Emergence of Marxian Scholarship in Japan:
Kawakami Hajime and His Two Critics

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I Groping the Way: Kawakami heads for Marxism

In May 1919 Kawakami Hajime (1879-1946) ordered the publisher to cease the printing of the Tale of Poverty (Bimbo Monogatari). This book was originally published as a series of articles in an influential newspaper, Osaka Asahi Shimbun, from September to December 1916; however, it was published in the form of a book in March 1917. Thereafter, it had counted 30 times additional printings. This book presented a novel perspective and taught the Japanese people that the industrial growth of a nation cannot by itself solve the problem of poverty; in fact, it merely exacerbates this problem through new urban pauperism. This understanding was the common base on which the academic discourse of social scientists in pre-war Japan had developed.

When this book was published, Kawakami was extremely proud and termed it as the best work of his career as a writer. At that time, he was not a Marxist but was still a member of the social policy school camp. In the last part of the Tale, Kawakami mentioned three measures for solving the poverty problem: (a) the voluntary restraint of luxury by the rich, (b) the remedial distribution of wealth, and (c) social reorganization that shifts production from the private to the public sector. Among these three measures, Kawakami had recommended the first (a), while the second (b) was a standard recommendation of the social policy advocates. However, appealing to the morality of the rich, such as urging them to engage in charity, was a traditional measure that was often adopted prior to the announcement of the social policy. Generally, the advocates of social policy would not deny the significance of morality. On the contrary, appealing to the moralistic traits was a somewhat common approach adopted by the advocates of social policy in Japan as well as their contemporaries in its model nation, Germany. The third measure (c) appears to be a socialist proposal, and in his article, Sugihara Shiro suggests that this measure was Kawakami's true choice. However, in a broader sense, state socialism was a variant of the social policy school. Partial socialization, in particular, was among the ordinary inventory of measures of the social policy school. During his European tour in 1914-1915, Kawakami witnessed the emergence of non-private production in various forms, ranging from wartime munitions production to the public utility provisions of municipal corporations. These measures were not socialism by any standard. Thus, both the moralistic choice as well as mentioning the concept of socialization did not violate the cannon of the social policy scholars of that time.

In 1919, Kawakami's view began to shift from the prevalent thought of the camp of social policy scholars. In January of that year, he launched his one-man journal, Research in Social Problems (Shakai Mondai Kenkyu). In the Preface of the first issue, he wrote the following: "I examine various social policies under the ultimate criterion of the fundamental solution of social problems." At this point, it is important to note that although his view was beginning to differ from the thought of the social policy school, he continued to use the term "social policy"; nevertheless, with the introduction of the "ultimate criterion," he would make
a revolutionary break from the traditional concepts of the social policy school.

Thereafter, in the *Autobiography*, Kawakami explained the purpose behind launching this new journal: "around that time, I groped for the direction of truth in Marxism and decided to propagate it, though I did not know it well."5) However, an attentive researcher Kobayashi Kanji warned us not to rely excessively on Kawakami's later explanations.6) In his opinion, Kawakami's actual purpose for launching the journal was his desire to unite the element of moral revolution with the organizational revolution of society.

After the publication of the *Tale*, Kawakami was sharply criticized by Sakai Toshihiko (1871-1933).7) For this veteran socialist, who, about a decade ago, had become one of the first Marxists in Japan, the *Tale* was seriously contaminated by the unrealistic wishes of a moralist. Sakai not only attacked Kawakami's moralist sentiment but also pointed out the theoretical inconsistency of the solution that Kawakami had presented for the poverty problem, i.e. the voluntary renunciation of luxury by the rich. At the end of his review, Sakai predicted that "this book will have no effect on the promotion of the elimination of luxury of the rich, but will lead its many readers to the position of social reform."8)

If Kawakami had entirely accepted Sakai's criticism, then his journey to Marxism would have been much shorter. However, the fact that Kawakami adhered to his moralist disposition was evident in his article "Changing Morality and Unchanging Morality (Kahen no Dotoku to Fuhen no Dotoku)"9) in which he rejected the Marxist concept of the class dependency of morality and revealed his conviction in absolute morality that was indifferent to its evolutionary derivative appearance.

The first step toward Marxism was taken when he rejected the remedial distribution policy as the solution to the poverty problem. When Kawakami reused the text of the *Tale* in his *Current Views on Social Problems Revised (Kaiban Shakai Mondai Kanken)* in 1920, he left out the second measure (b). This standard measure of the social policy school could not pass the test of Kawakami's "ultimate criterion." However, the appeal to the morality (a) and the social reconstruction (c) measures were retained and revived as the two wheels of the moral and social revolution.

