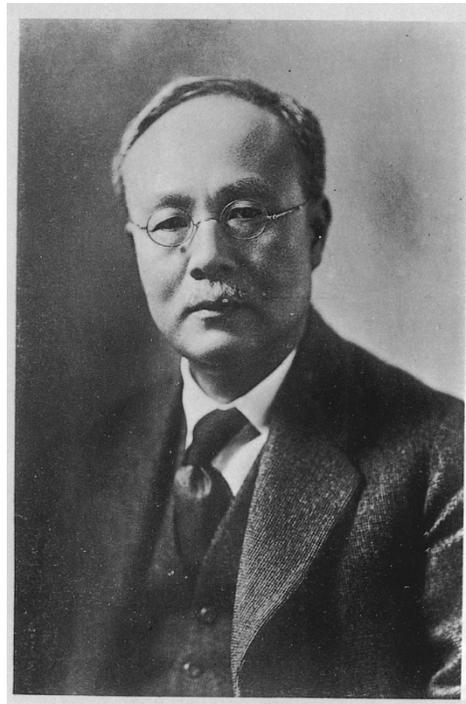


# SANJI MUTO



January 07,  
2019

Timeless Messages

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# Sanji Muto

## TIMELESS MESSAGES

### THE MUTO FAMILY

Research into the Muto Family yielded information on Sanji Muto but little about other family members. This report therefore focuses on Sanji and the multiple paths he walked as a student, businessman, politician, publisher, and intellectual.

#### Student

Sanji Muto was born into the household of a wealthy village headman on April 05, 1867. After graduating from elementary school in May 1880, Sanji, at the age of 13, enrolled in an institution affiliated with Keio Gijyuku at the direction of his father.<sup>i</sup> The school employed a British approach to education and character building, allowing Sanji a glimpse into Western culture and a very different lifestyle to that imposed by his Confucian father. In July 1884, he graduated at the age of 17.

Influenced by his parents, Sanji Muto wanted to become a literate, worldly person. His father, an avid reader and strong proponent of education, and his mother, coming from a family well-versed in Japanese literature, wished Sanji to study overseas at Cambridge University in the United Kingdom. Unfortunately, a significant, unrepaid loan to a relative and Japan's deflationary economic policies bankrupted his father. So, in January 1885, Sanji, having studied the works of such authors as John Stuart Mill and Herbert Spencer, traveled to San Francisco, USA, with two fellow Keio Gijyuku alumni, to work in a tobacco factory.

Sanji soon realized that he could neither support himself by working at the factory nor learn English; so, he resigned and sought out opportunities as a "houseboy".<sup>ii</sup> Unsuccessful in his initial search, he worked odd jobs as a day laborer washing dishes, cleaning windows, watering gardens, and baking bread. Eventually, he secured a position at San Jose's University of the Pacific (Pacific) which allowed him to earn money and study by working as a waiter in its dining hall.<sup>iii</sup> While at Pacific, he studied English, Math, History, and Latin, and it was at this time that he was introduced to the renowned Victorian author, Bertha M. Clay, and her seminal work, *Dora Thorne*. Sanji thought this to be an excellent example of English literature and read it so often he could recall and recite parts of this story at will.<sup>iv</sup>

#### Businessman

After two years of living and studying in America, Sanji returned to Japan in 1887. Shortly thereafter he published *United States Migration Theory*, which contrasted the significantly larger number of Chinese to Japanese immigrants to the US and argued for greater Japanese emigration, and established an advertising agency, which while common in the United States was the first in Japan.<sup>v</sup> Sanji then became a reporter and translator for the *Japan Gazette*, an English language newspaper, before joining the German trading company C. Illies & Co. Four years later, in 1893, he transitioned to Mitsui Bank which promptly asked him to lead a failing spinning company called Kanegafuchi Boseki (Kanebo). The following year he became the general manager of Kanebo's Hyogo factory.

## Sanji Muto

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Sanji was entrusted with the plant's construction and put great thought and effort into the treatment of its employees. Labor conditions at Japanese spinning factories were poor in the early 1900s. They operated in two 12-hour shifts day and night, and employees, regardless of age or gender, were held to the same standards. Should someone fall ill or a need arise, employees were forced to work three consecutive shifts, 36 hours straight. Compulsory education had not yet started so children of 10 to 14 years also worked under these conditions.

