INTRODUCTION

Medieval Money

In the spring of 1334, less than a year after his dramatic reentry into the capital following escape from exile, Emperor Go-Daigo (1288–1339) proclaimed that his administration would begin minting copper coins and printing paper bills. This might seem an unusual priority for the new government, which arguably had other, more pressing concerns to occupy its attention, such as restoring calm and order after the violence that led to its creation. Just months earlier, as Go-Daigo languished in exile on a remote island, loyal supporters had fought on his behalf against Japan’s warrior government, the Kamakura bakufu. Their victory enabled the emperor’s return to power, an event known as the Kenmu Restoration. Conditions across the country, however, remained unsettled as the government attempted to assert its authority over warriors. Given that the Japanese imperial court had not produced its own official currency in almost four hundred years, minting coins might not appear to have been an urgent need. Nonetheless, Go-Daigo made it a priority, ordering the creation of a mint and appointing its officials. Regrettably for the emperor, his short-lived regime (1333–36) ended before the mint actually produced any money.¹

¹ Go-Daigo’s decree, dated Kenmu 1 (1334) 3rd month 28th day, can be found in Chūsei seijī shakai shisō, vol. 2, 75–76. It is presumed that his mint
Go-Daigo’s decision may seem even more puzzling given the abundance of money already in circulation. Medieval Japanese did not lack for copper currency. From the twelfth to the sixteenth centuries, imported Chinese coins became an increasingly important medium of exchange in Japan. Merchants plied the seas to bring money to the islands from the Asian mainland, risking the wrath of angry storms and hostile government officials. Foreign visitors commented with surprise on the widespread Japanese use of coins. Korean Sin Suk-chu, a scholar and official of the Yi dynasty who traveled to Japan in the early 1440s, wrote in his memoirs that the Japanese used copper cash to purchase everything from a cup of tea to the services of prostitutes. Francesco Carletti, a native of Florence who visited Japan in the late sixteenth century, also made mention of the Japanese use of metal currency. He described Japanese money as “minted out of copper into coins about the size of a penny with a hole in the middle. These they call cash and for convenience of handling they carry them threaded on a string.” With so much currency already available in Japan, why was minting coins of such concern to Emperor Go-Daigo when his administration was not yet stable? How did the gradual monetization of the Japanese economy affect its social and political institutions? And, in the broadest sense, what did money mean to the people of medieval Japan?

*Coins, Trade, and the State* attempts to answer these and other questions through an analysis of money, trade, and the economy in pre-1600 Japan. Although the book focuses in particular on the spread and use of copper cash during the first half of Japan’s medieval period, it also addresses the use of

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never produced any *Kenkon tsūhō* coins since no examples have ever been found.

2. Sin Suk-chu wrote in 1471 of his travels to Japan and the Ryukyus; Tanaka Takeo’s modern Japanese translation is available as *Kaitō shokokuki*. Francesco Carletti traveled to Japan in the 1590s; excerpts of his account can be found in Cooper, *They Came to Japan*, 236–37.
precious metals and paper bills at various times in premodern Japan. The people of the Japanese islands had been using money in one form or another since at least the seventh century, if not earlier. Depending upon conditions, they employed many different kinds of goods as means of payment, including some types of commodity money that modern readers might not readily identify as currency at all. Provincial estates, for example, often paid part of their taxes in agricultural products ranging from grains, such as rice or barley, to foodstuffs like fish or nuts. In other cases, estates met their obligations by providing lacquer, iron ore, paper, and/or human labor. Around the country, domestically produced materials—including gold, silver, rice, silk, and cloth—served as money at different points in Japanese history, usually with the approval or endorsement of top state authorities. The twelfth through fourteenth centuries are particularly interesting, however, for three reasons: first, the country began a shift from using various forms of commodity money to metal currency; second, the initial shift took place in defiance of government control; and third, the sweeping changes of this period allowed provincial figures greater economic agency than they experienced in earlier times.

Distinct from the earlier Nara (710–84) and Heian (794–1185) periods, political authority was diffuse during Japan’s medieval age (1185–1600). This limited the ability of any one central authority to regulate the economy or back a domestic currency. Yet the lack of a unified central government did not inhibit economic growth. Instead, it created opportunities for a wider spectrum of society to participate in trade, markets, and monetization. Some of the most active were elite institutions of long pedigree, including major temples and shrines. The most progressive among them became leaders in the shift to a more monetized economy. But others were provincial figures such as merchants, warriors, and rural estate managers. Individuals from both elite and non-elite groups traded in local and regional markets, developed effective systems of long-distance money remittance, and actively imported Chinese
currency. Together they devised new ways to circumvent older forms of exchange that were managed by central government.

