

A Review on “Proto-Industrialization” Theories¹⁾

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Foreword

I. General Trend

II. Typology

III. Trend in Japan

Foreword

It has been ten years since F. F. Mendels first proposed the term of “Proto-Industrialization” as the first phase of the Industrialization.²⁾ In the forthcoming International Conference of Economic History, there is a section on this “Proto-Industrialization”. Broadly speaking, however, it can be said that this “Proto-Industrialization” which has been discussed for about a decade, centered mainly on the questions of “transition”, or among others, on the questions concerning the relationship between the “rural industry” and the “transition”.

Therefore, when discussing and clarifying this “Proto-Industr-

1) This paper was originally prepared for the report to the symposium with Prof. Dr. E. Schremmer (Heidelberg) held by Arbeitskreis für die deutsche Wirtschaftsgeschichte, Neue Folge (ADWG, NF.) March 30, 1981, Tokyo.

2) Mendels' study on the “Proto-Industrialization” is threefold: regional historical research, Industrialization, and historical demography.

ialization" question, the following two aspects should be considered separately :

- a) Transition : (where/what from - where/what to)
- b) Rural Industry : (what kind of forms/structures)

Since both aspects mentioned above have been studied for nearly a century, we should, first of all, look back and review the many valuable studies accumulated before us. I believe this approach would offer a fertile soil for further cultivation of this field. Even in Japan only, more than half a century has already passed since our Japanese scholars began studying about the question of transition and also about rural industry.³⁾ Therefore, to present a brief idea of the historical trend of the studies on the above mentioned two aspects in comparison with the Japanese works, I shall try to discuss them in the next chapters in the following manner:⁴⁾

- I. General Trend
- II. Typology
- III. Studies in Japan

3) It is worth mentioning that, consciously or unconsciously, their views were based, for the most part, on the comparative historical aspect, i.e. comparison between Japan and Europe, or, East and West. See below page 7 note.

4) It is, of course, rather rough to cover so many important studies. What is more, chapter III is mainly defined to that of Prof. Hisao Otsuka's and others (so-called "Otsuka Shigaku" school—comparative economic history school), which have lead the studies of Socio-Economic History in Japan for some decades. The impacts of these academic achievements were so influential in Japan that those who study this field can hardly neglect their works, either agreeable to it or not.

I. General Trend

A. On "Transitions"

1) 1890's - 1910's : So-called "classical theories", which explained the origin of "Modern Industrial Capitalism" as a process of "Commercialization" of the society lead by merchant or a process of growing "money economy".

Framework : from landed society to commercial society.

2) 1920/30's : Monographs on English economic history: empirical studies found that wealthier merchant classes in certain age were not necessarily the ancestors of the wealthier industrial classes of the following ages.

i.e. "Modern Industrial Capitalist" did not always come from wealthy merchant class of the preceeding age.

3) 1950's - : Debate on "Transition from Feudalism to Capitalism".

eg.) Dobb vs. Sweezy, and so on. One of which was ; Role of merchant on Transition.

3') 1960's - : Development theories⁵⁾ into the historical studies.

i.e. "Industrialization", "Growth", "Modernization".

eg.) Pre-Conference of Economic History, Stockholm 1960.

5) *Measures for the Economic Development of Under-Developed Countries* issued by U. N. Dept. of Economic Affairs (1951), was the starting point to various theories after W. W. II.. There were two types of theories: (i) classical economics approaches, which tend to veiw industrialization (share of total output, population) as equal to deve-
 lopment. (ii) socio-economic approaches which tend to think indu-
 strialization is not enough for development unless social structural
 (institutional) changes occurred.

§I Industrialization as a factor of Economic Growth after 1700.

B. On "Rural Industry"

2) 1890's : Object of "Sozialpolitik".

i.e. Hausindustrie = Verlagssystem (Brentano—Schmoller)

"Rustikalisierung der Industrie" (Sombart)

2) 1910/30's : Monographs on Rural Industry⁶⁾

eg.) E. Tarle (1910), J. Loutschisky (1912), H. Sée (1923), S. Chapman (1904), H. C. Darby (1922), Wadsworth & L. Mann (1931), G. Unwin (1904), H. Pirenne (1914), H. Heaton (1930). etc...

i.e. Between medieval social division of labour (town vs. country) and that of modern industrial capitalism, stood "Rural Industry"

3) 1960 - : "2nd Conference of Economic History, Aix-en-Provence"

§V. Rural Industry and Artisans (1962)

B. F. Hoselitz, H. Kellenbenz, H. Otsuka, V. K. Yatsusky,
J. D. Chambers, V. Husa, A. Klima

and : R. Braun (1960), J. Thirsk (1961), E. Jones (1968)

H. Kisch (1956), U. Lewald (1961), etc..."⁷⁾

II. Typology

A. Transition (where/what from—where/what to)

The question of transition from where/what to where/what rests

6) cf. H. Otsuka, 'Kinsei Keizaishijo ni okeru Nōson Kogyo', *Shakai Keizaishigaku*, X-11/12, 1941.

