English-language sources, as well as some newly published material from the Comintern archives (see endnote).

Social Origins of the Meiji Restoration

Japan’s revolution from above in the late 1860s resulted from the intersection of two deeply rooted historical developments: the slow decay of Japanese feudalism caused by its own inner contradictions and the violent intrusion of Western imperialism in East Asia.

The Japanese feudal polity was marked by a curious dualism between the emperor and the *shogun* (generalissimo or commander). The emperor was universally recognized as the supreme authority of the Japanese nation. However, throughout the history of medieval Japan real power was wielded by the *shogun*, a member of one of the most powerful feudal clans. The emperor remained secluded, often forcibly, in Kyoto, a semi-mystical figure uninvolved in the actual course of political events.

In 1600, Tokugawa Ieyasu defeated his rivals in the famous battle of Sekigahara and established the Tokugawa shogunate (or *Bakufu*), which ruled Japan for the next two and a half centuries. Through a policy of rigid national isolationism, Japan preserved its independence during the first phase of Western imperialist expansion in the era of mercantile capitalism. The *Bakufu* also effectively suppressed the warfare among the *daimyo* (feudal lords) which had been endemic to medieval Japan. However, the very successes and stability of the Tokugawa state set in motion social forces which eventually led to its overthrow.

With an end to the continual warfare, the hereditary warrior caste, the *samurai*, lost its traditional role in Japanese society. Barred from engaging in trade, many *samurai* became impoverished and deeply alienated from the existing order. Some became *ronin* (wandering men), or masterless *samurai*, owing fealty to no lord and professing no fixed occupation.

The long Tokugawa peace, the *Bakufu*'s construction of a network of roads connecting different parts of the country, and the development of coastal shipping all facilitated a substantial and steady increase in agricultural production and handicraft (pre-industrial) manufactures. The main beneficiary of this economic growth were the *shonin* (merchants), especially the big rice dealers of Osaka like the Mitsui family. Many a *daimyo* and *samurai* found themselves deeply in debt to the powerful merchant families.

However, the further development of mercantile capital in Japan was blocked by the prohibitions on foreign trade, restrictions on the purchase and sale of land and the division of the country into hundreds of *han* (feudal domains), each with its own border guards and currency. By the first decades of the 19th century, the frustrated ambitions of the great merchant houses and their allies in the cities converged with the discontents of nationalistic, modernizing elements among the *samurai*. Historians have called this the union of "the yen with the sword."

E. Herbert Norman wrote in 1940 a pioneering study on the origins of modern Japan, *Japan's Emergence as a Modern State* (Toronto: UBC Press, 2000 [1940]), which drew heavily on the rich historical scholarship of Japanese Marxist intellectuals. Norman explained:

"The *chonin* [townspeople] felt that their own prosperity was closely tied to that of the warrior and noble classes, their customers and debtors. For this reason the *chonin* never dreamed of making a frontal assault on feudalism as a system, although they were prepared to finance a *political* movement against the *Bakufu* in concert with rival feudal elements." (emphasis in original)

The son of Canadian Protestant missionaries, Norman spent his childhood in rural Japan in the 1910s and '20s. Under the impact of the rise of fascism in Germany in the early 1930s, he was attracted to the left and briefly joined the British Communist Party while a student at Cambridge University. For this, among other reasons, Norman's book was buried, particularly by American academics, during the Cold War. Then a member of the Canadian diplomatic corps, Norman was hounded to his death by the American McCarthyites, finally committing suicide in 1957.

According to the traditional feudal hierarchy, the peasants stood below the *samurai*, but above artisans and merchants. The growth of trade and a money economy undermined the traditional structure and stability of the Japanese village, with a few peasants becoming richer and others falling into penury. A growing population of urbanized (propertyless) manual laborers came into being. Early 19th-century Japan saw a rising incidence of peasant revolts against feudal exactions and also rice riots in the cities directed against merchant speculators and the government officials who protected them.

