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著者	OZTURK Ibrahim H.
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Two pioneers of modern economic thought in Japan and the Ottoman Empire : Fukuzawa Yukichi and Ahmet Mithat

İbrahim H. ÖZTÜRK

Comparisons of Turkish and Japanese modernization have already been undertaken by several scholars¹. However, there is yet space for further comparative studies, particularly in the field of intellectual history. Such studies are crucial for understanding the drive to modernize in both societies. The modernization reforms undertaken by Japan and Turkey in the 19th century aimed to parry the threat of Western imperialist ambitions. The fact that Ottoman and Japanese military forces were less developed than those of the industrialized powers of Western Europe and America intensified the industrialization efforts of both countries.

The first Industrial Revolution induced the Ottomans and the Japanese—like the Russians—to develop their economies. By the turn of the 19th century both the Japanese and the Ottomans had realized the necessity of change, and the focus of this change was the purely practical goal of “expelling the barbarians”. Western scientific techniques had to be mastered so that both countries would be strong and wealthy enough to stand up to the threat of Western aggression. This is why modernization efforts in both societies first took place in the military sphere, rather than in other sectors such as education or everyday life. It was believed that if the two societies were to avoid the humiliation of succumbing to Western imperialism, they had to have large guns and large ships. With the passage of time, however, both came to realize that full-fledged modernization required social reorganization.

The most disputed point was not whether to change or not, but rather the direction, speed, and scope of change. What were the ultimate objectives of change? Some important scholars in the 19th century began to assert that guns, battleships, and a new form of government were not enough. It was also necessary to understand the ideas which, in the West, had led to the creation of these technologies and institutions. I suggest that a focus on the ideas of two prominent leaders of modernization in both societies, namely Ahmet Mithat Efendi (1844–1912) and Fukuzawa Yukichi (1835–1901), sheds much light on the

disputes about change in Ottoman Turkey and Meiji Japan. In this article I propose to compare their views on modernization and Western civilization, as well as their thinking about economics.

When Japan and Ottoman Turkey are compared, it is obvious that Japan had major advantages in pursuing reforms. Firstly, the uniformity of Japan's population enabled her to become a nation state, in contrast to the heterogeneity of the Ottomans multiethnic system. Secondly, geographical and thus political insularity permitted Japan to pursue autonomous and independent development policies. Thirdly, Japan had economic advantages as well. The Japanese economy attained maturity to a certain extent during the two and a half centuries of internal peace that was the Tokugawa era, whereas the military expenses required for incessant wars figured centrally among the factors leading to Ottoman decline.

Ahmet Mithat and Fukuzawa Yukichi

Ahmet Mithat (1844–1912)

Born as the son of a high ranking official in Istanbul, Ahmet Mithat was educated in Niche and Baghdad. Niche was an Ottoman town in the Balkans where nationalistic movements originating in the West would motivate the population to seek national independence, and eventually trigger the outbreak of the First World War. It was in this town that Mithat experienced complicated and difficult lessons about politics. In Baghdad, he learnt about the orthodox principles and educational system of Islam from the well-known scholar Şirazlı Muhammed. Influenced by him, Mithat compared Western and Eastern civilizations with respect to their ethical orientations and their material possessions.

Because he criticised the existing political system, he was exiled to Rhodes. Supported financially by the books he published in Istanbul, he continued to write and disseminate his ideas. He established a private school in Rhodes, *Medrese-i Suleymaniye*, where he introduced modern education. Forgiven by the sultan, he returned to Istanbul in 1876 and was appointed director of the official newspaper *Takvim-i vekayi* (Chronology of events). In 1878, he started to publish the *Tercüman-ı hakikat* (Translator of the truth), which became one of the most influential newspapers.

As one of the leading figures of the Ottoman enlightenment, he firmly criticized and sometimes ridiculed of the existing mentality, attitudes, and manners of his time. He also vigorously lauded the benefits and superiority of Western progress. In his writings, he described the conflicted character of the Ottomans, suffering under the pressure of changes and the ethical collapse of that time, and plagued by a sense of inferiority vis-à-vis Europeans. His

“scientific” novel *Acaib-i alem* (A strange world, 1879) was based on observations made during his first mission to Europe. In this novel, Mithat’s main objective was to make his countrymen familiar with “Western things”. *Ahmed Metin ve Şirzad* (1889) subsequently offered detailed comparisons of Islamic and Western civilizations.

Mithat was a novelist and an intellectual “jack-of-all-trades”. Through his two-hundred-odd works, written on many diverse subjects ranging from linguistics to astronomy, history to medicine, he sought to impart knowledge.² He tried to encourage Ottomans to read about economics, history, law, philosophy, and education, and to carry on intellectual activities to acquire the elements of civilization (*medeniyyet*). He made several translations in order to introduce “good” aspects of the Western enlightenment. Among these were translations of the works of Dumas and La Fontaine.