7) cf. Tilly, 'Agenda for European Economic History in the 1970's,' *Journal of Economic History*, XXXI-1, 1971 p. 188n.

primarily on the question of classification of an era. The distinction of stages vary according to the definition of index which characterizes the modern society. For instance, "Civilization" was widely used until 19th century, i.e. uncivilized society → civilized society. Based on this kind of thought, many theories on the stages of economic development were established.⁸⁾

- A. Smith : Nation of hunters → shepherds → agriculture → commerce
- F. List : Wilderzustand → Hirtenstand → Agricultur = → Ag. Manufactur = → Ag. Manu. Handelsstand
- B. Hildebrand : Natural = → Geld = → Kreditwirtschaft
- K. Bücher : Geschlossenen Hauswirtschaft → Stadtwirtschaft → Volkswirtschaft
- G. Schmoller : Familie = → Dorf = → Stadt = → Territorial = → Volks = → Weltwirtschaft
- W. Sombart : Bedarfsdenkungs = → Erwerbswirtschaft
- K. Marx : Asiatische = → Klassische = → Feudale = → Kapitalistische Produktionsweise
- W. W. Rostow : Traditional → Pre-condition for take-off → Take-off. → Drive to Maturity → High MassConsumption

Here, we can classify them into following three typical patterns of groups for our easy reference.

- (1) Landed Society → Commercial Society

8) There are also many theories in sociological studies (eg. C. Grosse, J. R. Steinmetz, F. Tönnies, K. Lamprecht, F. Oppenheimer, etc.) All these are excluded here.

eg.) Represented by I-A-(1) type of thought.
 Smith's *commercial society* is not a mere *Handels-gesellschaft* but also includes manufacture. This translation has lead List to misunderstanding, and thereafter this confusion has spread in worldwide scale.

(2) Social mode of production.

- (i) Feudal → capitalistic mode of production.
- (ii) Handicraft → factory system.

eg.) Represented by I-A-(3) & part of (3')

(3) Industrialization : more comprehensive (so that more obscure concept.)

Pre-industrial (agricultural) → Industrial Society

eg.) Represented by I-A-(3') : Stem of II-A-(1)

Basically, F. F. Mendels' discussion is grouped in II-A-(3).

eg) Mendels : "The share of agriculture in relation to industry in total output" = "an indicator of pace of industrialization"⁹⁾

His problem is whether handicraft is comprehended in industry or not.

Industrialization as :

(i) Transition to "not-so-agricultural economy" widens the range of industrialization period some centuries backwards. (1st phase)

(ii) Transition to "not-so-handicraft economy" limits the industrialization to so-to-speak "mechanization".¹⁰⁾ (2nd phase)

9) F. F. Mendels, 'Proto-Industrialization: The First Phase of the Industrialization Process', *J. Ec. H.* XXXII-1, 1972, P. 258.

10) Another definition can be seen in G. Myrdal, *Asian Drama*, 1968.

((supplement))

Industrialization from regional study viewpoint might well raise the question of "de-industrialization" or "re-agralization" on certain region.¹¹⁾

B. Rural Industry

1) Definition of "Rural"

(a) Constitutional division¹²⁾ ("Land" vs. "Stadt") : not privileged town with guild or zunft, i.e. includes country-market-towns (open-towns).

(b) Dual character of agricultural and handicraft¹³⁾

A coporate town with authorized monopoly on trade and manufacture was specific to Europe. The development of rural industry in not-privileged rural districts prepared the condition for free-competitive activity of industry. (According to G. Unwin : town-industry vs. country-industry).

11) According to the extent of the "region", this question becomes uncertain. eg.) From global viewpoint : Industrial Europe vs. De-industrialized Asia-Africa-Latin America ; From European viewpoint: Industrial Britain vs. De-industrialized Continent (c. 1800). From English viewpoint : Industrial North vs. De-industrialized West (cloth industry), & so on.

12) N.B. Except in Europe, there was no constitutional division between town and country, therefore, "Development of rural industry" has a quite different meaning in Europe and in Japan (Asia). Development of rural industry in Japan never was "Rustikalisierung der Industrie" nor territorialization of craft industry. It is a trap to the easy comparison between East & West.

13) Mere dual character, medieval boroughs also primarily had tillage or pasture : agrarian system.

Thus, there are two types in "Rural industry".

(i) Industry (handicraft) combined with agriculture (husbandman)

(ii) Industry (handicraft, manufactory) more or less specialized in non-privileged districts. (artisan, "urban exodus" craftsman)

2) Form/Structure

i) Small masters under the putting-out-system (dependent)

ii) Country small masters (independent)

There are two types of thoughts on the role of rural industry in the process of transition.

a) Represented by I-A-(1)

Merchant putter-out in towns organized the rural industry → industrial capitalism, factory system. (In Japan, Prof. K. Yaguchi, Prof. S. Tsunoyama and so on).

b) Flowed from I-A-(2)

Rural handicraft or small masters → rural manufactory → factory system.