During the years when Kawakami was writing the *Tale*, he found economists to be caught in a dilemma between the production and distribution principles.10) The former represented self-interest and efficiency, while the latter represented distributive justice. According to him, none of the contemporary economists could answer which of these two held primacy. This was a typical dilemma faced by the economists of the social policy school. In his new year's contribution to *Osaka Asahi Shimbun* in 1918, Kawakami compared himself with a prisoner detained under an indeterminate verdict and called for the emergence of the second Adam Smith who could solve this dilemma.11)

The deletion of the remedial distributive policy is evidence that Kawakami fled from this dilemma of the social policy school. Under the changing intellectual and political climate after the Russian Revolution and the Rice Riot, he read Marx's works in their original text and realized the deep cleavage between revolutionary socialism and social policy.12) Thereafter, Kawakami adopted the former and implied this in the Preface of the first issue of *Research* through the expression "the fundamental solution of social problems."

He took the second step toward Marxism by reconsidering the concept of moral revolution. In his article "Spiritual Reconstruction and Material Reconstruction (Shin-tekai Kaizo to Butsu-tekai Kaizo, March 1921),"13) Kawakami deprived the moral revolution of its independent value and interpreted its value as the mental preparation for a revolutionary material reconstruction. According to this new interpretation, the voluntary moral revolution was not an alternative measure to social revolution. In fact, it was relocated in the realm of individual motivation for involvement in the social revolution as a whole. Moreover, with regard to himself, Kawakami believed that he could confine his moralist disposition in the spiritual realm and that it would never interfere with the logic of social science. As long as he was successful in doing so, he would face no hindrance in

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accepting Marxism as a doctrine of social revolution. However, this was merely the middle point of his journey to Marxism.

II Light or Darkness: Kushida criticizes his mentor's idealistic traits

Prior to his involvement in the illegal communist movement, Kawakami had a close follower as well as an attentive critic in his ex-student Kushida Tamizo (1885-1934). Ever since his education in Kyoto (1908-1912), Kushida read almost all the writings of his mentor and provided Kawakami with honest opinions in person, through correspondence, and through his publications. Despite his respect for Kawakami, Kushida did not refrain from criticizing his mentor's works. With regard to theoretical investigation, particularly in the theoretical pursuit of Marxism, Kushida was more gifted than Kawakami. Kawakami often openly admitted Kushida's advantage and pledged to overcome his weaknesses. When Sakai criticized Kawakami's sentimental humanitarianism, Kawakami reacted strongly and stubbornly. However, a similar criticism by Kushida was carefully heard and, sooner or later, accepted with wholehearted agreement. We can assume the effect of Kushida's view behind the two abovementioned steps taken by Kawakami. This is also evident in the words of one of his contemporaries, Ouchi Hyoe (1888-1980), who stated that “the development of Marxist economics in Japan is most easily understood by examining the relationship between Kawakami and Kushida.”

In the process of Kawakami's shift to Marxism, Kushida's criticism of his writings had three or four agendas.

The first was regarding the causal relationship between luxury and poverty. The core theoretical argument in Kawakami's Tale was that the absorption of productive elements in the production of luxury was the cause of poverty. Kobayashi correctly identified this as the “equilibrium theory of poverty,” and this was clearly not a Marxian argument. In response to this argument, Sakai criticized Kawakami by stating that the elimination of luxury consumption of the rich would not increase the welfare of the poor, unless the poor acquired greater purchasing power or the capitalist produced for the poor with no remunerations.

Kushida's criticism was that Kawakami had assumed the causal relationship between poverty and luxury inversely. According to him, “the emergence of luxury in society is a product of poverty. Luxury is not the cause of poverty.” However, such an interpretation was a naïve intuition of the Marxian idea of exploitation. The income of the rich is derived from the surplus value that is exploited from the poor (laborers). However, at this stage, both Kawakami and Kushida were not well versed in Marxian economics. Kushida maintained that the social problem was one of distribution problem (poor distribution) and not production (luxury production). This criticism resulted in the author of the Tale revisiting the dilemma of the production and distribution principles in 1917.

The second was related to the moralist disposition in his understanding of economic thought. Kushida's most impressive critique was presented in his review article on Kawakami's Historical Development of Capitalist Economics (Shihon-shugi Keizaigaku no Shiteki-Hatten, 1923), namely “Does Socialism Face toward Darkness or toward Light? (Shakaishugi ha Yami ni Mensuru ka Hikari ni Mensuru ka).”

