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NAVIGATING CASTE VIOLENCE THROUGH FINANCIAL REFORMS: OKUMA SHIGENOBU, 1873

In 1873, 35 year old Okuma Shigenobu was in the eye of the storm. The son of a modest samurai family from the Saga Domain, Okuma was a voracious student and a techocrat, rather than one of the cabal of samurai from the Choshu and Satsuma Domains that had won the Boshin War and restored the Meiji emperor to authority in Japan. Yet, having just ascended to Finance Minister, he faced massive challenges. Crucial among them is how to deal with other declassed samurai, a warrior caste constituting 1.94 million, or 5-6% of the population, with strong, conflicting clan and domain loyalties, to whom the government owed salaries absorbing a third of the national budget. The samurai have remilitarized during the Boshin Civil War, and violent samurai rebellions may break out at any moment in the former feudal domains, including in Okuma's home domain of Saga. Externally, outside powers can provide investment, but are seeking increasing concessions, sometimes backed by 'gunboat diplomacy'. Okuma needed to find rapid answers- how to create a sound budget, mobilize and attract investment in modernizing the country, while warding off the threat of caste violence and civil war? The future of his country was at stake.

FORGING AN UNUSUAL SET OF SKILLS

Ōkuma Shigenobu (大隈重信) was born on March 11, 1838, into a modest lower-ranked samurai family in Saga Domain, one of the more progressive domains on the island of Kyushu in western Japan.[1] Ōkuma received a traditional samurai education at the Kōdōkan, Saga's domain school, studying Confucian classics and martial arts.[2]

For centuries, Japan had resisted outside influences. But the forceable opening of Japan by the 'Black Ships' led by Commodore Perry of the US Navy in 1853 led to a growing realization how far behind Japan had fallen technologically. In 1855, Saga established the Rangaku-ryō (Dutch Learning Institute), where Ōkuma studied Western sciences and languages.[3] He mastered English and Dutch—extremely rare skills in 1850s Japan—while also learning Western political economy, military science, and technology.

During the chaotic final years of the Tokugawa Shogunate, Ōkuma aligned with the imperial loyalist movement supporting the removal of the samurai Shoguns and restoration of imperial rule during the 'Boshin' (Dragon) Civil War.[5] However, he avoided the violent extremism of some activists.

The Meiji Restoration of 1868 ended over 260 years of Tokugawa rule and created opportunities for talented individuals from various domains, not just the victorious Satsuma and Chōshū that led the military campaigns. Ōkuma joined the new Meiji government immediately after the Meiji Restoration in 1868. Between 1868 and 1869, he served in the Foreign Affairs Office, where his English ability proved invaluable.[6] The government had inherited "unequal treaties" that severely limited Japan's sovereignty through extraterritoriality and fixed tariffs. Dealing with Western diplomats required officials with Ōkuma's linguistic and cultural knowledge. In 1869, Ōkuma transferred to the nascent Finance Ministry.[8] The feudal economic system had collapsed, leaving chaos: multiple currencies, unclear revenue sources, and enormous inherited obligations. The government needed to create a modern fiscal system virtually from scratch, and Ōkuma's knowledge of Western financial systems made him invaluable.

ASCENDING TO FINANCE MINISTER AT 35 (1870-1873)

Professor Saumitra Jha prepared this case as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

As Vice Minister of Finance from 1870 to 1873 under Finance Minister Inoue Kaoru, Ōkuma helped design fundamental fiscal reforms.[9] He worked on currency standardization, planned the land tax revision that would transform taxation from rice payments to cash based on assessed land values, and negotiated with foreign banks on behalf of the government.

When senior leaders departed on the Iwakura Mission to the West in late 1871, a caretaker government remained in Japan.[10] This created opportunities for capable officials like Ōkuma to demonstrate their abilities and take on greater responsibilities in the absence of the most senior figures.

