

THE ECONOMIC AND POLITICAL POSITION OF MITSUI GROUP IN JAPANESE SOCIAL END OF THE 19th CENTURY AND IN THE EARLY 20th CENTURY

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In the economic history of Japan at the end of the nineteenth century and the beginning of the twentieth century, the Zaibatsu phenomenon attracted the attention of many researchers. Zaibatsu is a term to refer to the leading conglomerates in Japan, these corporations have a certain important influence on the development of the Japanese economy in particular and balance the economic situation. world in general. These groups grew rapidly from feudal enterprises, developed into monopolies during the Meiji period (1868-1912) and became the leading economic force and important role in the public sector. industrialization and modernization of Japan. Among them, Mitsui Group is the first conglomerate established in Japan. Thanks to taking the initiative, quickly catching up with new industries and the support of the government, Mitsui Group has increasingly expanded its development scale, occupying an important economic and political position in society Japanese Society at that time.

Keywords: *Mitsui; Tycoon; Economy - politics; Japan; Late 19th century, early 20th century.*

1. Introduction

In Japanese history, the Meiji period was a turning point that marked the end of feudalism. At the same time, Japan faced the risk of becoming a colony of Western countries, so economic development was the only right way to make Japan a great power. The reforms were swift and drastic and their impact on all sections of society and the entire Japanese economy. In order to keep pace with the Western economy and industrialize the world, Japan must adapt quickly and rapidly expand its industries and change the economic structure. These changes led to the formation of Japanese capitalism and the birth of the Zaibatsu. Thanks to the great contribution of the Zaibatsu, Japan's economy has created a miracle in history. The most prominent is the contribution of the Mitsui family in the Edo period (1603-1868), which developed into

a powerful conglomerate during the Meiji period. Therefore, this article raises the question: What factors create the position of Mitsui Corporation? What is the economic and political position of Mitsui Corporation in Japanese society in the late 19th century and early 20th century?

2. Research overview

Up to now, in Vietnam and in the world, there have been many general studies on the economic development of Japan, the conglomerates (also known as Chaebol - Korea and Zaibatsu - Japan); but the number of works, in-depth articles on the history of establishment, the role of Mitsui corporation and the historical impact on Japanese society at that time is still small. Reviewing the research works related to Mitsui Corporation in Japan, I would like to present them in two groups: "Research abroad" (limited to works published in Japanese and English

only) and “Research in the country”.

Studies abroad:

- Matsumoto Hiroshi (2003), Research on Mitsui Zaibatsu of Hitotsubashi University (Tokyo, Japan) presented about the history of the Mitsui corporation; and made the assessment that Mitsui Corporation is the dominant capitalist of Japanese capitalism, operating in many branches and fields, so it is able to dominate the Japanese economy in the late 19th century and early 20th century.

- In the study “Understanding Mitsui Zaibatsu’s Business Form Development Theory” by Yoshida Junzo, Ryutsu Keizai University (Shinmatsudo, Japan) refers to the development of the Mitsui family from a private company changed to a partnership company, then developed into a joint stock company with operating levels in many fields such as industry, commerce, and banking. And can run many companies in almost all important economic sectors.

- John H. Sagers (2019), whose article “The Importance of Entrepreneurship in Japan’s Late Nineteenth-century Meiji Industrial Transformation in Education About ASIA magazine emphasized the importance of the private economy in the goal of economic development. economy of Japan during the Meiji period and the government was successful in encouraging private investment through institutions that supported private ownership and investment in infrastructure rather than focusing on development. state enterprises.

- “The Role of Financial Conglomerates in Industry Formation: Evidence from Early Modern Japan” by John P. Tang (2006) - University of California, in his research results John P. Tang gave evidence showing that The Zaibatsu are capitalists engaged in new industries who are leaders in Japan’s economic development because of their financial viability, along with greater investment autonomy without too much government intervention.