Sanji cared deeply about workers' rights and their welfare believing that factory owners and presidents should care for employees like they do family to create positive, productive relations between the two.<sup>vi</sup> He created a visionary and humanistic support system for Kanebo employees, building a nursery for newborns at the factory in 1902, publishing in-house newsletters starting in 1903, establishing the "Kanebo Mutual Aid Association" – a model later adopted by German steelmaking companies and used as the foundation for Japan's modern health insurance system – in 1905, allocating pension provisions, and providing health and life insurance. Such benefits are considered commonplace today but were revolutionary at the time.<sup>vii</sup> In fact, Kanebo was the first company to create schools, daycare centers, entertainment facilities, and in-house newsletters in Japan.<sup>viii</sup> A feat accomplished over a century ago.

In addition to investing in Kanebo's employees, Sanji also foresaw the need to and benefit of new technologies and approaches to the production and sales of high-quality fabrics. After the Russo-Japanese War began in 1904, Sanji expanded production to include cotton cloth, and, although European looms were mainstream, he decided to adopt Toyota's automatic loom, the first spinning company in Japan to do so.<sup>ix</sup> He also endorsed newspaper advertisements, pioneered corporate acquisitions, diversified product lines, and introduced foreign capital into strategic business efforts – ideas unusual for the time or thought impossible.<sup>x</sup>

Under his leadership, Kanebo grew to be Japan's largest spinning company and one of its most profitable. When Sanji joined the company in 1894, net sales were ¥1.7 million and net income ¥120,000. Approximately 10 years later, in 1905, sales had grown to ¥33 million with net income totaling ¥3 million. By 1919 sales were ¥212 million and net income ¥20 million.<sup>xi</sup> Despite this his tremendous success, Sanji remained humble believing that businessmen should be honest and earnest just like the samurai of old.<sup>xii</sup>

## Politician

Sanji's decision to enter politics was in part due to the Russo-Japanese War (1904-05) and the impact it had not only on Japanese society but also the Muto family.<sup>xiii</sup> For families caring for sick veterans or having lost loved ones, the Japanese government provide but ¥50 per year, a marginal amount even by the standards of the time. Sanji strongly believed that the nation's response was far too little and that families as well as veterans were being treated inhumanly. He thus sought to establish legislation protecting those affected by war.<sup>xiv</sup> Doubtless, the loss of Sanji's younger brother, who perished in the conflict, cemented his commitment to this endeavor. At his own expense, he led an effort to conduct research, compose a report, and partner with politicians in 1917. Yet, as a businessman, he felt there was too little he could do.

In 1921, Sanji published *Political Renewal Theory* in which he posited prime ministers be elected through a general vote and their terms be limited to (approximately) three years and became president of Kanebo.<sup>xv</sup> Two years later, in 1923, Sanji established the Industrial and Business Party, a political party, and became its inaugural chairman. The following year, he was elected to the Imperial Diet. He served as Kanebo's president and a house representative concurrently. In 1926, Sanji wrote *Business Politics* a manifesto in which he argued for the dissolution of the existing system of state-run schools, railways, posts, telecommunications

(telegraph and telephone), postal savings, cigarette production, and weapons manufacturing, noting that only the recently-established Soviet Union was doing this and positing that Japan was practicing socialism.<sup>xvi</sup>

He resigned from Kanebo in 1930 and in 1931 established Kokumin Kaikan, a public interest incorporated association, to raise awareness and understanding of politics and political thought among Japan's citizenry. Then, in 1932, he withdrew from the Diet, a decision due not only to his age and associated costs but also a profound feeling that his efforts were not yielding the desired results. Sanji believed that politicians did not have a clue as to what politics were but neither did the Japanese people. He lamented, "I tried so hard to help them, but nothing in the past 5 to 10 years has changed," adding, "it will take a hundred years for political education to take root in this country."<sup>xvii</sup>

## Publisher

Upon exiting from politics, Sanji was asked to rebuild the newspaper *Jiji Shinpo* published by his mentor and renowned intellectual Yukichi Fukuzawa.<sup>xviii</sup> Initially reluctant, Sanji accepted the challenge in 1932 having received strong support from fellow Keio University graduates. Sanji introduced color printing to the Japanese newspaper industry and started writing daily editorials.<sup>xix</sup>

