

Policy planning and decision making process by the early Meiji era “Mega-Ministry of Finance”

by *OBATA Keisuke*

The aim of this article is to shed light upon the operations of the Japanese Ministry of Finance, which was organized into a “mega-ministry” through a merger with the Ministry of Civil Affairs on 11 September 1871, and its influence within the Meiji government, focusing on its policy planning and decision making processes.

After its merger with the Ministry of Civil Affairs, which was orchestrated by then Civil Affairs Minister Inoue Kaoru, the new Mega-Ministry of Finance assumed both grave and broad ranging authority in the country’s fiscal and domestic non-military administrative affairs. It was Inoue’s right-hand man, industrialist Shibusawa Eiichi, who took on the task of putting the policy planning and decision making institutions in place and setting up the General Affairs Bureau to deal with policy planning. With full support from the Ministry’s top officials, the General Affairs Bureau was placed in the role of coordinating and balancing the interests of its other bureaus and departments. With respect to decision making, administrative procedures were drawn up to clarify the process, including decision deadlines and obligatory seals of approval on all policy proposals in circulation, which resulted in both a speedier and more substantive process.

Also, in order to cut through the red tape plaguing the Ministry, Shibusawa took on the task of the reforming the Ministry of State’s (Dajokan) Privy Council Chamber by transplanting the General Affairs Bureau, as the Ministry’s “puppet”, into the Chamber both institutionally and staff-wise, in order to speed up and streamline its clerical tasks. Consequently, during May 1873 the Privy Council Chamber was infused with the policy planning and decision making know-how of the Ministry of Finance through its annexation of the Ministry’s General Affairs Bureau operations and personnel.