

Okuma Shigenobu's political dilemma and conflicting fiscal policy: 1873-1875

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Much of the research to date dealing with development of the “Okuma fiscal regime” has pointed to the fact of Councillor of State Okuma Shigenobu, who was in 1873 jointly appointed to the posts of managing director of the Ministry of Finance in May, then Treasury minister in October, promoting a very aggressive fiscal policy by integrating and controlling the Ministry. Furthermore, Okuma is often depicted as forming along with Ito Hirobumi one wing of the Okubo Toshimichi Cabinet regime and as supporting Okubo and Ito's policies regarding the Ministries of Internal Affairs and Public Works. The present article attempts to reexamine the image of the “Okuma fiscal regime”, focusing on its political historical aspects; in particular, the political and institutional issues surrounding Okuma and the Finance Ministry, including the councillor of state's political position within the government.

As a result of his investigation, the author finds not only the existence of weakness, instability and a fear of failure inherent in the political actions taken by Okuma, but also of a continuing institutional instability within the Finance Ministry itself, which demanded reforms to the Grand Council of State system, all of which were the root causes of conflicts impeding fiscal policy. In other words, the author describes a jurisdictional dispute over fiscal authority between the Finance Ministry and Council of State's Legislative Agency (Sa'in 左院), whose duties remained institutionally ambiguous, a state of affairs that was developing in the direction of the formation of a Privy Council (Sei'in 正院) Fiscal Bureau, not to mention the cloud being cast by such conflict over policy making and budget decisions.

This conflict prevented the Finance Ministry from consolidating its budget measures; for example, the Public Works Ministry budget that was earmarked for cuts, was allowed to continue at the same rate of reduction as in the 1874

budget, which marked the Ministry's largest allocation to date. The reason for this situation, which has been attributed to such factors as the retention of previous year's budget levels in order to avoid politicizing the issues involved and Public Works Minister Ito's personal opposition to the cuts, should also include the view of Okuma and the Finance Ministry's weak and unstable positions, instead of arguing all in the interest of the "Okuma fiscal regime", thus necessitating certain reservations about the conventional image of that "regime". In addition, the author argues that the relationship between Okuma and Okubo, who would eventually come to Okuma's rescue, was not as solid as usually believed, due to such facts as the influential minister taking away the merchant ship jurisdiction by taking advantage of the dangers his treasury minister was facing, thus necessitating a reexamination of the whole "Okubo Cabinet Regime" debate.

Finally, the above mentioned elements of weakness and instability would be eliminated in October 1875 with the resignation of such figures as Shimazu Hisamitsu as deputy prime minister and revisions to the protocol defining the Finance Ministry's bureaucratic duties, both of which were *sine qua non* for the further development of the "Okuma fiscal regime".