The Use of Money in Premodern Japan

For much of Japan’s history, money and economic development were closely tied to the state. Under the Japanese ritsuryō state of the late seventh, eighth, and ninth centuries, the imperial court claimed the paramount role in matters that modern people would label “economic.” The court asserted ownership of all land, distributing it to individual households on the basis of census figures and lending out seed rice and other agricultural aids. In return, the government demanded taxes in the form of tribute (chō) from the people. It stipulated the types of goods to be paid, from rice and fish to silk and metal ore. In addition, the court minted its own currency, using coins to pay the salaries of imperial officials and accepting the same money in payment from those who sought promotion. Among their duties, officials supervised transactions in land, stipulating that individuals could not alienate rights to land (shiki) without the approval of local government representatives. Finally, the court established official markets in the capital. These markets were the primary means for redistributing the wealth that was collected as taxes from the countryside. Through these and other means, central elites dominated the economy and were the key players in all types of economic exchange during the Nara and early Heian periods. Money, in the form of coins, rice, or other goods, primarily served as a means of fulfilling obligations to the state.

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3. During the Nara period, the sale of public paddy land (kōden) was forbidden, but newly reclaimed land and residential land could be legally sold. An agreement of sale had to meet with the approval of government officials at several levels. If approved at every stage, the original document would receive seals certifying the legitimacy of the transaction.

4. References to other, non-governmental forms of exchange are quite limited. See Farris, “Trade, Money, and Merchants,” 309–12.
This situation underwent two dramatic changes in the late Heian and early medieval periods. First, in the tenth and eleventh centuries, the court began to back away from its active involvement in the economic affairs of the countryside. Instead, it delegated much of its authority to provincial officials, especially the governors (zuryō). In exchange for delivering taxes to the central government and maintaining the peace, these governors were given a free hand to administer their provinces as they saw fit. Attempts at land redistribution based on census figures had long since been abandoned and individuals no longer sought government approval when selling property. Most significantly, increasing tracts of arable land left the public tax rolls and were incorporated into new private estates known as shōen. Yet even the shōen still paid part of their agricultural output to proprietors (ryōke) and patrons (honke): members of the imperial family, the Fujiwara, or the major religious institutions. They could insist that the estates pay specific combinations of goods, leaving those in the provinces with little economic autonomy.

The second major change dates to the late twelfth century, when Minamoto no Yoritomo (1147–99), whose forces won the Genpei civil war (1180–85), established an independent warrior administration known as the Kamakura bakufu (1185–1333). Yoritomo and his successors created some new institutions and some that paralleled existing offices, but they did not destroy the older imperial government in Kyoto. The result was a diarchy, with Kamakura handling its vassals’ affairs and the imperial court in Kyoto managing other matters. It was an uneasy coexistence. One particularly contentious issue was the bakufu’s right to place its own appointees as estate land stewards (jitō) and military governors (shugo) around the coun-

try. Although nominally sent to maintain order, many jìtō and shugo encroached on the authority of the zuryō and estate proprie
tors. Perhaps the most heated conflicts occurred in the eco-
nomic realm, as these Kamakura appointees interfered with the
collection of taxes, claimed larger portions of private estate
produce than those to which they were entitled, and disrupted
the flow of tribute from the provinces to centrally-based nobles
and temples.

With so many alterations to the political structure, it is not
surprising that there was also a change in the nature of money.
During Japan’s early medieval period, a wide range of people
came to use imported copper cash that had little connection
to domestic state authorities. In fact, this money first entered
Japan in spite of government opposition rather than with its
support. It was used by traveling merchants to facilitate ex-
change with the countryside and by shoppers to purchase
items in the marketplace. Religious figures collected alms in
coin and accepted cash from individuals who wished to have
prayers chanted for their salvation. Warriors appointed to
estates taxed agricultural communities to cover the costs of
travel to the capital and used coins to pay the periodic levies
demanded of them by the shogun. Peasants sold agricultural
surplus for cash and, in some instances, pushed estate proprie-
tors to accept payments in coin, allowing them more flexibility
to grow the combination of goods they found most profitable.

