

## Industrialization: Government's Role

*It is our purpose to select from the various institutions prevailing among enlightened nations such as are best suited to our present conditions, and adapt them in gradual reforms and improvements of our policy and customs so as to be upon an equality with them.*

—Emperor Meiji, letter to President Ulysses Grant, 1871

**Essential Question:** What economic strategies did different states and empires adopt, and what were the causes and effects of those strategies?

**A**s Western domination and technology spread, they met with varying degrees of acceptance in different nations. Each country experienced competing pressures between preservation of traditional values and modernization. Egypt and some other countries early adopted policies that encouraged the use of industrialized innovations, such as the steam engine, to boost textile productivity. Others, such as China, had weakened central governments under European ascendancy that were unable to promote industrialization effectively.

**The Ottoman Empire** The Ottoman Empire, although bordering Europe, had not adopted Western technology or Enlightenment ideas. Moreover, rampant corruption led to rapid decline, and ethnic nationalism among the empire's diverse population led to widespread unrest. The empire earned the nickname "the sick man of Europe." Europeans, particularly Russians, saw opportunities to expand their own empires at the expense of the weakening Ottomans. Though they feared the results of a power vacuum from a total collapse of the Ottoman Empire, they dismantled it after World War I. A smaller nation-state, the Republic of Turkey, and several independent countries replaced the former empire.

**China** China suffered two great humiliations at the hands of Europeans in the 19th century: the Opium War and the split into "spheres of influence." In the 20th century, China shook off foreign domination and briefly became a republic. However, its traumatic 19th century left a central government too weak to promote industrialization effectively for decades. (See Topic 6.5.)

**Japan** In Japan, in contrast, the central government grew stronger in its struggle to maintain independence and territorial integrity in the face of Western



challenges. As the quote at the beginning of this chapter from Emperor Meiji's letter to President Grant indicates, Japan actively sought Western innovations that it felt would help make it the equal of Western countries.

## Ottoman Industrialization

Suffering from problems of overexpansion and failure to modernize, the Ottoman Empire underwent palace coups, declining trade, and weakening leadership in the 1800s. The empire no longer covered the grand areas of Suleiman the Magnificent, who had taken his army to the gates of Vienna in 1529.

**The Rise of Muhammad Ali** One part of the Ottoman Empire where the sultan ruled in name but had little power was Egypt. In fact, the **Mamluks**, former Turkish slaves who formed a military class, had ruled there for some 600 years. In 1801, the sultan sent an Ottoman army to retake Egypt. In the conflict with the Mamluks, an Albanian Ottoman officer, **Muhammad Ali**, rose to prominence, and local leaders selected him to be the new governor of Egypt. The sultan lacked the power to do anything but agree.

Because of his power, Ali was able to act somewhat independently of the sultan. He joined the sultan's military campaigns when it benefited him, and also undertook several campaigns without the sultan's permission, including in the Sudan and Syria. He also began his own reforms in Egypt. He began by making over the country's military on a European model. He also established schools, sent military officers to be educated in France, and started an official newspaper—the first in the Islamic world.



Source: Wikimedia Commons.

Jean-François Portaels, portrait of Muhammad Ali, 1847

As part of his reform of the Egyptian economy, Ali taxed the peasants at such a high rate that they were forced to give up their lands to the state. The government could then control the valuable cotton production and make money on the export of cotton and other agricultural products. Secularizing religious lands put more agricultural produce in the hands of the government, resulting in large profits during the period of the Napoleonic wars (1799–1815), when prices for wheat were high in Europe.

Muhammad Ali also pushed Egypt to industrialize. He had textile factories built to compete with those of the French and British. In Cairo, he had factories built to produce armaments. In Alexandria, he set up facilities to build ships so that Egypt could have its own navy. The city of Cairo had dozens of small shops turning out locks, bolts of cloth, and other parts for uniforms and weaponry. Ali is called the first great modern ruler of Egypt partly because of his vision of state-sponsored industrialization.

## Japan and the Meiji Restoration

Japan's transition to a modern, industrialized country took less than half a century to accomplish. No country made such a rapid change.