Mithat was known as a conservative modernist, meaning that his main drive was to create a nation combining “Western technique and Eastern ethics as developed by the Anatolian Turks”.³ At the end of his long discourse about the West, he came to the conclusion that Ottomans needed the material prosperity and achievements of Europe.⁴ He went on to argue, however, that from an ontological perspective, the Ottoman Turks had nothing to learn from the West. On the contrary. Western civilization could only survive if it learned from Islam, and improved its understanding of the eternal needs of human beings.

Fukuzawa Yukichi (1835–1901)

The leading popularizer of Western knowledge and the most influential man in Meiji Japan outside governmental service was Fukuzawa Yukichi. Born into a lower samurai family in the province of Buzen, he went to Nagasaki at the age of nineteen in the hope of learning Dutch, then the principal language of intercourse with foreigners. This was 1854, a year before the arrival of Commodore Perry in Japan.

In Nagasaki, besides studying Dutch, he also became acquainted with Western sciences such as chemistry and physics. Moving to Yokohama after 1859, he switched to English when he discovered that this was a more useful language. As an official interpreter, he accompanied shogunate embassies to the United States in 1860 and Europe in 1862. He later founded a school in *Edo* which eventually grew into present day Keiō University, one of the Japan’s leading private universities.

However, he first achieved fame through his writings. In 1869 he published *Conditions in the West*, in which he described in simple and clear terms the political, economic, and cultural institutions of the Occident, making plain his

preference for the British parliamentary form of government. Fukuzawa followed in the next decade with a number of other books, including *The encouragement of learning*, which is said to have sold over 700,000 copies.⁵ The language he used in his books was very simple because an “uneducated woman from the countryside should understand the words when they are read to her from the next room through the paper door.” Carmen Blacker sums up :

Due to its literary style, which was so simple and comprehensive, this book established him as one of the foremost interpreters of the West. Fukuzawa was more of a popularizer than a pure intellectual, and as such he made a far greater impact on the people of his time.⁶

In this book, he informed the Japanese about Western sciences such as chemistry, medicine, and gunnery, but there was hardly any information on Western daily life and governmental systems.

Fukuzawa, as a true believer of 19th century positivism, undertook to spread Western knowledge. Fifteen intellectual leaders joined him in 1873 in founding the Meirokusha (Sixth Year of Meiji Society) which had a brief but influential existence, holding public lectures and publishing a magazine.

At the time when Fukuzawa was born, Japan was almost entirely isolated from the outside world, with a hierarchical feudal system based on a Confucian code of morals. Japanese notions of warfare were medieval, and knowledge of modern science was confined to the trickle of Dutch books which found their way into the country through the trading station at Nagasaki. By the time of Fukuzawa’s death, however, Japan was a modern state with a parliament, a system of compulsory education, rapidly growing industries, and distinguished universities. Her army and navy were so well-disciplined and equipped that they would defeat China in 1885, and Russia in 1905. Blacker writes :

[F]or these astonishing changes we can hold responsible both the impersonal forces of history and the very personal power of certain individual men. Among the latter Fukuzawa was one of the most remarkable. He died in 1901 from a stroke. His funeral procession consisted of 1500 students and as many as 10,000 mourners, all on foot. No style of funeral could have better suited the life of the great philosopher.⁷

These biographical notes illustrate how both Mithat and Fukuzawa utilized all available forms of writing—newspapers, novels, plays, and translations made from the Western forerunners of modernization. They praised the merits of

entrepreneurship and individual enterprise in the development and progress of civilization. They were able to put their views into practice by establishing private schools, and thus became pioneers of private education in their own countries. They taught economics, philosophy, and history at several high schools and universities.

Compared to Mithat, Fukuzawa was more philosophically and scholarly oriented. His analyses were much more disciplined and comprehensive, whereas Mithat tended to discuss matters more superficially. The low literacy rate in the Ottoman Empire and people's lack of information about the West partly shaped his way of spreading knowledge. He did not try to prove his arguments in an intellectual or scholarly manner, but preferred instead, to use illustrations taken from daily life. In any case, Mithat himself was not a scholar, and his main concern was to introduce recent Western technical developments to the Ottoman Empire. However, it seems that Mithat had a deeper understanding and knowledge of the West compared to Fukuzawa in his youth. This was probably due to the geography of the Ottoman Empire, as well as to the close contacts that the Ottomans had with Europe throughout their history.

Modernization and Western civilization as viewed by Ahmet Mithat and Fukuzawa Yukichi

Just as their initial goals in exploring the West did not overlap exactly, Mithat's and Fukuzawa's views on the nature of civilization also differed. Fukuzawa believed that there were heaven-made laws (*tennen no teisoku*) in the universe, and that civilizations start from a primitive level and mature as they progress. Eventually all civilizations converge to one and the same form. Fukuzawa believed that Western civilization was the most advanced in his time because it conformed closely to the principles of heaven-made laws.

