

Area and Population

The increases of population and

area during the ten years 1922-31 are shown in the following table.

Year	Population	No. of households	Area (sq. km.)
1922	639,300	136,021	148.142
1923	655,200	139,404	148.142
1924	670,800	142,723	148.142
1925	768,558	161,141	148.142
1926	801,900	168,466	148.142
1927	835,700	175,567	148.929
1928	869,900	182,752	148.929
1929	904,700	190,063	148.929
1930	907,402	190,379	150.733
1931	934,400	198,000	151.042

The population was distributed on Oct. 1, 1931 as follows:

Ward	Area in sq. km.	Males	Females	Total population
Higashi-ku	29.490	119,000	115,000	234,000
Nishi-ku	19.218	89,100	82,200	171,300
Naka-ku	29.273	160,500	148,600	309,100
Minami-ku	73.061	112,900	107,100	220,000

Finance

Revenue and Expenditure The an-

nual revenue and expenditure of Nagoya City has shown a marked increase of late:

Year	Revenue	Expenditure		Total
		General	Special	
1926	¥ 10,131,031	¥ 5,996,229	¥ 4,064,042	¥ 10,079,271
1927	10,415,166	6,566,132	3,788,203	10,354,335
1928	19,438,161	7,275,835	11,663,533	18,939,368
1929	25,390,085	7,034,796	18,219,390	23,254,186
1930	31,477,355	6,878,659	23,545,976	30,424,635
1931	37,963,011	7,126,598	28,946,961	36,073,559

Municipal Loans At the end of March, 1932, the total indebtedness of Nagoya City amounted to ¥74,259,000.

Taxes The net receipts from the principal branches of taxation were as follows:

Year	State	Prefectural	Municipal	Total
1927	¥ 18,263,342	¥ 4,182,666	¥ 6,376,240	¥ 28,822,248
1928	19,038,492	4,090,875	6,040,973	29,170,340
1929	18,857,288	4,185,656	6,222,061	29,265,005
1930	17,505,867	3,817,502	5,896,464	27,219,833
1931	17,342,380	3,420,776	5,579,310	26,342,466

All taxes, State, prefectural, and municipal, averaged per house and per capita as follows:

Year	Taxes per house	Taxes per capita
1927	¥ 115.24	¥ 32.58
1928	143.42	30.71
1929	136.63	29.21
1930	142.97	29.98
1931	117.23	24.82

Land Subject to Taxation The land which is subject to taxation on January 1, 1932, was as follows:

Rice-fields	5,292,0311 cho
Upland fields	1,900,4508
Residential tracts	3,329,3612
Forests	873,3422
Uncultivated land	171,3112
Ponds and marshes	167,7123

Miscellaneous Total 76,3617 cho 11,890.4705

Buildings Number of buildings in 1931 was as follows:

Wooden buildings	241,177
Stone buildings	344
Brick buildings	806
Miscellaneous	25,249
Total	267,576

Transportation and Communications

Railways Lying as it does between Kyoto, the old capital, and Tokyo, the present capital, Nagoya is known as Chukyo (middle capital). It is an important intermediate city on the Tokaido highway. The Kansai Line, which starts from Osaka, passes through Nara and Miyé prefectures and connects at Nagoya with the main Tokaido Line to Tokyo. The Chuo Line, which runs through Gifu, Nagano, Yamanashi and other prefectures to Tokyo, has Nagoya as its other terminus. Nagoya is thus one of the most important railway centres of Japan. The railway station and the harbour are

directly connected by rail and the importance of the city as a distributor of goods is thereby enhanced. There are six other stations, viz., Atsuta, Chikusa, Ozoné, Hatta, Shiratori, and Horikawaguchi. The annual passenger traffic passing through these eight stations is estimated at about fifteen million persons, and goods traffic amounts to approximately three million tons. The city is provided with an extensive network of electric railway lines to connect with outlying districts. The principal ones are:

(1) Mei-Gi Line which extends to Gifu, Ichinomiya, Inuyama and Tsumishima.

(2) Seto Electric Railway Line which runs to Seto.

(3) Aichi Electric Line to Toyohashi and Tokonabé.

(4) Shimonoséki Electric Line to Shimonoséki.

Shipping At one time the majority of goods were transported by land, but since 1907, the year in which the harbour was constructed, the volume of goods transported by water has greatly increased.

Year	Outgoing goods		Incoming goods		Total	
	By sea tons	By land tons	By sea tons	By land tons	By sea tons	By land tons
1923	740,796	1,577,326	3,091,051	1,034,685	3,831,847	2,612,011
1924	679,148	1,949,862	3,522,419	1,213,996	4,201,567	3,163,358
1925	809,100	1,987,225	3,411,296	1,261,597	4,220,396	3,248,822
1926	917,097	2,207,400	3,893,704	1,310,682	4,810,801	3,518,082
1927	957,863	2,302,317	4,098,067	1,471,476	5,055,930	3,773,793
1928	1,058,785	2,739,004	4,198,872	1,643,860	5,257,657	4,382,864
1929	1,144,074	2,818,527	4,353,879	1,987,972	5,507,653	4,806,499
1930	1,061,709	2,339,803	3,728,984	1,559,354	4,790,693	3,999,157
1931	1,046,426	2,180,291	3,989,058	1,475,228	5,035,484	3,655,519

Harbour Works

Nagoya has a splendid harbour well protected by Chita Peninsula from typhoons. Construction of the harbour was started in 1896 and the third stage of the entire plan was completed in 1928 after a total outlay of ¥15,490,000. The area of the

wharves is 1.52 square kilometres, with anchoring space for thirty-eight steamers of ten thousand tons or so. The fourth stage of construction, to be completed this year, 1933, was undertaken at an estimated expenditure of ¥10,120,000. When the work is finished the area of the wharves will be increased to 2.23

square kilometres and there will be anchoring space for fifty-two steamers of ten thousand tons. At present direct trade is carried on with the American continents, Europe, China, the South Sea Islands, Australia and Africa.

Commerce and Industry

General The values of the products of the principal industries for five years are shown in the subjoined table :

Year	Agriculture	Cattle rearing	Fishing	Industry	Total
1927	¥ 4,517,613	¥ 1,571,525	¥ 2,712,961	¥ 368,135,679	¥ 376,937,778
1928	3,979,940	1,597,453	1,741,864	397,660,107	404,979,364
1929	3,593,944	1,611,342	1,469,366	342,714,616	349,389,268
1930	2,896,568	1,535,293	1,282,048	268,289,919	274,003,828
1931	2,201,099	1,234,876	768,565	242,288,642	246,492,682

Commerce Foreign and home trade | values were as follows :

Year	Foreign trade	Home trade	Total
1924	¥ 100,519,905	¥ 176,757,040	¥ 277,276,945
1925	120,222,622	156,707,074	276,929,696
1926	133,319,354	159,476,926	292,796,280
1927	129,280,863	158,571,946	287,852,809
1928	135,107,821	170,463,029	305,570,850
1929	151,938,927	158,633,759	310,572,686
1930	119,157,357	184,671,445	253,828,802
1931	100,519,905	176,757,040	277,276,945

Important Articles of Trade The leading exports and imports for the year 1931 were as follows :

EXPORTS		
Articles	Quantity (Shipping tons)	Value (Yen)
Flour	4,946	339,209
Sugar-candy	2,047	343,008
Beer	11,994(20,000 koku)	1,653,970
Cotton yarns	69	41,475
Cotton fabrics	20,788	16,248,167
Woolen cloth and serge	113	114,876
Pottery and porcelain	149,489	11,195,997
Glass and glassware	12,085	490,851
Iron manufactures	3,675	440,655
Clocks	4,182(169,000 pcs.)	517,231
Musical instruments	297	30,852
Veneer boards & other planks	2,279	130,535
Spinning and weaving machines	3,940	1,203,253
Boards for boxes and casks	89,330	1,561,051

Articles	Quantity (Shipping tons)	Value (Yen)
Parts of lamps	539	27,044
Lacquerware	253	40,475
Toys	2,717	260,531
Others	30,038	3,271,355
Total	288,501	37,910,564

IMPORTS		
Articles	Quantity (Tons)	Value (Yen)
Rice & unhulled rice	37,931	1,648,373
Wheat	107,526	4,405,029
Beans	21,690	1,014,157
Sugar	1,694	115,611
Ginned cotton	2,988	1,027,159
Wool	55,030	26,468,831
Coal	371,021	4,679,940
Iron	21,663	693,782
Lumber	241,572	4,324,477
Fodder	87,185	3,620,264
Wheat bran	25,407	789,802
Oil cake	69,193	2,250,182
Cotton-seed oil	12,365	482,809
Others	129,598	13,478,737
Total	1,214,763	64,999,153

Trade Relations of Nagoya with Foreign Countries The trade of Nagoya is chiefly with British India and

Australia, the former as a buyer of cotton goods and the latter as a seller of wool. Below are given the figures of the trade relations of Nagoya with foreign countries for 1931 :

Country	Exports (¥1,000)	Imports (¥1,000)
Australia	796	28,107
British India	12,385	1,272
United States	3,062	2,159
China	4,631	6,663
Kwangtung Province	2,053	6,162
Dutch East Indies	4,125	1,191
Canada	494	4,925
Siam	433	1,661
Hongkong	1,443	4
Great Britain	548	633
Germany	280	1,236
Holland	1,066	5

Industry Commodities that are brought into the city are food-stuffs and raw materials such as rice, sugar, lumber, coal, ginned cotton, iron, wool, etc., while those sent out are

mally lumber, coal, cotton piece-goods, porcelain and pottery, beer, cement and other manufactures. Nagoya has been from olden times a famous place for porcelain and pottery and in 1931 the output totalled as much as ¥15,518,982. It is only since the growth of the cotton spinning industry in the city that the value of the annual output of pottery has been challenged and it now has to take a place after cotton yarns and cotton piece-goods. An equally significant development is that of the woollen spinning industry. In 1931 the total output of woollen yarns reached ¥12,863,296 and that of woollen goods ¥10,879,177. Flour manufacturing is another industry that has made stupendous strides in Nagoya, production in 1931 amounted to ¥8,286,911.

Number of Factories The official statistics of factories employing over 5 operatives are as follows :

Year	No. of factories	No. of operatives		Total
		Male	Female	
1927	10,187	46,058	30,320	86,378
1928	10,952	48,872	36,424	85,296
1929	11,018	46,747	32,724	79,471
1930	11,106	43,912	32,793	76,705
1931	11,302	43,508	35,052	78,560

Their Production Production of the various industries in 1931 was as follows :

	No. of factories	No. of operatives	Value of output (Yen)
Textile and Dyeing	1,456	37,121	126,768,280
Comestibles and Beverages	1,442	6,302	33,462,541
Metal	326	1,773	2,440,051
Mechanical	444	6,129	12,219,296
Pottery and Porcelain	208	6,952	18,207,983
Chemical	592	1,934	12,142,207
Wood manufactures	1,841	6,451	11,364,705
Gas and Electric	2	150	3,112,468
Paper manufactures	652	2,131	2,987,259
Bamboo manufactures	109	241	217,327
Toilet articles	72	138	299,730
Hats and Caps	100	326	881,308
Clogs (Japanese)	799	1,917	5,626,824
Stationery	60	266	855,150
Leather goods	417	750	1,515,823
Others	2,788	5,973	10,243,285
Total	11,302	78,560	242,352,242

Business Corporations The number of corporations follows :

	1927	1928	1929	1930	1931
Trade	1,136	1,239	1,287	1,580	1,802
Industrial	395	589	880	1,023	1,184
Mining	2	6	7	6	11
Agricultural	18	15	14	17	15
Transport	80	69	85	112	111
Finance	18	20	16	17	49
Others	175	227	306	354	375
Total	1,924	2,165	2,595	3,109	3,547

The above figures for 1931 as classified according to the amount of paid-up capital and kind of organization are as follows :

Cos. classified by amount of paid-up capital	Joint stock companies		Limited partnerships	
	No.	Cap. ¥ 1,000	No.	Cap. ¥ 1,000
Under ¥ 50,000	10	3,210	57	11,354
.. 100,000	5	3,000	53	16,419
.. 500,000	3	4,300	72	84,738
Over 500,000	—	—	21	183,828

Cos. classified by amount of paid-up capital	Unlimited partnerships		Total	
	No.	Cap. ¥ 1,000	No.	Cap. ¥ 1,000
Under ¥ 50,000	15	4,330	82	18,893
.. 100,000	7	3,920	65	23,339
.. 500,000	2	2,000	77	91,088
Over 500,000	1	10,000	22	193,828

Banks Banking statistics at the end of 1931 :

	No. of banks	Authorized capital	Capital paid-up	Unpaid capital	Reserve fund
Special banks	1	¥ 6,000,000	¥ 4,500,000	¥ 1,500,000	¥ 2,470,000
Ordinary banks	6	62,800,000	45,280,000	17,520,000	25,774,581
Savings banks	3	3,300,000	1,511,000	1,789,000	2,022,189

Social Work and Education

Social Work Social undertakings at

the end of March, 1932, were as follows :

	No. of establishments	Funds existing	Expenses	No. of beneficiaries
Maternity hospitals	3	¥ 59,601	¥ 12,553	5,382
Protection of children	14	177,758	34,380	479
Protection of poor children	8	41,043	10,969	699
Providing houses	11	826,657	95,965	—
Providing shelter	7	319,125	32,956	236,045
Dining halls	2	—	13,153	—
Public pawnshops	4	86,764	127,783	—
Providing work	10	134,850	61,263	933,629
Charity hospitals	3	228,778	176,265	163
Establishments for free medical treatment	8	44,189	60,919	—
Special establishments giving medical treatment	4	921,110	145,411	399
Relief for paupers	3	353,154	81,563	343

Educational Facilities There were in 1931, 98 elementary schools with 120,518 pupils, and 2,473 teachers; 8 middle schools with 6,715 pupils and 258 teachers; 11 girls' high schools with 7,350 pupils and 281 teachers; 44 business schools with

17,161 pupils and 897 teachers. In addition there were 2 normal schools, 3 collegiate schools, and one government medical college.

Among the above mentioned schools those belonging to the municipality were :

	No. of schools	No. of classes	No. of instructors	No. of pupils
Elementary Schools	96	2,495	2,238	126,881
Girls' High Schools	3	54	97	2,611
Commercial Schools	3	57	103	2,563
Technical School	1	20	30	395
Supplementary Night Schools	26	256	370	8,808
Blind and Deaf-Mute School	1	23	29	305
Kindergartens	3	20	23	585

Yokohama

General

History Yokohama, in the Bunroku Era, about 1587, was a hamlet of twelve families and by the time it became an open port, July 1, 1859, it was only a small fishing village of one hundred families or 350 people. The real growth began with the arrival of the foreigners. The commercial treaties Japan entered into with the United States of America, the Netherlands, Russia, Great Britain, and France, stipulated that Kanagawa should be an open port, because it stood on the open harbour nearest Tokyo, then known as Yedo and the seat of the Shogunate Government, but as that village was already very crowded the Tokugawa Shogunate opened up the the village of Yokohama instead.

In the beginning four streets were laid out, but as more and more Western, Chinese and Japanese merchants gathered there the area was quickly extended. The population in 1877 was 30,000, five years later it had grown to 52,000, and five years after that there were more than 94,000 in the town. At the end of September, 1932, the population was 661,500. Yokohama received the

status of a municipality on April 1, 1889. In 1901, the once thriving port of Kanagawa and other adjoining villages and towns were absorbed by the newly risen Yokohama, and in 1911 and 1927, further extensions took place.

Quake and Rehabilitation Yokohama and suburbs suffered severely in the great earthquake and fire which occurred on September 1, 1923. Practically the whole town was reduced to ruins and ashes, but with the untiring efforts of its citizens, together with generous support from outside, the reconstruction of the town was completed, as originally planned, within six years of the disaster. On April 22, 1929, His Majesty the Emperor honoured the city with a visit of inspection, and the following day the municipality celebrated the completion of its programme of reconstruction which, in truth, was the creation of a new city out of a pile of cinders.

On April 1, 1927, two adjoining towns and seven villages, with a population of 115,757, were annexed to the municipality, and on October 1 of the same year the whole city was re-divided into five wards—Tsurumi, Kanagawa, Naka, Hodoga-

ya and Isogo. By that time the construction of the gigantic breakwaters, the reclamation at Namamugi and Koyasu and the extension of the waterworks was completed, and the perpetual land leases were being bought back by the municipality one after another.

Location Yokohama is situated in the south-eastern part of Honshu, the main island of Japan, on the Western shore of the Bay of Tokyo about 22 miles from the entrance to the Bay, in latitude 35° 27' N., longitude 35° 27' E. It is the seat of government of Kanagawa prefecture, of which it is also the largest population centre. It is surrounded by hills on which the better class residential districts are located.

Climate Yokohama's location on the Bay of Tokyo serves to modify the heat of summer, the nights being generally cool and comfortable. In the summer months there is an absence of rainfall. Rain is most abundant in June and September,

Ward	Area (sq. km.)	No. of households	Population
Tsurumi-ku	19.74	18,748	92,000
Kanagawa-ku	44.11	29,444	141,600
Naka-ku	33.47	74,881	345,300
Hodogaya-ku	18.97	9,188	45,600
Isogo-ku	17.58	8,083	37,000
Total	133.87	140,338	661,500

Foreign Residents The number of foreigners residing in Yokohama at the end of December, 1922, was 7,492. This figure was greatly reduced in consequence of the great earthquake and fire of September, 1923, in which all the foreign consulates were reduced to ashes and many of their

the two rainy seasons of the year, at which times the humidity is trying, but never so bad that the climate is unbearable. In winter the sky is clear and the atmosphere crisp and invigorating. In February there is a short season of damp cold during which there are occasional snowfalls. From March spring begins, with bright sunny days and frequent strong winds. During the summer months typhoons are to be expected, but Yokohama harbour is protected from their violence.

The details of weather conditions in 1931 follow:

Highest temperature: 32° C (89.6° F), in September
Lowest temperature: 5°4' C (41.7° F), in January
Number of rainy days: 154
Number of stormy days: 01
Number of cloudy days: 165
Number of perfectly clear days: 47

Area and Population The area and population, as they stood in October, 1932, were as follows:

staffs lost their lives. The number of foreigners at one time decreased to 376, but they gradually returned and by the end of December, 1926, the number had grown to 4,208.

The following table shows the nationalities of foreigners according to sex at the end of December, 1932:

RESIDENTS

	No. of Houses	Men	Women	Total
British	264	314	294	608
American	154	201	162	363
German	94	102	73	175
French	41	50	42	92
Italian	14	11	17	28
Russian Soviet	12	13	20	33

	No. of houses	Men	Women	Total
" White	33	40	44	84
Chinese	704	2,162	596	2,758
Others	143	203	133	336
Total	1,459	3,096	1,381	4,477

TEMPORARY RESIDENTS

	Men	Women	Total
British	37	21	58
American	34	19	53
German	10	1	11
French	1	2	3
Italian	2	1	3
Russian Soviet	—	1	1
" White	—	3	3
Chinese	33	—	33
Others	9	1	10
Total	126	49	175

	Totals		
	1932	1931	1930
Chinese	2,791	2,401	4,376
British	666	605	838
American	416	339	412
German	196	162	134
Russian	115	115	304
French	95	96	26
Swiss	64	50	5
Portuguese	40	33	49
Swedish	14	16	3
Danish	19	18	—
Spanish	12	13	16
Italian	31	28	26
Czechoslovak	10	10	7
Armenian	15	14	—
Turkish	1	10	37
Belgian	3	9	28
Others		omitted	
Total	4,477	3,989	6,386

Parks and Open Spaces Yokohama's

	Dentists	Pharmacists	Midwives	Nurses	Acupuncturists
1929	248	341	599	2,067	106
1930	282	359	646	2,157	88
1931	259	363	677	2,362	106

Social Welfare Work Social undertakings under city management were as follows, at the end of 1931:

	No. of establishments
Nurseries	5
Providing work	10
Providing work for woman	3
Dining-halls	4
Public pawnshops	12

parcs and open spaces are controlled by the City Corporation. They include Yokohama Park (64 hectares), Nogéyama Park (91), Yamashita Park (74), Kamonyama Park (21), Kanagawa Park (13), Yamaté Park (12), Hodogaya Childrens' Garden (125), Motomachi Park (20).

Buildings The number of buildings in Yokohama in 1931 was:

Wooden buildings	111,542
Stucco-covered buildings	629
Brick buildings	201
Old style plaster covered warehouses	365
Stone buildings	99
Concrete buildings	409
Steel frame buildings	243
Total	113,488

Medical Practitioners At the end of 1931, the practitioners in Yokohama totalled 539. They were classified as follows as to status:

University graduates, 135; graduates of medical schools (Gov., public and private), 250; passed examination, 148; from established right (in practice before enforcement of the medical law), 5.

Statistics for the other classes of professionals are as follows:

	No. of establishments
Public halls	4
Dwelling houses	60
Hotels for paupers	2
Charity hospital	1

Education

Schools and Colleges There are 68 elementary schools, of which 65 are maintained by public bodies includ-

ing the municipality. The number of children at these schools in 1931 was 82,074, of which 81,651 were being educated at publicly maintained institutions, while 423 were being educated at private institutions. The municipality during the same year expended ¥1,870,799 for the maintenance of elementary schools. The number of children of school age was 84,872, and only 922 of these children did not attend school, that is, 98.91 per cent. of the children of school age were attending school as required by the compulsory education law.

There were 20 kindergartens in Yokohama in 1931, of which two were maintained by the municipality. The number of children attending kindergartens was 961.

The number of middle grade, higher, and special schools and their pupils follows:

Middle Schools:		Pupils
Prefectural	3	2,321
Private	3	1,354
Total	6	3,675
Girls' High Schools		
Prefectural	1	931
Municipal	1	338
Private	5	2,727

		Books	Visitors	Expenditure
Public	1	29,641	256,494	¥27,622
Private	1	16,185	6,720	1,535
Total	2	45,826	263,214	29,227

The Y. Y. M. A. In 1931, the Yokohama Young Men's Association Union was composed of 190 bodies with an aggregate membership of 12,160; the Young Women's Associations numbered 52 with 6,667 members. There were 22 troops of Boy Scouts with 481 members.

Foreign Trade

Growth During the earliest years of its foreign trade, Yokohama exported copper-ware, lacquer-ware,

		Pupils
Total	7	3,096
Middle-grade Technical Schools:		
Prefectural	2	1,345
Municipal	1	662
Private	5	1,237
Total	8	3,244
Supplementary Business Schools:		
Prefectural	1	204
Municipal	23	4,276
Private	2	124
Total	26	4,604
Blind and Dumb Schools:		
Private	2	74
Colleges:		Students
Governmental	2	992
Municipal	1	276
Private	2	937
Total	5	2,205
Prefectural Normal School	1	249
Training Institute for Teachers	1	40

Young Men's Training Institutes The number of these institutes follows:

		Pupils
Municipal	30	3,660
Private	1	57

Note: for the maintenance of these institutes the municipality expended ¥49,707, whereas the subsidy from the Central Government was ¥4,626.

Libraries The library statistics follow:

silk, tea, etc., and imported woolen goods, shirtings, glassware, etc. and the exports amounted to about ¥578,000 and the imports to about ¥543,000. These figures, however, rapidly increased especially following the Restoration of Government by the Throne in place of the Shogunate Government. The following table shows how rapidly the foreign trade of Yokohama has come to assume its present proportions.

	Exports	Imports	Total
1868	¥ 3,307,000	¥ 7,684,000	¥ 10,991,000
1877	15,916,000	21,026,000	36,942,000
1887	33,775,000	27,175,000	60,950,000
1897	90,701,000	86,837,000	177,538,000
1907	205,888,000	172,485,000	378,373,000
1917	667,065,000	287,267,000	954,332,000
1927	749,006,000	574,820,000	1,323,826,000
1930	449,838,000	392,838,000	842,676,000
1931	370,662,000	305,637,000	676,299,000
1932	400,659,000	355,358,000	756,017,000

In 1932, the foreign trade of Yokohama was 27% of the foreign trade of the whole nation.

A usual characteristic of Yokohama's foreign trade is that exports exceed imports, the excess being, in ¥1,000:

1932	1931	1930	1929	1928
45,801	65,025	57,000	199,397	123,953

Principal Exports and Imports The quantity and value of principal exports and imports follow:

QUANTITY AND VALUE OF PRINCIPAL EXPORTS

(unit ¥1,000)

Articles	Unit	1932		1931		1930	
		Quantity	Value	Quantity	Value	Quantity	Value
Wheat flour	picul	2,032,864	11,011	1,599,999	6,557	1,696,994	12,205
Refined sugar	"	317,107	1,875	544,210	3,455	963,593	8,254
Canned crab	kin	14,317,924	10,457	16,152,196	11,772	15,985,417	12,872
Fish and whale oil	picul	252,700	1,240	98,426	774	166,978	1,956
Peppermint crystals	"	9,756	71	203	143	217	209
Waste silk	"	3,865	451	6,311	1,434	22,697	4,046
Peignoirs	"	1,410	420	1,314	343	2,567	745
Raw silk	"	369,094	262,252	396,480	250,694	330,704	290,794
Cotton yarn	"	20,976	2,516	13,411	1,231	7,005	702
Habutaé	kin	305,575	2,850	1,169,957	4,593	1,033,502	8,497
Pongee	sq. yd.	12,786,880	3,711	13,531,460	3,756	9,678,904	3,496
Fuji silk	"	8,016,711	4,139	5,090,018	2,736	8,562,889	5,340
Silk crêpe	"	8,322,987	6,784	9,590,645	7,335	9,331,176	9,455
Other silk goods	"	—	962	—	4,571	—	4,119
Cotton textiles	"	32,908,830	3,553	29,743,785	3,373	32,595,599	5,211
Silk handkerchiefs	doz.	554,492	878	721,885	1,183	529,655	1,507
Insulated electric wire	picul	19,712	839	29,119	1,010	42,582	1,627
Lily bulbs	mille	22,374	1,701	21,391	1,743	22,949	2,515
Lumber	"	—	754	—	660	—	915
Hemp braid	"	1,533	512	659	294	983	744
Electric lamps	gross	1,470,004	8,026	830,212	4,338	528,340	3,892
Toys	"	—	9,360	—	6,013	—	6,567

QUANTITY AND VALUE OF PRINCIPAL IMPORTS

(unit ¥1,000)

Articles	Unit	1932		1931		1930	
		Quantity	Value	Quantity	Value	Quantity	Value
Rice and paddy	picul	470,324	2,549	438,371	1,682	625,378	4,519
Wheat	"	6,534,445	26,809	6,187,278	17,104	5,065,624	25,752

Articles	Unit	1932		1931		1930	
		Quantity	Value	Quantity	Value	Quantity	Value
Soy bean	picul	2,718,673	11,500	3,071,975	9,595	2,633,903	12,348
Sugar	"	265,821	1,352	981,705	5,132	1,069,347	7,508
Crude oil and heavy oil	100 gal.	2,351,864	21,568	1,688,637	14,752	1,267,324	12,912
Mineral oil (under sq. gr. 0.8762)		602,004	15,176	588,502	16,089	513,266	15,342
Crude rubber	picul	206,133	3,267	141,153	2,412	101,434	3,203
Sulphate of ammonia	"	727,373	2,462	1,197,198	5,047	1,466,443	8,478
Cotton	"	894,509	31,601	733,852	21,895	594,644	25,486
Hemp, jute, etc.	"	279,026	5,141	241,943	3,055	218,797	3,321
Wool	"	366,241	19,584	321,596	13,959	220,826	14,372
Woollen cloth	sq. yd.	2,339,634	4,632	2,332,358	4,055	2,172,923	4,278
Pulp	picul	371,328	2,555	452,168	2,618	381,576	3,042
Printing paper	"	432,540	4,049	459,943	3,333	258,235	2,781
Coal	ton	727,876	7,324	744,008	7,448	571,175	7,335
Iron and steel	picul	5,844,453	23,554	4,134,578	15,055	5,639,784	29,648
Lead	"	339,782	3,869	354,314	3,689	364,333	4,517
Automobiles and parts	"	—	9,227	—	10,389	—	12,771
Lumber	"	—	10,907	—	13,045	—	16,416
Bran	"	494,402	1,342	1,041,539	1,922	785,911	2,420
Oil cake	"	3,281,161	8,589	5,195,756	11,126	3,917,566	14,929

According to Continents The total value of exports and imports from continents are as follows:

	(unit ¥ 1,000)					
	1932		1931		1930	
	Exports	Imports	Exports	Imports	Exports	Imports
Asia	60,708	84,149	45,820	83,057	65,659	802,982
Europe	40,407	86,170	34,996	66,998	43,849	101,364
North America	277,250	125,232	272,842	114,861	318,348	151,769
Central America	1,505	549	909	122	1,154	126
South America	3,694	1,660	3,173	2,425	4,587	1,715
Africa	4,847	9,424	5,048	6,728	5,650	8,229
Oceania	11,803	44,766	7,545	28,279	9,185	25,014
Total	400,659	355,358	370,334	302,462	448,431	391,407

Customs Duties The amount of customs duties, tonnage dues, etc. collected at Yokohama are as follows:

	(Unit ¥ 1,000)				
	1932	1931	1930	1929	1928
Customs duties	47,197	46,178	46,867	62,172	65,543
Tonnage dues	505	544	556	531	406
Consumption taxes	848	807	964	1,132	2,223
Miscellaneous dues	687	701	783	841	809
Total	49,237	48,230	49,170	64,674	68,980

Vessel Statistics The summary of foreign trade vessels calling at Yokohama during 1932 follows:

	Arrivals		Departures	
	No. of ships	Tonnage	No. of ships	Tonnage
Japanese	1,598	5,521,143	1,526	5,339,164
Foreign	824	4,565,959	827	4,559,284

The Municipality

The City Corporation consists of the Mayor, 2 deputy-mayors, aldermen, treasurer, chief secretary, and other officers. It has jurisdiction over the markets, justice, schools, open spaces, libraries, bridges, etc. The port of Yokohama is administered by the port of Yokohama authorities.

The strength of the City Police was 1,312 in the year 1931.

The city assembly of Yokohama is composed of a chairman, a vice-chairman, 6 aldermen, 48 elected councillors, making a total of 56 members. It performs its work by delegating various powers to committees, e.g., finance, improvements,

general purposes, drainage, bridges, tramways, education, etc. It has paid officers, such as a clerk of the council, chief engineer, director of education, medical officer of health and others, with a large clerical and general staff housed in the City Office.

The Finance

Revenue and Expenditure The revenue and expenditure each of the City of Yokohama, 1929-1932, amounted to:

1929-1930 (estimate)	¥16,671,428
1930-1931	15,182,861
1931-1932	11,694,593

The special finance accounts follow:

	Water works		Gas works		Electric works	
	Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure
1929-1930	¥6,015,025	¥3,978,558	¥2,534,829	¥2,287,031	¥5,030,787	¥ —
1930-1931	6,588,472	3,768,359	1,794,076	1,660,919	4,971,703	5,792,926
1931-1932	3,401,282	3,401,282	1,511,321	1,511,231	4,518,373	5,030,789

Municipal Property At the end of 1926, the value of all property owned by Yokohama City was as follows:

Property under direct jurisdiction of the City Office:	
Including land and buildings, cash, securities, etc.	¥ 36,233,054
Water Department:	
Including land and buildings, forests, equipment, etc.	11,165,787
Gas Department:	
Including land and buildings, machinery, equipment rented, cash, securities, etc.	3,693,901
Electric Department:	
Including cash, securities, equipment, advances, etc.	22,361,897
Juzen Hospital:	
Including land and buildings	858,197
Total	74,312,836

Bonded Indebtedness At the end of March, 1931, the total bonded indebtedness of Yokohama City amounted to ¥139,907,000.

Land Subject to Taxation Land in Japan is subject to taxation according to different classifications based on the more or less agelong uses to which the land has been put. It is because of this fact that such items as "rice-fields" appear in the

land subject to municipal taxes.

Rice-fields	816.80 acres
Upland-fields	1,588.75
Residential tracts	2,671.23
Forests	1,417.59
Uncultivated land	37.70
Salt fields	4.53
Miscellaneous	72.00
Total	6,608.60

Taxes At the end of 1932 the total amount of Municipal and Prefectur-

al Taxes paid in Yokohama was ¥7,419,040, the average amount being ¥52,865 per house or ¥11,578 per capita.

Harbour Works

Yokohama harbour is one of the finest in the Far East. During the earthquake and fire of 1923 the harbour and port equipment suffered enormous damage, but not only has reconstruction been completed but advantage has been taken of the opportunity to rebuild and furnish with all the latest equipment. A large outer breakwater is now being built and other vast extensions are being carried out.

The harbour equipment is described below:

Breakwaters:	
East Breakwater	5,382 feet
North Breakwater	6,702
Minor Breakwater	756
Part of Breakwater which sank in 1923 now rebuilt	3,000
Another part: ditto	1,800
Total length of all Breakwaters	17,640
Mooring Buoys:	
For ships of 15,000 tons	2
" " " 10,000 "	9
" " " 6,000 "	7
" " " 3,000 "	8
Total Mooring Buoys	26

Quays Number	Length	Depth of water alongside
No. 1	318 feet	20 feet
" 2	366	24
" 3	456	28
" 4	685	34
" 5	522	28
" 6	522	28
" 7	522	28
" 8	522	28
" 9	594	30
" 10	345	26
" 11	352	26
" 12	305	24

Piers:

- (1) Mooring Section Width 138 feet: Length 1,212 feet: Depth 36 feet.
 (2) Connecting Section Width 60 feet: Length 180 feet.

Harbour Construction Work The first construction work extending over seven years, started in September, 1889. The total cost was ¥2,340,000. The first extension work was taken in hand in 1899 at the cost of ¥2,300,000. The second extension work, started in 1906 at an estimated cost of ¥8,170,000, was completed in 1917. The third series of harbour construction work, to extend over ten years, was started in 1921 at the cost of ¥13,450,000, but was temporarily suspended through the great earthquake of 1923. The repair of the work damaged in the disaster was in greater part finished in February, 1925. In June, 1928, the municipality raised a loan of ¥16,477,000 to carry out reclamation work on 641,438 (subo) of land on the water fronts at Tsurumi and Koyasu for the establishment of an industrial zone on a grand scale.

Waterworks

The construction of the waterworks was first started in 1871, later enlargements took place and the whole system was municipalized in 1890. At the end of 1925, after the system was restored to its pre-1923 condition, 75,040 houses were supplied with water, the total consumption in the year was 1,689,475,280 gallons, the average daily consumption being 4,628,700 gallons. In July, 1926, in order to prevent waste the system was put on a metre basis, and the city bought out the private water supply companies which had been supplying the vessels in harbour. In order to be able to prepare for the increased demand of ten or twenty years hence the city started work in 1929 or a plan to supply a population of 1,000,000. The total cost of the work is estimated at ¥7,220,000, and is to be completed within five years from 1929. The estimate account for

1931-32 was ¥3,401,282 both for revenue and expenditure.

Tramways and Gas

Electric Tramways Tramways were first installed in July, 1904, by a private company and later were purchased by the municipality. There are now over 42 kilometres of lines. There are four private tramway companies attending to the suburban services, viz., the Kei-hin Electric Tramway, the Tokyo-Yokohama Electric Ry., the Shonan Electric Tramway, and the Jinchu Electric Ry. The number of passengers of these tramways for 1931-32 was as follows:

	No. of passengers
Municipal	4,003,035
Keihin Electric	5,910,933
Tokyo-Yokohama Electric	3,411,940
Shonan Electric	—
Jinchu Electric	274,656

Another line of great importance for the commerce of the city is that between Higashi-Kanagawa Station on the Imperial Government Railways, and the City of Hachioji in Tokyo prefecture. Hachioji is an important silk and weaving centre, and from this point the Central Line of the Imperial Government Railways runs direct to the Shinano silk district, from which 45 per cent. of Japan's raw silk comes, 55 per cent. of which is exported.

Gas Supply The gas supply is owned by the municipality. The maximum capacity of the plant a day is 2,000,000 cubic feet. About 510 km. of pipe served the city at the end of 1928, but since then the length has been greatly extended.

Kind	No. of factories	No. of workers	Total value of all goods produced
Dyeing	346	5,008	¥ 8,279,583
Mechanical	602	9,582	57,987,551
Chemical	186	2,802	25,426,009
Food and drink	1,820	5,040	50,399,018
Miscellaneous	1,518	6,585	14,948,463
Special	17	1,056	13,846,246
Total	4,482	80,978	170,880,870

About 190,000 households have connections. The estimate accounts for 1931-32 put revenue and expenditure at ¥1,511,321.

Industry

Business Corporations There are many excellent sites for factories and opportunities for every kind of industry located within the boundaries of Yokohama City. These sites are all easily accessible by rail, the entire district being covered with spur tracks, so that loadings may take place at the factory door. The sites are mostly on the reclaimed land at Tsurumi and Koyasu, though other sites are available.

The most important companies which have erected mills on this reclaimed land are:

- Nisshin Flour Mill Co.
- Tokyo Electric Power Co., Tsurumi Steam Station.
- Tokyo Electric Light Co., Tsurumi Steam Station.
- Ishikawajima Shipbuilding Co.
- Rising Sun Petroleum Co., Ltd.
- Mitsui Bussan Kaisha, Lumber Department.
- Nippon Oil Co.
- Socony Vacuum Corporation, of New York.
- Asano Shipbuilding Co.
- Shibaura Engineering Works, (Electric Machinery Makers).
- Asahi Glass Co.
- Tsurumi Woodworking Co.
- Nagai Oil Co.
- Nippon Steel Tube Corp'n.
- Asano Cement Co.
- South Manchurian Mining Co.'s Smelting Works.
- Fuji Electric Co., (Makers of Electric Machinery).
- Truscon Steel Co. of Japan.
- Nippon Electric Power Co.

Factories and Production The statistics of factories and production for 1931 follows:

Commerce

Chamber of Commerce and Industry
The Yokohama Chamber of Commerce and Industry is actively engaged in extending the trade and industry of the city. The following is the data for the last five years:

Year	Members	Annual expenses
1928	50	¥64,031
1929	50	69,929
1930	50	69,929
1931	50	61,865
1932	50	59,911

Foreign Trade Ass'n With the purpose of facilitating foreign trade there is the Yokohama Foreign Trade Association which works in co-operation with exporters, importers, exchange banks, steamship companies, warehouse companies, forwarding agents, etc. Commercial organizations exclusively composed of foreign members are the Foreign Board of Trade, the American Association of Yokohama, the British Association of Yokohama, and the French Chamber of Commerce.

	Joint stock companies		Limited partnerships		Unlimited partnerships	
	No.	Capital	No.	Capital	No.	Capital
Commercial	116	¥ 85,352,600	377	¥ 6,457,014	79	¥ 7,527,230
Industrial	82	109,901,600	202	2,928,188	38	1,809,700
Insurance	1	12,500,000	—	—	—	—
Financial	48	134,245,000	40	1,568,300	30	7,198,900
Warehouse	9	10,300,000	1	500,000	—	—
Transportation	46	25,861,000	46	1,073,600	2	12,000
Agricultural	3	2,500,000	3	8,000	1	5,000
Others	1	50,000	1	3,000	—	—
Total	306	381,010,200	670	12,533,102	150	16,532,830

Kobé

General

Geographical Position and Area The city of Kobé lies on the south-west coast of Hyogo prefecture in the Kansai District of Honshu, situated at 133° 5'–15' E. Lat. and 33° 38'–

Banks At the end of 1931 there were 28 banks with their head offices in Yokohama and 63 branches out of the city. The authorized capital of these banks totalled ¥110,580,000, of which ¥107,777,500 was paid-up. Deposits amounted to ¥121,035,000. Besides these local banks, there are 55 banks which maintain branches in Yokohama, making the total number of banking institutions in Yokohama, at the end of 1931, one hundred and forty-six.

Clearing House The volume of clearing business in the last five years is as shown below:

Year	Amount cleared (In ¥ 1,000)
1928	1,718,878
1929	1,786,106
1930	1,267,053
1931	1,002,294
1932	1,059,703

Markets There is one Central Wholesale Market and six retail markets.

Companies The number of companies in Yokohama at the end of 1931 were as follows:

rest by farms and the city proper. The form of the city is like a long band, and is divided into eight wards known as Nada, Fukiai, Kobé, Kosei, Koto, Minato, Hayashida, and Suma.

Climate The city of Kobé has an exhilarating climate at all seasons of the year on account of the advantage of its geographical position. It is backed by the Rokko mountain-chain and faces the Chinu Sea in Osaka Bay. The average temperature is 15° C (59° F). During summer the temperature sometimes runs up to 37° 6' C (99.6° F), but the average temperature of August and September is 26° 2' C (79.2° F). In winter the thermometer sometimes ranges about 5° 8' C below zero (21.5° F), but snow is rarely seen. The highest temperature in 1931 was registered as 34° 8' C (94.7° F), and the lowest temperature 5° 9' below zero (21.5° F) in the same year.

Population The following is the results of the national census for the year 1930:

Families	178,325
Population	787,616
Males	406,348
Females	381,268

As compared with the results of the general census taken in 1925, the population has increased 143,404 (18.2%), and the families 26,820 (14.4%) during the interval of five years. The increase was mostly made up by the annexation of three adjacent villages on the eastern part of the city. The average members per family were 4.42, and the percentage of sexes were 100 females to 106.6 males. The estimated families and population for 1932 were as follows:

Families	185,777
Population	820,200
Males	422,000
Females	398,200

Foreign Residents According to the Bureau of Statistics of the Cabinet issued at the end of 1931, the total number of foreign residents in Hyogo prefecture amounted to 28,317, which surpassed those of any other prefectures. Among the foreigners, Chinese totalled 19,135, being 67.6% of the total number. The other figures were: British, 2,076; Americans, 2,030; Russians, 1,566; Germans, 1,088. The city of Kobé was reported in the same year to contain 6,479 foreign residents, 22.9 per cent. of all foreigners in the country.

Houses With the exception of public and municipal buildings and the houses of foreign residents, the total number of houses in the city was registered as 86,615 at the end of 1927, among which one-storied houses numbered 44,473, two-storied ones 41,185, and three-storied ones 957. There were 84,507 buildings of wood, 98 per cent. of the total number; of brick 1,651; of concrete 402; and of stone 11.

Schools The number of elementary schools was 64 in 1932, including 63 municipal schools and one private school, with 2,033 teachers and 93,794 pupils. Middle schools numbered 5, of which 3 were prefectural schools and 2 were private schools, with 182 teachers and 4,488 boys. The number of Girls' High Schools was 11, and pupils 7,596. The number of technical schools was 26, of which 8 were commercial, 3 were polytechnic, 4 were trade and 11 were vocational. The total number of teachers was 568 and students 14,036. In Kobé there is a Government University of Commerce and a Higher Polytechnic School, besides private Girls' High Schools.

Shrines, Temples and Churches In Kobé there are 100 Shinto shrines, 149 Buddhist temples, 384 Tenrikyo and Shinto churches, 256 Buddhist

balls, and 47 Christian churches. Shinto shrines and Buddhist temples are classified as follows:

Shinto shrines: Governmental, 3; Prefectural, 2; Village, 4; Minor village, 60; Ungraded, 30.

Buddhist temples: Shin, 42; Jodo, 31; Rinzai, 27; Shingon, Nichiren and Soto, 49.

Social Welfare Work Municipal establishments for social welfare work are as follows:

Markets, 12; Cheap eating-houses, 6; Employment Agencies, 6; Public nurseries, 2; Peoples' hotels, 2; Boys' consultation offices, 1; Municipal dwelling-houses, 3; Municipal pawnshops, 1; Relief societies, 1; Peoples' hospitals, 3; Sanatoriums, 1. In 1931, the sales account of markets amounted to ¥2,170,416, an increase of ¥7,124 as compared with the previous year.

Water Works The water works were at first designed in 1909 to supply 3 cu. ft. per capita a day to 250,000 inhabitants, but the plan was later altered to provide for 100,000 families, 25 cu. ft. a day. The work lasted until 1923 and cost ¥12,858,720, of which State grants amounted to ¥3,403,000. In 1926, the municipality increased its water supply by laying pipes in the eastern suburbs to draw water from the Chikari pond behind Mt. Rokko. In 1930, the city supplied 37,790,877 cubic metres to 135,267 households.

Police Stations The total number of police stations in the city at the end of 1931 was 9. Police boxes numbered 179. The police officers were:

Superintendents, 10; Inspectors, 41; Sub-inspectors, 15; Policemen, 1,709. The damage on account of robbery and other crimes amounted to ¥1,513,700 for the year 1931, an increase of ¥582,490 as compared with the total of a year earlier.

Fires and Fire Brigades In 1931

the staffs of the fire brigades numbered 947, classified as follows: heads of fire brigade stations, 2; head-firemen, 4; firemen, 153; other members, 788. There were 21 watch-towers and 13 branch offices containing 3 steam fire-engines and 15 motor-pumps, etc. The number of fires in 1931 was 196. In the suburban districts there were 5 fires. Ship fires numbered 3. The total of all damage was ¥912,365.

Hotels At the end of 1931, the total number of hotels was 205; lodging-houses, 219; doss-houses, 11. The lodgers at these houses amounted to 204,327, of whom 7,262 persons were foreigners.

Hospitals At the end of 1931, the public and private hospitals in the city totalled 74. The patients included 581,200 in-patients and 1,550,861 out-patients. There were 1,063 persons on the staffs of the hospitals. Licensed dispensaries numbered 506, their patients being 448,710. There were 305 dental hospitals, with 101,337 patients. At the end of the same year medical practitioners numbered 754, dentists 287, and pharmacists 463.

Finance

The annual finance of Kobé City is shown as follows (incl. special accounts):

Fiscal year	Revenue	Expenditure
1929-30 (estimate)	42,496,124	42,496,124
1930-31	46,465,686	46,465,686
1931-32	42,727,763	42,727,763

The municipal liabilities outstanding at the end of March, 1932 totalled ¥120,535,176.

At the end of 1930, the amount raised by direct national taxation was ¥12,687,212 and by municipal taxation ¥8,152,527. The former showing an increase of ¥557,004 and the latter a decrease of ¥850,718.

Foreign Trade

The grand total of exports and

imports in 1931 was ¥866,751,000, showing an excess of ¥48,729,000 of imports over exports.

EXPORTS AND IMPORTS OF COMMODITIES (In ¥1,000)

	Exports	Imports	Grand Total			
1926	680,682	1,052,418	1,733,100			
1927	705,730	966,192	1,671,922			
1928	631,411	878,735	1,510,146			
1929	701,893	882,331	1,584,206			
1930	523,172	563,649	1,086,821			
1931	409,011	457,740	866,751			
	1931	1930	1929	1928	1927	1926
Excess of imports over exports	48,729	40,476	180,420	247,324	260,462	371,736

Important Items of Trade Movement of important items of trade (in ¥1,000) follows:

	1931	1930
Exports:		
Food: (a) Raw	12,885	19,664
(b) Finished	14,476	19,518
Total	27,331	39,182
Raw Materials	14,375	19,436
Finished Raw Materials	124,189	154,273
Finished Goods	222,263	280,548
Miscellaneous	4,298	6,810
Re-exports	16,605	22,924
Total	409,011	523,172
Imports:		
Food: (A) Raw	30,714	34,435
(B) Finished	10,193	14,678
Total	40,906	49,113
Raw Materials	280,458	346,184
Finished Raw Materials	77,164	83,402
Finished Goods	87,455	82,867
Miscellaneous	1,240	1,598
Re-imports	516	484
Total	457,740	563,649

Trade by Continents Classified according to continents the volumes

EXPORTS (in ¥1,000)

	1931	1930	1929
Isinglass	3,212	3,479	4,318
Sugar	5,054	8,495	7,881
Rags	4,136	3,774	8,448
Silk	104,709	125,853	207,561
Habutaé	13,169	9,538	13,744
Silk Crêpe	12,311	13,632	18,183
Satin (Shusu)	4,885	3,470	4,092
Pongee	3,306	2,783	5,224
Fuji Silk	6,607	13,725	22,147
Striped Cotton Fabric	15,827	2,083	3,415

of principal exports and imports for 1930 and 1931 were as follows:

EXPORTS (in ¥1,000)

	1931	1930
Asia	158,321	219,615
Europe	38,190	48,339
North America	147,621	173,979
South America	6,097	10,948
Africa	40,881	43,241
Others	17,902	27,051
Total	409,011	523,172

IMPORTS (in ¥1,000)

	1931	1930
Asia	165,488	217,442
Europe	103,510	126,425
North America	143,084	182,640
South America	1,986	2,808
Africa	3,419	6,600
Others	40,303	27,733
Total	457,740	563,649

Summary of Principal Trade A summary of principal imports and exports is as follows:

	1931	1930	1929
Figured Cotton Fabric	9,473	27,749	34,637
Calico	16,309	28,742	32,505
Bleached Calico	5,177	4,462	2,710
Scarlet and Coloured Calico	3,177	4,322	4,212
Printed Cotton	3,243	2,275	2,113
Underwear	10,653	14,212	18,985
Socks and stockings	3,164	4,497	4,086
Caps and hats	9,462	8,228	15,973
Elastic shoes and boots	3,115	4,815	6,101
Rubber-bottomed shoes and boots	8,543	5,023	1,063
Printing papers	3,269	4,904	5,677
Rubber tyres	3,235	4,907	6,035
Buttons	3,263	3,933	4,918

IMPORTS (in ¥1,000)

	1931	1930	1929
Wheat	6,342	6,300	11,253
Soy beans	4,630	5,471	8,521
Leaf-tobacco	5,297	3,443	6,000
Beef (raw)	4,820	3,757	2,957
Sugar	4,800	7,362	6,946
Oil	3,151	1,998	2,356
Ammonia	8,018	10,614	19,159
Rubber	8,748	12,486	23,518
Cotton	187,294	239,025	391,821
Hemp	6,917	8,955	16,011
Wool	33,899	24,015	31,832
Bean-refuse	5,928	8,777	10,547
Aniline Colouring Matter	5,619	4,556	6,440
Woollen yarn	11,287	12,986	16,685
Pulp	8,192	8,570	9,147
Petrol and other oil	6,888	7,596	8,531
Spinning machinery	3,041	6,037	12,821
Woolen cloth	4,357	4,712	8,572

Vessels from Foreign Countries The ships which entered the port of figures relating to the number of Kobé are as follows:

	1931		1930		1929	
	No. of ships	Tons	No. of ships	Tons	No. of ships	Tons
Japanese	3,029	9,275,658	3,240	9,650,233	3,065	8,640,949
British	459	2,484,688	495	2,522,151	590	2,815,704
Hongkong	51	151,513	61	174,708	—	—
French	64	449,802	61	421,015	61	419,745
American	223	1,442,270	239	1,507,658	236	1,462,185
Norwegian	63	196,730	48	223,488	82	227,465
Danish	21	93,704	18	83,782	60	266,295
Dutch	29	109,554	28	105,939	24	95,734
Swedish	17	64,156	18	63,325	18	64,218
Russian	2	5,473	1	2,963	34	48,304
Dutch Indian	36	138,486	47	171,834	—	—
Asiatic Russian	20	30,532	14	19,836	—	—
Canadian	23	203,181	25	214,892	—	—
German	85	374,660	126	546,612	123	511,676
Belgian	1	3,134	12	40,937	2	7,469
Italian	17	74,142	22	93,765	24	120,348
Chinese	4	7,392	12	18,649	3	3,381
Others	6	21,868	4	16,090	1	3,437
Total	4,150	15,126,953	4,507	15,877,877	4,328	14,087,901

Factories and their Workers

At the end of 1931 there were 862 factories employing over 5 workmen; the total number of the staff was 5,044, that of workers was

48,428, and the total production was valued at ¥233,666,893. The following shows the number of factories and their operatives classified by locality.

Ward	No. of factories	No. of staff		Total	No. of labourers		Total
		Officials	Technical experts		Male	Female	
Nada	96	129	65	194	2,328	1,171	3,499
Fukiai	154	689	520	1,209	10,150	1,370	11,520
Kobé	77	108	36	144	840	115	955
Kosel	50	221	223	544	3,822	137	3,959
Koto	3	—	1	1	5	20	25
Minato	170	726	873	1,599	9,290	1,126	10,416
Hayaahida	291	741	535	1,279	9,998	7,185	17,183
Suma	21	49	25	74	354	517	871

NUMBER OF WORKS IN DIFFERENT INDUSTRIES

(End of 1931)

	No. of factories	No. of workers
Textile	26	4,492
Metal	70	6,109
Machine and tool works	123	15,678
Ceramic	3	118
Chemical works	183	12,753
Woodwork	45	440
Printing and book-binding	110	2,290
Food and drink factories	132	2,892
Gas and electric	3	485
Miscellaneous	167	3,171
Total	862	48,428

Business Firms and Banks

Business Firms The number of business corporations including their branches as classified by the nature of the enterprises are returned by the Department of Commerce and Industry as follows, at the end of 1930.

	1930	1929	1928
Trade	1,124	982	642
Industries	558	473	791

	1930	1929	1928
Transportation	253	222	249
Insurance and others	369	323	378

Banks At the end of 1931, the total number of banks including their branches was 80, among which 8 were savings banks. The deposits of ordinary banks were ¥678,734,000, while advances and loans totalled ¥474,986,000.

Electric Tramways

The tramways within the city limits are operated by the municipality, the total open mileage being 30.216 km. Attending to the suburban service, there are private companies, the Ujigawa Electric Tramway (Hyogo-Himeji), Han-Shin Electric Ry., (Kobé-Osaka), Han-Shin Express Electric Ry., (Kobé-Osaka), and the Shin-Yu Electric Railway (Kobé-Arima). A new electric tramway was laid along the national road between Osaka and Kobé in 1927, forming a parallel line to the State railway. The results of the working of these tramways for 1930-31 are as follows:

	Length of line Km.	No. of passengers	Passenger receipts Yen
Municipal	30.216	94,161,025	5,362,698
Han-Shin Electric Line	31.300	52,364,000	5,845,571
Han-Shin Express Line	30.300	19,362,000	3,646,641
Ujigawa Electric Line	25.900	9,516,000	673,260

Harbour Works

The first term work, started in 1907 was completed in 1922, at a total cost of ¥15,090,000, of which ¥3,660,000 was borne by the municipality. The harbour now has four quays (1.59 km. long) with berths for 19 boats of 3 to 20 thousand tons (about 400,000 tons). The second-term work was commenced in 1919, at an estimated cost of ¥39,650,000, as a 15 year programme to reclaim a water-front of about 91,600 tsubo. The work is now nearing completion.

With regard to measures to be taken for the future development and prosperity of the port of Kobé, the following are the most urgent:

(a) Further improvement of the present accommodation and equip-

ment for handling and storing goods.

(b) The expediting of the harbour improvements and land reclamation work now in progress.

(c) A reasonable reduction in the dues and charges of the port (pier dues, loading and unloading charges, landing charges, lighterage, tug-boat charges, shed coolie charges, cartage, etc.).

(d) Reduction in labour charges by the use of modern machinery.

Besides the above, there are many other things to be considered among which the most important and urgent problems are:

(1) The construction of manufacturing districts along the seashore.

(2) The construction of a new road between Kobé and Osaka, for the rapid transportation of goods.

CHAPTER XLI

CHOSEN (KOREA)

General Description

Chosen, a peninsula extending southward from the north-eastern side of the Continent of Asia, is washed on its eastern and western coasts by the Sea of Japan and the Yellow Sea respectively, and borders Manchoukuo and the Maritime Province of Siberia on the north, from which it is separated by the two rivers, the Yalu or Oryokko and the Tumen. Between the upper waters of these two rivers there is a mountain range which separates and turns them in opposite directions, the former flowing through Antung into the Yellow Sea. On the south the peninsula faces the Island of Kyushu and the western coast of Honshu, across the Korean Straits, with the islands of Tsushima and Iki about midway. It lies between the parallels of 33° 06' and 43° north and 124° 11' and 130° 56' east, having a total area of 220,740.72 square kilometres which is about one-third of the area of the whole Empire.

Surrounded thus by sea on three sides, Chosen has a long coast line extending in all to 8,674 kilometres. It has many good harbours on the south and west coasts, such as Fusan, Reisui, Mokpo, Jinsen and Chinnampo. The tides rise far higher on the west coast than on the east, the

difference between the highest and the lowest tide-mark on the former reaching over ten metres, while on the east coast near Gensan it is less than half a metre. The country is as a whole mountainous, the eastern side steep and rocky, but sloping down more gently on the western side toward fertile plains traversed by large rivers such as the Daido, Kan, Kin and Rakuto. The northern half of the peninsula is comparatively level and fit for agricultural work, whilst the southern half is rich in timber and minerals indicating good possibilities for future industrial development. The climate in Chosen is continental running to extremities of both heat and cold, the spring and autumn seasons being very short though highly delightful. One needs hardly add that the climate is decidedly rigorous in the north and milder in the south. Moreover, the eastern coast has on the whole a milder climate than the western, the average temperature being some 2° C. higher, except in the middle of summer.

Population

It is difficult to obtain accurate figures concerning the population of Chosen, but the following are the most recent and may be taken as trustworthy.

POPULATION OF CHOSEN (Dec. 31, 1930)

Province	Korean	Japanese	Foreign (incl. Chinese)	Total	Density Per sq. km.
Keiki	1,902,861	126,410	12,137	2,041,408	159.3
North Chusei	866,628	7,847	1,233	875,708	118.1
South Chusei	1,327,342	22,127	2,713	1,352,082	166.8
North Zenra	1,420,349	32,561	3,036	1,455,946	170.7
South Zenra	2,197,420	39,952	2,184	2,239,556	161.3

Province	Korean	Japanese	Foreign (incl. Chinese)	Total	Density Per sq. km.
North Keisho	2,280,965	50,155	2,457	2,333,577	122.9
South Keisho	1,975,238	82,787	1,680	2,059,705	167.4
Kokai	1,460,799	17,247	4,556	1,481,602	89.2
South Heian	1,260,833	31,542	5,805	1,298,180	87.6
North Heian	1,460,589	19,322	16,888	1,496,799	52.6
Kogen	1,398,956	10,528	1,681	1,411,165	55.7
South Kankyu	1,441,896	34,720	8,292	1,484,916	46.4
North Kankyu	682,800	26,669	6,447	715,916	35.2
Total	19,685,578	501,867	69,109	20,256,554	91.8
1925	18,543,326	424,740	47,460	19,015,526	88.1
1920	16,916,078	347,850	25,031	17,288,959	78.8
1910	13,128,780	171,543	12,694	13,313,017	60.8

Keijo (Seoul) the old capital of Korea and now the seat of the Government-General, had in 1930 a population of 394,240, of which the Japanese numbered 97,758 and the

Chinese 5,987.

The following is the classification of the population of Chosen according to occupation:

POPULATION ACCORDING TO OCCUPATION (Dec. 31, 1930)

Occupation	Korean	Japanese	Chinese	American	Foreign British
Agriculture	—	—	—	—	—
Forestry, Stockbreeding, } Fishery	16,165,983	54,696	168,78	—	—
Industry	449,262	72,434	9,799	53	13
Commerce, Transportation	1,253,895	147,438	30,957	42	37
Public Service and Professions	523,105	176,795	916	604	203
Miscellaneous	948,078	31,892	9,058	32	9
Others	345,264	18,612	1,514	2	—
Total	19,985,587	501,867	68,122	733	254

Origin of the Korean Race

Though no conclusive opinion has ever been given as to the origin of the Korean people, it is evident that they are of the Mongolian family, and it is generally admitted that their cradle was in the neighbourhood of Changchun, Manchoukuo, in and around the place now called Petna on the River Sungari. It seems, therefore, but natural that they should have a profound liking to emigrate and settle in those parts of Manchoukuo. From various historic relics it appears that they were of the same stock with the Manchurians and those Japanese dwelling in the western half of Japan. In course of time much intermingling of blood seems to have taken place among the Koreans and the Chinese ever since Chinese colo-

nies were first established along the north-western coast. But the latter did not supersede the native Korean race to any appreciable degree. This is clearly seen from the fact that the two races today have a distinctly different facial appearance, though both alike have black straight hair, dark oblique eyes and a tinge of bronze in the skin. The Korean language belongs to the Turanian group; it is poly-syllabic and possesses an alphabet of 11 vowels and 14 consonants, and a script known as Eunmonn. In grammatical construction it is almost identical with Japanese, though in sound and vocabulary it is quite dissimilar. From all these and other facts and evidences it is beyond any doubt that two peoples were akin to one another from very remote times.