Of course, change did not come exclusively from the prov-
inces. Elite authorities came to favor cash as well. Shōen pro-
prieters found that receiving tribute in cash rather than in
kind could be advantageous. The Kamakura bakufu promoted
the use of coins rather than cloth in the early thirteenth cen-
tury, and Japan’s second warrior government, the Muromachi
bakufu (1336–1573), relied on commercial taxes levied in coin to
help cover its operating expenses. In addition, the Ashikaga
shogun and some of the leading temples and warlords en-
gaged in diplomacy with the Ming (1368–1644) in part to se-
cure a steady supply of Chinese copper coins. The Muromachi
Medieval Money

bakufu was probably the largest importer of cash in the late medieval period. But by the early fifteenth century, economic conditions had changed. Central elite institutions were still powerful, but they were unable to dominate medieval trade and dictate terms to those in the provinces as they had in the Nara and Heian periods. Instead, center and periphery worked together to create a more market-centered economy during Japan’s medieval age. Particularly from the late thirteenth century onward, their use of money and involvement in expanding trade led to broad social changes and the beginnings of economic growth.

Money and Economic Growth

Money is remarkably difficult to define. Economists often speak about money in terms of its functions, which include serving as a medium of exchange, a measure of value, and a store of wealth. As a medium of exchange, money eliminates the problem of “double wants” inherent in barter—that is, finding someone who is willing to trade the good you have for the good you want. If you want to sell eggs and acquire rice, it is much more convenient to convert your eggs into cash than to find someone selling rice who happens to need eggs. As a measure of value, money is the standard against which all other commodities can be evaluated. You can conveniently compare the relative worth of any two objects if you know their prices in a common form of money. Finally, as a store of wealth, money allows individuals to hold onto the value of goods (such as livestock or agricultural produce) that would otherwise rot or spoil. Some scholars assign money a fourth function: serving as the means of state payments. This refers to a certain good demanded by central government to satisfy tax obligations that takes on value in other transactions and thereby comes to circulate as money. From among these four functions, serving as a medium of exchange seems to be particularly critical, yet there is no scholarly consensus as to which function came first. Different scholars posit that the
origins of money lie in one or more of these uses, or even in religious rituals.  

Only certain types of goods can serve as money. If we consider modern currencies, we can easily identify special characteristics that items should ideally possess in order to earn acceptance as money. For example, American pennies are sufficiently similar to each other in size, shape, and metal content that they are used interchangeably—in other words, they are fungible. If this were not the case, business transactions would be slowed as people inspected pennies to determine their quality. In addition, legal and technological constraints prevent just anyone from easily producing pennies. If they were readily manufactured by individuals outside of the government (or if money grew on trees), then the market would be flooded and pennies would lose their value. Finally, pennies are durable, frequently lasting for decades without significant wear. Unlike modern societies with their pennies, however, premodern societies did not have the same ability to easily find or produce goods that possessed these basic characteristics of fungibility, limited availability, and durability.

As a result, many premodern economies used forms of commodity money as their currencies. Commodity monies are goods that come to be used as a store of value or medium of exchange because they have recognized value of their own. Common examples include shells, livestock, and silk; more seemingly exotic examples that have been used by certain societies include brass rods, feathers, and peppercorns. Nature limits the supply of the commodity circulating as money. These differ from modern fiat currencies, which consist of materials that have little or no intrinsic value but are assigned value by the minting authority (usually the government). The most common type of fiat currency is the paper bill, which is worth virtually nothing aside from the value printed on it.

Governments determine the supply of fiat money available. Because fiat money is associated with strong, modern state governments, the existence of commodity money is often regarded as an indication of a premodern or less developed economy. As these brief descriptions suggest, analyzing the use and form of money in a particular society can reveal a great deal about the development of the state and economy.

Rice and silk, widely used in Japan from the tenth to the thirteenth centuries, are obvious examples of commodity money. Their value originated in their use as food and clothing, and their production was determined by growing conditions and the environment. Copper coins, which came to replace rice and silk as a medium of exchange, are more difficult to classify. They were produced by the state, but their availability was limited by the supply of copper ore, particularly in the Heian period. The copper contained within the coins had a commodity value of its own which, in a few instances, led Japanese to melt coins for their metal content, proving that the coins could be worth less than the metal from which they were made. But unlike the commodities rice and silk, copper never circulated in an unminted form. The molding and stamp of the Chinese state appears to have been important for coins’ acceptance in Japan. Thus, classification can be a tricky business; medieval Japanese coinage seems to have been a form of commodity money that in some ways resembled a fiat currency.

