Abstract

This lecture describes the transaction network of a machinery factory to explain the relationship between interfirm networks and geographic industrial agglomerations.

Previous studies elaborated on the history of the machinery industry in the Meiji era by explaining that suppliers were stratified, with a few big companies supplying relatively high-quality products and others supplying cheap, low-grade products (Sawai 1990, Suzuki 1996). However, although numerous machinery factories (regardless of their size) were agglomerated in Tokyo in that period, the existing studies do not sufficiently discuss how these firms took advantage of such agglomeration and whether the economic environment was favourable.

Therefore, I focus on the industry in Tokyo and study the case of a medium-sized factory to contribute to the literature on both industrial agglomeration and the development of the machinery industry. First, I examine the location of factories in Tokyo, and then, describe how they were interrelated with each other in the region. Finally, I consider the relationships between industry, agglomeration, and metropolitan areas.

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