**A Challenge to Isolation** Between 1600 and 1854, Japan had very little contact with the rest of the world. However, the rising imperial powers in the world were not content to let Japan keep to itself. The great powers of Europe, such as Great Britain, the Netherlands, and Russia, all wanted to sell goods in Japan. Further, in the age of coal-powered ships, trading states wanted to be able to refuel in Japan as they sailed to and from China and other parts of East Asia.

**Japan Confronts Foreigners** In 1853, a naval squad led by **Commodore Matthew Perry** in 1853 sailed into Yedo and Tokyo Bay, asking for trade privileges. The next year, Perry returned with even more ships, demanding that the Japanese engage in trade with the United States. Faced with the power of the U.S. warships, the Japanese gave in to U.S. demands. Soon they yielded to similar demands by other foreign states.

The arrival of Perry, and the threat he posed, caused Japanese leaders to realize the danger they and their culture were in. They had seen how even a large, traditionally powerful country such as China had been humiliated by Westerners. They had watched as the British had gone to war to force the Chinese to accept opium imports. While some Japanese argued that the country could defend itself, many reformers feared it could not. They argued that the country should adopt enough Western technology and methods so it could protect its traditional culture. To accomplish this goal, they overthrew the shogun and restored power to the emperor in 1868, an event known as the **Meiji Restoration**.

**Reforms by the Meiji State** Japan systematically visited Europe and the United States and invited experts to Japan in order to study Western institutions. Then, Japan adopted reforms based on what it admired:



- It formally abolished feudalism in 1868 by the **Charter Oath**.
- It established a constitutional monarchy based on the Prussian model in which the emperor ruled through a subordinate political leader.
- It established equality before the law and abolished cruel punishments.
- It reorganized the military based on the Prussian army, building a new navy and instituting conscription.
- It created a new school system that expanded educational opportunities, particularly in technical fields.
- It built railroads and roads.
- It subsidized industrialization, particularly in the key industries of tea, silk, weaponry, shipbuilding, and a rice wine called sake.

The government financed all of these reforms with a high agricultural tax. The taxes proved a good investment because they stimulated rapid economic growth. The government's ability to collect increased taxes also provided revenue for the bureaucracy, now centered in Tokyo.

However, in replicating the methods of Western countries, the Japanese also replicated some of industrial society's problems. For example, accounts of abuse and exploitation of female Japanese mill workers are similar to the experiences that British female mill workers had recorded decades earlier. (Connect: Write a brief paragraph comparing Japan's industrialization with developments in the West. See Topic 5.3.)

### China and Japan in the 19th Century





**The Role of Private Investments** While the relationship between industry and centralized government was key to modernization in Japan, private investment from overseas also became important. Once new industries were flourishing, they were sometimes sold to **zaibatsu**, powerful Japanese family business organizations like the conglomerates in the United States. The prospect of attracting investors encouraged innovation in technology. For example, a carpenter founded a company in 1906 called Toyoda Loom Works that made an **automatic loom**. The company prospered, modified its name, and grew into today's Toyota Motor Company.

Japan's Economic Transformation, 1872–1914			
Year	Coal Production (metric tons)	Steamships (total number)	Railroads (miles)
1872	----	----	18
1873	----	26	----
1875	600,000	----	----
1885	1,200,000	----	----
1887	----	----	640
1894	----	169	2,100
1895	5,000,000	----	----
1904	----	797	4,700
1913	21,300,000	1,514	----
1914	----	----	7,100

**Source:** Thayer Watkins, "Meiji Restoration/Revolution," sjsu.edu. Data not available for all categories for all years.

KEY TERMS BY THEME		
<p><b>GOVERNMENT:</b> Ottoman Mamluks Muhammad Ali</p>	<p><b>ECONOMY:</b> Japan Commodore Matthew Perry zaibatsu</p>	<p><b>TECHNOLOGY:</b> Japan automatic loom</p> <p><b>GOVERNMENT:</b> Japan Meiji Restoration Charter Oath</p>

# Economic Developments and Innovations

*Man is an animal that makes bargains: no other animal does this - no dog exchanges bones with another.*

—Adam Smith (1723-1790)

**Essential Question:** How did the development of economic systems, ideologies, and institutions contribute to change between 1750 and 1900?