During this period, Ōkuma achieved several significant accomplishments. He participated in drafting Japan's first National Bank Act in 1872, legislation modeled on American systems that aimed to create modern banking infrastructure supporting economic development.[11] He helped secure funding for Japan's first railway line connecting Tokyo and Yokohama, which opened in 1872, gaining valuable experience in the delicate negotiations with Western financial interests that would characterize much of his subsequent career. He also introduced Western-style budgeting and accounting procedures to replace the informal arrangements of the feudal period. These early reforms laid groundwork for Japan's financial modernization despite enormous implementation difficulties.[12]

The 1873 Political Crisis The year 1873 brought profound crisis to the Meiji government. When the Iwakura Mission returned from their extended tour of the United States and Europe, they discovered the caretaker government planning to invade Korea. The proposal mixed several motivations: punishing Korea for refusing to recognize the Meiji government, providing employment for disaffected samurai, and addressing strategic concerns about the Korean peninsula.[13] The *Seikanron* (Korean invasion debate) created a fundamental split over Japan's direction. Should Japan pursue aggressive foreign policy and territorial expansion, or should it focus on internal development and institutional reform? The debate quickly became more than a foreign policy disagreement—it represented fundamentally different visions of Japan's path to becoming a modern nation-state.

Ōkuma sided firmly with the anti-invasion faction led by Iwakura Tomomi, Ōkubo Toshimichi, and Kido Takayoshi. These leaders argued Japan was too weak for foreign military adventures and that the priority must be internal reform and development—the *fukoku kyōhei* (rich country, strong army) strategy that emphasized building national strength before engaging in external conflicts.

The October Resignations In October 1873, the anti-invasion faction prevailed in a series of dramatic government meetings. The emperor, guided by Iwakura and others, decided against the Korean expedition. The consequences were immediate and severe. Saigō Takamori, the most prestigious military leader of the Restoration, resigned in protest and returned to his native Satsuma. He was joined by Itagaki Taisuke from Tosa, Gotō Shōjirō also from Tosa, Etō Shinpei from Saga, and Soejima Taneomi, another Saga man who had been serving as Foreign Minister.[15] This mass resignation removed approximately half of the *sangi* (councillors) from the government, representing a massive political shake-up. Finance Minister Inoue Kaoru also resigned in October 1873, though his departure was related to policy disagreements and the general political crisis rather than the Korean question specifically.[16] His resignation created a crucial vacancy at precisely the moment when fiscal policy was paramount to the government's survival and reform agenda.

Why Ōkuma? Ōkuma was appointed Finance Minister in October 1873 for several strategic reasons that made him uniquely suited for the position. His three years as Vice Minister had thoroughly demonstrated his administrative abilities and mastery of complex financial issues. He had proven himself not merely competent but exceptional in handling the technical challenges of fiscal modernization. Few officials in the entire government possessed his combination of Western financial knowledge and practical experience in Japanese administration.

Critically, Ōkuma had sided with the victorious anti-invasion faction during the crisis, proving his alignment with the government's new direction under Ōkubo's leadership. This political reliability mattered enormously in the volatile atmosphere of late 1873. As Vice Minister, he could provide stability and continuity in the crucial Finance Ministry during a time of unprecedented political upheaval. The government could not afford further disruption in its fiscal affairs.

Ōkuma's status as a Saga man placed him outside the Satsuma-Chōshū power axis that was coming to dominate the government. This made him acceptable to various factions while not threatening the ultimate dominance of those

domains. His appointment could help address criticisms that the government was becoming exclusively a Satsuma-Chōshū oligarchy. Finally, his language and negotiation skills were becoming increasingly important as Japan sought foreign loans to finance modernization projects. The government needed someone who could deal effectively with foreign banks and diplomats on technical financial matters.

The remaining oligarchs—primarily Ōkubo Toshimichi from Satsuma, Kido Takayoshi from Chōshū, and Iwakura Tomomi, a court noble—needed capable administrators who shared their vision of prioritizing internal reform over foreign adventures. They also needed to rebuild the government's leadership structure while maintaining policy continuity. Ōkuma fit these requirements perfectly. He was talented, reliable, committed to reform, and aligned with their policy priorities without being powerful enough to challenge their ultimate authority.

THE CURRENT CHALLENGES IN 1873

As the newly appointed Finance Minister in late 1873, Ōkuma faces enormous and interconnected crises that would test even the most experienced administrator.

Immediate Fiscal Pressures The most pressing problem confronting Ōkuma is severe inflation resulting from inconvertible paper notes issued during the Restoration period.[18] When the shogunate collapsed and the new government was established, various authorities issued paper currency to finance their operations, but this currency was not backed by gold or silver and could not be converted into specie. The result was a proliferation of different paper notes of uncertain value, creating inflation and undermining confidence in the monetary system.