Administrative Organization

Chosen is administered by the Government-General which was inaugurated on August 29, 1910, and has 9 main administrative offices, viz., (1) Governor-General's Secretariat, (2) Home Affairs Bureau, (3) Financial Affairs Bureau, (4) Industrial Bureau (5) Judicial Bureau, (6) Educational Bureau, (7) Police Bureau, (8) Forestry Bureau, and (9) Land Improvement Bureau. There are also 3 affiliated offices which are (1) Communications Bureau, (2) Railway Bureau, and (3) Monopoly Bureau.

Position of Koreans For a number of years since the establishment of the Government-General in Chosen all Koreans in Government service were placed under different regulations from those applying to Japanese officials. Gradually, however, almost all discriminative features in treatment and salary have been wiped out and in October, 1919, Korean officials were finally placed on the same footing as the Japanese and came under the same regulations. Moreover, prior to March, 1920, in the Courts Korean judges were allowed to try only those civil cases in which both parties were Koreans and the criminal cases where the accused were Koreans, but now they are allowed to try all cases in which people of any nationality may be involved. Moreover, prior to 1919 the freedom of the Press had been rigidly restricted. No newspaper except the few already in existence was allowed to be issued. Now, however, more daily papers are issued, and the restrictions placed on the holding of public meetings have been partly removed.

The Central Council As the highest consultative body there is the Central Council which is convened by the Governor-General several times a

year to discuss such measures as may be presented by him. This Central Council consists of 5 advisors, 63 councillors, 1 chairman and 1 vice-chairman. One of the characteristic principles by which the Japanese administration in Chosen is guided is respect for the old Korean customs and manners, and the work of investigating these old customs so dear to the native people is entrusted to the Central Council. Koreans attach great importance to their ancestral tombs as a form of ancient worship, and the selection of a burial site is always made with great care; and this, coupled with their age-old superstition that the fate of one's family would be greatly affected by the position of its grave, has resulted in the devastation of a large area of land; wherefore the Government-General in 1912 issued an order requiring all people to use the public cemeteries for the disposal of their dead. This order, however, was revised in 1919 so as to allow the people to follow their old customs with only slight limitation set.

Finance

Budgetary System Introduced Under the old Korean régime there was no clear distinction between the Court and the Government in the use of money collected from the people in the form of various taxes. Moreover, most of the State revenue was from the ginseng monopoly, leasing of State lands, and granting of concessions of various sorts. Accordingly, therefore, there was no means of framing a yearly budget. This state of affairs, more than anything else, called for speedy remedies. When, therefore, a Japanese financial adviser, Baron Megata, took up his duties in August, 1904, his first task was to bring order out of this financial confusion and his work was quickly done during

the protectorate period. He drew up necessary plans for introducing the modern budgetary system, and the gold standard with a central bank to act as a State treasury and empowered with a right to issue convertible notes. A rigid taxation system was brought into existence, with the burdens of the people more equitably distributed. The former method of tax collection which gave rise to many serious abuses was quickly corrected. All the monopolies, such as that of ginseng, were turned over from the Imperial Court to the Government, and a clear distinction was marked between the finances of the Court and of the State. Thus the country was saved from the threat of bankruptcy. Nevertheless, it meant an increased burden on the Korean Government. Japan, therefore, was forced to accommodate the Korean Government with a sum of ¥13,200,000 free of interest and for an indefinite period. It was by this energetic financial assistance given by Japan that it was possible to frame and balance the budget for the first time in the history of Korea.

Japan in Chosen Upon the establishment of the Japanese hegemony in Chosen the Government-General took on its shoulders the heavy task of developing the country in every possible way so as to promote the welfare of the Korean people to the utmost extent. It necessitated starting new enterprises and increased expenditure, and the Government outlay for the year 1911 reached over ¥48,740,000, an amount twice that of the preceding fiscal year. Since that time the tendency had always been upward, till it reached ¥246,852,843 in 1929, the highest mark ever seen in the budgetary history of Chosen. In 1930 a slight decrease was seen; the figures fell to ¥239,729,783, with a further slight reduction in the

following year to the amount of ¥238,923,617. It should be noticed that this continued reduction in the budget was merely a reflection of the stringent economy policy adopted by the Minseito Cabinet at home. There could be no question that the general trend was upward. All this, however, goes to show most eloquently that the Government-General is in earnest in its attempt to do all that it can for the economic development of the country and the promotion of the welfare of the people. Mention must be made of the fact that the determination of the Government-General to do its utmost in these directions is shared by the Japanese Government at home, for the latter is yearly advancing a subsidy of more than ¥15,000,000 from the national treasury to the Government-General. Below is given a budget table showing the trend of steady expansion of expenditure:

BUDGETS 1911-1931

	Revenue yen	Expenditure yen
1911	48,741,282	48,741,782
1920	124,798,469	114,816,860
1921	162,474,208	162,474,208
1922	158,124,617	158,124,617
1923	146,007,225	146,007,225
1924	142,700,159	142,780,159
1925	178,082,382	178,082,382
1926	194,487,914	194,487,914
1927	210,910,111	210,910,111
1928	222,674,042	222,674,042
1929	246,852,843	246,852,843
1930	239,729,783	239,729,783
1931	238,923,617	238,923,617

BUDGET FOR 1932-33

Revenue	
Ordinary Revenue	yen
Taxes	40,981,716
Stamp receipts	11,236,757
Receipts from Government undertakings and properties	124,670,973
Miscellaneous	2,667,542
Total	179,556,988
Extraordinary Revenue	
Balance brought over	2,960,897

Loans (Public or otherwise)	22,928,912
Grants from the home National treasury, etc.	13,457,874
Miscellaneous	228,000
Total	36,614,786
Grand Total	219,182,671
Expenditure	
Ordinary Expenditure	
Prince Yi Household	1,800,000
Government-General Offices	3,597,745
Justice and Prisons	7,391,196
Provincial Offices	28,427,212
Education	3,052,452
Customs	1,102,576
Monopolies	22,049,008
Railways	47,948,676
Forestry	3,516,541
Communications	12,701,989
National debt service	23,089,698
Pension	3,355,054

	1930 yen	1929 yen	1928 yen	1927 yen
Land tax	15,614,037	14,819,584	14,049,198	14,903,291
Urban land tax	—	—	521,731	533,465
Income tax	1,114,722	1,199,528	1,340,975	1,212,142
Exchange tax	147,637	175,214	194,274	179,370
Liquor tax	12,821,268	13,229,789	12,830,115	11,223,265
Tobacco cultivation tax	—	254,116	354,640	393,945
Business tax	1,590,022	1,516,967	1,384,676	1,252,725
Sugar consumption tax	3,181,858	3,095,766	2,592,894	2,726,240
Unearned increment tax	314,882	265,623	272,284	254,830
Mining tax	572,206	619,484	587,635	532,405
Bank of Chosen note tax	—	5,792	—	138,052
Total	34,856,632	35,181,813	34,128,422	33,349,730
Income from leased State lands	158,319	371,291	583,466	896,053

RECEIPTS FROM CUSTOMS DUTIES

	yen		yen
1930	10,284,613	1922	15,620,000
1929	10,716,000	1921	
1928	10,410,000	1920	16,309,000
1927	10,946,000	1919	11,165,000
1926	13,861,000	1918	16,870,000
1925	10,781,000	1914	4,140,000
1924	9,311,000	1910	3,606,000
1923	9,211,000		

Government Monopolies

Several industries are being carried on as monopolies by the Government-General under direct control of the Financial Affairs Bureau; they are the manufacture or preparation of ginseng, tobacco, salt and opium.

Ginseng This medical herb is regarded as a wonderful cure for many

Reserves	2,500,000
Miscellaneous	3,026,255
Total	168,955,909
Extraordinary Expenditure	
Investigations and Examinations	490,633
Subsidies	16,649,290
Buildings and repairs	2,469,278
Engineering works	6,975,030
Railways	18,940,202
Arable land improvement	3,750,622
Protection of Koreans abroad	1,398,866
Miscellaneous	4,900,348
Total	55,574,269
Grand total	219,182,671

Below is given the latest statement of receipts from domestic taxes and from leased State lands for the four years ending 1930:

diseases in China and Korea. The drug is obtained from the root of the plant carefully tended for six years. The principal customers for this plant are the Chinese, who are ready to pay a high price for it. Figures relating to its production follow:

	Area (Tsubo)	Raw Root (Kin)	Prepared Product (Kin)	Receipts (Yen)
1911	14,345	7,719	2,300	119,000
1918	125,213	67,813	19,144	2,029,000
1919	195,620	103,989	26,002	2,082,000
1920	319,321	116,508	29,694	2,544,000
1921	371,328	136,066	35,356	2,102,000
1922	475,339	163,053	40,571	1,269,000
1923	419,788	166,282	46,022	2,225,000
1924	397,850	141,983	38,546	2,152,000
1925	303,713	112,988	31,629	2,658,000
1926	230,368	109,759	29,369	2,768,000
1927	322,102	154,237	41,540	2,444,000

Area	Raw Root	Prepared Product	Receipts
(Tsunbo)	(Kin)	(Kin)	(Yen)
1928	227,491	197,340	3,067,000
1929	334,479	165,897	2,482,000
1930	336,915	170,709	2,449,463

Tobacco As practically all Koreans smoke, the tobacco industry is

Tobacco Monopoly Receipts (Yen)

	1930	1929	1928
Monopoly Cigarettes and Cut-tobacco	31,038,010	33,747,000	32,126,000
Monopoly Leaf-tobacco and Cut-tobacco	557,526	749,000	468,000
Japanese Cut-tobacco and Cigarettes	78,146	94,000	10,000
Foreign Tobacco	44,954	68,000	80,000

Salt The salt consumption in Chosen amounted to 405,000,000 kin valued at ¥3,665,000 in 1930 which is a great increase as compared with the amount ten years ago. The consumption in 1921 was 114,000,000 kin in value of ¥1,120,000. As the native production is not sufficient to

1930	1929	1921	1911
405,000,000 kin	203,000,000 kin	114,000,000 kin	3,380,000 kin
3,665,000 yen	1,630,000 yen	1,120,000 yen	180,000 yen

Opium Owing to the strict control of the Government-General the number of opium smokers has in recent years greatly decreased, but at the same time the number of those indulging in morphine-injection has increased. The use of morphine is of course prohibited by the Government, but owing to the activity of cunning dealers all the efforts of the Government to put an

MORPHINE MANUFACTURE IN 1930

Raw Opium	1,255 kilogrammes (less water)	
Percentage of morphine	10.55 %	
Manufacture { Morphine (Salt)	141 kilogrammes	
{ Diacethyl morphine (Salt)	78 "	
Sale {	{ Morphine (Salt)	{ Quantity 122 "
	{ Diacethyl morphine (Salt)	{ Value 94,102 yen
		{ Quantity 63 kilogrammes
		{ Value 47,657 yen

Overseas Trade

Prior to its annexation by Japan the overseas trade of Korea amounted to about 50 millions of yen a

a great source of income to the Government. Three kinds are grown in Chosen, namely, Korean, Japanese and American. There are four tobacco manufacturing centres, these being Keijo, Heijo, Taikyu and Zenshu, the annual production reaching thirty million yen.

meet the entire demand of the people, a considerable amount is imported from Japan and foreign countries under the control of the Monopoly Bureau of the Government-General. The following shows the revenue from the salt monopoly:

end to it are fruitless. The Government thereupon came to the decision to monopolize the manufacture and sale of morphine so as more effectively to control the spread of its use. Accordingly, in March, 1930, the Government's manufacture of morphine was started at Keijo, its production being sold to certain designated pharmacies to be used for medical purposes only.

year. Now it is approximately valued at ¥266,547,000 as per the figures for 1930 which are the smallest within the last seven years. The following indicates its development:

OVERSEAS TRADE

year	Exports (¥ 1,000)			Imports (¥ 1,000)		
	Foreign Countries	Japan	Total	Foreign countries	Japan	Total
1930	25,852	240,694	266,546	88,854	278,194	367,048
1929	32,773	309,891	342,664	107,767	315,325	423,092
1928	32,147	333,829	365,974	118,181	295,839	414,020
1927	28,133	330,791	358,924	113,943	269,473	383,417
1926	24,779	338,175	362,954	123,933	248,235	372,169
1925	24,341	317,288	341,630	105,388	234,623	340,011
1924	22,379	306,660	329,039	97,776	211,817	309,593
1923	20,403	241,262	261,665	98,338	167,452	265,790
1922	17,489	197,915	215,404	95,798	160,247	256,045
1921	20,884	197,393	218,277	75,898	156,483	232,381
1920	27,639	169,381	197,020	106,174	143,112	249,286
1919	22,098	199,849	221,947	98,158	184,918	283,076
1918	18,697	137,205	155,902	48,151	117,273	165,424
1917	20,236	64,726	84,962	31,396	72,696	104,092
1916	14,854	42,964	57,818	22,675	52,459	75,134
1915	9,319	40,901	50,220	18,159	41,535	59,694
1912	5,616	15,360	20,976	26,359	40,753	67,112

OVERSEAS TRADE BY COUNTRIES

Countries	Exports (¥ 1,000)			Import (¥ 1,000)		
	1930	1929	1928	1930	1929	1928
China	24,577	34,745	31,421	60,944	73,058	81,086
Asiatic Russia	27	38	46	1,004	1,083	858
India	4	6	18	2,219	4,848	8,947
Dutch Indies	72	101	30	4,848	6,347	7,897
French Indo-China	62	30	33	2,828	3,303	2,887
Britain	62	3	130	2,461	3,747	5,151
Germany	2	1	4	1,710	2,074	3,584
United States	210	341	204	8,613	9,802	8,313

PRINCIPAL EXPORTS (¥ 1,000)

Commodities	1930	1929	1928
Rice	109,664	148,815	183,730
Beans	18,433	23,268	24,639
Fish	11,207	13,742	13,366
Laver	1,096	4,319	2,597
Sugar	4,758	5,603	5,707
Hides	1,623	2,762	3,285
Fish-oil	2,701	5,891	4,516
Red ginseng	3,152	2,380	1,719
Timber	2,327	4,139	4,852
Sea-weeds	920	1,350	1,505
Cotton	7,546	6,809	6,140
Cocoons	2,166	4,380	3,869
Raw silk	16,834	20,142	16,250
Graphite	1,011	1,233	1,156
Coal	2,327	2,840	2,707
Gold ore	1,073	1,944	1,891
Iron ore	1,474	1,676	1,545
Cattle	2,901	3,548	4,840
Fertilizers	9,649	9,976	7,228

PRINCIPAL IMPORTS (¥ 1,000)

Commodities	1930	1929	1928
Rice	10,120	14,202	9,714
Millet	21,398	20,865	25,488

Commodities

	1930	1929	1928
Beans	1,842	2,970	3,324
Flour	5,878	6,911	6,873
Sugar	7,367	9,285	8,701
Saké	1,239	1,577	1,400
Beer	2,273	2,285	2,417
Salt	1,245	1,465	2,133
Woolen cloth	5,440	5,989	5,651
Silk tissue	13,577	13,893	13,380
Rubber shoes	3,324	4,219	5,594
Paper	6,928	7,671	8,124
Coal	10,347	10,237	10,380
Cement	3,693	3,133	4,091
Ceramics	2,255	2,922	2,912
Iron	16,144	12,130	16,008
Machines	17,627	16,608	16,005
Timber	5,742	8,871	10,852
Leaf tobacco	2,353	2,470	4,145
Petroleum	2,791	5,785	4,284
Matches	1,269	1,690	1,895
Ginned cotton	5,502	7,222	6,508
Cotton yarn	5,227	6,718	7,166
Wild silk	6,403	9,277	11,056
Cotton cloth	32,143	37,430	44,580
Hemp cloth	4,169	5,783	6,153
Fertilizers	18,973	23,928	19,482

Gold and Silver Shipment With the development of the gold mining industry in Chosen as a result of the encouragement given by both the Government-General and the Central Government, gold production has made rapid progress in the last few years, with corresponding expansion of its shipment to Japan. Prior to 1929 the annual gold shipment to Japan proper averaged about 5 million yen. In 1930 it amounted to ¥26,659,912, an increase of 500 per cent. That of silver to Japan proper which amounted to ¥1,605,495 in 1925, decreased to ¥238,988 in 1929 and ¥141,197 in 1930. From the following table we can gain a more exact idea on this point :

Gold Shipments to and from Japan Proper

	To Japan yen	From Japan yen
1921	7,308,242	110,680
1922	8,961,154	46,138
1923	5,586,085	19,280
1924	4,167,355	872,785
1925	3,649,222	211,532
1926	5,846,154	91,187
1927	4,648,938	217,268
1928	3,365,384	352,760
1929	5,857,823	86,605
1930	26,659,912	29,803

Silver Shipments to and from Japan Proper

	To Japan yen	From Japan yen
1921	61,802	132,128
1922	227,884	878,140
1923	1,006,241	914,537
1924	1,569,551	700,415

	To Japan yen	From Japan yen
1925	708,900	337,246
1926	1,605,495	147,661
1927	614,031	111,432
1928	304,393	74,230
1929	238,988	553,213
1930	141,197	107,373

It must be noted that gold was shipped out steadily to foreign countries during the 10 years ending 1930, whilst its import from foreign countries have varied greatly. In 1921 for instance its import amounted to ¥2,108,000, while in 1925 it was only ¥80,396. In 1930, however, it suddenly increased to ¥11,372,642. As regards silver, during the same period a small quantity, only amounting to ¥2,450, was exported and that was all in 1930, whilst its import never exceeded ¥221,669, the figures realized only in 1930.

Banking

In 1911 there were in Chosen only 11 banks with 59 branches. The total aggregate capital was then ¥12,350,000, with total reserve funds amounting to ¥366,000 and the deposits totalling ¥18,335,000. In 1930 the number of banks increased to 16 and their branches numbered 154. The total aggregate capital also made an increase to ¥101,425,000, the reserve funds to ¥14,464,000 and the deposits to ¥226,563,000. The following gives a more detailed account on this point :

	1930	1929	1928	1927
Banks	16	17	18	18
Branches	154	151	139	139
(¥ 1,000)				
Capital subscribed	101,425	103,425	99,250	102,375
Capital paid-in	60,991	61,471	55,280	56,980
Government shares	1,963	1,962	1,962	1,962
Loans by Government	2,825	2,825	2,824	2,824
Reserve funds	14,464	12,385	10,367	9,514
Debentures issued	242,158	199,685	177,223	173,445
Deposits	226,563	241,408	248,343	200,381
Loans	457,557	420,460	474,446	381,123
Net profit	6,430	6,418	2,847	6,178

	1926	1925	1924	1910
Banks	18	18	19	11
Branches	133	136	136	59
(¥ 1,000)				
Capital subscribed	102,275	102,275	148,475	12,550
Capital paid-in	59,875	58,850	84,150	7,080
Government shares	1,963	1,963	3,462	438
Loans by Government	2,825	2,838	2,848	2,634
Reserve funds	8,065	7,024	16,771	366
Debentures issued	144,837	135,976	118,800	960
Deposits	163,092	217,597	275,878	18,355
Loans	372,195	429,361	400,300	37,912
Net profit	5,687	4,592	7,665	—

The banking institution which is utilized most by the Korean masses is the Post Office Savings Bank. In 1921 there were about one million and a half depositors at this bank, their aggregate deposits reaching ¥18,726,338. In 1930 the number of depositors increased to 2,118,178, with the aggregate deposit expanding to ¥38,852,866. The following figures show the annual expansion :

	Number of Depositors	Amount (yen)
1921	1,416,325	18,726,338
1922	1,590,470	19,375,098
1923	1,694,087	21,040,342
1924	1,606,740	21,029,849
1925	1,711,500	21,531,122
1926	1,795,858	22,466,126
1927	1,910,289	26,901,217
1928	2,023,977	30,787,502
1929	2,078,602	36,286,417
1930	2,118,178	38,852,866

Agriculture

Chosen, though mountainous, is essentially an agricultural country. It is enough to point out that more than 83 per cent. of its entire population is engaged in agricultural pursuits. Though the soil is not very fertile, it is sufficiently so to produce enough food-stuffs to support its entire population.

In 1930 the total agricultural products amounted to ¥753,000,000, of which ¥187,000,000 worth was exported, mostly to Japan, forming 94 per cent. of the entire value of Korea's export trade. In 1910, the year of annexation, the production scarcely reached ¥250,000,000

in value showing in 1930 a three-fold increase as compared with 1910. Of all agricultural produce rice is the most important.

Ka-den-min In Chosen there are quite a good number of so-called Ka-den-min or fire-field-people, who use fire for making their land ready for cultivation in a most primitive way. In ancient times, people set forests or plains on fire and then sowed seeds and cultivated vegetables on the blackened land without manuring. When this land became sterile, they moved to another place to repeat the operation. Among the lowest class of Chosen peasants this primitive system of agriculture is still in practice. There are nearly 400,000 ha. of the fire-field on which about 230,000 families or 1,160,000 people are living. They are mostly distributed over such northern mountainous districts as South Kankyo and North Heian. They plant the sweet potato, German millet, Indian-corn, soy-bean, red-bean, barley and buckwheat. Steep slopes or mountain tops even above 1,200 m. in height cannot escape from being burnt up by these farmers. One of the causes of the bare hills noticed by visitors to Chosen is said to be this long practice of burning the forests. Most of these people are nomadic and cultivate about 2 ha., the average family with an income of about 60 yen a year. After the establishment of the new Japanese Forestry Bureau the forest-

ry police have been taking measures to prevent the continuance of this destructive practice by teaching these peasants a better method of farming; but all their efforts seem to be a failure so far.

Grains In 1910 the rice fields covered a total area of 1,350,000 cho, yielding 10,400,000 koku, which rose in 1930 to 1,662,000 cho and 19,180,000 koku, its export during the same period increasing from 798,000 koku to 4,915,000 koku. This wonderful development has been achieved by the improvement made in cultivation, in the selection of seeds and manure, and in irrigation and reclamation. Next in importance come barley and wheat, which are, however, mostly cultivated for home consumption. In the southern provinces both of these grains are raised in the paddy fields after the rice crop harvested. Owing to the help in various ways given by the authorities to aid in the cultivation of these two cereals, their production has been on the increase year after year. Third in importance comes the soy bean. In earlier times it was far from being an important produce owing to ignorance on the part of Korean farmers of the proper method of preparation, such as drying and assorting. It is now, however, in high esteem on the Japanese market where there is a demand for it not only as food, but for chemical industrial purposes, and thus the amount exported to Japan is yearly on the increase. In 1930 the total area under cultivation was 793,000 cho and the amount produced reached 4,490,000 koku, which was an increase of more than six times, compared with the year 1910. Millet is for most Korean what rice is for the Japanese people. They depend more upon it than upon rice on account of its cheapness in price. The Korean farmers sell their rice,

but use their millet crops for their daily diet, so that the supply of the grain hardly suffices to meet the entire demands of the Korean people. They therefore import much of it from Manchoukuo, the annual imports from that region reaching as much as about 2 million koku a year.

Cotton Cotton is another important agricultural produce in modern Chosen. The present scale of its growth is owing to the encouragement given by the Government-General. It was in 1906 that the first trial plantation of American cotton was carried out in the neighbourhood of Mokpo. As its superiority over the old native cotton was sufficiently demonstrated, soon its cultivation was vigorously encouraged in all parts of Southern Korea, so that the cotton acreage was increased from 1,200 cho in 1910 to 132,000 cho in 1930, and the crop expanded from 660,000 kin in 1910 to 127,000,000 kin in 1930. If we add the production of the native plant we have a total cotton production in 1930 of 169,000,000 kin from the total area of 193,000 cho, as against 21,000,000 kin from 60,000 cho, in 1910.

Sugar Beet A trial plantation of sugar beet was also made first in 1906. As it proved quite satisfactory every governmental assistance was given to its cultivation. A subsidy was given to ensure a sufficient distribution of improved seeds. Further exhaustive experiments proved that Keijo and its vicinity is best suited for sugar beet cultivation and consequently the authorities encouraged and assisted its plantation in that part of Chosen, with very good results. In 1930 the total sugar beet acreage reached 888 cho and the total crop was 17,447,000 kin.

Fruit Farming Fruit farming has also become a thriving industry of the erstwhile Hermit Kingdom. Soil and climate alike are suitable,

especially for the growing of apples, and the Government authorities are extending their assistance in this direction likewise, with the object of improving the quality of the fruit and gaining for it a world-wide market.

Many new varieties of apple, superior to the old native ones, are now cultivated, the quality being in some cases better than that of the fruit grown in Japan, the recent annual production reaching as much as 6,580,000 kan with money value estimated at ¥3,194,000.

Sericulture It must be remembered that Chosen is also suitable for sericulture. This was proved after exhaustive studies made by experts soon after the new régime was established in Chosen. By 1910 the Government-General had done everything in its power to improve the native methods of cultivating the mulberry trees and raising silk-worms after the Japanese fashion. In 1919 a new system was instituted for carrying on a compulsory examination of egg-cards and for giving adequate care to the growing of good mulberry trees. All this paternal care and effort on the part of the Government-General for the advancement of the economic welfare of the Korean farmer was by no means thrown away. In 1910 the cocoon production was 14,000 koku and the number of households engaged in the work was figured at 76,000. In 1930 the households increased to 720,813 and the cocoon output to 555,232 koku.

Stock Farming As Korean beef is very palatable, the demand for it is rapidly increasing in Japan and Manchoukuo as well as in Siberia. In 1910 the cattle in all Chosen numbered only 700,000 head, which in 1930 increased to 1,612,000, and their export increased from 12,000 head in 1910 to 37,000 in 1930. The rais-

ing of both pigs and poultry has been greatly encouraged by importing from Japan animals and birds of superior quality, with the result that at the end of 1930 the former totalled 1,387,000 and the latter 6,147,000, both more than doubling the numbers found at the time of the amalgamation of the two countries. Sheep were unknown in the old days in Chosen. In 1919, however, efforts were made to encourage their rearing and it seems now that the future of this enterprise is far from being hopeless.

Forestry

At the time of annexation nearly all the mountains in Chosen were treeless. The forests existed only in name. As a matter of fact, only one-third of the so-called "forest" areas was covered with standing trees, the remaining two-thirds being only thinly wooded, owing to the unscrupulous felling done by the people. There was no system for safeguarding or protecting forests.

Afforestation Work Undertaken In 1908, however, the Korean Government, by the advice of the Japanese, promulgated a forest law aiming at the protection of forests, and when the new régime was established the Government-General issued a new forest law providing, among other things, for the letting of forest lands to any interested party for the purpose of afforestation and, if the work were successfully carried out, the ultimate transference of them to the lessee. The total area thus leased now reaches 1,668,946 cho, of which about one-third has been transferred to the successful planters. So far as the present situation is concerned, 5 million cho of the entire forest lands is owned by the State, and one hundred and twenty thousand cho is reserved for university research and as national

parks, the rest being owned by private persons. The first public afforestation work was started in Kogen province in 1911, and this example was followed up by almost all the other provinces, so that the total area planted up to 1930 was 18,077 cho and the number of seedlings planted 65,217,000. There are at present 82 seedling plantations where mostly pine, oak, chestnut, poplar, larch, etc., are being raised. In 1930 about 13,670,000 seedlings were raised in these public plantations while more than 267,549,000 seedlings were grown by private undertaking over an area of 1,373 cho. Nor is this all. Schools are given a suitable piece of ground whereon to plant trees, and the Third of April, the anniversary of the death of Jimmu Tenno, the first Ruler of the Empire of Japan, is fixed as Arbour Day, a day on which universal plantation of trees is encouraged throughout Chosen. In short, in the past twenty years more than a million cho have been planted with over three billion trees, and thus the mountain scenery in every part of Chosen is steadily undergoing a change with the accompanying effect of diminishing floods.

The Forest Districts There are, however, several forest districts which escaped the almost wholesale slaughterous deforestation by ignorant woodsmen in the pre-Japanese administration period, the most important of which is the forest along the upper reaches of the Yalu and Tumen Rivers on the frontier. In 1906 the first systematic exploitation of the region was conducted by a joint undertaking organized by Japanese and Koreans and assisted by both the Korean and the Japanese Governments with a capital of ¥1,200,000. This, combined with a similar enterprise financed by a group of Japanese and

Chinese industrialists, forms one of the largest timber-supplies in the world. In 1930 about three million cub. ft. of lumber valued at four million yen was seasoned there.

Fishery

With the establishment of the present Japanese administration in 1910 all sorts of encouragement have been given to the Korean fishermen for the development of the fishery industry in Chosen, with the result that improvements in one way or another have been introduced in the building of fishing-boats and in the method of catching. Thus, while at the time of annexation the total value of catches was ¥8,000,000 a year, by 1930 it had increased to ¥50,000,000, and other aquatic products in the meantime advanced from ¥2,650,000 to ¥30,389,000. The first fishery law in Chosen was issued in 1909, and this was replaced three years later by a new law providing for the definite establishment of fishing rights over a certain area of waters, the prohibition of certain actions harmful to fishing in specified areas and the prevention of individual monopolization of any fishing area. Trawling within special zones was also prohibited, and certain restrictions were made to the number of whaling-boats and to the diving apparatus carried. Mention should be made in this connection of the famous "Hanyo" (woman divers) of Quelpart Island. There are 7,000 of these women and they are engaged in catching sea-ears, and many kinds of shellfish and gathering laver and other sea-weeds by diving into the deep sea. The total earnings of these women amount to one million yen a year.

The following shows the marine products in the two years 1929 and 1930:

Kind	1929	1930
	Value (in yen)	Value (in yen)
Mackerel	1,316,000	6,224,000
Sardines	15,362,000	4,937,000
Selmons (Whiting)	4,196,000	3,715,000
Laver	2,272,000	2,114,000
Herrings	2,026,000	1,961,000
Sea-bream	1,731,000	1,860,000
Hait-tail	1,718,000	1,504,000
Plaice	1,720,000	1,455,000
Cybiun	1,845,000	1,408,000
Cod	1,872,000	1,371,000
Horse-mackerel	1,156,000	1,313,000
Prawns and Shrimps	1,641,000	1,268,000
Whales	821,000	1,159,000
Muntai (Alaska Pollack)		1,094,000
Yellow-tail	1,581,000	888,000
Sharks	1,058,000	768,000
Oysters	370,000	725,000
Clams	377,000	435,000
Sea Mussels	246,000	275,000
Wing-shells	117,000	149,000

Mining

The present mining law, enacted in 1916, provides that mining rights can be granted only to Japanese citizens or to legal corporations under the Japanese law, and mining rights are treated as a form of real estate. As for mining rights secured by foreign citizens under the old régime, they are well respected. Of all minerals produced in Chosen gold occupies by far the most important position, the largest gold mine being the Unsan Mine operated by an American syndicate called the Oriental Consolidated Mining Company. Next in importance are the

Shojo Mine worked by Frenchmen, the Suian Mine by Englishmen, and Sansei and Koyo Mines by Japanese. Formerly the mining industry in Chosen was carried on in a very primitive way except in those mines operated by foreign concerns. Soon after Chosen had been brought under Japanese protectorate rule in 1906 the Government tried hard to induce Japanese capitalists to invest capital in the mining industry of Chosen, but it was only after the treaty of annexation was signed that Japanese capitalists began to display their energies in that lucrative undertaking. As however most of the more promising gold fields were already under operation by foreign capitalists, Japanese capitalists turned their attention to the exploitation of other minerals such as iron and coal, and their activities in these fields are represented by the smelting plant of the Kuhara Mining Company at Chinnampo, the ore-dressing factory of the Nippon Mineral Company at Roryoshin, and the iron foundry of the Mitsubishi Iron Company at Kenjiho. It must be mentioned that in Chosen nearly all kinds of minerals except sulphur, petroleum and asphalt are found in more or less abundance, gold and iron preponderating. The following shows the value of the mineral products of Chosen, expressed in yen:

MINERAL PRODUCTION

	(Yen)				
	1930	1929	1927	1921	1911
Gold	6,207,644	5,848,720	5,725,457	2,002,021	3,744,957
Pig iron	5,923,071	6,795,334	6,523,350	4,819,843	—
Coal	5,327,966	6,321,455	5,286,318	3,192,262	388,781
Iron ore	2,808,173	3,153,988	2,889,544	1,716,170	421,462
Blister copper	1,398,225	1,348,686	890,737	17,986	—
Gold and silver ore	1,070,439	1,353,133	1,056,344	537,412	262,092
Concentrates	633,885	495,208	345,612	1,469,182	246,631
Graphite	423,314	502,159	403,951	208,902	153,477
Placer gold	411,012	25,938	408,474	359,260	821,609
Silver	58,207	59,820	54,288	4,775	6,555
Lead	49,948	129,528	286,366	—	—
Tungsten ore	6,216	8,048	—	—	—

	(Yen)				
	1930	1929	1927	1921	1911
Zinc ore	5,200	85,004	79,828	4,798	—
Others	331,168	354,315	318,958	374,617	21,489
Total	24,654,463	26,401,366	24,369,227	15,767,228	6,092,022

Manufacturing Industry

It is only since 1916 that there has been any manufacturing industry worthy of the name in Chosen, and in 1929 the total value of manufactures reached ¥327,900,000, being over twenty times as large as that in 1911, in which year the total output was valued at ¥15,645,000. As the land has abundance of materials and a good labour supply, Chosen may be looked upon as a promising land for the future expansion of various industries. In 1910 there were in all the country only 150 manufacturing plants employing about 8,200 workers, but by 1929 this number of factories had increased to 5,000, the total number of employees was 100,000 and the total capital invested figured at ¥550,000,000. The most important manufactures are:

(1) Cotton, hemp, and silk tissues, the total output in these goods expanding from ¥5,000,000 in 1911 to ¥30,387,000 in 1929.

(2) Paper, which increased from ¥382,000 in 1911 to ¥4,300,000 in 1929. Of late years the demand for foreign papers has grown, the imports expanding from ¥800,000 in 1911 to ¥8,000,000 in 1929.

(3) Ceramics, which show a yearly output worth ¥13,000,000.

(4) Iron-wares, the annual production of which is now valued at ¥5,000,000.

(5) Leather, which has an output of ¥3,000,000 a year.

(6) Sugar, the total output being ¥13,000,000 in 1929.

Justice and Police

Chosen has now a judicial system

similar to that of Japan. That is to say, in addition to the Supreme Court there are 3 Courts of Appeal and 11 Local Courts with 46 detached and 170 sub-detached Courts. The personnel of those serving in the courts are as follows: 196 judges, 86 procurators, 4 chief clerks, 4 interpreters, and 706 clerks and student-interpreters. Grave crimes of one sort or another have greatly diminished owing to the improvement in the work of maintenance of order and security. On the other hand, what might be called intellectual crimes such as fraud, forgery, and perjury have yearly increased. Prior to the establishment of the Japanese administration flogging was a common form of punishment. In 1912 its application to aged persons, women and children was prohibited, and in 1920 it was finally abolished as it was unsuited to modern ideas of penology.

Police The police service in Chosen had been under Japan's direction for some years even prior to the establishment of Japan's protectorate in 1906. But the system which had been in force at that period proved unsatisfactory. Accordingly, in June, 1910, a new system was introduced by which the Commander-in-Chief of the military police was appointed Chief of Police, and gendarmes and civil policemen were separately stationed as local needs required. In 1919, however, that semi-militaristic police system was displaced by the one now in force. This new and present police system is modelled on that in Japan proper, with its headquarters entrusted with the entire administration of police and sanitary affairs.

Education

In the olden days Korean children were taught in school nothing but Chinese writing and classics, but soon after the new régime was introduced they began to receive a more modern education, with such new subjects as arithmetic, geography and the Japanese language. The parents at first objected to the introduction of these revolutionary methods, and specially to the forcible teaching of the Japanese language, believing that this was a deliberate attempt on the part of the Government to deprive the Korean children of their national and inherited traditions. It was due to this misconception held widely among the Korean people that the educational authorities found much difficulty in enrolling pupils despite the fact that no tuition was charged and all textbooks were supplied to the pupils free of charge. In 1930 the Government-General, animated by a desire to respect the wishes of the native race and to foster oriental morals developed by Confucius, reopened the old Meiringaku-in (Confucian Institute) at the Keigaku-in (formerly known to Koreans as the "Songkyun Kwan."), the oldest and highest seat of learning in the country for the study of the Confucian classics.

Important Reforms But many more reforms of far-reaching importance were made in 1920, when the present educational system was introduced. By it not only was the standard of educational attainment raised, but the principle of equality was laid down firmly though no compulsory features were adopted with regard to elementary education, as in Japan. The following differences, however, were made and are maintained out of respect for Korean sentiment.

1. The Korean language is made an obligatory subject in schools for Korean children exclusively, while it is optional in schools for Japanese children in Chosen.

2. The teaching of Korean history and geography is to be particularly emphasized in schools for Korean children.

3. Different text-books, though of an equal standard, may be used in view of the difference of language and customs of the two races. That is to say, schools for Japanese children may use text-books compiled by the Education Department of Japan, but schools for Korean children those compiled at the Education Bureau of the Government-General. From the table below we can get a clear picture of the development of educational work in Chosen since 1910:

	1930		1919		1911	
	Schools	Students	Schools	Students	Schools	Students
Elementary schools	471	67,404	380	42,811	128	15,509
Common schools	1,531	459,457	482	89,288	172	20,121
Middle schools	11	5,761	5	2,010	1	205
Higher common schools	24	11,093	12	3,156	5	819
Girls' high schools	26	8,295	11	1,905	3	515
Girls' higher common schools	16	4,422	6	687	2	394
Normal schools	3	1,295	—	—	—	—
Industrial schools	54	12,098	25	2,843	20	961
Elementary industrial schools	75	3,223	73	1,650	3	93
Colleges	13	1,335	8	901	5	409
University preparatory schools	1	304	—	—	—	—
University	1	571	—	—	—	—

Christian Mission and other private schools are included in this table.

	1930		1919		1911	
	Schools	Students	Schools	Students	Schools	Students
Non-classified schools	490	47,485	749	39,247	1667	71,763
Total	3,016	622,743	1,751	184,498	2,006	110,392

The following shows educational institutions operated by various foreign missions :

MISSION SCHOOLS AND KINDERGARTENS, 1930

Colleges	Secondary schools	Secondary schools unclassified	Elementary schools	Elementary schools unclassified	Kinder-garten	Old-style schools	Total
4	11	20	29	190	123	203	580

Korean Students in Japan The Korean students in Japan now number about 4,000, most of them being in Tokyo. Those sent by the Government-General are comparatively few, numbering only forty-six at present. These students so sent by the Government-General are not only supplied with necessary funds by the Government during the period they stay in the colleges to which they have been sent, but are on graduation given official or educational positions.

Religion

Buddhism Buddhism first entered Korea about 370 A.D. It was introduced from China by a priest who brought with him a Buddhist image and the Sacred Books, and it flourished greatly in the peninsula during the days of Silla and Koryu. Under the dynasty of Yi, however, it met with persecution. The number of priests was limited and members of good families were forbidden to enter the priesthood, with the consequence that it soon lost its hold among the masses to a large extent. Things remained so until Japan extended her rule throughout the country. Then in September, 1911, an Ordinance on Religions was promulgated giving freedom of preaching and full protection to temples, and also raising the status of the priesthood. Since then Buddhism has been revived to a marked

extent, so that at present there are 1,375 temples with 5,614 priests, 1,006 nuns and 139,470 adherents. There are several native religions not recognized by the Government-General, among which the most influential one is the Tendo-kyo, which in nature is a mixture of Confucianism, Buddhism and Taoism. This religion has followers numbering 80,000. Apart from Korean Buddhism and allied sects, we find Japanese forms of Buddhism lately established in the peninsula, priests of the Shin-shu sect being the pioneers. Later three others, Jodo-shu, Soto-shu, and Nichiren-shu, entered the new religious field in competition with other sects and religions. At present nine sects of Japanese Buddhism are working among the resident Japanese as well as among the Korean masses, and at the end of 1930 there were 373 preaching houses, 496 priests, 107 temples and 263,000 believers including 7,800 Koreans.

Christianity Christianity in Chosen was first brought by an official mission sent to Peking, China, by a Korean king in the latter half of the 18th century. This mission brought back with them a Bible and other Christian books. As its teaching, however, ran counter to the deep-rooted custom of ancient worship, King Seiso in 1784 issued an order prohibiting its preaching which was followed by a severe persecu-

tion. Though later occasionally the persecution was more or less relaxed, nothing for a time indicated a revival of Christianity. In 1833 a French missionary named Pierre Mouabant came to Chosen to preach the Gospel. He was the first foreign missionary to tread the soil of the Hermit Kingdom. His energetic and devoted evangelistic work was not fruitless, but it alarmed the government officials, who in 1839 issued a prohibition edict. But it failed to suppress the spread of Christianity, and in 1863 there were as many as 18,000 converts. In 1866 the persecution against Korean converts was renewed with vigour, which cost the lives of 30,000 people. In 1882, however, freedom of worship

was fully recognized in the country as a result of diplomatic pressure brought upon its government, and in 1885 several American missionaries came to Korea. This was the first time for Protestantism to be preached there, and it gained influence among the masses as time went on. When in 1906 Prince Ito, the foremost Japanese statesman at that time, was appointed first Resident-General, he pursued a policy of friendliness toward these foreign missionaries, this policy being pursued up to the present day under the various Governors-General. The following table gives an interesting statement of the present situation of Christianity in Chosen :

	Foreign Missionaries	Salaried Korean Workers	Buildings	Korean Members
Roman Catholic	127	233	398	101,507*
Presbyterian	316	1,335	2,559	75,237
Methodist	164	448	893	20,588
Anglican	11	64	61	5,492
Greek Orthodox	1	1	1	31
Adventist	28	170	125	2,343
Holiness	6	134	79	1,954
Salvation Army	33	177	129	4,460
Independent	—	—	22	1,363
Total	685	2,569	4,258	212,975

* There are 5,833 Japanese Christians belonging to Christian churches for the Japanese nationals, but these are excluded from the figures.

Communications and Transportation

Railways The construction of railways as a civilizing agency is being vigorously carried on in accordance with the 12 year programme laid in 1927. The programme covers the construction of a Tumen River line and four other lines totalling

1,384 kilometres and the purchase of five lines including the Zenshu-Riri Railway, totalling 339 kilometres. At the end of 1931 the total railway mileage reached 2,792 kilometres in active operation with 377 stations and 16,607 men employed including 9 foreigners. The following gives some idea of the development of railways in Chosen :

	Length (Kilo)	Passengers	Freight (Tons)	Receipts (Yen)
1930	2,792	20,650,000	5,936,000	36,821,000
1925	1,309 (Miles)	18,241,000	4,297,000	30,708,000
1920	1,157 (..)	12,421,000	3,186,000	28,816,000
1911	674 (..)	2,024,000	828,000	4,095,000

As the through traffic between Tokyo and Europe is now estab-

lished, the two main lines, Keijo-Fusan line and Keijo-Gishu line,

form an important part of the railway system connecting Europe and Japan. Of all the lines now under construction the most important one is the line between Heijo and Gensan, 213 kilometres in length. When completed it will serve as an important traffic link between North China and Japan. As for the private railway enterprises in Chosen, regulations were issued in 1912 so as to provide adequately for effective supervision and protection. In 1921 new regulations were issued by which increased State aid was extended to private railway undertakings. These have in consequence made rapid progress, and in March, 1931, their total mileage reached 1,063 kilometres operated by seven companies, though their earnings are far from being satisfactory. There are at present over 570 kilometres of additional lines either under actual construction or projected.

Tramways The following are the main tramway lines now in operation:

35 km.	in Keijo
19 ..	in Fusan
12 ..	in Heijo
57 ..	in Quelpart Island
22 ..	in other parts
Total	145 Kilometres

All these tramways carried in the one year ending March 31, 1931, 52,113,347 passengers and 16,595 tons of freight; their total receipts

Rakuto (flowing into Chosen Channel)	344 km. (Navigable course)
Kanko (flowing into Yellow Sea)	300 km.
Kinko	130 ..
Tumen	85 ..

Airways There are at present three airports established in Chosen. These ports are located at Urusan, Keijo and Heijo. Beside that in the following places ground marks are set up: Urusan, Kwokan, Taiden, Tenan, Shariin, Heijo, Teishu and Shingishu. Moreover, in Urusan and Keijo there are now built wire-

were figured at ¥2,604,000.

Navigation There are now 196 steamships the total tonnage being 53,998 tons, their routes being inter-port, Korea-Japan and Korea-China-Russia. The following table shows the progress in this method of transportation in the last decade:

	Steamers		Sailing-boats	
	Number	Tonnage	Number	Tonnage
1910	87	35,682	483	16,402
1925	147	44,520	627	21,975
1929	185	47,161	694	23,083
1930	196	53,998	692	22,911

Navigable Rivers The most important river in Chosen is perhaps the Yalu or Oryokko which, forming the boundary line between Chosen and Manchoukuo, rises in the Pak-tusan or "Ever-white" Mountains (2,744 m.) and empties into the Yellow Sea. Its length is about 800 km. of which about 700 km. is navigable by air-propeller boats under governmental subsidy. Timber felled on the mountain slopes is made into rafts and floated down until it reaches the lumber-yards at Shingishu or Antung. Another river of importance is the River Daido which flows through Heijo and empties into the Yellow Sea in the neighbourhood of Chinnampo. The River is 400 km. long, navigable for a distance of 245 km. There are also four other rivers wide enough for navigation by sailing boats and motor boats. These are:

less stations for keeping in communication with the airways. At the airport of Urusan there is installed a meteorological observatory for forecasting weather conditions in the interests of air navigators. Most of the air traffic between Chosen and Japan is being done by planes belonging to the Japan Air

Transport Company which was founded in October, 1928, with a subsidy from the home Government.

Post, Telegraphs and Telephones Prior to 1905 there were 516 postal offices in the peninsula. Today they number 866, but in this are included 114 for telegraph and telephones service exclusively. There is a Telegraphic Service Training School, which had turned out up to March, 1931, 3,252 graduates, 909 being Koreans. In November, 1926, a Radio Broadcasting Office was established in Keijo and opened to business in February, 1927. At present subscribers number 10,881.

Public Hygiene

Prior to 1906 Chosen was a land practically without access to any medical service worthy of the name and the sick were simply placed under the care of unqualified practitioners of the old Chinese school or of witches or magicians. The situation was made worse by an entire lack of sanitary equipments and pure water, the consequence being frequent outbreaks of various infectious diseases. As soon as the protectorate was brought into existence in 1906 the first step taken by the Government with a view to giving the nation the benefit of sanitation was the establishment of a modern hospital in Keijo. Since the annexation of Chosen by Japan in 1910 further steps have been taken to extend modern medical and sanitary benefits among the masses, even among those in very remote regions. The construction and extension of waterworks is another work pushed on by the Government with vigour so as to provide the people with good drinking water. The Government-General has also taken efficient and energetic measures for the prevention of epidemics; in consequence, small-pox which was formerly so

virulent in Chosen, has almost died out thanks to the enforcement of universal vaccination. Moreover, sanitary regulations relating to food stuffs, drinks, and drugs are rigidly enforced. Medical and hospital equipments have been greatly improved. At the end of 1930 hospitals numbered 123 including 4 Government institutions and 40 under local public authorities, and there were 1,749 licensed medical practitioners including 796 Japanese, 921 Koreans and 32 foreigners. Korean medical students numbered 4,680 in the same year.

Prohibition of Opium Smoking

Soon after its inauguration the Government-General made a serious effort to deal with opium-smoking. The habit of opium-smoking among the Korean people had been quite strong, specially among those in the frontier regions, many deaths resulting therefrom. The Government-General's drive for the abolition of this vicious habit was a thorough one. Those who were found smoking opium were made liable for criminal punishment. It would be, however, an exaggeration to say that the land was entirely freed from the evil, as much opium is still being smuggled in from China. In 1919 poppy cultivation was absolutely prohibited except for the purpose of supplying the needs of the medical profession and a certain limitation was placed on the area of its cultivation, and the product so raised was not permitted to be sold on the general market, being all taken over by the Government at a fixed price. In 1930, the Government-General granted a subsidy of ¥16,240, in addition to sufficient money to buy a necessary quantity of morphine to be divided among the provinces to assist in the cure of addicts. As a result 2,837 addicts out of a

total of 2,944 treated at the provincial morphine asylums were completely cured. The following is the policy now being pursued by the Government-General in its effort to conquer the evil of opium-smoking:

(1) To attempt to cure all morphine addicts within 10 years;

(2) To take into its own hands all the work of manufacturing and selling the morphine to be supplied to the registered addicts;

(3) To permit no person other than those registered to use morphine, and to punish heavily those who smuggled or secretly sold it;

(4) To educate the people so as to prevent any increase of addicts.

On March 3, 1930, the Government-General issued an order forcing all addicts to be registered and in the end of that year those who registered totalled 3,278 out of 5,094 persons known to be addicts.

CHAPTER XLII

TAIWAN (FORMOSA)

General Description

Area and Topography Taiwan (Formosa) forms the westernmost part of the Japanese Empire. It is washed by the Pacific on the east, and is separated from China on the west by the Formosan Straits and on the south from the Philippines by Bashi and Balintang Channels. It extends from 119° 18' to 122° 6' E. Longitude, and from 21° 45' to 25° 38' N. Latitude. The Tropic of Cancer bisects the island, which is about 394.28 km. long, its greatest width being 122.31 km. The Pescadores (Bokoto) and other outlying islands form a political division of the Taiwan Government-General. They cover 126.86 sq. km. The area of Taiwan, including the Pescadores, is 35,973.55 sq. km., being about 5.3 per cent. of the total area of Japan, a little smaller than Kyushu, and about one-sixth the size of Chosen (Korea). As regards its topography, Taiwan is an island which rises from the sea to a height of 3,950 metres, reached at the summit of Mount Niitaka (Mount Morrison). It consists of a mountain range with narrow valleys on both coasts which are the population centres. The valley on the west coast

is the principal population centre. That on the east coast is little developed and is capable of but slight further development. The rivers are not long and their current is very swift; in the rainy season they flood the surrounding country, causing much damage. The climate is semi-tropical. In summer the north is visited by rains; in winter the south. The temperature rarely falls below the freezing point.

The Inhabitants The territorial system of Formosa was organized during five years, 1898 to 1902, by a large land-investigation enterprise made by the Government-General. The island is inhabited by Japanese, natives and foreigners. The Japanese went there after the occupation of the island by Japan, and the foreigners mostly are Chinese. The number of Western people is small. The native Chinese are mostly Mins from Fukien province and Cantonese from the China coasts across the Formosan Straits, composing 92 per cent. of the total population. The aborigines consist of savages and semi-civilized tribes. The following figures show the population at the end of the 1931-32 fiscal year, that is, March 31, 1932:

	Total number	Male	Female	Percentage
Japanese	243,872	131,563	112,309	5.1
Natives	4,426,122	2,251,354	2,174,768	92.2
Aborigines (Savages)	88,698	44,763	43,935	1.8
Foreigners	45,284	30,707	14,577	0.9
Total	4,803,976	2,458,387	2,345,589	100.0

Excluding the savages, the total population at the end of the 1931-32 fiscal year in Taiwan was 4,715,278, showing an increase of 1,668,419

over that at the end of 1905, when the first census-taking results were announced. This means a yearly gain for the 26 years of 64,169.

The areas, population, number of

	Area sq. ri	Population	No. of counties or sub-districts	No. of towns and villages
Taihoku province	296	968,887	9	69
Shinchiku ..	208	697,949	8	42
Taichu ..	478	1,062,514	11	60
Tainan	351	1,210,115	10	66
Takao ..	374	56,412	7	44
Taito district	324	60,544	4	11
Karenko ..	300	90,355	4	10
Boko ..	8	63,297	2	7
Taihoku city	2.7	256,167	—	—
Keelung ..	2.8	78,680	—	—
Shinchiku..	2.3	48,454	—	—
Taichu ..	1.3	57,359	—	—
Tainan ..	2.7	98,844	—	—
Kagi ..	3.2	59,821	—	—
Takao ..	3.2	66,863	—	—

The Climate Being in the semi-tropical zone, the summer time is long and the winter is short. The highest temperature, however, is not very much higher than in Japan proper, but the weather is warmer during the winter time. Frost is very rare and water has been known to freeze over only twice since Taiwan came under Japanese rule. The island lies in the highway of typhoons, and is yearly visited by them, terrible damage being sometimes caused.

During a 35-year period ending in 1931, Formosa was hit by severe typhoons no less than 86 times; of these, several occurred in the year 1914.

Typhoons originate generally in the offing northeast or east of Luzon Island of the Philippines, and cross the island or enter the Chinese mainland, passing the southern or northern extremity of the island. Taiwan forms a part of an earthquake zone connecting Kyushu, Okinawa Islands and the Philippines and naturally it is very often visited by seismic shocks. The number of earthquakes registered in the island or the neigh-

counties and districts and number of towns and villages of five provinces, three districts and seven cities at the end of the 1931-32 fiscal year follow:

bouring seas during 23 years ending 1931, was 7,722, which means 336 a year or nearly one every day.

Administrative System

When Taiwan came under Japan's rule in April, 1895, by virtue of the Shimonoseki Treaty, the Japanese Government established the Taiwan Affairs Bureau in June of that year and then in August of the same year the Taiwan Government-General Act was promulgated in connection with the introduction of military administration. This was replaced by the civil administration in March of the following year. The Taiwan Government-General came under the supervision of the Minister of Overseas Affairs with the establishment of the Ministry in June, 1929. The Governor-General is invested with authority to require military assistance from the commanders of the army and navy in the territory under his jurisdiction, when he deems it necessary to do so for the maintenance of peace and order in Taiwan. If the Governor-General is either a soldier or a

naval man, he is able simultaneously to assume the command of the Formosan Army. The Governor-General also is invested with authority to supervise officials under him, promote them in rank, retire them from service, or recommend them for honours through the Minister of Overseas Affairs and the Premier, and to suspend or cancel orders and administrative measures of provincial governors under him, when such are deemed damaging to public interest or overstepping the sphere of their authority. The Taiwan Government-General consists, besides the secretariat to the Governor-General, of five bureaux, that is, the Home Affairs Bureau, Educational Affairs Bureau, Financial Affairs Bureau, Colonial Development Bureau and Police Affairs Bureau. The Chief of General Affairs, or Civil Governor, Directors of the five Bureaux and many other officials are under the supervision of the Governor-General. There is an Advisory Council to the Governor-General, which serves as a very important organ for the administration of the island. Not only does it give advice to the Governor-General on laws or regulations but also on general important business. The members consist of Government-General officials and leading persons in private circles in the island. The provincial administration extends over 5 provinces, 3 districts, 7 cities and 45 counties. There are the same number of provincial governors, district superintendents, city administrators and county chiefs, all under the Government-General.

Aboriginal Administration

The Taiwan aborigines are the oldest inhabitants of the island and are classified into semi-civilized aborigines and savage head-hunters. The former have now settled down

as ordinary peaceful citizens and differ nothing in culture and general status from the natives who belong to the Han (Chinese) race. The head-hunters, on the other hand, live in mountainous districts and still adhere to their traditional habits and manners, their culture being very low. The Taiwan Government-General is concerned in its aboriginal administration mostly with these savage tribes. At first the head-hunters lived in the plains, but, under pressure of the invading race from the shores opposite, they had to retreat to mountain resorts. Some people think, however, that they have been accustomed to mountain life from the first. These savages lead a very primitive life, their dwelling-places being so difficult of access, and they still deter other tribes from settling near them by their traditional custom of head-hunting. Since Japan's occupation of Taiwan great efforts have been directed by the authorities to their subjugation and cultural improvement, and at the present time head-hunting is rapidly becoming extinct, and these savages are entering the first stage of civilized life under the rule of the Japanese. But there is no denying the fact that their life is still very backward in cultural development. Some of them living along the mountain zone in West Taiwan, and those living on the sea coast in East Taiwan, pay taxes. These aborigines have a close resemblance to the Negritos in the South Sea islands and are supposed by anthropologists to be of a Malay-Indo race divided into seven tribes: Taiyal, Saisit, Bunun, Tsuwo, Paiwan, Ami and Yami, and are entirely different in countenance, physical build, language and habits from the Han race who came over from continental China. These savages are distinguished by

their extreme hatred of other tribes, and have a habit of combining together in an offensive and defensive alliance against any enemy. The number of these savages at the end of 1931-32 fiscal year was 142,436, of whom 71,529 were male and 70,907 female. They lived in 23,954 houses in 698 villages. Their population in 1930 and 1931 follows:

	1930	1931	Increase
Taiyal tribe	32,925	33,302	377
Saisset ..	1,277	1,340	63
Bunun	17,935	17,935	0
Tsuwo	2,134	2,197	63
Paiwan	41,500	41,746	246
Ami	43,142	44,187	1,045
Yami	1,649	1,673	24
Others	—	56	56
Total	140,553	142,436	1,883

The Four Tribes The savages of the Taiyal and Bunun tribes are known as the most ferocious of all. Occasionally they quarrel with and even kill their own comrades. The Tsuwo tribe abolished the custom of head-hunting many years ago. The Saisset tribesmen are the gentlest of all, and are quickly losing their savage proclivities. The Japanese authorities have cudgelled their brains how to bring these wild people under control. When Holland occupied the south of Taiwan and Spain the north, they tried to pacify them principally through the medium of religion and medicine. During the time when the Cheng family from South China ruled the island, force and conciliation were adopted in turn, but the results were not satisfactory. Conciliation has dominated Japan's policy toward these savages in the island since her occupation of Taiwan. When the campaigns against rebels came to an end in 1902, attention was given to the aboriginal control policy. Owing to the stubborn resistance offered by the savages, the Governor-General, General Viscount Sama-

ta Sakuma, drafted a five-year plan for dealing with the aborigines and established the campaign headquarters in the Government-General in 1909 to start the enterprise on an elaborate scale. The fundamental policy was based on conciliation, and training the savages to become law-abiding people on the one hand, and chastisement of the insubordinate on the other. The confiscation of their arms was one of the important tasks. All arms were given up to the Japanese authorities by the northern aborigines in 1914. This completed the task of aboriginal pacification in January, 1915. Occasional raids on police stations and head-hunting of innocent people were committed after that, owing to the instigation of malcontents. The worst outbreak that took place was the Musha Incident in October, 1930, which culminated in the sending of troops. Even today the Japanese authorities are making strenuous efforts to civilize the aborigines by sundry means. Many of them are engaged in farm work and pay taxes. Some of them receive special education. Policemen are stationed at various points of vantage in the savage districts and peace maintenance, job-finding, education, medical care, traffic, public works and sundry other affairs are being looked after by them. Since the occupation of Taiwan to the end of 1930 rifles confiscated numbered 32,235, of which 14,637 rifles were confiscated in 1914, when the five-year campaign plan came to an end. Spades replaced rifles. During the 35 years which ended in 1930, 7,082 people lost their lives at the hands of savages and the largest number of them in a single year was 761 in 1912. In 1930, 158 deaths were reported. This is due to the Musha Incident. Of the total of 7,082 victims during

those 35 years, those of police, Japanese and native, numbered 2,660 and those of civilians 4,422. During the same period 4,160 were wounded in connection with the campaign against savages. Thanks to the successful aboriginal policy, a change is beginning to be made in the lives of these people in recent years. They are emerging from their primitive condition into an economic existence. They are glad to work on paddy fields and take up other sorts of labour. They are now accustomed to money-saving habits. Their postal savings deposits at the end of the 1931-32 fiscal year amounted to ¥326,004 for 14,884 depositors, the average amount of deposits being ¥21.80. At present the aboriginal administration consists mainly in finding work for the aborigines and giving them educational culture.

