

The Wrong but Influential Image of Adam Smith in the 20th century Japan: What the Adam Smith Library and Nitobe Suggest *

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Abstract

This paper examines how Japanese image of Adam Smith (1723-1790) in the twentieth century was biased from the original Smith through investigating 'Adam Smith Library' in the Faculty of Economics, University of Tokyo bought by Professor Inazo Nitobe of Tokyo Imperial University in 1920, with necessary comparison with Hiroshi Mizuta's *Adam Smith's Library: A Catalogue* (Oxford, 2000).

I. Introduction¹

Before beginning the planned investigation, it would be useful for readers to know how Tokyo's Smith Library came to Japan. It contains world second largest portion of the original Smith Library after Edinburgh (Mizuta: 2000, 289).

After Smith's death in July 1790, the library was given to his younger cousin, David Douglas (1769-1819). Then it was divided equally based on the number of books, not contents by two daughters, Mrs Cunningham and Mrs Bannerman after his death. The Bannerman portion was, after her death, donated to the New College of Edinburgh University for twice (1884, 1894) by the son, David Douglas Bannerman.

On the other hand, the Cunningham portion was put on sale in Edinburgh by Mrs Cunningham immediately after the death of the husband in 1878. Its part was purchased by Professor Valentine Hodgson (1815-1880), first dean of the Faculty of Economics of Edinburgh University. After his death, Mrs Hodgson donated it to the Library of Edinburgh University. Books of this sale are now scattered in the libraries of several countries including Japan.

Another part of Cunningham portion in this sale was purchased by Professor J. S. Nicholson, an adopted son of Hodgson and a successor of Hodgson's professorship. Nicholson, then, donated some of it to Edinburgh University Library and Kirkcaldy Museum in Smith's home town. The rest of Cunningham portion was inherited by Mrs Cunningham's son, Professor of R. O. Cunningham (1841-1918) in Queen's College Belfast. While a part of this inherited part was donated to the College, the left part of Cunningham portion was put up for sale in 1920, after the professor's death in 1918, by an old book-seller Dulau & Co. It was Professor Inazo Nitobe of Tokyo Imperial University (新渡戸稲蔵: 1862-1933) who was in London by work of the League of Nations as an Undersecretary-General by chance to

see a catalogue and was able to buy ahead of Glasgow University and other competitors. It looks a result of many good licks that he was able to buy the portion of Adam Smith Library. Nitobe donated it to the newly independent Faculty of Economics from the Law Faculty of Tokyo Imperial University in a previous year. In fact, it safely reached the Faculty at the middle of October in 1920.

II. Smith Library as a Forgotten ‘treasure’: how ‘the father of economics’ worked

Tokyo’s Smith Library has been forgotten for a long time from the first time. There are a couple of reasons. First one is its contents. The Library now has 150 titles of 315 volumes out of 1808 titles according to Mizuta’s *Catalogue*. It shows a quite unexpected fact for Smith scholars in Japan that there is no book of political economy or theology in it.² Among the titles in the Library, there are history books most, then, in order of literature,³ philosophy, a natural history and traveler’s diary while there are very few books of law and policy. This component reflects Smith’s strong empiricism-based intellectual interest in world-wide people’s actual conducts and his significant interest in observation of natural world. This general trend is also confirmed by Mizuta’s *Catalogue* overall. In other word, to see only the contents of the Tokyo’s Smith Library, it is considerably difficult to determine that he is a political economist. Rather it may be said that he is an intellectual or a man of letters covering a wide field of human knowledge. Of course, this is not at all a rare case in the 18th century European thinkers. Smith himself once wrote:

‘I have ... two other great works upon the anvil; the one is a sort of Philosophical history of all the different branches of Literature, of Philosophy, Poetry and Eloquence, the other is a sort of theory and history of Law and Government.’ (Letter to Rochefoucault, 1 Nov. 1785) (Mossner & Ross 1987: 286-87)

It is clear, therefore, that huge variety of fields of Tokyo’s Smith Library reflects Smith’s original interest that the typical and old Japanese Smith scholars, particularly at the first stage of introduction of Smith in the early 20th century, unexpected at all.⁴ In fact, the contents of the Smith’s original library classified in Mizuta’s *Catalogue* shows that the study range of Smith himself was never limited to so-called political economy, and that, conversely, it covered extremely wide disciplines such as philosophy, ethics, literature, geography, biology, medicine, physics, optics, astronomy, etc. It means Smith applied the common method of empirical observation-based approach for the investigation of both physical and moral world. It seems reasonable to say that it was natural that the Tokyo’s Smith Library did not capture the mind of Japanese scholars of history of economic thought and economics.