Closely related to the currency problem is the crushing burden of samurai stipends. The government continues to pay stipends to former samurai, honoring obligations that the domains had made to their retainers. These payments consume approximately one-third of the entire national budget—an utterly unsustainable burden for a government trying to fund modern institutions and infrastructure.[19] The stipends represent a feudal obligation that the new government has inherited but cannot afford. However, eliminating or reducing these payments risks provoking rebellion from a class of warriors who have already lost their traditional social position and privileges.

Compounding these difficulties is the ongoing transition in the revenue system. The government is attempting to shift from the feudal tribute system, where domains collected rice from farmers and distributed it according to feudal obligations, to a modern land tax system based on assessed land values and paid in cash.[20] This transformation is proceeding, but implementation is causing significant disruption in the countryside and revenues remain uncertain during the transition period. The land tax is intended to become the government's primary revenue source, but the shift involves enormous administrative challenges and resistance from various quarters.

More broadly, Ōkuma must support the government's priority of internal development according to the principle of *fukoku kyōhei*. This requires finding revenue for investments in modern infrastructure, industry, and military capabilities while maintaining overall fiscal discipline. The government wants to build railways, establish modern industries, create a conscript army, and develop educational institutions. All of these cost money that the government does not have, creating constant pressure on the Finance Minister to find funds for competing priorities.

Finally, Ōkuma must secure foreign capital for modernization projects while maintaining fiscal discipline and protecting Japan's sovereignty to the extent possible.[21] Foreign loans offer a way to finance development without raising taxes or printing more inflationary currency, but they also create dependence on foreign creditors and potentially compromise Japan's autonomy. Negotiating favorable terms with Western banks requires both technical financial expertise and diplomatic skill—precisely the combination that Ōkuma possesses.

The Threat of Samurai Violence The political instability created by the October crisis carries immediate and dire security implications. The government faces a genuine threat of armed rebellion from disaffected samurai who have lost both their traditional status and their economic security. This is not merely theoretical concern—the conditions for widespread violence are present throughout Japan.

The October resignations have created natural leaders for potential resistance. Saigō Takamori's return to Satsuma is particularly concerning. As the most prestigious military commander of the Restoration, Saigō commands enormous loyalty among samurai throughout Japan, and especially in Satsuma, where thousands of former warriors retain their

martial skills and organization. His departure from government sends a powerful signal to discontented samurai that the current leadership has abandoned the values of the Restoration.

Even more immediately threatening to Ōkuma personally is the situation in his own Saga Domain. Etō Shinpei, who resigned alongside Soejima Taneomi, has returned to Saga where he commands significant support among local samurai.[22] Etō is not merely a disgruntled official—he is a charismatic leader who has advocated for samurai interests and opposed many of the government's modernizing reforms. His presence in Saga creates a focal point for opposition, and intelligence reports suggest he is actively organizing resistance to the government.

The fiscal policies that Ōkuma must implement will directly threaten the economic survival of this already volatile samurai class. Any move to reduce or commute stipends will be seen as the final betrayal by a government that has already stripped samurai of their privileged legal status, their exclusive right to bear arms, and their traditional role in society. The government has already faced scattered incidents of samurai violence in response to earlier reforms, but nothing approaching the scale of what might occur if stipend reductions are mishandled.

The government's introduction of universal military conscription in 1873 has further inflamed samurai anger by eliminating their monopoly on military service.[23] Many samurai view this as an assault on their fundamental identity as warriors. The new conscript army remains untested and of uncertain loyalty, while disaffected samurai throughout Japan retain their military training, their weapons, and their cohesion as a class.

Recent months have seen increasing incidents of samurai unrest. Small-scale protests have occurred in various regions, and there have been several assassination attempts against government officials perceived as too aggressively reformist. The government has had to deploy troops to maintain order in several domains where samurai have organized demonstrations against stipend reductions and other reforms. The atmosphere in many former castle towns is tense, with large numbers of unemployed former warriors nursing grievances and lacking economic alternatives.

The Saga Rebellion Threat The situation in Saga is particularly precarious and presents both a political and personal crisis for Ōkuma. Etō Shinpei has been actively recruiting among Saga samurai, many of whom are desperate for a return to the old order or at least some recognition of their contributions to the Restoration.[24] Saga samurai feel particularly aggrieved because their domain was progressive and contributed significantly to the Restoration, yet they now face the same loss of status and income as samurai from domains that opposed the imperial cause.