In the book that Kushida reviewed, Kawakami described the development of economic thought from B. Mandeville to the classical economists; this thought reflected the heyday of the capitalist age. He then interpreted J. St. Mill's position as a self-criticism of capitalist economics and finished with T. Carlyle and J. Ruskin's humanitarian economics. After some complaints regarding Kawakami's weak treatment of morality in economics, Kushida voiced his disagreement on the association of Carlyle and Ruskin's aristocratic reactionary thought with the advent of socialism. According to him, an economic thought that can transform society emerges as the demand for the representation of a partial class interest and grows in the struggle for it. Kushida, thus, denied Kawakami's idealist vision that socialism is anticipated in the minds of scholars that keep aloof from the world and think for mankind as a whole.

Kawakami had intended to write this book from the viewpoint of a Marxist who anticipated the
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replacement of capitalist economics with the economics of the working classes. Based on this criticism by Kushida, Kawakami identified the idealistic traits of his thinking as well as the inadequate incorporation of the materialistic view in his research.

Further, Kushida found an idealistic bias in Kawakami's interpretation of the labor value theory. Kawakami's ahistorical interpretation of the Marxian value theory was the third agenda behind Kushida's criticism of Kawakami's works.

In an article published in response to a critique of Marx by Koizumi Shinzo (1888-1966), Kawakami defended Marx's labor theory of value and interpreted his concept of value as the "cost value seen from the viewpoint of mankind as a whole." Apparently, Kawakami extended the Smithian real cost view of individual labor - labor as an individual's sacrifice for acquiring a product - to mankind as a whole. "The so-called value of Marx is nothing other than the cost value considered from the viewpoint of mankind as a whole. Therefore, it is natural that this value when considered from the viewpoint of a class society has a different content from that which is considered from the viewpoint of mankind as a whole. In a class society, the so-called value of Marx is not valid; thus, the exchange of goods does not occur according to the Marxian value." 20

In Kushida's opinion, "value" is not an eternal category as Kawakami conceived from his peculiar viewpoint of "mankind as a whole". It emerges within the society as a result of commodity production and disappears with it. In other words, the Marxian value is "a scientific representation of certain relations of production" 21 that exists in the historical reality. He argued that in the absence of such a materialistic perspective, production price would lose its linkage with value, as there is no other means to understand the production relations of a capitalist economy other than those that develop due to commodity production. He further revealed his anxiety that Kawakami's concept of a classless "mankind as a whole" might lead to legitimizing the collaborative policy between capital and labor.

Kawakami had to realize how deep his idealistic disposition was rooted in his thinking both in his theoretical investigation and his interpretation of the history of economics. In his next writing on the Marxian concept of value, 22 Kawakami completely accepted Kushida's criticism and revised his explanation of this concept. At the end of this new article, he confirmed the primacy of the social being of man over his consciousness and declared that the materialistic view was the only way to understand the Marxian value theory correctly.

Kushida's criticism compelled Kawakami to consider the materialistic view of history seriously and assimilate it as a part of his thinking. Kushida's fourth criticism was related to Kawakami's erroneous adoption of the relativistic interpretation of causality in the materialistic view of history. In "Materialistic View of History and Causality (Yuibutsu-Shikan to Ingasei)" published in Research in September 1924, Kawakami adopted a relativistic view of the causality of Ernst Mach that had been introduced by an authoritarian Japanese physicist. Kawakami's reinterpretation of the determinate relationship in the materialistic view of history as a correlation of the substructure and superstructure promptly brought forth Kushida's disapproval. However, Kushida refrained from open criticism; this was because in a letter at the end of the same year, Kawakami informed Kushida of his disappointment and requested him to ignore the concerned article. 23 Moreover, a few months later, when Fukumoto Kazuo, another critic of Kawakami, published an open criticism on this issue, Kawakami once again accepted his mistake to Kushida. 24 Although it is clear that Kawakami regretted the article, the reason behind this regret is unclear. One possible reason for it could be that after publishing this article, Kawakami learnt that Ernst Mach's position had already been harshly rejected by V. Lenin. 25

III Break to the Totality: Fukumoto introduces the consciousness on methodology

Toward the end of the year, when Kawakami had accepted Kushida's criticism regarding his idealism, a new challenger who adopted a completely different approach appeared. Fukumoto Kazuo (1894-1983) was a young scholar who had recently returned after
studying in Germany and France; upon returning, he began contributing to the journal of the communist group, Marxism (Marukusushugi). The first article he published in December 1924 with the title, “Argument on the Range of The Capital in Marx's Critique of Political Economy (Keizaigaku Shihonron no Hanni o Ronzu).”