Money was, if not a powerful agent of, then certainly a catalyst for significant social change. In societies such as mid-Heian Japan, where money was used only infrequently, high nobles, major temples, and other proprietors relied on political and religious power to secure wealth from the provinces. Their underdeveloped economy had few local markets and lit-


9. For example, coins were melted to make a bell for a Buddhist temple during a copper shortage in the 1230s. See the entries in the Azuma kagami (hereafter AK), Katei 1 (1235) 6th month 19th day and same month 29th day.
tle agricultural surplus to sell or trade, so whether public lands or private estates, government officials and elite landowners could monopolize agricultural production and demand certain mixes of goods as tax payments. Monetization and the spread of markets throughout the countryside, however, opened up new possibilities to both elite landowners and provincial communities alike. Markets offered new venues for transactions outside of the system of government-controlled payments and allowed agricultural estates the freedom to grow the mix of goods that realized the largest return. At the same time, merchants and estate managers found copper coins easier to handle than other goods used as money. An increasing number of elite landowners also embraced these changes as they found it convenient to receive payments in cash or, in some cases, to lend money at interest. Money and markets helped reduce transaction costs, and partly as a result of these developments, the medieval Japanese economy grew.¹⁰

In order to fully appreciate the ways in which monetization contributed to prosperity, we must place it in the broader context of social and economic trends. As is well known, improvements in agricultural technology during Japan’s medieval period led to surplus production in the countryside. Central elites, who were absentee landlords, had limited success in capturing that increased output. Around the same time, the spread of markets and growing use of imported Chinese currency led to changing consumption habits and the availability of a wider range of goods. Elites had varied reactions to these

¹⁰. “Economic growth” is generally measured by an increase in gross domestic product, growth in labor productivity, or growth in total factor productivity. Other potential sources of growth include technological advances and the implementation of economies of scale. It is very difficult to apply the term “economic growth” to a premodern society such as medieval Japan, for the sources do not allow the modern scholar to calculate gross domestic product or other numbers that one might expect in an economist’s analysis of growth. Nonetheless, it is reasonable to conclude that the factors cited above contributed to a growing economy, and considerable circumstantial evidence supports such conclusions.
developments. Some appreciated being able to acquire more than what was produced by their estates and actively sought ways to increase their cash income. Others, particularly members of the imperial government, resisted the use of foreign coins because they viewed Chinese cash as an affront to their political authority. For those based in the provinces, however, surplus production that could be sold for money in local markets held the potential for greater independence from the demands of their proprietors. Many peasant communities prospered as a result of their involvement in the expanding market economy. By the fourteenth and fifteenth centuries, those living in such communities utilized their newfound economic power to secure greater freedoms for themselves and force changes in traditional structures of elite land management, taxation, and rule.

Reconsidering Medieval Money

Despite the prominent role that coins played in medieval Japan’s economy, few Western historians have analyzed monetization and its impact on social and political structures. Instead, money and commercialization are terms more frequently associated with Japan’s early modern Edo period (1600–1868). At least one early-twentieth-century historian failed to even acknowledge the presence of money in pre-1600 Japan.11 Other scholars have emphasized the key role that commercialization played in transforming Edo society without discussing the earlier history of money in Japan. Consider Thomas Smith’s description of the origins of Japan’s modern economic growth:

There were scattered islands of commercial farming in Japan from very early times, but as late as 1600 peasants still typically produced to feed and clothe themselves, to pay taxes in kind, and to store whatever surplus there might be in good years against the certain

11. Matsuyo Takizawa attempted to correct a misperception that money only entered Japan in the nineteenth century by (incorrectly) dating its appearance to the early Edo period; see Takizawa, *Penetration of Money Economy in Japan.*
crop failures of the future. But rural life changed after the Tokugawa conquest. . . . The islands of commercial farming expanded, ran together, and began to fill in the surrounding sea of self-sufficient economy.\textsuperscript{12}

Smith’s description of the fourteenth and fifteenth centuries as a “sea of self-sufficient economy” is inaccurate, yet the notion that monetization dates to the seventeenth century persists in scholarly publications.\textsuperscript{13} To be fair, those works primarily focus on the Edo period, and there is no doubt that merchants prospered under the Tokugawa or that the expansion of commerce led to important social changes that warrant scholarly attention. But is there not also a risk of overemphasizing the sudden nature of those changes by focusing only on the post-1600 use of money?

