

Between ultra-nationalism and socialism: Changing contours of the Japanese reformist academics and entrepreneur, TAKANO Iwasaburo, OHARA Magosaburo and HIRAO Hachisaburo

28th August 2021

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This paper focuses on three reformist academics and entrepreneurs in 1920s and 1930s Japan, TAKANO Iwasaburo(高野岩三郎, 1871-1949), OHARA Magosaburo(大原孫三郎, 1880-1943) and HIRAO Hachisaburo (平生鈞三郎, 1866-1945), and follow their contours to proceed in the field of social policy. These three figures were neither ultra-nationalist nor socialist/communist, but they tried to remain liberal and rational reformists in 1920s and 1930s, when Japan got to more and more militaristic and ultra-nationalistic. It is very easy to understand how difficult for them to stick to cool reformist ideas and to keep their influence on social policy in the two decades of rapid inclination to an irrational militaristic expansion. The main question here is the reason why they failed to constrain the right wing ultra-nationalist politics in 1930s and early 1940s, or what could be exist between ultra-nationalism and socialism in the same era.

1 Social Policy Studies in Japan and Verein für Sozialpolitik Japan

1.1 Foundation of the Association for Social Policy

The early manifesto for social policy in Japan emerged in 1880 from the Imperial University of Tokyo. Professor WADAGAKI Kenzo(和田垣謙三), who introduced Lorenz von Stein (*Der Socialismus und Communismus des heutigen Frankreiches*, 1842) and Gustav von Schmoller into Japan, published an essay “On Professorial Socialism (Kathedersozialismus)” in 1888. In this essay WADAGAKI insisted upon necessity of social policy in Japan because both laissez-faire and socialism would be ineffective in Japan. The same tone that it is social policy that could mediate a conflict between laissez-faire and socialism can be observed in the public notification by the Association for Social Policy of Japan (社会政策学会, the early members called the association in German word “Verein für Sozialpolitik” followed German Verein für Sozialpolitik) founded in 1897.

The Association was founded by about 20 members including young scholars, trade unionist such as TAKANO Fusataro (高野房太郎, elder brother of Iwasaburo), and reformistic industrialist such as SAKUMA Teiichi (佐久間貞一), who pursued the possibility of social reform in Japan in the early stage of industrialization. Young scholars who graduated from the Imperial University of Tokyo in Politics and Economics by 1890s, such as KANAI Noburu(金井延), ONOZUKA Kiheiji(小野塚喜平次), TAJIMA Kinji(田島錦治), TOMIZU Hironodo(戸水寛人), FUKUDA Tokuzo (福田徳三) and TAKANO Iwasaburo were all founding members of the Association.

1.2 Obejections against Factory Act

Their common desire is to introduce into Japan a factory act, a trade union act, some protection of female and children labor from too long working hours. But there were various oppositions to social policy. Laissez-faire liberalists such as TAGUCHI Ukichi(田口卯吉) were opponent on one side. Probably SHIBUSAWA Eiichi(渋沢栄一) would be classified in this type opponent with decoration by Confucian notion of “the rule of right(王道)”, which was expected by him to make utterly needless factory act and trade unions in Japan. And on another side familistic paternalists raised very strong objection to social policy because they thought such policy might be harmful to “the good old Japanese tradition of paternalism”. In this point paternalist notion went harmonious with SHIBUSAWA’s liberalism supported by “the rule of right” against “the rule of might”. This Association showed amazing growth in membership; no more than 20 in 1897, 68 in 1902, and 236 in 1922. They took the First Annual Conference at the Imperial University of Tokyo in 1907, at which the common topic was set as “Factory Act and Labor Problem”.

1.3 “Not paternalism but Recognition of Individuality and Personality”

At the First Conference many speakers discussed how factory act should be introduced into Japan. Baron SHIBUSAWA argued that if there were the spirit of “the rule of right” among both employers and workers, labor problems could be solved in this spirit and a factory act would be useless in Japan where Confucianism is broadly accepted. Professor SOEDA Juichi insisted that however factory act is indispensable even in Japan, we should not forget there must be ‘master and servant’ paternalism that plays an important role of solid foundation of factory act in Japan. FUKUDA replied fiercely to them, arguing that there is any need of neither “the rule of right” nor ‘master and servant’ paternalism because in European nations they could cope with labor problem with factory acts, not with Confucianism or paternalism. What is necessary in Japan is to introduce such modern notion of labor problem and factory act as is broadly accepted in Europe. TAKANO agreed with FUKUDA, and pointed out three necessities; firstly eight hours at longest for female and children labor, secondly an introduction of factory inspectors system which monitors employers’ responsibility to give relevant protection to labor, and thirdly trade unions without which factory act would come to naught because workers’ voice is indispensable for the full function of such legislation.