In this article, Fukumoto conceived the totality of the modern bourgeois society as an enlarged reproduction process of the following four-layered system: (1) pure economic process, (2) state process (political process), (3) conscious process, and (4) international process. Based on this construction, he defined “the unified totality of all the processes” as the object of criticism in political economy and identified its final purpose as “clarifying the law of economic motion” of the modern bourgeois society. According to him, the range of The Capital is confined in the abstract part of the pure economic process, and to obtain the law of real motion of capital, one has to consciously apply the methodology to the analysis of advancing history.

This position was a criticism of the debate on accumulation and collapse between Fukuda Tokuzo (1874-1930) and Kawakami in 1921-1922. While Fukuda argued for the eternal growth of the capitalist economy based on Tugan Baranovsky's view, Kawakami rebutted it on the basis of Rosa Luxemburg's view of deficit of demand in the extended reproduction process. However, as observed by Fukumoto, both Fukuda and Kawakami had directly interpreted an abstract possibility in the analysis of the extended reproduction process as the law of real motion of capitalism.

In the following contributions, Fukumoto dealt with the methodology of the criticism of political economy. In his view, previous Japanese Marxists were not aware of the dialectic method of materialism. According to him, this method implied the downward way of analytic abstraction and the upward way of synthetic construction that he had observed in Marx's unpublished manuscript Introduction to the Critique of Political Economy (1857). Fukumoto interpreted this dual way as the method of logical abstraction and construction as well as that of recognition and reconstruction of the historical totality of the bourgeois society. Before Fukumoto, this dual way methodology was not known to Marxists in Japan.

Fukumoto applied this methodology to commodity as the starting point of The Capital. In the interpretation of the commodity, Kawakami and Kushida had different opinions. Kawakami regarded the commodity as an “abstract commodity” without historicity, while Kushida interpreted it as a “simple commodity” that existed historically in the pre-capitalist stage of society. However, by applying the dual way methodology, Fukumoto maintained that in its relationship with the capitalist commodity, the simple commodity has both abstractness and historicity.

Further, Fukumoto impressively used his concept of totality and the dual way methodology in his reconstruction of the materialistic view of history. For Fukumoto, the materialistic view of society was the “observation of the totality from the necessity of affairs, and the essence, further to the motion.” He renamed every layer of social formation with the dynamic term “process,” which implies both reproduction and transformation: the pure economic process, the state process, the consciousness process, the international process, and, finally, the world process.

Apart from presenting the grand perspective and numerous impressive citations from Marx's works, Fukumoto's peculiarity lay in his emphasis on class consciousness and class struggle. According to him, in the modern bourgeois society, only the property-less class (musan kaikyu) had the privileged position that could recognize the society with its mediation (Vermittlung), in its formation (Werden), and in its totality (Totalität). Further, the consciousness of the property-less class provided intellectuals with the chance to solve the dilemma of the theoretical recognition and the real praxis. Thus, the assimilation of the materialistic view of society was necessary to acquire the “class consciousness” of the property-less class.

Kawakami was the primary target of Fukumoto's criticism. In November 1925, an association of students invited Fukumoto to Kyoto University for conducting a series of lectures. Consequently,
Fukumoto conducted a two-day lecture series at the University, which was published early in the following year as the Process of the Formation and Change of Society (Shakai no Kosei Narabini Henkaku no Kategi). Kawakami attended these lectures and silently listened to his young critic. Fukumoto's lectures had a tremendous impact on the minds of the students. He taught them that the authoritarian state that had suppressed the youth was only a part of the transient superstructure that was vulnerable to changes in the substructure and the class struggle that is rooted within it.

Fukumoto's appeal to the youth was not limited to providing a fresh insight into the system and method of Marxism. Rather, it set forth a political movement that led to the second foundation of the Japan Communist Party (JCP) in December 1926. The first Communist Party that had been founded in July 1922 had dissolved in a few years. However, around 1925, owing to the changing sociopolitical scenario of the country and the growing prominence of the communist group that maintained the legal journal of Marxism, there was an opportunity to establish a new political organization. Therefore, the leader of the first JCP, Yamakawa Hitoshi (1880-1958), proposed a common front party under the banner “Direction Turn (Hoko Tenkan).” Fukumoto (under the pseudo name Hojo Kazuo) challenged him with the Leninist organization principle of the formation of a pure political core of conscious activists. Fukumoto's theory (“Separate clearly before uniting!”) was adopted by the group that aimed to reorganize the Communist Party. In legal publications, such as the Marxism, the new direction, i.e., the “Direction Turn of the Direction Turn,” was accepted as the acquisition of pure “class consciousness” based on the understanding and interpretation of Fukumoto's works. The opposition groups that did not join the reorganization process attacked the new direction and termed it “Fukumotoism.” Similarly, the direction for a mass front party that had been proposed by Yamakawa was termed “Yamakawaism.”