Clearly, his understanding of civilization owed much to Comtean universalism. For him, civilization was like a sea and the contributions of nations were like rivers. In this sense, civilization was not Western at all. Fukuzawa believed in the inseparability of the material and moral dimensions of civilization. For him it was thus meaningless to speak of accepting Western material achievements, while retaining Japanese moral values. This didn't mean, of course, that Fukuzawa completely rejected the relevance of ancient conventions; rather, he saw their role as confined to their contribution to universal ideal progress.

Mithat, on the other hand, vehemently denied the universality of Western civilization. He distinguished sharply between the material and moral dimensions of civilizations. While he advocated emulating the progressive elements of Western civilization, he argued that this did not entail abandoning the spiritual

and moral elements of Islamic civilization. Drawing on examples taken from daily life, he tried to convince his readers that there wasn't a one-to-one correlation between the material and the moral. Yet his main concern was to eliminate his contrymen's feelings of inferiority vis-à-vis Europeans. He did not believe that traditional elements or conventions were responsible for the relative backwardness of Ottoman Islamic society.

Regarding the lifespan of civilizations, Mithat adopted a view similar to Ibn Khaldun, who had argued that after reaching their peaks, civilizations turn toward decline, and no policies or precautions can reverse this process. This view of the evolution of civilizations was not only contrary to the Comtean positivism, but it also ran counter to the Hegelian vision of the unidirectional evolution of the civilizations.⁸ Mithat's cyclical view implied that the present weakness of Islamic civilization arose not from any internal flaws, but was simply an instance of a general historical law. Western progress could bring Ottomans the happiness they desired provided that Western civilization was enriched with Ottoman-Islamic values. Mithat argued that the basic principle of the materialistic West was merely competition to maximize the self-interest of individuals, and that this only makes life more difficult.

In the second period of his life, Fukuzawa Yukichi renounced his optimistic views of the West, and adopted a radically pessimistic one. Like Mithat, Fukuzawa came to argue that Western history was composed of continuous wars, and that this reflected the non-humanitarian principles on which European civilization was based.

Fukuzawa's and Mithat's views of economics

Fukuzawa's and Mithat's views on economics were shaped during the second half of the 19th century. This period witnessed the emergence of a new international economic order, in which world trade grew tremendously both in terms of volume and value. Mass production required that large and overseas markets should be open to these products of the industrial age. But there was emerging resistance to the worldwide expansion of imperialism within and outside of Europe. The 1838 trade concessions given by the Ottoman state to the major Western countries, and the Japanese agreement with America of 1854 illustrate how major countries on the periphery were forced by central powers to join the world trading order as passive partners.

Mithat and economics

Although he was not an economist, Mithat wrote on the subject, and tried to put his ideas into practice.⁹ He held that the "principles" of economics cannot be

regarded as universal, like those of mathematics or the natural sciences. He believed that although the science of economics may involve complex mathematical or econometric models, these models were relative and context dependent, and that the economic policies of different countries needn't all be the same. Unlike Fukuzawa, Mithat argued that there were no heaven-made laws of economics; no single set of policies and tools would solve all problems. Moreover, the principles of economics cannot be derived from the workings of the physical world. That is, the laws of physics cannot be generalized to the organization of society and its economic systems.

One of the most important consequences of Mithat's relativistic approach to economics, particularly with regard to policy making, was that it enabled Ottoman intellectuals to define their problems more precisely. This led eventually to the establishment of an Ottoman economic model. Since this model had to be created according to the specific needs of the empire, Mithat urged that this model must be *protectionist*. This view reflected the Ottoman economic situation in the last two decades of the 19th century. This was a period of endless wars and confronted severe economic problems, such as a trade deficit and high levels of debt burden, which left the Ottomans with little financial strength for longterm projects. Most of these, Mithat argued, derived from misguided economic policies. However he did not accuse the sultan directly; rather, he blamed intellectuals outside the government for their insistence on economic policies guided by feelings of inferiority. These "Frankish style" Ottoman intellectuals were unable to assess the particular needs of the country, and so one couldn't count on them to develop a reliable reform package.

For Mithat, *laissez-faire* policies were unsuitable for the present economic realities of the empire; despite strenuous efforts, the infrastructure of a reliable industrialization process hadn't yet been established. Pursuing a liberal economic policy before establishing solid foundations for industry would destroy the small industrial base that had previously existed. Mithat argued that the political and economic weakness of the Ottomans became clear after the ratification of the Anglo-Ottoman treaty of 1838, which undermined existing Ottoman domestic industry. In the following, I shall discuss Mithat's criticism of open economic policies based on his books *Ekonomi politik (Political economy, 1880)* and *Avrupa'da bir cevelan (Strolling in Europe, 1889)*.

Mithat argued convincingly that one of the preconditions for the survival of Ottoman economy was adherence to a protectionist policy in industry, agriculture, and even hometrade rights. He states that in the industrial sector,

[E]ven factories established by our glorious ancestors were shut down. Now

we had to import everything, even pavement stones and matches (*kibrit*), the fez (Ottoman style hat) which covers our heads, and the shirts that we wear. All this produced perpetual deficits in trade and balance of payment. Financing this deficit by borrowing from abroad was not sustainable. Eventually, the Ottoman Public Debt Administration was proclaimed and was controlled by the foreigners to collect their receivables by controlling the resources of the state. This meant that together with the integration of the empire's manufacturing base to Europe, financial channels were also left to them. Unfortunately, this was an explicit challenge and threat to the sovereignty of the empire.