Second, Smith’s image had been already established as ‘the father of economics’ during the late 19th century.⁵ Before Meiji Restoration in 1868, the introduction of the western economic thought to

Japan began at the last stage of Tokugawa Shogunate era in the first half of 1860s. After the Meiji Restoration, huge numbers of economic books were purchased and translated for the purpose of modernization of the country. As for the translation of *The Wealth of Nations*, an abridged version was published in 1882 and the first completed one was done in 1888. It was not, however, *The Wealth of Nations* itself but the M. G. Fawcett's introductory textbook on Smith's economic thought titled *Political Economy for Beginners* (『宝氏経済学』) that was most spread and contributed to disseminate the name of Smith by its various translated versions. From the first time Smith was mainly accepted as 'the father of economics' in a vulgarized fragmental way. It is also well known that Fukuzawa, founder of Keio Gijuku University contributed very much to spread the name of Smith as a founder of political economy by *Gakumon no Susume* (『学問のすすめ』: *An Encouragement of Learning*, 1872-76) and his other writings at the early stage of Meiji era (1868-1912).⁶

Also, the image of 'the father of economics' was well received by both scholars and entrepreneurs or projectors in business community those days because Japan at the first stage of modern state had a national goal to catch up with the Western developed countries by promoting the rapid economic growth.⁷ Adam Smith and *The Wealth of Nations* were introduced and accepted as a description of success model in this context.

Third, there are the following historical facts in the field of business and economics for supporting the comment above.⁸ There was the launch of a number of new economic magazines. They are as follows: *Tokyo Keizai Zasshi* (『東京経済雑誌』: *Tokyo Economic Magazine*, 1879)、*Kokuminn no Tomo* (『国民之友』: *The Friend of the Nation*, 1887)、*Nihon Rizai Zasshi* (『日本理財雑誌』: *Japanese Economic Magazine*, 1889) and others. Such economic magazines were going to part to a business magazine, a labor movement magazine and an academic journal during first decade of the 20th century. As for university academic journals, the followings were published one after another: *Mita Gakkai Zasshi* (『三田学会雑誌』: *Mita Journal of Economics*, Keio Gijuku University, 1909), *Keizai Ronso* (『経済論叢』: *The Economic Review*, Kyoto Imperial University, 1915), *Keizaigaku Kenkyu* (『経済学研究』: *The Journal of Economic Studies*, Tokyo Imperial University, 1920) *Shogaku Kenkyu* (『商学研究』: Tokyo University of Commerce, 1921) *Keizaigaku Ronshu* (『経済學論集』: *The Journal of Economic Studies*, Tokyo Imperial University, 1922; renamed from 'kenkyu' to 'ronshu'.)

In addition, as written above, it was the year of 1920 when the Smith Library came to Japan. Coincidentally, the Faculty of economics of the Tokyo Imperial University and Kyoto Imperial University had become independent from the Law Faculty in 1919, and immediately after the enforcement of University Act (大学令), Tokyo University of Commerce was established. The act also stimulated the establishment of the Faculty of Economics in many of private universities all over Japan. This is another circumstantial evidence that supported wide-spread Japanese type of Smith reception as 'the father of economics'.⁹

As a matter of fact, it is also significant to show another following fact related the above judge-

ment. Some leading universities' economic journals published commemorative special feature for "Bicentenary of Adam Smith Birth" in 1923-24: *Shogaku Kenkyu* (Tokyo Commerce), *Keizaigaku Ronshu* (Tokyo), *Keizai Ronso* (Kyoto), *Mita Gakkai Zasshi* (Keio).¹⁰ Also, many of independent commemorative monographs were written for other university journals together with for some general economic magazines. Those events certainly confirm Smith's image of 'the father of economics' strongly to everyone who was interested in economy and commerce in Japan. Even Ei-ichi Shibusawa, a leading entrepreneur, gave a commemorative statement letter titled *Shokan for Tokyo Keizaizasshi* (No.23, Jul. 1923). Regarding the paper titles in those journals, they covered many themes of *The Wealth of Nations*: value theory, monetary theory, colonial policy, laissez-faire, free competition and monopoly, moral sentiments, mercantilism, ethics together with biography and bibliography. There was no paper on Smith's interest in Italian epic that is the largest portion of Tokyo's Smith Library.

Lastly, one final point is to be made about the reason of this oblivion. It is a very simple one that during these 40 years there had not been the professor who was able to be in charge of history of economic thought in the Tokyo University Faculty of Economics. This may be the biggest practical reason why the Smith Library has been forgotten.¹¹

III. Shadow of Marxism

Let us now look at the matter from a different point of view. It is the shadow of Marxism that might have influenced a lot on Japanese type of interpretation and acceptance of Smith in the field of history of economic thought from the first time. Actually, the first complete translation of Marx's *Capital* for Japanese scholars appeared almost same time as the second refined complete translation of *The Wealth of Nations* appeared around 1920. As a result, Smith scholars those days were quite likely to compare those two and concentrated on Smith's value and price theory particularly from the view point of labour theory of value rather than other themes in *The Wealth of Nations*.