At the reorganization meeting of the JCP in December 1926, Fukumoto was the chief theoretician and drafted the party's declaration. However, Fukumoto's hegemony over the party came to an end when the Communist International (Comintern) invited the leaders of the newly founded party to Moscow in mid-1927. The Comintern's subcommittee headed by N. Bukharin criticized Fukumoto accusing him of sectarianism and prescribed a two-stage revolution program, starting from the bourgeois-democratic revolution that would rapidly develop into a socialist revolution (the so-called 1927 Thesis) for the Japanese communists. Based on this Thesis, the Comintern criticized Yamakawa's political direction as the dissolution of the revolutionary party into a mass front party; nevertheless, the Yamakawa camp was encouraged by the Comintern's criticism of “Fukumotoism.” The revolutionary strategy as well as the politico-economic analysis of the power structure in Japan in the 1927 Thesis was ambiguous. This ambiguity was one of the reasons that the Japanese Marxists began to devote their energy to researching the historical development and status quo of Japanese capitalism.30

IV The Horizon Acquired

Both Kushida and Fukumoto had lived in Germany during the early years of the Weimar Republic and had witnessed the revolutionary movement that was guided by Marxism.31 However, the individuals that they interacted with differed in their political disposition. Kushida was loyal to his job as the curator of the social science literature at the Ohara Institute for Social Research and maintained contact with fellow Japanese scholars. On the other hand, Fukumoto got acquainted with young revolutionary intellectuals like Karl Korsch and György Lukács who were endeavoring to draw theoretical conclusions from their revolutionary experiences.32 However, since the Comintern had criticized both of them for leftist deviations, Fukumoto had to conceal his acquaintance with them.

In Kawakami's Autobiography (Jijoden), he mentioned both Kushida and Fukumoto and appreciated their criticism that guided him on his journey to Marxism.33 However, as Kobayashi suggests us, we should discern the impact of the two
critics on Kawakami carefully. In the second section we have seen that Kushida's criticism helped Kawakami move toward Marxism. Therefore, the question that arises is as follows: What was the impact of Fukumoto's criticism on Kawakami?

Before answering this question, we need to examine Kushida's reaction to Fukumoto's emergence. Kushida's attitude toward Fukumoto was clearly evident in his review article that dealt with Fukumoto's Methodology of the Critique of Political Economy (Keizaigaku Hihan no Hohon, 1926). In this article, Kushida first presented a skeptical view of Fukumoto's emphasis on the methodological text that Marx would have deleted from his grand plan of the Critique of Political Economy. Moreover, he maintained that Marx had never urged his readers to grasp the methodology. Finally, Kushida recommended that the reader should bring the method into practice, particularly in empirical research.

"Characterizing the theories of bourgeois economics as non-dialectical and citing Marx's words contrastingly is never dialectical, but idealistic. It may result in a quarrel but will never provide development. In order to bring about development, we need to further assimilate the bourgeois sciences. We should never neglect the task of collection of materials by considering it as mere empirical realism. The dialectics of materialism as the observation of the interrelation of each area is actualized only after mere empiricism in each area has attained its limit. In Japan, this kind of empirical realism is still desired." 35

From the above quote, it is clear that Kushida appreciated empirical investigation more than the study of methodology. Interestingly, this is the direction in which the director of the Obara Institute, Takano Iwasaburo (1871-1949), guided his staff. Takano inherited this appreciation for empirical research based on historical, sociological, and statistical methods from the economists of the German Historical School and nourished a critical as well as positivistic attitude among the Marxist researchers who had studied at his Institute. 36 After a careful study of Fukumoto's appeal for a focus on methodology and the total view, Kushida appears to have decided that as a Marxist scholar, it was best to devote his energy to empirical research.

However, Kushida's call for a greater focus on empirical scholarship was not one that Kawakami followed. As Yamanouchi Yasushi suggests, Fukumoto's emphasis on class consciousness might have strongly appealed to Kawakami's idealistic mind. 37 In his reconstruction of the materialistic view of history, Fukumoto included two layers, i.e. the "state process (political process)" and the "conscious process," between the "pure economic process" and the "international process." In the former, he included all the social life processes (political, judicial, familial, religious, moral, and pedagogical life processes) that are determined by the material production process. In the latter, he focused on the intellectual production process that produces the various forms of social consciousness (ideas and ideologies). In this section, he described fetishism and reification under the capitalist system of commodity production and emphasized on the advantage of the class consciousness of the property-less class in the recognition of social relations.