Industrialization and modernization led to new philosophies and business structures. In the *Wealth of Nations* (1776), Adam Smith, arguing that humans are naturally transactional, provided a foundational text in support of capitalism and the establishment of private entrepreneurship and shaped the economics and politics of the industrial age and the centuries to follow. Mercantilism, a system of economic protectionism, was replaced by a *laissez-faire* (“leave alone” in French) policy that promoted minimal governmental involvement in commerce and encouraged countries to reduce tariffs on trade.

These economic ideas were reflected in, and supported by, emerging transnational institutions, including banks such as the Hong Kong and Shanghai Banking Corporation (HSBC) and manufacturers such as Unilever. As trade increased, so did the availability, affordability, and variety of consumer goods.

## Effects on Business Organization

New ways of organizing businesses arose during the Industrial Revolution. Some manufacturers formed giant **corporations** in order to minimize risk. A corporation is a business chartered by a government as a legal entity owned by **stockholders** (individuals who buy partial ownership directly from the company when it is formed or later through a **stock market**). Stockholders might receive sums of money, known as dividends, from a corporation when it makes a profit. If a corporation experiences a loss or goes bankrupt, the stockholders are not liable for the losses. The most that stockholders can lose is what they paid for the stock in the first place.

**Markets with One Seller** Some corporations became so powerful that they could form a **monopoly**, control of a specific business and elimination of all competition. For example, Alfred Krupp of Essen, Germany, ran a gigantic company that used the **Bessemer process**, a more efficient way to produce



steel, gaining a monopoly in the German steel industry. In the United States, John D. Rockefeller created a monopoly in the oil industry.

**Companies Working Across Boundaries** British-born **Cecil Rhodes**, founder of De Beers Diamonds, was an especially enthusiastic investor in a railroad project that was to stretch from Cape Town, in modern-day South Africa, to Cairo, Egypt. Connecting all of the British-held colonies with a transportation network could make governance easier and aid in conducting a war, if necessary. The project was never completed because Britain never gained control over all the land on which such a railroad was to be built. The overwhelming majority of railway workers in Africa were natives who were paid far lower wages than their European counterparts. Thus, railroad technology was a means of extracting as many resources as possible from subject lands while paying colonial laborers as little as possible.

De Beers was one of many **transnational** companies—those that operated across national boundaries—that emerged in the 19th century. For example, the **Hong Kong and Shanghai Banking Corporation**, a British-owned bank opened in its colony of Hong Kong in 1865, focused on finance, corporate investments, and global banking. The **Unilever Corporation**, a British and Dutch venture, focused on household goods—most famously, soap. By 1890 it had soap factories in Australia, Switzerland, the United States, and beyond. Unilever sourced the palm oil for its soaps first from British West Africa and later the Belgian Congo, where it operated huge plantations. Because these companies were transnational, they gained wealth and influence on a scale rarely approached before. (Connect: Defend or refute the claim—mercantilism was necessary for the eventual growth of transnational companies. See Topic 4.4.)

**Corporations** A sole proprietorship is a business owned by a single person, and a partnership is a small group of people who make all business decisions. A corporation differs from these two other major forms of business ownership in that a corporation is a more flexible structure for large-scale economic activity. It replaced the traditional system of a single entrepreneur engaging in high-risk business endeavors with a system of larger companies, collectively engaging in lower-risk efforts. By spreading risk, investments became much safer and more attractive.

Four Features of a Corporation	
Feature	Description
<b>Limited Liability</b>	Capital suppliers are not subject to losses greater than the amount of their investment.
<b>Transferability of Shares</b>	Voting rights in the enterprise may be transferred easily from one investor to another.
<b>Juridical Personality</b>	The corporation itself acts as a “person” and may therefore sue and be sued, may make contracts, and may hold property.
<b>Indefinite Duration</b>	The life of the corporation may extend beyond the participation of any of its incorporators.



Despite critics' charges that corporations undermined individual responsibility, they became a common form of business organization. They eventually dominated many areas of business, from banking to manufacturing to providing services. With their growth, corporations gained great economic and political power. For example, the decision by a corporation about where to build a new factory could create thousands of new jobs for a community.