Obviously, this tendency had been kept on going after World War II. It may be said that it greatly twisted Smith image. The most symbolic example of this case was seen in Yoshihiko Uchida's (内田義彦 : 1913-1989) reading Smith that still survives in a certain intellectual circle now. For Uchida, Smith was an 'incomplete Marx' by portraying him as a precursor of labour theorist or a prophet of Capitalist alienation. For him, Smith was a 'Bourgeois radical' to the utmost who criticized mercantilism as 'Old imperialism'.

Those types of interpretation were in Uchida's *Keizaigaku no Seitan* (『経済学の生誕』 : *The Birth of Political Economy*, 1953), *Shihon-ron no Sekai* (『資本論の世界』 : *The World of the Capital*, 1966). Historically, this type of reading depended on the *Zeitgeist* that many scholars and even some general public shared particularly just after WWII. Admiration to socialism and Marxism are its core contents. It is because this *Zeitgeist* derived from pre- World War II Japanese Marxism that played a role of

critique of authoritarian militarist political regime instead of liberalism while British liberalism became the ideological ground of anti-Nazism and anti-dictatorship including Bolshevism. The image of Smith of Uchida type survived as 'a product of age' until the period of Japan's rapid economic growth in 1960s, and finished its historical role in general in 1970s.¹² Smith was portrayed just a political economist in Uchida's works and all of related works those days. Authors of history of economic thought writings were not interested at all in the Library with minor exceptions such as Okouchi, Yanaihara and Mizuta.¹³

As for the history of Japanese economic thought, there was an era of enthusiastic controversy about Japanese capitalism from the middle of 1910s to the middle of 1920s. It focused on the gap between the pre-modern type of delayed agriculture and the need for the rapid modernization of industrial structure that was common in some late started capitalist countries like Germany and Japan. Major players were from the field of Marxian economics who studied abroad in Germany after 1890s after strengthening Japan-Germany relations. (Tamanoi 1971: 113-16, 183)¹⁴ From a viewpoint of general public, this controversy between two schools, Marxian and modern orthodox, was thought to have won by the Marxian side.

It was often imperative that the intellectuals, in particular the economists, should declare which to give. Nitobe was in the midst of such an ideological situation.

IV. Why Nitobe bought Tokyo's Smith Library

Now, this paper returns back to Nitobe. Why could Nitobe decide to purchase the portion of the original Adam Smith Library in 1920 for the Faculty of Economics in spite of the lack of economic books and documents in it.

There were a couple of possible reasons: First and main reason was that Nitobe were not so interested in theoretical aspect of classical political economy, but mainly concerned about Japan's agriculture and colonial policy. His personal and academic background well support it.

After having graduated from Sapporo Agricultural School (1877-1883)¹⁵ and short time service to a local government, he entered Johns Hopkins University in America (1884)¹⁶, then moved to University of Bon (1887), University of Berlin, and University of Halle in Germany. He got a PhD of Agriculture at Halle (1891). There is no doubt that he had enough opportunities of getting well knowledge on western economics and world politico-economic situation while in America and Germany. Also, it was likely that he got interested in Adam Smith and colonial policy as a Japanese who saw the world and Japan from the outside.

As soon as Nitobe returned to Japan, he worked with Kyoto Imperial University (1903) as a professor of Colonial Policy based on his own experience of the establishment of Taiwanese sugar industry; then he moved to Tokyo Imperial University (1906) and began the lecture of Colonial Policy again in 1909 until he was appointed an Undersecretary-General of the League of Nations in 1920.

As far as his lecture of Colonial Policy is concerned, Nitobe referred Smith just about economic profit of colonies in general and the specific successful experience of American colonies from *The Wealth of Nations*. His reference is summarized in Chapter 2 'Reason, Purpose and Benefit of Colonization' of his own book (Yanaihara 1942: 24,101). The contents of Nitobe's lecture was almost like a 'colonial acquisition and operation manual' that seemed a reflection of important diplomatic policy of the newly emerged imperialist state of Japan.¹⁷

The point is that, paradoxically, Nitobe could bought the remaining non-social scientific Cunningham portion because he was not interested in Smith's systematic analysis of Political Economy. He knows Smith's name and wanted to investigate the Western actual experience of colonization in 18th and 19th century. This judgement is confirmed by the contents of Nitobe Libraries in the University of Tokyo, Hokkaido University and Tokyo Womens Christian University.¹⁸