Musha Revolt A big revolt of savages known as "Musha Revolt" took place in the summer of 1929 in Formosa among tribesmen of Musha villages in the northeastern district of Formosa. These villagers were known as subjugated aborigines for many years, but, out of their indignation against some Japanese on matters of wage and others in connection with the construction of a reservoir at Jitsugetsutan by the Taiwan Electric Power Company, they became wild and killed Japanese policemen and their family members. The situation became serious, so much so that the military force had to be employed for subjugation. A vigorous campaign followed as the result and within about two months peace was restored.

Occupations of Aborigines The work on which the aborigines are engaged is cultivation of paddy fields, stock-raising, sericulture and other kinds of farming. They raised 19,188 koku of unhulled rice in 1931, one koku being 5.1116 bushels, showing

a gain of 8,153 koku over 1930. The authorities encourage stock-raising. At the end of 1931 the natives had 34,666 pigs, 5,706 buffaloes, 2,939 head of cattle and 2,500 sheep. The value of their cocoon crop for 1931 totalled ¥8,710. They also raised sundry other farm products valued at ¥73,482 for the same year. Education is gradually spreading among the aborigines. At the end of 1931 there were 6,887 aboriginal children attending 174 schools maintained at the expense of the Government-General specially for these tribes. In addition, the number of the people attending other kinds of school was 7,048 in April, 1932. The Government-General authorities also are directing their energy to cultural enterprises for aborigines. They have their own social organizations, such as the aboriginal chiefs' societies, self-governing societies, women's societies, young men's associations, school children's patrons' societies, and others. Members of these societies numbered 49,542, of whom 6,894 are able to speak Japanese fairly well. Superstition is being gradually eradicated from among the aborigines as medical attention is being increasingly given them. Free dispensaries provided exclusively for them numbered 215 at the end of 1931. The Government-General established 95 "exchange" houses for them to sell their products. The sales at these houses at the end of 1931 totalled ¥543,990.

Police and Judicature

The Police The Taiwan police consist of men appointed from among Japanese, natives and semi-civilized aborigines. Their services are divided into the ordinary service and aboriginal police service. The police in aboriginal districts are reinforced by police assistants appointed mostly from among natives.

These are features of the police services of Taiwan. What is known as the tithing system of Taiwan provides a feature of peace preservation in the island. This system is of Chinese origin and was first adopted as an auxiliary to the police system in 1898. Owing to the satisfactory results attained, it also was extended to the lower grades of the administration in 1909. One tithing group consists of 100 houses and it looks after the peace of the group. In case these groups organize an association, the matter has to be sanctioned by provincial governors or district superintendents. Each group has its chief, who is elected and sanctioned by governor or superintendent. His duty is to maintain peace and order in his tithing district. Members of groups consist of men ranging from 17 to 50 years old and must be of good character. They offer their services free. The number of groups involved in the tithing system of Taiwan was 5,237 at the end of 1931. Many pirates infest the coast of Taiwan, mostly coming from South China. They attack junks during the summer time. The police on duty against these sea raiders are attached to provincial or district governments.

Judicature The judicature of Taiwan consists of three grades of courts, viz., six district courts, one court of appeal and the supreme court—all under control of the Governor-General. The functions of the various courts are practically the same as those of the courts in Japan proper.

Religion and Education

Religion There are 23 Shinto

shrines in Taiwan. The Taiwan Shrine is a first-class Government shrine and is the central shrine of worship for the Japanese people in the island. It is located in a suburb of Taihoku, the capital of the island, and is dedicated to Okuninushi, Oanamuchi and Sukunahikona, all legendary leaders of the early Japanese race, and to His Imperial Highness General Prince Yoshihisa Kitashirakawa, who died in the island when commanding the Japanese expeditionary force in Taiwan during the Sino-Japanese War. Shintoism, Buddhism and Christianity have been propagated by the Japanese since the island was ceded to Japan in 1895. Confucianism is observed among the natives and Chinese people in the island.

Education The continuous efforts of the Government-General have been rewarded to such an extent that the natives have been receiving education since 1922 together with Japanese in the classes of middle-school grade and in higher institutions, although the elementary education is still given both in the vernacular and Japanese languages. Besides numerous elementary schools, Taiwan had at the end of March, 1932, 10 middle schools, 12 girls' schools, five special schools of middle school grade, four normal schools, four higher special schools and one Imperial University. The Taihoku Imperial University was founded in March, 1928. It consists of two departments, one literature and politics and the other physics and agriculture. The educational expenses for the last five years are:

	Total amount	State expenses (In ¥1,000)	Provinces and districts	Cities, towns and villages
1928	16,134	5,529	7,264	3,281

	Total amount	State expenses (In ¥1,000)	Provinces and districts	Cities, towns and villages
1929	17,018	5,925	7,551	3,540
1930	16,916	5,638	7,707	3,570
1931	17,074	5,428	7,709	3,936
1932	16,289	4,820	7,842	3,627
Average	16,686	5,480	7,615	3,591

Opium Monopoly

The Taiwan Chinese, mostly natives, were addicted to opium smoking when Japan assumed ownership of the island. It was found impossible to eradicate the habit, and in order to limit the use of the drug a Government monopoly, controlling the manufacture, sale and retail distribution of opium, was finally established. Smokers are registered and have to obtain a licence to buy the drug. In this way and also through education of the rising generation the vice is being gradually eliminated. The total names registered in September, 1900, reached 169,064, of those to whom the licences were granted. The number of licensed smokers at the end of 1931 had decreased to only 21,298, of whom 17,767 were males and 3,531 females. The Chinese people who smoke opium on licence at the end of 1931 numbered 211, of whom 192 were males. Japan, in conformity with the spirit of the League of Nations' International Opium Treaty, has been endeavouring to stamp out the bad habit of smoking and has realized satisfactory results so far.

Agriculture

Agriculture is the most important industry of Taiwan. Since the island came under Japan's control, it has made a rapid development and the total farm production in 1930 was worth ¥208,042,460, composing about 50 per cent. of all the industrial production of the island. The area under cultivation in 1900 was 363,290 ko (one ko being 2.377 acres

or 2,934 tsubo). It increased to 835,406 ko at the end of March, 1932, more than double that of 31 years ago. The cultivated land is more than 20 per cent. of the island's total area. The area of cultivated land since 1900 has been as follows:

Year	Fields (In 1,000 ko)	Farms	Total
1900	211	151	363
1908	328	345	673
1912	346	364	710
1917	350	412	742
1922	376	397	773
1927	399	422	821
1928	403	425	829
1929	406	423	829
1930	408	428	836
1931	411	424	835

People engaged in agriculture are about 57 per cent. of the total population. At the end of March, 1932, their number was 2,583,359, of whom tenant-farmers were 1,026,343, landed farmers 746,031, and landed tenant-farmers 810,985.

Rice Crops The climate is very well suited to rice cultivation especially in the western district, where crops are harvested twice a year. The annual rice production is about 7,500,000 koku with a value of ¥85,000,000. Rice forms the chief of the three most important farm products of Taiwan, that is, rice, sugar canes and potatoes. Rice known as Horai rice is grown heavily in recent years. Its plantation area for 1931 totalled 147,000 ko and the crop amounted to 1,900,000 koku for two crops a year. The plantation areas and rice crops since 1900 follow:

These are features of the police services of Taiwan. What is known as the tithing system of Taiwan provides a feature of peace preservation in the island. This system is of Chinese origin and was first adopted as an auxiliary to the police system in 1898. Owing to the satisfactory results attained, it also was extended to the lower grades of the administration in 1909. One tithing group consists of 100 houses and it looks after the peace of the group. In case these groups organize an association, the matter has to be sanctioned by provincial governors or district superintendents. Each group has its chief, who is elected and sanctioned by governor or superintendent. His duty is to maintain peace and order in his tithing district. Members of groups consist of men ranging from 17 to 50 years old and must be of good character. They offer their services free. The number of groups involved in the tithing system of Taiwan was 5,237 at the end of 1931. Many pirates infest the coast of Taiwan, mostly coming from South China. They attack junks during the summer time. The police on duty against these sea raiders are attached to provincial or district governments.

Judicature The judicature of Taiwan consists of three grades of courts, viz., six district courts, one court of appeal and the supreme court—all under control of the Governor-General. The functions of the various courts are practically the same as those of the courts in Japan proper.

Religion and Education

Religion There are 23 Shinto

shrines in Taiwan. The Taiwan Shrine is a first-class Government shrine and is the central shrine of worship for the Japanese people in the island. It is located in a suburb of Taihoku, the capital of the island, and is dedicated to Okuninushi, Oanamuchi and Sukunahikona, all legendary leaders of the early Japanese race, and to His Imperial Highness General Prince Yoshihisa Kitashirakawa, who died in the island when commanding the Japanese expeditionary force in Taiwan during the Sino-Japanese War. Shintoism, Buddhism and Christianity have been propagated by the Japanese since the island was ceded to Japan in 1895. Confucianism is observed among the natives and Chinese people in the island.

Education The continuous efforts of the Government-General have been rewarded to such an extent that the natives have been receiving education since 1922 together with Japanese in the classes of middle-school grade and in higher institutions, although the elementary education is still given both in the vernacular and Japanese languages. Besides numerous elementary schools, Taiwan had at the end of March, 1932, 10 middle schools, 12 girls' schools, five special schools of middle school grade, four normal schools, four higher special schools and one Imperial University. The Taihoku Imperial University was founded in March, 1928. It consists of two departments, one literature and politics and the other physics and agriculture. The educational expenses for the last five years are:

	Total amount	State expenses (In ¥ 1,000)	Provinces and districts	Cities, towns and villages
1928	16,134	5,589	7,264	3,280

	Total amount	State expenses (In ¥ 1,000)	Provinces and districts	Cities, towns and villages
1929	17,018	5,925	7,551	3,540
1930	16,916	5,638	7,707	3,570
1931	17,074	5,428	7,709	3,936
1932	16,289	4,920	7,842	3,627
Average	16,686	5,480	7,615	3,591

Opium Monopoly

The Taiwan Chinese, mostly natives, were addicted to opium smoking when Japan assumed ownership of the island. It was found impossible to eradicate the habit, and in order to limit the use of the drug a Government monopoly, controlling the manufacture, sale and retail distribution of opium, was finally established. Smokers are registered and have to obtain a licence to buy the drug. In this way and also through education of the rising generation the vice is being gradually eliminated. The total names registered in September, 1900, reached 169,064, of those to whom the licences were granted. The number of licensed smokers at the end of 1931 had decreased to only 21,298, of whom 17,767 were males and 3,531 females. The Chinese people who smoke opium on licence at the end of 1931 numbered 211, of whom 192 were males. Japan, in conformity with the spirit of the League of Nations' International Opium Treaty, has been endeavouring to stamp out the bad habit of smoking and has realized satisfactory results so far.

Agriculture

Agriculture is the most important industry of Taiwan. Since the island came under Japan's control, it has made a rapid development and the total farm production in 1930 was worth ¥208,042,460, composing about 50 per cent. of all the industrial production of the island. The area under cultivation in 1900 was 363,290 ko (one ko being 2.377 acres

or 2,934 taubo). It increased to 835,406 ko at the end of March, 1932, more than double that of 31 years ago. The cultivated land is more than 20 per cent. of the island's total area. The area of cultivated land since 1900 has been as follows:

Year	Holds (In 1,000 ko)	Farms	Total
1900	211	151	363
1908	328	345	673
1912	346	364	710
1917	350	412	742
1922	376	397	773
1927	399	422	821
1928	403	425	829
1929	406	423	829
1930	408	428	836
1931	411	424	835

People engaged in agriculture are about 57 per cent. of the total population. At the end of March, 1932, their number was 2,583,359, of whom tenant-farmers were 1,026,343, landed farmers 746,031, and landed tenant-farmers 810,985.

Rice Crops The climate is very well suited to rice cultivation especially in the western district, where crops are harvested twice a year. The annual rice production is about 7,500,000 koku with a value of ¥85,000,000. Rice forms the chief of the three most important farm products of Taiwan, that is, rice, sugar canes and potatoes. Rice known as Hórai rice is grown heavily in recent years. Its plantation area for 1931 totalled 147,000 ko and the crop amounted to 1,900,000 koku for two crops a year. The plantation areas and rice crops since 1900 follow:

	Plantation areas (In ko)	Crops (In koku)
1900	368,922	2,652,970
1908	486,274	4,512,143
1912	495,128	4,046,611
1917	480,642	4,883,813
1922	527,696	5,445,514
1927	603,153	6,296,672
1928	603,058	6,735,005
1929	579,274	6,450,762
1930	633,444	7,370,516
1931	653,390	7,479,846

Sweet Potatoes Sweet potatoes also are extensively produced almost everywhere and all through the year in the island. The chief producing centres are Tainan, Taichu and Takao provinces. Potatoes serve as fodder for cattle besides being used as ordinary foodstuff. Dried potatoes are shipped to Japan as material for producing alcohol and starch. The export value of dried potatoes for 1931 totalled 43,571,775 kin (one kin being 1.3 pounds), worth ¥748,961. The crop of sweet potatoes for 1902 amounted to 501,160,292 kin and the amount has been increasing yearly since. The 1931 crop totalled 2,404,687,977 kin. The plantation area of 63,147 ko for 1902 increased to 133,241 ko for 1931.

Tea Tea is one of the principal exports of Taiwan. The export value totals about ¥9,000,000. The tea production amounted to 20,808,765 kin (in plantation area of 28,308

ko) for 1902 and that for 1931 amounted to 14,959,584 kin (in the area of 45,948 ko). Tea plantation was introduced there by immigrants from China. In 1868 some amount of tea roughly made in Taiwan was exported to Amoy, where it was refined, but later the Taiwan producers, bringing tea operators from Amoy and Foochow, began to export refined tea, and in 1869 as much as 280,000 pounds of refined tea was exported to New York. This was the first export of Taiwan tea to America. Then tea production developed considerably year after year. Export tea is classified into four varieties, viz., Oolong, Pouchong, green and black. Oolong and Pouchong teas are most abundantly produced; the former, appreciated by Americans, and the latter, preferred by the people of the South Sea Islands, is exported to Java and Siam. Black tea is extending its markets, and, although not as good as Ceylon tea, it is better in quality than Japanese black tea.

Other Products Other agricultural products are peanuts, beans, wheat, sesame, longan, (otherwise known as "dragon's eye") and vegetables. The yielding areas and production of these farm products for 1931, as compared with those for 1900, follow:

	Yielding area (In ko)		Production (In koku)	
	1900	1931	1900	1931
Peanuts	11,358	28,088	120,838	503,792
Beans	11,365	19,450	50,281	79,546
Barley	1,479	673	11,460	4,163
Wheat	1,857	528	11,282	3,676
Sesame seeds	6,889	3,251	36,279	9,811
Jute	1,155	2,051	1,481,543 (kin)	6,497,953 (kin)
Hemp	1,654	1,513	1,022,063 ..	1,518,010 ..
Tobacco	240	782	606,620 ..	2,113,871 ..
Oranges	317	3,926	2,025,965 ..	41,921,918 ..
	(1905)		(1905)	
Pineapples	—	5,134	—	70,764,253
Longan	—	447,972 (trees)	—	4,810,497 (kin)
Vegetables	—	—	—	¥9,720,243

The export of pineapples for 1931 totalled ¥109,483 and that of canned pineapples ¥4,201,015.

The Live-stock The live-stock raising industry in Taiwan is flourishing. The number of cattle at the end of 1931 was 383,042, of which buffaloes numbered 296,158. Buffaloes play the most important rôle in agricultural pursuits. Hog-raising industry is widely maintained and hogs are kept by almost all native farmers. Their number at the end of 1931 was 1,738,874, having increased three-and-a-half times since the cession of the island to Japan. Poultry consist of chickens and geese, their total number at the end of 1931 being 6,663,484. It was in 1912 that sericulture was started in the island. Before that year no sericulture existed there. It took nearly 10 years before native farmers appreciated it as a side-line. This industry is becoming important among farmers. In the first year the cocoon crop amounted to only 84 koku and it increased to 1,737 koku in 1931. One of the unique features of sericulture in Taiwan is that silkworms can be raised at any time of the year, since even during the winter-time mulberry leaves are grown. Moreover, no insect ravage is experienced in the island. The cost of production is scarcely half that in Japan.

Agricultural Equipment The Taiwan Government-General has taken every possible measure to encourage the rice cultivation and improve the quality of rice. "Horai rice" is a Japanese kind, and after many years' experiment the island succeeded in raising rice of good quality. The inspection of rice has been made under control of the Governor-General since July, 1926. Silkworms are raised and distributed by the Sericultural Experimental Station of the Colonial Development Bureau in

the Government-General. The Government-General also is adopting all possible steps for improvement of tea cultivation and for this purpose is training tea-raising experts at its Tea Institute. The Pineapple Experimental Station is maintained under control of the Government-General for promotion of this industry. Agricultural warehouses, numbering 10, are doing business upon Government subsidy. The immigration of Japanese into Taiwan so far has failed to realize satisfactory results. Farm settlers from Japan proper numbered 3,028 at the end of March, 1932. They maintained an area of cultivated fields covering 826 ko and farms covering 1,740 ko. Fundamental farm investigation is being constantly carried on by the authorities. The investigation involves that on land management, tenancy, farm economy, farm production, demand and supply of products and fertilizers, land utilization, farm labour, market prices of farm products, etc. Irrigation work also is pursued on an approved plan. The Landlord and Tenant-Farmers Harmonization Society was established in 1927 under Government aid for improvement of the tenant.

Sugar Industry

Taiwan is the centre of the sugar industry of Japan. The industry has existed since the coming of the Han race to the island and, when the Dutch occupied the island in 1624, sugar had already become one of the staple products of the island. It has maintained the topmost position of Taiwan's industries. At the time of Japan's occupation of Taiwan the annual output was only about 80,000,000 kin, one kin being 1.323 pounds. Japan proper consumed more than 300,000,000 kin of sugar, the majority of which had to be imported from abroad.

Dr. Nitobé's Plan Alive to this situation, the Taiwan Government-General concentrated its energy on the increased production of sugar by means of business improvement and expansion, and this has resulted in the present industrial prosperity. Not only has this prevented the import of foreign sugar, but it has contributed a great deal to the exploitation of natural resources and the financial and industrial development of the island. Dr. Inazo Nitobé was engaged by the Government-General to work out a sugar-industry development plan. He proposed several measures for industrial development, namely, the improvement of kinds of sugar canes and their cultivation, improvement of pressing and manufacturing methods, the application of artificial irrigation, increased land cultivation and expansion of sugar plantations, the establishment of sugar experimental stations, and the organization of sugar production guilds, as well as other measures. These formed the basic policy of the Taiwan sugar industry. The sugar encouragement regulations were issued in June, 1902. According to these regulations, the Government-General will give a subsidy to sugar-cane planters or sugar manufacturers for cane plantation, fertilizers, cultivation, irrigation, and manufacturing machines, or, if necessary, implements will be lent or given. The subsidies given in this connection up to the end of the fiscal year of 1931-32 totalled ¥12,908,698. The Government-General is adopting a policy of reducing the subsidy with the progress of sugar industry. With the establishment of sugar mills the competition for the acquisition of canes became severe.

Upon Consolidated Basis In order to prevent evils arising out of this

competition, the authorities issued regulations restricting the spheres of cane plantations in 1905. This caused sugar-makers to work on a consolidated basis yearly. As it was impossible for sugar manufacturers to get material from districts other than those designated for them by regulations, the makers took great care of the planters working on their fields. Planters also were placed on a definite basis of economy by the regulations, because the canes raised by them could be sold to the mills to which they belonged. When the sugar policy was established, the Extraordinary Taiwan Sugar Affairs Bureau was organized, but it was later replaced by the Sugar Refinery Section of the Colonial Development Bureau. The Government-General first established the Young Cane Seed Experimental Station in Taichu province in 1913. Seeds raised there were distributed to intermediate experimental yards, where they are further grown. Manufacturing companies are bound by duty to distribute these seeds free to farmers within their plantations. Thus the improvement of canes was realized. Young plants distributed till the end of March, 1932, totalled 501,281,310.

The Sugar Experimental Station The Taiwan Government-General Sugar Experimental Station was founded in Tainan City in March, 1932, as the central organization for the promotion of sugar plantation. At first, the Hawaiian "Rose Bamboo" canes were adopted for the Taiwan sugar cultivation and canes of this kind occupied 96 per cent. of all grown in 1913. Due to lack of adequate measures to keep the quality unchanged, and also to the fact that these canes had little power of resistance against storms they finally deteriorated. Then they were replaced by Java canes. Irrigation is

the most important matter for sugar plantation. At the end of March, 1932, the land under irrigation totalled 112,416 ko. Figures of sugar plantation area and crop per ko since 1902 follow:

Fiscal year	Plantation area (In ko)	Cane crop (In kin)	Crop per ko (In kin)
1902-03	16,526	629,157,902	41,338
1905-06	35,158	1,000,205,794	48,078
1908-09	39,055	2,219,471,541	56,858
1910-11	75,329	3,159,598,509	41,944
1914-15	95,150	3,933,805,780	46,190
1917-18	150,450	6,517,535,709	45,314
1919-20	108,376	4,362,506,202	40,438
1920-21	142,032	6,752,889,820	47,544
1921-22	123,233	7,703,688,518	63,247
1923-24	130,450	8,825,841,621	67,641
1925-26	123,426	8,615,430,295	69,802
1926-27	101,531	7,411,962,535	73,002
1927-28	108,318	9,607,644,651	89,329
1929-30	120,046	12,291,944,205	102,394
1929-30	109,397	11,618,358,030	106,294
1930-31	99,094	10,944,680,505	110,447

The Refining Industry

The sugar industry at the time of Japan's occupation of Taiwan was very primitive. Out of about 1,100 sugar mills, not a single mill had adopted the modern mechanical method of manufacturing, and all of them used animal power. Owing to insufficient pressing power, a large percentage of sugar-substance was wasted during the manufacturing

process and, moreover, the product was inferior. By 1932 there were only 68 mills of this kind, as the majority of them were gradually eliminated. In these primitive mills two stone wheel cars or three metal wheel cars are employed for grinding by animal power. Improved mills use pressing machines and motors. Brown sugar is also manufactured. Such mills number only eight, with a total productive capacity of only 640 tons for 1932. The modernly-equipped mills have pressing capacity ranging from 300 to 3,000 tons a day and are able to produce in great quantity. The Taiwan Sugar Manufacturing Company founded in 1901 was the first of the kind. During the financial boom following the Russo-Japanese War many sugar-manufacturing concerns were established, and Japan finally leaped into a prominent position among the world's sugar-producing countries. In 1932 there were 46 mills with the daily productive capacities of 27,800 British tons and 13,400 American tons. Most of them produce crude sugar known as centrifugal. Some of them turn out white sugar by a change of milling operation. Sugar-cane pressing capacity and production of white sugar follow:

Companies	Cane pressing capacity (In tons)	Production of white sugar		
		1928	1930	1932
Taiwan Sugar's Taihoku Mill	Brit. 500	3,627,700	8,304,800	4,038,350
Taiwan Sugar's Sharokan Mill	Amer. 1,200	21,852,833	20,449,360	42,670,952
Taiwan Sugar's Kibi Mill	Brit. 1,200	7,730,760	15,570,600	21,584,442
Meiji Sugar's Shoryu Mill	" 750	5,840,000	—	—
Meiji Sugar's Nansai Mill	" 1,000	7,832,900	16,934,650	17,950,050
Meiji Sugar's Ujurin Mill	" 750	6,327,200	11,148,000	14,049,956
Dai Nippon Sugar's Toroku Mill	" 500	10,953,900	14,018,600	14,000,103
Ensuiiko Sugar's Shinei Mill	" 1,000	14,426,900	33,933,600	48,260,578
Ensuiiko Sugar's				
Kishinai No. 1 Mill	" 550	12,481,100	32,967,300	37,100,334
Kishinai No. 2 Mill	" 700			
Total	Amer. 1,200 } " 6,950 }	111,073,293	153,326,910	199,654,765

Refined white sugar produced from Taiwan crude sugar for 1932 totalled 2,858,164 kin. Crystallized sugar is produced from the material of white sugar or refined sugar. It is manufactured at the Takao Mill of the Ensuiko Sugar Manufacturing Company. The amount totalled 116,900 kin in 1926, but since 1927 the production has been suspended. Molasses is a by-product in making centrifugal sugar. This is used as material for making alcohol and also for fodder, fertilizer and other purposes. The 1932 output totalled 307,411,000 kin.

A Summary Summarizing the status of the sugar industry, the cane-plantation area at the beginning of

1902 was 26,167 ko, and there was only one mechanically-operated mill with daily capacity of 200 tons and capitalization of only ¥1,000,000. In 1927 such mills numbered 45 with daily productive capacity of 39,414 American tons and total capitalization of ¥290,520,000, although this dropped to ¥245,776,600 in 1932, owing to mergers or readjustment of business. But the capacity increased to 44,536 American tons for 1932. The total production in 1902 was only 90,000,000 kin, but in 1927 it rose as high as 1,315,540,000 kin and further to 1,648,440,000 kin in 1932. This was sufficient for the needs of the whole national consumption.

Details follow:

Companies	Head offices	Capital		Nos. of mills	Daily pressing capacity of canes (American tons)
		Subscribed (In ¥1,000)	Paid-up		
Taiwan Sugar	Heito, Takao province	63,000	43,000	13	11,514
Shinko Sugar	Taiyo, Takao province	1,200	1,200	1	952
Meiji Sugar	Mato, Tainan province	48,000	38,800	7	8,320
Dai Nippon	Senamachi, Tokyo City	51,416	40,141	6	7,638
Ensuiko Sugar	Shinei, Tainan province	20,250	17,457	6	5,820
Nitaka Sugar	Wami, Taichu province	28,000	10,750	3	3,284
Teikoku Sugar	Taichu City	18,000	13,500	5	3,234
Showa Sugar	Goketsu, Taihoku province	3,260	3,260	3	1,738
Taito Sugar	Taito	1,750	1,750	2	560
Shinchiku Sugar	Byoritsu	1,200	1,200	1	500
Sharoku Sugar	Sharoku, Taichu province	700	700	1	336
Total		275,776	167,819	48	44,536

Production of sugar for the 1931-32 fiscal year follows:

Companies	Materials used (In kin)	Sugar production	Production of molasses
Taiwan Sugar	3,329,843,660	471,139,589	75,215,401
Shinko Sugar	159,200,650	20,910,660	5,086,741
Meiji Sugar	2,463,585,330	320,187,544	57,271,001
Dai Nippon Sugar	2,402,099,040	307,809,470	63,792,490
Ensuiko Sugar	1,589,130,980	218,132,623	37,424,250
Nitaka Sugar	659,539,920	85,121,580	16,545,911
Teikoku Sugar	1,155,343,890	139,094,969	23,914,950
Showa Sugar	311,018,550	38,643,462	8,967,773
Taito Sugar	98,964,910	13,162,356	2,878,649
Shinchiku Sugar	101,376,080	12,150,050	3,365,636
Sharoku Sugar	71,532,000	7,376,800	2,948,156
Total	12,431,655,010	1,628,738,003	307,411,571
Improved mills	79,100,320	11,240,564	—
Primitive mills	90,201,106	8,467,753	—
Grand total	12,600,956,436	1,648,446,320	307,411,571

Sugar production in Taiwan since 1905 has been as follows:

Year (Nov.-Oct.)	Mechanically-operated mills	Improved mills		Primitive mills	Total
		(In kin)			
1905	7,558,418	641,583	74,432,707	82,632,658	
1908	28,650,648	21,548,314	59,002,565	109,201,527	
1911	223,746,074	67,923,183	58,895,441	450,564,698	
1913	105,047,715	7,266,608	6,834,921	119,149,244	
1915	313,064,988	18,609,895	15,771,514	347,446,398	
1917	681,942,009	44,267,332	37,280,842	763,490,273	
1919	435,905,228	17,226,885	33,224,850	486,356,963	
1921	401,948,211	8,695,462	10,579,932	421,223,605	
1923	581,460,227	3,765,752	7,093,274	592,320,253	
1925	778,774,392	8,040,111	12,418,544	799,233,047	
1927	671,018,487	5,571,867	8,643,715	685,234,019	
1928	952,868,631	6,475,108	7,517,395	966,861,134	
1929	1,296,552,378	9,627,009	9,368,152	1,315,547,538	
1930	1,330,505,897	11,750,135	8,549,854	1,350,805,885	
1931	1,311,805,429	9,534,794	7,458,389	1,328,798,612	
1932	1,028,738,003	11,240,564	8,467,753	1,048,446,320	

Forestry and Afforestation

The surface of Taiwan is covered by mountains to the extent of almost two-thirds of its entire area, and the island is rich in thick forests of immense depth. Forest protection and afforestation are done on an approved system by the Government-General. The great mountain ranges running north to south with numerous peaks provide vegetation peculiar to temperate as well as to tropical and sub-tropical regions. The most renowned of the natural forests of Taiwan are those on the mountains in the central ranges, from Taibysan in the south to the peninsula of Koshun; those on famous Mt. Arisan; those on Mt. Rokujodaisan in the north; and those on Mt. Seiran. Besides these, there are also extensive forests in the valleys of the River Dakusui and in some districts of Karenko. The total forest area in Taiwan is estimated approximately at 2,960,822 acres, 76,669 acres of Government forests, 266,963 acres of protected forests, and 299,427 acres under afforestation. Building-timber, sleepers and other forest products turned out from the Government for-

ests amount to the annual value of ¥250,000. When the Portuguese first discovered the island, they were impressed with the immense expanse of forests and cried "Formosa!" signifying "beautiful." Reckless cutting of trees was done by Chinese immigrants and this, combined with the lack of adequate forest administration of the Manchu Dynasty, resulted in the devastation of forest districts. The Forest Bureau was established in 1915 and since then forest protection has been done in an approved manner by the Government-General.

Timber Industry The timber industry of the Arisan group is controlled by the Government-General. This famous mountain group is located east of Kagi in Tainan province and is on the Tropic of Cancer. It stands 9,240 feet high. It is covered with red cypress, Mongolian oak and hemlock. The former two kinds of wood are highly valued. There are many trees aged more than 3,000 years. Even the Imperial forest at Kiso in Nagano prefecture has few oaks of such great age. Timber used for the building of important shrines such as the Kashiwabara Shrine, dedicated to the memory of

Jimmu Tenno, the first Emperor of Japan, the Imperial Mausolea at Momoyama for the Emperor Meiji and Empress Shoken, and the Meiji Shrine was grown on these mountains. The two great pillars constituting the torii of the Meiji Shrine are estimated to be 1,900 and 1,090 years old respectively. Both came from these mountains. The number of these valuable trees at the end of 1931 was 1,486,416. The Government-General spent ¥4,898,212 as initial outlay for the five years ending in 1912. This included ¥2,643,015 for railway construction, ¥1,200,000 as subsidy for Fujita Gumi, Osaka, which temporarily undertook the enterprise for the Government-General, ¥1,052,869 as general expenses, and ¥2,327 for other purposes. Lumbering work started in 1912. Sales of lumber amounted to ¥2,015,003 for 1927; ¥1,625,635 for 1928; ¥1,586,458 for 1929; ¥1,366,296 for 1930; and ¥1,210,274 for 1931. The total amount of timber on Mt. Arisan is estimated at 3,125,380 cubic metres. The lumber industry of Mt. Arisan also is noteworthy. This mountain is not far from Toyohara in Taichu province. Pine and spruce as well as cypress, hemlock, oak and other trees are produced there. The timber there is estimated at 2,491,000 cubic metres. Due to its dangerous location in the so-called savage district, the lumber industry on the mountain was undeveloped before the campaign against the aborigines was completed. Sales of lumber for 1931 amounted to ¥663,000. The lumber industry on Mt. Taihei near Rato town in Taihoku province is considered one of the most promising of all in the island. Until 1913 the mountain was not exploited, because it was a stronghold of the most savage aboriginal tribe. The quantity of timber on the mountain is estimated at 14,159,000 cubic metres,

nearly four times that of Mt. Arisan. Work started in 1915 and has so far realized satisfactory results. Sales of lumber totalled ¥903,317 for 1926; ¥1,245,125 for 1928; ¥1,327,865 for 1929; ¥1,135,780 for 1930; and ¥1,038,067 for 1931.

How Disposed Taiwan wood is not only used for shrine and temple construction, but for building of warships and merchant-ships. Demand from naval arsenals and dockyards is yearly increasing. Taiwan wood is exported to Japan proper, Korea, China, British India, South Africa, Australia and other places. Sales to the market in the island, Japan proper and foreign countries from 1916, when the sales began, to 1931, follow:

	Amount (In cubic metres)	Value (In yen)
1916		
Sales in island	42,236	535,098
Sales to Japan	17,728	385,900
Sales abroad	911	24,556
Total	60,955	1,245,554
1926		
Sales in island	61,562	2,414,503
Sales to Japan	13,466	781,181
Sales abroad	2,862	169,981
Total	77,890	3,365,705
1927		
Sales in island	67,310	2,446,328
Sales to Japan	18,631	911,559
Sales abroad	293	11,905
Total	86,234	3,370,092
1929		
Sales in island	67,934	2,435,373
Sales to Japan	22,582	1,125,117
Sales abroad	—	—
Total	90,516	3,560,490
1930		
Sales in island	67,414	2,140,650
Sales to Japan	19,653	955,681
Sales abroad	—	—
Total	87,067	3,096,331
1931		
Sales in island	75,540	1,928,517
Sales to Japan	21,101	1,002,895
Sales abroad	—	—
Total	96,641	2,931,712

Aquatic Products

The seas about Taiwan are rich in various kinds of fish and shellfish, and the catches are especially abundant in spring and autumn. The fishing is conducted still in great part in a primitive manner. There are, however, now 25 fishing companies having their headquarters in the island with an aggregate capitalization of ¥5,217,000 and four having their headquarters in Japan proper with a total capitalization of ¥56,050,000. There were 84 fish markets in the island at the end of March, 1932, and the total fish sales there during the year ending March 31 amounted to ¥8,270,000. The Takao Fish Market led the list. The Taiwanese are a fish-eating people, but the annual catch is so great

that a large quantity is exported to Japan proper and other countries. Taiwan's marine product trade for 1931 amounted to ¥10,313,644, exclusive of salt, showing a drop of ¥4,629,994 from 1930. This was due to the drop in prices and aggravation of the Sino-Japanese relations. The trade figure includes exports abroad totalling ¥847,287; imports from abroad totalling ¥312,961; exports to Japan proper and its colonies totalling ¥2,279,757; and imports from these districts totalling ¥6,873,639. The making of dried bonito is the largest marine-products industry. The annual turnout of dried and canned marine products is worth about ¥1,500,000, half of which goes to the dried bonito production. The marine production of Taiwan follows:

	Catches	Manufacturing (In yen)	Cultivated fish production	Total
1919	5,057,969	1,424,461	2,422,345	8,904,778
1921	5,948,217	1,665,125	2,153,856	9,767,198
1923	9,030,651	3,303,756	1,943,565	14,277,972
1925	10,225,692	2,822,618	3,226,298	16,374,608
1927	10,822,119	2,505,311	3,920,591	17,248,021
1928	12,670,180	2,706,623	3,401,779	18,778,582
1929	14,446,265	2,775,420	3,734,684	20,956,369
1930	11,771,144	1,793,273	3,142,981	16,707,398
1931	8,482,776	1,524,869	3,047,254	13,054,899

Mineral Products

The principal mineral products of Taiwan are gold, silver, placer-gold, quicksilver, copper, iron, lead, zinc, coal, petroleum, sulphur and phosphorus. The mine-lots at the end of March, 1932, numbered 628 with a total area of 168,149,828 tsubo, one tsubo being six feet square. Mines in operation numbered 168

with an area of 68,900,745 tsubo. Of these 168 mines, 3 were gold mines; one gold-copper mine; 10 placer-gold mines; 136 coal mines; 7 oil fields; 10 sulphur mines; and one phosphorus mine. The mineral production for 1931 totalled ¥13,337,790, showing a drop of ¥1,803,408 from 1930. The mineral production in 1897 and in the recent five years follows:

	1897	1927	1928	1929	1930	1931
	(In yen)					
Gold	—	610,808	377,362	625,432	636,486	722,733
Gold-copper ores	—	1,269,786	1,489,809	3,136,877	3,457,187	3,027,792
Placer-gold	8,805	11,058	10,497	11,047	9,421	11,611
Silver	—	20,235	13,879	12,997	10,790	10,003
Copper	—	171,500	88,398	67,655	154,799	174,419

	1897	1927	1928	1929	1930	1931
	(In yen)					
Gold ores	—	—	—	69,551	81,401	70,729
Quicksilver	—	—	—	7,572	—	2,488
Coal	103,078	16,933,170	13,547,784	10,064,568	9,618,416	7,164,298
Sulphur	—	49,014	54,221	33,670	33,217	51,230
Phosphorous ores	—	—	—	—	2,448	648
Petroleum	—	1,936,374	730,021	434,735	381,304	263,611
Gasoline	—	100,609	201,240	382,598	760,729	1,797,273
Carbon black	—	—	—	—	—	43,522
Total	111,883	21,120,674	16,513,301	15,090,618	15,141,198	13,237,799

The Government-General conducted a mineral and geological investigation for eight years over the island following the introduction of civil administration in 1896. As a result, oil distribution was found almost all over the island. Subsidies were granted to those who had proper equipment for boring for oil to a depth of more than 2,000 feet. The subsidy was given from 1901 to 1924. It was then suspended, owing to financial reasons, but was resumed in 1930. Metal ores are found exclusively in the extreme north and the eastern district, coal in the northern and central parts and oil all over the island, especially in the central and southern districts. The mineral production in 1897 was only ¥112,000, but in 1907 it increased to ¥2,255,000, and in 1922 to as much as ¥13,337,790. Of this more than 50 per cent. was coal, gold-copper ores 23 per cent.; gasoline 13 per cent.; gold 5 per cent.; other minerals in smaller amounts in the following order: petroleum; copper, gold ores, sulphur, silver, placer-gold and phosphorous ores.

Gold and Silver Placer-gold was first discovered by Japanese invaders

in Taiwan over 400 years ago, when Japanese pirates infested the neighbouring coasts of China. It was then got at Tatsukiri Gorge in Karenko district. In later years placer-gold was found in several localities, but at present the mining is conducted along the Keelung and other rivers. When the mining was most prosperous in 1903, the annual output reached 161 kan, one kan being 8.267 lb., valued at ¥610,000, but since then the industry has been sinking. The 1931 output was only 3.165 kan. A gold vein was first discovered at Mt. Kubu in 1893. In the following year gold deposits were found at Kinkwaseki and in 1891 another vein was discovered at Butanko. The gold mining interests at Butanko and Kinkwaseki was merged in 1913. The mining operation is done at Zuiho and Kinkwaseki. The Kinkwaseki Mine is located about 10 miles east of Keelung. It is managed and operated by the Tanaka Mining Company, Ltd. The mining area at the end of 1931 was 4,053,000 tsubo. It has its own refinery.

Production at the mine for three years follows:

	1929	1930	1931
Gold: Output	55,838 mommé	62,315	63,429
Value	¥ 291,348	310,717	302,043
Silver: Output	75,002 mommé	102,320	25,623
Value	¥ 10,047	8,581	7,241
Gold-copper ores: Output	26,929,267 kan	35,253,215	25,460,173
Value	¥ 3,136,877	3,457,187	3,027,792
Gold ores: Output	180,026 kan	333,258	358,891
Value	¥ 69,551	81,401	70,729
Precipitated copper: Output	64,457 kan	192,443	368,989

	1929	1930	1931
Total Value	¥ 67,635 ¥ 3,575,478	154,799 4,012,685	174,419 3,582,945

Fujita Gumi, Osaka, first operated the Zuiho Mine in 1898, but the enterprise was transferred to the Taiyo Mining Company in 1920. Busi-

ness has failed to realize satisfactory results. Its gold and silver output for three years follows:

	1929	1930	1931
Gold: Output	64,976 mommé	75,154	84,138
Value	¥ 334,072	325,769	420,690
Silver: Output	22,347 mommé	23,443	31,796
Value	¥ 2,865	2,209	2,062
Total value	¥ 336,937	327,978	422,752

Other Minerals The output of sulphur in Taiwan for 1931 amounted to ¥51,200 and that of quicksilver for the first six months of 1931 amounted to ¥2,488, but since then the mining operation has been at a standstill. The coal output for 1931 amounted to 1,421,544 tons, worth ¥7,164,598, showing a heavy drop of ¥2,500,000 from 1930.

Oil Oil in Taiwan was discovered by a Chinese about 80 years ago at Shukotan, near the Koryu valley, over an area covering 599,670 tsubo. Since 1905, 71 oil wells have been sunk. Well No. 18 is the best of all. From 1913 to 1925 the oil output from this well totalled 53,205 koku, by the Nippon Sekiyu Kaisha (Japan Oil Company, Ltd.). Owing, however, to the concentration of energy on the exploitation of the Kinsui Oil Field by the company, the output has gone off from the daily output of 300 koku. Lamp oil, gasoline, light oil and paraffin are manufactured from crude oil obtained here. The oil refinery is in Byoritsu.

The production from the crude oil is gasoline, 5 per cent., lamp oil 85 per cent., heavy oil 8 per cent. and wax.

The Kinsui Oil Field is the most important one in Taiwan. It is operated by the Japan Oil Company. A Government subsidy was paid to exploit wells No. 1 to No. 5. It

took eleven years for Well No. 5 to realize satisfactory results. Well No. 10 produced an enormous output of 30,000,000 cubic feet a day in March, 1930, and a gasoline plant was installed there in November of the same year. When the capacity of the gasoline plants is fully developed, the daily output of gasoline will be 1,000 koku.

Industries

The industrial prosperity of Taiwan attained its height during the World War. The 1929 production amounted to ¥246,000,000. Her industries were hard hit by the economic depression of the world and Chinese boycott against Japanese goods. The 1931 production went down to ¥192,000,000, showing an 18 per cent. drop from 1930 and a 22 per cent. drop from 1929. Specially heavy drops were noted on sugar which went off by ¥32,840,000, refined tea by ¥1,750,000 and machinery for sugar milling and others ¥1,500,000. Principal products are sugar, tea, hats, canned pineapples, wooden articles, alcohol, cement, machinery, fertilizers, bricks, tiles, gold and silver articles, soy, bamboo products, ice, fabrics, shoes, mineral oils, etc., each amounting in value to more than one million yen. The value of the 1931 production for spinning and weaving totalled ¥2,180,000;

that for metal goods ¥3,298,000; that for machinery ¥4,480,000; that for ceramics ¥6,963,000; that for chemicals ¥12,893,000; that for food-stuffs ¥149,359,000; and that for other industries ¥15,305,000.

Overseas Trade The Overseas trade of Taiwan, although it has experienced temporary set-backs from time to time, has made remarkable progress in recent years. The bulk of overseas trade is, however, with Japan proper, the rest being chiefly done with China, the United States, the Straits Settlements, the Dutch East Indies, the United Kingdom, Germany, British India, the Kwantung Leased Territory and Hongkong. The trade is carried on principally through the four large ports of Keelung, Tamsui, Anping and Takao. As Keelung is the most important

port of trade in the north, so is Takao in the south. The trade volume for 1898 amounted to ¥30,000,000 which increased to ¥50,000,000 in 1906, and, owing to the phenomenal growth of the sugar industry and import of sugar milling machinery, the amount went up to more than ¥100,000,000 in 1910. In 1917 the amount recorded a further gain to ¥234,000,000, due to active trade in sugar, alcohol and rice and heavy transit trade with China. An all-time record of ¥476,803,950 was made in the trade volume for 1929, but the amount declined sharply the following year, because of the universal economic depression, and in 1931 it went off still more. Taiwan's overseas trade since 1897 has been as follows:

OVERSEAS TRADE VOLUME

	Exports abroad and exports to Japan proper and its colonies	Imports from abroad and imports from Japan proper and its colonies (In yen)	Total	Index
1897	14,856,848	16,883,020	31,239,868	100
1902	21,131,769	19,335,822	40,467,591	130
1906	28,038,612	28,371,801	56,410,413	181
1910	59,962,255	48,923,289	108,885,544	349
1913	62,791,679	62,632,416	125,424,095	401
1916	112,847,948	65,021,600	177,869,548	568
1921	152,438,500	133,954,458	286,392,958	916
1925	263,214,651	186,395,340	449,609,991	1,439
1926	251,425,070	183,412,450	434,837,520	1,392
1927	246,676,284	186,948,387	433,624,671	1,388
1928	248,417,285	190,653,933	439,071,218	1,406
1929	271,898,266	204,910,684	476,808,950	1,526
1930	241,441,304	168,258,310	409,699,614	1,311
1931	220,872,866	145,622,123	366,494,989	1,173

TAIWAN FOREIGN TRADE

	Exports	Imports (In yen)	Total	Excess of imports (export excess)
1901	8,234,097	12,809,975	21,044,072	4,575,878
1905	10,629,607	10,963,877	21,593,484	334,270
1909	11,687,576	12,591,470	24,279,046	903,894
1911	14,960,228	19,307,126	34,267,354	4,346,898
1916	31,652,474	15,430,037	47,082,511	16,222,437
1921	23,541,621	40,433,290	63,974,911	16,891,669
1925	47,965,844	56,489,060	104,454,904	8,523,216
1926	49,315,487	62,007,666	111,323,153	12,692,179
1927	44,597,707	65,840,396	110,438,103	21,242,689

	Exports	Imports	Total	Excess of imports
1928	33,895,688	58,335,729	92,231,417	24,440,041
1929	33,187,977	64,541,012	97,728,989	31,353,035
1930	22,807,963	45,131,193	67,939,156	22,323,230
1931	19,448,759	30,858,816	50,307,575	11,410,057

LIST OF PRINCIPAL EXPORTS

	(In ¥ 1,000)						
	Oolong tea	Pouchong tea	Camphor	Coal	Sugar	Jute	Matches
1901	2,996	505	789	134	1,031	382	14
1905	5,341	892	2,051	112	25	502	37
1909	4,301	1,506	4,377	92	2	342	57
1912	4,057	2,563	4,409	117	1,719	379	117
1916	3,936	2,323	4,669	400	11,327	419	1,910
1921	3,534	4,386	280	6,582	2,068	435	545
1925	5,220	6,172	3,609	7,448	5,887	497	518
1926	5,407	6,771	1,949	8,437	3,177	490	176
1927	5,102	6,454	1,895	6,174	2,550	496	458
1928	4,315	5,493	3,215	3,964	1,252	314	383
1929	3,423	5,765	1,653	3,308	453	230	231
1930	2,608	5,785	1,085	2,872	67	111	34
1931	2,350	4,489	1,586	2,295	2,356	80	155

Of the above, tea deserves special mention. In 1931 production of unrefined tea amounted to 16,037,678 kin, worth ¥3,228,822, and that of refined tea 14,959,584 kin, worth ¥8,323,837. Refined tea included ¥2,845,069 of Oolong tea, ¥5,071,499 of Pouchong tea, ¥392,165 of black tea, and ¥15,104 of green tea. The

tea is almost exclusively produced in Taihoku and Shinchiku provinces. Oolong tea is appreciated by Britishers and Americans. The largest amount goes to the United States and the second largest amount to Great Britain. Pouchong tea is shipped to the South Sea islands. Tea export for 1931 follows:

	Exports abroad		Exports to Japan proper and colonies		Total	
	Quantity (In kin)	Value (In yen)	Quantity (In kin)	Value (In yen)	Quantity (In kin)	Value (In yen)
Oolong	5,779,557	2,350,845	20,680	21,661	5,800,237	2,372,506
Pouchong	6,230,673	4,489,261	252,493	95,781	6,483,166	4,585,042
Black tea	940,811	436,127	81,507	108,139	1,022,318	544,266
Green tea	139,400	43,691	—	—	139,400	43,691
Total including others	13,540,305	7,363,130	543,680	225,581	13,894,985	7,588,711

LIST OF PRINCIPAL IMPORTS

	(In ¥ 1,000)						
	Opium	Leaf tobacco	Lamp oil	Gunny bags	Lumber	Matches	Bean cake
1901	2,310	242	841	21	430	74	74
1905	2,927	522	670	213	410	166	84
1909	2,379	650	785	307	428	346	422
1912	3,093	890	756	100	608	496	1,962
1916	3,724	460	554	448	330	746	3,073
1921	1,504	821	1,947	395	2,119	574	6,352
1925	2,816	810	1,307	2,794	1,711	1,233	16,777
1926	987	754	1,107	2,485	2,332	897	13,744
1927	837	910	1,395	2,411	2,692	596	12,289
1928	451	345	1,130	2,050	2,978	524	12,326
1929	1,081	283	1,484	2,884	2,945	689	12,757

	Opium	Leaf tobacco	Lamp oil	Gunny bags	Lumber	Matches	Beans, etc.
1930	1,122	343	1,014	2,407	1,499	511	10,232
1931	1,128	275	636	1,632	1,103	527	7,354

TAIWAN'S TRADE WITH JAPAN PROPER AND ITS COLONIES

	(In yen)			
	Exports	Imports	Total	Balance
1902	7,407,498	9,235,290	16,642,788	1,827,792
1906	18,259,628	15,634,341	33,893,969	2,625,287
1909	36,309,500	24,006,803	60,316,303	12,302,697
1912	47,831,451	43,225,290	91,056,741	4,606,161
1916	80,693,474	49,591,563	130,285,037	31,101,911
1920	181,001,635	112,070,364	293,071,999	68,931,271
1921	128,896,879	93,521,168	222,418,047	35,375,711
1925	215,248,807	129,906,280	345,155,087	85,342,527
1926	202,109,583	121,404,784	323,514,367	80,704,799
1927	202,078,577	121,107,991	323,186,568	80,970,586
1928	214,521,597	132,318,204	346,839,801	82,203,593
1929	238,705,289	140,369,672	379,074,961	98,335,617
1930	218,633,341	123,127,117	341,760,458	95,506,224
1931	201,424,107	114,763,307	316,187,414	86,660,800

LEADING EXPORTS TO JAPAN PROPER AND ITS COLONIES

	Rice	Sugar	Table salt	Camphor	Camphor oil	Alcohol	Bananas
	(In ¥1,000)						
1902	1,608	3,172	122	869	321	—	—
1906	7,183	8,506	125	600	1,190	—	—
1909	8,779	33,001	167	—	1,610	111	153
1912	10,260	28,134	226	1,008	1,561	1,502	336
1916	6,960	51,685	405	1,602	2,313	7,686	1,054
1920	19,294	84,709	366	1,517	1,976	5,801	4,158
1925	72,110	105,651	1,239	2,087	2,468	3,854	9,096
1926	63,092	98,375	903	1,618	2,976	4,081	10,900
1927	67,885	96,430	601	1,078	1,887	3,616	8,616
1928	53,229	121,413	646	1,572	1,757	3,602	8,614
1929	49,320	142,601	708	2,512	3,040	3,505	8,419
1930	38,695	141,865	837	1,253	2,422	2,592	8,369
1931	41,097	120,475	1,118	766	1,324	3,054	8,329

LEADING IMPORTS FROM JAPAN PROPER AND ITS COLONIES

	(In ¥1,000)						
	Rice	Dried and salt fish	Saké	Cotton and silk tissues	Paper	Lumber	Fertilizers
1902	488	98	657	1,065	223	705	9
1906	318	324	631	2,121	384	1,131	59
1909	492	1,567	759	2,586	492	1,602	1,000
1912	1,017	3,053	1,535	5,016	838	2,939	1,324
1916	1,263	3,667	1,270	5,775	1,157	1,158	3,990
1920	1,679	4,920	3,683	7,736	2,363	3,066	4,355
1925	16,891	5,905	1,000	15,708	3,422	2,194	6,691
1926	974	6,056	1,656	19,805	3,065	3,395	4,745
1927	592	6,135	1,628	14,942	2,989	4,044	4,138
1928	534	5,498	2,161	15,077	3,237	4,822	4,692
1929	350	6,547	2,239	16,873	3,567	5,807	5,170
1930	220	4,032	2,114	13,394	3,254	4,535	5,832
1931	161	3,412	2,031	13,596	3,233	4,216	4,819

Finance

The Bank of Taiwan is invested

with authority to issue notes. This bank was founded in September, 1899, replacing the Taiwan Agency

of the Bank of Japan. The bank was capitalized at ¥5,000,000 when it was founded. After 1920 its capitalization was increased to ¥60,000,000, but in September, 1925, it was cut to ¥45,000,000 and further to ¥15,000,000 in November, 1927, due to its readjustment following the great financial panic of the spring of 1927. The head office is in Taihoku and it has 31 branches and one agency in Japan and abroad. The Japan Hypothec Bank maintains its real estate business in Formosa and the outstanding balance of its loans in the island at the end of March, 1932, amounted to ¥71,870,000. The aggregate capitalization of banks having their head offices in the island at the end of March, 1932, was ¥28,300,000, of which ¥20,670,000 was paid up. The balance of deposits at the end of March, 1932, totalled ¥111,070,000, of which savings deposits totalled ¥7,760,000, and the outstanding balance of loans totalled ¥261,210,000. Exchange deals for the 1931-32 fiscal year totalled ¥655,980,000 for income and ¥827,410,000 for payment. The balance of note issue of the Bank of Taiwan on March 31, 1932, totalled ¥44,410,000, of which the excess issue was ¥9,190,000.

Government-General Finance The finance of the Taiwan Government-General has become independent from subsidization by the general accounts of the Central Government since the 1905-06 fiscal year, owing to favourable income following the Russo-Japanese War. In 1897 the revenue was about 11 million yen. In 1907, 10 years after the establishment of special accounts in Taiwan, the revenue increased to three times that amount; in 1917, after 10 more years, to six times; in 1927, to 12 times; and in 1929 to 13 times the first figure. Revenue and expenditure follow:

	Revenue (In yen)	Expenditure
1897	11,233,265	10,487,610
1907	35,235,771	27,709,751
1917	65,425,496	45,166,558
1927	138,626,830	101,533,235
1929	150,420,897	122,295,326
1930	129,757,760	109,970,881
1931	115,972,147	99,060,013

Bonds Expenses required for enterprises such as the railway construction, land investigation, Keelung harbour construction, building of Government offices, river work, Takao harbour construction, and purchase of private railways were raised by bonds. The outstanding balance of bonds in 1900 was ¥3,200,000, which increased to ¥34,465,399 in 1910, ¥94,213,038 in 1925, ¥106,946,733 in 1927 and ¥119,327,867 at the end of March, 1932.

Monopolies

The products of Taiwan, opium, salt, camphor, tobacco, and saké are placed under monopoly of the Taiwan Government-General.

Opium The monopoly was established in 1896 with the earnest desire to reduce the use of opium, indulgence in which is now only permitted to inveterate smokers. There are two forms of opium, viz., "treacle-opium" for smoking, and powder; the latter is sold only for medicinal purposes. Raw material obtained from poppies is imported from British India, Persia and Turkey. The Persian products are widely used now. Sales to licensed smokers are done by the Monopoly Bureau to specially designated wholesalers through provincial and district governments. The sales price to these wholesalers is ¥1.61 per 15 grammes, that from wholesalers to retailers is ¥1.63 and that from retailers to consumers is ¥1.77. 15 grammes is the maximum amount that one smoker is permitted to buy at one time:

this must last him for three days.

Sales have been decreasing yearly as follows:

	Quantity	Total sales
1902	24,850,500 mommé	¥3,008,886
1903	40,350,700	4,350,497
1910	27,745,900	4,844,534
1913	27,220,000	5,289,495
1915	20,845,700	6,650,764
1922	13,820,800	5,440,245
1925	10,632,600	4,193,487
1930	10,158,700	4,010,855
1931	8,400,500	3,320,071

Salt This was monopolized in 1899 by the Government-General. In former days the fields were only 499 acres producing about 72,000,000 pounds a year, but in 1931 they were increased to 3,145 acres producing 707,000,000 pounds. Sales of salt in 1905 were only ¥557,876, which increased to ¥2,459,629 in 1931.

Camphor Taiwan maintains a monopoly on the cutting, distillation and selling of camphor. The island is rich in camphor trees, particularly in what are known as the "savage districts", and is the greatest camphor-producing country in the world. For many years after it came into Japan's possession, the production of camphor was a free industry, but the necessity of improving the quality compelled the Government-General to assume monopoly in 1899. The camphor production amounts to about 3,000,000 kilogrammes or 10,000,000 pounds a year, which represents 90 per cent. of the world's production. The manufacturing of camphor and camphor oil is entrusted to the Taiwan Seino Kaisha, to which the Government-General sells the raw material at a fixed price, and the refined camphor is bought by the Government-General at a fixed price. The improved B-quality camphor is sold by the monopoly bureau as material for refined camphor or

celluloid. Refined oil is directly sold by the bureau in Taiwan, but in Japan it is sold to industrialists through the Japanese Government Monopoly Bureau. It is exported abroad on consignment mostly to the United States, Great Britain and other countries. The United States is the largest consumer. The sales price of improved B-quality for 1932 was ¥145.50 per kilogramme f.o.b. Taihoku and ¥148 f.o.b. Kobé. By-products are widely used for making insecticides. As the demand for camphor increases yearly, the Taiwan Monopoly Bureau is carrying out a camphor-tree plantation plan covering an area of 135,246 acres, for the production from natural-grown trees is expected shortly to become too small to meet the future demand. The annual proceeds from the camphor monopoly average nearly ¥12,000,000. The United States used to buy about ¥2,400,000 of camphor a year, but the export amount has decreased somewhat in recent years, owing to the invention of synthetic camphor.

Tobacco The tobacco monopoly in Taiwan dates from 1905. At the beginning of the monopoly the quality of tobacco grown in Taiwan was so poor that the leaves had to be imported from China. Efforts were made by the authorities for the improvement of native-grown leaves. Now tobacco cultivated in Taiwan is not inferior to Chinese tobacco. In addition to the Chinese variety, a successful experiment has been made in the cultivation of an American yellow variety for cigarettes, and another for cigars. The area of tobacco plantation in Taiwan was about 3,200 acres in 1931 and the crop of leaves about 2,000,000 kin. The proceeds of tobacco monopoly for the fiscal year 1906-07 totalled ¥1,492,284, which increased to ¥11,531,850 for the year 1921-22,

¥16,275,916 for the year 1929-30, but declined to ¥14,465,962 for the year 1931-32.

Saké and other drinks These have been placed under monopoly since 1922. The sales of saké and other alcoholic drinks under the monopoly are not restricted to those made in Taiwan only, but include all drinks imported from Japan proper and other countries. Drinks now brewed in Taiwan are of 31 kinds besides saké. The saké monopoly furnishes a large source of revenue for the

Government-General and brings in about ¥5,000,000 a year, of which the tax on alcohol totals ¥2,000,000 and that on alcoholic drinks ¥3,000,000.