Aside from its political repercussions, the social and economic results of this policy were devastating. Infant industries were crushed by the very competitive industries of the West. Ottomans not only lost their chance to improve their longterm economic conditions, but also in the short term, workers employed in the domestic industry lost their jobs. Thus, to earn money, they were compelled to work as porters and horsemen in the service of rich foreigners in Istanbul. Such inferior jobs, which do not require skilled human capital, do not, of course, contribute to the productive capacity of local industry.

Unfortunately, the situation in the agricultural sector is as dark as in foreign trade and industry. We have not only lost the chance to export our agricultural surplus, but started to import flour, the most basic food of the people, from Russia and other foreign countries. With such a primitive agriculture compared with the mechanized and commercialized modern agriculture of the West, we might lose the opportunity for agricultural recovery forever in case of an early integration to Europe under liberal policies.

When we consider foreign trade, however, we are totally absent there. In European textbooks, the concept of foreign trade is used to imply activities of their native people who are going abroad, selling and buying there, whereas, in our country, not only foreign trade but also domestic trade is done by foreigners. Is it an exaggeration to argue that this constitutes one of the major reasons for the collapse of our national wealth?

It is well-known that hundreds and thousands of foreigners came to Istanbul and became millionaires, though they were vagabonds in their own societies. They did not, of course, bring such an amazing amount of money from their countries, did they? They earned it in our country. This means that they have extracted ten Ottoman liras for every one lira they invested in the country. It is self-evident then if the principles of political economy

are going to be supported, this would imply the outflow of domestic capital, a perpetually underdeveloped agriculture, collapsed industry, controlled trade, and unskilled human capital with high levels of unemployment.¹⁰

Based on this assessment of the economic situation in the empire, Mithat championed protectionism. In fact, his views about the economic policies suitable for underdeveloped countries were consistent with major schools of thought in the West, such as the German school of history. Frederick List, a member of this school, had urged that countries in a period of industrial transition and lacking political unity must follow protectionist policies, and shelter domestic emerging industries until they mature and become internationally competitive. Any kind of free trade integration to the world economic system before achieving this maturity can only lead to loss of employment in competing industries in the country and thus to deindustrialization.¹¹

Mithat also tried to call the attention of his readers to a more dramatic and chronic obstacle to economic recovery: the difficulty in changing people's mentality and psychology within a short term. The most important handicap of Ottoman society was the ignorance of the people about working, entrepreneurship, and earning money.

It is known that business organization and working habits have progressed in the West after the first Industrial Revolution. Time is considered one of the most crucial aspects of production, and thus even the shortest time periods are calculated to prevent any loss in production and money. According to the European understanding of work, there is a connection between leisure and working. Without working and earning money, it is impossible to have happy leisure. For this reason, they try to find an optimum balance between their desire for leisure and working.

Unfortunately, loss of long hours even makes no difference in our country. Implicitly, this ignorance of time shows that Turkish people are not used to hard work. It must, however, be known that we should first defeat Europeans in manufacturing, by marketing abroad and earning money. Unfortunately, we have been unable to establish the basis for either the reorganization of production or reorienting the ethical infrastructure towards hard work. People shirk work because they are not aware of the fact that there is no "free lunch" either in this world or hereafter. Because of this lack of awareness on the part of lazy people who favor shirking, official employment has come to be considered a chance to make money without contributing directly to the national product.¹²

Western powers were forcing Ottomans to open their ports to the manufactured goods of the West. They were able to do so because of modern armies and military weapons, which were themselves the products of modern industrial development, in turn a result of high level entrepreneurship, and the desire to make and save money. Because of their own laziness and ignorance, the Ottomans were being governed by productive foreigners.

What, then, was the true interpretation of the Ottoman Public Debt Administration? What was the source of this Ottoman ignorance? Some of Mithat's contemporaries blamed religion. Mithat explicitly rejected this approach, and criticized the proponents of this antireligious perspective for the lazy superficiality of their analysis. They were also being cruel, turning against their own civilization without considering Islam's positive role in promoting Ottoman civilization over the centuries. He believed that there was nothing either in Islam or the Ottomans which worked inherently against making money or gaining wealth through production and/or trade. He argued that even the Prophet Mohammed married a rich woman involved in trade, and he himself was engaged in commerce for some years. Both the Prophet and Qur'an encouraged working and reliance on one's own income. One must thus look at recent history to diagnose the change in mentality that slighted economic activities. According to Mithat, the change stemmed from the contentment and material prosperity that followed earlier victories over the West. By the late 19th century, of course, it had become clear that any victory over enemies in battlefield would not be sustainable unless they were reinforced and fortified in the economic battlefield. That was why Ottoman intellectuals and officials looked to the West with the hope of learning from their material achievements.