**Banking and Finance** Another way to reduce risk was through insurance, especially marine insurance. Lloyd's of London, with beginnings in a coffee house where merchants and sailors went for the most reliable shipping news, helped establish the insurance industry. The number of banks rose as merchants and entrepreneurs looked for a reliable place to deposit money and to borrow it when needed to build a factory or hire workers for a new enterprise.

## Effect on Mass Culture

A culture of **consumerism** as well as of leisure developed among the working and middle classes of society in Great Britain, and for some people, living standards rose. Consumption needed to keep up with production, so producers began to advertise heavily, particularly to the middle class whose members had some disposable income, money that can be spent on nonessential goods.

Leisure activities such as biking and boating became popular during the late 1800s. In the 1880s, the penny-farthing bicycle (below left) was replaced by the newer safety bicycle (below right). The older style featured one large wheel and one small one. This allowed riders to travel fast, but the danger of falling over was high. The newer style, by using a chain connecting different sized gears on the wheels, could go the same speed, but with less risk.



Source: Getty Images





Companies encouraged their workers to participate in athletics, because they believed that sports rewarded virtues such as self-discipline and playing by the rules. The sales of athletic equipment also generated business for those who made everything from soccer` balls to sports stadiums.

Perhaps because workers spent most of their waking hours in a bleak industrial environment, material goods and leisure entertainment became important escapes. In Europe, soccer (known there as football), became popular, while baseball dominated sports in the United States. Particular sports developed along class lines: tennis and golf in England, for example, were played by the upper classes, while certain types of rugby were played only by the lower classes.

The commercialization of the demand for public culture was also seen in the construction of music halls and public parks, particularly during the second half of the 19th century. Both the halls and the parks were built to accommodate a wide range of social classes. One aim of this mingling of classes was for the lower classes to see more civilized, rational behavior so that they would be encouraged to emulate it. The manner in which one class may have ultimately influenced the other is difficult to quantify, yet the enduring presence of such public mingling places remains intact.

<b>KEY TERMS BY THEME</b>		
<b>ECONOMY: Structures</b> corporations stockholders stock market monopoly Cecil Rhodes transnational	<b>ECONOMY: Businesses</b> Hong Kong and Shanghai Banking Corporation Unilever Corporation	<b>CULTURE: Population</b> consumerism urbanization  <b>TECHNOLOGY: Industry</b> Bessemer process

## Reactions to the Industrial Economy

*For a second's sunlight, men must fight like tigers. For the privilege of seeing the color of their children's eyes by the light of the sun, fathers must fight like beasts in the jungle.*

—Mary Harris “Mother” Jones, (1837-1930)

**Essential Question:** What conditions led to calls for change in industrial societies, and what were the effects of those efforts?

The harsh conditions of industrial life provoked resistance and calls for reform. “Mother” Jones, a labor organizer, described the severe deprivations of the coal miners working underground all day, and other activists told of the horrors of factory work. Philosophers such as John Stuart Mill sought to address this growing inhumanity of the industrial era through social reforms. Others, such as the utopian socialists, argued for completely changing a system they considered to be basically flawed. Workers formed trade unions to advocate for higher pay and safer working conditions. Various ideologies and political movements emerged, some promoting alternative visions of society.

The Ottoman Empire in the Mediterranean Basin, China, and Japan also instituted reforms to promote industrialization. In response, in each, faced reactions against the results of economic change.

### Labor Unions

Dangerous and unsanitary working conditions, low wages, and long hours were common in factory work in the 19th century. A committee of Britain's Parliament released a study called the Sadler Report in 1833. The report described these conditions. It made many people in Britain, particularly in Parliament, aware of the need for reforms.

Workers also responded to low pay and harsh conditions. They began to form **labor unions**—organizations of workers that advocated for the right to bargain with employers and put the resulting agreements in a contract. For most of the 19th century, unions in Great Britain had to organize in secret because the government treated them as enemies of trade. However, by the 20th century, unions became more acceptable and membership increased.

Unions improved workers' lives by winning minimum wage laws, limits on the number of hours worked, overtime pay, and the establishment of a five-day work week.

**Voting Rights** Unions sparked a larger movement for empowerment among the working class. In 1832, 1867, and 1884, the British parliament passed reform bills to expand the pool of men who could vote, thereby giving more representation to British cities. The acts reduced property ownership qualifications as a requirement for voting. These reforms laid the foundation for expansion of the franchise (right to vote) to all men in 1918. British women would not gain equal suffrage (voting rights) until 1928.