One topic of these editorials was the Teijin scandal, a high-profile incidence of alleged insider trading beginning in January 1934. This series focused on numerous politicians, bureaucrats, and businessmen who were allegedly profiting from the buying and selling imperial silk stocks. Sanji sought to expose the evil of collusion between politics, government service, and industry within Japan's burgeoning capitalist economy. However, it was clear that those identified in these editorials were uncomfortable with the coverage.<sup>xx</sup>

## Intellectual

Sanji was an avid collector of books and art. His personal library included over 900 English-language books, of which 200 were on Napoleon, as well as Russian-language books. He also maintained copies of his own works, which totaled over 8,000 pages.<sup>xxi</sup>

And, as a proponent of retaining Japanese antiquities in Japan, rather than seeing them sold to overseas collectors, Sanji purchased large numbers of art ranging from paintings to pottery. In fact, of the two art collections maintained by the Osaka Municipal Museum of Art, the Muto Collection, focusing on the drawings of Korin Ogata, is one.<sup>xxii</sup>

## Death

On the morning of March 09, 1934, having finished his breakfast of toast and black tea, Sanji left his residence in Kitakamakura with an assistant at 9:15 AM for the daily commute to his Tokyo office. During the 20-minute walk to the train station, he was approached and shot five times by an unemployed salesman.<sup>xxiii</sup> He died the following day at the age of 66.<sup>xxiv</sup>

Some believe that Sanji's writings led to his assassination and contributed to the arrest of a sitting minister, numerous bureaucrats, the president of Teijin – a textile firm. In total, 16 people were implicated in what is now known as the Teijin Scandal, though all were eventually acquitted due to insufficient evidence.<sup>xxv</sup> The assassin killed himself shortly after fatally shooting Sanji and so the truth remains unknown.

## NUCLEAR AND EXTENDED FAMILY

As stated earlier, little information could be found on Sanji Muto's nuclear or extended family. His eldest son, Kinta Muto, appears to have been an art historian but little else is known. Fortunately, more details were available about Kinta's son – Sanji's grandson – Haruta Muto. Haruta was born in 1937 and graduated from Keio University's law school in 1960. He joined Daiwabo Co., Ltd. in the same year becoming a board member in 1988, president and chief executive officer in 1992, board chairman in 2003, general counsel in 2008, and senior adviser in 2013. Haruta continues to serve as president of Kokumin Kaikan (1978-) and the Kyoto National Museum's Seifukai Institute (2010-). Previously, he was a trustee of the Japan Federation of Economic Organizations (now the Japan Business Federation), chairman of the Japan Spinners' Association, chairman of the Japan Textile Evaluation Technology Council, and president of Osaka Fiber Academy. In 1999, the Japanese government awarded him the Medal of Honor with Blue Ribbon.

## CONCLUSION

Sanji not only became the literate, worldly man he desired in his early years but also a leader, visionary, and advocate. He sought policies and championed efforts that would benefit many not just the powerful few. His messages of fair treatment and pay, honest business practices, legal protections, political education, and appreciation of arts and letters still resonate today.