Even among medievalists, most research published in English has dealt with land rather than coins when addressing the economy.\textsuperscript{14} Certainly land was a major concern in the Kamakura period, as reflected in primary sources that speak of judicial battles over land rights. But we must recognize that documents addressing large, disputable properties such as land were likely to be better maintained and therefore over-represented. There was less need to preserve the receipts from cash transactions once they were completed. Even so, enough survive to show that on occasions the bakufu made payments in precious metals, and parents provided monetary legacies for

\textsuperscript{12} Smith, “Growth of the Market,” 67.

\textsuperscript{13} More recent scholarship, though not focused primarily on money, also refers to Edo as the period of monetization. See Najita, \textit{Visions of Virtue in Tokugawa Japan}; Yokota, “Imagining Working Women in Early Modern Japan,” 167; and Sone, “Prostitution and Public Authority,” 183. These publications are correct in assuming a major shift in the level and degree of monetization during the early modern period, but we should not forget that money began appearing in rural communities centuries earlier.

\textsuperscript{14} For example, both Hall and Mass, \textit{Medieval Japan}, and Mass, \textit{Origins of Japan's Medieval World}, contain chapters that deal with land, but neither contains a chapter on money and coinage.
their children. Legal disputes over cash income were bitterly contested, and proprietors kept careful records of how much they received from their provincial estates as well as how much remained outstanding. Substituting money \((daisennō)\) for rice or cloth in tax payments during the late thirteenth century went hand-in-hand with the spread of provincial markets where cash was the primary medium of exchange. Coins had penetrated rural society sufficiently by those years that, on some estates, peasants pooled their money to create special cash reserve funds. Currency came to play an integral role in medieval Japanese society.

One of the few Western scholars to specifically address medieval coinage was Delmer Brown, whose monograph *Money Economy in Medieval Japan* covers much of what was known circa 1950 about the use of coins in pre-1600 Japan, particularly during the fifteenth and sixteenth centuries. His study presents a wealth of information about mining and metal production, topics that *Coins, Trade, and the State* will not address. Brown’s work also differs pointedly from this book in its assumptions regarding the relationship between political stability and economic growth. According to Brown, political stability was a precondition for economic prosperity. He saw the period from the founding of the Kamakura bakufu in 1185 to the second Mongol invasion of 1281 as a century of great

15. Officials of the early bakufu presented gold to the imperial court and paid workers with precious metals; AK entries for Kenkyū 5 (1194) 3rd month 22nd day; 5th month 10th day; and Kenkyū 6 (1195) 3rd month 13th day. An example of a father leaving money rather than land to his children is Fujiwara Tametoki’s 1265 bequeathment, published in the Okayama kenshi, vol. 19, doc. 1138, pp. 535–36.

16. For an example of a legal decision handed down concerning the rate for converting tax payments from goods to cash, see the Kamakura ibun (hereafter *KI*), doc. 3649, Karoku 3 (1227) 8th month 16th day. For a legal settlement concerning arrears on cash payments, see Mass, Kamakura Bakufu, doc. 125, pp. 147–48. English translations of documents concerning the household tax can also be found in the same volume: see docs. 176–77, pp. 185–86. Finally, for a *jitō* appropriating cash from the peasants’ collective fund (*tanomoshi*), see *KI*, doc. 12184, Kenji 1 (1275) 12th month.
political unity that led to extraordinary economic activity, including dynamic foreign and domestic trade and “the development of such modern financial institutions as bills of exchange.” After the Mongol attacks, however, he claimed to see 250 years of civil war, uprisings, and piracy that inhibited continued growth. Brown did not observe renewed economic prosperity until the sixteenth-century daimyo efforts at unification, which produced strong central governments.