Kawakami, who was charged with ignoring the abstractness of the analysis of The Capital and neglecting the political process, disagreed with Fukumoto on the location of the "conscious process" as well as the "forms of social consciousness" that appeared in this process. In "On Marx's 'Forms of Social Consciousness' (Marukusu no iwayuru Shakaiteki Ishiki Keitai ni tuite)" in January 1926, he maintained that "some of the forms of social consciousness (…) which has an inseparable connection with the 'real base' which constitutes the economic structure of society. These forms of economic consciousness are interwoven in the basis." According to him, there is no "pure economic process." "Thus, a study of the economic structure of society means a study of the dominating forms of social consciousness." 38

Moreover, after a year, in response to Fukumoto's anti-critique that Kawakami assumed a classless economic consciousness and neglected its contradictions, Kawakami wrote that "It is a great mistake when one supposes that the consciousness under a class society is
always split in terms of classes. ... Even in the laboring class, the naturally growing consciousness is an ordinäre Vorstellung, i.e., a Bürgervorstellung (bourgeois concept).” Therefore, it was the duty of scientific criticism of political economy to assist the laboring class to attain the critical consciousness of the existing social order. This was another interpretation of Marxian scholarship that differed from Kushida's empirical direction.40

VI Shifts in the Debates

In this article, we focused on Kawakami and his two critics and examined the development of the understanding of Marxian theory in Japan in the decade after the publication of the Tale. Fukumoto, who introduced the total vision and methodology of Marx's critique of political economy to the intellectuals of Japan, lost his influence after the Comintern's criticism. He was arrested in June 1928 and was imprisoned for fourteen years. On the other hand, owing to government pressure, Kawakami had to leave Kyoto University in May 1928. His subsequent works reflected intense partisanship as opposed to independent scholarship. Thereafter, in January 1933, Kawakami was also arrested for his involvement in the illegal activities of the JCP. Meanwhile, Kushida continued as an academic scholar and furthered his investigations on the analysis of the agricultural problem of Japanese capitalism. Through the rest of his life, Kushida remained completely devoted to his research; however, he died abruptly in November 1934. Thus, around the mid-1930s, all three of them exited from the center stage of the debate on Japanese Marxism. Therefore, the subsequent debate on the nature of capitalism in Japan was to be raged by a new generation of Marxian scholars that were divided in the Koza school and the Rono school.41

In his retrospective address in 1974, Yamada Moritaro (1897-1980), one of the leading scholars of the Koza school, mentioned three debates that contributed to the emergence of the theoretical studies of Marxian economics in Japan: (1) the debate on reproduction and accumulation of capital, (2) the debate on value, and (3) the debate on rent. In his opinion, 1921, the year in which the first debate began, was a memorable year in the history of political economy in Japan.42

We have already examined the early stages of the first and second debates. The first debate began with Fukuda Tokuzo's critique on the alleged collapse theory of Marx and Kawakami's defense of the theory in the following year. As criticized by Fukumoto, both these arguments dealt with the growth or collapse of capitalism from the abstract possibility of capitalist reproduction on the basis of the views of Western scholars. The second debate that began with Koizumi Shinzo's critique on Marx's inconsistency between the labor theory of value and the theory of average rate of profit in 1922 displayed a similar pattern. Koizumi's argument was based on E. Böhm-Bawerk's critique on Marx, and Yamakawa Hitoshi's defense against that argument was premised on the writings of Louis B. Boudin and Ernest Untermann, which were published in the same year. The discussion over the concept of value between Kawakami and Kushida occurred in terms of their contributions to this second debate. The third debate began in 1928 with Hijiwata Seibi's (1890-1975) critique on Marx's views regarding the compatibility of differential and absolute rent as well as "false social value." Kawakami and Kushida joined this debate in defense of Marx.

All three debates were initiated by critiques on Marx's views by non-Marxist academicians. In the first and second debates, both Marx's critics and defenders borrowed extensively from Western scholars, and occasionally, the critics' knowledge of Marx surpassed that of the defenders. However, these debates between the Marxists and non-Marxists soon gave way to detailed discussions among the Marxists. Kawakami and Kushida's contributions to these debates were remarkable.