## Endnotes

- <sup>i</sup> Keio Gijyuku was a Dutch school established by noted Japanese educator and intellectual Yukichi Fukuzawa. It would later evolve into Keio Gijyuku University.
- <sup>ii</sup> Sanji searched for opportunities to reside with a host family and provide domestic support (e.g., washing dishes, watering gardens, etc.) while commuting back and forth to school.
- <sup>iii</sup> Sanji worked from 6:00 AM to 9:00 AM and then attended his morning classes. At 11:30 AM, he returned to the eatery to serve lunch and wash dishes, before returning to class. Again, at 5:00 PM, he served dinner finally returning to his dormitory around 8:30 PM or 9:00 PM to study until 11:00 PM daily. See 評伝日本の経済思想 武藤山治日本の経営の祖, 14-15.
- <sup>iv</sup> See 評伝日本の経済思想 武藤山治日本の経営の祖, 15-16.
- <sup>v</sup> See 武藤山治の先見性と彼をめぐる群像, 23-24.
- <sup>vi</sup> See 政に頼らず官に依らず恐慌を生き抜いた男武藤山治の生涯, 77.
- <sup>vii</sup> See 政に頼らず官に依らず恐慌を生き抜いた男武藤山治の生涯, 142.
- <sup>viii</sup> See 武藤山治の先見性と彼をめぐる群像, 66.
- <sup>ix</sup> See 武藤山治の先見性と彼をめぐる群像, 70.
- <sup>\*</sup> A related international business effort was Sanji's support of emigration to Brazil. Circa 1925, the governor of Brazil requested the Japanese government send immigrant settlers, so the government asked the most profitable company at that time, Kanebo, to dispatch a research team to investigate opportunities. Kanebo established the South America Colonization Corporation in 1928 to promote immigration to Brazil. The next year, an initial expedition departed Japan for the Brazilian city of Belém. These immigrants would face several challenges as coffee production was much more difficult than expected and the settlements were plagued by malaria. Nearly 70 percent of the settlers were forced to leave the land. In 1933, however, pepper began being cultivated in Tomeacu, 125 kilometers south of Belém, and this proved to be an extremely successful crop. Between 1929 and 1941 approximately 2,000 Japanese emigrated to Brazil. To this day, a bust of Sanji remains in Tomeacu. See 武藤山治の先見性と彼をめぐる群像, 127-132.
- <sup>xi</sup> In 1919 Sanji was asked by the Japanese government to represent Japanese industry at the inaugural International Labor Conference in Washington, D.C. It was during this his second trip to America that he presented Pacific with a gift for books on China and Asia. See also 武藤山治の先見性と彼をめぐる群像, 95, 113.
- <sup>xii</sup> See 政に頼らず官に依らず恐慌を生き抜いた男武藤山治の生涯, 168.
- <sup>xiii</sup> A national Conscription Law was enacted in 1873 requiring compulsory military service.
- <sup>xiv</sup> See 武藤山治の先見性と彼をめぐる群像, 109.
- <sup>xv</sup> See 武藤山治の先見性と彼をめぐる群像, 115.
- <sup>xvi</sup> See 武藤山治の先見性と彼をめぐる群像, 118.
- <sup>xvii</sup> See 政に頼らず官に依らず恐慌を生き抜いた男武藤山治の生涯, 296.
- <sup>xviii</sup> The renowned Japanese educator, intellectual and social theorist Yukichi Fukuzawa was born into a lower-ranking samurai family. His father found it difficult to escape Japan's rigid class system and this experience had considerable effect on Yukichi who started school at the age of 14 and transitioned to Dutch and Gunnery studies by age 19. Four years later, at 23, he opened a Dutch school, the origin of today's Keio University. Shortly thereafter, he began teaching himself English from a Dutch-English dictionary. At the age of 25, he traveled to San Francisco. At the age of 31, he authored *Conditions in the West* which sold over 150,000 copies. At the age of 33, he established a Dutch school called "Keio Gijyuku." At 37, he published the 17-volume *An Encouragement of Learning* and grew Keio School to Keio Gijyuku University at the age of 55.
- <sup>xix</sup> See 武藤山治とナポレオン, 3.
- <sup>xx</sup> See 政に頼らず官に依らず恐慌を生き抜いた男武藤山治の生涯, 26.
- <sup>xxi</sup> See 武藤山治と芸術, 2.
- <sup>xxii</sup> See 武藤山治と芸術, 5.
- <sup>xxiii</sup> See 政に頼らず官に依らず恐慌を生き抜いた男武藤山治の生涯, 15-18.

<sup>xxiv</sup> Hours before his death, Sanji – likely unconscious – was baptized into the Christian faith and given the name “Joseph” at his youngest daughter’s behest. See 政に頼らず官に依らず恐慌を生き抜いた男武藤山治の生涯, 378, 384.

<sup>xxv</sup> See 武藤山治の先見性と彼をめぐる群像, 139.

# The Muto Family

## ACCOMPLISHMENTS AND PERCEPTIONS

### ACCOMPLISHMENTS

The Muto Family has made considerable contributions to business, politics, and arts and letters.