The growing social tensions in late feudal Japan were brought to a critical point, resulting in civil war, by the direct threat of Western military conquest. In the 1840s, the Japanese ruling classes looked on with shock and trepidation as Britain defeated and humiliated China in the Opium War, annexed Hong Kong and reduced the “Celestial Kingdom”—the center of East Asian civilization since time immemorial—to semicolonial subjugation. In 1853, an American naval fleet under Commodore Perry forced its way into Tokyo Bay, demanding trade concessions. Unable to resist militarily, the Tokugawa shogunate agreed to unequal commercial treaties with the United States and the European powers and granted Western nationals extraterritorial legal rights in Japan.

These concessions led to an organized opposition to the *Bakufu* expressed in the slogan: “Revere the emperor! Expel the barbarian!” In other words, only a strong central government ruled directly by the emperor could preserve Japan’s independence. The anti-Bakufu forces were concentrated in the domains of 86 *tozama* (“outside” lords), the historic enemies of the Tokugawa dynasty. These oppositional *han* now came under the de facto leadership of modernizing *samurai* who built up their military strength along Western lines.

The decade-long maneuvers and struggle for power between the *Bakufu* and the *tozama*—with four clans, Satsuma, Choshu, Tosa and Hizen, in the leadership—culminated in 1868 in a brief civil war which ended with the defeat of the *Bakufu*. Breaking sharply with Japanese feudal tradition, Choshu enrolled peasants and other commoners into its army. The victors established a new government in the name of the supreme authority of the Emperor Meiji. Hence this historical event is called the Meiji Ishin (Restoration). However, the leaders of the new regime mostly governed independently of the emperor, who was seen to be above the political battles of the time.

Over the next few years, this regime introduced a series of measures amounting to a revolutionary transformation of broad scope: recognition of the legal equality of all classes, abolition of feudal dress, establishment of state schools, reform of the calendar, formal emancipation of the forebears of the Burakumin (considered a pariah caste because they dealt with dead animals and leather tanning), removal of the feudal ban on alienation and partition of land, establishment of the freedom to choose one’s occupation, etc. Japan imported the most modern industry and technology. In the 1870s, more than 2,000 experts—mathematicians, scientists, engineers—were recruited to teach the basic sciences that made modern industry possible. For training in engineering, government technical schools were established with foreign instructors, while the best Japanese students were sent abroad to master the most up-to-date techniques.

While the forces leading the Meiji Restoration were internal to Japan, their success was strongly conditioned by favorable international circumstances. The main rival Western powers were unable or unwilling to intervene decisively at this critical juncture in Japan’s history. Tsarist Russia, which had ambitions toward the Kurile Islands on Japan’s northern fringes, was still recovering from its defeat at the hands of Britain and France in the Crimean War of the 1850s. The United States was internally preoccupied with the deep political fissures and profound socio-economic dislocations of its own momentous Civil War a few years earlier. The interventions of Britain and France in Japan in a sense cancelled each other out, with the latter supporting the *Bakufu* and the former the anti-Tokugawa forces.

More generally, for all of these Western states China was the main target and great prize in East Asia, with Japan regarded as relatively poor pickings. As Norman put it, “It was the sprawling prostrate body of China which acted as a shield for Japan against the mercantile and colonial greed of the European Powers.” Thus in the historical short run, the Japanese ruling classes had a wide latitude to radically restructure their state.

Toward a Dialectical Understanding of the Meiji Restoration

How can one characterize the Meiji Restoration as a bourgeois revolution if it was not led by the bourgeoisie? The bourgeoisie did not directly lead the French Revolution either—the Jacobins were led by lawyers like Robespierre and other petty-bourgeois professionals, supported by the urban

artisan masses and land-hungry peasants. However, it was the commercial and financial bourgeoisie who were in a position to benefit from the overthrow of the monarchy and the abolition of feudal impediments to national economic development, laying the basis for a nascent industrial bourgeoisie within two generations. The lower *samurai*, who spearheaded the Meiji Restoration, could legitimately be described as a military-bureaucratic caste or stratum. In order to survive as a nationally independent ruling class, they had to transform Japan into a modern industrial capitalist country and therewith foster the development of an industrial bourgeoisie. Their policies and actions led within two generations to the development of an industrial/financial bourgeoisie as the dominant social class in Japan.