Basic pillars of the Ottoman economic model

By observing the dramatic experiences in his time and considering the specific needs of the empire, Mithat became one of the first intellectuals who advocated the benefits of protectionism for the Ottoman Empire: the liberal economic model of Western countries simply didn't apply to the Ottoman case. Because of differences in cultural heritage, it was impossible for the Ottoman society to initiate the consumption, saving, trading, and risk taking of the West.¹³ Mithat's ideas of economic development resemble the notion of income substitution industrialization (ISI), which relies on domestic market opportunities. He typically suggested the use of conventional protective policies; sector-oriented government would provide subsidies to induce investments, and industry would be protected via import duties and higher tariff rates. This, however, does not imply that he was advocating a permanent protectionism. We

can infer from his writings that he was aware of the distortions that protection could cause in terms of both allocative and productive efficiency.

It is argued that in case of heavy protectionism, the entry of European industrialists to our market becomes impossible due to higher costs, which adversely affect their competitive power. This would also be very hazardous for domestic industries because (presumably) of their heavy import-dependence.¹⁴

Mithat firmly rejected this idea of total, permanent protection, because then,

European capital and technology would not come to our country with the aim of manufacturing. Our import dependency would be magnified and deepen increasingly. Instead of applying uniform protection rates, we had better choose the most essential importable goods and services, and assign lower duties to them, and higher premiums for the rest of imports, that is selective protectionism.¹⁵

The last statement makes clear that Mithat advocated an “optimum rate of protectionism”, one that took into account the country’s import dependence in key intermediary and final goods. This type of protectionism, he believed, was the most rational way to preserve the domestic industrial base while fostering foreign investment in the country.

Mithat took self-sufficiency seriously and believed that through domestic protection and a rational regulation policy, this objective could be achieved in a short time. For him, self-sufficiency was also key to regaining parity with the “infidel” Western imperialists :

The future of our civilization and nation will be guaranteed only when our industrialists produce weapons in domestic factories instead of buying them from abroad, and when they compete among themselves. . . We can trust our weapons. In our glorious past we produced our own swords and inscribed them with the sayings from the holy Qur’an : “Certainly we (God) will offer you a great victory.”¹⁶

Fukuzawa and economics

Like Mithat, Fukuzawa was not an economist. His knowledge of economics was based on books he read during his official mission to the France and the United States. Fukuzawa introduced the basic works of major Western

philosophers such as Adam Smith, David Ricardo, and John Stuart Mill. Other major books which affected Fukuzawa's views were Peter Parley's *Universal history*, Quackenbos' *Natural philosophy*, J. Bentham's *Principle of morals and legislation*, J. S. Mill's *Considerations on representative government* and *On liberty*.¹⁷ It is interesting to note that made Fukuzawa made Francis Wayland's *The elements of political economy* a compulsory textbook in the school that he founded.

Since his views about economics underwent changes paralleling those in his ideas about Western civilization, it is useful to separate them into two stages. Early on, before he had much firsthand knowledge of Western civilization, Fukuzawa spoke very optimistically of its "enlightening aspects", and this optimism pervaded his ideas on economics.

Fukuzawa argued that economics, like other mathematical and experimental sciences, belongs to the heaven-made laws that arise spontaneously in the world. Therefore, economics must be elucidated on the basis of universal principles, rather than in terms of national or regional elements. Since the laws of economics are the same everywhere, Japan should also conform to this order. The reason why European countries had progressed ahead of any other countries in the world was that they had pioneered in discovering and conforming to the heaven-made laws of economics, specifically the principle of *laissez-faire*. He reasoned :

... every nation is under the same heavens, illumined by the same sun, enjoying the beauty of the same moon, sharing the same ocean, breathing the same air, possessing the same human sentiments. Basic principle is that : mutually praying for the happiness of all ... because if there is no reason for one man to harm another, there is no reason for two men to harm two, or for a million or ten million to harm each other. The rational principle in things takes no account of numbers... Both individuals and countries possess freedom based on natural reason. Externally she associates with the world under international law; internally she guides the people to an understanding of freedom and independence ...¹⁸

After asserting the universality of economics, Fukuzawa then defined it. Economics explains the management of a household, of a country, and of the world. The Japanese have to learn its principles and how it works if they wish to have an independent and glorious country. Yet at the time of the Meiji Restoration, the Japanese people didn't even know the meanings of the terms "economics" and "competition". Fukuzawa describes his country's position

towards modern economics in 1859 during his mission in Europe as an official translator :

Officials had no knowledge of foreign credit or money orders at that time. They must have thought that, as money would be necessary on the voyage, money should be carried along. So a huge amount of coins had been placed in the captain's locker, and they had broken loose during a storm. Such was the minds of our professional warriors forty years ago.¹⁹

Fukuzawa makes another interesting remark which sheds light on the economic mentality of a nonwestern economic agent.