Railways

At the time of Japan's occupation of Taiwan there was a 62-mile railway between Keelung and Shinchiku. Railway construction was undertaken by the Government-General subsequently and now the total mileage is 549 miles. The railway receipts are as follows:

Fiscal year	Passenger fares	Freight receipts (In ¥1,000)	Others	Total	Indices
1900-01	214	127	1	342	100
1906-07	1,062	1,138	0	2,200	643
1916-17	2,575	3,544	44	6,163	1,455
1922-23	5,616	6,541	—	12,157	3,540
1926-27	7,488	9,711	—	17,199	5,008
1927-28	8,002	10,644	—	18,646	5,428
1928-29	8,277	11,420	—	19,697	5,735
1929-30	8,349	11,915	—	20,264	5,900
1930-31	7,720	11,391	—	19,111	5,564
1931-32	6,897	11,367	—	18,264	5,317

PRIVATE RAILWAY STATISTICS IN TAIWAN

	Miles	Passenger fares	Freight receipts	Total	Indices for income
		(In ¥1,000)			
1907-08	166	—	—	—	100
1922-23	547	807	1,223	2,030	608
1926-27	635	962	1,543	2,505	751
1927-28	658	955	1,671	2,627	786
1928-29	722	945	1,652	2,597	778
1929-30	770	867	1,551	2,418	727
1930-31	824	688	1,357	2,045	613
1931-32	849	562	1,096	1,658	497

Electricity

The Taiwan Electric Power Company, Ltd., was established in April, 1919, under ordinance of the Taiwan Government-General. The Government-General appraised all of its electric assets at ¥12,000,000 and offered them to the company. The Government-General owns the company's shares to that amount, being the largest shareholder. The company started a gigantic power-generating undertaking, utilizing the

water of Lake Jitsugetsutan, in August of the same year, but, owing to the subsequent financial depression, the work was suspended. In 1929 the resumption of work was decided on and the necessary amount, \$22,800,000 (¥45,737,211) was raised in America in July, 1931, on Government guarantee. Work was actually resumed in October of the same year on a three-year plan. Taiwan's electric enterprises in March, 1932, are summarized as follows:

Companies	Capitalization	Lamps fitted	Powers supplied kw.	Fans fitted
Taiwan Electric Power	¥ 34,495,000	469,180	34,578	26,092
Shinchiku Electric Light	5,000,000	20,320	485	695
Kagi Electric Light	1,000,000	31,380	1,642	1,255
Taiwan Godo Electric	2,000,000	23,467	1,180	257
Karenko Electric	1,240,000	8,962	347	227
Koshun Electric	100,000	1,080	—	—
Nansho Forestry	200,000	133	—	—
Total	39,835,000	554,522	38,532	28,529

Note:—In addition, 100,141 kw. of power is held as reserve and 10,902 kw. is yet to be generated.

Principal Cities

Taihoku Taihoku is the capital city of Taiwan. It is situated on the Tamsui River, near the northern extremity of the island. Formerly it consisted of three districts, Jonai, Daitotei and Manka, but with the introduction of the municipal system in 1920, all the surrounding villages were included in the Greater Taihoku, and at present the city covers an area of about 15 square miles, embracing a population of 196,000, including 54,000 Japanese, 128,000 natives and 13,000 foreigners, mostly Chinese residents. In Jonai are found the important public buildings, such as the official residence of the Governor-General, and many governmental buildings. Most of the Japanese residents live in this district. Daitotei is the commercial centre. It is inhabited by more than 63,000 people and is renowned for its tea trade. Manka is situated close by the Tamsui River, west of Jonai. This district was formerly the most flourishing part of the city. During the Manchu Dynasty its commercial supremacy was transferred to Daitotei. This district is populated by 37,000 inhabitants. There are many places of interest in and around Taihoku, of which the more famous are:

TAIWAN SHRINE This shrine is situated at a point two miles east of Taihoku. The sanctuary is built in the old Japanese style. In the

neighbourhood is the noted Maruyama Park commanding a very fine view.

THE RAPIDS OF SHINTEN KEI Situated at a point about 8 miles from Taihoku and at the confluence of the two rivers of Shinten-Kei, the rapids are among the chief attractions for visitors to Taiwan. On both sides stand out precipices. Shooting the rapids by boat affords a favourite pastime.

Tamsui This is one of the four great ports of trade. It is located 13 miles north of Taihoku. About one mile west from Tamsui Station lies the ruins of an old Khomoh castle, built by the Spaniards in 1626.

Keelung This is the starting-point of the railway which runs from north to south throughout the whole length of the island. The city with its 62,000 inhabitants extends as far as Taihoku covering a distance of 18 miles. Keelung is not only a port for liners from Japan proper, but is an important port for those sailing to and from South China and the South Seas. Keelung was once occupied by Spaniards and afterwards by the Dutch, and was under the control of the Manchu Dynasty. About 1.5 miles distant from Keelung is located the famous Courbet Beach, where the French Admiral Courbet, in command of the French Asiatic Squadron consisting of 15 warships, landed during the Franco-Chinese War in 1884. This admiral was one

of the victims of infectious disease, which claimed a heavy toll among his men. He died on Boko Island where his tomb still stands.

Taichu Located about 100 miles south of Taihoku in the centre of rice production. It is the seat of the provincial government of the same name, with a population of 42,000. Lake Jitsugetsutan is in this province.

Kagi Kagi has a population of 44,800 and is situated 163 miles south of Taihoku. Kagi is the starting point for climbers of Mt. Arisan.

Tainan Tainan has a population

of 85,000, being the second largest port of Taiwan. Kaizan Shrine is dedicated to the spirit of Chen Cheng-kung, a loyal subject in the last days of the Ming Dynasty, who came over to this island, drove out the Dutch settlers, and opened war against the Manchu Dynasty, but failed.

Takao Takao has a population of 45,000. Terminus of the Central Railway line, situated at a distance of 229 miles from Taihoku, this port is as important in the south as Keelung is in the north.

CHAPTER XLIII

KARAFUTO (SAGHALIEN)

General Survey

Geography Karafuto is a long island situated in the extreme north of the Empire of Japan along the Maritime Province of Siberia, and separated from Hokkaido by the Mamiya Straits. The eastern coast is washed by the cold waters of the Sea of Okhotsk, which is bordered by the mainland of Siberia on the north, the Kamchatka Peninsula on the east, and the Chishima Islands (the Kuriles) on the south-east. Japanese Karafuto is the southern half of Saghalien Island, the dividing line being the 50th parallel of latitude; the northern half of the island is under the jurisdiction of Soviet Russia.

At the extreme southern end of the island lies Cape Nishi-Notoro. On the eastern opposite side of it across the Aniwa Gulf is Cape Nakashirutoko, and embraced by these two capes is the port of Ohtomari at the northern extremity of the Gulf, which is an important port connecting with Wakkanai the extreme northern port of Hokkaido, across the Soya Straits. The traffic connection between Ohtomari and Wakkanai is maintained by freight boats run by the Imperial Government Railways.

Beyond Cape Nakashirutoko lies

Taraka Bay, on the further side of which Cape Kitashirutoko runs out to the north-east. Thus, Karafuto is deeply indented by the two large gulfs, Aniwa and Taraka, the latter lying to the north-east of the former. The island has two mountain ranges running parallel from north to south with the plains hemmed in between. The total area of Karafuto is 36,090.3 sq. km., the length being 455.6 km. and the breadth from 27.5 at the narrowest to 157 km. at the widest.

Climate The months which enjoy an average temperature above the freezing point are the seven months from April to October. The coldest month is January and the warmest August. The temperature rises suddenly as the thawing season approaches and falls abruptly when the snows set in. The western coast is warmer than the eastern owing to the warm ocean current. The island is, as a whole, high in humidity on account of the frequency of sea fogs, except for the southern point of the western coast, but in both spring and autumn it decreases. The rainfall is most abundant in the summer and autumn seasons.

Population The great majority of the population of Karafuto is Japanese. The following table shows the racial distribution:

POPULATION BY RACE OR NATIONALITY

Japanese	Korean	Ainu	Other Natives	Chinese	Russian	German	Polish	Turkish	Total
279,204	5,880	1,533	476	90	163	2	28	1	287,377

POPULATION IN CHIEF TOWNS

(Dec. 31, 1931)

Town	Japanese	Korean	Ainu	Other Natives	Chinese	Russian	German	Polish	Turkish	Total
Toyohara	31,914									31,914
Ohtomari	31,328									31,328
Shisuka						14,573				14,573
Hontocho						9,601				9,601
Ochial						16,334				16,334
Maoka						15,123				15,123
Tomarioru										9,496
Rutaka										9,396
Nodacho										7,273
Mototomari										5,314

Administration The Chief Administrative Office of Karafuto is the Karafuto Government and the Governor is under direct control of the Minister of Overseas Affairs, but the powers of the former are far wider than those of a governor in the home land, as it extends over mining, forestry, taxation, railways and the postal service. The Governmental work of Karafuto is subdivided into four main offices, i. e., Secretariat, Interior Bureau, Forestry Bureau and Police Bureau. The revenue budget of 1932 amounted to ¥22,428,353, of which ¥1,401,871 was from taxes, and the rest from various Government undertakings and loans to the extent of ¥1,000,000.

Agriculture

There was practically no agriculture in Karafuto prior to its cession to Japan in 1905. No sooner had it passed into Japan's possession than vigorous steps were taken for the reclamation work of all arable lands. Today the annual farm production reaches approximately ¥3,000,000, farm workers 46,364 and arable lands over 400,000 hectares. Yet the lands under actual cultivation cover only 27,000 hectares, which shows that there is still room to accommodate more farming inhabitants. The chief agricultural products are grains, peas and beans, potatoes and green vegetables, and of the grains oats and rye are most abundantly produced. Keeping live-stock goes hand in hand with agriculture in the island, for it is by pasturing that the livelihood of the agricultural settlers is made more

stable. Every assistance is, therefore, being given by the Karafuto Government to live-stock raising. Cattle, horses, swine and foxes are the principal animals kept, with some sheep, rabbits, chickens, ducks, etc. In 1930 the total live-stock product amounted in money value to ¥1,121,547, just one-half of the entire value of farm products.

Mineral Products

Coal The most important mineral product in the island is coal and next to it comes petroleum. The coal producing centres are divided into the northern, southern and central districts. The coal bed is of the tertiary formation consisting of upper, middle and lower measures. Of the three coal districts the central is the largest and belongs to the lower measure. It runs for 100 kilometres from north to south and has a breadth of from 2 to 5 kilometres. A portion of the southern coal field along the western coast and the greater portion of the northern and eastern coal fields belong to the upper measure. On the north-western coast there are several important coal fields belonging to the middle measure. The upper measure belongs to the Pliocene and the middle and the lower to the Eocene Period.

At the end of 1930 there were 14 coal fields under operation of an aggregate area of 97,915,360 sq. metres as against 6 coal-fields of a total area of 23,562,593 sq. metres in 1921. The following table shows the general trend of the increase:

Year	Number of Coalfields	Area (sq. metres)	Quantity	Value (Yen)
1921	6	23,562,593	115,255	1,328,512
1922	6	23,562,593	114,547	1,238,198
1923	6	23,562,593	167,304	1,809,422
1924	9	32,030,708	199,385	2,255,713
1925	7	34,413,720	250,615	2,737,970

Year	Number of Coalfields	Area (sq. metres)	Quantity	Value (Yen)
1926	11	36,982,649	245,220	2,712,200
1927	12	37,470,086	357,046	3,553,781
1928	12	49,626,406	539,481	4,887,989
1929	11	46,023,352	635,515	5,743,322
1930	14	97,915,360	644,963	5,622,177

Of all the coal mines that of Kawakami is the most productive, its annual output coming up to 239,683 tons (metric) in 1930 and 237,162 tons in 1931. The next most productive mine is the O-hira with an annual production of 190,518 tons in 1930 and 174,942 tons in 1931. The Kawakami Mine extends over about 800 hectares located at a distance of 32 km. from Toyohara and is owned and operated by the Mitsui Mining Company, Ltd. The O-hira

Mine is operated by the Karafuto Kogyo Kabushiki Kaisha. The mine is located at a point of about 15 km. north-east of Esudori. Other large coal mines are the Shirutoru, Osakayé, Higashi-Shiraura, Kashiho, Amachi, Naihoro, Uchikawa, Torimazawa, Kitatomarihoru, Chitosé, Mita, Tokai and Tomarioru. The last mentioned mine is not now working. It is of interest to note from the figures below how the coal-mining work is gaining in importance in the island:

COAL PRODUCTION AND DISTRIBUTION

(Metric tons)

	Production	Shipments From Japan Proper	Imports	Exports to Japan Proper and Foreign Countries	Local Consumption
1926	275,819	79,327	20,000	6,200	368,946
1927	357,046	49,901	19,953	8,358	418,312
1928	539,481	23,839	8,000	1,530	574,840
1929	635,515	22,469	4,935	10,280	646,529
1930	644,947	12,687	—	12,646	644,988
1931	637,962	3,960	—	38,079	603,543

As shown above, so far as the supply of coal is concerned, Karafuto has now become practically self-supporting. Its entire coal reserves are said to be approximately 2,000 million metric tons. It must be remembered that the coal mining business in the home land (Japan proper) is becoming increasingly difficult to run on a paying basis. The situation in Karafuto is different. There in the island most of the coal mines are worked out in unified and large-scale bases, and the reserves are so large that it insures the continuance of paying operation for many long

years to come.

Petroleum Petroleum was first discovered at a point on the southwestern coast of Karafuto in 1907 when an official investigation was conducted, after which oil strata were discovered in the neighbourhood of Hontocho, Konotoro, Karabutsu, Maruyama and several other places. In 1930 digging operations were conducted over a total area of 23,204,106 sq. metres as against 13,344,900 sq. metres in 1929 and 10,000,800 sq. metres in 1925. The following shows the annual production:

Year	Amount (Ton)	Year	Amount (Ton)
1926	154,253	1922	114,549
1927	115,255	1923	166,986

Year	Amount (Ton)
1924	199,395
1925	250,615
1926	275,823
1927	357,046
1928	539,481
1929	635,515

Fishery Products

The chief fishery products of Karafuto are herrings, salmon, codfish, trout, crabs, whales and fur-seals, the average yearly catches reaching as much as ¥20,000,000 in value. There are about 4,000 households dependent upon the fishery industry in the island, the number of fishing-boats in use being about 10,000. Of these varieties the herring comes first in importance, the annual catch being figured at approximately ¥9,000,000. Most of these fishery products are canned in the distributing centres in the island, which did a business of ¥2,119,427 in 1930, ¥1,509,969 in 1929, ¥1,036,744 in 1927 and ¥687,577 in 1926. Of all the canning centres Maoka ranks first, with the total production valued at ¥1,069,265 in 1930. Next comes Shisuka with ¥402,100 and then Tomarioru with ¥340,088 in the same year. Edible seaweed is obtained along all parts of the coast, but principally along the western coast and Aniwa Gulf, the annual production reaching ¥689,600 in 1930. The Seal Island located on the north-eastern edge of Taraka Bay is the

only breeding spot of fur-seals in Japan. When the southern half of Saghalien came into Japan's possession in 1905, seal hunting in this small island was prohibited, and every possible protection was given to their breeding. In 1911 the hunting ban was alleviated, the annual number to be killed being limited to 550. In 1913 it became apparent to the supervisors that the number of landing fur-seals was decreasing, so in 1915 the ban was again imposed and was maintained until 1917. It was then withdrawn, with an annual permit to kill up to 550 head. In 1924 the hunting of old, non-breeding fur-seals was started. This increased the production in the year to 824 head and that in the following year to 942. In 1930 the total reached 1,715, and 1,704 in 1931. In accordance with the Fur-Seal Treaty concluded by Japan with the United States and Russia in 1911, Japan is paying 10 per cent. annually of the profit from this fur-sealing to the governments of these two countries. Whales are principally hunted by the ships of the Oriental Whale-Hunting Company which has a base for that purpose in Aniwa Gulf. The catches amounted to 39 head in 1927, 36 in 1928, 34 in 1929 and 36 in 1930. In 1931 none were hunted. The following shows the money value of the chief fishery products:

FISHERY PRODUCTS IN MONEY VALUE (Yen)

Kind	1926	1927	1928	1929	1930	1931
Herrings	12,779,695	9,905,979	13,716,713	14,676,786	9,811,608	8,020,723
Trout	2,467,158	1,034,193	2,647,655	1,219,258	1,161,910	609,279
Salmon	483,279	348,924	334,397	232,904	328,540	194,625
Codfish	2,111,130	2,100,853	1,755,999	1,568,439	1,230,562	916,877
Sardines	—	—	—	129,532	96,481	19,273
Soles	55,549	89,929	153,652	161,235	98,770	52,634
Crabs	621,562	1,040,046	198,971	1,310,395	1,061,553	1,749,480
Seaweed	533,539	355,573	778,899	642,398	745,251	689,600
Whales	49,903	43,109	85,846	124,732	88,149	14
Sharks	27,376	33,160	13,105	14,352	4,263	1,990
Hypomesus japonicus	35,432	36,861	48,564	39,289	26,246	19,486
Shellfish	40,520	74,337	109,270	100,047	158,685	131,912

	1926	1927	1928	1929	1930	1931
Others	77,221	633,549	694,280	661,293	607,067	344,325
Total	20,080,944	15,705,210	20,557,422	20,880,610	15,909,075	12,760,419

Timber Production

The island is so thickly and extensively covered with primeval forests that, according to an authoritative estimate, about 2,986,111 hectares, i. e., about 90 per cent. of the entire area of the territory, is forest land. In this estimate is included 833,333 hectares reserved for future growth and 79,365 hectares in use for the field work of the Imperial Universities of Tokyo, Kyoto, Hokkaido and Kyushu. There are about 49 species of trees and 73 of shrubs growing on the island, but those that have any commercial value are the Ezo-matsu (*Picea ajanensis*, Fisch), todo-matsu (*Abies sachaliensis*, Mast), gui-matsu, ichii (the yew, *Taxus baccata*), shirakaba (the silver birch, *Betula alba*), doroyanagi (a willow), hannoki (the black alder) tamo, and a few others. Their distribution is regular, according to district. In the low coastwise districts we find the yanagi, hannoki, tamo, etc.; on the higher levels grow the todo-matsu and Ezo-matsu, and as we climb the slopes forests of the graceful silver birch mix with and replace the pines (matsu), growing thicker and thicker as the mountain peaks are approached. The gui-matsu (a pine species) grows principally in the lower, damper land. But the todo-matsu and Ezo-matsu are the species which predominate in nearly all parts of the island, occupying as much as 80 per cent. of the total forest land. The revenue from the forestry amounted to ¥26,544,532 in 1930, which was 82 per cent. of the entire revenue in that year of the Karafuto Government.

Forest Administration In ancient times the entire Island of Karafuto was nothing but thick forest and the

natives seem to have had no rules to prevent them from felling trees whenever or wherever they chose; but they apparently felt no need to fell any large amount of standing trees. The land was almost as primeval as could be imagined when it was ceded by Russia to Japan in 1905. Moreover, during the earlier period of the new régime, devastation by fire was not infrequent. On the other hand, the increased number of population in the island had the effect of increasing the demand for timber in various ways. The first task which confronted the Karafuto Government in their forest administration was therefore how to protect the forests from devastation, how best to fell and how to re-stock. As a tentative re-stocking measure large amounts of seeds of todo-matsu, Ezo-matsu, Kara-matsu and silver birch were sown on a wide burnt patch of mountain-side in the neighbourhood of Ochiai in June, 1920. As the experiment was satisfactory, it was decided to make seeding a principal method to be applied for the re-stocking lands with trees, and the decision was carried into effect on a tract of 15.47 hectares in 1921 and, further, on a tract of 50.01 hectares in 1922. This marks the first period in the re-foresting history of the island. The next period began when, in 1923, the seeding work was carried on over a total tract of 4,285.09 hectares and lasted for the following three years. In 1926 the third period dawned when the acreage was further extended to 11,272.60 hectares and at the same time supplementary sowings were made on 7,740.26 hectares. In 1927 seedings were carried on over a tract of 10,460.74 hectares and the supplementary sowings made on a

tract of 2,569.68 hectares. Below more detailed figures are given:

Year	New Seeding (Hectares)	Supplementary Seeding (Hectares)
1921	15.47	—
1922	50.01	—
1923	4,285.09	—
1924	4,754.39	—
1925	7,259.07	—
1926	11,272.60	7,740.26
1927	10,460.74	2,569.68
1928	7,571.17	—
1929	3,442.45	—
1930	445.00	—
1931	—	—
Total	49,564.42	10,309.94

Seedling Work With the increased need of constantly re-foresting mountains specially with saplings, the seedling work has become quite important. In 1912 the first sapling-plantation was established at Toyohara. But it was since 1920 that its number began to increase, and now there are 17 sapling-plantations established throughout Karafuto producing annually about 6 million saplings. On this subject we have the following figures:

Location	Acreage (Hectares)	Date of Establishment
Toyohara	15.2110	5/1912
Shimizu	4.9500	5/1920
Tokobo	13.0485	5/1920
Tominaigishi	7.9467	"
Tomarioru	4.6761	"
Takarazawa	4.9839	"
Kawakami	6.7287	"
Otomari	4.9893	5/1926
Tamagawa	10.4040	5/1927
Yamashitagawa	6.1684	5/1927
Minaminazuki	5.3328	5/1929
Obara	6.8878	5/1929
Kitakotami	13.8217	5/1929
Towada	0.1530	5/1929
Onotoro	1.2500	5/1930
Nayori	7.4250	4/1931
Kamishisuka	14.9100	4/1931
Total	137.8869	—

Felling Work The present Government's felling work was started in May, 1927, on the estimated basis of an annual production of 535,743 cubic metres of timber. But, in view of the difficulty felt in marketing, the annual aggregate felling was reduced to the basis of 196,370 cubic metres. The business result in the year 1931 was as follows:

	(Yen)
Receipts	1,324,852
Expenses	560,632

TIMBER PRODUCTION FOR LAST 10 YEARS

Year	Felling (Koku)	Shipment (Koku)	Delivery (Koku)
1922	2,733,601.48	673,666.82	616,859.13
1923	2,259,485.77	1,904,560.83	2,111,630.09
1924	2,866,545.98	2,502,820.31	2,547,288.54
1925	1,100,388.91	2,130,118.02	2,169,525.38
1926	744,982.00	1,274,693.17	1,319,501.35
	(cubic metres)		
1927	541,680.473	25,429.015	7,137.030
1928	459,840.777	494,156.669	509,218.133
1929	492,061.608	497,863.054	504,930.773
1930	198,742.706	453,250.462	455,250.462
1931	205,587.861	202,115.850	202,115.850

Forests for University Field Work It was in April, 1914, that a forest tract of 20,000 hectares along the basins of the Ai-kawa (Ai River) and Odasamu-kawa (Odasamu River) was given to the Tokyo Imperial University for the field work of forestry students of its College of Agriculture. Prior to this forest grant

the Hokkaido Imperial University was the recipient of a tract of 19,746 hectares of forest area along the basin of the Chinnai-kawa for the same purpose in June, 1913. A tract of 20,345 hectares along the Hoyekawa also was granted to the Kyushu Imperial University in April, 1914. Lastly the Kyoto Imperial

University was the recipient of a land-grant of 19,933 hectares along the Kotagishi-kawa and Ato-kawa. Thus, the total area of lands granted

	Tokyo (Yen)	Kyoto (Yen)	Hokkaido (Yen)	Kyushu (Yen)
Receipts	76,178	161,852	14,605	91,028
Expenditures	64,760	28,854	18,780	81,066
Balance	11,418	132,998	4,175	10,862

As it became more and more evident that the re-forestation work with plant-seeds was less economical than had been expected, in 1928 the seeding area was considerably reduced as has been shown in the preceding table, and, instead, greater efforts were made in re-stocking work with saplings, with the result that the total area thus planted reached 900 hectares in that year and 6,124 hectares in 1931. The following shows the result of re-forestation work with saplings in the last 10 years ending 1931:

Year	Area Planted (Hectares)	Area Supple- mentarily Planted (Hectares)
1922	34.71	—
1923	19.53	—
1924	58.95	19.83
1925	95.75	—
1926	241.13	25.93
1927	576.16	69.36
1928	918.85	79.92
1929	831.49	567.47
1930	1,244.58	408.55
1931	2,088.44	457.37
Total	6,124.77	1,628.40

Fire Prevention Work The work of fire prevention was initiated in 1922 over a stretch of 13,495 metres of forest area, mostly of the area artificially re-planted. But in recent years the prevention work was extended over natural forests, it consisting in making openings or glades, so that in 1931 the total length of these openings for protection from fire reached 854,323 metres.

(1 hectare=10,000 sq. metres)

for the field work of university students totals 80,024 hectares. The following shows the working result of these University forests in 1930:

FIRE-PREVENTION OPENINGS

Year	Extension (metres)	Repairing (metres)
1922	13,495	—
1923	78,297	6,564
1924	87,973	87,660
1925	15,173	69,093
1926	237,973	166,293
1927	157,530	176,845
1928	119,129	151,266
1929	95,729	179,552
1930	22,062	23,626
1931	27,962	35,815
Total	854,323	866,639

Re-forestation Work The forest-re-stocking work has hitherto been concentrated on treating burnt patches of mountain side by means of either seeding or of planting saplings, but more recently all forest specialists have come to the conclusion that in Karafuto better re-stocking results would be attained by encouraging the natural recruiting process and this conclusion was put in practice first in 1929 over an area of 173.36 hectares and then in 1930 over an area of 47.90 hectares. In 1931 the same work was carried on over an area of 92.60 hectares, bringing the total area accorded this treatment to 313.86 hectares.

Industrial Development

With the growth of railway facilities the population began to increase, and, with it, various trade and industrial opportunities became more promising. Ohtomari and Maoka are the two ports with the best future outlook, being connected by railways at Toyohara the seat of

Government of the island. Paper-pulp manufacturing, canning, brewing, starch manufacturing and butter-making are the leading industries in Karafuto. On December 31, 1930, there were 329 industrial companies incorporated in the island, their aggregate capital being figured at ¥119,611,098 with ¥80,146,476 paid up. The aggregate value of all products in the same year was ¥97,990,388, of which manufacturing products reached ¥64,240,563, (70 per cent.) as against ¥37,569,366, the aggregate sum of all products in 1920 and ¥17,987,842, the total of manufacturing products, in the same year. The comparison shows that there took place a 40 per cent. increase in the turnout of manufacturing products in the 10 years under review. But in view of the almost unlimited quantity of raw materials in the island the progress made so far might be taken as simply indicative of a greater industrial future yet to be fulfilled. Various

experiments for industrial purposes were conducted and are being continued at the Industrial Experimental Laboratory at Toyohara.

Pulp In 1913 the first pulp factory was opened at Ohtomari by the Oji Paper Manufacturing Company, one of the leading paper manufacturing companies in Japan; then another was at Tomarioru by the Karafuto Kogyo Kabushiki Kaisha, both starting operations in 1915. Soon the World War, which stopped import of paper from foreign countries to Japan, gave an opportune stimulus to the speedy development of the industry and at present there are eight pulp factories in the island turning out an aggregate of 175,000 tons (French) of pulp and 130,000,000 kilogrammes of paper valued at ¥43,900,000. This means that at present about one-half of the total pulp supplies are from Karafuto. Below is given further information in this respect:

PULP FACTORIES IN KARAFUTO

Company	Location
Oji Paper Manufacturing Company ¹	Ohtomari
" " " "	Toyohara
" " " "	Noda
Karafuto Kogyo Kabushiki Kaisha	Tomarioru
" " " "	Kaoka
" " " "	Esutoru
Fuji Paper Manufacturing Company	Ochiai
" " " "	Shirutoru

PRODUCTION AT EACH PULP FACTORY

Company	Factory	Manufactures	Productive Capacity (French ton)	Quantity Produced	Amount
Oji	Otomari	Pulp	13,000	15,564	1,670,650
"	Toyohara	Pulp		37,697	
"		Paper	71,000	2,444,450 (kilograms)	4,335,684
"	Noide	Pulp		12,060	
"		Paper	15,000	6,481,472	2,624,331
Karafuto Kogyo	Maoka	Various Papers	24,800	19,633,948	4,373,176

¹ The Oji, Karafuto Kogyo and Fuji were amalgamated in May, 1933, into one concern which retains the Oji Paper Manufacturing Co., with a capitalization of ¥150,000,000.

Company	Factory	Manufactures	Productive Capacity (French ton)	Quantity Produced	Amount
Karafuto Kogyo	Tomarioru	Pulp		25,893	
		Paper	22,500	3,890,006 (kilograms)	3,498,936
..	Esutoru	Pulp		2,354	
		Paper	109,700	23,933,884	6,086,925
Fuji	Ochiai	Pulp		64,909	
		Paper	54,000	28,548,703	12,519,771
..	Shirutoru	Pulp		16,661	
		Paper	72,500	37,408,921	8,808,403
		Pulp		175,135	
Total			132,541,334	43,917,942	

Brewing Brewing of saké and other intoxicating liquors was started in Karafuto soon after it became Japanese territory. But it was found that the original equipment was unsuited for working at the low temperatures encountered on the island, and the earlier attempts were unsuccessful. The local demand for

saké was so pressing, however, that the promoters felt it worth while endeavouring to improve all defects in equipment and to procure water of better quality. The result proved to be promising, and today the island-brewed saké is as good as any produced in Japan proper. There are at present about 50 breweries.

PRODUCTION AND SUPPLIES OF SAKÉ

	Production		Import from Japan Proper	
	Quantity (thousand deci-litre)	Value (Yen)	Quantity (thousand deci-litre)	Value (Yen)
1926	72,618	3,842,245	19,771	1,240,445
1927	69,467	3,636,155	19,567	1,222,755
1928	66,603	3,862,093	25,467	1,490,544
1929	65,181	3,043,598	22,147	1,367,567
1930	45,614	1,920,964	18,331	956,698

Canning Industry The canning industry in this island goes back to 1909, and in 1917 the canneries numbered 111, with a total production of ¥3,370,558. Crab-canning heads the list; but the reckless catching following that year caused a falling-off in the production, which was reduced to ¥1,458,000 in 1920. The canneries were also reduced in number, numbering only 38 in the same year. Two years later this number was further decreased to 14. In 1925 2 new factories were opened, but the aggregate turnout shrank to ¥663,400. In 1927, however, there took place a sharp revival in the industry. Canneries increased to 20 in number, and production rose to ¥1,029,768 in value. In 1929 the production increased further to a total

amount of ¥1,479,969, and in 1930 to ¥1,624,955. In 1931 the number of canneries was 25, but the aggregate production reached ¥1,730,739, showing, thus, that the productive capacity of each unit of canneries has made a marked expansion. Most of these canned fishes are exported to foreign markets. In recent years, however, the demand for this Saghalien canned product in European markets, specially in Great Britain has been on a rapid increase. The South Sea Islands are also increasingly proving to be a fine outlet for this product.

Overseas Trade

The history of the overseas trade of Karafuto since 1905 is a history of steady expansion, though it under-

went a frequent recession in the course of those 27 years. From the table below we can see the trend in a more graphic way:

Year	To Foreign Countries (Yen)	To Japan Proper (Yen)	Total (Yen)
1927	755,185	90,193,622	90,948,757
1928	937,710	97,000,380	97,938,090
1929	2,042,652	103,034,631	105,077,283
1930	2,335,126	82,140,506	84,475,632
1931	841,655	80,233,395	81,075,050

SHIPMENTS TO AND FROM JAPAN PROPER

Year	Outward-bound (Yen)	Inward-bound (Yen)	Total (Yen)	Excess of Outward-bound (Yen)
1927	48,740,382	41,458,240	90,193,622	7,287,142
1928	50,915,329	46,085,051	97,000,380	4,830,278
1929	56,388,752	46,645,879	103,034,631	9,742,873
1930	46,812,144	35,328,362	82,140,506	11,483,782
1931	50,984,860	29,248,535	80,233,395	21,736,325

Principal shipments to Japan proper in 1931 consisted of pulp, lumber, paper, marine fertilizer, salt-salmon, salt-codfish, dried herring, dried codfish, fish oil, edible seaweed and canned crabs. Principal shipments from Japan proper during the same year consisted of rice, cotton goods, oils, beer, saké, oats, peas and beans, salt, sugar, soy (Japanese sauce), miso (bean paste), tobacco, fish and shellfish, vegetables, fruits, and mineral products.

Trade with Foreign Countries

The ports open to foreign trade in Karafuto are Ohtomari and Maoka. The countries with which Karafuto entered into trade relations first were Chosen, China, and Eastern Russia. In 1923 the Kwantung Province was brought into trade contact with the island. Two years later there grew up commercial intercourse with Britain, America and Germany, and then in 1926 Spain, Belgium, the Dutch Indies and Egypt became customers of Karafuto. In 1910 the total exports amounted to ¥106,809 and the total imports to

¥307,979. The exports, however, gradually diminished until in 1917 they very nearly ceased. That year saw the same shrinkage in imports, too, so that the returns in that year for both the export and import trade showed only ¥68,059. From that point, however, the tide ceased to ebb. A gradual improvement set in after 1918 and the flowing tide recorded a sudden increase in 1919 which reached ¥879,828 in 1921. The imports in that year were only ¥44,725. For some years after, however, somewhat adverse results were recorded. In 1926 the imports were ¥986,914 and the exports ¥2,612, but this adverse tide was increasingly reversed and readjusted as the years went on and turning point was reached when, in 1929, the exports made a big stride to ¥1,323,407 as against ¥719,245 for imports. In 1930 the exports were ¥1,987,608 and the imports ¥347,518 and in 1931 the exports amounted to ¥635,660, as against the imports which amounted to ¥205,994. For further concrete information we have the following table:

EXPORT TRADE OF KARAFUTO

	1926 (Yen)	1927 (Yen)	1928 (Yen)	1929 (Yen)	1930 (Yen)	1931 (Yen)
Soviet Russia	2,612	26,352	155	—	—	—
China	—	—	82,076	948,708	1,730,906	635,650
Kwantung Province	—	—	116,978	374,699	247,540	10
America and European Countries	—	—	—	—	162	—
Total	2,612	26,352	199,208	1,323,407	1,987,608	635,660

IMPORT TRADE OF KARAFUTO

	1926 (Yen)	1927 (Yen)	1928 (Yen)	1929 (Yen)	1930 (Yen)	1931 (Yen)
Soviet Russia	334,451	2,025	1,599	5,961	54,553	2,551
China	74,577	8,753	27,278	32,318	1,781	—
Kwantung Province	193,456	334,139	259,135	208,748	91,176	97,121
America and European Countries	334,430	383,866	450,490	472,218	200,008	106,022
Total	936,914	728,783	738,502	719,245	347,518	205,694

EXCESS OF IMPORTS OVER EXPORTS

1926 (Yen)	1927 (Yen)	1928 (Yen)	1929 (Yen)	1930 (Yen)	1931 (Yen)
984,303	702,431	539,294	—	—	—

EXCESS OF EXPORTS OVER IMPORTS

1926 (Yen)	1927 (Yen)	1928 (Yen)	1929 (Yen)	1930 (Yen)	1931 (Yen)
—	—	—	604,162	1,640,090	429,666

Legal System and Status

Karafuto is different from other dependencies of the Empire in that more laws of the land of Japan are applied there than in any of the others. But, in that the legal administration is different from that of Japan proper it resembles Taiwan, Chosen, Kwantung Province and the South Sea Islands. The chief point of difference is that all the laws concerning the judicial system, such as the civil law, criminal law, the laws of civil and criminal procedures, and the law of the constitution of the courts of justice are equally enforced in Karafuto and Japan proper. All other laws are made applicable to Karafuto as to other possessions by means of an Imperial Ordinance providing therefor specially. There are some laws

enforced in Karafuto which were originally enacted for that purpose. At present there are 169 laws of the land applied or made applicable in Karafuto, of which 13 laws are operative only partially. Imperial Ordinances are applicable or not in Karafuto according to the nature of the provisions contained therein. But Cabinet and Departmental orders have no operative power in Karafuto just as in other possessions.

There are one local court, 2 district courts, and 7 detached offices of the two district courts in Karafuto.

Education

In 1905 Japan found the island a vast, primitive desert with practically nothing done towards bringing the inhabitants to a civilized way

of life. Following, however, the inauguration of Japanese administration, immigrants, including of course adventurers, rapidly increased in number. A number of towns sprang up one after another. These soon grew into centres of activity for the new comers from Japan. Toyohara, Ohtomari and Maoka soon became leading towns. As the immigrants settled down there arose the necessity for schooling their children. This need was directly felt by the Government officials who came over to the island with their families and children. It was in August, 1906, that the first elementary school was opened at Toyohara, and in

October of the same year 2 other elementary schools were opened, one at Ohtomari and the other at Maoka. At the same time, private educationists started simpler elementary schools here and there in the remote rural districts. In 1920 all elementary schools were brought under the Karafuto Government. A middle school was opened at Ohtomari in 1912, a girls' high school at Toyohara in 1916, a middle school at Toyohara in 1925 and another middle school at Maoka in 1927. Meantime, girls' high schools were opened at Ohtomari, Maoka and Tomarigishi. The following tables give the main educational statistics of Karafuto:

TABLE I
Compulsory Education

	Children of School Age	Children Attending Schools	Children Not Attending Schools	Percentage of Attendance
1926	25,280	28,247	33	99.88
1927	29,933	29,889	44	99.85
1928	31,297	31,237	60	99.80
1929	39,461	39,406	55	99.86
1930	40,725	40,586	139	99.66
1931	45,053	45,067	86	99.81

TABLE II (1931)

District	Number of Schools	Teachers	Pupils
Toyohara	37	231	8,946
Ohtomari	54	254	10,689
Honto	21	84	3,043
Maoka	28	173	6,418
Tomarioru	32	155	6,133
Motodomari	16	90	3,606
Shisuka	13	59	2,180
Total	201	1,056	41,015

Education of the Natives There are some 2,000 natives in Karafuto including Ainus, Gilyaks, Orochones and Tunguses. The Karafuto Government is undertaking to educate the children of these backward na-

tives. At the end of April, 1931, there were 6 schools specially established for the education of these children, for which we have the following account:

School	Location	Number of Instructors	Number of Children attending
Shirahama Kyokusho	Sakaehama	2	56
Ochiho	Tomfuchi	1	17
Tarandomari	Hirochi	2	38
Chiku	Nayori	1	25
Shinmon	Tomarigishi	1	16
Shisuka	Shisuka	1	87
Total		8	234

Military Training Camps

The military training camps ordinance was promulgated in April, 1926, providing for the establishment of camps for the military drilling of youths below the conscription age. The ordinance, however, was not promulgated in the oversea territories, the only exception being Karafuto, where the local authorities in view of the almost complete lack of nationalistic social work in operation and of the smallness in the number of non-Japanese elements in the population, issued an order in May of the same year, making possible the growth of the military drilling work for the youths. Below is shown the present status of the work so far carried on:

MILITARY TRAINING CAMPS

Town	Number of Camps	Attendants
Toyohara	8	238
Ohtomari	7	249
Honto	5	146
Maoka	7	351
Tomarioru	7	164
Motodomari	3	115
Shisuka	4	81
Total	41	1,344

Religion

The three principal religions, i. e., Shinto, Buddhism and Christianity, are competing with one another in this promising field of labour. There are 42 propagating centres for Shintoism representing five sects, viz., Shinto proper, Kurosumi, Tenri, Konko and Taisha. There are three Governmental shrines and these are (1) Karafuto Jinsha, (2) Toyohara Jinsha and (3) Ani Jinsha, all of which are dedicated to Imperial ancestors. August 23 is the day set for the annual festival

of the Karafuto Jinsha, which is also the Inauguration Day of Japanese Administration in Karafuto. The shrine is located at Asahiga-oka in a quiet western hilly suburb of Toyohara, and strikes the chance visitor with a sense of admiration for its grave beauty. The anniversary of the Toyohara Jinsha falls on July 11. Buddhism is represented by the Shin, Nichiren, Soto, Shingon, Jodo and other sects. There are 142 temples and preaching centres. Christianity is being preached by missionaries of six denominations, i. e., Episcopal, Methodist, Presbyterian, Roman Catholic, the Salvation Army, and the Holiness Church. The number of Christian churches in Karafuto is 9.

Finance

The revenue of the Karafuto Government is derived from taxes and other sources of income as well as an annual replenishment from the Ordinary Account of the National Treasury. The principal taxes are:— the town homestead tax, income tax, business profit tax, liquor-brewing tax, liquor-export tax, consumption tax, mining business tax, and fishery tax. The revenue from all these taxes was, in the 1932-33 budget, estimated at ¥1,401,871. The revenue, other than from taxes, consists of receipts from the sales of stamps, railway traffic and freight charges, medical treatment charges at Governmental hospitals, charges receivable at the Central Experiment Station, receipts from the sales of trees felled in the State forests, rents of homesteads and various Government buildings and loans. Below is given a brief fiscal history of the Karafuto Government:

REVENUES (Yen)

	Taxes and Non-Tax Elements	Replenishment from National Treasury	Sum Brought Forward	Loans	Total
1907	1,037,046	629,406	—	—	1,666,452
1908	763,542	629,406	454,464	—	1,847,412
1909	1,061,424	500,500	277,956	—	1,839,881
1910	1,229,705	544,714	260,524	—	2,034,943
1911	1,369,045	570,657	187,479	—	2,077,181
1912	1,534,991	591,819	169,949	—	2,296,759
1913	2,062,574	389,291	219,082	—	2,670,947
1914	1,548,748	323,575	302,901	—	2,265,224
1915	1,495,046	323,575	191,191	—	2,009,912
1916	2,058,576	293,575	329,255	—	2,681,406
1917	2,619,815	323,575	829,563	—	3,772,453
1918	2,936,793	—	1,663,970	1,091,000	5,692,761
1919	3,570,658	300,000	2,720,110	1,173,500	7,764,269
1920	5,221,674	770,000	2,022,404	3,381,200	11,395,291
1921	7,057,103	1,433,000	3,109,807	4,173,290	15,775,205
1922	8,386,012	1,100,000	3,707,623	7,607,920	20,801,558
1923	12,436,861	1,786,000	2,753,969	4,475,436	21,452,266
1924	15,772,056	1,000,000	2,168,245	416,218	19,357,520
1925	16,000,305	900,000	78,454	1,700,000	18,678,760
1926	18,339,308	1,577,343	618,814	1,786,562	22,322,027
1927	18,414,702	2,029,635	4,587,927	1,845,052	26,877,316
1928	21,963,835	2,029,635	6,894,976	1,857,924	32,646,370
1929	22,280,159	3,100,000	6,955,100	4,569	32,339,827
1930	21,192,064	1,600,000	3,752,468	—	26,544,532
1931	22,944,655	1,600,000	79,281	1,500,000	26,123,936
1932	19,001,609	1,600,000	826,744	1,000,000	22,428,353

EXPENDITURES

1907	1,211,968
1908	1,569,455
1909	1,578,857
1910	1,897,465
1911	1,907,231
1912	2,077,677
1913	2,278,046
1914	2,073,933
1915	1,680,657
1916	1,851,843
1917	2,108,483
1918	2,972,651
1919	5,741,865
1920	8,285,484
1921	12,065,581
1922	18,047,589
1923	19,284,026
1924	19,279,065
1925	18,059,946
1926	17,734,099
1927	19,982,340
1928	25,691,270
1929	28,587,359
1930	24,629,298
1931	26,123,936
1932	22,428,353

Monetary Organs

The principal monetary organs in the island are the Hokkaido Colonial Bank and the Karafuto Bank. The former is represented by its branches at Toyohara, Ohtomari, Maoka, Honto, Noda, Tomarioru, Ochiai, Shirutoru, Shisuka and Rutaka; its head office being located at Sapporo, Hokkaido. The business operation of the bank in the island as shown in June, 1930, showed advances and discounts amounting to ¥11,710,442 and deposits to ¥11,434,569. The Karafuto Bank is the only one having its head office on the island, its business operation reaching ¥3,613,149 in advances and discounts and ¥2,359,122 in deposits outstanding on the same date. The bank came into existence in May, 1914, with a capital stock of ¥500,000 which was increased to ¥2,000,000 in

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1908	763,542	629,406	454,464	—	1,847,412
1909	1,061,424	500,500	277,956	—	1,839,881
1910	1,229,705	544,714	250,524	—	2,034,943
1911	1,369,045	570,657	187,479	—	2,077,181
1912	1,534,991	591,819	169,949	—	2,296,759
1913	2,062,574	389,291	219,082	—	2,670,947
1914	1,548,748	323,575	392,901	—	2,265,224
1915	1,495,046	323,575	191,191	—	2,009,912
1916	2,058,576	293,575	329,255	—	2,681,406
1917	2,619,315	323,575	829,563	—	3,772,453
1918	2,936,793	—	1,663,970	1,091,000	5,692,761
1919	3,570,658	300,000	2,720,110	1,173,500	7,764,269
1920	5,221,674	770,000	2,022,404	3,381,209	11,395,291
1921	7,057,103	1,433,000	3,109,807	4,173,299	15,775,205
1922	8,386,012	1,100,000	3,707,623	7,607,920	20,801,558
1923	12,435,861	1,786,000	2,753,969	4,475,436	21,452,266
1924	15,772,056	1,000,000	2,168,245	416,218	19,357,520
1925	16,000,305	900,000	78,454	1,700,000	18,678,760
1926	18,339,308	1,577,843	618,814	1,786,562	22,322,027
1927	18,414,702	2,029,635	4,587,927	1,845,052	26,877,316
1928	21,963,835	2,029,635	6,894,976	1,857,924	32,646,370
1929	22,280,159	3,100,000	6,955,100	4,569	32,339,827
1930	21,192,064	1,600,000	3,752,468	—	26,544,532
1931	22,944,655	1,600,000	79,281	1,500,000	26,123,936
1932	19,001,609	1,600,000	826,744	1,000,000	22,428,353

EXPENDITURES

1907	1,211,968
1908	1,569,455
1909	1,578,857
1910	1,897,465
1911	1,907,231
1912	2,077,677
1913	2,278,046
1914	2,073,933
1915	1,680,657
1916	1,851,843
1917	2,108,483
1918	2,972,651
1919	5,741,865
1920	8,285,484
1921	12,065,581
1922	18,047,589
1923	19,284,026
1924	19,279,065
1925	18,059,946
1926	17,734,099
1927	19,982,340
1928	25,691,270
1929	28,587,359
1930	24,629,293
1931	26,123,936
1932	22,428,353

Monetary Organs

The principal monetary organs in the island are the Hokkaido Colonial Bank and the Karafuto Bank. The former is represented by its branches at Toyohara, Ohtomari, Maoka, Honto, Noda, Tomarioru, Ochiai, Shirutoru, Shisuka and Rutaka; its head office being located at Sapporo, Hokkaido. The business operation of the bank in the island as shown in June, 1930, showed advances and discounts amounting to ¥11,710,442 and deposits to ¥11,434,569. The Karafuto Bank is the only one having its head office on the island, its business operation reaching ¥3,613,149 in advances and discounts and ¥2,359,122 in deposits outstanding on the same date. The bank came into existence in May, 1914, with a capital stock of ¥500,000 which was increased to ¥2,000,000 in

March, 1919. The Karafuto Bank has its head office at Ohtomari and a branch at Maoka. The two banks are doing good work for the development of the island. Beside these banks there is a special bank which has a branch at Toyohara, and that

is the Hokumon Savings Bank. This savings bank branch was opened on April 1, 1922. Its local business operation showed on June 30, 1931, advances figured at ¥215,983 and deposits at ¥547,600.

CHAPTER XLIV

SOUTH SEA ISLANDS

(UNDER JAPAN'S MANDATE)

Geographical Features

The South Sea Islands mandated to Japan, numbering 2,550, are the Mariana, Marshall and Caroline groups, between 131° 10' and 172° 10' of East Longitude and between 1° 15' and 20° 32' of North Latitude. They have a total area of 2,148.80 square kilometres. The Hawaiian Islands are to the east; the Philippines and Celebes to the west; the Bonin Islands to the north, and New Guinea to the south. Only one island among them, i. e., Guam, belongs to a foreign Power, that is to say, the United States.

The Mariana archipelago starts close to the southern end of the Bonin Islands, stretching towards the equator, and the Marshall and Caroline groups extend to the east and west along the equator, forming an inverted letter "T" with the Marianas. About 740 miles south of the Bonin Islands lies Saipan, the largest of the Marianas, and about 180 miles farther south is Truk, one of the largest of the Carolines, which, marking the crossing point of the inverted "T," is the centre of the mandated territory. The line of 148° East Longitude divides the Carolines into the West Carolines, with Palao and Yap, and the East Carolines, with Truk and Ponape. Because of the distances between the islands and the extensive area covered by them, communications are difficult. The fact that each group of isles uses different words peculiar to itself suf-

ficiently demonstrates the degree to which they are separated.

So small are the individual islands in area that the premier ones, such as Ponape and Babelthuap, cover barely 269 square kilometres. Their topography differs according to geological conditions. The Marshalls, which are made up of coral reefs, rise only 1.5 or 2 metres above sea level, but the Marianas and Carolines, which are composed largely of volcanic rocks, have peaks rising as high as 758 metres and little level land. There are no navigable rivers, and in several places good roads are still lacking.

With the exception of Yap, practically all of the islands are composed of volcanic rocks and coral reefs. There are three kinds of coral reefs, though no clear demarcation can be drawn; and the volcanic rocks are of two kinds, basalt and andesite, the former being found in Truk, Ponape and Kusaie, of the Carolines, and the latter in Palao and Saipan. Everywhere in the islands, sea-birds nest and deposit phosphate, but principally on Angaur, Peleliu, Togobei and Fais. The soil also contains some amount of phosphoric acid, which helps vegetables and trees to grow. The narrowness of each islet, the volcanic topography and the dearth of rainfall, however, are handicaps to agriculture.

Groups of Islands

The Marianas The Marianas, the northernmost part of the territory,

consist of 14 islands covering 632 square kilometres. At the southern extremity is Saipan, the seat of the Saipan Branch Office, with jurisdiction over the whole of the Mariana archipelago. The Saipan group, 183.89 square kilometres in area, starts 64.36 km. to the north-east of Guam and stretches 104.59 km. to the southwest. Being nearest to Japan proper, the group forms the gateway to the South Sea Islands. It not only enjoys favourable communications with the mainland of Japan, but is endowed with fertile soil adapted to the cultivation of sugar cane, which has drawn no small number of immigrants. Here the South Sea Islands Development Company engages in the refining of sugar.

The Carolines The Carolines, lying along the equator, are divided into the four administrative groups of Palao, Yap, Truk and Ponape. On the island of Corrol in the Palao group are located both the South Sea Government and its Palao Branch Office. The number of isles under the jurisdiction of this branch office is 109, covering an area of 80.29 square kilometres. Babelthuap, commonly called the Main Island of the Palaos, has 370.37 square kilometres. Angaur, about 64.36 km. southwest of Corrol, is called the treasure island of the archipelago, being buried under phosphate mounds. A regular steamship line connects it with Menado of Celebes and Davao of Mindanao, in the Philippine Islands. The Palaos are not only the administrative pivot, but are important geographically.

The Yap group lies 418.34 km. to the northeast of Palao and consists of 85 islets covering 228.91 square kilometres and extending 804.50 km. from north to east. The four main islands, with an area of 36.26 square kilometres, are widely known as a

junction of submarine cables. Here also is located the Yap Branch Office.

The Truk group lies 1,383.74 km. east of Yap, dotting the surface of the sea like a nebula. The Truk Branch Office, located on Natsu Island, controls 245 islets, which total in area only 124.16 square kilometres. As Natsu Island was formerly the seat of the German local government and later the headquarters of the Japanese defence corps for the entire mandated territory, it is fairly well known to the outside world.

The Ponape group is located 627.51 km. due east of Truk and consists of 138 islets covering more than 492.10 square kilometres. The island of Ponape, with 380.73 square kilometres in area, ranks first among all the islands of the territory. It is full of hills and is lacking in level land. Textile manufacturing and sugar refining were once started here by the Japanese, but later discontinued. Hope is still retained for some industrial undertakings, and a branch laboratory of the Industrial Experiment Station of the islands was established here in 1925 to make trial plantings of rice and medical herbs.

The Marshalls The Marshalls are located 1,222.84 km. east of Ponape. At the southern tip is Jaluit, on which is located the Jaluit Branch Office, which has control over the main portion of the archipelago, 32 islets made up of more than 860 coral reefs comprising an area of 150.94 square kilometres. The soil being quite suited to the growth of coconut palms, they flourish everywhere. The copra industry of the islands is chiefly dependent on the material produced in this group.

Atmospheric Conditions

All the islands being within the tropical zone, they have one season instead of the four of the temperate

zone. Cool sea breezes sweep over them day and night, contributing much toward balancing the temperature, and the inhabitants are favoured with a mild maritime climate rarely found in tropical countries and free from the danger of attack by venomous snakes, wild animals and miasma peculiar to the tropics.

There is an observatory established by the South Sea Government, where all sorts of atmospheric observations are conducted, and four byetographical observatories. In addition, each branch office of the Government has its own observation station. Thorough study of the insular climate is now being planned.

Atmospheric pressure in the neighbourhood of Truk and Ponape is generally low; in the vicinity of the Carolines and western Marianas, it is high in February and March and low from October till December; in the eastern islets of the Carolines, high from May to September and low in other months. The temperature is about the same all over the islands and shows little change through the year, the highest in the daytime ranging from 29° to 31° F. It seldom rises above 31°, and the difference during 24 hours is only 4 or 5 degrees. Humidity averages 82% and rarely falls lower than 60%.

From November to April, the wind generally comes from between the east and northeast. This is the trade wind. From May to October, the direction differs according to the position of the islands. The velocity averages 5 metres in the Marianas, weak in August and September and strong between October and February; in the western part of the Carolines, it is weak in April, May, June and September and strong in November, December, January, February and March.

The mean annual rainfall is more than 3,000 mm., and at Ponape it reaches even 4,000 mm. The rain comes in sudden torrents and passes away with the same suddenness. By this the unbearable tropic heat is greatly mitigated. The rainfall is greatest during July, August and September and least in January, February and March.

The Islands are, as it were, the hotbed of the typhoons that devastate Formosa and Japan proper, but locally the wind rarely gathers hurricane strength. If a typhoon does strike, it leaves the islands in a miserable condition, and the natives fear typhoons as they do their gods. When Ponape was struck in 1906, nearly all the coconut palms fell. Jaluit suffered in 1918 and Yap in 1920 and 1923.

A third tempest at Yap caused tidal waves to sweep over the coast, considerably damaging houses, woods and farms. A typhoon at Palao in May, 1927, swept away practically all dwellings in Peleliu and caused no small damage to other islets far and near.

History

The discovery of the islands dates back to the 16th century, when Spain and Portugal were vying with each other for discovery of untrodden soil in any corner of the world. As they are scattered and insignificant, not all of the groups were found at the same time. The Marianas were found first and the Carolines at about the same time, though exploration of the latter was neglected until about 40 years ago, when the Marshalls were discovered.

Found by the Portuguese, the Marianas came into the possession of Spain. Toward the close of the 19th century, Germany took possession of the Marshalls and threatened to encroach on the Carolines, then

under Spanish control. Spain protested, and arbitration by the Pope in 1886 terminated the dispute amicably, the whole of the Carolines remaining under Spanish rule. Assiduous efforts by the Spanish to exploit and govern the islands continued until 1899, when, financially straitened due to the war with the United States, they sold the Marianas and Carolines to Germany. The whole of the present South Sea Islands mandated by Japan was thus shifted to the possession of Germany. The German reign lasted until 1914, when a Japanese squadron occupied the islands, which were later juridically placed under Japanese mandate, following the conclusion of the Paris Peace Treaty and other relevant agreements.

German Administration It is generally agreed that the establishment of sovereignty over the Marianas and Carolines by Spain in 1886 and perfect domination by Germany of the Marshalls in 1885 should be made the starting point in historical study of the archipelagos. Until purchased by Germany, the Marianas and Carolines had no government worthy of mention, and nothing now remains to recall the Spanish administration except the defence works on Yap and Ponape and a few buildings standing here and there. After the transfer to Germany, a complete change was effected. In the manner of the British East India Company, Germany started the Jaluit Company shortly after acquiring the Marshalls. The Government took over the business in 1906, when the company's contract expired, and tried to put all the island industries under its monopoly. Thus Jaluit has naturally flourished as the business centre of the territory, reinforced by communications with Singapore, Hongkong, Australia and the United States.

In looking back upon the German programme in the South Sea Islands, we are struck above everything else with the largeness of its scale. A general government was first established in New Guinea, which sought to implant German authority in the Orient by embracing the numberless islets between New Guinea and Tsingtao. A step to this end was the laying in 1904 of a submarine cable connecting Yap with Shanghai, Guam and Menado, and in 1913 a radio telegraph station of gigantic size was erected on the same island. To make a scientific study of the South Sea Islands, the German Government dispatched a number of experts. One of their discoveries was phosphate, of which a deposit of 3,000,000 tons was found on Angaur. The German Phosphate Company, founded in Bremen in 1908, conducted mining operations until the Japanese occupation. Other deposits, though less valuable, were located at Peleliu, Togobei and Fala.

Germany exercised special efforts in diffusing culture among the natives, and to this end it dispatched no less than 100 missionaries, who opened churches in all the principal villages of the islands. The older natives still keep the German style of Roman letters to this day. Besides paying attention to educational advancement within the territory, the authorities sent men of talent to Tsingtao for further study.

Relations with Japan It is presumed that there must have been some early intercourse between Japan and the archipelagos because of their geographical position, but there is no reliable evidence of it. The Japanese training cruiser *Ryujo* in 1884 touched at Kusaie, an islet belonging to the Ponape group, where the chief of the natives enthusiastically welcomed the crew, declaring that his people were descendants of the

Japanese race. In the same year, the Japanese Government, informed of the massacre of a Japanese on Raye Island, of the Marshalls, dispatched Mr. Taketaro Goto, who succeeded in settling the matter with the local chieftain. Early commercial relations were initiated by the South Island Company (Nanto Shokai), established at Ponape with the capital of ¥44,000, but its business was soon transferred to the Ichiya Shokai, which failed in 1895. In the year following the appearance of the Nanto Shokai, two other trading firms, the Kaitsu Sha and Koshin Sha, came into existence; the former lasted only two years, but the latter carried on business until the Japanese occupation of the islands. The Bioki South Sea Trading Company was founded in 1893 with branches at Ponape, Truk, Saipan and Guam. Since amalgamation with the Murayama Shokai in 1906, it has been operating as the South Sea Trading Company and doing an extensive business.

Population

According to the census taken on April 1, 1932, the total population of the mandated territory is 75,909, comprising 50,045 natives, 25,766 Japanese and 98 foreigners. Of the natives, there are 46,558 Kanaka and 3,400 Chamorro. The Chamorro enjoy high birth rate, but the Kanaka scarcely maintain the status quo. Those within the jurisdiction of the Yap Branch Office show yearly decrease.

When Japan took over the archipelagos, there were only a few scores of Japanese dwellers. Gradually increasing, there are now 16,003 males and 9,763 females, most of them dwell within the jurisdiction of the Saipan Branch Office and are engaged in agricultural enterprises.

When placed under Japanese control, the territory had hundred Germans, mostly engaged in missionary work and commerce. After they left, there remained fewer than 20 foreigners, chiefly Americans and British. The census taken on April 1, 1932, shows that the 98 registered in 1932 are nearly all engaged in missionary service, coconut cultivation or the copra trade.

A census is taken every five years. The village officials and policemen also keep in constant touch with every change. As for Japanese settlers and foreigners, complete investigation is made in accordance with regulations. The first general census was taken in October, 1920, when the first national census was taken in Japan proper, attended with great difficulties and at enormous expense. Subsequent censuses came in 1925 and 1930.