**Child Labor** Along with unions, social activists and reformers hoped to improve the living conditions of the least powerful in society. Reformers' achievements especially benefited children. A law in 1843 declared that children under the age of 10 were banned from working in the coal mines. In 1881, education became mandatory for British children between the ages of 5 and 10. This focus on education, as opposed to work for monetary gain, permanently redefined the role of children in urban society.

## The Intellectual Reaction

As trade and production became increasingly global, the ideas of early economists such as Adam Smith (see Topic 5.1) were taken in new directions. While Smith wrote in an age of individual entrepreneurs and small businesses, people of the 19th century witnessed the rise of large-scale transnational businesses. This shift caused people to think about society in new ways. For example, utopian socialists tried to create new communities to demonstrate alternatives to capitalism.

**John Stuart Mill** Some economists, clergy, and intellectuals criticized laissez-faire capitalism as inhumane to workers. One of these was a British philosopher, **John Stuart Mill** (1806–1873). He championed legal reforms to allow labor unions, limit child labor, and ensure safe working conditions in factories. While his ideas were controversial in his time, many of them eventually become widely adopted in industrial societies.

Mill's philosophy was called **utilitarianism**. Rather than state a set of timeless moral rules, as many religions or ethicists did, utilitarianism sought "the greatest good for the greatest number of people." Unlike utopian socialists, who wanted to replace capitalism, utilitarians wanted to address the growing problems they saw with it. They viewed themselves as moderate, rational advocates of gradual reform.

## Karl Marx

While most reformers wanted to fix what they considered problems with capitalism, some people wanted more extensive changes. **Karl Marx** (1818–1883) was a German scholar and writer who argued for socialism. Unlike utopian socialists, whom he scorned because he thought they wanted to escape problems rather than confront them, he wanted to look at how the world actually operated. He called his approach to economics “scientific socialism.”

In 1848, Karl Marx and his wealthy supporter **Friedrich Engels** published a pamphlet (now called the **Communist Manifesto**) that summarized their critique of capitalism. According to Marx, capitalism was an advance on feudalism because it produced tremendous wealth, but that it also produced needless poverty and misery. This contradiction between wealth and poverty occurred because capitalism divided society into two basic classes.

- The **proletariat** was essentially the working class, working in factories and mines, often for little compensation.
- The **bourgeoisie** included the middle class and investors who owned machinery and factories where workers produced goods.

Marx said that market competition drove the bourgeoisie to exploit the proletariat for the sake of higher profits. Because the bourgeoisie owned the **means of production**, such as machines, factories, mines, and land, they received most of the wealth produced. The proletariat, who did the physical and dangerous work, received very little, just enough to survive. Marx exhorted the proletariat to recognize their shared interest as a class and take control of the means of production and share the wealth they created fairly.

For Marx, socialism would replace capitalism. It, then, would later be replaced by a final stage of economic development, **communism**, in which all class distinctions would end. (Connect: Create a chart comparing utopian and Marxist thought. See Topic 5.1.)

## Ottoman Response to Industrialization

In the 19th century, the Ottoman Empire was no longer at the peak of its political power. However, it maintained some economic power. Sultan **Mahmud II** (ruled 1808–1839) reformed the Ottoman system. In 1826, he abolished the corps of Janissaries, which had opposed him, and developed a new artillery unit trained by Europeans. When the Istanbul Janissaries revolted, he had them massacred. The abolition of the feudal system in 1831 marked the final defeat of the Janissaries’ power. Military officers were no longer able to collect taxes directly from the populace for their salaries. Instead, tax collections went directly to the central government, which paid military personnel, thus ensuring their loyalty.

Mahmud's reforms also included building roads and setting up a postal service. To fight the power of popular religious charities, he set up a government directory of charities. To operate the central administration of government, Mahmud II created European-style ministries.