Domestic studies:

- The article Homo economicus, economic man and the birth of capitalism, published in the International Relations Journal No. 20 in 1991 by Le Minh Tue presents the cause of the birth of capitalism and presents on the concept of economic man, emphasizing that economic man plays a decisive role in the development of capitalism. Therefore, in the revival and development of the country’s economy, and the expansion of economic relations with foreign countries, success can only be achieved when acting in the style of an authentic, modern, and mentally healthy economic person. morality. And Japan is a country that has

successfully revived the country when it has built an economic man.

- Le Van Quang has a work on History of Japan in 1998, presenting about Japan in the transition from capitalism to imperialism (1890-1918), from an overview of the socio-economic situation Japan at the end of the nineteenth century and the beginning of the twentieth century with an economic growth rate (181%) surpassed many capitalist countries in Western Europe and the United States, and the characteristics of economic development in Japan in the early twentieth century were: monopoly capitalism; Japan’s economy has experienced unprecedented growth compared to any previous time.

- Aspects of the merchant class and commercial activities in Japan during the Tokugawa period by Nguyen Van Kim in Japan and Asia: Historical connections and socio-economic changes published by National University Press published in 2003 in Hanoi, presenting about the power of the merchant class, especially the business-financial sector, which has had far-reaching effects on the entire society, influencing the policies of the political elite. ruling rule. The close association of business families with the feudal rulers, between economic forces and political power holders, was also a very remarkable feature of the Japanese economy in the Edo period. 1603 - 1868).

- Thus, through the above studies, it shows that Japanese conglomerates came from a family that developed into a capitalist, especially the Mitsui family from a farmer to an investor. The tycoon had a certain influence on the economic development of Japan in the late 19th century and early 20th century.

3. Research Methods

This is a research topic that belongs to historical science and political economy, so I use an interdisciplinary approach. The main method used in the article is the historical method. Review and evaluate the changes of feudal society, the birth and development of capitalism and imperialism in Japan, based on reliable sources of information to analyze and evaluate the process forming the capitalist economy of Japan in general and in particular, the history of the formation of Japanese conglomerates through the following operations: Systematic structural analysis, meta-analysis and model statistics. describe.

4. Research results

4.1. Historical context of Japan at the end of the 19th century and the beginning of the 20th century

Political institutions: Because it is understood that the government wants to govern the country,

the government apparatus must be strong, so the reorganization of the bureaucracy includes capable, educated people and must be respected people respect and fear; they are given greater power, receive higher wages and at the same time have to bear heavy responsibilities for the work they do; In April 1868 Emperor Meiji promulgated the Five Vows which are considered as the platform for the renovation and construction of Japan “Phu Quoc stronghold”, which is the legal basis for carrying out a series of reforms in the world. all areas of Japanese social life, marking the ideological preparation for the building of the new government as well as the action plan in the coming time. Besides reorganizing the government apparatus, the rule of law-based country is very important and necessary. In 1889, the Great Japanese Empire’s Constitution (commonly known as the Meiji Constitution) was published, which clearly defined Japan’s new political system and other laws and legal systems. implemented very strictly, anyone who violates will be severely punished. As a result, the Japanese society of the Meiji period was a society with clear order and law. According to the Constitution, the ruler of the country is the Emperor. The Emperor is considered an inviolable god, the Emperor’s power is absolute, is the head of the army, has the right to declare war, make peace, sign treaties or refuse bills brought by the National Assembly. In fact, even ministers were only accountable to the Emperor instead of the National Assembly. The constitution explicitly defined Japan’s new political institution. Thus, the Constitution has both elements of a modern capitalist constitution and retains traditional Japanese elements.

