

## Chronology of monetary and political events, with an indication of the Japanese *nengō* 年号

1600	Keicho 慶長	Establishment of the Edo <i>bakufu</i> 江戸幕府 (Tokugawa <i>bakufu</i> 徳川幕府)  Introduction of the trimetallic <i>sanka seido</i> 三貨制度 system
1736	Genbun 元文	Monetary reform in reaction to domestic economic conditions Aims: <ul style="list-style-type: none"> <li>• Seigniorage: profit from recoinage to solve the financial problem of the government</li> <li>• Create inflation: in the short term: an increase in the money supply boosts demand for commodities; in the long term: projecting that inflation will lead to commercial development, in turn increasing demand for money</li> <li>• [as the government received taxes in rice, a commodity, rising rice prices equaled expanding government revenue]</li> </ul>
1760	Hōreki 宝暦	The inflationary tide reversed to deflation: prices fell because of government hoarding
1761		In an attempt to cope with deflation, the government resorted to a) <i>goyōkin</i> 御用金 system (mandatory lending).
1772	Meiwa 明和	b) new coinage: curiously the <i>nishugin</i> 二朱銀 silver coins were not a silver-by-weight currency, but a <i>gold-denominated currency</i> (fiat money): a 'banknote printed on silver'.
1826	Bunsei 文政	Issuance of <i>issugin</i> 一朱銀, another fiat silver currency (= 1/16 <i>ryō</i> 両).
1837	Tenpo 天保	Issuance of <i>ichibugin</i> 一部銀, yet another fiat silver currency (= 1/4 <i>ryō</i> ). As a result, the role of silver coin, especially subsidiary silver coin, in the total amount of currency in circulation expands massively.  Fixing the value of the silver currency in a legal manner (1:5), rather than by market demand had resulted in a serious mismatch with the gold-silver parity in the world economy, where the gold-silver parity stood at 1:15. At the same time, the shogunate's grounding in land-based ownership (and harvest-based taxation) prevented the expansion of the economy and revenue needed to face off the foreign powers. A perfect storm was in the making...
1853	Kaei 嘉永	Arrival of Commodore Perry's black ships ( <i>kurobune</i> 黒船)
1854		Conclusion of the Convention of Kanagawa (日米和親条約). In its wake, arbitrage by Western traders effectively destroyed Japan's pre-modern monetary order. The degree to which Japanese gold flowed abroad is still a matter of discussion.
1860	Man'en 万延	Man'en-reform: end of the <i>sanka seido</i> system through the debasement of gold, in reaction to the many popular uprisings (otherwise known as <i>hyakushō ikki</i> 百姓一揆).