In contrast with Brown’s position, I contend that medieval Japanese enjoyed economic growth during periods of political instability. Instability is commonly thought of as the bane of economic growth, for a stable state is seen as key to ensuring property rights, enforcing contracts, issuing currency, and preventing warfare. But as I prove in the chapters that follow, the medieval Japanese economy grew without a state actively performing any of those functions. The political turmoil of the 1180s, when significant parts of the country were embroiled in the Genpei civil war, did not deter the spread of money and markets (Chapters 1 and 2). Appointing warriors as jitō and shugo led to confusion and conflict in shōen management, but it also created opportunities for people in the provinces to foster new economic relationships outside of the traditional center-mediated tribute economy (Chapters 2 and 3). Later, innovative instruments of conveyance such as bills of exchange emerged independently of central authorities. In fact, it was in part the failure of state authorities to provide safe transportation routes that led to the necessity for bills of exchange (Chapter 4). Only in the fifteenth and sixteenth centuries were sengoku daimyo able to craft new institutions and ideologies that enabled them to reassert firm control of economic affairs

17. Brown, Money Economy in Medieval Japan, 1. Elsewhere Brown specifically ties the demand for coins in Japan to political stability, describing “a growing demand in Japan for coins which in turn was related to the current reemergence of political unity under the military and to the general expansion of industry and commerce,” 10.

18. Only recently has this notion begun to be challenged; see, for example, Haber, Armando, and Maurer, The Politics of Property Rights.
(Chapter 5). For most of the medieval period, however, political stability appears to have had little to do with medieval economic prosperity.

Other scholars have also commented on the curious relationship in medieval Japan between political decay and economic growth, but they have tended to see the power vacuum created by political fighting among elites as allowing non-elites to prosper. For example, Toyoda Takeshi and Sugiyama Hiroshi wrote that “as the military class became increasingly removed from actual involvement in local production, merchants and artisans were given new opportunities for commercial activity.”19 For these historians, political chaos was the explanation for economic growth: provincial non-elites prospered only because traditional political elites were so preoccupied that they could not deal with changes in the provinces. In their conception of the medieval period, economic growth was merely a by-product of political fragmentation.

Only within the last fifteen years have scholars begun to question that interpretation. Kristina Troost charges that earlier scholarship looked at how warriors gained power and controlled peasants without examining the ways in which peasant initiative led to change. Suzanne Gay proposes that wealthy commoners in the late medieval period were able to “flex their muscles” and use economic leverage to secure their own aims.20 My findings concur with the critique presented by Troost and Gay. In this book, I attempt to show how early medieval commoners took steps to build the muscles that later medieval Japanese would flex. The new medieval economy provided opportunities for provincials to sell their surplus produce, determine the medium of tax payments, and engage in trade that did not center on the capital. Although we must

20. Troost, Common Property and Community, 12; Gay, Moneylenders of Late Medieval Kyoto, 1, 6.
be careful not to overstate the case, these practices empowered provincial figures and disrupted traditional center-periphery relations. Seen in this light, economic growth was not simply the result of political instability. It also contributed to it.

Japanese researchers have led the way in analyzing the premodern economy, usually in much greater detail. Miura Hiroyuki, Sasaki Gin'ya, Toyoda Takeshi, Kobata Atsushi, and Nagahara Keiji are just a few of the important figures whose publications have shaped the field.21 Their research provided the starting points for many of the topics addressed in this book, though for some, academic interest in the premodern economy was merely a means to explore the nature of class relations and pinpoint Marxist stages of development.22 Perhaps due to changing intellectual frameworks, or perhaps simply due to the thoroughness of earlier scholarship, interest in the history of money waned in the 1980s, so much so that historian Ihara Kesao wrote in 1993 that research on the circulation of money (ryūtsū) has “completely disappeared.”23 But since the early 1990s several new approaches have greatly added to our understanding of the pre-1600 economy. One trend, inspired by social history, has been to focus on medieval Japanese who engaged in trade and other non-agricultural occupations. Amino Yoshihiko was at the forefront of this new approach to understanding the medieval economy, criticizing older scholarship that portrayed all medieval commoners as rice farmers. Drawing upon anthropological models, he examined the social uses of money and proposed that Chinese

21. Representative works include Miura, Hōseishi no kenkyū; Toyoda, Chūsei Nihon shōgyōshi no kenkyū; Sasaki, Shōen no shōgyō; Kobata, Nihon kahei ryūtsūshii; and Nagahara, Nihon chūsei shakai kōzō no kenkyū. Also, Ōyama, Nihon chūsei nōsonshi no kenkyū.