... for some reasons I was having a servant carry the money that day as it was in a great number of small coins. I suddenly realized that the weight of those coins which I paid was seven or eight pounds while the weight of the fire holder was only two or three pounds. Yet both the coins and the tool were of the same metal—copper. The coins then were of much more less value than the metal object. What a terrible error in our economic system! We could profit by melting down the coins to manufacture the tool. When I compared the Japan's coins gold and silver content with the Western countries' coins, I realized that, there is a terrible bias against the Japanese coin, therefore foreign traders, ever since the opening of the ports, were profiting heavily by exporting Japanese gold coins.²⁰

Fukuzawa mentions another striking observation to underline the economic mentality in the time. His observation reflects how Japanese and European economic agents differed in their perceptions of everyday economic interactions.

I was reading Chamber's book on economics. When I spoke of the book to a certain high official in the treasury bureau one day, he became much interested and wanted me to show him a translation. I began translating it, and when I came upon the word "competition" for which there was no equivalent in Japanese, and I was obliged to use an invention of my own, literally "race-fight". When the official saw my translation, he appeared much more impressed. Then he said suddenly,

—"Here is the word 'fight'. What does it mean? It is such an unpeaceful word!"

—"That is nothing new," I replied.

—"That is exactly what all Japanese merchants are doing and this is the

fundamentals of the world commerce.” Eventually I became successful in explaining the content of the term competition. The official seemed to be convinced, but he could not take himself to explain his dissatisfaction with the Western style of economic relations.

–“I understand. But don’t you think there is too much effort in Western affairs?” I suppose he would rather have seen some such phrases as ‘men being kind to each other’ in a book on economics, or a man’s loyalty to his lord, open generosity from a merchant in times of national stress, etc.²¹

This means that an ordinary Japanese man would deal with economics by considering ethical and societal premises such as being helpful, generous, and kind to others. That is to say, economics was considered as an instrument in obtaining social cohesion and collaboration. Against this view, the European conception might be characterized as one that understands economic intercourse as an end in itself, and not as a means.

Fukuzawa sought to give a plausible explanation for the dramatic lack of interest and knowledge in Japan about economics as was it understood in the West. He reasoned that this was due to the classical samurai mentality, which regarded trade and other moneymaking activities as bad, because a brave samurai should only be concerned with his country’s independence, and not with money. He recounts in his autobiography :

... to return to my reminiscences of money matters, I was very careful and scrupulous in spending money, but in the art of making money I was indeed indifferent. I do not mean that I was not informed, or that I had knowledge of the general principles of business, but simply that I had no taste or inclination to engage in buying or selling, lending or borrowing. Also the old idea of the samurai that trade was not our proper occupation prevailed in my mind, I suppose.²²

Fukuzawa’s characterizations of Japanese psychology were highly derisive ; declaring himself as a true follower of enlightened positive philosophy, he attacked traditional teachings and ways of thought. He contributed much to turning people away from old ideas. He justified economic activities directed towards earning and accumulating money, by appealing to their importance for the country’s independence and sovereignty—the latter being cornerstones of samurai ideology. He presented it as a national responsibility to engage in business and accumulate capital, for these were the means to strengthen Japanese industrial and military power, and increase national wealth. In other

words, he sought to redefine national responsibility in the context of an interactional economic world.

Needless to say, Fukuzawa's view of private property was also consistent with the Smithian philosophy of heaven-made laws.

[I]t (property ownership) is inherent not only in man but is a characteristic which all living things possess naturally. Thus the bird's private ownership of its nest is like a man's of his house. A nest is built by a bird's labor, a house by that of man. Gains and losses all follow from basic principles. In the case of human property there are manifold conditions and complications. But there are no reason they do not stem from nature.²³

Holding property, Fukuzawa believed, was one of the inherent motivations in human being. If everybody is given the right to pursue it, individuals will concentrate their efforts on the particular activities for which they are best suited. As a result, a global division of labor will emerge on the basis of private property and personal capabilities. This division of labor, in turn, will contribute to world peace by increasing mutual dependency.

The end of universal brotherhood and laissez-faire ideology

Fukuzawa's optimistic appreciation of Western civilization changed dramatically in his later years. As his knowledge about the West increased, Fukuzawa began harshly to criticize the West, and he renounced his previous unquestioning acceptance of economic liberalism, the political ideal of a community of nations.

Earlier, Fukuzawa had lauded the notion of a community of nations, for he saw in it a vision of "teaching each other and learning together, neither ashamed nor boastful, each fulfilling the needs of the other, mutually praying for the happiness of all..." Later, he admitted that he had been mistaken. The principles of such a global view were relevant for individuals, but not for communities. It was impossible to eradicate the sentiments which bind groups of people together into clans or nations. It was ridiculous, he confessed, to think that these persistent and powerful feelings would be dispelled simply by invoking a universal moral principle. Fukuzawa clarified his position :

There is an inherent and irrational bias in favor of one's own nation. In fact international relations are based on nothing more than quarrels over power and profit. When we leave theory and take a look at what is actually happening at present in international relations, we are astounded to find

that practice bears no relation whatever with the theory. Moralists may tell us to sit back and wait for the day when war will cease, but as I see in the Western countries have already greatly developed their military techniques.²⁴

This radical change in views of universal brotherhood should not lead one to conclude that Fukuzawa abandoned his positivist vision of the evolution of civilizations. He continued to believe that the science of economics should be explained on the basis of universal elements, like other physical sciences. Fukuzawa, however, revised his stance about the appropriateness of pure laissez-faire policies in an underdeveloped country like Japan at a time of imperialistic expansion.