Finally, I would like to examine the fate of the concept of totality and methodology introduced by Fukumoto in the theoretical discussion of Marxists in Japan. Some researchers attempted to compare the three-staged system presented by Uno Kozo (1897-1977) with Fukumoto's argument on the limitation of
Marx's *Capital.* Moreover, it is a fact that Uno had received some hints from Fukumoto.46 However, based on the fact that Kawakami could appropriate Fukumoto's theory of the "conscious process" into his view of the economic structure, it is clear that Fukumoto's theory was not such one that advocated the separation of ahistorical principles and ideologies.

Rather, I am tempted to surmise that Fukumoto's call for totality had a hidden influence of the scholars of the Koza school, such as Yamada.43 Although the supporters of the JCP considered "Fukumotoism" as the worst sin that the party had ever committed, it might have had a persistent subconscious influence on them. In this case, it is most likely that the economists of the Koza school, and not the Rono school, might have been effective in reviving the idea that had been introduced by Fukumoto. Then, let us see the case of Yamada.

Indeed, Fukumoto had emphasized that Marx's *Capital* had failed to attain the law of real motion of modern economies.

"For the pursuit of the 'development of internal contradiction' - ever expanding 'market' and 'border of production' - we have to proceed over the range of *The Capital.* Its third volume has led us to its border." 44 However, this "pursuit" is to be combined with the "total grasp" of the economic society.

In the Preface of the 1947 edition of the *Introduction to the Analysis of the Scheme of the Reproduction Process* (Saiseisain Katei Hyoshiki Bunseki Joron, 1931), Yamada wrote the following:

"I first majored in the basic theory of economics, and from the research on the value theory ... attained the following conclusion. The category of value in Marx's works is the basic category that penetrates in the entire system of economic category; thus, at the same time, the value category is fixed by the latter." 45

"The theory of reproduction constitutes the basic theory to conclude the forms of the motion of the total capital of the society and the internal contradictions in that motion, i.e. the countervailing contradictions that are inherent even in the ideal coordination." 46

As the above citation suggests a linkage between the value and reproduction theories, Yamada would probably accept that his work on capitalism in Japan was premised on the conclusions of the three debates, including the debate on the rent theory. In Yamada's case, he appears to have discovered in the reproduction theory the basic framework that leads a researcher to the total grasp of the economic society. Whether Yamada was aware of Fukumoto or not is not important. What must be noted is the fact that Yamada consciously premised his works on his vision of totality.

Note


2) *Bimbo Monogatari (Tale of Poverty)*, in *Zenshu*, vol. 9, p. 3.

3) Sugihara Shiro, "Nihon Keizaigakushin jo no Bimbo Monogatari (Tale of Poverty in the history of modern Japanese economic thought)," *Nihon Keizai Shisoshi Kenkyukai Kihou*, no. 5 (October 1995). In this article, Sugihara maintains that Kawakami acquired his vision of the path to socialism based on the wartime economic policies in Germany.


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9) *Research*, no. 7 (July 1919), in *Zenshu*, vol. 10.
10) The problem of the "distribution policy" vs. the "production policy" was one of the typical topics of debate among the social policy scholars. Those who were close to the government and industry identified the benefits of social policy in the enhancement of productivity and supported this logic, so far as such an effect was evident. In contrast, based on their organic vision of a sound national economy, the ardent advocates of social policy emphasized its distributive effect, instead of the enhancement of productivity effect. Kawakami had originally prescribed to the latter position. However, by assuming luxury production as the basis of poverty, Kawakami, during this period, understood social policy as a "production policy." Nevertheless, due to Kushida's criticism, Kawakami returned to his original position in late 1917 and assumed socialism to be an extreme pole of the "distribution policy."

12) Kawakami often revised his view on Marx. In an article on socialism in 1907, he regarded Marx as a "man of mean character" that interpreted everything from materialistic motivations. In the next stage, when he pursued to make a break with traditional economic thought, Kawakami paid respect to him in such a manner to parallel Marx's words with those of Confucius and Mencius. In this period, Kawakami placed the socialists as diametrically opposed to individualism and assumed that they had favored an altruistic distribution policy. However, in "Seisan Seisaku toshiten no Shakaishugi (Socialism as Production Policy)" in 1919 (*Zenshu*, vol. 10), in which Kawakami dealt with Marx's original text, he had to admit that such elements of altruism did not play a significant role in Marx's theory.