Society of “Four Equal Citizens”: Japanese society in the Edo period was divided into castes: warriors (martial artists) - farmers (farmers) - workers (craftsmen) - merchants (traders). One of the most important social reforms was the abolition of the caste system. In 1869, the Meiji government issued a decree abolishing the caste division and creating four new but unprivileged classes: Kazoku, Shizoku, Sotsuzoku and Heimin; and issued the declaration “Four people are equal”. Abolishing the privileges of the martial class is a difficult and dangerous business, riots from this class can happen at any time because this is a large social class that has a monopoly on the military, politics, and hereditary privileges. Therefore, the well-prepared conditions for people of different castes to peacefully transition into the new regime show the flexible ingenuity of the Japanese ruling elite at the moment. The boxer class, which was the class that enjoyed the most privileges before, when switching

to the new regime, was guaranteed the minimum material benefits, still enjoying the respect of the society just like the previous privilege. their other (though purely nominal). That has allowed the Japanese government to smoothly carry out the initial reform, maintain stability and unity for the country, and minimize the occurrence of civil wars and riots. Although the social reform has stripped away a lot of the privileges and privileges of the old martial arts class, it has liberated tens of millions of working people, including those previously not considered as Therefore, it has the power to liberate labor power for the society, creating a great driving force for the country’s economic development.

- Economic development goal “Phu Quoc strong army”: After regaining control of the country from the shogunate government, the Meiji government set out for itself a development strategy and industrialization of the land. the country aims to: (1) defend the country, against the invasion of Western countries; and (2) Modernize Japan. The Meiji leadership was aware of the situation in the country and region at the time, forcing them to reform quickly. Firstly, until the middle of the nineteenth century Japan was still a feudal country with a backward agricultural economy. Second, the contact with the West, although brief, made quite a deep impression and was enough for the Japanese leadership to understand that the Western powers with economic and military strength are far superior over the East, has been proving its superiority by conquering and annexing the East. Thirdly, at home, the anti-new government elements of the martial arts class, disgruntled in some territories due to the deprivation of economic and political rights, are still strong. The Meiji government argued that military weakness, economic backwardness, and political instability could very easily make Japan the prey of Western powers. Therefore, there is no other way but to quickly apply Western methods to war and industry to make Japan economically strong, as well as to maintain its independence from Western powers. West.

Thus, from the outset, Japan has set two closely linked strategic goals: military modernization and economic development with a high determination to build a “powerful Phu Quoc” that will not suffer dependent on the West.

4.2. Overview of the Mitsui family

The Mitsui family was originally a farmer, worked as a brewer in Ise Prefecture, then opened a pawn shop and loaned money. In 1673, he moved to do business in Edo (present-day Tokyo) and became a banker of the shogunate in 1691 and a financial representative of many lords

(Daimyo). By the Meiji period, the Mitsui family was mainly engaged in foreign trade and banking before expanding into other fields such as mining, shipbuilding, textile industry, paper making, sugar processing, etc. The Mitsui clan is an association of these 11 clan branches. Through a council, the heads of companies make decisions for the overall development of the group.

Due to capital constraints, the government from the very beginning of the Meiji period sold state-owned industrial facilities to a group of private capitalist companies capable of managing and developing production and providing additional support. In terms of capital, tax incentives, production premises, etc. Thanks to that, after a period of time, Mitsui company has developed into a large capitalist corporation, playing a leading role in financial activities and many manufacturing sector. Due to its financial strength, Mitsui Corporation has become the largest capitalist corporation, seeking profits in many fields, thus having a strong influence in the economic and political life of Japan towards the end of the world. nineteenth century early twentieth century. By 1920, the Mitsui corporation had grown to 120 companies, and their operations were run by directors appointed by the parent company.

4.3. Mitsui conglomerate – typical for the birth and development of Japanese capitalism

About the concept of plutocracy (Zaibatsu), “Zaibatsu are financial capital groups established on the basis of kinship ties. During their development, the Zaibatsu had close ties with the ruling political elite and used their financial power to control the Japanese economy” (Nguyen Van Kim, 2003, p. 520).