Here it is instructive to look at the Bismarckian “revolution from above” in Germany. In doing so it is also necessary to recognize certain fundamental differences, as well as important parallelisms, between Germany and Japan in the late 19th century. Germany stood at a qualitatively higher level of economic development, with a substantial industry and an already economically dominant bourgeoisie which, however, confronted a rapidly growing, socially and politically conscious proletariat.

The extension of the socio-economic achievements of the French Revolution to western and southern Germany through military conquest under the Napoleonic empire gave a powerful impetus to the development of industrial as well as commercial capitalism. On the eve of the Revolution of 1848, Engels wrote of the German bourgeoisie:

“Although its advance during the last thirty years has not been nearly as great as that of the English and French bourgeoisie, it has nevertheless established most branches of modern industry, in a few districts supplanted peasant or petty-bourgeois patriarchalism, concentrated capital to some extent, produced something of a proletariat, and built fairly long stretches of railroad. It has at least reached the point of having either to go further and make itself the ruling class or to renounce its previous conquests, the point where it is the only class that can at the moment bring about progress in Germany, can at the moment rule Germany.”

— “The Constitutional Question in Germany” (June 1847)

However, during the upheaval of 1848 the bourgeoisie’s fear that a radical democratic revolution would be but a prelude to a “red revolution,” centrally based on the urban working class, drove it into an alliance with the forces of monarchical reaction. Marx and Engels concluded that the European bourgeoisie had already turned reactionary. As a result, Marx ended his address of the Central Authority to the Communist League in March 1850 with the famous cry for “The Revolution in Permanence.”

With the further rapid development of industrial capitalism, the main body of the German bourgeoisie formed an alliance with the Prussian landed nobility (the Junkers), which laid the basis for Bismarck’s “revolution from above” in the 1860s. Bismarck began as a political representative of the Junkers and had been an extreme reactionary in the Revolution of 1848-49. But he represented this feudal-derived class in the era of industrial capitalism, in which Prussia confronted more advanced bourgeois states: Britain and France. Bismarck came to understand that only the industrial/financial bourgeoisie could transform Germany into a comparably advanced state and thereby ensure the survival, and indeed prosperity, of the old landed classes as well.

In the late 1880s, Engels wrote in this regard:

“A person in Bismarck’s position and with Bismarck’s past, having a certain understanding of the state of affairs, could not but realise that the Junkers, such as they were, were not a viable class, and that of all the propertied classes only the bourgeoisie could lay claim to a future, and that therefore (disregarding the working class, an understanding of whose historical mission we cannot expect of him) his new empire promised to be all the stabler, the more he succeeded in laying the groundwork for its gradual transition to a modern bourgeois state.”

—Engels, *The Role of Force in History* (1887-88)

The Prussian Junkers became large-scale agrarian capitalists and the Hohenzollern monarchy operated effectively free of parliamentary control. While the Reichstag (parliament) had some influence over domestic policies, it had no effective control over foreign affairs and the military. As Engels wrote in 1891: “The German empire is a monarchy with semi-feudal institutions, but dominated ultimately by the economic interests of the bourgeoisie” (“Socialism in Germany”).

Considered dialectically, the Meiji Restoration was led by a bourgeoisie in the process of becoming. This understanding was expressed in one of the earliest Soviet studies of the subject, written in 1920:

“We may conclude that Japan, having changed its economical structure, still did not possess the class of bourgeoisie which could take over the rule of the country. It was the class of feudal lords that remained in power. They acknowledged the changes which had happened in Japan, rejected all outmoded feudal norms and started the rapid development of capitalism.... Hence, the term ‘revolution’ may be used in relation to the Meiji Ishin only conventionally. It may be called ‘bourgeois’ only from the viewpoint of its results, which does not mean at all that the bourgeoisie played the most important role at that time.”