DENSITY OF POPULATION, April 1, 1932

District under Branch Office	Population	Area (sq. ri)	Density (per 1 sq. ri)
Saipan	23,954	41.43	578.2
Yap	6,596	14.64	450.5
Palao	9,047	31.00	291.8
Ponape	9,499	32.65	290.9
Jaluit	10,342	11.05	935.9
Truk	16,471	8.55	1,926.4
Total	75,909	139.32	544.9

NUMBER OF HOUSEHOLDS, April 1, 1932

	Saipan	Yap	Palao	Truk	Ponape	Jaluit	Total
Japanese	4,755	105	1,384	249	317	146	6,956
Native	622	1,708	1,222	2,357	1,485	1,810	9,704
Foreign	5	4	10	12	10	10	51
Total	5,382	1,817	2,616	3,118	1,812	1,966	16,711

Chosenese are included in the figures for Japanese.

POPULATION BY GROUPS, April 1, 1932

	Saipan	Yap	Palao	Truk	Ponape	Jaluit	Total
Japanese	men	12,033	165	2,009	717	757	18,688
	women	7,828	101	994	321	384	9,728
	total	19,861	266	3,003	1,038	1,141	28,416
Native	men	2,110	3,071	3,293	7,925	4,383	25,802
	women	1,970	3,250	2,738	7,484	3,951	24,166
	total	4,080	6,321	6,031	15,409	8,334	50,045
Foreign	men	9	5	12	17	13	66
	women	4	4	1	7	11	36
	total	13	9	13	24	24	102
Total	men	14,152	3,241	5,314	8,659	5,153	41,529
	women	9,902	3,355	3,733	7,812	4,346	33,958
	total	32,954	6,596	9,047	19,471	9,499	75,900

Chosenese and Taiwanese are included in the figures for Japanese.

YEARLY INCREASE OF POPULATION

Period	Japanese	Native	Foreign	Total
1920	3,671	48,505	46	52,222
1925	7,430	48,789	66	56,284
1930	19,835	49,605	96	69,536
1932	25,766	50,045	98	75,909

Tribes, Customs and Manners

Tribes Opinions differ as to the tribes residing in the mandated South Sea Islands. Some say that they immigrated from the Malay Peninsula, while others maintain that they are of the Polynesians. Though anthropologically named the Micronesian race, it is evident that they are a hybrid. Separate groups are clearly discernible, each with its own language and customs and manners. Roughly they are divided into the Kanaka and Chamorro. The former belong to the Micronesian race, and the latter are said to be of mixed White and Kanaka extraction, though other explanations are sometimes given.

The Chamorro are supposed to have settled first in Guam, later removing to neighbouring isles, and the fact that they now flourish largely in the Marianas, Yap and Palao seems to endorse the supposition. Though the tribe thrived fairly well under the Spanish régime, it has gradually dwindled, due mainly to massacres, until today it numbers only 3,400. The characteristic features are yellowish brown skin and black hair. The Chamorro, un-

like the Kanaka, are industrious and mild in nature. Their mode of living is advanced, and some even reside in foreign-style houses with modern improvements. Their present culture owes much to religious influences in the time of Spanish control.

Kanaka is the general term for the natives of the Pacific islands. Most of those dwelling in the mandated islands belong to this group. They have dark brown or yellowish brown skin, black hair, heavy eyebrows and a big mouth. They are not hairy, and are simple and mild in nature. Though generally of medium stature, some are fairly tall. The Kanaka are cheerful in disposition, but extremely lazy. Their cultural standards are very low, and the mode of living lingers in the primitive stage. Of the total of 50,000 natives in the islands, those belonging to the Kanaka number 46,600.

Customs and Manners Because of the warm climate, it was originally the custom of the natives to wear nothing except a piece of cloth around the waist. Contact with advanced people, however, has brought a change, and some now use foreign clothing. In Saipan and the Marshalls, the natives are clad after the fashion of Europeans, but those in Ponape, Truk, Palao and especially Yap are almost stark naked. The

natives are not indifferent to personal adornment. Tattooing is an outstanding example. The more complicated the tattoo marks and the larger the space they cover, the more respected is the owner. There is also the strange ornamentation of scars deliberately cut into the flesh, which has more influence in Ponape than in the other islands. The custom of driving a hole through the ear-lobe for an ear-ring or other dangling ornaments has been becoming less common of late years, due principally to the diffusion of education.

The staple foods of the natives are fruits, fish and meat. Nature bountifully supplies coconuts and tubers, which are mainly relied on, and tapioca, bananas, pineapples, mangoes, lemons and oranges, all of which are used as subsidiary food. Under such circumstances, it is but natural that little attention is given to agriculture. Fishing has made but little advance, but the supply of beef and pork is fairly sufficient. Wine and tobacco are greatly sought after, though the use of the former is almost completely prohibited. The habit of chewing areca still prevails.

The structure and appearance of dwellings vary in accordance with the cultural standard of each group of isles. In Saipan there is a street that looks like one in Europe, but in Yap one is reminded of how people lived in prehistoric ages. The dwellings in Truk and Jaluit are far inferior to those in Palao and Ponape, having not even floors. A general lack of windows leaves the interiors sombre and damp. "All-men-houses" are found everywhere in the archipelagos, which serve as a sort of rendezvous for the male villagers or inn for travellers. On Yap there are one or two houses to

every village where women live when ailing.

Social Conditions

As the natives are not yet far removed from the primitive stage, their knowledge is very limited. They adhere to the traditions handed down from their forefathers and seem incapable of assimilating with any rapidity the cultural attainments of the outside world with which they come in contact. Only a few can count correctly. Yet they have been progressing in acquiring knowledge since primary education has been introduced. Whatever their intellectual deficiencies, they are fit for manual work.

There are two main social classes, superior and common, and between them there are several transition levels. Every village has its own chief, at whose mercy formerly were the life and property of the villagers. Among the chiefs there used to be ceaseless fighting. Under the German administration, their powers were greatly diminished, and at present they collect taxes and transfer government orders besides attending to the welfare of the people.

As has already been said, their mode of living is very simple, requiring little clothing and no farming for food. They are content to live in any miserable structure which affords shelter from wind and rain. Save for a handful of the Chamorro and a very small number of wealthy people, they live from hand to mouth in perfect contentment and have no thought of providing for posterity. They see no need of taxing their otherwise simple existence by using money. Such as they obtain is invariably spent for such luxuries as soap, perfume, tobacco and canned food, for their daily necessities are freely provided by nature. Of late years, however, a desire to own co-

coconut trees and land has become discernible. They have aversion to anything that requires systematic labour. This is because they are little accustomed to it, there being no need for hard work where food is plentiful without it. In former times they were absorbed in subduing neighbouring villages, but in recent years their barbaric temperament has greatly abated in consequence of appropriate measures taken toward this end by the Japanese Government.

Each group uses its own language or dialect, and there are many instances of different languages in a single group of islets. Between the main island of Yap and the islets within its orbit, there is no common language. Since Japan took charge of the educational work, Japanese has been taught, increasingly meeting the daily needs of the natives.

Administration

Following severance of diplomatic relations with Germany, the Japanese navy occupied in October, 1914, the German territory of the South Sea Islands and established a military government. In December, 1915, when military headquarters were instituted at Truk, the islands were divided into six administrative districts, each governed by a resident garrison commander. In June, 1918, subsequent to the issuance of an Imperial ordinance, a civil administration was created under the commander of the Provisional South Sea Defence Corps, and civil officials took over the functions formerly entrusted to the commanders.

By conclusion of the peace treaty in January, 1920, the islands were placed under Japanese mandate. Realizing the need of effecting fundamental renovation in the administration, the Japanese Government, upon withdrawing the troops, estab-

lished the present South Sea Government in April, 1922. This was in accordance with an Imperial Ordinance of March, 1922, parts of which were later revised in 1924, 1927 and 1930. The Governor, who presides over the entire administration, is under the control and supervision of the Overseas Minister. Communications affairs are supervised by the Communications Minister, and currency, banking and customs matters by the Finance Minister. In emergencies, however, the Governor is authorized to act upon his own discretion and if necessary to request the commander of the naval station or the nearest responsible naval commander to take military action. The Government Office is composed of six sections: Governor's Secretariat, General Affairs, Finance, Police, Colonial and Communications. The Provisional Saipan Harbour Repair Office, a products museum and an experimental fishery station also belong to it. Under the central Government there are branch offices at Saipan, Yap, Palao, Truk, Ponape and Jaluit. All such general administrative business as census-taking, alms-giving, salvation, policing, hygiene, tax collection, education, religion, industry, engineering and harbour works are conducted by those local branches.

Besides the afore-mentioned, there are, under the control of the Governor, 12 elementary schools, 23 public schools, a woodwork training institute, a high court of justice, with a public procurator's office, 3 local courts of justice, each with a public procurator's office, 3 stations for industrial experimentation, 8 hospitals, a mine, 8 post offices and 3 meteorological observatories.

The branch offices are assisted by so-soncho, kucho, son-cho and joyaku, who are mostly native chiefs. Those in charge of the Kanaka are

called so-soncho and son-cho, and those among the Chamorro are named kucho and joyaku. The so-soncho and kucho act under the control and instructions of the branch office to which they belong, and the son-cho and joyaku assist them. The duties

entrusted to these officials are (1) thorough diffusion of knowledge of the law and regulations, (2) the making of applications and reports to the branch office, and (3) the conveyance of official instructions and their fulfilment.

OFFICIAL PERSONNEL, June 30, 1932

Office	Chokunin rank	Sonin rank	Hannin rank	Treated as Hannin rank	Non-regular	Employees	Total
South Sea Government	1	9	49	3	9	87	158
Branch Office	—	3	44	63	2	96	208
Elementary Schools	—	—	47	—	11	—	58
Public Schools	—	—	59	—	10	23	92
Courts of Justice	—	5	4	—	—	3	12
Industrial Experimental Stations	—	4	7	—	—	12	23
Mine	—	1	7	—	—	7	15
Hospitals	—	9	25	—	1	36	71
Post Offices	—	—	51	—	1	59	111
Meteorological Observatories	—	—	4	—	—	8	12
Total	1	31	297	66	34	331	760

LOCAL ADMINISTRATIVE OFFICIALS, September 1, 1932

Branch Office	So-soncho	Kucho	Soncho	Joyaku	Total
Saipan	—	2	—	6	8
Yap	10	1	—	—	11
Palao	2	—	11	—	15
Truk	6	—	22	—	28
Ponape	13	—	14	—	27
Jaluit	1	—	15	—	16
Total	32	3	64	6	105

Police Administration Under the Police Affairs Section of the central Government there is a branch section at each of the six branch offices of the Government. In addition, there are a police officer's detached station at Tinian, assistant police inspector's detached stations at Kusaie and Angaur and policemen's offices at 17 less important villages. The distribution of these stations was determined more by special local conditions than by the density of population, for each branch office of the Government has its own peculiar geographical and cultural conditions. On August 1, 1932, the number of police officials at each branch office ranged from 10 to 30.

The regulations for control of the

islanders established in 1916 to guard against immigration of persons without property and criminals were amplified and revised in 1917 and 1925. Special consideration is given to firearms and gunpowder, the possession and use of which are strictly prohibited to the insular inhabitants. Beverages of more than 3 per cent. alcoholic content are forbidden except for medical use and religious rites. The possession and consumption of dangerous narcotics, save for medical purposes, are prohibited. Other regulations cover game hunting, publications, social gatherings and the formation of associations, collection of donations, fisheries and the employment of geisha and waitresses.

Finance

The expenditure for insular administration had been met by the

military special account until an independent account of the South Sea Government was established in March, 1922.

ANNUAL REVENUE AND EXPENDITURE

Fiscal Year	Revenue			Expenditure		
	Ordinary Revenue	Special Revenue	Total	Running Expenditure	Special Expenditure	Total
1926	¥2,809,369	4,608,958	7,008,327	2,310,110	1,638,464	3,948,574
1927	2,731,813	4,867,667	7,598,880	2,822,138	2,295,431	4,017,569
1928	2,834,212	4,794,669	7,628,881	2,444,201	2,089,909	4,534,110
1929	2,839,480	4,606,636	7,446,116	2,410,638	2,091,361	4,501,999
1930	3,402,321	3,965,091	7,367,412	2,364,381	2,294,463	4,658,844
1931	4,609,058	2,999,531	7,608,589	2,432,547	2,143,889	4,576,436
1932*	4,589,251	425,168	5,014,419	2,665,336	2,349,083	5,014,419

* The figures for 1932 are estimated.

The poll tax, customs duties and clearance charges on shipments constitute the premier taxes. A poll tax not exceeding ¥10 is levied on every male native aged 16 or more and from ¥2 to ¥50 on Japanese and foreigners, although there are quite a number of exceptions. All imports from foreign countries are subject to customs duty in accordance with regulations established in May, 1922. These regulations also provide that all shipments to Japan and dutiable at the destination are subject to a clearance duty at the same rate as levied at the destination.

Judicial System

The judicial branch of the South Sea Government employs the double trial system, the court for the first trial being one of the Local Courts of Justice and for the second trial the High Court of Justice. To each court is attached a public procurator's office. In remote places, minor irregularities, both civil and criminal, are disposed of by the judgment of the branch office heads.

The South Sea Government High Court of Justice is located in Palao. The Palao Local Court of Justice has jurisdiction in the Palao and

Yap groups; the Saipan Local Court of Justice, in the Saipan group, and the Ponape Local Court of Justice, in the Ponape, Truk and Jaluit groups. On June 30, 1932, there were three judges, two procurators and four secretaries in the judicial system.

Most legal regulations are the same as in Japan, but due consideration is given to the customs and conditions peculiar to the natives. Their civil affairs are handled quite independently of those of settlers from outside; hereditary practices in land ownership are preserved, none but Government officials being permitted to sell, purchase or mortgage their land; legal proceedings are made as simple as possible, and natives sentenced to less than one year of penal servitude may be subjected to labour instead of being sent to a prison.

Education

Besides elementary schools for the Japanese, there are 22 for natives throughout the insular territory. Though education is not compulsory, schools are provided, clothing and food supplied in particular cases and pupils from remote places received

into dormitories. At the schools for native children, natives are employed as assistant instructors. The Japanese instructors must have the full qualifications of elementary school teachers in Japan proper.

There are schools for Japanese children in Saipan, Palao, Truk, Tinian, Yap and Ponape, and where there is no near-by Japanese school a Japanese class is attached to the native elementary school. The course of instruction, requiring six years, and the textbooks are the same as in Japan proper. The natives' elementary education takes three years, and after that they are free to enter continuation courses of two years. The lessons are about the same as those taught in the Japanese schools, save for the stress placed on ethics, calculation and the Japanese language. To teach carpentry, a special institute is attached to the Corrol Public School for natives.

Christian schools number 3 in Saipan, 1 in Palao, 6 in Truk, 2 in Ponape and 3 in Jaluit. All of them are attached to churches and naturally concentrate on diffusing knowledge of Christianity. They are not worthy of being called educational institutions in the strict sense.

With the object of popularizing education, a scholarship society was formed on the foundation of an Imperial donation, ¥2,000, in February, 1924. The society is headed by the Governor, who, with the interest accruing to the original and yearly scholarship grants by the Government, does everything possible to encourage deserving students. There is also the South Sea Islands Educational Society, headed by the Governor and with branches at the seats of branch offices of the Government. Its sole object is elevation of the educational standard of the islanders.

The elementary schools for Japa-

nese, according to statistics taken at the end of July, 1932, have 51 instructors and 2,318 pupils—1,176 boys and 1,142 girls. Besides, there are four instructors in charge of the continuation courses, with 231 students under them. The schools for natives have 61 Japanese teachers and 23 native assistant teachers; 1,363 boys and 1,020 girls attending the elementary school course, and 424 boys and 186 girls in the continuation course.

There are some private institutions, mostly kindergartens, for Japanese children. Kindergartens are found in Saipan, Yap, Palao and Ponape, having in all 8 Japanese teachers and 95 children. A private elementary school for the natives in Jaluit has 49 children under 4 instructors, 2 of whom are Japanese.

Religion

Among the native inhabitants there is no religion worthy of the name, but they have a sort of religious belief. Christianity was first introduced and propagated by Spaniards in 1666. A Jesuit missionary worked enthusiastically in Guam until banished in 1766 by Charles III and is said to have initiated the islanders into the methods of cultivating corn, tobacco, cocoa and potatoes. In more recent times, an American missionary group gained influence, though it finally abandoned work in Ponape and Truk, as did a Protestant mission group from Germany in the former island. Catholicism went on evangelizing side by side with Protestantism and is said to have had more funds. Priests of the Otani Branch of the Shinshu Sect of Buddhism established themselves in Saipan for religious propaganda in 1919, and in 1926 a Tenrikyo church was opened in Palao.

Soon after the evacuation of the German Protestant missionaries, the

Japanese Congregational Church dispatched four missionaries to Ponape and Truk. American missionaries in Kusaie and Jaluit are engaged in educational as well as religious work, and Catholic missionaries, who came in 1921 from Spain, are also active. It is general-

ly accepted that the natives' mild temperament is the result of the long and untiring efforts of the missionaries. Generally speaking Christianity seems to have placed the entire population under its influence, but very few of the church-goers understand its tenets.

CHURCHES, MISSIONARIES AND BELIEVERS, April, 1932

Religion	Churches	Mission halls	Preachers	Inmates of Monastery	Native		Believers		Total
					Preachers	Japanese	Foreign	Native	
Catholic	14	14	17	21	24	72	9	16,395	16,476
Protestant	12	75	18	—	92	24	1	14,392	14,417
Buddhist	4	—	4	—	—	3,230	—	600	3,830
Tenrikyo	2	—	3	—	—	25	—	78	103
Total	32	116	42	21	116	3,351	10	31,465	14,826

The Charitable Society, founded on an Imperial donation of ¥1,000, was organized in May, 1927, in commemoration of the demise of the late Emperor Taisho. It is financed by the interest accruing to the foundation and contributions, and its principal mission is salvation of the poor and afflicted. So far its main accomplishment has been caring for lepers, 44 of whom are accommodated in 4 sanatoria.

Transportation and Communications

There are no roads worthy of the name on the islands, though the Government realizes that they are the first requisite for industrial development. As large appropriations will be needed, their construction will have to wait for some years to come. Nor are there railways for public use. The short one at Angaur to the phosphate mine, and that at Saipan is exclusively for the hauling of freight belonging to the South Sea Development Company.

Improvement of transportation facilities is now being concentrated on harbours. Generally speaking, the ports are favourable for moor-

ing, but the long distance between vessels lying at anchor and the landing places, as well as coral rocks extending far into the sea, handicaps their healthful growth as modern commercial ports. The construction of modern harbours depends upon magnanimous appropriations and years of labour. The first real harbour, started in 1926 and completed in 1931 at a cost of more than ¥1,000,000, was at Saipan. A second project was launched in 1927 at Corrol, where, between the vessels at anchor and the landing place, lies a coral-reef. The work came to an end after expenditure of ¥106,992 in 1930.

Shipping Routes Upon the creation of the South Sea Government, all Government-controlled shipping routes were placed under the Nippon Yusen Kaisha, Ltd. The schedule for these lines follows:

(1) West Round Line: Plying between Japan and the Philippines, the ships touch at Yokohama, Osaka, Kobé, Moji, the insular ports, Menado and Davao, covering both ways in 44 days. 16 voyages are made a year.

(2) East Round Line: Plying between Kobé and Jaluit, the ships

of the line call at Saipan, Truk, Ponape and Kusaie, covering both ways in 50 days. 6 voyages are made yearly.

(3) East and West Connecting Line: Between Kobé and Jaluit, this line includes calls at various insular ports. Both ways are covered in 56 days, and 6 voyages are made a year.

(4) Saipan Line: The ports of call are Yokohama, Osaka, Kobé, Moji, Futami, Saipan and Tinian. 17 round-trips, made in 27 days, are scheduled for the year.

The number of vessels on these lines is 8, ranging from 3,165 to 6,143 tons.

Among the islands themselves, shipping has been entrusted to the South Sea Trading Company, Ltd., which is subsidized by the Government. The services now available are: the Mariana Line, connecting scattered islets within the Mariana Archipelago, available 16 times a year; the Yap, Palao, Truk and Ponape lines, each with 4 trips a year, and the Marshall Line, which makes 7 trips a year. 5 vessels are used, ranging from 100 to 541 tons.

During 1931, vessels that entered and cleared the nine ports of the territory numbered 443 and 438 respectively—331 steamships, 101 sailing vessels and 11 warships entering and 329 steamships, 98 sailing vessels and 11 warships clearing. The numbers of passengers landing and embarking were 13,569 and 8,076 respectively.

Other Means of Communication All means of communication were placed under the control of the local Government when it was established. The Communication Section thus takes care of (1) post, telegraph, telephone, exchange and deposit services, (2) postal insurance, and (3) sea-routes, vessels and nautical markings. There are 8 post of-

fices, situated at Saipan, Jaluit, Angaur, Tenian, Corrol, Yap, Natsu and Ponape. Each handles wireless messages. The cable and wireless lines now operated are as follows:

(1) Between Yap and Bonin Islands: dispatched by the Chichi-jima Wireless, relayed at Saipan.

(2) Between Yap and all except the Bonin Islands: dispatched on the submarine cable through Naha, Ryukyu (Loochoo).

(3) Between the South Sea Islands, except Yap, and Loochoo and Taiwan: sent by submarine cable.

(4) Between the South Sea Islands, except Yap, and the Bonin Islands: sent by the Chichi-jima Wireless, relayed at Saipan.

(5) Between the South Sea Islands and all outside points except the Bonin Islands, Taiwan and Loochoo: dispatched by the Tokyo Wireless, relayed at Palao.

Telephone facilities are still limited, switch-boards being installed at only Palao and Saipan.

Land and Agriculture

All transactions in real estate owned by natives are subject to approval by the Government, a practice initiated by the German administration to safeguard the interests of those whose concepts of property are rudimentary. The total acreage is put at 540,000, of which 180,000 acres are thought fit for coconut plantations and general farming. The land under cultivation is calculated at 32,400 acres in farms and 72,250 acres in coconut plantations, leaving about 66,000 acres for development. Engaged in agriculture are 40 per cent. of the entire native population, viz., 20,000, and 7,400 Japanese. There being little need of depending for their daily necessities upon farming, the agricultural technique of the natives is still in a primitive stage, but the rapid

increase in the number of Japanese, who are setting good examples, will sooner or later bring about some improvement. Live-stock farming is also undeveloped, though the natives raise cows, pigs, goats, hens and ducks, the cows for transportation and farming purposes and the pigs and hens for food.

Sugar-cane cultivation dates as far back as the beginning of the 16th century, but until the arrival of the Japanese there was no sugar refinery and the inhabitants ate the cane raw. The island of Saipan being found fully qualified in both climate and soil, there was established there by the Japanese a sugar industry, which has made a healthy development. From 50 acres in 1916, cultivation increased to 4,100 acres in 1922, to 6,725 acres in 1925 and to more than 15,000 acres in 1931. There were two companies, with eight factories, in 1919, but in view of the inadvisability of continuing business on so small a scale, the South Sea Development Company, Ltd., capitalized at ¥7,000,000, was established, taking over the Nishimura Colonial Company, Ltd., and purchasing the South Sea Industrial Company, Ltd. Factories of this company are now located on the islands of Saipan and Tinian, the two principal sources of the raw material. Each has a pressing efficiency of 1,200 English tons, but completion of the factory now under construction at Tinian will increase the capacity there to 2,200 tons. Statistics taken in 1931-1932 showed 16,273 acres under cultivation, yielding 41,075 tons of sugar.

Industry

The lack of communication facilities greatly handicaps commercial and industrial advancement, and inadequate supplies of coal, water and iron disqualify manufacturing. The

natives have little purchasing power, and the Japanese settlers, numbering 20,000 and possessing superior purchasing power, are scattered all over the isles.

Daily wages for both Japanese and natives are roughly as follows:

Japanese:	
Carpenter	¥3.00 — ¥3.50
Shipwright	3.00 — 4.00
Plasterer	3.00 — 4.00
Blacksmith	2.00 — 4.00
Sugar refinery worker	1.80
Mine worker (mechanic)	2.00
Mine labourer	1.50 — 2.00
Natives:	
Carpenter	¥.80 — ¥1.40
Shipwright	.80 — 1.50
Day labourer	.50 — 1.20
Mine labourer	.75

The value of the annual production of the principal industries is shown in the following:

Sugar	¥1,631,002
Soft drinks	4,517
Alcoholic drinks	155,749
Spirits for industrial use	338,330
Beer	7,766,471

Forestry All of the islands may appear to casual travellers to have good forests, but inspection would disclose that most of the trees are of no practical use. The natives have been careless in removing timber and have disregarded the necessity of reforestation. The only trees receiving attention are the coconut palms growing on the island coasts. But this does not mean that forestry enterprises are hopeless. Various kinds of useful trees are seen thriving among the bushes, and the natural benefits here are the very conditions required for the growth of plants.

The coconut trees have long been depended on by the islanders for food, and practically every island is shaded by their long trunks and broad fronds of pinnate leaves. According to statistics for 1931, all the coconut plantations total 72,250

acres, and the copra yearly produced therefrom amounts to 10,000 tons.

Fisheries There are no records available of fisheries in the islands before the Japanese occupation. A few Japanese made a start shortly after 1914, but unfortunately they all failed, due principally to unpreparedness to cope with the peculiar geographical and climatic conditions of the region. Only recently have profitable undertakings been established. The lack of transportation facilities, the unique conditions and the limited island market make it imperative that the industry be remodelled.

Bonito, tunny, mackerel, sardine, horse-mackerel and shark are found in abundance in neighbouring waters. In shallow waters near the coasts there are seen everywhere shoals of poly-coloured small fish and all sorts of shell-fish. The crocodile, hawk's-bill turtle and sponge of good quality are also plentiful.

The manufacturing side of the fishing industry is still in its infancy and is still limited to the drying of horse-mackerel, bonito and mackerel by an obsolete process. Some pearls and sponges are cultivated, chiefly at Palao.

Mining The only mining is for phosphate on the Island of Angaur, south of the main island of the Palao group in the Carolines. The island is 15.54 square kilometres in area. The thickness of the phosphate deposit varies from about 3 metres to 7 metres, and the amount available is estimated at about 2,300,000 tons. For some time after the Japanese occupation of the territory, the mining was carried on by the Navy, but it is now an enterprise of the Government. Yearly production is put at 60,000 tons. In addition to the superintendent, who is an expert, there are two assistant ex-

perts, three clerks, 433 mine workers, 13 labourers and 4 other employees.

Encouragement of Enterprises Encouragement and financial assistance are given to a number of undertakings, including vegetable farms; coffee plantations, which have been receiving subsidies since 1927; the breeding of cows, pigs and oxen; the growing of sugar-cane and the manufacture of sugar, which were subsidized to the extent of ¥613,125 in 1932; laundries, barber shops, shoe-repair shops and hotels; the cultivation of pearls; and the preparation of dried bonito. As the raising of coconut trees is recognized as one of the most promising industries in the islands, regulations were issued in 1922 stipulating that to those who seriously undertake the planting of coconut palms a subsidy is to be given at a rate not exceeding ¥20 per 2½ acres of newly planted land and not exceeding ¥10 per 2½ acres of old coconut groves put in order. Furthermore, the regulations were revised in 1931 to provide a subsidy of one-fourth of the cost of constructing factories for drying copra.

Since 1924, Saipan and Palao have held competitive shows of the local agricultural produce and handmade articles, supported by the Government. In addition, representative products of the islands are exhibited at various shows and exhibitions in Japan proper through the good offices of the Government. The South Sea Government Products Museum was established and opened at the beginning of 1930 for the exhibition of all sorts of insular products and geographical and historic studies.

An official investigation is being made in places sparsely inhabited by the natives to see whether there is land for additional immigrants, and wherever land is found and

designated suitable for colonization every care is taken to assure comforts for settlers. A survey made in October, 1932, showed the existence of land for 393 families. Another investigation is seeking to distinguish lands owned by the Government from those possessed by private citizens. Although no accurate figures are yet available, Government-owned coconut groves are estimated at about 6,600 acres, with 298,000 trees. From these figures, however, it is difficult to calculate the approximate amount of copra obtainable, for some of the groves are unproductive. A comprehensive survey is in progress.

Experimental Stations The Industrial Experimental Station in the islands, where all kinds of experiments and investigations connected with agriculture and stock-breeding are conducted, utilizes farms totalling 145 acres. The Aquatic Products Experimental Station, initiated in 1931 under the control of the Colonial Section of the Government, experiments, among other things, with the preservation of bonito and mackerel and the breeding of sponges, turtles and shell-fish.

Trade The staple exports are phosphate, copra, sugar, dried bonito and alcohol, which account for 96 per cent. of all exports. As to imports, 61 per cent. of the total consists of cereals and other provisions and drinks, cotton textiles and manufactures, clothing and fittings, metal goods, lumber and various wooden articles.

The open ports are Saipan, Palao, Angaur, Truk and Jaluit. Almost the entire overseas trade of the archipelagos is done with the Japanese mainland save for sundry goods exchanged between Saipan and Guam and between Jaluit and the Gilbert Islands and for a nominal amount of sugar from Hawaii and

copra and sundry goods from Guam, the Gilbert Islands and Manila.

The total exports to the Japanese mainland in 1931 were valued at ¥12,790,540, of which sugar represented ¥9,237,090; phosphate, ¥864,738, and copra, ¥1,126,783. The total imports from the mainland of Japan in the same period were valued at ¥5,780,287. With countries other than Japan, exports amounted to ¥9,678 and imports ¥178,479.

Medical and Hygienic Services

In general, there is less malignant disease in the islands than in other tropical lands. But the fact that most of them are coral reefs and small in area makes it difficult to obtain water supply. Rain-water tanks are the usual source, and they often prove the agency for spreading sickness. When the trade wind begins and ends, bringing changes in the climate, influenza occasionally rages. The natives are most unsanitary and even when taken ill hesitate to consult a doctor. Despite untiring efforts by the authorities to better hygienic conditions, long-established customs have impeded progress.

The principal endemic diseases peculiar to the islands are amoeboid dysentery, frambœsia and dengue. Dysentery breaks out at places all the year round, but the symptoms are generally slight. Frambœsia, rampant among the natives, afflicts but few Japanese. In recent years, in consequence of injecting salvarsan as a remedy, the number of those contracting it has decreased.

Dengue is at times so prevalent that nearly every inhabitant has it, but few fall victims to it. Fortunately, the islanders have never been attacked by malaria fever, cholera, pest, yellow fever or sleeping sickness. Typhus, paratyphus, dysen-

tery and a few other infectious diseases, however, are common. One suspected case of small-pox was re-

ported in 1926, but it was agreed that the patient had contracted it while travelling in China and Japan.

CASES OF INFECTIOUS DISEASES

Period	Amoeboid dysentery		Typhus		Paratyphus		Diphtheria	
	Cases	Deaths	Cases	Deaths	Cases	Deaths	Cases	Deaths
1922	51	—	30	9	—	—	—	—
1923	84	—	11	2	2	1	—	—
1924	44	4	10	3	1	—	—	—
1925	83	10	4	1	2	—	—	—
1926	64	11	10	2	17	1	—	—
1927	146	14	15	4	4	—	—	—
1928	105	14	6	1	2	—	—	—
1929	197	27	40	3	202	1	—	—
1930	70	7	149	11	59	2	1	—
1931	254	35	24	3	11	1	1	1

Period	Spinal Meningitis		Dysentery		Infantile Cholera		Total	
	Cases	Deaths	Cases	Deaths	Cases	Deaths	Cases	Deaths
1922	—	—	—	—	—	—	81	9
1923	1	—	—	—	—	—	98	3
1924	—	—	—	—	—	—	55	7
1925	—	—	—	—	—	—	89	11
1926	—	—	—	—	—	—	91	4
1927	—	—	—	—	—	—	165	18
1928	—	—	2	—	—	—	115	15
1929	—	—	—	—	2	1	441	32
1930	1	1	—	—	—	—	280	21
1931	—	—	—	—	11	3	300	42

Medical Facilities Medical practitioner's offices are maintained by the Government, and for the benefit of those living in remote places visiting doctors are dispatched several times a year. The entire territory is divided into three classes, A, B and C, according to the standard of living, and medical charges are fixed differently; class A, for instance, paying from a third to half as much as the resident Japanese. The task of health protection lies heavily upon the shoulders of the Government, for the number of private medical practitioners within the territory is still far from sufficient. According to statistics taken in June, 1932, officials in the Government medical service throughout the insular territory include 22 doctors, 7 pharmacists, 3 secretaries, 11 employees, 7 assistants, 7 midwives and 13 nurses. Special precautions are exercised

against the outbreak of epidemics, and all arriving vessels are subjected to strict quarantine inspection. Compulsory vaccination is being practised, as in Japan proper. Geisha and waitresses undergo examination at least once a month. Lepers are found in several places, though the exact number is not yet available. The Government opened a sanatorium in Saipan in 1926 and added others in Jaluit and Palao. The health inspection is conducted in the schools once a year. The results indicate that though the physical growth of the native children generally surpasses that of the Japanese, cases of malnutrition and disease are much more numerous among the former. Inspection of water, and investigation of the causes of deaths are practised to aid health and hygienic improvement.

CHAPTER XLV

MANCHOUKUO

The birth of a new nation of thirty million people in Manchuria on March 1, 1932, in the wake of the Manchurian Incident, and its subsequent growth into a well-organized modern State during the short space of a little more than two years, form a development amazing and hardly intelligible to Western observers, an event bound to be recorded conspicuously in history.

Manchoukuo, meaning the State of Manchuria, is the name given to the new nation, which has as its head and Chief Executive Mr. Pu Yi, the last emperor of the Ching dynasty of China formerly known as Emperor Hsuan Tung, and, among foreigners, as the Boy Emperor, assisted by his former tutor, Cheng Hsiao-hsu, as Premier of his government.

Naturally the Manchoukuo Government has a number of former retainers of the Ching dynasty among its high officials, although its personnel includes also many younger members with modern education, who all seem to be intent upon perfecting the administrative system with the assistance of their Japanese colleagues and advisers; the civil service of the new nation being open to persons of any nationality.

Covering a vast expanse of territory extending from the Great Wall to the Siberian border, and including five provinces, and rich in natural resources capable of yielding a great variety of products, Manchoukuo is a large country so far as its area is concerned, with every prospect of becoming a prosperous nation. Whether or not the new nation will

be able to develop to such an extent as to rank among the first-rate Powers of the world, however, will depend upon the future efforts of the thirty million inhabitants of the land, both official and individual.

Following the independence of Manchuria from the yoke of the militarist régime of Chang Hsueh-liang and also from the political influence of the Nanking Government, Changchun was renamed Hsinking, or New Capital, and was made the capital and seat of government of the new country.

The paragraphs which follow give a general survey of the various aspects of Manchoukuo, the sole purpose of which is to present a brief sketch of the new nation, with all minor details omitted, in view of the nature of this book, which is mainly concerned with Japan. The only reason for including the description of Manchoukuo in the present publication is to be found in the part which was and is still being played by the Japanese in the organization and development of the new State of Manchuria.

Historical Sketch

Before Ching Dynasty Nearly twenty different dynasties have ruled successively in the territory now under the sovereignty of Manchoukuo, which includes Manchuria and part of Mongolia, from the Sushen dynasty in about the second and third centuries down to the Ching dynasty, which lasted from 1636 until 1911, when its rule was replaced by the new régime of the Republic of China.

The Ching dynasty was known as

the Nuchen tribe before it gained hegemony in China proper. In 1636, the chief of the Nuchen tribe declared independence at Mukden against the Ming dynasty which was then in power in China proper, naming his country, which extended over the area now forming the territory of Manchoukuo, "Taching."

After rising to independence in Manchuria, Taching gradually expanded its territory until 1664, when conquering the Ming forces it occupied Peking and made that city its capital.

Exodus of the Manchus A southward exodus of the Manchus followed the removal of the capital of Taching from Mukden to Peking, and Manchuria seemed destined to be deserted entirely. But Han immigrants, migrating to Manchuria in spite of orders prohibiting their doing so kept this region inhabited, though only sparsely.

Thus Manchuria was left neglected by the Manchus, who were almost entirely occupied in colonizing China proper, and when Russians penetrated into Manchuria they could do much as they liked in this region.

It was not until after the Russo-Japanese War that the Chinese authorities came to see the need of attending to the administration of Manchuria with any degree of seriousness. With this object in view, Hsu Shih-chang was appointed Viceroy of the Three Eastern Provinces in 1907, and notable improvements were effected in the systems of administration, communications and transport during the following few years.

The late Marshal Chang Tso-lin came into power in Manchuria after the Revolution of 1911, when Chao Erh-hsuan, then Viceroy of the Three Eastern Provinces, asked him to render military assistance to resist the advance of the revolutionary

forces on Manchuria.

Rise of Chang Tso-lin The rapid ascendancy of Chang Tso-lin then followed, and in 1916 he was appointed Inspector-General of the Three Eastern Provinces, thus virtually placing the entire territory of Manchuria under his autocratic rule.

After a series of three civil wars with the Chihli army, in the course of which General Kuo Sun-lin, one of his lieutenants, made an unsuccessful attempt to overthrow him, Chang Tso-lin started hostilities with the Kuomin army of Feng Yu-hsiang, the so-called "Christian General," in January, 1926, and occupying Peking in December that year, installed himself as Generalissimo at Peking in June, 1927, thus attempting to reign over the entire territory of China.

This marked the peak of the ascendancy of the Mukden war-lord, for in June, 1928, he had to leave Peking for Mukden ostensibly with the intention of spending the rest of his life in retirement. It was on this trip back to Mukden that the Marshal was killed in a train wreck near Mukden. This incident took place on June 4 due to the blowing up of his train by some unidentified assassins.

Chang Hsueh-liang, known as the young war-lord of Mukden, then stepped into his father's shoes, but finding himself unable to keep effective control over the lieutenants of his late father, he declared allegiance to the National Government in December, 1928, and was appointed commander-in-chief of the North-Eastern Frontier Army.

Under Chang Hsueh-liang This was followed by the renaming of Feng-tien province as Liaoning in March, 1929. During the civil war of 1930, the young war-lord of Mukden maintained an attitude of sympathetic neutrality, thereby making it pos-

sible for the National Army to defeat the rebels under Yen Hsi-shan and Feng Yu-hsiang. Apparently in appreciation of this, the National Government appointed Chang Hsueh-liang Vice-Commander-in-Chief of the National Army, Navy and Air Forces.

In 1931, Chang Hsueh-liang moved his headquarters to Peking and during his absence, all his influence in Manchuria was overthrown following the outbreak of the Manchurian Incident on September 18, 1931.

The founding of Manchoukuo on March 1, 1932, was the natural sequel to these developments in Manchuria as described in detail elsewhere in this year book.

Territory and Population

Territory Manchoukuo, formerly known as Manchuria, has a vast territory extending over the five provinces of Fengtien, Kirin, Heilungkiang, Jehol and Hsingan, which cover a total area of 460,381 square miles excluding Hsingan.

Until the outbreak of the Man-

churian Incident on September 18, 1931, this region was ruled by General Chang Hsueh-liang and other militarists under the nominal sovereignty of the National Government at Nanking.

Disorder prevailed following this incident and after strenuous efforts of the Manchurian leaders with the assistance of Japanese, a new government was organized at Hsinking (Changchun) on March 1, 1932, independent of the authority of the Nanking Government.

This nation, newly named "Manchoukuo," was first recognized by Japan on September 15, 1932, and efforts are being continued to bring the new State into good shape in every respect.

Population The population of Manchoukuo is generally put at 30,000,000, though no accurate census is available. The following table, which is based on estimates of the South Manchuria Railway and is regarded as comparatively reliable, gives the areas and populations of the four different provinces:

(December 31, 1930)			
Province	Area in sq. miles	Population	Pop. per sq. mile
Fengtien	71,508	15,151,630	212
Kirin	103,379	9,191,980	89
Heilungkiang	224,944	5,321,370	23
Jehol	60,550	4,670,000	77
Total	460,381	34,244,980	Av. 74

(This table does not cover Hsingan, which extends over Hulunpuir and Inner Mongolia.)

However, statistics published by the Manchoukuo Government in September, 1933, give the total population of the new nation as 29,606,117. Only the absence of means of taking an accurate census in Manchoukuo may be taken to account for the wide divergence between this figure and the previous statistics. According to the official announcement of the Manchoukuo Government, the population of

29,606,117 as existing on December 31, 1932, was distributed among the various districts of Manchoukuo as follows:

Fengtien Province	¥ 12,143,420
Kirin Province	7,125,742
Heilungkiang Province	2,672,777
Jehol Province	2,054,805
North Manchurian Special District	148,367
Hsinking Special Municipality	126,309
Harbin Special Municipality	404,797
Hsingan East Sub-Province	97,300
Hsingan South Sub-Province	310,400

Hsingan West Sub-Province	258,700
Hsingan North Sub-Province	59,000
Total	29,606,117

Citizenship The inhabitants of Manchoukuo are largely Chinese of Han ancestry and Manchus, with various minorities consisting of Mongols, Koreans, Japanese, Russians and other foreigners. People of all these different races are entitled to equal treatment in this new nation according to the declaration of independence issued on March 1, 1932, which contains a passage reading:

"All the inhabitants of the new nation are free from racial or social discrimination. In addition to the present inhabitants including those of Han, Manchu, Mongol, Japanese and Korean ancestries, all other nationals who desire to have their permanent abodes in this country will be accorded equal treatment with their lawful rights safeguarded from injury."

Geography and Climate

Position Extending between latitudes 38.43 degrees and 53.30 degrees north and longitudes 117.50 degrees and 135.20 degrees east, Manchoukuo is bordered on the north by Siberia and on the east by Korea and the Maritime Province of Siberia.

On the west its borders touch Outer Mongolia, Eastern Inner Mongolia and China proper, while on the south its shores are washed by the waters of the Yellow Sea and the Gulf of Pechili, the coast line extending over 855 nautical miles.

Geography Topographically, Manchoukuo is a vast expanse of plains, traversed from north to south by the Great and Little Hsingan (Khinyan) mountain ranges in the north-western section, and by the Changpai mountains near the south-eastern boundary.

Several great rivers with many

tributaries run through Manchoukuo, irrigating the plains which they pass. The most notable of these rivers are the Heilungkiang (Amur), Sungari, Ussuri, Yalu, Tumen and Liao rivers.

Climate The climate of Manchoukuo is typically continental despite the fact that this country lies within about the same latitudes as Japan, Korea, France and England.

Almost unaffected by ocean currents, Manchoukuo has a dry and cold climate with long severe winters and short sultry summers. The spring season is windy, strong winds often carrying yellow dusts from the deserts of Mongolia.

The temperature falls as low as 19 degrees below zero, centigrade, in winter and goes up as high as 25 degrees in some localities in summer.

Languages and Religions

Languages Chinese is the official language of Manchoukuo, although native Manchus and Mongols living in the interior districts speak their own dialects and Japanese is now being taught at many native schools in Hsinking and other important centres of the country.

The Manchus now living in Manchoukuo are estimated to number between six and seven millions, but most of them speak Chinese, only those who live in some districts of Kirin province sticking to their own native dialect.

As the official, social and commercial language, the Peking mandarin language is most widely used in Manchoukuo, but the Shantung, Nanking, Shanghai, Canton and other dialects are spoken among the immigrants coming from these different parts of China.

Among other foreign languages Japanese and Russian are the best known in Manchoukuo.

Religions As regards the religions of Manchoukuo, Buddhism, Taoism, Mohammedanism, Confucianism, Lamaism and other religions prevail among the natives. Of these different religions, Confucianism, Mohammedanism and Lamaism are more influential in the districts north of Liaoyang and Mukden than anywhere else in Manchoukuo.

According to the statistics compiled by the East-Asiatic Economic Investigation Bureau, the total numbers of the believers in these different teachings are as follows:

Buddhism	184,080
Taoism	155,974
Mohammedanism	9,541
Confucianism	19,584
Lamaism	1,191
Others	1,015

Christianity is also being propagated by a number of missionaries in various places in Manchoukuo, but its influence among the natives seems to be still limited.

Among the Japanese residents Shintoism, Buddhism and Christianity are believed. Japanese temples, shrines and churches in Manchoukuo number 178, with 322 priests or missionaries and approximately 38,000 believers.

Of these three different religions, Buddhism is the most influential among the Japanese residents. Shintoism is also very widely spread, but the influence of Christianity is very limited among the Japanese residents.

Education

Side by side with the work for restoration of peace and order, the Manchoukuo Government since its organization has devoted a great deal of its efforts to the furtherance of education with a view to acquainting the people with the ideal of Wang Tao, which literally means the

Way of the King, or the rule of benevolence, upon the basis of which principle the new nation was founded, as declared in the message of the Chief Executive announcing the event.

For this purpose the system of education has been revised. Instruction in Confucianism and other classical teachings has been substituted for the inculcation of Kuomintang doctrines which had been taught in all schools of various grades in Manchuria during the régime of Marshal Chang Hsueh-liang.

This reform was followed by efforts to coordinate and improve the school system. Recent statistics published by the Manchoukuo Government show that there are at present 19 kindergartens, 8,185 primary schools, 131 secondary schools, 67 vocational schools, 32 normal schools and 8 higher schools in the areas which are directly under the jurisdiction of the Manchoukuo Government. These figures, therefore, do not include a large number of schools which are in the South Manchuria Railway zone and the Kwantung Leased Territory, and which are under Japanese management. Among these Japanese schools there are two colleges, including a medical college in Mukden and a technical college in Port Arthur.

The first task which lay before the educational authorities of the new nation was to change the text books used in schools of all grades. Before the founding of Manchoukuo, practically all the text books used in primary and secondary schools in Manchuria were imported from Shanghai, and naturally these books contained a considerable measure of Kuomintang propaganda and writings inspired largely by anti-foreignism.

For this reason, the Manchoukuo authorities banned the use of these

text books imported from Shanghai, and caused classical books to be used in their place. At the same time, the Education Department proceeded with the compilation of new text books based on the principle of Wang Tao, appointing an editorial committee for this purpose.

How intent the leaders of the new nation are on education may be seen from the fact that the expenditure made by the Education Ministry and the provincial governments for this purpose during the first fiscal year of Tatung, (July 1, 1932, to June 30, 1933), totalled 2,681,460 Manchoukuo Yuan, which was divided among the various offices as follows: 271,511 for the Education Department, 1,527,175 for the Board of Education of Fentien Province, 726,394 for the Board of Education of Kirin Province and 156,380 for the Board of Education of Heilungkiang Province.

Banditry

Manchuria has long been notorious for its mounted bandits, and a brief description of them may not be out of place.

Bandits and regular troops in Manchuria, under the old militarist régime, were not clearly distinguishable from each other, regular soldiers turning bandits when in need and bandits being enlisted among the regular troops when convenient.

Bandits in Manchuria, more or less established as such, were roughly estimated in 1929 to number about 57,000, of which about 17,000 were alleged to be infesting Fentien (Mukden) province, while it was estimated that bands of about 1,000 had their headquarters in Kirin, Heilungkiang and Jehol provinces respectively.

However, following the Manchurian Incident, which led to the complete downfall of the Chang family,

thousands of regular troops formerly in the army of General Chang Hsueh-liang, the young war-lord of Mukden, resorted to banditry, wantonly attacking and looting many places along the South Manchuria Railway lines.

Consequently the numbers of the Manchurian banditry at present are quite enormous, some estimating that there are more than 200,000 bandits in Manchoukuo, the majority of whom are known as soldier-bandits or brigand-soldiers because they were formerly regular soldiers under the old militarist régime. This number, however, is gradually diminishing due to the strenuous efforts of the Manchoukuo and Japanese troops to wipe out banditry from the entire territory of the new nation.

In this connection it may be interesting to note that banditry was not an indigenous practice in Manchuria. It seems that many of the Chinese immigrants coming from Shantung, Chihli and Honan provinces, where banditry is an ancient practice indulged in from time immemorial, resorted to brigandage and victimized well-to-do immigrants as well as the native Manchus whenever they were driven to do so by famine and other circumstances. For this reason, regular brigandage in Manchuria, it may be said, is a practice imported from China proper.

It is also well known that a number of noted generals and statesmen have risen from out of the ranks of the army of bandits.

Among the most famed ex-bandits was the late Marshal Chang Tso-lin, who after roving about the plains of Manchuria for years as a professional brigand, rose to the highest rank in the Chinese army and though for a brief period, placed the entire territory of China under his sway, installing himself as Gen-

eralissimo at Peking in 1927. General Ma Chan-shan, who made himself famous the world over in connection with the Manchurian incident, was another well-known ex-bandit.

General Chang Ching-hui and General Tang Yu-lin, the first president and vice-president respectively of the Privy Council of Manchoukuo, were also bandits before enlisting in the regular army, in which they have risen to their present rank.

Foreign Relations

The first contact between Manchuria and the outside world in recent centuries was the conclusion of the Treaty of Nerchinsk in 1689, which defined the boundary between Russia and China as a line drawn from the Argun river along the Yablonoi and the Stanovoi mountain ranges, northeast to the Sea of Okhotsk.

Russian Penetration Not satisfied with this demarcation of the Russo-Chinese boundary, the Russians made repeated attempts to penetrate into Chinese territory, apparently intent upon securing a sea port in the Far East, and succeeded in concluding the Treaty of Aigun in 1858, by which the left bank of the Heilungkiang (Amur) river was recognized as Russian and the territory between the right bank of the Ussuri river and the sea as in common possession of the two countries.

The right bank of the Ussuri was definitely recognized as Russian territory in 1860 by the Treaty of Peking, the Chinese making this concession as a reward for the Russian intervention in the British and French occupation of Peking.

The actual invasion of Manchuria by Russia followed the Three Powers' intervention in 1895, which wrested from Japan Liaotung Pe-

nisula, a territory acquired by Japan as a fruit of the Sino-Japanese war.

The establishment of the Russo-Chinese Bank in December that year with a capital of 15,000,000 roubles represented the first commercial penetration of Russia into Manchuria.

In the following year Russia obtained the right to build the Chinese Eastern Railway through Kirin and Heilungkiang provinces, together with the right to operate mines in these two provinces.

This was followed by the acquisition by Russia of a twenty-five year lease of Liaotung Peninsula in March, 1898, which included the right to construct a railway from a point on the Chinese Eastern Railway down to Port Arthur. This railway line was completed in 1902.

Moreover, Russia took advantage of the Boxer Uprising in 1900 and dispatched troops to many important places in Manchuria. Those troops Russia refused to withdraw, in spite of her promise to do so after the suppression of the uprising, and concentrated her forces on the Korean border, thus obviously menacing the safety of Japan through Korea.

Alarmed over this situation, Japan warned Russia repeatedly, claiming territorial integrity and perfect independence for China and Korea. The United States of America supported Japan in her protest against Russia, but all these representations having failed to make Russia abandon her aggressive attitude, Japan declared war on Russia in February, 1904.

Russo-Japanese War During the Russo-Japanese War which ensued, Japan won every battle in Manchuria until May, 1905, when Russia sustained a vital blow in the Battle of the Sea of Japan. Shortly after this President Roosevelt of the United States arranged a peace conference for the two belligerent Powers

at Portsmouth, which resulted in the signing of the Peace Treaty of Portsmouth in September, 1905.

By the Treaty of Portsmouth, both countries recognized the sovereignty of China in Manchuria, while Russia transferred to Japan the lease of Kwantung province and all rights, privileges and concessions connected with or forming part of this lease. The treaty also provided for Russia's transfer to Japan of the railway between Changchun and Port Arthur and all its branch lines, together with all rights, privileges and properties appertaining thereto.

Following the conclusion of this treaty with Russia, Japan signed another treaty with China in December, 1905, thereby obtaining the consent of China to the transfer to Japan by Russia of the lease, privileges, and properties mentioned in the former treaty, and also the right to maintain, improve and operate the railway Japan had built between Mukden and Antung during the Russo-Japanese War.

Japan's Position What are now known as the special rights and interests of Japan in Manchuria are mainly based on the Treaty of Portsmouth and also on the terms of loans advanced to China for the construction of railways, the extension of the lease of Kwantung province and several other agreements.

In this connection mention must be made of several attempts of American interests to obtain a superior economic position in Manchuria. In 1905, E. H. Harriman proposed to purchase the South Manchuria Railway, though without success, due to the opposition of the Japanese Government.

This and other developments caused the Japanese Government to instruct Ambassador Baron Takahira at Washington to exchange notes with the United States Government

on the principle of the "open door" and also on Japan's vested rights in Manchuria, the agreement embodied in these notes being known as the Root-Takahira Agreement.

Among other American ventures in Manchuria were the Chinchow-Aigun railway project sponsored by a group of American financiers in 1909, and the American proposal of 1910, which was aimed at internationalizing the railways in Manchuria.

In connection with the Chinchow-Aigun railway programme, those interested obtained permission to build this line, but, owing to the strong opposition of Russia and also to the Japanese proposal to participate in the enterprise, the Americans could not carry out their plans and submitted the question to the new Four-Power Consortium, maintaining that the permission gained was an acquired right of the United States.

As for the proposal favouring the internationalization of the Manchurian railways, the joint opposition of Japan and Russia made it necessary for the Americans to give up the plan altogether.

Meanwhile, Japan and Russia, having already agreed with each other in 1907 mutually to respect their interests and maintain the status quo in Manchuria, concluded the second Russo-Japanese convention in July, 1910, for the protection of their common interests in Manchuria against a third Power. In regard to Japan's rights and interests in Manchuria, a treaty was signed between Japan and China in 1909 to settle some of the pending disputes between the two countries. By this treaty, in addition to the settlement of the issues concerning three railways and two mining concessions, the boundary between China and Korea was fixed along the Tumen river and Koreans were accorded

the freedom of residence and the right to own land in the Chientao district.

Further Japan concluded another treaty with China in 1913 providing for the construction of three railway lines in Manchuria by the Chinese Government with funds obtained from Japanese financiers. This treaty also provided that the Chinese Government should first consult Japanese financiers in case foreign capital was needed for the construction of two other railways.

"21 Demands" The so-called "twenty-one demands" which caused such a great agitation among the Chinese were presented to China by Japan in January, 1915. The entire outcome of these demands, however, was the conclusion of a treaty embodying only five principal articles: extending the lease of Kwantung province and the terms of the South Manchuria Railway to 99 years; allowing Japanese residents in Manchuria to lease, by negotiation, land necessary for erecting suitable buildings for trade and manufacture or for agricultural enterprises; giving Japanese residents the right freely to reside and travel in South Manchuria and to engage in business and manufacture of any kind whatsoever; allowing the Chinese Government to give permission for Sino-Japanese joint undertakings in agriculture and industry; and requiring the Chinese Government speedily to make a fundamental revision of the Kirin-Changchun Railway Loan Agreement.

After the conclusion of this treaty, China has repeatedly made unsuccessful attempts to nullify it, most notably at the Paris Peace Conference and the Washington Conference.

Regarding Japan's position in Manchuria, Japan and the United States reached an agreement in November, 1917, which is known as the

Ishii-Lansing agreement, recognizing that territorial propinquity creates special relations between countries and that Japan has special interests in China, particularly in those parts adjacent to her own possessions.

This agreement also affirmed the open door principle for all countries regarding commerce and industry in China.

This principle was reaffirmed at the Washington Conference in 1921, when after the rejection of China's request for the nullification of the Sino-Japanese treaty of 1915, which is often referred to, though erroneously, as the Twenty-One Demands, Japan made a declaration to the effect that she was willing to forgo her virtual monopoly of loans for the constructions of railways in Manchuria, and open the field to the enterprise of the International Financial Consortium, and further that Japan has no intention of insisting on a preferential right in the engagement by China of foreign advisers or instructors on political, financial, military, or police matters in South Manchuria.

The largest Russian interest in Manchuria after the Russo-Japanese War was represented by the Chinese Eastern Railway. After the Russian revolution of 1917, this railway was placed under inter-Allied control, and then it was transferred to the Far Eastern Republic, the Chinese authorities later gaining control of it.

Peking and Mukden Pacts In 1924, however, Soviet Russia reached agreements with the Peking and the Mukden authorities respectively, agreeing to place this railway under joint management of Russians and Chinese.

By these agreements, Soviet Russia recognized the railway as a purely commercial enterprise and agreed that all matters affecting the rights of the national and the local govern-

ments of China should be administered by the Chinese authorities.

Other clauses of these agreements included a provision for equal representation of the two countries in the management of the railway and a stipulation that after the expiration of a period of sixty years from August 27, 1896, the railway should pass by reversion, without payment into Chinese possession, with an additional provision that China might recover the railway at any time upon paying, with her own capital, the price agreed upon by the two governments.

A serious dispute broke out between Soviet Russia and China regarding this railway in June, 1929, when the Nanking Government in co-operation with Chang Hsueh-liang of Mukden arrested high Russian officials of this railway, thus placing the actual management of it in the hands of Chinese.

A strong protest was filed by the Soviet Government against this action, and the two countries severed diplomatic relations, each dispatching troops to the frontier districts.

However, without actually resorting to hostilities, China and Soviet Russia signed a provisional agreement in December, 1929, providing for the restoration of the "status quo ante" of the railway according to the Mukden-Soviet agreement of 1924, and for the opening of a formal Soviet-Chinese conference looking towards the settlement of all pending questions between the two countries.

Among the most important developments of the foreign relations of Manchuria since the founding of the new state of Manchoukuo were the recognition by Japan of this latest addition to the family of nations, and later the issue of the Chinese Eastern Railway, which was renamed the North Manchuria Railway by

the Manchoukuo Government, on June 1, 1933, followed by the Soviet-Manchoukuo negotiations for the sale of the line held in Tokyo on June 26.

Recognition of Manchoukuo Manchoukuo's relation with Japan, which country is generally considered as having acted as midwife at the birth of the infant-state, was defined beyond any doubt on September 15, 1932 when the Japan-Manchoukuo Protocol was signed between the two countries at Hsinking, providing for their mutual defence. The document was also notable for the fact that by virtue of it Japan accorded recognition de jure to the new State far ahead of other nations which may some day find it advisable to follow suit. Its text is given in chapter VII which is devoted to the review of the Manchurian Incident.

In regard to the issue of the Sino-Japanese dispute at the League of Nations, Manchoukuo was concerned only indirectly as it is not a member of the Geneva organization. During the Council and the Assembly meetings of the League at which the problem was discussed, late in 1932 and early in 1933, General Ting Shih-yuan, who was later appointed Manchoukuo Minister to Japan, stayed in Geneva as a personal representative of the Chief Executive, Mr. Yi. With the assistance of a few advisers he presented the case of his country on several occasions to the League of Nations through the Japanese delegation, and otherwise made efforts, though without avail, to influence those attending the League meetings in favour of his country.

The issue of the North Manchuria Railway was first brought to light in connection with the dispute regarding the alleged unlawful detention of locomotives and carriages of the railway by the Soviet officials,

followed by the partial suspension of through traffic on the line by the Manchoukuo authorities, as explained by Mr. Ting Chien-Hsiu, Communications Minister of Manchoukuo, in a press interview on April 9, 1933.

According to the Manchoukuo Communications Minister on this occasion, the issue represented merely an attempt on the part of the Communications Department of the Manchoukuo Government to rectify and adjust certain irregularities in connection with the business operation of the railway. The Soviet executives of the railway, he asserted, by disregarding the principle of joint operation, carried out direct transportation arbitrarily without entering into any agreement, and moreover, actually carried into Soviet territory nearly 100 locomotives and several thousand railway cars.