From a farming family developed into a capitalist and went up to the highest level to become a financier. The formation of Mitsui corporation is very typical, is a characteristic for the birth and development of Japanese capitalism, including four stages:

- Stage 1: In the feudal shogunate society, the development seeds of capitalism appeared, and there began to be accumulation and strong development of craft sites. Until the shogunate government disintegrated, it was also the transition period from feudalism to capitalism.

- Stage 2: this is the free-competitive phase of capitalism, starting from the industrial revolution 1.0 in the Meiji period with the goal of industrialization, “Phu Quoc stronghold”, with a tendency to transition up. Monopolistic capitalism when Mitsui Corporation acquires most from the exploitation and processing of raw materials

to manufacturing and finally bringing finished products to the consumer market.

- Stage 3: The size of the corporation is expanded, the formation of a modern company organization and a wave of large-scale acquisitions of small enterprises to form an exclusive organization.

- Phase 4: is a new stage with basic characteristics of state monopoly, monopoly capital group and state government combined.

Mitsui Corporation began to form in the Meiji period, at this time Japan was forced to modernize rapidly, after the collapse of the shogunate and feudalism, so Japan would not want to suffer the same fate. Asian countries are colonized or otherwise exploited. Thus, zaibatsu, like the Meiji government, took shape quickly and decisively, taking advantage of these new opportunities throughout the Meiji period.

Thus, the formation of Mitsui corporation is the most typical case for the birth and development of Japanese capitalism, from a farming family, developing into a craftsman, going up to a capitalist and with the support of the state government, it has grown strongly to expand its scale into a large conglomerate, having great influence on Japanese society at the end of the 19th century and the beginning of the 20th century.

4.4. Factors creating economic and political position of Mitsui Corporation

Always take the initiative and quickly catch up with new industries: Mitsui Corporation is always the first economic organization to invest in new economic fields such as chemicals, metallurgy, military engineering ,....

Extensive scale of operation: the scale of Mitsui group spreads across many different fields to form a closed system of trading companies, not focusing on a specific field. Therefore, Mitsui Group holds control from the stage of exploitation, processing of raw materials to manufacturing and finally bringing the finished product to the consumer market.

Strict personnel selection and training: to enhance competitiveness, Mitsui Corporation has selected the best graduates from prestigious universities such as Keio University, Tokyo University, Hitotsubashi University of Economics. In addition, Mitsui Corporation also built its own vocational schools and practiced directly at member companies. Each member of a production line is trained systematically. The teaching content is always linked with theory to practice, so the qualifications of the staff are also more perfect than those of small enterprises that tend to study in the traditional way.

4.5. Economic position of Mitsui Corporation in Japanese society

When reviewing the development history of Mitsui Corporation, we see that the outstanding feature is that this corporation soon entered into activities in the field of finance and banking. Since then, they have become multi-industry capital groups that simultaneously cover many important economic sectors. This is a typical feature that clearly shows the continuous development in the Japanese economic tradition. The development of Japanese capitalism was first and foremost on the basis of commercial-banking activities with the role of capitalists originating in the Edo period rather than being established in industrial capital as in modern Europe.

Thanks to the main aid, the Mitsui family also provided military funds to the Meiji government that contributed to the overthrow of the shogunate government. Thus in 1871, Mitsui was commissioned by the Meiji government to provide financial services, and then began to establish a bank. This has given Mitsui a great opportunity to grow as they now hold all interest-free government deposits and can invest as they please.

The year 1876 was a landmark in the monetary field in Japan, the first private bank was established by the Mitsui family. In the same year, Mitsui expanded into the commercial sector, the company Misui Bussan was established, expanding its operations to London, Paris, Shanghai and other countries in order to expand Japan's economic influence overseas. outside. In 1879, Mitsui successfully bid to acquire the formerly government-owned Miike Coal Mine, the first step towards them becoming Japan's largest coal seller at the end of the Meiji period.