— O.V. Pletner, *The History of the Meiji Era*, quoted in Julia Mikhailova, “Soviet-Japanese Studies on the Problem of the Meiji Ishin and the Development of Capitalism in Japan,” in *War, Revolution and Japan* (1993)

A Bourgeois-Democratic Revolution Was Precluded by History

For Marxists, a bourgeois-democratic revolution is centrally defined by its socio-economic (i.e., class) content, *not* by a change in the form of government. The classic bourgeois-democratic revolutions in England in the 1640s and France in 1789-93 overthrew absolutist monarchies that were the political organs of the landed nobility. Mobilizing the peasantry and urban lower classes, the mercantile (i.e., pre-industrial) bourgeoisie achieved political power through the Cromwellian Commonwealth in England and the Jacobin regime and later Napoleonic empire in France.

To view the classic bourgeois-democratic revolutions as a template for all subsequent capitalist development—as did the Mensheviks in their stagist schema for tsarist Russia, and subsequently Stalin/Bukharin in the case of the semicolonial countries—is *ahistorical and undialectical*. When in July 1789 artisans, shopkeepers and day laborers in Paris stormed the Bastille, France was the strongest absolutist (i.e., late feudal) state in Europe. The revolution greatly enhanced the economic and military resources of the French state, enabling Napoleon Bonaparte—a onetime protégé of Robespierre—to conquer and transform much of Europe. The masses had to be mobilized to break a path for capitalist development in France (and earlier in England). This was also partially true in a somewhat later period in the United States and Italy. But it is not true for Germany or Japan. There is no necessary connection between democracy and the development of capitalism.

The “bourgeois revolutions from above” in late 19th-century Germany and Japan were not exceptions to some historic “norm” set by the French Revolution. They were instead the outcome of the intervening history since the French Revolution. The only way for the ruling classes in Germany and Japan to avoid invasion and subjugation by Britain, France or the United States was rapid industrialization. They were able to propel their nations into the ranks of the imperialist powers by clearing out the feudal obstacles to capitalist development from above, in the process transforming themselves into capitalists. By 1900, with the world and its markets more or less divided between the five existing imperialist powers, that road was closed to other late developing bourgeoisies.

Japan in the mid 19th century was a *pre*-industrial (though in many ways relatively advanced) feudal state confronting far more powerful industrializing capitalist states. It was the well-grounded

fear of succumbing to China's fate that galvanized decisive sections of the Japanese feudal nobility, especially the lower echelons of the *samurai*, to overthrow the old order and restructure the Japanese economy and state along Western lines. Though he himself viewed the Meiji Restoration as an "incomplete" bourgeois revolution, E. Herbert Norman also understood that the conditions confronting the Meiji rulers immediately after the revolution ruled out a bourgeois-democratic road:

"The *speed* with which Japan had simultaneously to establish a modern state, to build an up-to-date defense force in order to ward off the dangers of invasion (which the favorable balance of world forces and the barrier of China could not forever postpone), to create an industry on which to base this armed force, to fashion an educational system suitable to an industrial modernized nation, dictated that these important changes be accomplished by a group of autocratic bureaucrats rather than by the mass of the people working through democratic organs of representation."

—*Op. cit.*

Could this social transformation have been accomplished by a revolutionary upheaval? Let us assume that the civil war between the *Bakufu* and the *tozama* had resulted in the mutual destruction or disorganization of any effective military force in the hands of the feudal nobility. A power vacuum formed, allowing a mass peasant rebellion, refusal to pay tribute to the *daimyo*, and also uprisings of the lower classes in the cities. In short, Japan was engulfed by revolutionary anarchy.

What would have been the historical outcome? The Japanese *daimyo* and *shonin* would have invited and facilitated the military intervention of the Western powers to suppress the peasant rebellion. In the aftermath Japan would have been reduced to colonial or semicolonial subjugation. A section of the *daimyo*, *samurai* and merchant class would have been transformed into a comprador bourgeoisie, such as then existed in China, totally subservient to the Western imperialists.