He came to conclude that Western powers were pursuing their self-interested policies of world imperialism, and were using liberalism to justify this pursuit. In other words, Europeans promoted liberal ideology because it enabled them to exploit less developed countries. Japan thus needed to protect its own national interest. Like Mithat, Fukuzawa decided that in preparing any economic policy prescription, one must take into consideration the country's level of economic development. He didn't however, defend the protectionist policies as strongly as Mithat. He pointed out the potential danger of competing with other European countries in a game which was totally unfamiliar to the Japanese. When analyzed carefully, his stance clearly contained the seeds of the present-day Japanese strategy of mitigated and guided competition in domestic markets and protectionism vis-à-vis other countries. The ultimate objective was to increase market share abroad and achieve an export surplus; the resulting capital accumulation would make development possible. Fukuzawa's endless efforts to establish of an "outward-oriented economic system" may be considered the first serious attempt to create an economic approach that favored exports rather than imports. Clearly, this export promotion and import prevention policy resembles the mercantilist strategies of the strong nation states before the Industrial Revolution.

Conclusion

Both Fukuzawa and Mithat saw the key to an independent and enlightened country in the creation of a spiritually independent citizenry. For them citizens of an enlightened land should possess national consciousness, a spirit of scientific inquiry, and enthusiasm for economic activities. In this respect, both of them shared and emphasized the same idea: to defend their countries against foreigners, it was essential to spread the spirit of independence, so that noble and

humble, high and low, clever and stupid alike would consider the fate of the country as their own responsibility, and would play their parts as citizens.

The two differed, however, in their visions of the past. Fukuzawa proposed a radical shift away from the classical Chinese tradition towards a Western model of civilization based on natural laws; Mithat by contrast, did not blame his civilization, religion, or other traditional values for present backwardness and decline.

In the initial stages of his intellectual exploration of Western civilization, Fukuzawa held that :

- there is a natural order in the universe
- natural laws of science are inherent in this order
- ethical norms are also grounded in this order
- man is the part of this order and is thus moral in character
- an ideal social system is one which completely conforms to this cosmic order

It must be stressed that Fukuzawa did not imply that his ideal was to emulate Westerners because they were Westerners *per se*, but because they were closer to the ideal order of men. This ideal order had been created by Europeans because they conformed to the laws inherent in the physical world. The science of economics, like other social sciences, conforms to the physical order and must be explained by the same principles. As human propensities are the same all over the world, the principles of economic must contribute to our happiness in the same way, regardless of nationality, geography, and even historical experiences—that is, culture. Japanese people will be happier under the same sun with all the other nations of the world, aligning themselves with the principles of universal brotherhood.

In his later years, Fukuzawa changed his optimistic views of the West, though he retained his belief in Western positivist philosophy. At the end of his biography, he openly apologized to his countrymen for relying too heavily on positivism, and misunderstanding the role of religion and tradition. His final suggestions to his countrymen arguably converged with Mithat's early ideas :

- the logic of science found in modern civilization is necessary to Japan
- morality (which he had completely ignored and dismissed earlier in his life) and national spirit are also necessary to strengthen Japan internally
- the sources of morality and national spirit are to be found not in Western enlightenment, but in tradition

- Japanese should fill their country with the spirit of loyalty as one of the principles of samurai tradition, because it is difficult to maintain morality without religion : if Japanese succeed in this project, they will create a nation on the basis of a “unique combination of feudalistic fealty and chivalric honor with the material efficiency given by modern technology”

Albert Craig summarizes :

[H]is early writings were the backbone of the civilization and enlightenment movement of the 1870s . . . During these years Fukuzawa possessed a liberal, utopian vision of what the Japanese nation ought to become and what its proper relations with other nations in the world ought to be. But by the beginning of the 1880s this ideal was scrapped. Fukuzawa had come to see the world as jungle in which the strong were ravaging predators and the weak their hapless victims.²⁵

Based on this experience, he ended life as a radical advocate of Japanese imperialism and colonialism, a proponent of the autocratic state, and a champion of the Spencerian philosophy of “survival of the fittest”. Comte’s teachings persuaded him to accept Western civilization as the final stage and ultimate goal of human kind—that is “the end of history”. But he later determined that the end of history had not yet arrived.

To conclude, by the end of their intellectual journeys to the West, both Fukuzawa and Mithat became convinced that the fruits of science must be used, and that traditional value systems must also be modified around modern developments in the West. They also shared the idea that the ethical and spiritual values of their respective civilizations should be retained and protected.