In the financial policy of Matsukata Masayoshi (Minister of Finance), in order to encourage private business, he proposed a solution to sell state-owned enterprises to private individuals at a low price, but they must be civil servants who have been closely associated with the government, who have business capabilities and are loyal to the cause of modernizing the country. From 1884 to 1896, the Japanese government sold 3 manufacturing plants and 23 mining enterprises to major merchants such as Mitsui, Mitsubishi and Furukawa. As a result of these policies, Japan's financial and monetary base recovered rapidly. The measure of privatization of industries not only greatly contributed to the industrialization of the country, but also helped the government to gain significant profits from tax collection. This is a turning point in the Japanese economy, from a source of income focused on

agricultural taxes to taxes from major businesses, helping Japan transition to a period of accelerating industrialization and achieving results. big fruit. The government gains from the sale of state-owned enterprises to the private sector is that within a decade most of the industries sold were able to be as profitable as other economic sectors. At the same time, the government's finances have stabilized thanks to high new taxes, the amount of paper money in circulation has been reduced by about a quarter, interest rates have fallen, currency reserves have increased, and paper money has recovered its value. in 1886. As a result, real income from the land tax was restored, the economy as a whole recovered and grew even faster than before. Thus, from the beginning of 1880, by selling state-owned enterprises to the private sector, the State had removed itself from the right to directly participate in the economy. Factories and enterprises are now privately owned, they have the right to decide what to produce and how much to produce according to market supply and demand and profit and loss, rather than by orders of the State.

Therefore, the power of the plutocracy is growing stronger and not only in the financial sector, through taking over shares, they also manipulate many other economic sectors and use economic influence to penetrate the financial sector. merged into many other private companies, even economic establishments directly managed by the state.

4.6. Political position of Mitsui Corporation in Japanese society

As analyzed above, Mitsui gained influence with the Meiji government through their help and support in fighting the feudal system. This means that Mitsui has significant privileges and opportunities in the new society such as buying state-owned companies at very cheap prices, and the government also facilitates transactions. It can be said that the initial success and expansion of Mitsui Corporation is largely due to close political ties with overseas companies. closely and in line with the goal of industrialization and modernization of Japan.

One of the typical features in Japanese history in the late 19th and early 20th centuries is the close connection between economy and politics. This clearly shows the inheritance in the development of traditional Japanese economy. The close coherence between merchants and the government reflects the oriental nature of the Japanese economy as well as the leadership's vision to create new forms of activity to adapt to current political conditions. After the first world war, the government's economic goal was expansion and invasion, so after 1920, the oligarchs strongly invested in heavy industry,

buying cheap companies that were at the same time using financial strength and buying shares to control most of the smaller companies. The exclusive development of this family is not only unrestricted by the state, but also supported by the government through policy adjustments for new industries, tax exemptions or contracts. endow. The success of political traders and the formation of Japanese capitalism are closely linked. The zaibatsu, closely associated with politicians became very important influence on policy.

Thus, at the end of the nineteenth century and the beginning of the twentieth century, Mitsui Corporation cooperated very closely with the government and was protected by the government to facilitate its development. Increasingly, the conglomerates are growing stronger in finance and production, so they have more and more influence on politics, especially the rising militarism at that time. Political parties also count on their financial backing. Through special relationships with high-ranking officials in the government or controlling political parties, the corporation is able to obtain great benefits from the government. As a result, the relationship between the government and the oligarchs has become increasingly close. Mitsui Corporation step by step is not only a powerful economic - political organization but also a place to implement Japan's invasion policy, they have a very important voice in planning the policies of the military world. provide supplies for the army. During the war, conglomerates became powerful financial-industrial complexes that dominated all activities of the wartime Japanese economy.

5. Discussion

Mitsui Corporation played an extremely important role in the economic development of Japan in the late 19th century and early 20th century, its strong financial capacity allowed the group to expand and develop new industries, diversifying. The transformation into many economic sectors and the ability to reinvest and monopolize key economic sectors have helped Japan's economy to grow rapidly. At the same time, Mitsui also played an important role in the formation and development of Japanese capitalism, which at the end of the Meiji period developed into Japanese imperialism.