One need only look at the Taiping rebellion in China in the 1850s and early 1860s. This massive peasant revolt, which lasted over a decade, took over much of the Yangtze Valley and established a capital in the major city of Nanjing. Since the decadent Manchu rulers were incapable of suppressing the revolt, the Chinese gentry (landlord class) turned to the Western powers. An American adventurer, Frederick Townsend Ward, and a British officer, Charles "Chinese" Gordon, trained and commanded an elite Chinese force which finally defeated the Taipings.

A peasant rebellion in Japan at this time, even if initially successful, would have suffered a similar fate. This is not to say that following the Meiji Restoration the future course of Japanese history was predetermined for the next several decades. Some greater degree of social egalitarianism and political liberalization was certainly possible in late 19th- and early 20th-century Japan. But what was not possible was a radical bourgeois-democratic revolution on the French model.

The 1873 Land Tax

The leaders of the Meiji Restoration expressed their intent to modernize Japan with such slogans as "Prosperous Nation, Strong Military" and "Increase Production, Promote Industry." But how were these slogans translated into reality, given that Japan at the time was far more economically backward than the Western capitalist states that threatened its independence? In brief, by maintaining an exceptionally high level of exploitation of the peasantry, but now channeling the resulting economic surplus into the rapid construction of an industrial-military complex. The 1873 Land Tax was the main mechanism in late 19th-century Japan for what Marx termed, in speaking of West Europe (centrally England) in the 17th and 18th centuries, the "primitive accumulation of capital."

In 1871, the new Meiji regime, through a combination of military threat and financial inducement, pressured the *daimyo* into "returning" their *han* to the authority of the central government. They were compensated with long-term government bonds. At the same time, the government took over the stipends, though at a diminishing rate, which the former *daimyo* had paid to their *samurai*. The Land

Tax provided the bulk of the revenue for the interest and redeemed principal on the government bonds as well as the stipends to the former *samurai*.

In this way, the state treasury became a conduit between the economic surplus extracted from the peasantry and a developing industrial/financial bourgeoisie drawn from the former feudal nobility and the old merchant class. By 1880, 44 percent of the stock of Japan's national banks was owned by former *daimyo*, and almost a third by former *samurai*. These banks then went on to finance the rapid development of Japanese industry.

The central role played by the state treasury in the initial industrialization of Japan also resulted, paradoxically, from the restrictions imposed upon Japanese economic policy by the Western imperialist powers. Under the threat of American and British military action, in the late 1850s and '60s the Tokugawa shogunate signed unequal commercial treaties which prohibited Japan from charging tariffs of more than 5 percent of the value of Western imports. The Meiji government was therefore unable to protect its newly developing industries behind high tariff barriers, as Germany and the United States were able to do in the late 19th century. Instead the Japanese ruling class had recourse to direct government ownership and subsidies.

American economic historian G.C. Allen stated: "There was scarcely any important Japanese industry of the Western type during the latter decades of the nineteenth century which did not owe its establishment to state initiative" (*A Short Economic History of Modern Japan* [1981]). By the end of the century, almost all state-owned industrial enterprises and other assets had been sold off, usually at nominal prices, to politically favored entrepreneurs. The most successful of these formed the *zaibatsu*, the great industrial/financial empires like Mitsubishi and Mitsui which came to dominate and continue to dominate the Japanese economy.

Just as Meiji Japan saw the rise of a new class of industrial/financial capitalists, it also saw the rise of a new class of agrarian exploiters. As increasing numbers of peasants were unable to meet their tax payments and/or repay their debts at usurious interest rates, they were forced to sell all or part of their land, typically to rich peasants or village merchant/moneylenders. Many were forced to send their daughters to work for textile manufacturers in the city, thus providing workers for early Japanese industry. An advance on the daughters' wages would be loaned to the peasant families to meet their tax burden. Interest and principal on these loans, together with payments for the daughters' food and lodging, consumed most of, if not more than the wages, forcing rural families further into debt. By 1903, 44 percent of all agricultural land in Japan was worked by tenant farmers who paid over 50 percent of their crop, usually in kind, as rent to the landlords.