In this connection Mr. Ting emphasized that the step taken by the Communications Department, which he said was in a position to supervise the railway, was fully justified, on the ground that the line is a commercial organ which exists within the realm of his State and in which his nation possesses important interests.

Railway Conference Presumably in view of this and previous troubles concerning the N. M. R., Soviet Russia proposed to dispose of the railway and a conference was opened in Tokyo on June 26, 1933, between the representatives of Manchoukuo and Soviet Russia, with a few Japanese officials attending the parley as observers.

Mr. Constantin Yurenev, the Soviet Ambassador in Tokyo, and General Ting Shin-yuan, the Manchoukuo Minister to Japan, headed the Soviet and the Manchoukuo delegations respectively.

The conference, however, met with a number of difficulties. The question of the ownership of the railway was the first stumbling block encountered by the delegates, the Soviet Government insisting on their sole ownership of it and the Manchoukuo side definitely opposing the Soviet contention.

Another seemingly unsurmountable difficulty concerned the price to be paid for the railway, which the Soviet evaluated at 250,000,000 gold rubles, although they later offered to reduce it to 200,000,000 gold rubles, while the Manchoukuo representatives persistently declared that they were not willing to pay any more than ¥50,000,000 for the line.

The deadlock continued with little prospect of its being overcome, and after meeting six times in plenary session the representatives of the two countries continued the discussion in unofficial conversations in the hope of finding a way out of the difficulty; but at this time of writing, early in September, there is no indication of the conference reporting any immediate progress.

Passport Vise Meanwhile, the Department of Foreign Affairs of Manchoukuo assiduously endeavored to pave the way for the opening of diplomatic relations with European and American countries, and promulgated new regulations governing the granting of passports and their vises effective June 1, 1933, and otherwise took steps to provide traveling facilities for foreigners.

Simultaneously with the enforcement of the new regulations, the Manchoukuo Foreign Office opened four passport offices in Antung, Dairen, Yingkow and Suifeng respectively on June 1, pursuant to the stipulations of the said regulations.

First Manchoukuo Consulate Another event worth mentioning in connec-

tion with Manchoukuo's foreign relations was the opening of the Manchoukuo consulate at Blagoveschensk, the first consulate to be established in foreign countries by the new nation, late in September, 1932. Mr. Kuei Heng-chin was appointed in charge of this consulate.

The number of Manchoukuo residents in Blagoveschensk, which is a Soviet city located near the Siberian border on the bank of the Amur River on the opposite side to Heiho, a Manchoukuo town, is approximately 7,000, most of them being engaged in retail business.

Manchoukuo's second consulate in Soviet Russia was opened at Chita in January, 1933, the staff being headed by Mr. Li Yuan as consul.

Exchange of Envoys The recognition of Manchoukuo by Japan on September 15 was acknowledged by the dispatch of Pao Kuan-cheng to Japan by the Manchoukuo Government, to stay in Tokyo as Manchoukuo's representative, towards the end of September, 1932, and later by the visit to Tokyo by the Foreign Minister of Manchoukuo, Hsieh Chieh-shih, in November, 1932.

Meanwhile General Nobuyoshi Muto, commander of the Kwantung army, ambassador to Manchoukuo and governor of the Kwantung Lensed Territory, who signed the Japan-Manchoukuo Protocol on September 15, 1932, presented his credentials as ambassador to Mr. Pu Yi, Chief Executive of Manchoukuo, on December 23, 1932, in Hsinking. He was raised to the rank of Field Marshal on May 3, 1933, by the Emperor of Japan in recognition of his meritorious services in Manchoukuo.

This was followed by the arrival on May 10 of General Ting Shih-yuan in Tokyo as the first Manchoukuo Minister to Japan. General Ting presented his credentials to the

Emperor on May 18.

Shortly after the conclusion of the Jehol expedition, which he had supervised, Marshal Muto fell ill in Hsinking and died on July 27. Prior to his death the Field Marshal was created Baron. The late Marshal was succeeded at his post in Hsinking by General Takashi Hishikari, War Councillor, with the three-fold duties of an army commander, ambassador and governor. General Hishikari obtained his appointment on July 28 and arrived at his post on August 22, 1933.

Government

The fundamental organization of the Governmental organs of Manchoukuo is stipulated by the Organic Law, which was promulgated on March 9, 1932. According to this law, the State is headed by the Chief Executive, in whom all executive power is vested with the authority to overrule the Legislative Council.

The Chief Executive is assisted by a Privy Council, which is to advise him on important state affairs.

The governmental power of Manchoukuo is divided into the Executive, Legislative, Judicial and Supervisory Yuans.

The Executive Yuan, which corresponds to the Cabinets of other countries, is headed by the Premier and comprises the various Ministers of State, respectively heading the Civil Administration (Home Affairs), the Foreign Affairs, the Military Administration (War), the Finance, the Industry, the Communications and the Justice Departments.

The legislative power is vested in the Legislative Yuan, whose approval is necessary for all laws and revenue enactments, while the Supervisory Yuan supervises the conduct of officials and audits their accounts. The members of the Council may not be dismissed except for

a criminal offence or as disciplinary punishment, and may not be subjected to suspension or transfer of office, or reduction of salary, against their will.

The present personnel of the Manchoukuo Government includes:

Chief Executive: Pu Yi
 Privy Councillors: Yen Chiu-kai (president),
 Chang Ching-hui, Kuei Fu, Tseng Yun
 State Affairs Yuan (Executive Yuan):
 Premier, Cheng Hsiao-hsu
 Home Minister, Tsang Shih-i
 Foreign Minister, Hsieh Chieh-shih
 War Minister, Chang Ching-hui
 Finance Minister, Hsi Hsi
 Industry Minister, Chang Yen-ching
 Communications Minister, Ting Chien-hsu
 Justice Minister, Feng Han-ching
 Vice-Minister of Education, Hsu Ju-fen
 Legislative Yuan:
 President, Dr. Chao Hsin-po
 Supervisory Yuan:
 Acting chief of the Archives Section of the
 General Affairs Bureau of the Supervisory
 Yuan, Chang Tzu-tsai

Finances

Following the founding of the new nation of Manchoukuo on March 1, 1932, the leaders of the new régime devoted their efforts to the gigantic task of restoring peace and order within the territory and stabilizing the financial conditions of their government and people.

With the latter object, the Manchoukuo leaders first of all endeavoured to produce a feeling of stability and security, necessary to ensure a steady revenue.

Customs Taken Over Among various measures adopted for this purpose, they took over the Maritime Customs, established the inspectorate of revenues, and reorganized the salt gabelle, the match monopoly bureau and the saltpetre bureau.

In regard to the Maritime Customs, the Manchoukuo Government from the outset of its establishment desired to reach an amicable compromise for the solution of the question.

However, the dismissal of the collector of Dairen customs, Mr. J. Fukumoto, by the Inspector General of Maritime Customs of China was enforced on June 24, 1932, thereby causing a rather abrupt change in the situation.

As a result, Mr. Fukumoto and his staff of employees in the service of the Dairen customs house were all taken into the employ of the Manchoukuo Government on June 27 so that they might continue in office at Dairen.

An order was issued for the taking over all other customs houses in Manchoukuo, which were completely placed under the control of the new Government on July 3.

Revenue Inspectorates Meanwhile, four District Revenue Inspectorates were established in order to centralize the finances of Manchoukuo. These offices were opened at Mukden, Kirin, Harbin and Tsitsihar respectively to supersede the former finance departments of all the provincial governments. These district revenue inspectorates function as supervisory and directing organs of the local revenue bureaux and the Hsien (district) governments, both of which collect national taxes.

Salt Gabelle As for the salt gabelle system, the Liaoning Salt Gabelle Inspectorate was abolished and the Three Eastern Provinces Transportation Office was renamed the Salt Gabelle Office to take over the functions of the now-defunct Liaoning Salt Gabelle Inspectorate.

The Kirin-Heilungkiang Salt Transportation Bureau has become the Kirin-Heilungkiang Salt Transportation Office. Necessary regulations have been published and improvements have been effected in the internal organization of this system.

The Match Monopoly Bureau and the Saltpetre Bureau have also been reorganized, and new regulations

governing their functions have been drafted.

Currency and Exchange Tax-collecting regulations in general are adopted from those existing hitherto, with only minor changes. Taxes are paid in with the new national currency or with the old paper money or coins whose circulation has been authorized by the Law for Redeeming the Old Currency, as well as with the Harbin Tayang (big money) notes issued by the Bank of China and the Communications Bank.

The rates of exchange between these different currencies are determined by the provisions contained in Article III of the law referred to above, which was published as Departmental Ordinance No. 35 of the Department of Finance on June 28, 1932.

The Budget The finances of the Manchoukuo Government have shown a marked development, the Budget for the second fiscal year of Tatung (July 1, 1933-June 30, 1934) amounting to MY149,169,178, an increase of MY11,213,178 as compared with that for the first fiscal year, including its supplementary budget.

In the new Budget, which was balanced without resorting to any loan flotation, except for the seven million yuan which it had been decided during the preceding fiscal year to spend for the purpose of building State highways, revenue estimates were increased in anticipation of large gains in customs revenues, internal revenues and monopoly profits, and in proceeds from Government enterprises, due to the restoration of peace and order.

In the estimates for expenditure, necessary appropriations were included to finance the continuance of peace preservation work and suppression of banditry. The Budget estimates also provided for measures to promote industries and otherwise

facilitate the development and growth of the nation.

Another feature of the Budget is that it embodies plans to reform and improve the judicial system in order to prepare for the proposed abolition of extraterritoriality in Manchoukuo. It also provides adequate appropriations for the redemption of the old foreign debts secured on customs and salt gabelle revenues, while a sinking fund was established for the readjustment of national debts.

Details of this Budget for the second fiscal year of Tatung as published by the Manchoukuo Government on June 30, 1933 are as follows:

ORDINARY REVENUES

Taxes and Duties	MY 108,629,445
Monopoly Profits	15,386,646
States Industries and other Revenues	8,118,209
Total	132,134,300

EXTRAORDINARY REVENUES

General	MY 6,628,204
From Special Accounts	317,310
Loan Fund	7,000,000
Surplus from first year	3,039,364
Total	17,034,878
Grand Total	149,169,178

EXPENDITURES

Chief Executive's Office	MY 1,200,000
General Affairs Board	39,678,212
General Administrative Office for Heilun Province	2,344,201
Home Department	24,280,604
Foreign	1,245,281
War	41,967,307
Finance	25,344,892
Industry	3,410,797
Communications Department	2,170,968
Justice	5,595,814
Education	931,102
Total	149,169,178

In addition to this General Accounts Budget, the Special Accounts Budget was estimated to amount to 106,945,834 Manchoukuo yuan for the second fiscal year of Tatung, the details of which are given below:

SPECIAL ACCOUNTS BUDGET

General Affairs Board:	
Adjustment Fund for Old Foreign Loans Secured on Customs Duties and Salt Gabelle	MY 25,893,712
Capital Construction Bureau	6,424,000
State Highway Bureau	7,000,000
Supplies Fund	5,404,476
Sinking Fund	315,000
War Ministry:	
Army Clothing Factory	5,382,500
Finance Ministry:	
Monopoly Bureau	32,893,894
Kirin-Heilungkiang Salt Transportation Office	19,679,272
State Properties Adjustment Fund	1,072,280
Communications Department:	
Postal Administration	2,881,200
Total	106,945,834

As regards the Maritime Customs, the first fiscal year of Tatung witnessed a drop of about 10 per cent. as compared with the previous year, but it is claimed that there are indications of the revenues from this source increasing during the coming years.

As for the expenditures of Manchoukuo, it is held natural that the new Government should incur considerable initial expenses in order to perfect the administrative machinery and to install other necessary institutions.

However, a conservative and steady financial policy has been followed by the Manchoukuo Government with the result that the expenditures are increased only in proportion as the revenues increase.

Central Bank of Manchoukuo Among other financial problems, the question of the unification of the currency is perhaps the hardest for the Manchoukuo authorities to solve.

With the solution of this problem in view, the Government established the Central Bank of Manchoukuo on July 1, 1932, authorizing it to coin and issue money. In this Central Bank were incorporated the three former provincial banks of Manchu-

ria and the Frontier Bank.

On the same day the Law for Redeeming the Old Currency was put in force. According to this law, 15 different varieties of paper money and some specified coins were permitted circulation for the time being with their exchange rates for the national currency fixed and made public.

At the same time, another Act was issued for the purpose of controlling all privately-issued bearer-notes (ssutieh) or bills resembling, and often taking the place of, bank notes which have hitherto been in circulation.

These efforts of the Manchoukuo authorities are proving successful and the circulation of the currency is becoming more and more steady and smooth in Manchoukuo.

Note Issue The note issue of the Central Bank of Manchoukuo amounted to 145,000,000 yuan at the beginning of its operation but dropped to 120,000,000 yuan after the middle of August. This is taken as clear evidence of the fact that the redemption of the old notes was going on rapidly during this period.

The reserve for the note issue of this bank has always exceeded 50 per cent., while the value of the currency has now been made perfectly secure.

For instance, the exchange rate on Shanghai for 100 yuan of the national currency was 70.5 taels in September, 1932, while the difference between the new currency and spot silver was less than 50 cents. The position of the national currency was regarded as being bound to become stronger during the period of exportation of Manchurian products.

Foreign Claims Regarding the claims for payment for purchases made from foreign countries by the now-defunct Government of the North-eastern Provinces under the

régime of the Chang family, the Department of Finance of Manchoukuo continued negotiations with the Japanese, British, American, German and French creditors from sometime in 1932 and reached a final agreement on June 27, 1933, as follows:

(1) The total amount payable against such claims was fixed at approximately ¥10,000,000, of which the sum of ¥3,500,000 paid in December, 1932, is to be considered as the first instalment of the required payment. In respect of the remaining ¥6,500,000, payment is to be made with bonds for the goods delivered in or before 1929 and in cash for the goods delivered in and after 1930. Those contracted for in and after 1930 but not delivered yet will be paid for with bonds.

(2) Of the sum of ¥6,500,000, payment of which is provided for as above, cash payment was expected to be made about July 10 to the amount of ¥2,500,000 and the payment with bonds, redeemable in 20 years with an interest of 3.5 per cent. per annum, towards the end of August, 1933, to the amount of ¥4,000,000.

(3) Out of this total of ¥6,500,000, the amount payable to the Japanese creditors was a little more than ¥503,000.

In this connection the foreign creditors expressed satisfaction with the liberal attitude of the Manchoukuo Government inasmuch as the amount of the assessment made at ¥10,000,000 corresponded to as much as 85 per cent. of the total claims.

Communications and Railways

A network of railways, postal service, and telegraph and telephone lines connects the principal cities of Manchoukuo. Among the various means of communications the railways have made the greatest

progress mostly with Japanese and other foreign assistance.

Post and Telegraph In the postal service, there are 150 post offices, 333 postal agencies and 1,284 town and rural box offices and sales agencies in the Mukden district, and 141 post offices, 293 postal agencies and 463 town and rural box offices and sales agencies in the Kirin-Heilungkiang district.

The postal service in Manchuria was formerly under the jurisdiction of the Nanking Government excepting the areas within the Kwantung Leased Territory and the railway zone of the South Manchuria Railway.

On the organization of the Manchoukuo Government, however, the Communications authorities of the new régime took over this service on July 25, 1932, and started their own service, issuing new postal stamps and postal cards.

As for the telegraph service, which had long been operated by the local authorities of Four North-eastern Provinces, the Manchoukuo authorities were able to take it over immediately after the founding of the new nation.

The M. T. T. Co. In order to coordinate and systematize the telegraph and telephone services in Manchoukuo, a new company was inaugurated on August 31, 1933, with a capital of 50,000,000 Manchoukuo yuan and immediately started business the following morning. This organization is known as the Manchuria Telegraph and Telephone Company, Ltd., and all the electric communication service in the Kwantung Leased Territory as well as in the South Manchuria Railway Zone was also placed under the management of the new company.

The Manchuria Telegraph and Telephone Company is headed by Lieutenant-General Shizuo Yamano-

uchi, retired, as president, assisted by San To as vice-president and six directors.

When an agreement was reached on the plan for the organization of this company, late in March, 1933, the Department of Foreign Affairs of the Manchoukuo Government published a statement announcing the conclusion of the agreement. It was therein stated that the Manchoukuo and Japanese Governments, recognizing the need of amalgamating the means of electric communication in Manchuria under a unified control, had respectively authorized their representatives, namely, Mr. Hsieh Chieh-shih, Manchoukuo Minister of Foreign Affairs, and General Nobuyoshi Muto, Japanese Ambassador in Hsinking, to sign an agreement on the 26th of March, 1933, adding that the purport of the agreement was to establish an electric communication company as a Manchoukuo-Japanese joint concern, both Governments subscribing to the ca-

pital of the projected company by contributing the means of electric communication belonging to them in the Kwantung Leased Territory and the South Manchuria Railway Zone and in the other regions of Manchoukuo.

Some portion of the capital, however, was offered for public subscription. In this connection the Manchoukuo Government made it known that it is prepared to give due regard to the various obligations attached to the properties subscribed by it to the capital of the projected organization.

Railways At present, railway lines in Manchoukuo extend over 6,142.88 kilometres in all, of which more than one-third is represented by the Chinese Eastern Railway and the South Manchuria Railway lines.

The following table shows some details of the existing railways in Manchoukuo, as compiled by the South Manchuria Railway:

Railway	Length in km.	Gauge	Remarks
Chinese Eastern	1,720.63	5'	Sino-Russian management, with Russian and French capital
South Manchuria	1,110.07	4'8 1/2"	Japanese undertaking
Shanhaikwan-Mukden	624.34	"	Local government line, partly with British capital
Ssuningkai-Taonan, with branch line to Paiyintala	325.90	"	Local government line, with Japanese capital
Taonan-Angangchi	224.15	"	"
Kirin-Changchun	127.67	"	Local government line, with Japanese capital under Japanese management
Kirin-Tunhua	210.36	"	Local government line, with Japanese capital
Mukden-Hailungcheng	325.63	"	Provincial government line
Hailungcheng-Kirin	183.46	"	Provincial government line
Tahushan-Paiyintala	251.95	"	Local government line
Tsitsihar-Koshanchen	159.26	"	Provincial government line
Hulan-Hailun	221.08	"	"
Taonan-Solon	179.97	"	"
Tsitsihar-Angangchi	25.70	1 meter	Provincial semi-government line
Shaochengtszu-Muling Colliery line	59.58	5'	Muling Colliery Co. (Sino-Russian management)
Kaiyuan-Hsifeng	63.68	1 meter	Chinese private enterprise
Chinchow-Pitsuwo	102.07	4'8 1/2"	Sino-Japanese undertaking
Penhsihu-Niuhsintal	15.00	2'6"	"
Tumen-Tienpaoshan	110.97	"	"
Total	6,141.88		

New Lines Efforts were also made to improve the railway service in the new nation and construction work on three new lines was expedited. According to the announcement made by the Communications Department on December 16, 1932, the construction of the new lines was undertaken by the South Manchuria Railway Company. Of these three railways, the Tunghua-Tumenkiang line was completed early in 1933, while the Koshan-Hailun line was expected to be completed by the end of 1933. A short-distance line, which is a branch of the Kirin-Tunghua line, was built northwards from Lafa.

Furthermore, in view of the separate existence of various minor railways differing in the methods of management and operation, thereby entailing losses and inconvenience, the Manchoukuo Government entered into a contract with the South Manchuria Railway, commissioning the latter to take charge of the management of the different railways of Manchoukuo, in order to unify the existing lines and rationalize their management so that their economic and technical efficiency might be promoted.

Regarding this arrangement, the Department of Communications of Manchoukuo published a statement on March 1, 1933, summarizing the substance of the contract as follows:

"The Government of Manchoukuo has decided to fix the total amount of obligations relative to the railways already open to traffic due to the South Manchuria Railway Co. at Gold yen 130,000,000, the railways involved being the Kirin-Changchun, Kirin-Tunhua, Kirin-Hailun, Ssuningkai-Taonan, Taonan-Angangchi, Taonan-Solon, Tsitsihar-Koshan, Hulan-Hailun (including a portion of the water transport enterprise on the Sungari River), Shengyang-Hailun, and Mukden-Shanhaikwan (including the Tahushan-Tungliao line and its subsidiary harbors). The total of the said loan is to be secured on the entire property and receipts of the aforementioned railways whose manage-

ment is to be entrusted to the S. M. R. Co.

"In respect to the claims and obligations relative to railways existing between the Manchoukuo Government and any third party other than the S. M. R., they shall be settled by the S. M. R. upon consultation with the Government. In case payment is required in connection with this matter it shall be effected from the receipts of the aforementioned commissioned railways. The funds necessary for the redemption of the loan of the British and Chinese Corporation secured on the Mukden-Shanhaikwan line shall also be derived from the same source. That portion of the Mukden-Shanhaikwan line relating to the British and Chinese Corporation loan shall be excluded from the mortgage for the present railway contract pending the settlement of the said Corporation loan.

"In addition, the Government of Manchoukuo has granted to the South Manchuria Railway Company the contract for the building of the Tunhua-Tumenkiang Railway, the Lafa-Harbin Railway, and the Taifung-Hailun Railway lines. The total cost for the construction of these lines is estimated at Gold yen 100,000,000.

"In the construction of the Tunhua-Tumenkiang Railway, the Manchoukuo Government, in view of the need for purchasing the Tienpaoshan-Tumen Light Railway, has borrowed the sum of Gold yen 6,000,000 from the S. M. R., and has also entrusted the management of the said light railway to the S. M. R."

The South Manchuria Railway

Capitalization This company, which has contributed a great deal to the development of Manchuria and is popularly known as the S. M. R., is capitalized at ¥800,000,000 following the issuance of 3,600,000 new shares of ¥100 each on August 10, 1933, until when the capital of the company was ¥800,000,000, one-half of which was held by the Japanese Government, the other half being distributed among private shareholders.

Of the 3,600,000 new shares, 2,200,000 shares were subscribed to by the old shareholders and 1,200,000 were offered for public subscription with a premium, while the remaining 200,000 shares were distributed among the officials and employees of the company.

Shortly before the issuance of these new shares, the S. M. R. at the general meeting of its share-

holders held in Tokyo on June 20, 1933, decided to issue debentures to the amount of ¥150,000,000.

Officers The officers of the company include the president, the vice-president, four or more directors and three to five auditors. The president and the vice-president are appointed by the Japanese Government with Imperial sanction, while the directors are also appointed by the Government, though without Imperial sanction. The auditors are elected from among the shareholders.

	Passenger service revenue	Freight service revenue	Total earnings
1907	¥ 3,594,000	¥ 6,100,000	¥ 9,765,000
1912	5,008,000	13,918,000	19,907,000
1916	6,040,000	19,882,000	27,815,000
1921	12,914,000	59,615,000	78,294,000
1929	17,198,000	101,089,000	123,908,000
1930	11,461,000	65,936,000	95,330,000
1931	9,135,000	70,897,000	85,476,000

Among the goods transported by this railway, beans, bean-cake, cereals and coal are the most important items.

Accessory Business In addition to its transportation business, the South Manchuria Railway Company is engaged in activities in many other fields including manufacturing, warehousing, shipping, mining, and real estate and building and various public works.

(1) As regards manufacturing, the South Manchuria Railway Company makes and repairs its own locomotives and other rolling stock at its Dairen shop, which occupies a site of 340,000 tsubo in area and has a large capacity, its manufacturing and repair work during 1929 being estimated at ¥13,920,000 in value.

(2) The company operates warehousing business at 31 different places at the wharf of Dairen and along its railway lines.

(3) As for marine transportation, the South Manchuria Railway

The president of the company now in office is Count Hirota Hayashi, a member of the House of Peers, who is assisted by Mr. Yoshiaki Kamei, former Vice-Minister of Railways of the Japanese Government, as vice-president.

Volume of Business Since its formal organization with a capital of ¥200,000,000 in September, 1906, the railway business of this company has grown with the years as is shown in the following table:

started a steamship service between Dairen and Shanghai in 1907. The opening of the Tsingtao line and the Hongkong line followed later, the latter being intended to facilitate the shipping of the company's coal, mined at Fushun, to South China.

All these three lines were later handed over to the Dairen Steamship Company, which was capitalized at ¥25,000,000 supplied by the South Manchuria Railway Company.

(4) Since the opening of its business, the South Manchuria Railway Company has devoted considerable attention to the improvement of the harbour of Dairen, and the greater half of the entire harbour programme has already been finished, its present facilities being capable of handling 7,000,000 tons of freight annually with a berthing capacity of 190,000 tons of shipping at the same time.

(5) In mining, the company operates coal mines at Fushun and Yentai, and in addition to this, it is also engaged in oil-shale mining

and steel foundry work.

(6) In the railway zone, the company is engaged in the real estate and building business and municipal administration, attending to the needs of sanitation, education and policing, while at the same time promoting agriculture, industry, commerce and mining in this area.

(7) The landed estate owned by this company extends over a total area of 371,430,000 square metres, of which approximately 59,000,000 square metres is leased to individuals. The company also owns some 14,200 buildings, of which 859 are rented to individuals.

(8) Another notable achievement of the company is its city-planning in various places. Up to the present it has built 25 cities at Liaoyang, Mukden, Hsinking (Changchun), Yingkow, Antung and other places. In these places, the company has constructed roads, bridges, sewerage, schools, parks, markets and other modern municipal facilities.

(9) In education, the company

now operates 26 kindergartens, 36 primary schools, 5 middle schools, 4 girls' high schools, 2 colleges, one university, 10 public schools for Chinese students, 34 business supplementary schools, 13 girls' housekeeping schools, 2 commercial schools, one mining school, one school of agriculture, and six other schools. It has also opened two public libraries, one each at Dairen and Mukden, and 21 other reading rooms.

(10) Among other enterprises of the company are 16 hospitals and 5 branch hospitals, and for research and experimental work it carries on a hygienic station, an agricultural station, a farm, a tobacco farm, a geological research station, a central experiment station, and other institutions.

Profit and Loss Account The profit and loss account of the company for the fiscal year ending March 31, 1931, which shows the outline of the various undertakings of the vast organization, follows:

	Receipts	Expenditures	Profit or Loss
Railways	¥ 95,330,730.31	¥ 26,768,576.44	¥ 58,562,153.87
Harbours	8,558,705.19	6,787,630.57	1,821,074.62
Coal mines	62,441,160.97	60,627,988.99	1,813,171.98
Shale oil plant	2,615,400.78	2,582,832.39	32,568.39
Iron works	6,641,289.18	7,307,022.11	- 666,632.93
Local public works	4,586,309.17	15,305,429.90	-10,719,060.73
Interest on deposit and loan	5,356,891.53	23,863,972.36	-18,506,990.83
Overhead charges	—	10,867,787.59	-10,867,787.59
Sundry profit and loss	2,573,425.53	1,037,978.20	1,535,447.33
Depreciation fund for debentures	—	1,330,480.16	- 1,330,480.16
Total	188,104,062.66	166,430,600.71	21,673,461.95
Previous year	240,998,062.13	195,492,205.09	45,505,857.04

Business Condition The recent business condition of the company may be surmised from the allocation of profit for the last half year period, which was approved at the general meeting of the company on June 20, 1933, as follows:

ALLOCATION OF PROFIT

(In ¥1,000)	
Net profit for last half year period	¥ 61,287

Carried forward from previous period	5,832
Total	67,119
Statutory reserve	3,100
Dividend to the Government	9,337
	(4.3% per annum)
Dividend to general shareholders	14,933 (8%)
Special reserve	32,000
Bonuses for officials	400
Carried forward	7,348
Total	67,119

Industries

As may be seen from the size of the business a single company like the South Manchuria Railway is carrying on, Manchoukuo has almost inexhaustible natural resources on which her industries may depend. Of these industries, agriculture and mining are, and will continue to be, two of the most important.

Agricultural Products The principal farm products of Manchoukuo are soy bean and kaoliang. Millet, maize (Indian corn), wheat, barley, and rice are also grown in large quantities. Other products include hemp, flax, ramie, tobacco, cotton and wild silk cocoons.

The following table shows the

	From Dairen	From Antung	From Yingkow	From Harbin
Soy beans	71,039,000	1,101,000	12,433,000	29,682,000
Other beans	6,594,000	1,209,000	1,511,000	366,000
Millet	1,223,000	22,656,000	231,000	253,000
Wheat	57,000	13,000	318,000	51,000
Other cereals	1,794,000	286,000	134,000	94,000

Mining Mining was practically unknown in Manchuria until after the Russo-Japanese war, despite the rich veins of various minerals to be found in the country. This is because during the two preceding centuries Manchuria had been designated as the "forbidden land" under the Ching dynasty of China, with a ban on mining, forestry and the gathering of medical herbs in this region.

However, during the past 25 years, mining has made great progress in Manchoukuo as may be seen from the following table, which shows the amounts of only a few of the many important minerals of Manchoukuo, as produced during 1930:

Coal	10,040,632 tons
Iron ores	831,228
Oil shale	981,004
Copper ores	849
Magnesite	29,016

amounts of some of the more important Manchurian cereals as produced in 1930:

	Bushels
Soy beans	308,299,688
Other beans	18,138,966
Kaoliang	191,106,345
Millet	148,772,283
Maize	61,858,962
Wheat	62,677,339
Paddy rice	8,325,929
Upland rice	9,224,216
Other cereals	91,724,311
Total	779,968,683

Their Export The greater proportion of these cereals are exported to Japan and other foreign countries. The values in Haikwan taels of the staple farm products of Manchuria exported during 1930 follow:

(1) Coal is the most important mineral product of Manchoukuo, its deposits being estimated by the S. M. R. roughly at 1,700,000,000 tons. Of this total deposit, about 500,000,000 tons are in North Manchuria and 1,200,000,000 tons in South Manchuria, and of the latter 950,000,000 tons is estimated to be deposited at Fushun. The coal deposit in Manchoukuo is variously estimated, some giving as high a figure as 8,000,000,000 tons.

The South Manchuria Railway Company is operating the Fushun and Tentai mines, getting about 7,000,000 tons annually from these two mines. Fushun coal is bituminous and best fitted for manufacturing gas.

The Penhsihu coal mine is located on the Antung-Mukden line of the South Manchuria Railway Company and is operated by a Sino-

Japanese joint concern along with its iron mine. The annual coal production of this mine is approximately 400,000 tons and this coal has proved suitable for making coke for furnace use.

There are coal fields at Pataokou and Peipiao along the Tahushan-Paiyintala Railway, producing between 70,000 and 80,000 tons of coal annually under the management of the provincial government of Fengtien.

(2) Oil shale at Fushun is also worthy of notice. This forms an upper layer covering the main coal veins at Fushun and when distilled it makes a kind of oil resembling petroleum. The deposit of oil shale here is estimated to amount to 3,400,000,000 tons.

The South Manchuria Railway Company expended ¥8,500,000 in 1928 in building and equipping a plant capable of distilling 3,600,000 tons of oil shale annually. From this oil shale it is estimated that 42,000 tons of crude oil, 14,000 tons of paraffin, 16,000 tons of ammonia sulphate and 3,000 tons of pitch coke may be produced.

Lumbering Lumbering is another industry newly developed in Manchoukuo. Besides Chinese and Russian companies engaged in lumbering in Manchoukuo, the Japanese too, have considerable interests in this industry.

Japanese participation in the lumbering industry of Manchuria dates back to 1905, when, by virtue of an additional agreement attached to the Peking treaty of December 22, Japanese were allowed to join a joint-stock forestry corporation to be financed by the Japanese and Chinese Governments for the purpose of exploiting the Upper Yalu forests on the Chinese bank of the river.

The organization of the Tsaimu

Kungssu, a 3,000,000 yuan company, was the sequel to this agreement, which was supplemented by another agreement reached on May 14, 1908.

The Japanese are also interested in lumbering in the forests of the Hsingan mountains in Heilungkiang province. Lumbering in this part of Manchuria was first attempted on a large scale by a Russian concern in 1914. Japanese joined interests with this company in 1921, increasing its capital to 4,000,000 yuan, or Mexican dollars.

This Russo-Japanese concern again increased its capital to 6,000,000 yuan in 1922 with the participation of Chinese interests, and now is known as the Chamien Tsaimu Kungssu.

According to statistics compiled by the Antung Chamber of Commerce, the forest land of Manchoukuo extends over a total area of 28,414,965 chobu with available timber totalling 9,377,030,000 koku in volume.

Salt Manufacture Salt manufacturing forms an industry by no means negligible in Manchoukuo, the Newchwang, Kaiping and Fuhshien districts and the Japanese Leased Territory of Kwantung being noted for this industry.

Salt manufacturing outside the Leased Territory has been carried on for many years past by the Chinese Government and licensed individuals.

The brine pans now operated within the Leased Territory of Kwantung alone cover a total area of 6,992 chobu, of which 65 per cent. is under Japanese management, and the annual output of salt in this region for 1931 was 415,770,000 pounds.

The distribution of Kwantung salt, according to the different regions which it is exported to or consumed in, is as follows:

	1928	1929	1930
Japan Proper	89,273,000	(in pounds) 150,239,000	318,188,000
Chosen	136,479,000	120,522,000	82,040,000
Saghalien	7,117,000	1,407,000	2,040,000
Kamchatka	20,879,000	34,883,000	40,264,000
Hongkong	53,121,000	63,900,000	20,787,000
Kwantung Leased Territory	35,866,000	40,958,000	52,893,000
Total	342,735,000	411,909,000	405,672,000

Live-Stock Live-stock farming is a thriving industry in Manchoukuo, with its vast, thinly populated territory. Oxen are used in the Kwantung Leased Territory and other mountainous districts, and horses and mules in the plains around Hsinking

	South Manchuria head	North Manchuria	Total
Oxen	666,920	938,350	1,605,270
Horses	827,520	1,610,470	2,437,990
Mules	460,160	282,540	742,700
Donkeys	389,280	89,460	478,740
Sheep	572,260	2,068,300	2,640,560
Swine	4,232,890	3,274,800	7,507,690
Total	7,148,530	8,263,920	15,412,450

Manufacturing Industries Manufacturing industries in Manchoukuo are all of comparatively recent origin, but in view of its rich agricultural and mineral resources this country is considered to have a great future in store so far as manufacturing is concerned.

Of the various industries, oil manufacturing, flour milling and liquor brewing are regarded as the three principal ones in Manchoukuo. Pottery-making, cotton reeling, and dyeing are also considerable.

Bean-oil Ranking foremost in Manchoukuo's manufacturing industries, the producing of bean-oil is being carried on in 447 mills within the Kwantung Leased Territory and along the South Manchuria Railway lines, producing approximately 250,000,000 pounds of oil and 50,000,000 blocks of bean-cake annually. The Nisshin Oil Manufacturing Company and the Santai Bean-oil Mills are the principal mak-

ers, with the centres of their operations in and around Dairen.

Although no accurate census is available as to the exact extent of the live-stock farming in Manchoukuo, the Man-Mo Nenkan (The Manchuria-Mongolia Year Book) gives the following estimates:

ers, with the centres of their operations in and around Dairen.

This industry has recently been developed in Harbin and other North Manchurian districts also.

Flour Milling As wheat is mostly produced in North Manchuria, the milling industry is older in Harbin and its vicinity than in South Manchuria. At present the flour mills at Harbin, Hsinking, Tiehling, Mukden, Dairen and other places in Manchoukuo number more than 40, of which 11 are operated by the South Manchuria Railway Company.

Despite the depression this industry experienced in 1923, when Manchuria's wheat crop was poor and American makers took advantage of this to increase their export of flour to Manchuria, the Chinese mills are continuing operation without being seriously affected.

Liquor Brewing Kaoliang spirit is the chief liquor consumed by Manchurians. This liquor is distilled in

many places throughout the country, its annual output being estimated to amount to ¥20,000,000 in value. A considerable quantity of it is also exported to China proper. Next in importance is huanchu, which resembles Japanese saké. Japanese saké, miso and soy are also manufactured in Manchoukuo by Japanese.

Textile Industry (1) The spinning and weaving of wild silk have been carried on of late by Japanese in Manchoukuo, the principal Japanese makers being the Hsingtung Kungssu and the Antung factory of the Fuji Gasu Spinning Company at Antung on the Manchoukuo side of the Chosen frontier.

(2) Hemp is another important textile product of Manchoukuo, its annual output amounting to 50,000,000 pounds, and the Manchuria Hemp Manufacturing Company at Dairen and the Mukden Hemp Manufacturing Company at Mukden are chiefly engaged in weaving hemp bags for packing soy beans, kaoliang and other cereals.

(3) As regards cotton spinning, the Fentien Cotton Spinning Company, a Chinese concern, at Mukden, the Manchuria Cotton Spinning Company at Liaoyang, the factory of the Naigai Cotton Company at Chinchow and the factory of the Fukushima Cotton Spinning Company at Choushuitzu, the last three being Japanese undertakings, are among the chief producers in Manchoukuo.

(4) Paper manufacturing is also regarded as having a bright future because of the almost inexhaustible supply of timber in the upper valley of the Yalu river. The Yalukiang Paper Mill Company at Antung is carrying on successful operations.

(5) Tanning and woollen textile industries are not well developed in Manchoukuo, and with exception of the products of the Manchuria-Mon-

golia Woollen Textile Company at Mukden and the Manchuria-Mongolia Colonial Industry Company at Dairen, leather, wool and other similar materials are being exported unfinished.

Earthenware and China The country now known as Manchoukuo has long been famous for its potteries and their products probably owing to the fact that the soil there is specially suitable for this industry.

Among the larger makers are the Dairen, the Continental, and the Oriental Ceramic Industry Companies. Yingkow, Anshan, Kaiyuan, Hsinking, Antung, Liaoyang and Port Arthur are the chief centres of this industry.

Cement manufacturing is also fairly well developed. The Onoda Cement Company at Choushuitzu and several other makers produce approximately 250,000 casks annually. As for glass-ware, the Shoko and the South Manchuria Glass Manufacturing Companies are famous for superior quality of their products.

Chemical Industry Ammonium sulphate is manufactured in large quantities at Fushun by the South Manchuria Railway Company. The Anshan Iron Foundry also turns out ammonium sulphate and benzol.

As regards the manufacture of matches, the Nisshin Match Company at Hsinking, the Sweden Match Company with factories at Kirin, Hsinking and Mukden, and several other smaller makers have a total annual output of approximately 500,000 boxes.

Sugar The South Manchuria Sugar Manufacturing Company, a Japanese undertaking at Mukden, which depended on the sugar beets raised in the northern districts of South Manchuria for its supply of raw material, has been out of operation for several years on account of a

shortage in its supply of material.

Tobacco In addition to its own production of tobacco amounting to about 50,000,000 pounds annually, Manchoukuo imports several million yen's worth of manufactured tobacco and tobacco leaf from abroad each year. Among the tobacco manufacturing concerns are the To-a Tobacco Company, a Japanese undertaking, at Yinkow and a few other makers at Harbin, Mukden and Dairen.

Electric and Gas The electric industry in Manchoukuo depends on steam power stations, as there is no water available. The South Manchuria Electric Company, which has become independent from the South Manchuria Railway Company, has power houses at Dairen, Hsinking, Mukden, Antung, Port Arthur and Anshan.

Harbin, Kirin, Tsitsihar, Tieling and Liaoyang are supplied with electricity by Sino-Japanese companies or Manchurian undertakings.

Economic Policy Regarding the industrial policy of Manchoukuo, the Hsinking Government published what it termed the "General Outline of Economic Construction Programme," announcing its fundamental policies for economic construction, measures for economic control, measures for improving means of transport, and plans for the development of agriculture, mining and manufacturing industries, etc.

As regards its fundamental policies for economic construction, the Manchoukuo Government declares that, first, the interests of the people as a whole will be made the keynote and efforts will be made to prevent any one class of people from monopolizing the benefits of the exploitation of natural resources and the development of industries; second, national control will be exerted over important economic activities and measures for their rationalization devised; third, the principle of

the open door and equal opportunity will be observed, and capital investments from various parts of the world will be invited; and fourth, emphasis will be placed upon securing co-operation between Manchoukuo and Japan.

For the purpose of developing agriculture, which the Manchoukuo Government regards as the mainstay of its national economy, the economic construction programme embodies measures for giving assistance, advice and encouragement to those engaged in the cultivation of soy beans, kaoliang, millet and maize, which constitute the staple agricultural products of Manchoukuo; plans for increasing the area for the cultivation of cotton and also the annual output of ginned cotton; means for increasing the cultivated area of wheat and its annual production; and provision for encouraging farmers to grow tobacco, hemp, peanuts, sesame, castor-oil seeds, beans, hops, sugar beets, fruits, vegetables, etc.

As for the live-stock industry, the Manchoukuo Government plans to raise 2,000,000 horses of selected breeds; to introduce Merino with a view to improving the existing stock of sheep, replacing at least 4,000,000 of the present breed by the superior variety; to raise the standard of cattle-stock till a total of at least 2,700,000 head of first-class animals is attained; to improve the strain of hogs by introducing Berkshires; and to establish a system of live-stock hygiene.

Further, in order to guide and stimulate agriculture, various experimental stations, organizations for the improvement of live-stock and other modern institution will be started while an extensive survey of land will be conducted throughout the country.

In the mining and manufacturing

industries, the economic programme provides for the co-ordination and rationalization of State and private enterprises and for the gradual development of metallic industries, machine manufacture, oil milling, pulp industry, soda manufacture, alcohol manufacture, tussah silk and spinning industries, flour milling, cement manufacture, and liquor brewing and distilling.

In this connection, the authorities feel it is necessary to have special corporations to hold the mining rights of such mineral resources as may be essential for national defence, in order to prevent reckless and uncontrolled mining operations. Control of production is also being planned in a consideration of the relation between demand and supply.

Commerce

Manchuria was first opened to foreign trade in 1862, when Yingkow was opened as a commercial port. This port lost its former prosperity when Russia made Dalny (Dairen) a free port and built a railway between Harbin and Dalny.

Country	Imports	Exports	Total
	(Haikwan taels)		
Japan	110,005,000	115,865,000	225,871,000
Russia	12,029,000	50,722,000	62,751,000
Chosen	10,402,000	42,515,000	52,917,000
Netherlands	1,458,000	34,733,000	36,201,000
United States	20,729,000	6,900,000	27,719,000
Great Britain	10,484,000	10,385,000	20,869,000
Hongkong	12,831,000	6,727,000	19,558,000
Germany	12,151,000	3,386,000	15,517,000

The founding of Manchoukuo does not seem to have proved in any way detrimental to the foreign trade of the district. On the contrary the new nation tends to buy more from overseas than during the old militarists' régime, presumably because of the new national programme of construction as well as the increased commercial activities of the people.

Dairen became practically the sole port of export for Manchurian goods after the taking over of the Kwantung Leased Territory by Japan from Russia and the subsequent improvement of harbour facilities at Dairen. The rebuilding of the Antung-Mukden Railway and the construction of the bridge spanning the Yalu river have made possible the recent development of Antung as a commercial port.

Among other places, Mukden, Hsinking and Harbin are considered destined to thrive more and more as centres of internal commerce.

As staple exports of Manchoukuo soy beans, bean oil, kaoliang, wheat, wild silk, coal and lumber are the best known. Among the imports are cotton fabric, cotton yarn, sugar, tobacco, petroleum, iron, steel, machinery and paper.

Foreign Trade Among the countries trading with Manchoukuo, Japan, occupies of far the most outstanding position as may be seen from the following table which shows Manchuria's foreign trade in 1930 with various different countries:

Imports from America Of all foreign countries, the United States continues to be the largest seller to Manchoukuo next to Japan and China, and a clear margin was expected to be shown at the end of 1933 in exports over the figure for 1930, when Chang Hsueh-liang was at the height of his power in Manchuria. If this turns out so it will help to prove that Manchoukuo is

adhering to the policy of the open door and equal opportunity for all instead of closing its doors against America and European goods in favour of Japan as it might have done during the Manchurian hostilities.

According to the trade statistics published by the Finance Department of the Manchoukuo Government, American imports during the first three months of 1933 amounted to approximately 9,000,000 Manchurian yuan or 5,500,000 haikwan taels, and it was held probable that the figure for the year of 1933 would reach the mark of 22,000,000 haikwan taels against the 20,000,000 Manchurian yuan level attained in 1930.

It must be remembered in this connection that these figures cover only the direct imports from the United States. Therefore, if the amount of American goods such as automobiles, machinery and other things imported into Manchoukuo through Japan and other countries were also taken into consideration, the United States would be found to be doing for more business in Manchoukuo than is generally supposed.

The recent trend in Manchoukuo's foreign trade in general is shown by the imports and exports recorded at the port of Dairen, which is the most important gateway to Manchoukuo and through which more than one half of the new nation's foreign trade is forwarded.

Trade at Dairen The exports from Dairen during 1932 amounted in value to ¥302,101,000, against ¥188,449,000 for 1931, an increase of more than 60 per cent., while the imports also increased to the amazing proportion of more than 112 per cent., from ¥97,519,000 for 1931 to ¥206,920,000 for 1932.

This trend is borne out by the

customs revenue of Dairen, which increased from ¥9,192,343 for 1931 to ¥20,372,884 for 1932, a gain of more than 100 per cent.

Foreign Investments The foreign investments in Manchoukuo amount to ¥2,063,850,000 distributed among the various countries as follows, according to the statistics compiled by the South Manchuria Railway Company:

Country	Amount of Investments	Percentage
Japan	¥ 1,510,755,000	73.201
Russia	455,051,000	22.521
Great Britain	29,500,000	1.518
United States	25,400,000	1.278
France	21,088,000	1.022
Sweden	550,000	0.041
Denmark	157,000	0.008
Total	2,063,880,000	100.000

Japanese Investments The distribution among various industries of the Japanese investments in Manchoukuo is tabulated by the South Manchuria Railway Company as follows:

	Amount	Percentage
Railways	¥ 356,316,000	24.00
Harbours	63,834,000	4.00
Transportation	25,036,000	2.00
Agriculture, mining and forestry	241,045,000	16.00
Manufacturing	110,121,000	7.00
Commerce	117,753,000	8.00
Electric and gas industries	37,283,000	2.00
Banking	106,705,000	7.00
Finance and trust	97,634,000	6.00
Miscellaneous	49,458,000	3.00
Public utilities	302,560,000	20.00
Total	1,510,755,000	100.00

The Central Bank The Central Bank of Manchoukuo was opened on July 1, 1932, with headquarters in Hsinking and branch offices at Mukden, Kirin, Tsitsihar and Harbin. It is capitalized at 30,000,000 Manchurian yuan, the Manchoukuo Government holding more than 50,000 shares of 100 Manchurian yuan each.

This central bank is authorized to mint coins and issue notes. The four old banks of issue including the Bank of the Three Eastern Prov-

inces, the Frontier Bank, the Bank of Kirin Province and the Bank of Heilungkiang Province were incorporated in the new Central Bank.

Other Banks Among other banking institutions in Manchoukuo, Japanese operate 12 banks with their head offices in Manchoukuo, the total capital of these banks amounting to ¥31,000,000, of which approximately ¥13,300,000 is paid up.

The Bank of Chosen and the Yokohama Specie Bank also have branch offices, numbering 17 in all, in Manchoukuo, the former issuing notes which circulate among the Japanese residents. The Yokohama Specie Bank issues silver notes known as chao-piao with the object of facilitating the exchange between native coins of Manchuria and gold.

Among the natives of Manchoukuo, exchange shops known as piao-chuang, chienchuang, yinlu or chienpu, as well as tangpu or pawnshops, care for the financial and banking needs of the general populace side by side with the banks of modern organization.

Currency Problem The currency in Manchoukuo has been in an extremely complicated condition, native and Japanese and other notes and coins being in circulation. But in the newly regulated system of currency of Manchoukuo, 23.91 grammes of silver is taken as the unit called the yuan, there being 100 fen or 1,000 li in one yuan. The New paper notes are issued in five different denominations of 100 yuan, 10 yuan, 5 yuan, one yuan and 5 chiao, or 50 fen, circulated together with 1-chiao and 5 fen nickels and 1-fen and 5-li coppers.

It is stipulated in this connection that the Central Bank of Manchou is to keep a reserve of silver and gold bullion, reliable foreign currency or deposits of gold or silver with foreign banks, exceeding 30 per cent.

of its total note issue.

Issuance of Notes Here mention may be made of the condition of note issues in Manchoukuo after the inauguration of the Central Bank of Manchou. Before opening for business on July 1, 1932, the new bank took over old notes of 15 different kinds amounting to 142,234,872.34 yuan calculated in the new currency at the exchange rates fixed officially. This figure was gradually reduced and on October 13, 1932, the note issue including old and new notes totalled 119,761,230.88 yuan against the gold and silver reserve of 64,711,984.54 yuan and the security reserve of 55,049,246.34 yuan.

Condition of the Central Bank Since its inauguration, the Central Bank of Manchou is making steady progress, and during the first six months of its business, up to December 31, 1932, the bank reported a net profit of 362,808.62 Manchurian yuan, which is regarded as a favourable result considering the currency problem and other difficulties which the new organization has undertaken to readjust.

The condition of the new bank at the end of 1932 is reflected in its statement of assets and liabilities and its profit-and-loss account for the first six-month period, ending December 31, 1932, the details of which are as follows:

ASSETS

Capital unpaid	MY 22,500,000.00
Loan to the Government	27,659,014.17
Time loans	40,311,359.08
Overdrafts	46,057,729.81
Other loans	9,899,481.13
Deposits in other banks	54,917,098.34
Liabilities of customers against acceptance and guarantee	3,756,378.20
Suspenses	40,833,832.22
Various securities	11,909,989.72
Bullion and foreign money	24,214,345.56
Bank properties	20,221,942.34
Cash on hand	8,733,975.67
Total	311,015,146.24

LIABILITIES

Capital subscribed	MY 30,000,000.00
Notes issued	151,865,895.87
Government deposits	30,258,578.66
Fixed deposits	1,409,399.98
Current deposits	12,768,803.43
Special current deposits	2,584,800.89
Other deposits	3,269,436.78
Loans from banks	21,266,892.27
Bills payable	1,335,561.14
Acceptance and guarantee	3,756,378.20
Temporary payment	52,137,590.40
Net profit for half year	362,808.62
Total	311,015,146.24

PROFIT AND LOSS ACCOUNT

Total gross profit	MY 6,657,755.76
Total gross loss	6,294,947.14
Net profit	362,808.62

ALLOCATION OF NET PROFIT

Reserve against loss and contingencies	30,000.00
Reserve for dividend	10,000.00
Special reserve	30,000.00
Dividend to shareholders (6 per cent. per annum)	225,000.00
Balance carried forward	17,808.62
Total	362,808.62

Bank Officials The executive officials of the Central Bank of Manchou include Yung Hao, former chief of the Finance Bureau of Kirin Province, and Kyoroku Yamanari, former vice-president of the Bank of Taiwan, respectively as president and vice-president, and six directors and one auditor. One-half of the directors are Japanese, while the auditor is a Manchoukuo citizen.

Principal Cities

Hsinking Situated at the northern terminus of the South Manchuria Railway line, Hsinking (formerly known as Changchun) is the capital of Manchoukuo and there are situated the offices of the Chief Executive and all other important government institutions.

This city is also an important commercial centre as it forms the junction of the South Manchuria Railway, the Chinese Eastern Rail-

way and the Kirin-Changchun Railway.

It is divided into three sections known as the new city, the open town and the walled city, and plans are now being promoted which will ultimately make it a fine metropolis of some 2,000,000 population.

Although no accurate figures are available, the present population of Hsinking is estimated roughly to be 149,600 including 106,600 residing in the native city, 36,000 in the South Manchuria Railway Zone, 5,000 in the Chinese Eastern Railway Zone, and 2,000 in other sections of the city.

Capital Construction Plan According to the city planning programme of the Capital Construction Bureau, which has been created in the General Affairs Board of the Manchoukuo Government, the great metropolis to be built around the present city of Hsinking is to cover an area of 200 square kilometres, an oblong polygon in shape, with its centre at Kaotaitze, which is situated a little south of Hsinking Railway Station.

During the first period of the Capital Construction programme work will be undertaken in an area of about 100 square kilometres out of the total of 200 square kilometres. In this area, are located the S. M. R. Zone, the C. E. R. Zone, the open town and the native city, covering a total area of 21 square kilometres, which will not be directly affected by the city planning programme so that the grounds on which the actual construction work is to be carried on cover an area of 79 square kilometres.

On completion the new metropolis is to be divided into residential, commercial, industrial, special and miscellaneous districts, each designated as such, and it is hoped that the whole city will assume the grand appearance of a metropolis as mod-

ern in equipment as any other in the world, with seven trunk roads radiating in all directions from its centre. The streets in the new city will be of three classes, and the main thoroughfares will be between 26 and 54 metres in width, the secondary main thoroughfares between 10 and 18 metres in width and all other streets less than 10 metres in width will be known as auxiliary streets.

Among the modern facilities to be provided will be parks, athletic fields, race courses, golf links and other grounds for recreation laid out, and market places, water-works, a sewerage system, public granaries, museums, libraries, public halls and zoological and botanical gardens built, according to the capital construction plans.

The present open mart is built in modern European style around the new city, and the offices of the Chief Executive and other important government buildings are mostly located in this section.

The Japanese population in Hsinking is said to have increased from 10,000 to approximately 15,000 during the past year, and the Japanese institutions in this city include the Chamber of Commerce and Industry, the stock exchange, banks, industrial organizations, the district and transportation offices of the South Manchuria Railway Company, and several schools of various grades, in addition to the offices of the ambassador extraordinary and plenipotentiary, the consulate-general, and the headquarters of the commander of the Kwantung army.

Mukden Mukden, headquarters formerly of the old militarist government of the Chang family, still retains its prosperity as a commercial and industrial centre of Manchoukuo situated as it is in the heart of a vast plain watered by the Liao

river.

The main line and the Antung-Mukden line of the South Manchuria Railway, the Mukden-Shanhaikwan Railway, and the Mukden-Hailung Railway converge at Mukden thus making this city an important point of communications between Europe and Asia.

As an industrial centre, Mukden produces matches, bean-oil, rice, pottery, textiles and tobacco. This city also is a centre of education in Manchoukuo, among its important schools being the Manchuria Medical College, in addition to several primary and secondary schools for boys and girls.

The population of the open town and the railway zone of Mukden is estimated at a little over 70,000, of which some 25,000 are Japanese nationals.

Dairen Dairen is the most important port of trade for Manchoukuo. Located in the Leased Territory of Kwantung the city is under Japanese administration. Starting from this city, the main line of the South Manchuria Railway runs north as far as Hsinking, branching off at Mukden to Antung.

The city is built on the shore of the Bay of Dairen, extending 7.8 kilometres from east to west and 3 kilometres from north to south. Divided into the residential, mixed, commercial and industrial districts, the city is well planned, with a sewerage system, parks and other modern public utilities completed by Japanese.

In 1915 the city was organized as an autonomous municipality and efforts have since been continued to perfect its sanitary and educational institutions and fire-preventing facilities.

From the central square covering an area of more than 10,000 tsubo, 10 boulevards radiate in all direc-

tions, the streets of this city being of seven different widths with the maximum of 25 ken or about 50 yards.

Among the parks of the city, Electric Park is the most famous. Hoshigaura Park, which is in Hoshigaura, a suburb of Dairen, is also well known for its golf links and its sea-bathing beach.

Being the largest commercial centre of South Manchuria, the city has a population of approximately 365,000, of which about 95,000 are Japanese coming from Japan proper. Among the important offices in the city are the headquarters of the South Manchuria Railway Company, the City Hall, the Civil Administration Office, the Bureau of Communications, the Chamber of Commerce and Industry, the branch offices of the Yokohama Specie Bank, the Chungkuo Bank, the Chosen Bank, the Oriental Colonization Company, the Manchuria Bank, the Chenglung Bank, the Mitsui Company, the Mitsubishi Company, the Okuragumi, Mitsukoshi and other business concerns.

Various local institutions include the Manchuria Dockyard Company, the Dairen Steamship Company, the South Manchuria Electric Company and the Dairen Hospital. Among the schools in this city are 12 kindergartens, 14 primary schools, 2 middle schools, 2 girls' high schools, a commercial school, a girls' commercial school, a commercial and industrial school, a foreign language school and a technical college.

Ryojun (Port Arthur) Ryojun is the seat of the Government of the Kwantung Leased Territory. Situated at the southern tip of Liaotung peninsula, the city is surrounded by hills on all sides except on its water front, which forms a port opening to the Gulf of Pechihli.

The city is made up of two sec-

tions, the old town and the new town. In the old town are located the City Hall, the dockyard, the defence headquarters, the higher law court, the civil administration office and the headquarters of the Port Arthur fortress.

The new city is built on the shore of the west port and forms the government and school district with the Government of the Kwantung Leased Territory, the Ryojun Engineering College, and other schools located in it.

The boulevards of the city are of two different widths, 84 feet and 63 feet respectively, while the standard width of the streets is 42 feet.

The port, which is divided into two sections, east and west, is known as one of the four important ports of trade of Manchoukuo, the value of its exports of coal, Chinese liquors, cereals, salt, cotton fabrics and other things amounting to 1,780,000 taels in 1928.

The vicinity of Ryojun is the old scene of the siege of Port Arthur during the Russo-Japanese War, and a smooth driveway now connects Ryojun and Dairen to take tourists to the old battle fields.

The population of the city is put at 130,000, of which about 20,000 are Japanese nationals.

Antung Antung, which is noted for its lumber business and its long steel bridge, the longest in the Orient, spanning the Yalu river, is a river port, ranking among the three most important commercial ports of Manchoukuo.

The city is situated on the western bank of the Yalu river 16 miles upstream from the river mouth. The new city section of it was built during the Russo-Japanese War by the Japanese.

The city area covers a little over 2,700,000 tsubo and is well planned in modern style. Among the chief

exports of the port are lumber, wild silk, soy beans, bean oil, rice and Chinese liquors.

The Yalukiang bridge is 3,098 feet long with a side walk running on either side of the railway track which traverses it. The middle section of the bridge is swung open four times a day to allow the passage of shipping. The Japanese residents in this city number about 12,000 out of its total population of 66,000.

Penchiu Penchiu, the largest city between Mukden and Antung, is known for the Penchiu Coal and Iron Mining Company, a Sino-Japanese joint undertaking, which turns out approximately 600,000 tons of coal annually and operates two furnaces with a daily output of 260 tons of iron.

The coal and iron ore deposits are estimated approximately at 250,000,000 tons, and 80,000,000 tons respectively.

Fushun This city has recently developed with great rapidity owing to the Fushun coal mine which is operated by the South Manchuria Railway Company in this place, and it now has a population of 79,000, of which 17,000 are Japanese.

The coal deposit in this mine is estimated at somewhere around 900,000,000 tons and the annual output corresponds to about one-fifth of the total annual coal output of Japan.

In 1930, this mine produced 7,042,000 tons of coal, averaging 19,300 tons a day. It is estimated that it will take 100 years before this mine is exhausted.

Liaoyang As the oldest city in Manchoukuo, Liaoyang has a number of places of historical interest in its vicinity. The population of the city is estimated at 98,000, of which 4,800 are Japanese.

Anshan The steel foundry operated by the South Manchuria Rail-

way Company in this city constitutes, along with the Fushun coal mine, one of the two most important auxiliary institutions of this gigantic commercial organization.

During the European War, this foundry planned to enlarge its equipment so as to be able to produce 1,000,000 tons of pig iron annually in future. Its present output, however, is estimated at 280,000 tons a year.

Tashihchiao Tashihchiao is a junction between the main line and the Yinkow branch line of the South Manchuria Railway, being a town of 8,300 inhabitants, of whom 3,400 are Japanese. Magnesite and other minerals are produced in the vicinity of this town.