Ōkuma receives regular intelligence reports suggesting that Etō is organizing armed resistance and may launch a rebellion in early 1874. This presents Ōkuma with an acute personal dilemma. Etō is not merely a political opponent—he is a fellow Saga man, and in Japanese society, domain loyalties run deep. Ōkuma's decision to remain with the government when his domain colleagues resigned has already created tension. If Saga erupts in rebellion and Ōkuma must help finance military operations to suppress his own domain fellows, he will face accusations of betraying his birthplace.

Moreover, any rebellion in Saga will require immediate military expenditures at precisely the moment when Ōkuma is trying to stabilize government finances. The government will need to deploy troops, purchase supplies, and potentially compensate for disruptions to tax collection in the affected region. If the rebellion spreads beyond Saga—and there is every reason to believe it might, given the interconnections among disaffected samurai across domains—the fiscal impact could be catastrophic.

The broader threat extends beyond Saga. If a rebellion occurs and the government is forced to suppress it violently, this could trigger sympathetic uprisings elsewhere. Saigō's presence in Satsuma means that any major conflict could potentially draw in the most powerful military force outside government control. A widespread samurai rebellion would not only devastate government finances but could threaten the survival of the Meiji government itself.

Ōkuma must therefore navigate an extraordinarily difficult path. He needs to implement fiscal reforms that reduce samurai stipends to make government finances sustainable, but these same reforms risk triggering the very rebellions that would make the fiscal situation exponentially worse. The timing, pace, and method of stipend reduction will require exquisite political judgment. Move too quickly or too aggressively, and he risks armed

uprising. Move too slowly, and he fails to address the structural fiscal crisis that threatens the government's ability to fund essential modernization projects.

The presence of disaffected former leaders like Etō in Saga and Saigō in Satsuma means that any rebellion would have experienced military leadership. These are not mere malcontents but skilled commanders who led forces during the Restoration. They understand military strategy, they command personal loyalty from veteran fighters, and they have the organizational skills to coordinate resistance across multiple regions.

STRENGTHS AND VULNERABILITIES

Ōkuma brings substantial strengths to his position as Finance Minister. He has mastered Western financial systems and languages to a degree few Japanese can match. His ability to engage with Westerners on their own terms, understanding not merely the language but the underlying concepts and assumptions that shape Western financial and political thinking, has proven invaluable in negotiations with foreign diplomats and bankers. He has demonstrated consistent administrative ability in increasingly responsible positions, showing himself to be a practical and detail-oriented administrator who masters the technical complexities of his portfolios. He possesses political acumen in navigating factional disputes, having successfully aligned himself with the winning side in the October crisis. And he maintains a genuine commitment to modernization that goes beyond mere careerism—he appears to believe deeply in the reform program he is implementing.

However, Ōkuma also faces significant vulnerabilities in his position. Most importantly, he lacks the domain power base that Satsuma or Chōshū leaders possess. While this has made him acceptable to various factions, it also means he lacks independent sources of political support. His success depends entirely on maintaining the confidence of senior oligarchs, particularly Ōkubo Toshimichi, who has emerged as the dominant figure in government. If he loses their support, he has no political base to fall back upon.

His relative youth—at 35, he is younger than many senior oligarchs—and his junior status in the government hierarchy mean that he must be careful not to overreach or appear to challenge his superiors. The fact that his fellow Saga men, Etō Shinpei and Soejima Taneomi, just left the government in opposition to the anti-invasion policy creates potential complications.[25] While Ōkuma sided with the victors, his domain connection to prominent members of the opposition could raise questions about his ultimate loyalties if political tensions continue or if Saga erupts in rebellion.

The impending threat of the Saga Rebellion places Ōkuma in an especially difficult position. Should Etō actually launch an uprising, Ōkuma will face intense scrutiny regarding his loyalties. Some may question whether he can be trusted to allocate resources to suppress a rebellion led by his domain colleague. Others may suspect that he harbors sympathy for Saga's grievances even if he opposes violent resistance. His credibility and effectiveness depend on demonstrating absolute loyalty to the central government, but this very demonstration may alienate him from his domain roots and leave him vulnerable to accusations of betrayal from Saga.