**Reorganization** Reforms after Mahmud (during the years 1839–1876) are called **Tanzimat** (reorganization) and include the following changes:

- The sultans in this period worked to root out long-standing and widespread corruption in the central government.
- Education had long been under the control of the ulama, the educated class of Muslim scholars. Now the sultans created a secular system of primary and secondary schools. Secular colleges were also gradually set up, one for each special purpose: military, engineering, translation, civil service, and so on.
- The sultans codified Ottoman laws and created new ones, including a commercial code (1850) and a penal code (1858). These codes made it easier for foreigners to do business in the empire.
- In 1856, the sultan issued an edict known as the **Hatt-i Humayun** (Ottoman Reform Edict) that updated the legal system, declaring equality for all men in education, government appointments, and justice regardless of religion or ethnicity. The new legal system also regulated the **millet**s, which were separate legal courts established by different religious communities, each using its own set of religious laws. Christians in the Balkans protested the new regulations because they felt that their autonomy was being threatened. Muslims, on the other hand, protested the reforms because they conflicted with traditional values and practice.

Although not achieving religious equality, the Tanzimat reforms continued to have wide effects in areas such as the military and education. These effects continued even when succeeding sultans blocked other reforms.

**Ottoman Economy and Society** The reforms under Mahmud II and the Tanzimat occurred during a period of economic change in Turkey. After the Napoleonic wars ended in 1815, prices for food and other crops declined in the Ottoman Empire. However, a global economy was in place, built partially on the flow of wealth into the Mediterranean from European colonial expansion in the Americas. Ottoman workers were increasingly paid in cash rather than in goods. Financial enterprises such as banking increased. These economic changes occurred along with the slow spread of industrialization. The growth of industry affected men and women differently. For example, most new industrial jobs went to men.

Legal reforms also benefited men more than women. Traditionally, under shariah, women had been allowed to hold money, to gain from inheritance, and to receive some education. The reforms of Mahmud II made the law more secular, and ended the right of women to distribute their property or cash through trusts to family members.

Although women had indirect control of their property, the new nonreligious courts ended even these limited rights. Many reforms had no effect on women. Since women were excluded from the army, the professions, higher education, and commerce, reforms in these areas did not affect them directly. The Tanzimat reforms of 1839 did not even mention women.

**Opposition to Reform** When Sultan Abdulhamid took power in 1876, he supported the efforts at internal reforms. He accepted a new constitution for the Ottoman Empire and he continued to emphasize primary education and secularization of the law. A few girls were allowed to attend girls' secondary schools by the beginning of the 20th century.

However, fearful of any "seditious" reform, the sultan and the central government maintained tight control over the empire. Abdulhamid eventually drove the advocates for reform, known as "Young Turks" into exile. Further, his government whipped up anger against minority groups, particularly Armenians and Assyrian Christians. Between 1894 and 1896, between 100,000 and 250,000 Armenians were killed throughout several provinces in what has become known as the Hamidian massacres. For this bloodshed, he received the nickname the Red Sultan.

## Reform Efforts in China

Like other powers, China under the Qing Dynasty felt pressure to modernize. Its major reform effort of the late 19th century was known as the **Self-Strengthening Movement**. It developed as a way for the government to face the internal and external problems confronting China. Government officials hoped to strengthen China in its competition with foreign powers by advancing its military technology and readiness and by training Chinese artisans in the manufacture of items for shipyards and arsenals. French and British advisors helped Chinese reform efforts. A stable government capable of collecting revenue allowed China to repay debts and participate in trade. For the Chinese, their existence as an independent state depended upon economic solvency. Reform in the name of modernization seemed inevitable.

As another step toward reform, the Chinese government set up its own diplomatic corps and a customs service to help collect taxes on imports and exports. The government's strategy was to graft some modern ideas and technology onto Chinese tradition rather than to create major change.

Demand for reform increased after China's defeat in the Sino-Japanese War (1894–1895). People formed clubs to call for change. One club, led by a civil servant named Kang Youwei, was able to meet with **Emperor Guangxu**. Kang convinced the ruler to support a set of sweeping reforms known as the **Hundred Days of Reform**. The reforms included the abolition of the outdated civil service exam, the elimination of corruption, and the establishment of Western-style industrial, commercial, and medical systems.

**Cixi's Initial Conservatism** However, the emperor's aunt and adopted mother and the most powerful political figure in the country, **Empress**

**Dowager Cixi**, was a conservative. At first, she opposed the reforms and wanted to protect traditional social and governmental systems. In a coup d'état, Cixi imprisoned the emperor and immediately repealed his reform edicts. She feared the influence of foreigners, so she resisted any new technology that would extend their reach into her country. For example, she stopped the extension of railroad lines and telegraph networks into the Chinese interior.