22. Kozo Yamamura addresses the Marxist influence on medieval Japanese scholarship in his introduction to the medieval volume of the Cambridge History of Japan, 6–12. However, this Marxist scholarship should not be dismissed lightly, for many of the authors cited above continue to have relevance to today’s research.

coins worked for medieval Japanese precisely because they were not connected to any indigenous authority.24

Another interesting line of inquiry has been to re-examine the relationship between Chinese fiscal policy and the medieval Japanese economy. Adachi Keiji, a historian of middle-period China, started a heated debate by demonstrating the close relationship between fifteenth-century Chinese and Japanese coin laws and proposing that Japan belonged to a zone of Chinese economic control. Although critical of his theory, the response produced insightful new research into when and where coins gained acceptance and how East Asian foreign relations contributed to economic growth.25 Finally, a third trend has emerged from a heightened Japanese interest in local and regional history, as well as a renewed focus on monetary institutions as a primary object of research rather than as a way to understand agricultural productivity or class relations. These concerns have led scholars to conduct new research on topics such as the trading communities of the Japan Sea coast and the regional circulation of bills of exchange, using some of the insights of neo-classical economic theory to re-explore old problems.26

Scope of the Study

The economic history of medieval Japan, like the economic histories of most other places, is a study of trends and processes rather than events. It therefore lacks some of the easily identifiable key dates and names that are frequently used in constructing more straightforward political narratives. None-

24. Amino published prolifically, and this view is put forward repeatedly in his works. Examples include “Kyōkai ryōiki to kokka” and *Nihon shakai saikō*.


theless, every project needs a beginning and an end. *Coins, Trade, and the State* focuses primarily on the period from the years 1150 to 1400. I have chosen to refer to this period as “early medieval,” though the second half of the fourteenth century is rather late to bear that appellation. As is frequently the case for historians, the object of study has led me to this non-standard periodization. The starting date of 1150 corresponds with the first documentary reference to copper-coin use in the late Heian period. The heart of the study ends in the late fourteenth century as elite institutions such as the Muromachi bakufu reasserted the role of government as a major player in the monetary world, though in fact Chapters 4 and 5 carry the book into the sixteenth century and beyond.

These dates are quite similar to those commonly given for Japan’s medieval period, though for different reasons. For most of the twentieth century, the term “medieval Japan” was most often used to indicate the years between the Heian and Edo periods (from the late twelfth to the late sixteenth centuries). These were the years of the first two warrior governments, the Kamakura and Muromachi bakufu. According to this usage, the creation of the Kamakura bakufu marked the “triumph” of the samurai and hence the shift into medieval times.27 Recently, however, some Western scholars have claimed to see more continuity than change between the Heian and Kamakura periods, leading them to date the start of the medieval period to the fourteenth century. In contrast, some Japanese scholars hold that medieval Japan began much earlier, with the rise of retired emperors in the eleventh century.28 For a monetary history such as this study, though, the economic changes that began in the twelfth century are too important to ignore and make necessary an “early medieval” period classification.

27. Hane, *Premodern Japan*, 61, 64.
The term “elite” is likewise difficult to define. Kristina Troost writes of the eleventh-century Japanese elite as a narrow, urban, hereditary group of important religious institutions and nobles of high rank who monopolized proprietary interests in land. For medieval Japan, one must also include the leading samurai of the Kamakura and Muromachi bakufu as well as the most powerful sengoku daimyo. In this book, I use the term “elite” to refer to the highest nobles and members of the imperial family, the leading temple complexes, and the top officials of the warrior government—in other words, those individuals and institutions that held sufficient political power to pass legislation that favored their interests, serve as estate proprietors, and/or tax local estates and peasant communities. These are the same groups that made up the kenmon of Kuroda Toshio’s famous theory of medieval rulership. Some tried to control the economy by fixing prices or dictating the types of currency that could be used. Their contributions to medieval Japan’s growing economy were important, but their stories have been told by others. This study turns instead to the periphery in order to highlight the ways in which non-elite figures became involved in trade, helped spread the use of coins, and came to garner sufficient economic power to challenge more traditional elite authorities.