KEY RELATIONSHIPS

Ōkuma's position in the government depends significantly on his relationships with key figures in the oligarchy. His most important relationship is undoubtedly with Ōkubo Toshimichi, the powerful Satsuma leader who has emerged as the dominant figure in government following the October crisis.[26] Ōkubo champions internal development over foreign adventures and has made fiscal stability a priority. Ōkuma's success as Finance Minister depends absolutely on maintaining Ōkubo's confidence. Should Ōkubo decide that Ōkuma is failing in his responsibilities or pursuing policies contrary to the government's priorities, Ōkuma's position would become untenable. Ōkubo has demonstrated willingness to remove officials who disappoint him, and he will expect Ōkuma to deliver results on the fiscal crisis regardless of political difficulties.

Kido Takayoshi, the senior Chōshū leader, represents another crucial relationship. While perhaps less dominant than Ōkubo, Kido remains one of the most important figures in government and a strong advocate for reform and modernization. His support for Ōkuma's appointment and policies matters considerably, particularly since Chōshū men traditionally held significant influence over financial matters. However, Kido's health has been declining, and his political position within the government has weakened somewhat, making Ōkubo's support even more critical for Ōkuma.

Among officials closer to his own generation and status, Ōkuma has developed productive working relationships with other reform-minded administrators. Itō Hirobumi, a rising Chōshū official who is roughly Ōkuma's contemporary, shares his commitment to learning from Western models and his technocratic approach to government.[27] The two men have collaborated on various reform projects and appear to respect each other's abilities. However, they also represent potentially competing centers of expertise and influence, and as both men advance in their careers, this relationship could become more complicated.

Inoue Kaoru, Ōkuma's predecessor as Finance Minister and his former superior when Ōkuma served as Vice Minister, represents a more complex relationship. Inoue's recent resignation has created the opportunity for Ōkuma's advancement, but Inoue remains an influential figure with strong Chōshū connections. Ōkuma must be careful not to appear to criticize his predecessor's policies too directly while also establishing his own approach to the Finance Ministry's challenges. Inoue's perspective on fiscal matters will continue to carry weight within government circles, and maintaining a respectful relationship with him serves Ōkuma's interests.

Perhaps most delicate are Ōkuma's relationships with his fellow Saga men who resigned in October 1873. Etō Shinpei and Soejima Taneomi both left the government in protest over the decision against the Korean invasion. These men were prominent Saga leaders who might have been expected to support and promote their domain colleague.[28] Instead, they now stand in opposition to the government that Ōkuma serves, and Etō in particular appears to be organizing active resistance. This situation creates extraordinary awkwardness and raises questions about where Ōkuma's ultimate loyalties lie. He must demonstrate convincingly that his commitment to the government and its policies transcends domain loyalties, while also avoiding actions that might be seen as personally attacking his former colleagues. If Etō launches the anticipated rebellion, this delicate balancing act will become impossible, and Ōkuma will be forced to choose definitively between his government position and any residual domain loyalties.

OPPORTUNITIES AND RISKS

Opportunities: As Finance Minister during a critical juncture in Japan's modernization, Ōkuma has the chance to shape the country's financial institutions and policies in ways that will have lasting effects. Success in stabilizing the currency, managing the transition to a modern tax system, and securing foreign capital for development projects could establish him as one of the most important figures in Meiji Japan. His position provides a platform to demonstrate his capabilities and potentially increase his political influence beyond the technical realm of finance.

If Ōkuma can navigate the samurai stipend crisis without triggering widespread rebellion, he will have accomplished something that many observers consider nearly impossible. Finding a way to reduce this crushing fiscal burden while maintaining social order would demonstrate extraordinary political skill and establish his reputation as an administrator capable of handling the most difficult challenges. Such success would likely secure his position in government for years to come and open pathways to even higher office.

The support he enjoys from powerful oligarchs like Ōkubo gives him both protection and opportunity. As long as he maintains their confidence and advances their policy priorities, he can expect to retain his position and potentially advance further. The government desperately needs his expertise, and there are few officials who can replace him in managing the complex technical challenges of fiscal modernization. His combination of Western financial knowledge and Japanese political understanding makes him uniquely valuable.

The foreign loan negotiations, while risky, also present opportunities. If Ōkuma can secure favorable terms that provide needed capital without compromising Japanese sovereignty or creating excessive debt burdens, he will have demonstrated his value not merely as a technician but as a strategic thinker capable of protecting Japanese interests while engaging with the Western-dominated international financial system. Success in this arena could establish Japan's creditworthiness and open additional opportunities for development financing.