Second reason was that Nitobe coincidentally selected Smith by affording the Tokyo Smith Library when he faced the opportunity which would be better, Smith or Marx, for future Japan. At that time around 1920s, the Japanese intellectuals were directly or indirectly questioned their position on Marxism, more or less. Regardless of whether he was conscious or not, it can be said that he made that choice like other intellectuals did. In this regard, there was one further evidence we must not ignore. Nitobe was hostile against Marxist idea of socialism or communism because of his Christian background in Sapporo and Methodist one in Johns Hopkins, his enough foreign experiences of daily life, art and culture in some developed western countries, and his extremely wealthy personal life. In fact, he expressed anti-equality feeling elsewhere, for instance, as follows: 'It is unavoidable that a difference of the poverty and wealth occurs as far as there is a difference in human personality.' (「人間の個性に差がある限り、貧富の差が生じるのはやむを得ない」) in *Yowatari no michi* (『世渡りの道』: *The Course of the Making a Living in the World*, 1912, Ch.21).¹⁹

V. Conclusion

Firstly, Smith's image at that time in Japan was rather one-sided as 'the father of economics'. Secondly, the contents of the Smith library Nitobe bought were not suitable for the Faculty of Economics in terms of its contents. Thirdly, it was paradoxical that he was able to buy the portion of original Smith library without books on economics, because he did not have much interest in Smith's overall economics. Lastly, it can be said that Nitobe bought the Smith Library in London in 1920 as a result of its inevitable background and some lucky accidental accumulation.

* This abridged paper is the essence of two papers on Nitobe read for the annual conference of Japanese Society for the History of Economic Thought in 2016 and 2018. Full paper is in progress.

Notes

- 1 This part on the outline of dispersion of the original Smith Library are based on Mizuta (2000: xx), Okouchi (1939), and Hara (1995).
- 2 Detailed comment on the Tokyo's Smith Library is in Nohara (2016).
- 3 The largest portion is Italian epic of 18 titles with 49 volumes. (Nohara 2016: 12-13)
- 4 Okouchi, a leading professor of the Faculty of Economics of Tokyo University, once said Tokyo's Smith Library is 'a treasure' though it was almost nothing to do with scholarship of economics. (Okouchi 1953: 235-236).
- 5 This part is based on Tsukatani's chronological table in Tsukatani (1960: 44-46).
- 6 *An Encouragement of Learning* was one of the maximum bestsellers of the Meiji era (1868-1912) together with a translation of Samuel Smiles' *Self-Help*. (Arie 1994) Major readers of the both were the ambitious younger. See also Kinmonth (1980, 1982).
- 7 See Waswov (1988) for historical and political background, and Sugiyama and Mizuta (1988) for detailed instruction of introduction of the Western economic thought to Japan.
- 8 This part is mainly based on Sugihara (1972, 1987), Honjo (1946), and Tsukatani (1960).
- 9 It was quite general that Japan's universities established a 'faculty' of economics, not a 'department' rank. It was of course suitable and necessary for 'the land of rising economy'.
- 10 In the case of *Mita Gakkai Zasshi* (Vol.5, No.3) of Keio Gijuku University, titles of papers for Adam Smith Special Issue (1911) covered wide range issues on *The Wealth of Nations* including value theory (Komuro 2007: 154-55) This is a typical tendency of private university journals those days unlike the case of Tokyo Imperial University's journal where posted papers were so state policy-oriented.
- 11 The Faculty of Economics eventually has had a tenure professor in the autumn 2018 after some four decades blank.
- 12 See Arie (2014).
- 13 Professor Tadao Yanaihara edited the catalogue of Tokyo's Smith Library in 1951 (Yanaihara 1951), and the making of revised catalogue is in progress now. He also wrote an instructive comment on the Library. (Yanaihara 1965).
- 14 The following people were representative players in the controversy. H. Kawakami, T. Inomata, T. Kushida, H. Yamakawa, and M. Yamada were from Marxian side. T. Fukuda, Y. Takada, S. Koizumi were from modern orthodox economics side. (Arie 1994: 58-59)
- 15 He got baptized by a Methodist missionary when he was in this school. Nitobe's biographical information is from basically Sato and Fujii (2013).
- 16 He became a Quaker and met future wife, Mary Elkington, when he went to Johns Hopkins University. See Sato and Fujii (2013).
- 17 Nitobe's lecture covered huge area as America, Africa, East Europe and even Middle East together with detailed analysis of the West European Experience of colonization in the world. (Yanaihara 1942) This is quite typical for the education in the Imperial Universities those days in contrast with the case of private universities in Japan.
- 18 As for Nitobe Collection in University of Tokyo, see (Shitara 2011). Major titles are Colonial Policy.
- 19 Most recent version is Nitobe (2015). First edition was published in 1912.

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