The Myŏnjujŏn Documents: 
Accounting Methods and Merchants’ Organisations 
in Nineteenth Century Korea

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ABSTRACT
The Myŏnjujŏn documents are a varied collection of mainly accounting documents from late nineteenth century Seoul that once belonged to the guildhall of the Chosŏn capital’s guild of domestic silk merchants—the Myŏnjujŏn. This paper looks at what these documents can tell us about the way the merchants of this period and their guilds organised the information that they needed to keep track of, and what sorts of bookkeeping methods they employed. Although the Myŏnjujŏn was a merchants’ organisation, its account books actually appear to be rather similar to those created by clan organisations, since the guild was, basically, a non-profit making organisation whose aim was to protect its members’ interests and regulate relations with the government. But while these were not accounts created by merchants focused primarily on making profits, their complexity, accuracy and the diversity of ways in which they organise information reflect the importance and complexity of the tasks which the guild had to fulfil.

Keywords: merchants, Chosŏn, commerce, accounting, guilds

1. Introduction

1.1 Chosŏn merchants’ documents and quantitative research
Research into the economic history of the Chosŏn dynasty is really still at an early stage. Detailed research into this subject has been hampered in the past by the scarcity of sources, but this is changing as more old documents[komunsŏ] are made available. As a result, there has been some important quantitative research in recent years, mainly focused on the account books of clan organisations or sŏwon[Confucian academies].1 Source materials relating to the activities of merchants in Chosŏn Korea have proved more elusive,2 but there is one large collection of documents that has so far not been much exploited. This is the collection of some 190 volumes that form the basis of this study. They once belonged to the guildhall of Seoul’s domestic silk guild—the Myŏnjujŏn—and have survived as part of the Kawai Collection held at Kyoto University.

Kawai Hirotami(1872-1918) was a Japanese historian who collected a large number of documents relating to Korea’s economic history. It is likely that he was able to obtain the Myŏnjujŏn documents at around the time that the guild was finally wound up in the early 1910s. At this time he appears to have been assistant principle of the Technical School of the Oriental Society in Seoul and was part of a
small group of Japanese collectors of antiquarian Korean books living in Seoul at that time. The earliest of the Myŏnjujŏn documents (bar one or two) date from late 1864. This is due to the fact that the guildhall had burnt down earlier that year and most of the guilds account books had gone with it. The surviving documents include quite a variety of account books relating to the guilds dealings with the government as well as accounts of daily expenses and various books recording payments by guild members and rosters for official positions and duties within the organisation. There are also copies of government documents relating to the Myŏnjujŏn, which presumably were kept by the guild for reference purposes.

This paper will concentrate only on the account books—those books which deal in some way with recording quantities of cash or commodities and transactions involving these items—and will attempt to categorise them and provide brief descriptions of the various types. I intend to look at these documents from the point of view of their internal organisation: the way in which they record and organise the information required by the guild members, and what this in turn tells us about the guild itself.

Premodern Korean bookkeeping techniques have been a topic of interest for some time, largely because of the widely-known claim that the worlds' first double-entry accounting method was developed in Koryŏ Dynasty Korea. Recently S.H. Jun and J.B. Lewis have made a comparative study of a selection of premodern Korean accounts and looked in detail at the question of whether any of them come close to employing a double-entry method. Meanwhile, in the recent collaborative study Matchil ŭi nongmin tul[The farmers of Matchil village], Yi Hŏnch'ang has analysed in detail the clan accounts of the Pak family of Matchil village. I hope to contribute to this new and growing body of research on premodern Korean accounting practices by looking at the accounting methods utilised by the Myŏnjujŏn merchants and how these reflected the nature and requirements of the organisation as a whole. In general, what this will show is that while the Myŏnjujŏn was not strictly a profit-making commercial organisation, but rather one that regulated relations between privileged merchants and the state, it did nevertheless have a very sophisticated and diverse system of accounts. In fact, as we shall see, the guild had an extremely complex financial structure, which was of course reflected in the complexity of its accounting records.

1 Recent contributions to what Professor James Lewis has described as the "quantitative revolution" in Korean history include: An Pyŏngjik ed. 2001; Yi Yŏnhun ed. 2004; Jun and Lewis 2006; Jun, Lewis and Kang 2005.

2 Sukawa Hidenori provides a thorough discussion of the various types of merchant documents that have survived in his 2003 article.

3 Japan Biographical Encyclopaedia and Who's Who: 552.

4 Ilŏngno, Köjong 1st year, 12th month, 26th day.

5 See, for example, Yun Kŭnho 1977.

6 Jun and Lewis 2006.

1.2 The sijoñ guild system

Before looking at the guild account books themselves, I will give a brief introduction to the sijoñ system. In one form or another, this system lasted for around a thousand years, from the beginning of the Koryŏ dynasty(918) right up until the end of the Chosŏn period(1910), providing the government and the citizens of the capital with the goods they required. In this system of controlled markets, merchants were divided into groups, initially by the government, according to the goods they sold and occupied shops in joint premises which displayed the name of their guild. The principle of the system was referred to as ‘one product, one guild/shop’[ilmul iljoñ], although it is clear that this principle was not necessarily adhered to in practice. While each merchant continued to maintain a separate, independent business, it appears that over the course of the Chosŏn period these groupings became increasingly complex guild organisations, which represented the merchants in their relations with the government and looked after the welfare and trading interests of their members. Internally they had similarities to contemporary lineage organisations, with a system of rewards and duties based on hierarchies that reflected age and experience, as well as a rather complex structure of official positions. These organisations—or the larger ones at least—also had mutual aid funds that were used for the welfare of members and a guildhall where they kept joint property such as goods destined for trade with the government.

The merchants’ guilds as they existed in the late Chosŏn period occupied premises in the heart of the city, largely along the central street Chongno, extending east and west from the city’s belltower, the Posin’gak. By the late nineteenth century the buildings had been burnt down and rebuilt many times, and new guild merchants had opened up markets in other parts of the city and beyond the city walls, but the most important guilds still occupied the area around the Posin’gak junction.

The Chosŏn government administered the guilds largely through the Office for Market Regulation[Pyŏngsisŏ], which was a sub-office of the Capital Administrative Bureau[Hansŏngbu], but because of their economic importance, the guilds also had a close relationship with the Ministry of Taxation[Hojo]. During the course of the eighteenth century the number of guilds expanded so that by the early nineteenth century there were between 70 and 80 sijoñ specialising in everything from brassware to pheasants. The guilds had also come to encompass a whole spectrum of commercial activities in the capital; from merchants who were little more than street hawkers, through to street markets in the sense we might recognise them today, all the way to shops providing the urban elite with luxury goods. For this reason the government divided the guilds into three basic groups; those that were not liable for regular duties[yuhan kalchŏn], those that were liable for regular duties[yuhan kalchŏn] and the elite Six Guilds[yuguijŏn] which had to provide the greatest quantity of goods and taxes to the government.

7 The Man’gi yoram[Book of Ten Thousand Techniques of Governance] provides a listing of the guilds belonging to each of these categories and their specific ratings for taxation purposes. See Man’gi yoram, chasyonggyŏn, "Kalchŏn".