(Since privileged merchant putter-out must have an obstacle function. In Japan, Prof. H. Otsuka and so-called "Otsuka Shigaku" school)

III. Trend in Japan

Though above mentioned aspects have been argued for some decades in Japan, the achievements in this field have not always been introduced overseas. Here, we will follow the theoretical achievements in Japan on rural industry, mainly from the studies of Prof.

Hisao Otsuka.¹⁴⁾

A. Social Genealogy of Modern Capitalism¹⁵⁾

1) 'Iwayuru Zenkiteki Shihon naru Hanchu ni tsuite' (On the category of so-called "vorsintflutliches" kapital) 1934, which distinguished the "antediluvian" capital in general, whose profit upon alienation or usury were based on the traditional socio-economic structure and political institutions, from modern industrial capital as a specific historical category.

2) 'Noson no Orimoto to Toshi no Orimoto' (Country Clothier vs. Town Clothier) 1938 : which explained the origin of modern industrial entrepreneur from the growing country clothier undermining putting-out-system, not from the putting-out activities of town merchant.

3) 'Igirisu ni okeru Kindai- Toshi no Keifu' (Genealogy of Modern Industrial Towns in England) 1939 : which observed the genesis of modern industrial towns and found such as Halifax, Manchester, Birmingham, etc. that were originally but a rural open towns.

4) 'Kinsei Keizaishi jo ni okeru Noson Kogyo' (Rural Industry in Modern Economic History) 1940 : which reviewed I-B-(2) and found that the origin of Modern-Industrial-

14) In this case, it does not mean his theses are overwhelming in Japanese academic circles. Another influential groups criticizing his theses also exist. Here to avoid any complication of my outline, I intend to leave them untouched, for most of them are reflected in II-A-(1) or II-B-(2)-(a).

15) From (1) to (6), *Otsuka Hisao Chosaku Shu (Otsuka Hisao Works)*, Vol. 3, 1969 ; (7), Vol. 9 ; (8), *Shakai Keizaishi Gaku*, XLVI-2, 1980.

Capitalism was traced from rural industry.

5) 'Kindai Shihon-shugi Hattatsu-shi ni okeru Shogyo no chii' (Role of merchant Activities in the Development of Modern-Industrial-Capitalism) 1941¹⁶⁾ : which denied the positive role of commercial activities including putting-out for the creation of Modern-Industrial-"Betrieb"-Capitalism.

6) 'Tonya Seido no Kindai-teki Keitai' (Modern forms of putting-out system) 1942 : which dealt with characteristic features in 18c. England, and approved the passive role to the Modern Industry.

7) 'Kindai Kigyoka no Hassei to sono Keifu' (Genesis of Modern Industrial entrepreneur and their their social genealogy) 1964 : which generalized above theses.

Recently, as a compact review of these works,

8) 'Iwayuru Tonya-seido wo dou toraeruka' (The historical Significance of the Putting-out-system) 1980.

B. Market Structure¹⁷⁾

As the starting point of Modernization, destruction of traditional socio-economic structure, esp. village-community is necessary.

Industrialization alone does not necessarily bring about socio-economic modernization. If that traditional-community structure sustained, free-labourer nor free industrial activities hardly developed in rural district.

1) 'Shihonshugi-shakai no keisei' (Emergence of Modern Capitalism : its earliest phase) 1951 : which

16)) English translation will be published shortly.

17) From (1) to (3), H. Otsuka, *Chosaku shu (Works)*, Vol. 5, 1969.

offered the theoretical framework of *local market areas* following many empirical studies of so-called “Otsuka Shigaku” school, and these achievements comprised *Seiyo Keizaishi-Koza*, 5 vols. (*Lectures on Economic History of West*), 1960.

2) ‘Shihonshugi Hatten no Kiten ni okeru Shijo-Kozo’: original form is, “Market Structure of Rural Industry in the Early Stages of the Development of Modern Capitalism”, 1962 (2nd I. C. E. H. in Aix-en-Provence)

Here, “Local Market Areas” thesis is set. : “Small industrial and marketing centers surrounded by agricultural village, or combinations of the two arose as independent units of social division of labour based upon a market economy and were characterized by a greater or lesser tendency to economic self-sufficiency”. (Vol. II p. 462), and then “they tended to merge into one other (*sic*) forming ever wider market areas, including sometimes foreign markets”. (p. 467). Then “local market areas” – “territorial” – home market on “national scale”, “This development... supplied ... one of the most important preconditions for the Industrial Revolution”. (p. 471)

3) ‘Kindai ka no Rekishiteki Kiten’

(Starting point of Modernization – an Introduction from the viewpoint of Market Structure –) 1968 : which generalized above theses.