**Reform of the Civil Service** However, toward the end of Cixi's rule, she came to recognize the problems with the civil service system. It was designed according to Confucian ideals of respect for rank and hierarchy as well as values of civic participation and action. By the 19th century, though, the wealthy were using the civil servants to get favors. Revenue dropped off for the government as a result of bribes going into the pockets of corrupt civil servants. Moreover, non-qualified persons were purchasing civil service posts. China abandoned nearly 2,500 years of tradition, one that had yielded an educated bureaucracy of scholar-gentry. In spite of this concession, the empress's overall conservatism caused her to fail to cope with demands of modernity in China.

**China and Foreign Powers** Unlike Turkey, where Europeans had little to gain from either passage or opposition to progressive reforms, in China, Europeans encouraged change. When reforms were met with the conservatism of Empress Cixi and the 1900 Boxer Rebellion against foreign influence (see Topic 6.2), the Chinese government, including its provincial governors, continued to modernize, with some help from American and European advisors. Weakened by internal rebellion and fearing encroachment from Japan, China had to accept territorial "protection" from Western powers, who in return demanded trade concessions.

In 1911, the Chinese chose to become a republic. (See Topic 7.1.) In addition, they resisted being swallowed up by their external enemies. China's attempts to preserve its territorial integrity benefited from the efforts of the United States to maintain stability in Asia by preventing Japan from encroaching farther on its territory after the Russo-Japanese War of 1905. U.S. efforts were exemplified by the Treaty of Portsmouth, which settled the war and was negotiated with the help of President Theodore Roosevelt.

## Resistance to Reform in Japan

Just as China ended its long-standing civil service system, the Japanese also ended a traditional system of exercising authority. In 1871, Japan gave samurai a final lump-sum payment and legally dissolved their position. They were no longer fighting men and were not allowed to carry their swords. The **bushido**, their code of conduct, was now a personal matter, no longer officially condoned by the government.

Some samurai adjusted to the change by serving the government as **genros**, or elder statesmen. Others, particularly those from the provinces of Satsuma and Choshu, resisted the change. They defended their right to dress and wear their hair in traditional ways and to enjoy relative autonomy from



the centralized government. The last battle between the samurai shogunate forces and those loyal to the emperor occurred in the 1870s. Dismayed by defeat, the samurai became the main victims of Japan's rapid modernization. Ironically, some of their leaders were the same people who had supported the Meiji Restoration in the 1860s.

**Rise and Decline of Liberalization** Some reforms in Japan worked better than others. The new schools quickly improved literacy rates, the economy rapidly industrialized, and the country began to develop traits of democracy such as a free press, strong labor unions, and respect for individual liberties. However, by the 1920s, army officers again began to dominate the government.



Source: Wikimedia Commons

Samurai from southern Japan led the reaction against the rapid changes in Japanese society in the 1860s and 1870s.

## Limits to Reform

Turkey, China, and Japan each followed its own path in responding to industrialization in the 19th century. Of the three, Turkey began to make changes earliest. However, Sultan Abdulhamid, though he supported reforms at first, became more conservative during his time as ruler. China began to make changes only later in the century. In contrast to Abdulhamid, China's Cixi started as skeptical of reform but became more liberal during her reign. Japan responded to industrialization with dramatic, rapid changes beginning with the Meiji Restoration in 1868. However, the speed and depth of its reforms prompted a backlash from conservative members of society.



**KEY TERMS BY THEME****ECONOMICS: Communists**

socialism

Karl Marx

Friedrich Engels

*Communist Manifesto*

means of production

communism

**ECONOMICS: Theory**

John Stuart Mill

utilitarianism

**SOCIETY: Workers**

labor unions

proletariat

bourgeoisie

**CULTURE: Japan**

bushido

genros

**GOVERNMENT: Ottomans**

Mahmud II

Tanzimat

Hatt-i Humayan

millets

**GOVERNMENT: China**

Self-Strengthening

Movement

Emperor Guanxu

Hundred Days of Reform

Empress Cixi