Professor ONOZUKA, political scientist, reinforced FUKUDA and TAKANO’s argument. He said “if someone insists that as Japanese economic development is quite different from European and American nations, there is no need to make much ado about trifles of ‘labor problem’ in Japan. And we have no need to legislate such factory act as is introduced in European nations, it would be apparently false because Japanese industry and economy has developed to so high level, and if someone says that we Japan has become one of the first class nations after the Russo-Japanese War, that is very reason Japan must introduce factory act”. ONOZUKA argued with future perspective of Japan. “If you want to predict the future after finding the facts observed in recent European nations, by the mid-twentieth century there shall emerge very big conflict between social policy versus socialism. And in such situations it is very difficult for Japan to be isolated from such conflict, therefore considerate person in Japan should study fully about the necessity of social

policy”. “I ask you what is constitutional state? My answer is the state in which workers’ self-help is promoted, employers shall respect workers’ personality. No capitalists shall not despise workers, but the spirit of equality in personality and individuality must be the very basis for new social policy”. That is the ideal terminus of the Association before its dormancy. So, what did come out from this terminus in the inter war period?

2 TAKANO Iwasaburo

2.1 TAKANO as a pioneer of EBPM

Though almost academic members of the Japanese Association for Social Policy showed common prospect; the first is fear against socialism and/or communism to which they were taught a detestation by Lorenz von Stein, and the second is German Historicist philosophical standpoint, that is to say a genuine “voluntarist” philosophy held in common by Romanticism and Nietzsche., TAKANO Iwasaburo felt not so strong fear against socialism, partly because of his brothers influence that make a fixed belief that labor movement can go with socialism to some destination on passage, and TAKANO was more influenced by modified liberalism (to which I give a name of interventionist liberalism including the New Liberalism in the early twentieth century Britain, and “solidarité sociale” in France) and a kind of notion of “evidence based policy making”, rather than German Historicism. After graduation from the Imperial University of Tokyo he studied abroad in Munich under Lujo Brentano, and TAKANO realized that the significance of numerical data when an academician recognizes the real social situations. And statistical effort would be helpful in order to make policy plausible and persuasive. So TAKANO chose statistics as his special field of study, and became the first Japanese Professor in statistics at the Imperial University of Tokyo. If he had remained the University as professor in statistics, he might become one of most influential scholars in social science in his age of Japan, but the situations of Japan after the First World War did not allow him to do so.

2.2 ILO Representative incident in 1919

Japan was one of victors of the First World War, and that lead her to take a leadership position in the process of afterwar settlement. But Japan had not yet be fully ready for that role, which happened to be two incidents for the newly founded Faculty of Economics, and changed the fortunes of TAKANO utterly.

The Peace Treaty of Versailles lead two international organizations, the ILO and the League of Nations. The International Labour Organization was the first and still only instance in which each member nation shall select four Representatives that stand for employers, labour and the government (two Representatives each nation) respectively. As Japanese government, particularly the Ministry of Foreign Affairs, was not accustomed to such tripartite system, they failed to take due process to select labour Representative, and asked directly three persons including Professor TAKANO to take role of labour Representative without consult any due workers’ organization. Then, Japan had no legislation to permit workers to combine for industrial relations matters, and no one knew what was the due workers’ organization that could represent labour. Possibly the Yuaikai

(Fraternal Federation founded in 1912 by SUZUKI Bunji, a Christian trade unionist) seemed the first labour national centre, and the Yuaikai claimed that they deemed to be a due workers' organization of Japan, and the manner of selection of labour Representative by the Government was illegal. In this conflict Professor TAKANO once accept the position of the labour Representative, and Professors YAHAGI (member of the Association for Social Policy), YOSHINO (democracy advocator), and KAWAI (new liberalist at the Faculty of Economics, IUT) supported his decision. But other Professors FUKUDA, MORITO, and KUSHIDA, all of them empathized with Yuaikai, made strong objection against TAKANO's accepting the position without consent of the Yuaikai. Professor TAKANO was placed in a dilemma between the two justifiable opinions, and finally he decided to reject the offer of the position and resign from the Professorship at the Imperial University of Tokyo, taking the moral responsibility of this conflict and confusion.

TAKANO had accepted the part-time task at the Ohara Institute for Social Research founded by OHARA Magosaburo earlier in this year 1919, then in 1920 he moved fully to this Institute after resignation from the Imperial University. That weakened his leadership at the Association for Social Policy in 1920s, resulted the dormancy of the Association, substantially disassembling and dissolution of the Association. The 1924 Annual Conference was the last opportunity the members assembled in one hall until the resumption of the new Association for Social Policy Studies after the end of the Second World War, in 1950. Therefore, the ILO Representatives incident brought to the weakening not only of the Association of Social Policy in Japan, but also social policy itself in Japan.