It is not easy to tell the story of non-elites, for almost all of the surviving primary source materials were prepared by elites. Incomplete document collections offer tantalizing glimpses into the state of the medieval economy but do not contain enough information to allow analysis using the statistical techniques of the economist. The lack of even a single complete set of merchant’s records for the Kamakura period led one

31. Tonomura, *Community and Commerce*; Berry, *Culture of Civil War*; Gay, *Moneylenders of Late Medieval Kyoto*. These authors have primarily focused on the late medieval period, whereas the current study gives greater attention to the early medieval.
Medieval Money

scholar to write of pre-1600 commercial history as the “unretellable history of non-agriculturalists.”32 This study employs a wide range of medieval materials, including diaries, tax records, legal decrees, and judicial decisions, to help compensate for such problems. Examples are drawn from estates in a variety of locations in an effort to avoid any regional bias, though inevitably the large number of records that survive from certain temples, such as Tōji of Kyoto and Tōdaiji of Nara, appear more frequently than records from other proprietors. As Tōji and Tōdaiji both had estate holdings scattered around the country, their documents are able to provide information on conditions beyond the central Kinai provinces. The story that they tell is valuable, for it is a central contention of this book that an understanding of medieval Japan’s economic history, while important in its own right, is essential to a complete understanding of the social and political history of this period.

Following this introduction, Chapters 1 through 5 look at specific medieval economic institutions, with each chapter carrying the argument slightly forward in time. Chapter 1 looks at the history of coinage in Japan from the Nara period through the end of the twelfth century. It explores the strong relationship between the ritsuryō state and domestically produced coins of the eighth, ninth, and tenth centuries, and explains why those coins fell into disfavor in the second half of the Heian period. The chapter also examines the influx of Chinese coins in the twelfth century and the elite response to this new currency. Although we know little about who actually brought the coins to Japan, it is clear that they succeeded, despite efforts by the nobles to prevent Chinese cash from becoming an important medium of exchange in early medieval Japan.

32. Nakai, Shōnin, 16. Perhaps the best set of merchant records is the collection of the Ōmi merchants, who were active in the fourteenth, fifteenth, and sixteenth centuries. Hitomi Tonomura analyzes those records in her Community and Commerce. The documents offer valuable information on late medieval domestic trade, but no records have yet come to light from the merchants who imported Chinese coins in the late Heian and Kamakura periods.
Chapter 2 moves from the Kyoto-based nobility to the provinces, tracing the spread of markets and monetization in the thirteenth century. After exploring the history of the market in Japan, the chapter looks at the roles played by different provincial groups—merchants, estate-based warriors, religious figures, and agricultural communities—in promoting the use of cash outside of the capital. Chapter 3 analyzes ideas of “virtue” in medieval Japan, as well as the impact of money on the bakufu retainer system. It explains how, with many samurai retainers falling into debt and losing their landholdings to money lenders, the bakufu chose to appropriate the court notion of virtue and issue “virtuous government edicts” (tokuseirei) that declared all retainer debts to be forgiven. The chapter addresses questions such as to what degree did the cost of the Mongol invasions contribute to the bakufu’s decision to issue tokuseirei? And what can we learn about the nature of thirteenth-century economic and social change from the bakufu’s response?

Chapter 4 treats the commutation of taxes from payments in goods to payments in cash. It demonstrates that non-elites—those based in the provinces, such as estate managers and even the agricultural communities themselves—played an important role in pushing for the switch to use cash in paying taxes. This chapter also explores the emergence of one of medieval Japan’s most innovative economic instruments, the bill of exchange (kawase or saifu). These certificates, used to convey money over long distances, circulated in a manner similar to paper currency. But they present intriguing puzzles to the modern scholar, for transactions conducted using these bills were carried out in the absence of a strong state government willing to enforce agreements. How could the various parties that used bills of exchange in the fourteenth century trust that the paper certificates would be honored?

Chapter 5 looks ahead to the later medieval and early modern periods, addressing the new ways in which elites became involved with the growing economy of the fourteenth, fifteenth, and sixteenth centuries. As noted above, the Muromachi bakufu was much more commercially savvy than its
Kamakura predecessor, taxing urban businesses and importing massive amounts of cash from China. Sengoku daimyo also came to recognize the importance of trade to their survival, promoting commerce in their own domains and trying to hinder it in those of their rivals. They also attempted to control currency by issuing laws (erizenirei) that dictated the types of coins that could be used in various transactions. Although communities and individuals in the provinces retained greater freedom of action than they had in earlier times, the sixteenth century is the story of the gradual reassertion of central government authority.

Together, these chapters illustrate how widespread the use of money was during these centuries. They also highlight the ways in which the economy grew and contributed to changes in the relationship between center and periphery in medieval Japan. As we read of increasing involvement in local markets, new means of paying taxes, and evolving ideas of good governance, it will hopefully become clear that understanding the gradual monetization of the economy is tremendously important: money and trade played key roles in the transformation from a classical society to an early modern one.