Yinkow Before the opening of Dairen, Yinkow was the only commercial port of Manchuria, and it enjoyed great prosperity. It is now known mostly as an industrial centre manufacturing bean oil, tobacco, brick and soy sauce.

Being situated on the bank of the Liao river about 14 miles from its mouth, this town still plays an important rôle in the commerce of the river, meeting the needs of the rural populace along its banks. The town on the opposite bank of the river is known as Newchwang.

The population of the Japanese section of the city is put as 5,300, of which 3,000 are Japanese coming from Japan proper.

Tiehling Situated on the main line of the South Manchuria Railway, 80 kilometres north of Mukden, Tiehling stands on the bank of the Liao river. Before the opening of the railway this city used to be the largest centre north of Mukden for the trade in cereals, but owing to the recent development of Kaiyuan, it has lost much of its former importance.

The vicinity of the city is known

for its abundant production of kaoliang, soy beans, millet and other cereals. It has a population of approximately 40,000, of which about 3,700 are Japanese.

Kaiyuan The city of Kaiyuan where Kaiyuan Station of the South Manchuria Railway is located is about 32.18 km. north of Tichling. This locality was formerly a small village called Sunchiatai, but the place has rapidly grown into a thriving city on account of the railway facilities which it enjoys.

Being situated within easy reach of Hallung, Sanchengtzu, Hsian and their vicinity, which is known as the granary of South Manchuria, the city has become in recent years an important centre of trade in soy beans, kaoliang, millet and other cereals and its population now is more than 56,000. The Kwantung Government has opened an exchange of farm products in this city.

Kaiyuancheng, which is about 8 km. from Kaiyuan Station, is one of the oldest cities in Manchuria, its walled city having been built about the same time as that of Mukden. The place still has a population of a little over 20,000.

Ssupingkai Ssupingkai forms the junction between the main line of the South Manchuria Railway and the Ssupingkai-Taonan Railway. Its railway connections with Mongolia have developed the city into a great market place for cereals and other farm products, the agricultural produce annually handled in this city being estimated at an amount between 600,000 and 700,000 koku in volume and ¥20,000,000 in value.

Starting from this city, the Ssupingkai-Taonan Railway runs to Taonan, thence connecting to the Taonan-Angangchi Railway.

Tungliao Tungliao, also known as Paiyintala, is a new town developed during the past decade. It now has

a population of about 40,000, although Japanese residents number only 55 in this place. A Chinese-operated railway line starts from this place connecting it with Tahushan and Lienshanwan, this line being known as the Ta-Tung line, or the Tahushan-Tungliao line.

Taonan This was also a place of very few inhabitants up to the time of the Russo-Japanese War. Since that time, the city has made rapid growth as a marketing place for cattle, and its population has increased from only a few score to 42,000 during this interval. There are 45 Japanese nationals residing here.

Angangchi Angangchi is a new city opened as the terminus of the Taonan-Angangchi Railway. Situated at a short distance from Tsitsihar (Angangchi) Station of the Chinese Eastern Railway, the city has a population of a little over 16,000, of which about 15,000 are Chinese, more than 1,000 Russians and about 30 Japanese.

Russian influence is much in evidence in this city.

Kirin Standing on the western bank of the Sungari river, Kirin is the terminus of the Kirin-Changchun Railway and is known as an important station in the transportation of lumber produced in the upper basin of the river.

Being one of the largest cities in Manchoukuo, it has a population of 160,000, of which about 1,200 are Japanese. As the city is kept comparatively clean, surrounded by shapely hills, Kirin is known among Japanese as the Kyoto of Manchuria. Among other products marketed in this city are lumber, tobacco leaf, hemp and furs.

Tunhua Tunhua is an ancient town often spoken of as the native place of the ancestors of the Ching dynasty who conquered and established their rule in China proper. Situated

on the western bank of the upper reach of the Moutankiang river, the city has become a marketing place for lumber, soy beans, furs, medical herbs and other products.

The recent opening of the Kirin-Tunhua Railway has added a great deal to the prosperity of Tunhua. This place also is expected to be connected with Huining by rail in the near future. The population of the city is now put at 15,000.

Harbin Harbin is situated on the eastern bank of the Sungari river, at 44.5 degrees North Latitude and 126.40 degrees East Longitude. Although now known as the Paris of the Far East, Harbin was only a deserted village before the Russian penetration into Manchuria.

Built in European style, the city has a population of 320,000, of which 240,000 are Chinese, 81,000 Russians and 4,700 Japanese.

From this city, the southern line of the Chinese Eastern Railway runs to Changchun on an eight-hour schedule. The city also forms an important point in the long railway which links Vladivostock and the cities of Europe via Siberia.

As the largest commercial and industrial centre of North Manchuria, Harbin handles more than 4,000,000 tons of soy beans, wheat, bean-cake and other products annually.

The city is divided into three sections: Old Harbin, the new city and the open town. The new city is said to have been planned after Moscow. The railway station, the offices of the Chinese Eastern Railway and the foreign consulates are located in this section.

In the open town, which is the commercial section of the city, reside Russian, Japanese and Chinese merchants engaged in thriving business activities. The Harbin offices of the Yokohama Specie Bank, the Chosen Bank and Mitsui Company

are found in the open town.

Tsitsihar Tsitsihar is the seat of the provincial government of Heilungkiang, and is reached from Tsitsihar (Angangchi) Station of the Chinese Eastern Railway by light railway or automobile. The Japanese consulate and the office of the representative of the South Manchuria Railway Company stand in this city.

This city is only important for political and military reasons, and its commercial activities are very limited. The population of the city is estimated at about 70,000, Japanese residents numbering 120.

Manchouli Manchouli is the terminus of the Chinese Eastern Railway, which there joins up with the Trans-Siberian Railway. Railway passengers are subjected to customs inspection at this place when changing trains.

Hunting and fishing are the stable industries of Manchouli, the revenues from these two sources being roughly estimated at 800,000 yuan and 500,000 yuan respectively each year.

The population of the city is estimated at about 13,000, including approximately 8,000 Russians and 120 Japanese.

Japan has a consulate and a military special service station in this city, while the Russian institutions here include the customs house, and educational, medical and banking facilities. The Chinese have their hsien (prefectural) office, police headquarters and other governmental offices.

Leased Territory of Kwantung

General and Historical The Leased Territory of Kwantung Province, under Japanese rule, together with the railway zone of the South Manchuria Railway Company, forms the most civilized area of Manchuria with all kinds of modern facilities

introduced by the Japanese after the war with Russia, as a result of which the lease of this region was ceded to Japan.

Occupying a small southern portion of Liaotung Peninsula, the Leased Territory covers an area of some 3,367.88 square kilometres with a population of 939,114, of which 116,052 are Japanese, 1,794 Koreans, 820,534 Chinese and 734 of other nationalities, according to statistics compiled by the Kwantung Government as of December 31, 1930.

Ten years before the acquisition of the lease of this province by Japan, China had once ceded this territory to Japan in 1895 by the Shimonoseki Treaty as a result of the Sino-Japanese War, but it was restored to China shortly afterwards owing to the intervention of the three European Powers, Russia, France and Germany.

However, the territory was later leased to Russia on March 27, 1898, for a period of 25 years, subject to extension by mutual agreement. It was in 1905 that Japan acquired the lease of Kwantung province by the Treaty of Portsmouth following the Russo-Japanese War, the transfer of this lease having been confirmed by China later.

After this, an agreement was reached in 1915 providing for the extension of this lease to 99 years from the date of the original lease, which means that the lease will remain good until 1997.

The terms of the lease of the South Manchuria Railway line between Dairen and Changchun (now Hsinking) and of the line between Mukden and Antung were also extended to 99 years, and consequently the railway zones along these two lines are to remain under Japanese control until 2002 and 2007 A. D. respectively.

Government The Government of

the Kwantung Leased Territory is a Japanese government organization in charge of the civil administration within the leased territory and also of the supervision of the business of the South Manchuria Railway Company with indirect control over the railway zones.

At present a civilian official is appointed Governor of the Kwantung Leased Territory by the Throne of Japan, but formerly the territory was under military rule, with an army officer as Governor-General of the region.

The system of the Government-General was abolished in 1919 to be replaced by the Government of Kwantung headed by the Governor who is invested with the power to administer jurisdiction over the territory, control the policing of the railway zones and supervise the business of the South Manchuria Railway Company, with additional power to request the Commander of the Kwantung army to co-operate with his troops in case of need.

The present Government of the Kwantung Leased Territory is divided into eight departments including the Governor's Secretariat, the Home Affairs Bureau, the Police Administration Bureau, the Finance Department, the Local Administration Offices, the Courts of Justice, the Procurators' Office and the Communications Bureau.

In addition to these departments, the prisons, the Marine Bureau, the Ryojun Engineering College, the middle schools, the girls' high schools, the Normal School for Natives, the Commercial School for Natives, the Agricultural Schools for Natives, the Police Training School, the Meteorological Observatory, the Government Hospitals, the Agricultural Experimental Station, the Sericultural Experimental Station and several other institutions

in the territory are under direct control of the Government of the Kwantung Leased Territory.

The Finance The expenditure of the Kwantung Government continued to increase until 1929-1930, but in the following year considerable retrenchment was effected owing to the economic depression then prevailing the world over.

To be more exact, the expenditure of this government increased from ¥3,451,487 in 1907-1908 to ¥15,217,555 in 1922-1923, continuing to mount till it reached ¥22,576,468 in 1929-1930, but it dropped to ¥19,870,876 in 1930-1931, increasing again to ¥22,171,316 in the budgetary estimates for 1931-1932.

Of the estimated expenditure for 1930-1931, about ¥5,174,000 was to be expended for the postal, telegraph and telephone services and ¥4,225,000 for the police service. Other important appropriations in-

cluded ¥2,410,000 for educational purposes and ¥2,558,000 for public undertakings.

Justice and Communication In regard to the administration of justice in the Leased Territory, the system of the Courts of Justice was established in 1906 to adjudicate in all civil and criminal cases, irrespective of the nationalities of the persons involved.

The defence of the Leased Territory is secured by a neutral zone along the northern frontier, in which Chinese troops are not permitted to enter without the consent of the Japanese authorities.

The communications system and educational, hygienic and other modern institutions are well organized in the territory. In matters concerning hygiene and sanitation, the Kwantung Government collaborated with the South Manchuria Railway Company.

OBITUARY

Persons who died between the time when the Year Book went to the press and the end of November, 1933, are shown in the following table. The numerals in brackets refer to the pages of the Year Book in which the names occur.

Asaka (Nobuko), Princess	(18)
Hara, Rokuro	(314)
Hirafuku, Hyakusui	(1,019)
Kamino, Shin-ichi	(909)
Katayama, Sen	(164)
Kishi, Sei-ichi	(1,036)
Murayama, Ryuhei	(982)
Nitobé, Inazo	(1,144)
Uehara, Yusaku	(154)

APPENDIX

THE CONSTITUTION

CHAPTER I THE EMPEROR

ARTICLE I The Empire of Japan shall be reigned over and governed by a line of Emperors unbroken for ages eternal.

ARTICLE II The Imperial Throne shall be succeeded to by Imperial male descendants, according to the provisions of the Imperial House Law.

ARTICLE III The Emperor is sacred and inviolable.

ARTICLE IV The Emperor is the head of the Empire, combining in Himself the rights of sovereignty, and exercises them according to the provisions of the present Constitution.

ARTICLE V The Emperor exercises the legislative power with the consent of the Imperial Diet.

ARTICLE VI The Emperor gives sanction to laws, and orders them to be promulgated and executed.

ARTICLE VII The Emperor convokes the Imperial Diet, opens, closes and prorogues it, and dissolves the House of Representatives.

ARTICLE VIII The Emperor, in consequence of an urgent necessity to maintain public safety or to avert public calamities, issues, when the Imperial Diet is not sitting, Imperial Ordinances in the place of law.

Such Imperial Ordinances are to be laid before the Imperial Diet at its next session, and when the Diet does not approve the said Ordinances, the Government shall declare them to be invalid for the future.

ARTICLE IX The Emperor issues, or causes to be issued, the Ordinances necessary for the carrying out of the laws, or for the maintenance of the public peace and order, and for the promotion of the welfare of the subjects. But no Ordinance shall in any way alter any of the existing laws.

ARTICLE X The Emperor determines the organization of the different branches of the administration, and salaries of all civil and military officers, and appoints and dismisses the same. Exceptions especially provided for in the present Constitution or in other laws shall be in accordance with the respective provisions bearing thereon.

ARTICLE XI The Emperor has the supreme command of the Army and Navy.

ARTICLE XII The Emperor determines the organization and peace standing of the Army and Navy.

ARTICLE XIII The Emperor declares war, makes peace, and concludes treaties.

ARTICLE XIV The Emperor declares a state of siege.

The conditions and effects of a state of siege shall be determined by law.

ARTICLE XV The Emperor confers titles of nobility, rank, orders and other marks of honour.

ARTICLE XVI The Emperor orders amnesty, pardon, commutation of punishments and rehabilitation.

ARTICLE XVII A Regency shall be instituted in conformity with the provisions of the Imperial House Law.

The Regent shall exercise the powers appertaining to the Emperor in His name.

CHAPTER II RIGHTS AND DUTIES OF SUBJECTS

ARTICLE XVIII The conditions necessary for being a Japanese subject shall be determined by law.

ARTICLE XIX Japanese subjects may, according to qualifications determined in laws or ordinances, be appointed to civil or military or any other public offices equally.

ARTICLE XX Japanese subjects are amenable to service in the Army or Navy according to the provisions of law.

ARTICLE XXI Japanese subjects are amenable to the duty of paying taxes according to the provisions of law.

ARTICLE XXII Japanese subjects shall have the liberty of abode and of changing the same within the limits of law.

ARTICLE XXIII No Japanese subject shall be arrested, detained, tried or punished, unless according to law.

ARTICLE XXIV No Japanese subject shall be deprived of his right of being tried by the judges determined by law.

ARTICLE XXV Except in the cases provided for in the law, the house of no Japanese subject shall be entered or searched without his consent.

ARTICLE XXVI Except in the cases mentioned in the law, the secrecy of the letters of every Japanese subject shall remain inviolate.

ARTICLE XXVII The right of property of every Japanese subject shall remain inviolate.

Measures necessary to be taken for the public benefit shall be provided for by law.

ARTICLE XXVIII Japanese subjects shall, within limits not prejudicial to peace and order, and not antagonistic to their duties as subjects, enjoy freedom of religious belief.

ARTICLE XXIX Japanese subjects shall, within the limits of law, enjoy the liberty of speech, writing, publication, public meetings and associations.

ARTICLE XXX Japanese subjects may present petitions, by observing the proper forms of respect, and by complying with the rules specially provided for the same.

ARTICLE XXXI The provisions contained in the present chapter shall not affect the exercise of the powers appertaining to the Emperor, in times of war or in cases of a national emergency.

ARTICLE XXXII Each and every one of the provisions contained in the preceding Articles of the present chapter,

that are not in conflict with the laws or the rules and discipline of the Army and Navy, shall apply to the officers and men of the Army and of the Navy.

CHAPTER III

THE IMPERIAL DIET

ARTICLE XXXIII The Imperial Diet shall consist of two Houses, a House of Peers and a House of Representatives.

ARTICLE XXXIV The House of Peers shall, in accordance with the Ordinance concerning the House of Peers, be composed of the members of the Imperial Family, of the orders of nobility, and of those persons who have been nominated thereto by the Emperor.

ARTICLE XXXV The House of Representatives shall be composed of Members elected by the people according to the provisions of the Law of Election.

ARTICLE XXXVI No one can at one and the same time be a Member of both Houses.

ARTICLE XXXVII Every law requires the consent of the Imperial Diet.

ARTICLE XXXVIII Both Houses shall vote upon projects of law submitted to them by the Government, and may respectively initiate projects of law.

ARTICLE XXXIX A Bill which has been rejected by either the one or the other of the two Houses shall not be again brought in during the same session.

ARTICLE XL Both Houses can make representations to the Government as to laws or upon any other subject. When, however, such representations are not accepted, they cannot be made a second time during the same session.

ARTICLE XLI The Imperial Diet shall be convoked every year.

ARTICLE XLII A session of the Imperial Diet shall last during three months. In case of necessity, the duration of a session may be prolonged by Imperial Order.

ARTICLE XLIII When urgent necessity arises, an extraordinary session may be convoked in addition to the ordinary one.

The duration of an extraordinary session shall be determined by Imperial Order.

ARTICLE XLIV The opening, closing, prolongation of session and prorogation of the Imperial Diet, shall be effected simultaneously for both Houses.

In case the House of Representatives has been ordered to dissolve, the House of Peers shall at the same time be prorogued.

ARTICLE XLV When the House of Representatives has been ordered to dissolve, Members shall be caused by Imperial Order to be newly elected, and the new House shall be convoked within five months from the day of dissolution.

ARTICLE XLVI No debate can be opened and no vote can be taken in either House of the Imperial Diet, unless not less than one-third of the whole number of the Members thereof is present.

ARTICLE XLVII Votes shall be taken in both Houses by absolute majority. In the case of a tie vote, the President shall have the casting vote.

ARTICLE XLVIII The deliberations of both Houses shall be held in public. The deliberations may, however, upon demand of the Government or by resolution of the House, be held in secret sitting.

ARTICLE XLIX Both Houses of the Imperial Diet may respectively present addresses to the Emperor.

ARTICLE L Both Houses may receive petitions presented by subjects.

ARTICLE LI Both Houses may enact, besides what is provided for in the present Constitution and in the Law of the Houses, rules necessary for the management of their internal affairs.

ARTICLE LII No Member of either House shall be held responsible outside the respective Houses for any opinion uttered or for any vote given in the House. When, however, a Member himself has given publicity to his opinions by public speech, by documents in print or in writing, or by any other similar means, he shall, in the matter, be amenable to the general law.

ARTICLE LIII The Members of both Houses shall, during the session, be

free from arrest, unless with the consent of the House, except in cases of flagrant delicts, or of offences connected with a state of internal commotion or with a foreign trouble.

ARTICLE LIV The Ministers of State and the Delegates of the Government may, at any time, take seats and speak in either House.

CHAPTER IV

THE MINISTERS OF STATE AND THE PRIVY COUNCIL

ARTICLE LV The respective Ministers of State shall give their advice to the Emperor, and be responsible for it.

All Laws, Imperial Ordinances and Imperial Rescripts of whatever kind, that relate to the affairs of the State, require the countersignature of a Minister of State.

ARTICLE LVI The Privy Councillors shall, in accordance with the provisions for the organization of the Privy Council, deliberate upon important matters of State, when they have been consulted by the Emperor.

CHAPTER V

THE JUDICATURE

ARTICLE LVII The Judicature shall be exercised by the Courts of Law according to law, in the name of the Emperor.

The organization of the Courts of Law shall be determined by law.

ARTICLE LVIII The judges shall be appointed from among those who possess proper qualifications according to law.

No judge shall be deprived of his position, unless by way of criminal sentence or disciplinary punishment.

Rules for disciplinary punishment shall be determined by law.

ARTICLE LIX Trials and judgments of a Court shall be conducted publicly. When, however, there exists any fear, that such publicity may be prejudicial to peace and order, or to the maintenance of public morality, the public trial may be suspended by provision of law or by the decision of the Court of Law.

ARTICLE LX All matters, that fall within the competency of a special Court, shall be specially provided for by law.

ARTICLE LXI No suit at law, which relates to rights alleged to have been infringed by the illegal measures of the administrative authorities, and which shall come within the competency of the Court of Administrative Litigation specially established by law, shall be taken cognizance of by a Court of Law.

CHAPTER VI

FINANCE

ARTICLE LXII The imposition of a new tax or the modification of the rates of an existing one shall be determined by law.

However, all such administrative fees or other revenue having the nature of compensation shall not fall within the category of the above clause.

The raising of national loans and the contracting of other liabilities to the charge of the National Treasury, except those that are provided in the Budget, shall require the consent of the Imperial Diet.

ARTICLE LXIII The taxes levied at present shall, in so far as they are not remodelled by a new law, be collected according to the old system.

ARTICLE LXIV The expenditure and revenue of the State require the consent of the Imperial Diet by means of an annual Budget.

Any and all expenditures overpassing the appropriations set forth in the Titles and Paragraphs of the Budget, or that are not provided for in the Budget, shall subsequently require the approbation of the Imperial Diet.

ARTICLE LXV The Budget shall be first laid before the House of Representatives.

ARTICLE LXVI The expenditures of the Imperial House shall be defrayed every year out of the National Treasury, according to the present fixed amount for the same, and shall not require the consent thereto of the Imperial Diet, except in case an increase thereof is found necessary.

ARTICLE LXVII Those already fix-

ed expenditures based by the Constitution upon the powers appertaining to the Emperor, and such expenditures as may have arisen by the effect of law, or that appertain to the legal obligations of the Government, shall be neither rejected nor reduced by the Imperial Diet, without the concurrence of the Government.

ARTICLE LXVIII In order to meet special requirements, the Government may ask the consent of the Imperial Diet to a certain amount as a Continuing Expenditure Fund, for a previously fixed number of years.

ARTICLE LXIX In order to supply deficiencies, which are unavoidable, in the Budget, and to meet requirements unprovided for in the same, a Reserve Fund shall be provided in the Budget.

ARTICLE LXX When the Imperial Diet cannot be convoked, owing to the external or internal condition of the country, in case of urgent need for the maintenance of public safety, the Government may take all necessary financial measures, by means of an Imperial Ordinance.

In the case mentioned in the preceding clause, the matter shall be submitted to the Imperial Diet at its next session, and its approbation shall be obtained thereto.

ARTICLE LXXI When the Imperial Diet has not voted on the Budget, or when the Budget has not been brought into actual existence, the Government shall carry out the Budget of the preceding year.

ARTICLE LXXII The final account of the expenditures and revenue of the State shall be verified and confirmed by the Board of Audit, and it shall be submitted by the Government to the Imperial Diet, together with the report of verification of the said Board.

The organization and competency of the Board of Audit shall be determined by law separately.

CHAPTER VII

SUPPLEMENTARY RULES

ARTICLE LXXIII When it has become necessary in future to amend the

provisions of the present Constitution, a project to that effect shall be submitted to the Imperial Diet by Imperial Order.

In the above case, neither House can open the debate, unless not less than two-thirds of the whole number of Members are present, and no amendment can be passed, unless a majority of not less than two-thirds of the Members present is obtained.

ARTICLE LXXIV No modification of the Imperial House Law shall be required to be submitted to the deliberation of the Imperial Diet.

No provision of the present Constitution can be modified by the Imperial

House Law.

ARTICLE LXXV No modification can be introduced into the Constitution, or into the Imperial House Law, during the time of a Regency.

ARTICLE LXXVI Existing legal enactments, such as laws, regulations, Ordinances, or by whatever names they may be called, shall, so far as they do not conflict with the present Constitution, continue in force.

All existing contracts or orders, that entail obligations upon the Government, and that are connected with expenditure, shall come within the scope of Art. LXVII.

THE IMPERIAL HOUSE LAW

CHAPTER I

SUCCESSION TO THE IMPERIAL THRONE

ARTICLE I The Imperial Throne of Japan shall be succeeded to by male descendants in the male line of Imperial Ancestors.

ARTICLE II The Imperial Throne shall be succeeded to by the Imperial eldest son.

ARTICLE III When there is no Imperial eldest son, the Imperial Throne shall be succeeded to by the Imperial eldest grandson. When there is neither Imperial eldest son nor any male descendant of his, it shall be succeeded to by the Imperial son next in age, and so on in every successive case.

ARTICLE IV For succession to the Imperial Throne by an Imperial descendant, the one of full blood shall have precedence over descendants of half blood. The succession to the Imperial Throne by the latter shall be limited to those cases only, when there is no Imperial descendant of full blood.

ARTICLE V When there is no Imperial descendant, the Imperial Throne shall be succeeded to by an Imperial brother and by his descendants.

ARTICLE VI When there is no such Imperial brother or descendant of his,

the Imperial Throne shall be succeeded to by an Imperial uncle and by his descendants.

ARTICLE VII When there is neither such Imperial uncle nor descendant of his, the Imperial Throne shall be succeeded to by the next nearest member among the rest of the Imperial Family.

ARTICLE VIII Among the Imperial brothers and the remoter Imperial relations, precedence shall be given, in the same degree, to the descendants of full blood over those of half blood, and to the elder over the younger.

ARTICLE IX When the Imperial heir is suffering from an incurable disease of mind or body, or when any other weighty cause exists, the order of succession may be changed in accordance with the foregoing provisions, with the advice of the Imperial Family Council and with that of the Privy Council.

CHAPTER II

ASCENSION AND CORONATION

ARTICLE X Upon the demise of the Emperor, the Imperial heir shall ascend the Throne, and shall acquire the Divine Treasures of the Imperial Ancestors.

ARTICLE XI The ceremonies of Coronation shall be performed and a Grand Coronation Banquet (Daijosai) shall be

held at Kyoto.

ARTICLE XII Upon an ascension to the Throne, a new era shall be inaugurated, and the name of it shall remain unchanged during the whole reign, in agreement with the established rule of the 1st year of Meiji.

CHAPTER III

MAJORITY. INSTITUTION OF EMPRESS AND OF HEIR-APPARENT

ARTICLE XIII The Emperor, the Kōtaishi and the Kōtaison shall attain their majority at eighteen full years of age.

ARTICLE XIV Members of the Imperial Family, other than those mentioned in the preceding Article, shall attain their majority at twenty full years of age.

ARTICLE XV The son of the Emperor who is Heir-apparent, shall be called "Kōtaishi." In case there is no Kōtaishi, the Imperial grandson who is Heir-apparent, shall be called "Kōtaison."

ARTICLE XVI The institution of Empress and that of Kōtaishi or of Kōtaison shall be proclaimed by an Imperial Rescript.

CHAPTER IV

STYLES OF ADDRESS

ARTICLE XVII The style of address for the Emperor, the Grand Empress Dowager, the Empress Dowager and of the Empress, shall be His, or Her or Your Majesty.

ARTICLE XVIII The Kōtaishi and his consort, the Kōtaison and his consort, the Imperial Princes and their consorts, the Imperial Princesses, the Princes and their consorts, and the Princesses shall be styled His, Her, Their, or Your Highness or Highnesses.

CHAPTER V

REGENCY

ARTICLE XIX When the Emperor is a minor, a Regency shall be instituted.

When He is prevented by some permanent cause from personally governing, a Regency shall be instituted, with the advice of the Imperial Family Council and with that of the Privy Council.

ARTICLE XX The Regency shall be assumed by the Kōtaishi or the Kōtaison, being of full age of majority.

ARTICLE XXI When there is neither Kōtaishi nor Kōtaison, or when the Kōtaishi or the Kōtaison has not yet arrived at his majority, the Regency shall be assumed in the following order:

1. An Imperial Prince or a Prince.
2. The Empress.
3. The Empress Dowager.
4. The Grand Empress Dowager.
5. An Imperial Princess or a Princess.

ARTICLE XXII In case the Regency is to be assumed from among the male members of the Imperial Family, it shall be done in agreement with the order of succession to the Imperial Throne. The same shall apply to the case of female members of the Imperial Family.

ARTICLE XXIII A female member of the Imperial Family to assume the Regency shall be exclusively one who has no consort.

ARTICLE XXIV When, on account of the minority of the nearest related member of the Imperial Family, or for some other cause, another member has to assume the Regency, the latter shall not, upon the arrival at majority of the above mentioned nearest related member, or upon the disappearance of the aforesaid cause, resign his or her post in favour of any person other than of the Kōtaishi or of the Kōtaison.

ARTICLE XXV When a Regent or one who should become such, is suffering from an incurable disease of mind or body, or when any other weighty cause exists therefor, the order of the Regency may be changed, with the advice of the Imperial Family Council and with that of the Privy Council.

CHAPTER VI

THE IMPERIAL GOVERNOR

ARTICLE XXVI When the Emperor is a minor, an Imperial Governor shall

be appointed to take charge of His bringing up and of His education.

ARTICLE XXVII In case no Imperial Governor has been nominated in the will of the preceding Emperor, the Regent shall appoint one, with the advice of the Imperial Family Council and with that of the Privy Council.

ARTICLE XXVIII Neither the Regent nor any of his descendants can be appointed Imperial Governor.

ARTICLE XXIX The Imperial Governor can not be removed from his post by the Regent, unless upon the advice of the Imperial Family Council and upon that of the Privy Council.

CHAPTER VII

THE IMPERIAL FAMILY

ARTICLE XXX The term "Imperial Family" shall include the Grand Empress Dowager, the Empress Dowager, the Empress, the Kōtaishi and his consort, the Kōtaison and his consort, the Imperial Princes and their consorts, the Imperial Princesses, the Princes and their consorts, and the Princesses.

ARTICLE XXXI From Imperial sons to Imperial great-great-grandsons, Imperial male descendants shall be called Imperial Princes; and from Imperial daughters to Imperial great-great-granddaughters, Imperial female descendants shall be called Imperial Princesses. From the fifth generation downwards, they shall be called, male descendants, Princes, female ones, Princesses.

ARTICLE XXXII When the Imperial Throne is succeeded to by a member of a branch line, the title of Imperial Prince or Imperial Princess shall be specially granted to the Imperial brothers and sisters, being already Princes or Princesses.

ARTICLE XXXIII The births, namings, marriages and deaths in the Imperial Family shall be announced by the Minister of the Imperial Household.

ARTICLE XXXIV Genealogical and other records relating to the matters mentioned in the preceding Article shall be kept in the Imperial archives.

ARTICLE XXXV The members of the Imperial Family shall be under

the control of the Emperor.

ARTICLE XXXVI When a Regency is instituted, the Regent shall exercise the power of control referred to in the preceding Article.

ARTICLE XXXVII When a member, male or female, of the Imperial Family is a minor and has been bereft of his or her father, the officials of the Imperial Court shall be ordered to take charge of his or her bringing up and education. Under certain circumstances, the Emperor may either approve the guardian chosen by his or her parent, or may nominate one.

ARTICLE XXXVIII The guardian of a member of the Imperial Family must be himself a member thereof and of age.

ARTICLE XXXIX Marriages of members of the Imperial Family shall be restricted to the circle of the Family, or to certain noble families specially approved by Imperial Order.

ARTICLE XL Marriages of the members of the Imperial Family shall be subject to the sanction of the Emperor.

ARTICLE XLI The Imperial writs sanctioning the marriages of members of the Imperial Family shall bear the countersignature of the Minister of the Imperial Household.

ARTICLE XLII No member of the Imperial Family can adopt any one as his son.

ARTICLE XLIII When a member of the Imperial Family wishes to travel beyond the boundaries of the Empire, he shall first obtain the sanction of the Emperor.

ARTICLE XLIV A female member of the Imperial Family, who has married a subject, shall be excluded from membership of the Imperial Family. However, she may be allowed, by the special grace of the Emperor, to retain her title of Imperial Princess or of Princess, as the case may be.

CHAPTER VIII

IMPERIAL HEREDITARY ESTATES

ARTICLE XLV No landed or other property that has been fixed as the Imperial Hereditary Estates shall be divided up and alienated.

ARTICLE XLVI The landed and other property to be included in the Imperial Hereditary Estates shall be settled by Imperial writ, with the advice of the Privy Council, and shall be announced by the Minister of the Imperial Household.

CHAPTER IX

EXPENDITURES OF THE IMPERIAL HOUSE

ARTICLE XLVII The expenditures of the Imperial House of all kinds shall be defrayed out of the National Treasury at a certain fixed amount.

ARTICLE XLVIII The estimates and audit of accounts of the expenditures of the Imperial House and all other rules of the kind shall be regulated by the Finance Regulations of the Imperial House.

CHAPTER X

LITIGATIONS. DISCIPLINARY RULES FOR THE MEMBERS OF THE IMPERIAL FAMILY

ARTICLE XLIX Litigation between members of the Imperial Family shall be decided by judicial functionaries specially designated by the Emperor to the Department of the Imperial Household, and execution issued, after Imperial sanction thereto has been obtained.

ARTICLE L Civil actions brought by private individuals against members of the Imperial Family, shall be decided in the Court of Appeal in Tokyo. Members of the Imperial Family shall, however, be represented by attorneys, and no personal attendance in the Court shall be done in agreement with the

ARTICLE LI No member of the Imperial Family can be arrested, or summoned before a Court of Law, unless the sanction of the Emperor has been first obtained thereto.

ARTICLE LII When a member of the Imperial Family has committed an act derogatory to his (or her) dignity, or when he has exhibited disloyalty to the Imperial House, he shall, by way of disciplinary punishment and by order of the Emperor, be deprived of the

whole or a part of the privileges belonging to him as a member of the Imperial Family, or shall be suspended therefrom.

ARTICLE LIII When a member of the Imperial Family acts in a way tending to the squandering of his (or her) property, he shall be pronounced incapable by the Emperor, prohibited from administering his property, and a manager shall be appointed therefor.

ARTICLE LIV The two foregoing Articles shall be enforced upon the advice of the Imperial Family Council.

CHAPTER XI

THE IMPERIAL FAMILY COUNCIL

ARTICLE LV The Imperial Family Council shall be composed of the male members of the Imperial Family, who have reached the age of majority. The Lord Keeper of the Privy Seal, the President of the Privy Council, the Minister of the Imperial Household, the Minister of State for Justice and the President of the Court of Cassation shall be ordered to take part in the deliberations of the Council.

ARTICLE LVI The Emperor personally presides over the meeting of the Imperial Family Council, or directs one of the members of the Imperial Family to do so.

CHAPTER XII

SUPPLEMENTARY RULES

ARTICLE LVII Those of the present members of the Imperial Family of the fifth generation and downwards, who have already been invested with the title of Imperial Prince, shall retain the same as heretofore.

ARTICLE LVIII The order of succession to the Imperial Throne shall in every case relate to the descendants of absolute lineage. There shall be no admission to this line of succession for any one, as a consequence of his being an adopted Imperial son, Koyushi or heir to a princely house.

ARTICLE LIX The grades of rank among the Imperial Princes, Imperial Princesses, Princes and Princesses shall

be abolished.

ARTICLE LX The family rank of Imperial Princes and all usages conflicting with the present Law shall be abolished.

ARTICLE LXI The property, annual expenses and all other rules concerning the members of the Imperial Family shall be specially determined.

ARTICLE LXII When in the future it shall become necessary either to amend or make additions to the present Law, the matter shall be decided by the Emperor, with the advice of the Imperial Family Council, and with that of the Privy Council.

A SUPPLEMENT TO THE IMPERIAL HOUSE LAW

(February 11, 1907)

ARTICLE I A Prince may be granted a family name and be caused to join the order of nobility by Imperial Order or through a petition.

ARTICLE II A Prince may become, by obtaining the sanction of the Emperor, the successor to the headship of a noble family, or be adopted into a noble family, with the object of succeeding to its headship.

ARTICLE III The wife and direct descendants of a Prince, who has, in accordance with the two preceding Articles, become a subject, and the wives of such descendants, enter such subject's family. This rule does not apply, however, to females married to other members of the Imperial Family and the direct descendants of such females.

ARTICLE IV A member of the Imperial Family, who has been deprived of

its privileges may, by Imperial order, be caused to descend to the status of subject.

ARTICLE V The cases provided for in Articles I, II, and IV (of the supplementary law) shall be subject to the advice of the Imperial Family Council and that of the Privy Council.

ARTICLE VI A member of Imperial Family who has become a subject can not be restored into the Imperial Family.

ARTICLE VII Regulations relating the personal status and other rights and duties of members of the Imperial Family, shall be especially determined besides those prescribed in the present Law.

The regulations referred to in the preceding clause apply when a member of the Imperial Family and a private individual are parties to a matter, concerning which different rules are provided to apply to such parties respectively.

ARTICLE VIII Provisions in Laws and Ordinances, which are set down as applicable to members of the Imperial Family, shall be applicable only when there are no special provisions in the present Law or in Regulations that may be issued in conformity with the present Law.

A SUPPLEMENT TO THE IMPERIAL HOUSE LAW

(November 28, 1918)

A female member of the Imperial Family may marry a Prince of the principal House or of the branch Houses of the Ri Family.

LIST OF EMPERORS

Emperor	Duration of Reign	Year name	Emperor	Duration of Reign	Year name
Jimmu	(B. C.) 660-531	—	Sujin	97-29	—
Suisei	581-548	—	Suinin	29-71	—
Annei	548-510	—	Keiko	(A. D.) 71-131	—
Itoku	510-475	—	Seimu	131-192	—
Kosho	475-392	—	Chuai	192-201	—
Koan	392-290	—	(Jingo, Regent)	201-270	—
Korei	290-214	—	Ojin	270-313	—
Kogen	214-157	—	Nintoku	313-400	—
Kaika	157-97	—			

Emperor	Duration of Reign	Year name	Emperor	Duration of Reign	Year name
Richu	400-406	—	Enyu	960-984	Tenroku, Tenmei, Teigen, Tengen, Eikan
Hansei	406-412	—	Kazan	984-986	Kanwa
Ingyo	412-453	—	Ichijo	986-1011	Eien, Eisho, Shoreki, Chotoku, Chuhō, Kanko
Anko	453-456	—	Sanjo	1011-1016	Chowa
Yuryaku	456-480	—	Goichijo	1016-1036	Kannin, Jiat, Manju, Chogen
Seinei	480-485	—	Geshujaku	1036-1045	Choreki, Chokyo, Kantoku
Kenso	485-488	—	Goreizei	1045-1068	Eisho, Tenki, Kohai, Jireki
Ninken	488-499	—	Gosanjo	1068-1072	Enkyu
Buretsu	499-507	—	Shirakawa	1072-1086	Shoho, Shoreki, Eiho, Otoku
Keitai	507-531	—	Horikawa	1086-1107	Kanji, Kaho, Eichō, Shotoku, Kowa, Choji, Kasho
Ankan	531-535	—	Toba	1107-1123	Tennin, Ten-ai, Eikyū, Gen-ei, Hoan
Senka	535-539	—	Sutoku	1123-1141	Tenji, Taiji, Tensho, Chosho, Hoen, Eiji
Kimmei	539-572	—	Konoyé	1141-1155	Koji, Ten-yo, Kyuan, Nimpei, Kyuju
Bitatsu	572-585	—	Goshirakawa	1155-1158	Hogen
Yomei	585-587	—	Nijo	1158-1165	Heiji, Eireki, Oko, Chokan, Eiman
Sushun	587-592	—	Rokujo	1165-1168	Nin-an
Suiko	592-629	—	Takakura	1168-1180	Kao, Sho-an, Angen, Jisho
(Empress)			Antoku	1180-1185	Yowa, Juei, Genryaku, Bunji
Jomei	629-642	—	Gotoba	1185-1198	Kenkyu
Kogyoku	642-645	—	Tsuchimikado	1198-1210	Seiji, Kennin, Genkyu, Ken-ei, Shogen
(Empress)			Juntoku	1210-1211	Kenreki, Kenho, Shokyu
Kotoku	645-655	Taika, Hakuchi	Chukyo	1211-1221	Shokyu
Saimei	655-661	—	Gohorikawa	1221-1232	Telo, Gennin, Karoku, Antei, Kanki, Teiei
(Empress)			Shijo	1232-1242	Tempuku, Bunreki, Katei, Rekinin, En-o, Ninji
Tenchi	661-671	—	Gosaga	1242-1246	Kangen
Kobun	671-673	—	Gofukakusa	1246-1259	Hoji, Kencho, Eogen, Shoka, Shogen
Temmu	673-686	Sujaku	Kameyama	1259-1274	Bun-o, Kocha, Bun-ei
Jito (Empress)	686-697	—	Gouda	1274-1287	Kenji, Koan
Mommu	697-707	Taiho, Keiun	Fushimi	1287-1298	Seio, Einin
Gemmyo	707-715	Wado	Gofushimi	1298-1301	Seian
(Empress)			Gonijo	1301-1308	Kangen, Kagen, Tokuji, Enkei
Gensho	715-724	Reiki, Yoro	Hanazono	1308-1318	Keicho, Seiwa, Bunho
(Empress)			Godaigo	1318-1333	Gen-o, Genkyo, Seichu, Kayeki, Gentoku, Genko, Kemmu, Engen
Shomu	724-749	Jinki, Tempyo	Gomurakami	1333-1363	Kokoku, Shobei
Koken	749-758	Tempyokanho, Tempyoshoho, Tempyohou	Chokei	1363-1383	Kentoku, Buncho, Tenju, Kowa
(Empress)			Gokameyama	1383-1392	Genchu
Junnin	758-764	—	Gokomatsu	1392-1412	Meitoku, Oei
Shotoku	764-770	Tempyoshingo, Shingokeiun	Shoko	1412-1423	Seicho
(Empress)					
Konin	770-781	Hoki			
Kammu	781-806	Ten-o, Enryaku			
Heizei	806-809	Daido			
Saga	809-823	Konin			
Junna	823-833	Tencho			
Nimmyo	833-850	Showa, Kashō			
Montoku	850-858	Ninju, Seiko, Tenan			
Seiwa	858-876	Jokan			
Yozai	876-884	Genkei			
Koko	884-887	Ninna			
Uda	887-897	Kampeii			
Daigo	897-930	Shotai, Engi			
Shujaku	930-946	Shohei, Tenkei			
Murakami	946-967	Tenyeki, Tentoku, Keiwa, Koho			
Reizei	967-969	Anwa			

Emperor	Duration of Reign	Year name	Emperor	Duration of Reign	Year name
Gohanzono	1428-1454	Eikyo, Kakitsu, Bun-an, Hotoku, Kyotoku, Kosei, Choroku, Kansei	Reigen	1663-1687	Enho, Tenwa, Teikyo
Gotsuchimikado	1464-1500	Bunsei, Onin, Bummei, Chokyo, Entoku, Meio	Higashiyama	1687-1709	Genroku, Hoei
Gokashiwabara	1500-1526	Bunki, Eisei, Tai-ei	Nakamikado	1709-1735	Shotoku, Kyoho
Gonara	1526-1557	Kyoreku, Temmon, Koji	Sakuramachi	1735-1747	Genbun, Kanho, Enkyo
Ogimachi	1557-1586	Eitoku, Genki, Tensho	Momozono	1747-1762	Kan-en, Horeki
Goyozai	1586-1611	Bunroku, Keicho	Gosakuramachi (Empress)	1762-1770	Meiwa
Gomidzuno-o	1611-1629	Genna, Kan-ei	Gomomozono	1770-1779	An-ei
Myojo (Empress)	1629-1643	Kan-ei	Kokaku	1779-1817	Temmei, Kansei, Kyowa, Bunka
Gokomyo	1643-1654	Shoho, Keian, Sho-o	Ninko	1817-1846	Bunsei, Tempo, Koka
Gosain	1654-1663	Meireki, Manji, Kanbun	Komei	1846-1867	Kaei, Ansei, Man-en, Bunkyo, Ganji, Keio
			Meiji	1867-1912	Meiji
			Taisho	1912-1926	Taisho
			Present Emperor	1926—	Showa

TREATY FOR THE RENUNCIATION OF WAR

Signed at Paris, August 26, 1929

ARTICLE I The High Contracting Parties solemnly declare in the name of their respective peoples that they condemn recourse to war for the solution of international controversies, and renounce it as an instrument of national policy in their relations with one another.

ARTICLE II The High Contracting Parties agree that the settlement or solution of all disputes or conflicts of whatever nature or of whatever origin they may be, which may arise among them, shall never be sought except by pacific means.

ARTICLE III The present Treaty shall be ratified by the High Contracting Parties named in the Preamble in accordance with their respective constitutional requirements, and shall take effect as between them as soon as all their several instruments of ratification shall have been deposited at Washington.

This Treaty shall, when it has come into effect as prescribed in the preceding paragraph, remain open as long as may be necessary for adherence by all the other Powers of the world. Every instrument evidencing the adherence of a Power shall be deposited at Washington and the Treaty shall immediately upon such deposit become effective as between the Power thus adhering and the other Powers parties hereto.

It shall be the duty of the Government of the United States to furnish each Government named in the Preamble and every Government subsequently adhering to this Treaty with a certified copy of the Treaty and of every instrument of ratification or adherence. It shall also be the duty of the Government of the United States telegraphically to notify such Governments immediately upon the deposit with it of each instrument of ratification or adherence.

TREATY BETWEEN THE NINE POWERS CONCERNING CHINA

Signed at Washington February 6, 1922

ARTICLE I The Contracting Powers, other than China, agree:

(1) To respect the sovereignty, the independence, and the territorial and

administrative integrity of China;

(2) To provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government;

(3) To use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations through the territory of China;

(4) To refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of friendly States, and from countenancing action inimical to the security of such States.

ARTICLE II The Contracting Powers agree not to enter into any treaty, agreement, arrangement, or understanding, either with one another, or individually or collectively, with any Power or Powers, which would infringe or impair the principles stated in Article I.

ARTICLE III With a view to applying more effectually the principles of the Open Door or equality of opportunity in China for the trade and industry of all nations, the Contracting Powers, other than China, agree that they will not seek, nor support their respective nationals in seeking:—

(a) any arrangement which might purport to establish in favour of their interest any general superiority of rights with respect to commercial or economic development in any designated region of China;

(b) any such monopoly or preference as would deprive the nationals of any other Power of the right of undertaking any legitimate trade or industry in China, or of participating with the Chinese Government, or with any local authority, in any category of public enterprise, or which by reason of its scope, duration or geographical extent is calculated to frustrate the practical application of the principle of equal opportunity.

It is understood that the foregoing stipulations of this Article are not to be so construed as to prohibit the acquisition of such properties or rights as may be necessary to the conduct of a particular commercial, industrial, or financial undertaking or to the encourage-

ment of invention and research.

China undertakes to be guided by the principles stated in the foregoing stipulations of this Article in dealing with applications for economic rights and privileges from Governments and nationals of all foreign countries, whether parties to the present Treaty or not.

ARTICLE IV The Contracting Powers agree not to support any agreements by their respective nationals with each other designed to create Spheres of Influence or to provide for the enjoyment of mutually exclusive opportunities in designated parts of Chinese territory.

ARTICLE V China agrees that, throughout the whole of the railways in China, she will not exercise or permit unfair discrimination of any kind. In particular there shall be no discrimination whatever, direct or indirect, in respect of charges or of facilities on the ground of the nationality of passengers or the countries from which or to which they are proceeding, or the origin or ownership of goods or the country from which or to which they are consigned, or the nationality or ownership of the ship or other means of conveying such passengers or goods before or after their transport on the Chinese Railways.

The Contracting Powers, other than China, assume a corresponding obligation in respect of any of the aforesaid railways over which they or their nationals are in a position to exercise any control in virtue of any concession, special agreement or otherwise.

ARTICLE VI The Contracting Powers, other than China, agree fully to respect China's rights as a neutral in time of war to which China is not a party; and China declares that when she is a neutral she will observe the obligations of neutrality.

ARTICLE VII The Contracting Powers agree that, whenever a situation arises which in the opinion of any one of them involves the application of the stipulations of the present Treaty, and renders desirable discussion of such application, there shall be full and frank communication between the Contracting Powers concerned.

ARTICLE VIII Powers not signatory to the present Treaty, which have Governments recognized by the Signatory Powers and which have treaty relations with China, shall be invited to adhere to the present Treaty. To this end the Government of the United States will

make necessary communications to non-signatory Powers and will inform the Contracting Powers of the replies received. Adherence by any Power shall become effective on receipt of notice thereof by the Government of the United States.

TREATY BETWEEN THE FOUR POWERS CONCERNING THEIR INSULAR POSSESSIONS AND INSULAR DOMINIONS IN THE REGION OF THE PACIFIC OCEAN

Signed at Washington December 13, 1921

AND

SUPPLEMENTARY AGREEMENT

Signed at Washington, February 6, 1922

I

The High Contracting Parties agree as between themselves to respect their rights in relation to their insular possessions and insular dominions in the region of the Pacific Ocean.

If there should develop between any of the High Contracting Parties a controversy arising out of any Pacific question and involving their said rights which is not satisfactorily settled by diplomacy and is likely to affect the harmonious accord now happily subsisting between them, they shall invite the other High Contracting Parties to a joint conference to which the whole subject will be referred for consideration and adjustment.

II

If the said rights are threatened by the aggressive action of any other Power, the High Contracting Parties shall communicate with one another fully and frankly in order to arrive at an understanding as to the most efficient measures to be taken, jointly or separately, to meet the exigencies of the particular situation.

III

This Treaty shall remain in force for ten years from the time it shall take effect, and after the expiration of said period it shall continue to be in force subject to the right of any of the High Contracting Parties to terminate it upon twelve months' notice.

IV

This Treaty shall be ratified as soon as possible in accordance with the constitutional methods of the High Contracting Parties and shall take effect on the deposit of ratifications, which shall take place at Washington, and thereupon the agreement between Great Britain and Japan, which was concluded at London on July 13, 1911, shall terminate. The Government of the United States will transmit to all the Signatory Powers a certified copy of the proces-verbal of the deposit of ratifications.

The present Treaty, in French and in English, shall remain deposit in the archives of the Government of the United States, and duly certified copies thereof will be transmitted by that Government to each of the Signatory Powers.

TREATY BETWEEN JAPAN AND THE UNITED STATES
OF AMERICA CONCERNING THE ISLAND OF YAP
AND OTHER MANDATED ISLANDS SITUATED
IN THE PACIFIC OCEAN AND LYING
NORTH OF THE EQUATOR

Signed at Washington, February 11, 1922

Considering that by Article 119 of the Treaty of Versailles, signed on June 28, 1919, Germany renounced in favour of the Powers described in that Treaty as the Principal Allied and Associated Powers, to wit, the United States of America, the British Empire, France, Italy and Japan, all her rights and titles over her overseas possessions;

Considering that the benefits accruing to the United States under the aforesaid Article 119 of the Treaty of Versailles were confirmed by the Treaty between the United States and Germany, signed on August 25, 1921, to restore friendly relations between the two nations;

Considering that the said four Powers, to wit, the British Empire, France, Italy and Japan, have agreed to confer upon His Majesty the Emperor of Japan a mandate, pursuant to the Treaty of Versailles, to administer the groups of the former German islands in the Pacific Ocean lying north of the Equator, in accordance with the following provisions:

ARTICLE I The islands over which a Mandate is conferred upon His Majesty the Emperor of Japan (hereinafter called the Mandatory) comprise all the former German islands situated in the Pacific Ocean and lying north of the Equator;

ARTICLE II The Mandatory shall have full power of administration and legislation over the territory subject to the present Mandate as an integral portion of the Empire of Japan, and may apply the laws of the Empire of Japan to the territory, subject to such local modifications as circumstances may require;

The Mandatory shall promote to the

utmost the material and moral well-being and the social progress of the inhabitants of the territory subject to the present Mandate;

ARTICLE III The Mandatory shall see that the slave trade is prohibited and that no forced labour is permitted, except for essential public works and services, and then only for adequate remuneration;

The Mandatory shall also see that the traffic in arms and ammunition is controlled in accordance with principles analogous to those laid down in the Convention relating to the control of the arms traffic, signed on September 10th, 1919, or in any convention amending same;

The supply of intoxicating spirits and beverages to the natives shall be prohibited;

ARTICLE IV The military training of the natives, otherwise than for purpose of internal police and the local defence of the territory, shall be prohibited. Furthermore, no military or naval bases shall be established or fortifications erected in the territory;

ARTICLE V Subject to the provisions of any local law for the maintenance of public order and public morals, the Mandatory shall ensure in the territory freedom of conscience and the free exercise of all forms of worship, and shall allow all missionaries, nationals of any State Member of the League of Nations, to enter into, travel and reside in the territory for the purpose of prosecuting their calling;

ARTICLE VI The Mandatory shall make to the Council of the League of Nations an annual report to the satisfaction of the Council, containing full information with regard to the territory, and indicating the measures taken

to carry out the obligations assumed under Articles 2, 3, 4, and 5;

ARTICLE VII The consent of the Council of the League of Nations is required for any modification of the terms of the present mandate;

The Mandatory agrees that, if any dispute whatever should arise between the Mandatory and another member of the League of Nations relating to the interpretation or the application of the provision of the Mandate, such dispute, if it cannot be settled by negotiation, shall be submitted to the Permanent Court of International Justice provided for by Article 14 of the Covenant of the League of Nations;

Considering that the United States did not ratify the Treaty of Versailles and did not participate in the agreement respecting the aforesaid Mandate;

Desiring to reach a definite understanding with regard to the rights of the two governments and their respective nationals in the aforesaid islands, and in particular the Island of Yap, have resolved to conclude a Convention for that purpose and to that end have named as their Plenipotentiaries:

His Majesty the Emperor of Japan: Baron Kijuro Shidehara, His Majesty's Ambassador Extraordinary and Plenipotentiary at Washington; and

The President of the United States of America: Charles Evans Hughes, Secretary of State of the United States of America;

Who, after having communicated to each other their respective full powers, found to be in good and due form, have agreed as follows:

ARTICLE I Subject to the provisions of the present Convention, the United States consents to the administration by Japan, pursuant to the aforesaid Mandate, of all the former German islands in the Pacific Ocean, lying north of the Equator.

ARTICLE II The United States and its nationals shall receive all the benefits of the engagements of Japan, defined in Articles 3, 4 and 5 of the aforesaid Mandate, notwithstanding the fact that the United States is not a Member of the League of Nations.

It is further agreed between the High Contracting Parties as follows:

(1) Japan shall insure in the islands complete freedom of conscience and the free exercise of all forms of worship which are consonant with public order and morality; American missionaries of all such religions shall be free to enter the islands and to travel and reside therein, to acquire and possess property, to erect religious buildings and to open schools throughout the islands; it being understood, however, that Japan shall have the right to exercise such control as may be necessary for the maintenance of public order and good government and to take all measures required for such control.

(2) Vested American property rights in the mandated islands shall be respected and in no way impaired;

(3) Existing treaties between the United States and Japan shall be applicable to the mandated islands;

(4) Japan will address to the United States a duplicate of the annual report on the administration of the Mandate to be made by Japan to the Council of the League of Nations;

(5) Nothing contained in the present Convention shall be affected by any modification which may be made in the terms of the Mandate as recited in the Convention, unless such modification shall have been expressly assented to by the United States.

ARTICLE III The United States and its nationals have free access to the Island of Yap on a footing of entire equality with Japan or any other nation and their respective nationals in all that relates to the landing and operation of the existing Yap-Guam cable or of any cable which may hereafter be laid or operated by the United States or by its nationals connecting with the Island of Yap.

The rights and privileges embraced by the preceding paragraph shall also be accorded to the Government of the United States and its nationals with respect to radio-telegraphic communication; provided, however, that so long as the Government of Japan shall maintain on the Island of Yap an adequate radio-telegraphic station, cooperating effectively with the cables and with other radio stations on ships or on shore, without discriminatory ex-

actions or preferences, the exercise of the right to establish radio-telegraphic stations on the Island by the United States or its nationals shall be suspended.

ARTICLE IV In connection with the rights embraced by Article III, specific rights, privileges and exemptions, in so far as they relate to electrical communications, shall be enjoyed in the Island of Yap by the United States and its nationals in terms as follows:

(1) Nationals of the United States shall have the unrestricted right to reside in the Island, and the United States and its nationals shall have the right to acquire and hold on a footing of entire equality with Japan or any other nation or their respective nationals all kinds of property and interests, both personal and real, including lands, buildings, residences, offices, works and appurtenances.

(2) Nationals of the United States shall not be obliged to obtain any permit or license in order to be entitled to land and operate cables on the Island, or to establish radio-telegraphic service, subject to the provisions of Article 3, or to enjoy any of the rights and privileges embraced by this Article and by Article 3.

(3) No censorship or supervision shall be exercised over cable or radio messages or operations.

(4) Nationals of the United States shall have complete freedom of entry and exit in the Island for their persons and property.

(5) No taxes, port, harbour, or landing charges or exactions of any nature whatsoever, shall be levied either with respect to the operation of cables or radio stations, or with respect to property, persons or vessels.

(6) No discriminatory police regulations shall be enforced.

(7) The Government of Japan will exercise its power of expropriation in the Island to secure to the United States or its nationals needed property and facilities for the purpose of electrical communications if such property or facilities cannot otherwise be obtained.

It is understood that the location and the area of land so to be expropriated shall be arranged between the two Governments according to the requirements of each case. Property of the United States or of its nationals and facilities for the purpose of electrical communication in the Island shall not be subject to expropriation.

NOTIFICATION OF THE JAPANESE GOVERNMENT TO THE LEAGUE OF NATIONS

Made Public March 27, 1932

The Japanese Government believe that the national policy of Japan, which has for its aim to insure the peace of the Orient and thereby to contribute to the cause of peace throughout the world, is identical in spirit with the mission of the League of Nations, which is to achieve international peace and security. It has always been with pleasure, therefore, that this country has for thirteen years past, as an original Member of the League, and a permanent Member of its Council, extended a full measure of co-operation with her fellow-Members towards the attainment of its high purpose. It is indeed a matter of historical fact that Japan has continuously par-

ticipated in the various activities of the League with a zeal not inferior to that exhibited by any other nation. At the same time, it is and has always been the conviction of the Japanese Government that in order to render possible the maintenance of peace in various regions of the world, it is necessary in existing circumstances to allow the operation of the Covenant of the League to vary in accordance with the actual conditions prevailing in each of those regions. Only by acting on this just and equitable principle can the League fulfil its mission and increase its influence.

Acting on this conviction, the Japanese

Government, ever since the Sino-Japanese dispute was, in September, 1931, submitted to the League, have, at meetings of the League and on other occasions, continually set forward a consistent view. This was, that if the League was to settle the issue fairly and equitably, and to make a real contribution to the promotion of peace in the Orient, and thus enhance its prestige, it should acquire a complete grasp of the actual conditions in this quarter of the globe and apply the Covenant of the League in accordance with these conditions. They have repeatedly emphasized and insisted upon the absolute necessity of taking into consideration the fact that China is not an organized State,—that its internal conditions and external relations are characterized by extreme confusion and complexity, and by many abnormal and exceptional features,—and that, accordingly, the general principles and usages of International Law which govern the ordinary relations between nations are found to be considerably modified in their operation so far as China is concerned, resulting in the quite abnormal and unique international practices which actually prevail in that country.

However, the majority of the Members of the League evinced in the course of its deliberations during the past seventeen months a failure either to grasp these realities or else to face them and take them into proper account. Moreover, it has frequently been made manifest in these deliberations that there exist serious differences of opinion between Japan and these Powers concerning the application and even the interpretation of various international engagements and obligations including the Covenant of the League and the principles of International Law. As a result, the Report adopted by the Assembly at the special session of 24 February last, entirely misapprehending the spirit of Japan, pervaded as it is by no other desire than the maintenance of peace in the Orient, contains gross errors both in the ascertainment of facts and in the conclusions deduced. In as-

serting that the action of the Japanese Army at the time of the Incident of 18 September and subsequently did not fall within the just limits of self-defence, the Report assigned no reasons and came to an arbitrary conclusion, and in ignoring alike the state of tension which preceded, and the various aggravations which succeeded, the Incident—for all of which the full responsibility is incumbent upon China—the Report creates a source of fresh conflict in the political arena of the Orient. By refusing to acknowledge the actual circumstances that led to the foundation of Manchoukuo, and by attempting to challenge the position taken up by Japan in recognizing the new State, it cuts away the ground for the stabilization of the Far Eastern situation. Nor can the terms laid down in its recommendations—as was fully explained in the Statement issued by this Government on 25 February last—ever be of any possible service in securing enduring peace in these regions.