2.3 NITOBE and his role at the League of Nations

Another incident which attacked the newly founded Faculty of Economics, the Imperial University of Tokyo, was brought from the League of Nations. The LN had searched the suitable person for the position of the Deputy Secretary General among the victor nations of the First World War, and Professor NITOBE Inazo, who were quite famous for his book *Bushido* published in English, was asked to take the position, and he accepted it. That meant that he must resign from the Imperial University. The Faculty of Economics lost two promising Professor in the process of the afterwar settlement, and that lead to the weakening and confusion among professors at the Faculty. The confusion worsened until the University President HIRAGA Yuzuru intervened directly into the Faculty matters in 1939. For not less than nineteen years the Professors of the Faculty battled each other in two factions, and that lead brought a heavy slump to the Faculty in 1920s and 1930s.

3 OHARA Magosaburo

3.1 Entrepreneur and social worker

OHARA Magoaburo is one of most famous social workers in modern Japan. His precursor was MUTO Sanji, director of the Kanegafuchi Cotton Spinning Factory under the Mitsui Zaibatsu. MUTO invented various method of industrial welfare in cotton industry, but his effort was a part of labor management. Therefore, he had no clear idea other than familistic paternalism which drove him in industrial welfare, and he played no role in public welfare or social policy. MUTO took

rank with welfare capitalists in big businesses of the USA.

OHARA is more prominent in the field of social work. Of course he was a competent manager in his age, but he showed his true value in social work. He invested vast amount of money from his company Kurashiki Cotton Spinning and also from his own property to found organizations in public welfare services, including Ohara Institute for Agricultural Study, Ohara Institute for Social Research, Kurashiki Institute for Labor Science, and Ohara Arts Museum.

OHARA's central idea is "Doshin Rikuryoku(同心戮力, same-minded cooperation)". This word means OHARA recognized that each worker has his/her own mind and intention, and OHARA insisted that cooperation between capital and labor could not be fully achieved without "same-mind" among workers to capitalist. He thought that an old fashioned feudalistic paternalism, which treats workers as semi-familial members of the company, is not effective to persuade workers who become aware of the self-interests as working class in developing industry in Japan. So OHARA thought it very important to approve each worker's personality, and he called his such idea as "personalism(人格主義)" or "labor idealism(労働理想主義)".

3.2 Various Research Institute

Various Institutes founded by him were designed to clarify workers psychological and physical conditions in scientific manner. TAKANO after resignation from the Imperial University of Tokyo and MORITO Tatsuo after guilty of Constitutional Disorder by his paper on Kropotkin's anarchistic ideas published on the journal *Studies in Economics*(経済学研究) in 1919 just after the foundation of the Faculty of Economics, were very liberally received by the Ohara Institute for Social Research, who were expected to make progress in social policy and social science in general. After them many young scholars followed into the Institute, which became a central organization to make a scientific research on labor problem and social policy in 1920s. As some of them were under surveillance by the Special High Police under the Peace Preservation Act of 1925, OHARA took every effort to protect them from semi-feudalistic absolutistic police power.

3.3 OHARA's bound and spinners' strike in 1930s

Although OHARA's idea and actions were so eminent, real situations of his factory were not so ideal. No trade union existed in his factory, and there was no collective bargaining between the employer and the workers' representatives. There existed only mutual benefit society. That means there was no channel for the workers to express their collective voice, and for the employer to hear it. There remained an unsatisfied feelings among the workers in the Kurashiki Cotton Spinning Factory, and they exploded in the depression in 1930s as industrial dispute.

The girl workers at the Masu (万寿) Spinning Factory lived in dormitories, that were managed by workers's committee lead by female tutors who graduated from women's college. That was OHARA's ideal self-governing system with trust in cooperation with workers, but in 1930s his idea backfired against himself.

In 1930 summer employers of the Masu Factory decided to lay-off redundant workers and cut-down wages. By October girl workers lead by Ms. SANJIKI Josephine Yoshiko struck against the employers' decision, and requested employers to have collective bargaining with themselves. But

the employers rejected the request from the workers by neglection. The Factory introduced police power and yakuza-gang's violence sometimes. The Factory took exhausting tactics, locked down dormitories disturbing outside supporters' visit to the workers. On 9th November the workers committee narrowed down their objectives to ask the Factory to pay retirement bonus to the retrenched workers, in exchange with the strike leaders including SANJIKI dismissed. But radical activists among the girl workers were still active for more six months. Contrary to OHARA's ideal optimism, the workers had developed the strength of combination and unity in voice. Some of such strength was possibly lead and organized by the Communist Party of Japan, and SANJIKI might become a member of the Party.