#### Business

Sanji founded Japan's first advertising agency (1887)<sup>i</sup> and brought color printing (circa 1932) to newspapers.<sup>ii</sup> While at Kanegafuchi Boseki (Kanebo), he built a nursery (1902), published an in-house newsletter (1903), and established the Kanebo Mutual Aid Association (1905)<sup>iii</sup>, and introduced foreign capital investment strategies (1908). Company-provided daycare, educational, and entertainment facilities, now common and still popular with employees, were first introduced by Kanebo.<sup>iv</sup> Over a century later, Sanji's ideas remain reflected in Japan's entrepreneurial spirit, business strategies, and worker's rights, health and welfare.<sup>v</sup>

#### Politics

Although his career in politics was short-lived, Sanji left an indelible mark by supporting the 1917 Military Relief Act, which required federal social security provisions to victims of national conflicts, and establishing Kokumin Kaikan (1931) to promote political education and discourse. To this day, Kokumin Kaikan, presently led by Sanji's grandson, Haruta Muto, continues providing information on Sanji, his philosophy, and Japanese politics. Sanji's mission to grow awareness of economic, political, and cultural topics lives through Kokumin Kaikan which engages the public via lectures, discussions, and publications.<sup>vi</sup>

#### Arts and Letters

Sanji was an avid collector of art and books. As a proponent of retaining antiquities in Japan, rather than selling to overseas collectors, Sanji procured a significant number of artworks ranging from paintings to pottery. The family's private collection includes the Kunoji<sup>vii</sup> and Senmenkosha Sutras<sup>viii</sup> as well as paintings by Buson Yosa (at least one of which being a registered national treasure).<sup>ix</sup> The family has also donated a considerable number of pieces. Of the two art collections maintained by the Osaka City Museum of Fine Art, the Muto Collection,<sup>x</sup> focusing on the drawings of Korin Ogata, is one,<sup>xi</sup> and the Tokyo National Museum benefited from the receipt of numerous registered important cultural properties contained in a collection of 13th century Buddhist paintings.<sup>xii</sup> Haruta Muto maintains the family's connection to cultural conservation by serving as president of the Kyoto National Museum's Seifukai Institute.

Sanji's personal library included well over 900 books in English.<sup>xiii</sup> He was a prolific writer, authoring over 8,000 pages. Sanji's passion for reading influenced his decision to donate ¥2,000 to University of the Pacific (Pacific) in October 1919.<sup>xiv</sup> The monies were provided on the condition of procuring "Chinese and Oriental books" and establishing a "library" to promote mutual understanding between Japan and the United States.<sup>xv</sup>

From roughly 1932 until World War II, Sanji welcomed students from Pacific every summer. Haruta Muto revived this practice around 2007 at Daiwabo.<sup>xvi</sup> The Muto Family has continued supporting education and cross-cultural understanding through Pacific's Muto Room, and Haruta remains engaged with the university, having recently hosted two Pacific delegations in 2018.<sup>xvii</sup>

## PERCEPTIONS

Sanji Muto's life and his list of achievements are truly impressive. In the late 1880s, he foresaw the value of learning an alternative perspective and chose to study at Pacific. While in America and despite coming from a family of means, he lived modestly and funded his own education working at a San Francisco tobacco factory and later Pacific's dining hall. After returning to Japan and joining Kanebo in the early 1890s, Sanji revolutionized labor relations with his humanistic management style, and, in the process, established several industry firsts.<sup>xviii</sup>

He honored the memory of Japan's injured and fallen soldiers by championing the Military Relief Act and sought to serve the public by becoming a Diet member. To preserve Japan's cultural heritage, he collected works of art and to further political education and discourse he established Kukumin Kaikan. Out of respect for his mentor, Yukichi Fukuzawa, he accepted stewardship of Jiji Shinpo. While at the newspaper, Sanji doggedly reported on newsworthy topics including the Teijin Incident.

Despite his tremendous successes, Sanji remained grounded, believing that men should be honest and earnest. Like the samurai, who followed the ethical code of bushido, Sanji too embodied such values as benevolence, courage, foresight, honor, humility, integrity, loyalty, and righteousness. He remains an unsung hero and one of Japan's earliest modern-day samurai.