Secondly, they also admired the superiority of the institutions, organizations, mentality, and spiritual independence of the Europeans. Fukuzawa retained his early view that Japan should continue to work according to the principles of positivist methodology, but renounced his naive belief in universal brotherhood. In the end he promoted a nationalistic ideology of “strong nation with strong army, for the sake of expelling barbarians.”

For Fukuzawa, then, Europe was an instrument for achieving the ideal order of society; for Mithat, Europe represented a means of overcoming the material backwardness of the Ottomans. Although both aimed to strengthen the economic and political power of their states, and foster greater social cohesion through modernizing reforms, the two held radically different outlooks by the

end of 19th century. By the early 20th century Japan was considered among the most powerful actors in world politics, whereas the Ottoman Empire lost both its political influence and the integrity of its constituent ethnic elements. The Treaty of Sevres in the immediate aftermath of the First World War was a declaration of Ottoman failure, exposing it as a “semi-colonized” state. It should be emphasized, however, that modernization is a continuous process rather than a discrete event, and that Ottoman modernization efforts carried through to the post-independence war of the Turks in Anatolia under the leadership of Mustafa Kemal Atatürk, founder of the Turkish Republic in 1923.

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NOTES

1. R. E. Ward, and D.A. Rustow (eds.), *Political modernization in Japan and Turkey*; E. K. Trimberger, *Revolution from above*; S. Esenbel, “The anguish of civilized behavior”.
2. Kemal Karpat, “The mass media,” 266.
3. Mardin and Ortaylı both argue that Ahmet Mithat could not decide where to stand between the East and the West. See Ş. Mardin, *Bediuzzaman Said Nursi olayı*, 222; İ. Ortaylı, *İmparatorluğun en uzun yüzyılı*.
4. O. Okay, *Batı medeniyeti karşısında Ahmet Mithat Efendi*, in introductory note; Ahmet Mithat, *Hasan Mellah*.
5. Beside these books, he published several other books just after the restoration. *Seiyō tabi annai* (1867) was a guidebook about western countries and covered interesting topics such as the principles of foreign exchange, climate and geography. *Seijo ishokuju* (1867) is a book on the daily manners of the Western people including clothing, furniture, food etc. In *Kyūri zukai* (1868) he tried to explain some scientific principles by means of illustrations. *Sekai kunizukushi* (1869) is an attempt to describe the continents and countries all over the world. In 1872 he published *Gakumon no susume* where he criticise the accepted ideas and the unquestioned beliefs of the existing social order. *Bummeiron no gairyaku* was published in 1876 and written with an academic manner and composed of the nature of civilization. In *Jiji shōgen* (1881), he made a longer critique of the trends of his time in Japan. And finally, in 1898, his autobiography, *Fukuō jiden*, was published.
6. C. Blacker, *The Japanese enlightenment*.
7. C. Blacker, introductory note to the *Autobiography* of Fukuzawa.
8. For a detailed, comparative and comprehensive analysis of Khaldun's views on civilization see

İ. Canan, *İbn-i Haldun'a göre insan, toplum ve iktisat*.

9. The majority of his ideas on economics could be found in *Sevday-ı say-ü amel, Ekonomi politik Para*.
10. Ahmet Mithat, *Ekonomi politik*, 116-118.
11. M. Blaug, *Economic theory in retrospect*.
12. Ahmet Mithat, *Avrupa'da bir cevelan*, 828.
13. For the detailed and scholarly analysis of Ahmet Mithat's views on economics, see A. G. Sayar, *Osmanlı iktisat düşüncesinin çağdaşlaşması*; T. Çavdar, *Türkiye'de liberalizm (1860-1990)*.
14. Ahmet Mithat, *Ekonomi politik*, 133.
15. *Ibid.*, 131-135.
16. "Biz ne zaman Hanri Martini'yi mi yoksa Şaspo'yu mu ithal edelim nokta-i nazarından, acaba şu yüzbaşının icad-kertesesi olan nümuneyi mi imal edelim, yoksa bu kol ağasının kertesini mi? Mübahesesine ulaşabilirsek O zaman muhafaza-i istikbalimizden emin oluruz", In another passage he explains his wish for the favor of domestic production; "Silah kendimizin silahı olsun ki güvenelim. Ziya-ı şemse mukabil geldiği zaman her hatt-ı şuaı Düşmanın gözüne beynine saplanan palaları, yatağanları biz yapar ve üzerine dahi "inna fetehna" veyahut "vecahedü" yazardık". *Menfa*, 60-61.
17. C. Blacker, *The Japanese enlightenment*, 60.
18. Fukuzawa, *An outline of a theory of civilizations (1875)*.
19. Fukuzawa, *Autobiography*, 108.
20. *Ibid.*, 282.
21. *Ibid.*, 190.
22. *Ibid.*, 281.
23. Fukuzawa, *Encouragement of learning*.
24. Fukuzawa, cited in C. Blacker, *The Japanese enlightenment*, 132.
25. A. M. Craig, "Fukuzawa Yukichi: the philosophical foundations of Meiji nationalism," 99-149.

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