Five years later another industrial dispute occurred from the industrial accident. That means that OHARA's ideal cooperation was partly betrayed by the workers' class consciousness, and he had no idea to cope with such consciousness and militancy among workers. OHARA's idea resembled to Robert Owen who was also very idealistic social worker, but did not recognize the necessity of trade unions in his factory.

4 HIRAO Hachisaburo

HIRAO Hachisaburo was an idealistic entrepreneur too. The difference between HIRAO and OHARA was found the following four points. First, his field was insurance, shipbuilding, and steel manufacturing, all big industries with vast amount of capital. And those industries deeply rooted in the plan of increasing national prosperity and military strength (富国強兵殖産興業政策) since the Meiji Restoration or reforms made by the shogunate government in 1860s. That made HIRAO very sensitive about national interest as a whole. He was not a local, rich, and successful manufacturer like OHARA, but he was a statesman with very keen notion of enlightened rule and succor of the nation (經世濟民). Second, he was not commoner (平民) like TAKANO and OHARA, but a descendant of a samurai class (士族). And he was not rich, but belonged to the poor samurai class, that gave him a strong feeling of honor. He was a man of honor, not of profit or of academic truth. Third, he was royalist, partly because he was educated in Confucianism in his childhood, but more because he chose royalism by himself. He respected his father, the Meiji Emperor Mutsuhito, and Nichiren, radical Buddhist advocator in the twelfth Century. And he loved the Imperial Rescript on Education (教育勅語) promulgated in 1890 by name of the Meiji Emperor. Lastly as a result of these three characters he was very earnest person in his public duties such as an Imperial Nominee of the House of Peers and the Minister of Education in the HIROTA cabinet in the late 1930s when Japan became inclined more and more to military absolutism.

So as a person in the official duty with much honor felt by himself, HIRAO could not resist against such political tendency. What he could do was to act in rational and cool manner in generally insane society. As a result, he could not resist that tendency, but showed only a tiny conscience. That was HIRAO's limitation. He was cool and open minded rational entrepreneur. He was industrious person. He hated the class living on unearned income and rentier, idle aristocracy, and

Zaibatsu with deep political connections. If political situations had allowed, he might have been very competent liberalist statesman, but the 1930s was the worst circumstances for him to follow his public duties.

In place of conclusion

In the interwar period Japan suffered from long and chronic economic slump, popular pauperism and social unrest, which became the hotbed both for ultra-nationalism and organized socialist movement. Before the First World War young scholars such as TAKANO Iwasaburo, ONOZUKA Kiheiiji, and FUKUDA Tokuzo had already recognized the importance of Social Policy as a bulwark against socialism, and they organized the Japanese Verein für Sozialpolitik in 1897 followed the German Verein für Sozialpolitik. This association included not only scholars but also labor activist and entrepreneurs who pursued the possibility of social reform in Japan in the early stage of industrialization.

After the First World War there emerged various style of ultra-nationalism as another protestant against capitalism. Then the Japanese reformist academics labor activists and entrepreneurs became obliged to operate on two different fronts. Japanese “semi-feudal, absolutist and militarist” Government was active in suppressing socialism since the late nineteenth century, and after the legislation of Peace Preservation Act of 1925, the main objections became heard from ultra-nationalist and militarist right wing. This paper focuses on three reformist academics and entrepreneurs in the 1920s and 1930s, TAKANO Iwasaburo, OHARA Magosaburo and HIRAO Hachisaburo, who were the last liberal and calm opinion leaders in the period when Japanese right wing activities risen their strength and made direct violence and terrorism against not only socialists but also liberal politicians.

After the disarmaments in the 1920s and early 1930s Japanese right wing politics sought to the expansion of armaments, and the military buildup lead to economic and military invasion into Asian continental regions such as Manchuria, China and Vietnam. The reformist academics and entrepreneurs kept distant from such right wing militaristic movement, but failed to prevent such movement from occupy socio-political scene in Japan in 1930s and early 1940s. How and why they failed to constrain the right wing ultra-nationalist politics? This question is important to understand Japanese past, and also the present situations of revitalization of pseudo-nationalistic feelings in the second globalization in the twenty-first century.

It seems regrettably we Japanese could not yet graduated from the task to become liberal, rational, scientific, and peaceful nation, which was the very task to which TAKANO, OHARA and HIRAO faced in the 1920s and 1930s. Also regrettably OHARA died in 1943 before the end of the Second World War, HIRAO in November 1945 not looking through the After war Reforms. These two could not told to their followers what was wrong in the modern Japan by their own word after the War. TAKANO lived until 1949, watching the new Constitution and Reforms as a influential member of the Socialist Party of Japan. But he did not look through the proceedings of Japan’s re-militarization and dependency to the USA. So he could not tell fully about his lessons in modern Japan.