- <sup>i</sup> See 武藤山治の先見性と彼をめぐる群像, 24.
- <sup>ii</sup> See 武藤山治とナポレオン 武藤治太 著, 3.
- <sup>iii</sup> Particularly important elements of the association include requirements to provide paid sick leave starting with the fourth consecutive absence, afford benefits to female workers before and after childbirth, cover all medical expenses for workplace injuries, and contribute to pensions. See 神奈川大学研究年報, 27 at <http://hdl.handle.net/10487/8508>.
- <sup>iv</sup> See 武藤山治の先見性と彼をめぐる群像, 66.
- <sup>v</sup> Contemporary laws, such as the Health Insurance Act, Employment Insurance Act, Occupational Accident Compensation Insurance Act, Welfare Pension Act, and the Childcare Care Leave Act maintain many provisions established by Sanji and Kanebo (see 神奈川大学研究年報, 27 at <http://hdl.handle.net/10487/8508>).
- <sup>vi</sup> The Muto Memorial Course is held 14 times a year and abstracts from the Muto Commemorative Lecture are published online monthly. A digital magazine is circulated by e-mail monthly, and a journal is published twice annually.
- <sup>vii</sup> A 12<sup>th</sup> century sutra commissioned by Emperor Toba. See Independent Administrative Institution National institutes for Cultural Heritage Tokyo National Research Institute for Cultural Properties at <http://www.tobunken.go.jp/materials/glass/22286.html>.
- <sup>viii</sup> A sutra from the Heian period's (794-1185 CE) Shitenno Temple. See Independent Administrative Institution National institutes for Cultural Heritage Tokyo National Research institute for Cultural Properties at <http://www.tobunken.go.jp/materials/glass/22291.html>.
- <sup>ix</sup> See 国民會館国民だより, vol. 15 at [http://www.kokuminkaikan.jp/publishing/pdf/kokumin\\_dayori\\_11\\_20.pdf](http://www.kokuminkaikan.jp/publishing/pdf/kokumin_dayori_11_20.pdf).
- <sup>x</sup> See 武藤山治と芸術, 05.
- <sup>xi</sup> See <https://www.osaka-art-museum.jp/en/about/collection> and <https://www.osaka-art-museum.jp/about/collection>.
- <sup>xii</sup> See <http://www.emuseum.jp/detail/100268> and [http://www.emuseum.jp/detail/100268?x=&y=&s=&d\\_lang=en&s\\_lang=&word=&class=&title=&c\\_e=&region=&era=&cptype=&owner=&pos=1&num=1&mode=&century=](http://www.emuseum.jp/detail/100268?x=&y=&s=&d_lang=en&s_lang=&word=&class=&title=&c_e=&region=&era=&cptype=&owner=&pos=1&num=1&mode=&century=).
- <sup>xiii</sup> See 武藤山治とナポレオン 武藤治太 著, 9.
- <sup>xiv</sup> Sanji made the donation prior to returning home after having represented Japan at the first International Labor Conference in Washington, D.C.
- <sup>xv</sup> See 武藤山治の先見性と彼をめぐる群像, 113.
- <sup>xvi</sup> See 武藤山治の先見性と彼をめぐる群像, 114. While this opportunity appears to remain available, there has been no activity in recent years according to the Office of International Programs and Services.
- <sup>xvii</sup> See <http://www.kokuminkaikan.jp/about/index.html>.
- <sup>xviii</sup> Sanji cared deeply about workers' rights and their welfare believing that factory owners and presidents should care for employees like they do family to create positive, productive relations between the two (see 政に頼らず官に依らず恐慌を生き抜いた男武藤山治の生涯, 77). He created a visionary and humanistic support system for Kanebo employees, building a nursery for newborns at the factory in 1902, publishing in-house newsletters starting in 1903, establishing the "Kanebo Mutual Aid Association" – a model later adopted by German steelmaking companies and used as the foundation for Japan's modern health insurance system – in 1905, allocating pension provisions, and providing health and life insurance. Such benefits are considered commonplace today but were revolutionary at the time (see 政に頼らず官に依らず恐慌を生き抜いた男武藤山治の生涯, 142). In fact, Kanebo was the first company to create schools, daycare centers, entertainment facilities, and in-house newsletters in Japan. A feat accomplished over a century ago.