However, in terms of economic development in Asian countries in general, the class that holds the economy will be the class that holds the power. Does Mitsui's financial and monopoly acquisitions make the political world nervous about the extent of its power?

Besides, the late 19th century and early 20th

century was a time when the surrounding countries were still backward and underdeveloped colonies. Thus, does Mitsui Group have an influence on the rise and development of the private economy in countries that pursue economic goals, industrialization and modernization after Japan?

These will be the issues that need to be discussed next to clarify historical events affecting the economic, political and social situation in Japan, other countries in the region and in the world.

6. Conclusion

With the fall of feudalism and the formation of a Meiji government, Japan was forced to industrialize and modernize rapidly so that they would not be colonized by Western powers. In the process of industrialization, private enterprises play an important role in promoting economic development. In order to encourage private business, the government sold state-owned enterprises to private individuals at low prices, and the buyers had to be civil servants who had been closely associated with the government, who were capable of doing business. and loyal to the cause of modernization of the country. Thanks to that, the Meiji government mobilized considerable resources to invest in the country's industrialization process. At the same time, to overcome the limited capital of each individual, to concentrate large capital sources to create large-scale modern enterprises. In order to enrich the country, it is necessary to develop industry and commerce, to do that it is necessary to have many people contribute capital to invest, so that the form of joint stock company developed strongly during that time.

Japanese capitalism paved the way for the rise of zaibatsu groups. In which Mitsui zaibatsu originated from a merchant family, under the protection of the Mitsui government, since then it has expanded rapidly, becoming a giant zaibatsu corporation. This is how Mitsui zaibatsu was born in the Meiji era, through the acquisition and privatization of former government monopolies. During the Meiji period, Mitsui rapidly expanded into various industries, increasing his reach and influence considerably.

Thus, from the above analysis, it shows that Mitsui Group can run many companies in most of the important economic sectors of the country, and has its own bank to attract capital. and continuously expand the scope of activities to many other economic fields. In other words, Mitsui zaibatsu fulfilled the political and economic ambitions of the Meiji government thereby creating economic status and political influence in Japanese society at the end of the Meiji period.

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VỊ THẾ KINH TẾ, CHÍNH TRỊ CỦA TẬP ĐOÀN MITSUI TRONG XÃ HỘI NHẬT BẢN CUỐI THẾ KỶ XIX VÀ ĐẦU THẾ KỶ XX

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Trong lịch sử kinh tế Nhật Bản cuối thế kỷ XIX đầu thế kỷ XX, hiện tượng Zaibatsu thu hút nhiều sự chú ý của các nhà nghiên cứu. Zaibatsu là thuật ngữ để chỉ đến những tập đoàn tài phiệt hàng đầu tại Nhật Bản, những tập đoàn này có tầm ảnh hưởng quan trọng nhất định đến sự phát triển của nền kinh tế Nhật Bản nói riêng và làm cân bằng tình hình kinh tế thế giới nói chung. Các nhóm này đã phát triển nhanh chóng từ các doanh nghiệp phong kiến, phát triển thành các công ty độc quyền trong thời kỳ Minh Trị (1868 – 1912) và trở thành lực lượng kinh tế hàng đầu và đóng vai trò quan trọng trong công nghiệp hóa, hiện đại hóa của Nhật Bản. Trong số đó, tập đoàn Mitsui là tập đoàn tài phiệt đầu tiên ra đời tại Nhật Bản. Nhờ nắm quyền chủ động, nhanh chóng bắt nhịp với những ngành công nghiệp mới và sự ủng hộ của chính phủ mà tập đoàn Mitsui ngày càng mở rộng quy mô phát triển, chiếm giữ vị thế về kinh tế và chính trị quan trọng trong xã hội Nhật Bản lúc bấy giờ.

Từ khóa: Mitsui; Tài phiệt; Kinh tế - chính trị; Nhật Bản; Cuối thế kỷ XIX, đầu thế kỷ XX.