Here it should be emphasized that the landlord class in early 20th-century Japan was *not* in the main derived from the old feudal nobility. An American student of Japanese agrarian history explained:

"Although most former *daimyo* remained wealthy and as members of the House of Peers gained a direct voice in the political system after 1890, they were no longer a landed aristocracy with the power to control local affairs.... They invested in forest land, in new industrial enterprises, and perhaps most of all, in banking. Even if part of their income was derived from agriculture, it was generally a small part, overshadowed by their other interests. They no longer exercised political control over the land they owned, and although they were represented in the House of Peers, that body was at no time the center of political power."

— Ann Waswo, *Japanese Landlords: The Decline of a Rural Elite*
(Berkeley: University of California Press, 1977)

The lower house of the Diet, which approved the government budget, was elected by the wealthiest male property owners.

A new landlord class arose through the *economic differentiation* of the peasantry and other sectors of the rural petty bourgeoisie. In the 1930s, a visiting American academic contemptuously described

typical Japanese landlords as “lately merchants, owners of inns and brothels, masters of road repair crews, and persons of similar status” (quoted in *ibid.*). Furthermore, wealthier landlords increasingly reinvested the rents collected from tenant farmers in bank deposits, government bonds and corporate securities. By the 1920s, the wealthiest families in rural Japan were getting as much, if not more, of their income from their financial assets as from their agricultural holdings.

Thus the landlord class in interwar Japan was in no sense feudal or semi-feudal, but was thoroughly integrated economically and in many cases socially into the dominant urban industrial economy.

The 1889 Meiji Constitution

While the Meiji Restoration was a revolution from above, it necessarily produced powerful reverberations from below, awakening among the peasants and urban laborers expectations of a better and freer life. The two decades following were a period of great social and political turbulence.

For the first time in Japanese history, women rebelled against their traditional subservience and demanded democratic rights. Several villages and municipalities set up local councils, and women were allowed to run for office (provided they had their husbands’ permission). Women militants toured the country giving speeches calling for suffrage, birth control and the right of inheritance.

The forces of social radicalism found their main organized expression in the People’s Rights Movement, which demanded a democratic, representative government. Rural agitation centered around this movement climaxed in 1884, in a rebellion in the mountainous district of Chichibu in central Japan, northwest of Tokyo. Peasants sacked the homes of moneylenders, stormed government offices to destroy debt records, and intimidated the rich into making donations for poor relief. The uprising was crushed by the army and shortly thereafter the People’s Rights Movement was broken through a combination of state repression and the government’s success in buying off many of its leaders.

The consolidation of a strong repressive state apparatus laid the political basis for the 1889 Meiji Constitution, which was modeled on that of imperial Germany. Government ministers were appointed by the emperor (actually by the Meiji oligarchs acting in the emperor’s name), not by the majority party in the Diet.

Taking the concept of *ie* (family household system) as the basis for the new hierarchical social structure, the 1898 Civil Code adopted the Confucian-based values of the *samurai* class as its foundation. The emperor stood at the apex as the head of the entire nation and, in turn, the husband was absolute ruler over his individual family. Primogeniture was mandated for all classes. Wives were treated as minors, and the code insisted that “cripples and disabled persons and wives cannot undertake any legal action.” Women were banned from participating in political activities. Yet women workers were the backbone of the developing industrial economy—especially in the textile industry, which produced 60 percent of the foreign exchange in the latter part of the 19th century and in which women made up 60 to 90 percent of the workforce.

The emperor system enshrined in the constitution was *not* a surviving feudal institution representing the interests of a landed nobility (which no longer existed at all). Rather, the traditional authority and mystical aura surrounding the emperor were now used to legitimize a state apparatus which first and foremost acted to protect and further the interests of the industrial and financial capitalists, represented at their apex by the *zaibatsu*.