13) *Research*, no. 21 (March 1921), in *Zenshu*, vol. 11.
17) In "Yuiutsu-Shikan to Shakaishugi (The Materialistic View of Society and Socialism)" in the journal *Warera (We)*, October 1919, Kushida intervened in the dispute between Sakai and Kawakami on changing/unchanging morality. First, he agreed with Sakai's position that denied the existence of eternal morality in the class society. However, thereafter, he rescued Kawakami's unchanging morality by suggesting Marx's ideal of universal human liberation after the socialist revolution. Kushida, thus, guided Kawakami's moralist conviction that had originated from traditional Confucian ethics toward the vision of the future human society. *Kushida Zenshu*, vol. 1, p. 273.
18) This was published in the July 1924 issue of the popular journal, *Kaizo* (Reconstruction). (*Kushida Zenshu*, vol. 1)
22) "Marukusu no Kachi Gainen ni kansuru Ichis-Kosatsu - Kushida Tamizo Shi no Dodai no Ronbun wo yomite (A Consideration on Marx's Concept of Value - Reading Kushida Tamizo's Article of the same Title)," *Research*, no. 59 (Feb. 1925), in *Zenshu*, vol. 14.
23) *Zenshu*, vol.24, p.152.
24) Ibid., p. 155.
25) Mach's position (empirio-criticism) was accepted by Friedrich Adler, an Austrian Marxist. If this interpretation is correct, Kawakami's recantation of the "Causality" article is an evidence of his final acceptance of Leninism (Bolshevism) as opposed to the Marxism of the Second International.
26) *Marxism*, Dec. 1924. Published later in *Keizaigaku Hihan no Hohoron (Methodology of the Critique of Political Economy)*, Tokyo: Hakuyosha, 1926, and in *Fukumoto Shoki Chosakushu*, vol. 2. (Fukumoto's early works were collected by himself and published in *Fukumoto Kazuo Shoki Chosakushu (Early Works)*, 4 vols., Tokyo: Kobushi Shobo, 1971-1972. However, since several alterations were made to his works over a period of forty years, I refer this edition (*Shoki Chosakushu*) along with the original publication.)
31) Kushida left Japan in January 1921 and returned in August 1922. Fukumoto left Japan in March 1922 and left Europe in August 1924. Prior to writing the *Tale*, Kawakami had experienced life in Europe as a researcher of the Ministry of Education (October 1913-February 1915). He planned a long stay in Berlin; however, due to the outbreak of World War I, he had to shift to London soon after his arrival in Berlin. Moreover, both Kawakami's writings in Europe and the *Tale* do not reveal whether he had any contact with the European social movements. Therefore, without a real and grassroots level perspective of social movements, Kawakami had to work his way to understanding Marxism by reading in his quiet study in Kyoto.
34) Kobayashi, pp. 231-232.
35) “Marukusu no Hohoron (Marx's Methodology),” *Shakaikagaku* (*Social Science*), vol. 2, no. 8 (October 1926), in *Kushida Zenshu*, vol. 1, p. 257.
36) According to Ouchi, senior Japanese professors imported readymade textbooks from Germany and neglected the empirical research that was conducted in writing those books. In this sense, they were a “historical school without history” (Ouchi Hyōe, *Keizaigaku Gojyūnen (Fifty Years in Economics)*, Tokyo: Tokyo Daigaku Shuppankai, vol. 1, 1959, pp. 19 and 40. Realistic researches that the original German Historical school had intended were later undertaken by the Marxian scholars.
40) With regard to the two articles, Kawakami's stance was very close to that of Fukumoto, although Fukumoto identified Kawakami's interpretation with the critical empiricism that Kawakami had already abandoned. In this respect, Kobayashi assumes Kawakami's adoption of Leninism (desertion of Kautsky's social evolutionism) as a product of the influence of Fukumoto. See Kobayashi pp. 37 and 254.
41) In this long continued debate, Japanese Marxian scholars were divided. The Koza school was named from the publication of *Nihon Shihonshugi Hattatsu shi Koza (Symposium on the History of the Development of Japanese Capitalism)*, 1933-32, Tokyo: Iwanami, while the Rono school was named after the theoretical journal, *Rono (Workers and Farmers)*, which was maintained by non-JCP Marxists in 1927-32. See Hoston, *ibid*.
45) Although later, Fukumoto strongly opposed the Koza school (Feudalist), his application of ‘absolutism’ to the Meiji state was one of the origins of Koza school Marxism. Considering Yamada's close friendship with Iwata Yoshimichi (1898-1932: Communist activist who had been once among the students that had invited Fukumoto to Kyoto University), it is possible that he might have been
well aware of Fukumoto's ideas. Hirano Yoshitaro (1897-1980), another leading scholar of Koza school Marxism, wrote a review of Fukumoto's *Methodology in Archiv für die Geschichte des Sozialismus und der Arbeiterbewegung*, Jg. 14 (1929).

47) *Yamada Chosakushu*, vol. 1, p. 55.