Risks However, the risks Ōkuma faces are equally substantial and perhaps more immediate than the opportunities. He inherits a fiscal crisis with no easy solutions. The inflation problem, the samurai stipend burden, the revenue transition, and the political instability all present challenges that could overwhelm even the most capable administrator. Failure to address these problems effectively could result in economic crisis, political upheaval, or both. Such failures would not only end Ōkuma's political career but could also undermine the entire reform program and potentially destabilize the government.

The threat of samurai violence looms over every decision Ōkuma must make. The Saga Rebellion, if it occurs as intelligence suggests it will, will force Ōkuma into an impossible position. He will need to finance military operations against his own domain, potentially including friends and relatives, while also managing the broader fiscal implications of armed conflict. The rebellion could spread beyond Saga, drawing in other disaffected samurai and potentially creating a nationwide crisis. If Saigō Takamori decides to support such uprisings from his position in Satsuma, the government could face its most serious challenge since the Restoration itself.

Even if Ōkuma successfully suppresses the Saga Rebellion and maintains fiscal discipline, the cost in human terms will be significant. Saga samurai who take up arms will be killed or punished, and Ōkuma will bear responsibility for their fate. In a society where domain loyalties remain powerful, this could mark him permanently as a traitor to his birthplace, creating lasting enmity and potentially threatening his safety. The government may protect him, but he will have made enemies who view him as having betrayed his own people.

The broader political environment remains volatile and unpredictable. The October crisis has created deep divisions within the political elite, and further defections or confrontations could occur at any time. Ōkuma's position depends entirely on the continued dominance of the Ōkubo-Kido faction, but political fortunes can change rapidly. If this faction loses power or fragments, Ōkuma could find himself suddenly vulnerable, lacking the independent power base that would protect domain-connected officials.

Perhaps most fundamentally, Ōkuma's success depends on factors partly beyond his control. He must maintain the confidence of oligarchs who might have their own policy priorities or factional considerations that conflict with sound fiscal management. He must implement reforms that require cooperation from local officials throughout Japan, many of whom resist changes that threaten their interests or those of their communities. He must manage the transition from a feudal to a modern economy while maintaining stability and order in a society where large numbers of people have strong incentives to resist change. And he must do all of this with limited resources and in a compressed timeframe, as the government faces both domestic and international pressures to demonstrate effective governance.

AN ENDURING LEGACY?

The next few years will determine whether Ōkuma becomes a major figure in Meiji politics or remains a capable but ultimately secondary administrator. The challenges he faces as Finance Minister are so severe that failure is a real possibility, but success could transform his country.

The decisions Ōkuma makes regarding samurai stipends will have profound implications not merely for government finances but for Japan's social structure. The samurai class, which ruled Japan for centuries, must somehow be integrated into a modern society or else become a permanent source of instability. How Ōkuma manages this transition—the pace, the method, the compensation arrangements—will affect millions of people and shape Japanese society for generations. If he moves too quickly, he risks violence and chaos. If he moves too slowly, he perpetuates an unsustainable fiscal burden that prevents Japan from funding the modernization necessary to maintain independence in a world dominated by Western imperial powers.

More broadly, Ōkuma's tenure as Finance Minister will help determine the trajectory of Meiji modernization. The fiscal and monetary policies he implements will shape Japan's economic development for years to come. His success or failure in managing the transition from feudal to modern financial institutions will affect not only government stability but also the lives of millions of Japanese who depend on economic stability for their livelihoods. The railways, industries, schools, and military forces that Japan needs to become a modern nation all depend on the fiscal foundation that Ōkuma must build.

The immediate question facing Ōkuma in late 1873 is whether he can survive the coming storm. The Saga Rebellion appears increasingly likely, and with it will come a test of Ōkuma's political skills, his administrative capabilities, and his personal loyalties. His response to this crisis will define his career and may well determine the fate of Japan.

PREPARATION QUESTIONS

1. Put yourself in the shoes of Okuma Shigenobu in 1873. What gives you political agency? Who are the likely key supporters you need to stay in office? How do you keep them onboard?

2. How to address the challenge of the largest potential losers from reforms-- the samurai? What are the alternative avenues you could choose to redirect their energies from caste conflict and civil war? Which do you prefer and why?
3. Building on your answers to 1 and 2, sketch an integrated strategy for addressing the multiple challenges you face as Finance Minister: creating a sound budget, attracting and mobilizing investment in modernizing the country, while warding off the extreme political risks faced by post-revolutionary Japan.

ENDNOTES

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