The conclusion must be that in seeking a solution of the question the majority of the League have attached greater importance to upholding inapplicable formulae than to the real task of assuring peace, and higher value to the vindication of academic thesis than to the eradication of the sources of future conflict. For these reasons, and because of the profound differences of opinion existing between Japan and the majority of the League in their interpretation of the Covenant and of other treaties, the Japanese Government have been led to realize the existence of an irreconcilable divergence of views, dividing Japan and the League on policies of peace, and especially as regards the fundamental principles to be followed in the establishment of a durable peace in the Far East. The Japanese Government, believing that in these circumstances there remains no room for further co-operation, hereby give notice, in accordance with the provisions of Article 1, Paragraph 3, of the Covenant, of intention of Japan to withdraw from the League of Nations.

STATEMENT OF THE JAPANESE GOVERNMENT
IN VIRTUE OF PARAGRAPH 5 OF ARTICLE
15 OF THE COVENANT OF THE LEAGUE

February 25, 1933

PART I

Japan's co-operation with the League
of Nations

Japan has taken the greatest interest in the development and success of the League from the days of its inception. Her successive governments have extended to it for nearly fourteen years their hearty co-operation, and her statesmen have devoted their best efforts to the extension of its influence and the enhancement of its prestige. Japan takes pride in recalling the active participation of her representatives in the work of the League. As an original and permanent Member of the Council, she has had many opportunities of co-operation in its beneficent activities, and of these opportunities she has fully availed herself. She regards the League as a most powerful instrument for the good of humanity; and she is only anxious, in the interest of this great experiment in the establishment of universal peace, that the Members of the League shall fully appreciate the situation in the Far East and deal with it in a practical way rather than by formulae and principles.

The present dispute was first brought by China to the consideration of the Council of the League of Nations under Article 11 of the Covenant in September, 1931. In spite of the fact that Japan in this case was obliged to act solely in self-defence against aggression on the part of China, Japan, from the very beginning, has spared no effort in explaining to the League the facts and background of this unfortunate incident, and at the same time, she has constantly, and without waiting for the Resolution passed by the Council on September 30, endeavoured as far as possible not to aggravate the situation. Japan has also from time to time communicated to the League all information relative to the development of the situation, so that the League might be enabled to understand

the actual conditions prevailing in the Far East.

Unfortunately, however, the condition of Manchuria showed no immediate improvement in the matter of peace and order, owing to the continued activities of Chang Hsueh-liang, while the feelings of the Chinese and the Japanese peoples became further strained, with the result that there was no possibility of withdrawing the Japanese troops within the Railway Zone under the then existing circumstances. When the Council met again in October, Japan realized the importance of allaying the excited national feelings of the two peoples as the first essential condition of securing the safety of the lives and property of Japanese subjects and of making possible the withdrawal of the Japanese troops. She was convinced that for this purpose, it was necessary for the two parties concerned to pave the way for direct negotiations, with the object of restoring normal relations between the two countries. Japan took pains to explain this view to the President and certain Members of the Council, but proposal to initiate direct negotiations was not accepted.

Moreover, the Council formed a plan to invite a representative of the United States, a non-Member State of the League, to participate in its deliberations as an observer. To this proposition Japan raised an objection, contending that participation in the proceedings of the Council by a state not a Member of the League is contrary to its constitution, but the other Members of the Council insisted on regarding the step as a mere matter of procedure, and they invited a United States observer to the Council. Japan remained convinced that this was a matter which concerned the constitution of the League and that the action of the majority constituted a clear case of the violation of the Covenant. It became apparent that if the opinion of her fellow-members was

that such an important matter of substance could be decided by a majority as a mere matter of procedure, she had ratified the Covenant under an error. However, owing to her strong desire to uphold the cause of the League, she continued to participate in the activities of the Council.

The discrepancy between the views of the other Members of the League and those entertained by Japan arose from a lack of understanding of the Far Eastern situation on the part of the League. In her desire to assist the League and to maintain its legitimate influence and usefulness, Japan proposed at the Council meeting held in November, 1931, that the League should dispatch a Commission of Enquiry to China so that its Members might be able to understand fully the actual conditions prevailing in that country. This proposal was adopted by the Council in its Resolution of December 10.

The Commission of Enquiry headed by Lord Lytton reached China in March, 1932, by way of Japan and entered Manchoukuo in April. Japan rendered every facility to the Commission in order to assist its investigations. Through the establishment of the new State of Manchoukuo, especial difficulty was encountered in the matter of the entrance of the Chinese Assessor into the territory of that State. Japan therefore exerted her good offices with Manchoukuo in order to smooth over this difficulty, and enabled the Commission to carry out its investigations.

The Report of the Commission of Enquiry was made public on October 1, 1932. On account of the brief period allowed for the investigation of the Commission, much remained to be desired for the Report to claim to present a true picture of the actual condition of China. Accordingly, Japan, on November 18 last, handed to the League her Observations on the Lytton Report in order to provide it with accurate materials for coming to a fair conclusion on the questions involved.

The Lytton Report was the subject of deliberation by the Council from November 21, and by the Assembly from December 6, 1932. The Committee of Nineteen appointed by the Assembly without the concurrence of Japan draft-

ed on December 15 a Resolution and a Statement of Reasons concerning the procedure to be followed in performing the duty of conciliation which devolved upon that body in accordance with Paragraph 3, Article 15 of the Covenant. Japan proposed the deletion from the Draft Resolution of passages regarding the participation of states which were not members of the League, and also the modification of certain points relating to the proposed Committee of Conciliation as well as the entire deletion of the last paragraph of the Statement of Reasons, which declared in particular that the maintenance and recognition of the present régime in Manchuria could not be considered as solution.

At the same time, considering that Paragraph 3 of Article 15 represents the final resort provided for in the Covenant for conciliatory solution of a dispute, Japan endeavoured to discover some compromise which would enable her to continue her co-operation with the League.

As stated in Part II, M of the Report, the President of the Committee and the Secretary General were authorized to enter into conversations with both the Japanese and Chinese Delegations. The conversations between the Japanese Delegation and the Secretary General were carried on from the first part of January, 1933. As a result of these conversations, a draft was drawn up, and it was referred with the knowledge of the President of the Committee to the Japanese Government for their approval. Subsequently, when amendments of the Japanese Government to this draft were communicated to the Committee of Nineteen, it was made known to the Japanese Delegation that the said draft could not be taken up as a basis of further negotiation. This caused a great surprise to the Japanese Government as they had every reason to believe that the President of the Committee, who together with the Secretary General was authorized to conduct negotiations with the both Delegations, was also fully aware of the conversations and raised no objection to the preparation of the draft.

Though the Committee finally agreed to the deletion from the Draft Resolu-

tion of passages relating to the participation of non-Member States in the work of the proposed Committee of Conciliation, it proposed that the Japanese Government accept the rest of the text of the Resolution and the Statement of Reasons of December 15 and make a reservation in regard to the last Paragraph of the Statement of Reasons to which Japan had taken objection. The declaration contained in this Paragraph would, as is stated elsewhere in the present statement, not only constitute an action ultra vires on the part of the League but prejudice the whole question and imply a direct attack on the policy followed by the Japanese Government with respect to the existence of Manchoukuo. Furthermore, such an attitude on the part of the League was in no way in accord with the idea of conciliation advocated by the Committee of Nineteen as well as by the Japanese Government. For these reasons, Japan found it impossible to accept the proposal of the Committee.

Upon the refusal of the Japanese Delegation to agree to the Committee's proposal in this regard, the latter set to the procedure of drafting a Report under Paragraph 4 of Article 15.

However, the Japanese Government refused to give up the hope for conciliation, and in their final efforts to achieve this end, they agreed to withdraw the various amendments which they had presented when the text of December 15 was communicated to them and consented to accept as the basis of conciliation the principles and conclusions of Chapter 9 of the Lytton Report, in so far as they were applied in a way to "harmonize with the events which have taken place", which phrase is an almost literal quotation from that Report itself. Further they agreed to the maintenance of the last Paragraph of the President's Declaration (formerly called the Statement of Reasons) on the condition that its wording be modified in such a way that it would not appear to constitute a prejudgment and an attack directed against the policy of the Japanese Government vis-à-vis Manchoukuo.

The Committee of Nineteen found this final proposal likewise unacceptable. Thus the Committee rejected all the

Japanese proposals and came to the conclusion that conciliation under Paragraph 3 was impossible. The Committee forthwith proceeded with the drafting of a Report under Paragraph 4 of Article 15 of the Covenant. The Draft Report thus prepared was submitted to the Assembly on February 21, and in spite of the negative vote on the part of Japan, it was adopted by the Assembly on February 24.

PART II

Errors in the Report concerning the chief characteristics of the dispute

The Report sets forth in Part III what are termed the "chief characteristics of the dispute". It is most regrettable that this part of the Report is substantially based upon the Report of the Commission of Enquiry. As stated in that Report, "the issues involved in this conflict are not as simple as they are often represented to be. They are, on the contrary, exceedingly complicated and only an intimate knowledge of all the facts as well as of their historical background should entitle anyone to express a definite opinion upon them". It must be remembered that the Commission of Enquiry spent only six weeks in Manchuria and fifteen in China, most of which was passed in Peiping, and their trip covered only a very limited area of China—a few open ports where the real condition of China could not have thoroughly been studied. In these circumstances, it was impossible for them to acquire "an intimate knowledge of all the facts as well as their historical background".

Hence the document is not as complete as it should be. It is quite natural that there should be not a few errors in the Report of the Assembly which was drafted upon the basis of the Lytton Report. These errors might have been avoided if the Committee of Nineteen had taken into due consideration the Observations of the Japanese Government presented to the Council on November 18, 1932. At any rate, it must be said that the Lytton Report, admirable and praiseworthy as it is, is not a document which one can look upon as containing all the facts as well as all the historical background upon which alone final judgment should be based.

The errors in the Report of the Assembly are numerous. Let only the most salient be cited:

(1) The Report appears to cling in Part III to the fiction that China exists today as a single organized state to be dealt with on the same footing as any country in Europe or America. The fiction happens to be merely a convenient formula which embodies in a concise form the generous aspirations of the Powers for the recovery of China as a unified and orderly state. Japan has worked hard to act upon that formula during these many years, and she is prepared to continue on the same lines in cases where ordinary matters alone are concerned. But where her vital necessities come into play as in Manchuria, she is forced to reconsider that fiction, and to ask herself what are the actual facts, and who are the actual rulers. States which are Members of the League of Nations and have little interest in China can afford to preserve the convenient fiction intact without serious difficulty. But Japan, in a totally different position, economically and strategically, is compelled, however reluctantly, to examine and set a limit to the fiction and to direct her course according to realities.

It is the view of the Japanese Government that the erstwhile Chinese State ceased to rule in Manchuria when "the fall of the United Republic after the death of Yuan Shi-kai in 1915 signaled the break-up of all unity of government in China". (Observations of the Japanese Government, page 15).

As a matter of fact, none of the governments including the Nanking Government maintains authority over China save over the limited areas which it actually controls. That is why the Japanese Government in their Observations insist that Manchuria is not naturally and necessarily an integral part of China. It will then be asked, as it has been asked,—“why did Japan invoke the Nanking Government at the outset of the Manchurian Incident? Why did Japan negotiate with Peking in 1915? Why did she declare Manchuria to be a part of China in 1922?” The answer is that Japan clung until the last moment to the fiction of Manchuria being an integral part of China.

She had many excellent opportunities of departing from it, if she had wished, afforded by the chaotic state of the country. She steadily refrained from availing herself of the opportunities. But when chaos came to threaten her whole position in Manchuria, it became necessary for her to take measures to protect her various interests and important rights.

It should be observed at this point that Japan is not setting a precedent for defying the existence of a neighbour state merely because it is weak or disturbed by internal disruption. It is needless to say that so long as the government of a state which has actually ruled the whole area maintains its authority in any part of its territory, so long does the state continue to subsist and to remain inviolable. The peculiar circumstances of China do not reside in the fact that its common government is weak or distracted by disruption. They reside in the unique fact that no authority which now exists has ever been a common government of China at all, and none therefore has title to rule the entire country.

The League of Nations should not forget that fact overrides form, and that a state must possess a single and continuous government.

(2) The Report, in agreeing that the Chinese boycott against Japan imposed after the September 18 Incident falls within the province of retaliatory measures, sows the seeds of incalculable future trouble for each and every Power interested in China. All the major Powers conduct military operations in China under certain circumstances, and maintain armed forces in Chinese territory for that specific purpose. If the adoption by the Powers of any forcible measure for the protection of their rights and interests is on each occasion to be the subject of a retaliatory boycott, the application of force will of necessity be extended without limit.

By their acceptance of the Resolutions of September 30 and of December 10, 1931, China and Japan agreed that they should take the necessary measures to prevent any aggravation of the situation. The Japanese Government desire to call the attention of the League to the fact

that it was the conspicuous failure on the part of China to take such proper measures that led to the regrettable Shanghai Incident. It should also be added that in any discussion of the boycott the fact of anti-foreign education in schools and the "revolutionary foreign policy" (admitted by the Nanking Government) should not be left out of consideration, as these three subjects are inseparably bound together.

(3) The Report quotes and adopts from the Lytton Report the reference to the possibility of an arbitral settlement of the Sino-Japanese dispute. But arbitration presupposes a normal organized state with a government supreme throughout its territory and capable of enforcing an award. China, as has been stated above, has not for years been in such a state, at any rate so far as to render it possible to arbitrate with her in vital matters concerning Manchuria. With whom would the arbitration have proceeded? With Chang Hsueh-liang whom the League does not recognize? Or with the Nanking Government whose authority (as the Report of the Commission of Enquiry showed) he did not obey? Japan, with her vital interests at stake, could not and cannot possibly resort to arbitration in such a matter with such a country as China.

(4) The Report again quotes and adopts the refusal of the Commission of Enquiry to recognize as measures of self-defence the military operations of the Japanese army on the night of September 18, although it does not exclude the possibility that the Japanese officers on the spot might have thought they were acting in self-defence. This is simply another case of a facile and uncritical acceptance of the opinions of the Commission of Enquiry, utterly ignoring the emphatic contradiction contained in the Observations of the Japanese Government. On what grounds can the League or any other third party pronounce a verdict on the case contrary to the judgment of the Japanese officers on the spot? The right of self-defence is one of those inalienable rights of a state which may be duly exercised in certain specific circumstances, and the question of on what occasion and to what extent that right should be exercised is a matter which

can be determined only by the state concerned. In this connection the Japanese Government in their Observations have referred to the reservations made by both France and the United States in concluding the Pact of Paris; a reference which the Assembly found it possible to pass over in silence.

The Report in stating that the operations of the Japanese army, viewed as a whole as they developed through the entire period of the conflict, cannot be regarded as an act of self-defence, fails to take into cognizance the tension which existed, the overwhelming forces by which the Japanese were faced and the utter uncertainty which prevailed as to the probable action of those forces. Above all, it fails to take into account the vital rights and interests of Japan in Manchuria, which are not confined to the leased territory and the railways, but involve mining and forestry, consular police and consular jurisdiction, residence and trade throughout the entire region. When these rights and interests are threatened, the measures for their protection may have to be extended throughout Manchuria. But never have Japanese military operations exceeded the bounds of necessity for self-protection.

In order that it may not be supposed over *sub silentio*, the Japanese Government take this opportunity of explicitly denying the specific conclusion reached in the Report that no question can arise of Chinese responsibility for the development of events since September 18, 1931, and that the use of boycotts by China subsequent to that date falls under the category of reprisals. Even if the theory that the Japanese military action did not constitute lawful self-defence should be accepted, that clearly would not invest the Chinese with an unlimited license to behave as they chose to, and to enter upon a career of unrestricted violence and wrong. Much more is this the case if, as Japan contends, the actions of her troops were urgently called for by the necessities of self-defence. How can reprisals possibly be exercised against a lawful act? The proper reply to acts of self-defence is negotiation and explanation and not reprisals, which generally lead to war. Had the United States exercised repris-

als in the Carolina case, war with England must have ensued. Again it must be noted that the Resolution of September 30 precludes either party from aggravating the situation; and it would seem strange to hold that this meant that China might take steps which would certainly aggravate it, leaving Japan alone responsible for any untoward development.

What appears to be a most curious statement is found in Part III of the Report which reads: "adoption of measures of self-defence does not exempt a state from complying with the provisions of Article 12 of the Covenant".

As has already been observed by the Japanese Government, the right of self-defence is exercised upon the occasion "of an urgent"—to quote Webster's definition—"and overwhelming necessity allowing no choice of means and no instant for deliberation". To enquire the observance upon such an occasion of Article 12 of the Covenant, which stipulates that the right of self-defence may be exercised three months after the award by the arbitrators or the judicial decision or the Report of the Council of the League has been made public, is to deny the right of self-defence itself.

(5) The Report says that the declaration of independence by Manchoukuo was not spontaneous. Since the statement is based upon no fresh investigation conducted at a later date, it may be readily gathered that the Report has here again adopted the erroneous conclusions of the Commission of Enquiry contained in Chapter VI of the latter's Report, the baselessness of which has been fully exposed in the Observations of the Japanese Government.

It must strike an impartial observer as extraordinary that the Assembly repeats this finding of the Commission of Enquiry in face of the emphatic denials of Japan. There are two factors which may partly account for this. First, the movement during the tyrannous régime of the Changs for the keeping of Manchuria aloof from all participation in the affairs of China Proper was subterranean, and had no repercussion in the outside world; and the authors of the Report may therefore have been sceptical of its existence. Secondly, they

appear to be misled by giving implicit credence to the legend of the so-called "continental policy" of Japan, and her supposed plan to seek a political solution of the Manchurian issue as a step towards the execution of that policy. It is unnecessary to repeat that the Japanese "continental policy" is a mere Chinese fabrication, and that Japan harbours no territorial designs in any part of the world. But all this, though it may explain the rejection by the Assembly of the uncompromising denial made by Japan, can hardly be thought to excuse it.

The simple fact is that, as has so often been explained, on the disappearance of all the administrative organisations, such as they were, which had existed under the Changs, spontaneous local organisations naturally sprung up, and the Japanese troops which were responsible for the maintenance of order necessarily co-operated with them. It was a proper and necessary step, and in the circumstances an unavoidable one. Such was the whole significance of the presence of Japanese troops, and such was the sole aim of the activities of Japanese civil and military officers. Unfortunately the Commission of Enquiry, and consequently the Assembly, in their implicit reliance on the assumption that there had never existed any independence movement in Manchuria, have been obliged to attribute to the activities of Japanese civil and military officers the independence which was actually proclaimed,—and to do so upon no solid grounds whatever.

As to the assertion that the people of Manchuria are hostile to the new state, again there is no valid evidence beyond fifteen hundred letters of dubious origin received by the Commission of Enquiry. The Japanese Government desire to point out the fact that within less than a year since its foundation, Manchoukuo has achieved a marked and healthy progress in the restoration of law and order, and that no criticism or complaint has been heard of regarding its conduct of affairs, whether domestic or foreign.

Regardless of the attitude of the Assembly to the new State of Manchoukuo, she has gone forward steadily on the road of progress. Freed from the yoke of misgovernment under the tyran-

nous rule of the Changs, thirty million inhabitants of Manchuria, Manchus, Mongols and Chinese all alike, have, already begun to reap the benefits of their labours which were denied them in former days. Throughout most of the country banditry has been suppressed. These hostile elements, largely composed of the remnants of Chang Hsueh-liang's troops and receiving not inconsiderable assistance from their former war lord, had constituted an obstacle to the establishment of peace throughout the territory. Thanks, however, to the combined efforts of the Japanese and Manchoukuo forces, they have been practically cleared out of the Provinces of Fengtien, Kirin, and Heilungkiang, and the security of life and property has been reestablished in these Provinces. It is only in the Province of Jehol that the organized opposition still continues.

In the domain of finance, something entirely unknown in the history of China has been realized in Manchoukuo. Though the State is still in its infancy, a sound budgetary system has been initiated, and is being carried out with utmost satisfaction. The establishment of the central bank, which is functioning on the same lines as those of the advanced countries of the world, has contributed much to the stabilization of state finances and to the economic and industrial development of the country. A similar progress has also been noted in the domain of railway administration, commerce and industry, and with abundant resources with which she is endowed, there is every prospect of this country achieving, in days to come, a still greater progress along these lines to the benefit of her inhabitants and foreigners.

All this could not have been the case had the population of the country been hostile or even sullenly submissive. It is to be regretted therefore that the Assembly should have, without referring to the Observations submitted by Japan, accepted the assumption of the Commission of Enquiry, which, here again, has no foundation in fact.

(6) The Report dwells upon the need of international co-operation in the reconstruction of China, and mentions the provision of technical assistance as

one form of that international co-operation. Obviously, the reconstruction of China cannot be accomplished by any such superficial and inadequate means. It could only be rendered possible by some forceful international intervention of such a nature as would at once prove incompatible with the stipulations of the Nine Power Treaty regarding the administrative integrity and political independence of China. That is another proof that it is necessary to allow ample elasticity by taking due account of changing conditions in the application of the Nine Power Treaty and the Covenant of the League as far as China is concerned.

PART III

Impracticabilities of the Recommendations.

(1) Japan recognizes that the Covenant of the League of Nations and the Pact of Paris constitute the basic principles of the settlement of international disputes in so far as international relations in general are concerned. But a certain degree of elasticity must be allowed in the application of these principles to such special and entirely abnormal conditions as prevail in China.

(2) As to the proposal for the withdrawal of troops contained in Section 2, (1), (A) of Part IV of the Report, it is to be noted that the presence of Japanese troops outside the Railway Zone, so far from being incompatible with legal principles, has from the very beginning been due entirely to the sheer necessities of lawful self-defence, and is in no way derogatory to the accepted principles regarding the settlement of international disputes. It is further to be noted that these Japanese troops are now responsible, in accordance with the Japan-Manchoukuo Protocol, for the maintenance of peace and order in Manchoukuo. It is true that by the Resolutions of September 30 and of December 10, 1931, Japan undertook to withdraw her troops within the Railway Zone in so far as the safety of her subjects was assured, but the condition attaching to that undertaking, namely the assurance of safety of life and property, has never been satisfied; and the undertaking it-

self has now become inapplicable on account of the independence of Manchoukuo and the conclusion of the agreements embodied in the Protocol signed on September 15 last. Should the Japanese troops be withdrawn from the Railway Zone in accordance with the recommendation contained in the Report, it would be inevitable that unrest and disturbances would ensue in the evacuated territory. Those Members of the League that have but little direct interest in the affairs of the Far East can afford to maintain that the upholding of abstract formulae is more important than the maintenance of the peace in this part of the world. But Japan, vitally concerned in the maintenance of peace and order in Manchuria, cannot tolerate that that region should again be plunged into disorder. It cannot be supposed that a gendarmerie system as proposed by the Lytton Report would remove all apprehensions on this score. There is no precedent in the history of the world in which the security of such a vast territory was secured by gendarmerie. The proposition is absurd and cannot be put into practice. If the Japanese troops were withdrawn, the country would be quickly overrun by bandits and by Chang Hsueh-liang's troops resulting in anarchy and disorder.

(3) As to Section 2, (1) of Part IV of the Report, where it is stated that the sovereignty over Manchuria belongs to China, it has to be noted that at any rate since the year 1916, Manchuria has never been subject to the authority of China, and that in the final analysis, the present difficulty has been caused by the supposition that the sovereignty of China actually extended and extends to that region. It is entirely superfluous to say that the enforcement of this fiction will never ensure the protection of Japan's rights and interests and the maintenance of peace in the Far East. Inasmuch as the Report repudiates the restoration of the old régime as leading merely to a repetition of disorder and friction, so any return to the fiction in question must equally be repudiated. Nor is it possible for Japan to admit any policy which is incompatible with the simple fact of the existence of the State of Manchoukuo and the provisions of the

Japan-Manchoukuo Protocol.

(4) With regard to the ten principles set out in the Lytton Report and cited in Section I of Part IV of the Report, apart from the observations made above, the Japanese Government deem it sufficient to quote the following passages from their Observations presented to the League in November last:—

"Certain of these principles to which the Japanese Government have no fundamental objection, have already found concrete application in the Protocol signed by Japan and Manchoukuo. But, in any view of the matter, it must evidently be impossible, so long as the anarchical state of things in China persists, to arrive at a satisfactory solution of the questions at issue on the basis of the first nine of these principles, especially Principles 4-9 inclusive. As is sustained in Principle 10, these nine principles cannot be practically applied 'without a strong central government in China'."

(5) In Section 2, (3) of Part IV of the Report, the Assembly contemplates the establishment of a Committee to assist in the negotiations which are to be opened between the two parties in accordance with the method specified in the Report. This, however, is directly contrary to the insistence of Japan not to allow any third party to intervene in the Manchurian problem, and Japan finds it absolutely impossible to accept such a proposal. As, moreover, the Recommendations referred to as (1), (A) and (1), (B) of Section 2, Part IV of the Report, must be dismissed as unpractical, and those made under (2) of the said Section 2 are equally inapplicable in the present state of China, there would seem to be no scope left for the activities of the proposed Committee.

(6) The Report states in effect in Section 3 of Part IV that the maintenance and recognition of the existing régime in Manchuria is no solution and that the Members of the League should, after having adopted the Report, abstain from recognizing the present régime either de jure or de facto. Further it expresses the hope that the States non-Members of the League who are signatories of the Pact of Paris and the Nine Power Treaty will associate themselves with the view set forth in the Report

In this regard. The Japanese Government cannot but consider that the Assembly, in proposing in such a manner to influence or to bind, if only morally, both Member and non-Member states in the matter of recognizing or not recognizing another state, is exceeding its powers conferred upon it by Article 15 of the Covenant. In any case, in making a proposition of this nature the League of Nations whose primary duty is the preservation of peace throughout the world could not surely contribute to the maintenance of peace and security not only in Manchoukuo, but also in the Far East. Such an action on the part of the League would prove to be an obstacle to the good understanding and friendly relations between nations upon which peace depends.

PART IV Conclusion

The Japanese Government are fully convinced that the action of the Japanese army on the night of September 18, 1931, and thereafter has never exceeded the limits appropriate to measures of self-defence, and that Manchoukuo has been founded by the spontaneous will of the people of Manchuria. Accordingly, they consider that neither the action of the Japanese army in Manchuria, nor the conclusion of the Japan-Manchoukuo Protocol is in violation of the Covenant of the League of Nations, the Nine Power Treaty, the Pact of Paris, or any other international treaty. The Japanese Government maintain that in view of the quite abnormal condition of China, where no existing authority has ever ruled the entire country, and particularly in view of the unparalleled complexity and peculiarity of the Manchurian problem, and also having regard to the anti-foreign character of the policy of the National Government, it is impossible to think of applying to the present dispute the general formulae applicable to an ordinary international question; and they maintain moreover that neither any procedure which may be adopted for such an exceptional case, nor any solution thereby attained, can ever establish a precedent for ordinary cases of international dispute. Were it possible to apply ordinary formulae, the

plans adumbrated by the Assembly would themselves be ruled out of consideration as interferences with what the Assembly regards as Chinese sovereign rights.

Unfortunately, the Assembly, through the refusal of its Members to face facts, and their uncritical acceptance of the Report of the Commission of Enquiry, has only indulged in academic and inadequate principles. The Assembly stands, if it may so be said, for mere formulae; Japan for solid realities. Japan takes her stand on established principles; the Assembly on preconceived hypotheses. It results from the refusal of the Assembly to go beyond the Lytton Report. As pointed out in the preceding part of the present statement, the new State of Manchoukuo has made rapid progress. Peace and order are superseding banditry. Commerce and industry have responded to the improved situation, to the benefit of foreigners and the people of Manchoukuo alike. This is a concrete proof of the truth of the Japanese contention that the recognition and encouragement of the Manchurian State is the only road to a satisfactory solution of the Manchurian question and to the maintenance of a lasting peace in the Orient.

On the other hand, it appears impossible to look for any improvement in the Chinese situation in the near future, and China is likely to remain a chronic anxiety to the rest of the world. Communism has already invaded China, and the alarming extent and success of the invasion is far too seldom realized. A communized China would constitute a problem for Europe and America beside which other questions would pale into insignificance. But a Manchuria free from Chinese connection constitutes a barrier to the communistic danger in the Far East. Its value ought surely to be apparent to every statesman. It is earnestly hoped that the League of Nations will soon be led to change its attitude, to discard reliance on academic and inapplicable doctrine and to respect and recognize the forces that are actually rendering possible the maintenance of peace in the various regions of the world. The Covenant of the League of Nations itself provides in Article 21 for the due recognition of regional under-

standings, and the Japan-Manchoukuo Protocol of September 15, 1932, falls incontestably within the category of understandings such as these, as the special interests of Japan in Manchuria

have again and again been recognized. At the same time, Japan takes this opportunity of repeating her disclaimer of all desire for territorial gains or commercial advantages.

TREATY OF COMMERCE AND NAVIGATION BETWEEN JAPAN AND CHINA

Signed at Peking, July 21, 1896.

ARTICLE I

There shall be perpetual peace and friendship between His Majesty the Emperor of Japan and His Majesty the Emperor of China, and between their respective subjects who shall enjoy equally in the respective countries of the High Contracting Parties full and entire protection for their persons and property.

ARTICLE II

It is agreed by the High Contracting Parties that His Majesty the Emperor of Japan may, if He see fit, accredit a Diplomatic Agent to the Court of Peking and His Majesty the Emperor of China may, if He see fit, accredit a Diplomatic Agent to the Court of Tokio.

The Diplomatic Agent thus accredited shall respectively enjoy all the prerogatives, privileges and immunities accorded by international law to such Agents and they shall also in all respects be entitled to the treatment extended to similar Agents of the most favoured nation.

Their persons, families, suites, establishments, residences and correspondence shall be held inviolable. They shall be at liberty to select and appoint their own officers, courtiers, interpreters, servants and attendants without any kind of molestation.

ARTICLE III

His Majesty the Emperor of Japan may appoint Consuls-General, Consuls, Vice-Consuls and Consular Agents to reside at such of the ports, cities and towns of China, which are now, or may hereafter be, opened to foreign residence and trade, as the interests of the Empire of Japan may require.

These officers shall be treated with due respect by the Chinese Authorities,

and they shall enjoy all the attributes, authority, jurisdiction, privileges and immunities which are, or may hereafter be, extended to similar officers of the nation most favoured in these respects.

His Majesty the Emperor of China may likewise appoint Consuls-General, Consuls, Vice-Consuls and Consular Agents to reside at any or all of those places in Japan, where Consular officers of other nations are now, or may hereafter be, admitted, and, saving in the matter of jurisdiction in respect of Chinese subjects and property in Japan, which is reserved to the Japanese Judicial Courts, they shall enjoy the rights and privileges that are usually accorded to such officers.

ARTICLE IV

Japanese subjects may, with their families, employes and servants, frequent, reside and carry on trade, industries and manufactures, or pursue any other lawful avocations in all the ports, cities and towns of China, which are now, or may hereafter be, opened to foreign residence and trade. They are at liberty to proceed to or from any of the open ports with their merchandise and effects, and within the localities at those places which have already been, or may hereafter be, set apart for the use and occupation of foreigners, they are allowed to rent or purchase houses, rent or lease land, and to build churches, cemeteries and hospitals, enjoying in all respects the same privileges and immunities as are now, or may hereafter be, granted to the subjects or citizens of the most favoured nation.

ARTICLE V

Japanese vessels may touch for the purpose of landing and shipping passengers and merchandise in accordance

with the existing Rules and Regulations concerning foreign trade there at all these places in China, which are now ports of call, namely, Nganching, Tantung, Hu-kow, Wu-sueh, Lu-chi-kow and Woosung and such other places as may hereafter be made ports of call also. If any vessel should unlawfully enter ports other than open ports and ports of call in China or carry on clandestine trade along the coast or rivers, the vessel with her cargo shall be subject to confiscation by the Chinese Government.

ARTICLE VI

Japanese subject may travel, for their pleasure or for purposes of trade, to all parts of the interior of China, under passports issued by Japanese Consuls and countersigned by the Local Authorities. These passports, if demanded, must be produced for examination in the localities passed through. If the passports be not irregular, the bearers will be allowed to proceed and no opposition shall be offered to their hiring of persons, animals, carts or vessels for their own conveyance or for the carriage of their personal effects or merchandise. If they be without passports or if they commit any offence against the law, they shall be handed over to the nearest Consul for punishment, but they shall only be subject to necessary restraint and in no case to ill-usage. Such passports shall remain in force for a period of thirteen Chinese months from the date of issue. Any Japanese subject travelling in the interior without a passport shall be liable to a fine not exceeding three hundred Taels. Japanese subjects may, however, without passports go on excursions from any of the ports open to trade, to a distance not exceeding one hundred Chinese li and for a period not exceeding five days. The provisions of this Article do not apply to crews of ships.

ARTICLE VII

Japanese subjects residing in the open ports of China may take into their service Chinese subjects and employ them in any lawful capacity without restraint or hindrance from the Chinese Government or Authorities.

ARTICLE VIII

Japanese subjects may hire whatever boats they please for the conveyance of cargo or passengers and the sum to be paid for such boats shall be settled between the parties themselves, without the interference of the Chinese Government or officers. No limit shall be put upon the number of boats, neither shall a monopoly in respect either of the boats or of the porters or coolies engaged in carrying goods be granted to any parties. If any smuggling takes place in them the offenders will of course be punished according to law.

ARTICLE IX

The Tariffs and Tariff Rules now in force between China and the Western Powers shall be applicable to all articles upon importation into China by Japanese subjects or from Japan, or upon exportation from China by Japanese subjects or to Japan. It is clearly understood that all articles, the importation or exportation of which is not expressly limited or prohibited by the Tariffs and Tariff Rules existing between China and the Western Powers, may be freely imported into and exported from China, subject only to the payment of the stipulated import or export duties. But in no case shall Japanese subjects be called upon to pay in China other or higher import or export duties than are, or may be, paid by the subjects or citizens of the most favoured nation; nor shall any article imported into China from Japan or exported from China to Japan be charged upon such importation or exportation other or higher duties than are now, or may hereafter be, imposed in China on the like article when imported from or exported to the nation most favoured in those respects.

ARTICLE X

All articles duly imported into China by Japanese subjects or from Japan shall, while being transported, subject to the existing Regulations, from one open port to another, be wholly exempt from all taxes, imposts, duties, lekin, charges and exactions of every nature and kind whatsoever, irrespective of the nationality of the owner or possessor of the articles, or the nationality of the

conveyance or vessel in which the transportation is made.

ARTICLE XI

It shall be at the option of any Japanese subject desiring to convey duly imported articles to an inland market to clear his goods of all transit duties by payment of a commutation transit tax or duty, equal to one-half of the import duty in respect of dutiable articles, and two and half per cent. upon the value in respect of duty free articles; and on payment thereof a certificate shall be issued, which shall exempt the goods from all further inland charges whatsoever. It is understood that this Article does not apply to imported opium.

ARTICLE XII

All Chinese goods and produce purchased by Japanese subjects in China elsewhere than at an open port thereof and intended for export abroad, shall in every part of China be freed from all taxes, imposts, duties, lekin, charges and exactions of every nature and kind whatsoever, saving only export duties when exported, upon the payment of a commutation transit tax or duty calculated at the rate mentioned in the last preceding Article substituting export duty for import duty, provided such goods and produce are actually exported to a foreign country within the period of twelve months from the date of the payment of the transit tax; all Chinese goods and produce purchased by Japanese subjects at the open ports of China and of which export to foreign countries is not prohibited shall be exempt from all internal taxes, imposts, duties, lekin, charges and exactions of every nature and kind whatsoever, saving only export duties upon exportation and all articles purchased by Japanese subjects in any part of China, may also, for the purposes of export abroad, be transported from open port to open port, subject to the existing Rules and Regulations.

Merchandise of a bona fide foreign origin, in respect of which full import duty shall have been paid, may at any time within three years from the date of importation be re-exported from China by Japanese subjects to any foreign country, without the payment of any

export duty; and the re-exporters shall, in addition, be entitled forthwith to receive from the Chinese Customs drawback certificates for the amount of import duty paid thereon, provided that the merchandise remains intact and unchanged in its original packages. Such drawback certificates shall be immediately redeemable in ready money by the Chinese Customs Authorities at the option of the holders thereof.

ARTICLE XIV

The Chinese Government consents to the establishment of Bonded Warehouses at the several open ports of China. Regulations on the subject shall be made hereafter.

ARTICLE XV

Japanese merchant vessels of more than one hundred and fifty tons burden entering the open ports of China, shall be charged tonnage dues at the rate of four mace per registered ton; if of one hundred and fifty tons and under, they shall be charged at the rate of one mace per registered ton. But any such vessel laking its departure within forty-eight hours after arrival, without breaking bulk, shall be exempt from the payment of tonnage dues.

Japanese vessels having paid the above specified tonnage dues shall thereafter be exempt from all tonnage dues in all the open ports and ports of call of China for the period of four months from the date of clearance from the port where the payment of such tonnage dues is made. Japanese vessels shall not, however, be required to pay tonnage dues for the period during which they are actually undergoing repairs in China.

No tonnage dues shall be payable on small vessels and boats employed by Japanese subjects in the conveyance of passengers, baggage, letters, or duty free articles between any of the open ports of China. All small vessels and cargo boats, however, conveying merchandise which is, at the time of such conveyance, subject to duty, shall pay tonnage dues once in four months at the rate of one mace per ton.

No fee or charges other than tonnage dues shall be levied upon Japanese vessels and boats, and it is also understood that such vessels and boats shall not

be required to pay other or higher tonnage dues than the vessels and boats of the most favoured nation.

ARTICLE XVI

Any Japanese merchant vessel arriving at an open port of China shall be at liberty to engage the services of a pilot to take her into port. In like manner, after she has discharged all legal dues and duties and is ready to take her departure, she shall be allowed to employ a pilot to take her out of port.

ARTICLE XVII

Japanese merchant vessels compelled on account of injury sustained or any other cause to seek a place of refuge, shall be permitted to enter any nearest port of China, without being subject to the payment of tonnage dues or duties upon goods landed in order that repairs to the vessel may be effected, provided the goods so landed remain under the supervision of the Customs Authorities. Should any such vessel be stranded or wrecked on the coast of China, the Chinese Authorities shall immediately adopt measures for rescuing the passengers and crew and for securing the vessel and cargo. The persons thus saved shall receive friendly treatment, and, if necessary, shall be furnished with means of conveyance to the nearest Consular station. Should any Chinese merchant vessel be compelled on account of injury sustained or any other cause to seek a place of refuge in the nearest port of Japan, she shall likewise be treated in the same way by the Japanese Authorities.

ARTICLE XVIII

The Chinese Authorities at the several open ports shall adopt such means as they may judge most proper to prevent the revenue suffering from fraud or smuggling.

ARTICLE XIX

If any Japanese vessel be plundered by Chinese robbers or pirates, it shall be the duty of the Chinese Authorities to use every endeavor to capture and punish the said robbers or pirates, and to recover and restore the stolen property.

ARTICLE XX

Jurisdiction over the persons and property of Japanese subjects in China is reserved exclusively to the duly authorized Japanese Authorities, who shall hear and determine all cases brought against Japanese subjects or property by Japanese subjects, or by the subjects or citizens of any other Power, without the intervention of the Chinese Authorities.

ARTICLE XXI

If the Chinese Authorities or a Chinese subject make any charge or complaint of civil nature against Japanese subjects or in respect of Japanese property in China, the case shall be heard and decided by the Japanese Authorities.

In like manner all charge and complaints of a civil nature brought by Japanese Authorities or subjects in China against Chinese subjects or in respect of Chinese property, shall be heard and determined by the Chinese Authorities.

ARTICLE XXII

Japanese subjects charged with the commission of any crimes or offences in China shall be tried, and, if found guilty, punished by the Japanese Authorities according to the laws of Japan.

In like manner Chinese subjects charged with the commission of any crimes or offences against Japanese subjects in China, shall be tried and if found guilty, punished by the Chinese Authorities according to the laws of China.

ARTICLE XXIII

Should any Chinese subjects fail to discharge debts incurred to a Japanese subject, or should he fraudulently abscond, the Chinese Authorities will do their utmost to effect his arrest, and enforce recovery of the debts. The Japanese Authorities will likewise do their utmost to bring to justice any Japanese subject who fraudulently absconds or fails to discharge debts incurred by him to a Chinese subject.

ARTICLE XXIV

If Japanese subjects in China, who have committed offences or have failed to discharge debts and fraudulently abscond, should flee to the interior of

China or take refuge in houses occupied by Chinese subjects or on board of Chinese ships, the Chinese Authorities shall at the request of the Japanese Consul, deliver them to the Japanese Authorities.

In like manner if Chinese subjects in China, who have committed offences or have failed to discharge debts and fraudulently abscond, should take refuge in houses occupied by Japanese subjects in China or on board of Japanese ships in Chinese waters, they shall be delivered up, at the request of the Chinese Authorities made to the Japanese Authorities.

ARTICLE XXV

The Japanese Government and its subjects are hereby confirmed in all privileges, immunities and advantages conferred on them by the Treaty stipulations between Japan and China, which are now in force; and it is hereby expressly stipulated that the Japanese Government and its subjects will be allowed free and equal participation in all privileges, immunities and advantages that may have been, or may be hereafter, granted by His Majesty the Emperor of China to the Government or subjects of any other nation.

ARTICLE XXVI

It is agreed that either of the High Contracting Parties may demand a revision of the tariffs and of the Commer-

cial Articles of this Treaty at the end of ten years from the date of the exchange of the ratifications; but if no such demand be made on either side and no such revision be effected, within six months after the end of the first ten years, then the Treaty and Tariffs, in their present form, shall remain in force for ten years more, reckoned from the end of the preceding ten years, and so it shall be at the end of each successive period of ten years.

ARTICLE XXVII

The High Contracting Parties will agree upon Rules and Regulations necessary to give full effect to this Treaty. Until such Rules and Regulations are brought into actual operation, the Arrangements, Rules and Regulations subsisting between China and the Western Powers, so far as they are applicable and not inconsistent with the provisions of this Treaty, shall be binding between the Contracting Parties.

ARTICLE XXVIII

The present Treaty is signed in the Japanese, Chinese and English languages. In order, however, to prevent future discussions, the Plenipotentiaries of the High Contracting Parties have agreed upon that in case of any divergence in the interpretation between the Japanese and Chinese texts of the Treaty, the difference shall be settled by reference to the English text.

SUPPLEMENTARY TREATY OF COMMERCE AND NAVIGATION

Signed at Shanghai, October 8, 1903

ARTICLE I

Whereas China, with the object of reforming its fiscal system, proposes to levy a surtax in excess of the tariff rates on all goods passing through the Custom Houses, whether maritime or inland and frontier, in order to compensate in a measure for the loss incurred by the complete abolition of *likin*, Japan consents to pay the same surtax as is agreed upon between China and all the Treaty Powers. With regard to the production tax, consumption tax and excise, and the taxes on native

opium and salt, leviable by China, Japan also consents to accept the same arrangements as are agreed upon between all the Treaty Powers and China. It is understood however that the commerce, rights and privileges of Japan shall not, on account of the above, be placed at any disadvantage as compared with the commerce, rights and privileges of other Powers.

ARTICLE II

The Chinese Government agree to permit Japanese steamship-owners to erect,

at their own expense, appliances for hauling through the rapids of that part of the Yang-tze-kiang between Ichang and Chungking. But as the interests of the population of the provinces of Szechuen, Hunan and Hupeh are involved, it is therefore necessary that the approval of the Imperial Maritime Customs be obtained before such appliances may be so erected.

These appliances, which shall be at the disposal of all vessels both steamers and junks, shall not obstruct the waterway nor interfere with the free passage of junks or of persons on the banks of the river. Such appliances shall be subject to special regulations to be drawn up by the Imperial Maritime Customs.

ARTICLE III

The Chinese Government agree that any Japanese steamer capable of navigating the inland waterways, upon reporting at the Imperial Maritime Customs, may proceed for the purpose of trade from a treaty port to places inland, so reported, on complying with the Original and Supplementary Regulations for Steam Navigation Inland.

ARTICLE IV

In case Chinese subjects conjointly with Japanese subjects organize a partnership or company for a legitimate purpose, they shall equitably share the profits and losses with all the members according to the terms of the agreement or memorandum and articles of association and the regulations framed thereunder, and they shall be liable to the fulfilment of the obligations imposed by the said agreement or memorandum and articles of association and the regulations framed thereunder as accepted by them and as interpreted by Japanese Courts. Should they fail to fulfil the obligations so imposed and legal action be taken against them in consequence, Chinese Courts shall at once enforce fulfilment of such obligations.

It is understood that in case Japanese subjects conjointly with Chinese subjects organize a partnership or company, they shall also equitably share the profits and losses with all the members according to the terms of the agree-

ment or memorandum and articles of association and the regulations framed thereunder. Should such Japanese subjects fail to fulfil any of the obligations imposed by the said agreement or memorandum and articles of association or by the regulations framed thereunder, Japanese Courts shall in like manner at once enforce fulfilment of such obligations.

ARTICLE V

The Chinese Government agree to make and faithfully enforce such regulations as are necessary for preventing Chinese subjects from infringing registered trade-marks held by Japanese subjects.

The Chinese Government likewise agree to make such regulations as are necessary for affording protection to registered copyrights held by Japanese subjects in the books, pamphlets, maps and charts written in the Chinese language and specially prepared for the use of Chinese people.

It is further agreed that the Chinese Government shall establish registration offices where foreign trademarks and copyrights, upon application for the protection of the Chinese Government, shall be registered in accordance with the provisions of the regulations to be hereafter framed by the Chinese Government for the purpose of protecting trade-marks and copy-rights.

It is understood that Chinese trade marks and copy-rights properly registered according to the provisions of the laws and regulations of Japan will receive similar protection against infringement in Japan.

This Article shall not be held to protect against due process of law any Japanese or Chinese subject who may be the author, proprietor or seller of any publication calculated to injure the well-being of China.

ARTICLE VI

China agrees to establish itself, as soon as possible, a system of uniform national coinage and provide for a uniform national currency which shall be freely used as legal tender in payment of all duties, taxes and other obligations by Japanese subjects as well as by Chinese subjects in the Chinese Em-

pire. It is understood, however, that all Customs duties shall continue to be calculated and paid on the basis of the Haikwan tael.

ARTICLE VII

As the weights and measures used by the mercantile and other classes for general and commercial purposes in the different provinces of China vary and do not accord with the standards fixed by the Imperial Government Boards, thus resulting in detriment to the trade of Chinese and foreigners, the Governor-General and Governors of all the provinces, after careful inquiry into existing conditions, shall consult together and fix upon uniform standards which, after a Memorial to the Throne for sanction, shall be adopted and used in all transactions by officials and people throughout all the Empire. These standards shall be first used in the places opened to foreign trade and gradually extended to inland places. Any differences resulting from divergence between the new weights and measures and those now in vogue shall be equitably settled, whether, by way of increase or decrease according to the amount of such difference.

ARTICLE VIII

The Regulations for Steam Navigation Inland of the fifth moon of the twenty-fourth year of Kuang-hsü and the Supplementary Rules of the seventh moon of the same year having been found in some respects inconvenient in working, the Chinese Government hereby agree to amend them and to annex such new Rules to this Treaty.

These Rules shall remain in force until altered by mutual consent.

ARTICLE IX

The provisions of all treaties and engagements now subsisting between Japan and China, in so far as they are not modified or repealed by this Act, are hereby confirmed; and it is hereby expressly stipulated in addition that the Japanese Government, Officers, Subjects, Commerce, Navigation, Shipping, Industries and Property of all kinds shall be allowed free and full participation in all privileges, immunities and advantages which have been or may

hereafter be granted by His Majesty the Emperor of China or by the Chinese Government or by the Provincial or Local Administrations of China to the Government, Officers, Subjects, Commerce, Navigation, Shipping, Industries or Property of any other nation.

The Japanese Government will do its utmost to secure to Chinese Officers and Subjects resident in Japan the most favourable treatment compatible with the laws and regulations of the Empire.

ARTICLE X

The High Contracting Parties hereto agree that, in case of and after the complete withdrawal of the foreign troops stationed in the province of Chihli and of the Legation guards, a place of international residence and trade in Peking will be forthwith opened by China itself. The detailed regulations relating thereto shall be settled in due time after consultation.

The Chinese Government agree to open to foreign trade, within six months from the exchange of the Ratifications of this Treaty, Ch'angshafu in the province of Hunan on the same footing as the ports already opened to foreign trade. Foreigners residing in this open port are to observe the Municipal and Police Regulations on the same footing as Chinese residents, and they are not to be entitled to establish a municipality and Police of their own within the limits of this treaty port, except with the consent of the Chinese authorities.

The Chinese Government agree that, upon the exchange of the Ratifications of this Treaty, Mukden and Tatungkow, both in the province of Shengking, will be opened by China itself as places of international residence and trade. The selection of suitable localities to be set apart for international use and occupation and the regulations for these places set apart for foreign residence and trade shall be agreed upon by the Governments of Japan and China after consultation together.

ARTICLE XI

The Government of China having expressed a strong desire to reform its judicial system and to bring it into accord with that of Japan and Western

nations, Japan agrees to give every assistance to such reform, and will also be prepared to relinquish its extraterritorial rights when satisfied that the state of the Chinese laws, the arrangements for their administration and other considerations warrant it in so doing.

ARTICLE XII

The present Treaty is signed in the Japanese, Chinese and English languages. In order, however, to prevent future discussions, the Plenipotentiaries of the High Contracting Parties have agreed that in case of any divergence in the interpretation between the Japanese and Chinese Texts of the Treaty, the difference shall be settled by reference to the English Text.

ANNEX 1

INLAND WATERS STEAM NAVIGATION (ADDITIONAL RULES)

Shanghai, October, 1903.

1. Japanese steamship-owners are at liberty to lease warehouses and jetties on the banks of waterways from Chinese subjects for a term not exceeding twenty-five years, with option of renewal on terms to be mutually arranged. In cases where Japanese merchants are unable to secure warehouses and jetties from Chinese subjects on satisfactory terms, the local officials, after consultation with the Governor or Governor-General or Minister of Commerce, shall arrange to provide these on renewable lease, as above mentioned, at current equitable rates.

2. Jetties shall only be erected in such positions that they will not obstruct the inland waterway or interfere with navigation, and with the sanction of the nearest Commissioner of Customs; such sanction, however, shall not be arbitrarily withheld.

3. Japanese merchants shall pay taxes and contributions on these warehouses and jetties on the same footing as Chinese proprietors of similar properties in the neighbourhood. Japanese merchants may only employ Chinese agents and staff to reside in warehouses so leased at places touched at by steamers

engaged in inland traffic to carry on their business; but Japanese merchants may visit these places from time to time to look after their affairs. The existing rights of Chinese jurisdiction over Chinese subject shall not by reason of this clause be diminished or interfered with in any way.

4. Steam vessels navigating the inland waterways of China shall be responsible for loss caused to riparian proprietors by damage which they may do to the banks or works on them, and for the loss which may be caused by such damage.

In the event of China desiring to prohibit the use of some particular shallow waterway by launches, because there is reason to fear that the use of it by them would be likely to injure the banks and cause damage to the adjoining country, the Japanese authorities, when appealed to, shall, if satisfied of the validity of the objection, prohibit the use of that waterway by Japanese launches, provided that Chinese launches are also prohibited from using it.

Both Foreign and Chinese launches are prohibited from crossing dams and weirs at present in existence on inland waterways where they are likely to cause injury to such works, which would be detrimental to the water service of the local people.

5. The main object of the Japanese Government in desiring to see the inland waterways of China opened to steam navigation being to afford facilities for the rapid transport of both foreign and native merchandise, they undertake to offer no impediment to the transfer to a Chinese company and the Chinese flag of any Japanese steamer which may now or hereafter be employed on the inland waters of China, should the owner be willing to make the transfer.

In the event of a Chinese company registered under Chinese law being formed to run steamers on the inland waters of China, the fact of Japanese subjects holding shares in such a company shall not entitle the steamers to fly the Japanese flag.

6. Registered steamers and their tows are forbidden, just as junks have always been forbidden, to carry con-

traband goods. Infraction of this rule will entail the penalties prescribed in the treaties for such an offence, and cancellation of the Inland Waters Navigation Certificate carried by the vessels, which will be prohibited from thereafter plying on inland waters.

7. As it is desirable that the people living inland should be disturbed as little as possible by the advent of steam vessels to which they are not accustomed, inland waters not hitherto frequented by steamers shall be opened as gradually as may be convenient to merchants and only as the owners of steamers may see prospect of remunerative trade.

In cases where it is intended to run steam vessels on waterways on which such vessels have not hitherto run, intimation shall be made to the Commissioner of Customs at the nearest open port, who shall report the matter to the Ministers of Commerce. The latter, in conjunction with the Governor-General or Governor of the province, after careful consideration of all the circumstances of the case, shall at once give their approval.

8. A registered steamer may ply within the waters of a port, or from one open port or ports to another open port or ports, or from one open port or ports to places inland, and thence back to such port or ports. She may, on making due report to the Customs, land or ship passengers or cargo at any recognized places of trade passed in the course of the voyage; but may not ply between inland places exclusively except with the consent of the Chinese Government.

9. Any cargo and passenger boats may be towed by steamers. The helmsman and crew of any boat towed shall be Chinese. All boats, irrespective of ownership, must be registered before they can proceed inland.

10. The above Rules are supplementary to the Regulations published in the fifth and seventh moons of the twenty-fourth year of Kuang-hsü, which remain in full force and effect in so far as they are not modified by the Rules now agreed upon.

The present Rules and the Regulations of the fifth and seventh moons of the twenty-fourth year of Kuang-hsü

may hereafter be modified, as circumstances require, by mutual consent.

ANNEXES 2 AND 3

EXCHANGE OF NOTES BETWEEN THE JAPANESE AND CHINESE COMMISSIONERS FOR TREATY REVISION REGARDING THE INLAND WATERS NAVIGATION OF THE JAPANESE STEAMERS FROM JAPANESE COMMISSIONERS TO CHINESE COMMISSIONERS

October 8, 1903

Gentlemen,

According to Article III of the present Treaty the Chinese Government agree that any Japanese steamer capable of navigating Inland Waterways, upon reporting at the Imperial Maritime Customs, may proceed for the purpose of trade from a treaty port to places inland, so reported, on complying with the Original and Supplementary Regulations for Steam Navigation Inland.

It is understood that all classes of Japanese steamers, whatever their size, provided they are capable of navigating the Inland Waterways, may on complying with the Regulations receive an Inland Waters Certificate and carry on trade with inland places, and the Chinese Government will in no case raise difficulties and stop such steamers from plying to and from inland places.

We have the honour, in order to prevent future misunderstandings, to address this despatch to Your Excellencies and to request that instructions be sent to the Inspector General of Maritime Customs to act in accordance with this understanding. We have further the honour to request a reply from Your Excellencies.

We have the honour to be, etc.

FROM CHINESE COMMISSIONERS TO JAPANESE COMMISSIONERS

Shanghai, August 29, 1903
(Chinese Calendar)

Gentlemen,

We have the honour to acknowledge the receipt of Your Excellencies' despatch of this date, written with a view to preventing future misunderstandings, to the effect that, in accordance with

the provisions of Article III of the present Treaty, all classes of Japanese steamers, whatever their size, provided they are capable of navigating the Inland Waterways, may on complying with the Regulations receive an Inland Waters Certificate and ply to and from inland places, and that the Chinese Government will in no case raise difficulties and stop them.

During the negotiations of this Article, we received a list from Your Excellencies of the Japanese steamers viz., Sanyo Maru, Setagawa Maru, Hinga Maru, Urato Maru, Neisei Maru, Heian Maru, Taiko Maru, Yoshino Maru, Melko Maru, Fukuju Maru, Hijikawa Maru, Nagata Maru, Kyodo Maru, Horai Maru, Kwanko Maru, Keiko Maru, Kinriu Maru, Zensho Maru and Kohei Maru, ranging from one hundred and twenty-one tons to four hundred and ten tons register—plying from Chefoo to inland places in Manchuria, under Inland Waters Certificate and in accordance with the Regulations for Steam Navigation Inland, which vessels have not been prevented from doing so on account of their class.

At that time we instructed the Deputy Inspector General of Customs to make inquiries into the records of the Custom Houses, and he reported that the circumstances were in accordance with Your Excellencies' statement.

In consequence of the receipt of Your Excellencies' despatch we shall communicate with the Wai-wu Pu and request that instructions be sent to the Inspector General of Customs to take these circumstances into consideration and to act accordingly, and we have the honour to write this despatch for purposes of record.

We have the honour to be, etc.

ANNEXES 4 AND 5

EXCHANGE OF NOTES BETWEEN
THE JAPANESE AND CHINESE
COMMISSIONERS FOR TREATY
REVISION REGARDING THE
APPOINTMENT OF AN OFFICER
FOR COLLECTING DUES AND
DUTIES PROVIDED IN NO.
9 OF THE SUPPLEMENTARY
RULES FOR STEAM NAVIGATION
INLAND

FROM JAPANESE COMMISSIONERS TO CHINESE COMMISSIONERS

October 8, 1903

Gentlemen,

The provision contained in No. 9 of the Supplementary Rules governing steam navigation on Inland Waters published in the seventh moon of the twenty-fourth year of Kuang-hsü, regarding the appointment of an officer to collect dues and duties, not having in all cases been given effect to, we have the honour to request that Your Excellencies' Government will again issue instructions to all provinces to give strict effect to this provision, as it is a matter of importance.

We trust that Your Excellencies will comply with the request contained in this despatch and that you will favour us with a reply.

We have the honour to be, etc.

FROM CHINESE COMMISSIONERS TO JAPANESE COMMISSIONERS

Shanghai, August 18, 1903
(Chinese Calendar)

Gentlemen,

We have the honour to acknowledge the receipt of Your Excellencies' despatch of this date to the effect that, the provision contained in No. 9 of the Supplementary Rules governing steam navigation on Inland Waters published in the seventh moon of the twenty-fourth year of Kuang-hsü, regarding the appointment of an officer to collect dues and duties, not having in all cases been given effect to, you request that instructions be again issued to all provinces to give strict effect to this provision, as it is a matter of importance.

We have noted the above and have communicated with proper authorities in order that action may be taken, and have now the honour to write this reply for Your Excellencies' information.

We have the honour to be, etc.

ANNEXES 6 AND 7

EXCHANGE OF NOTES BETWEEN
THE JAPANESE AND CHINESE
COMMISSIONERS FOR TREATY
REVISION REGARDING THE
OPENING OF THE CITY OF

PEKING

FROM CHINESE COMMISSIONERS TO JAPANESE COMMISSIONERS

Shanghai, August 10, 1903
(Chinese Calendar)

Gentlemen,

According to the provision of Article X of this Treaty, regarding the establishment in Peking of a place of international residence and trade, it is agreed that in case of and after the complete withdrawal of the foreign troops, now guarding the Legations and Communications, a place in Peking outside the Inner City, convenient to both parties and free from objections, shall be selected and set apart as a place where merchants of all nationalities may reside and carry on trade. Within the limits of this place merchants of all nationalities shall be at liberty to lease land, build houses and warehouses, and establish places of business; but as to the leasing of houses and land belonging to Chinese private individuals, there must be willingness on the part of the owners and the terms thereof must be equitably arranged without any force or compulsion. All roads and bridges in this place will be under the jurisdiction and control of China. Foreigners residing in this place are to observe the Municipal and Police Regulations on the same footing as Chinese residents, and they are not to be entitled to establish a Municipality and Police of their own within its limits except with the consent of the Chinese authorities. When such place of international residence and trade shall have been opened and its limits properly defined, the foreigners who have been residing scattered both within and without the city walls, shall all be required to remove their residence thereto and they shall not be allowed to remain in separate places and thereby cause inconvenience in the necessary supervision by the Chinese authorities. The value of the land and buildings held by such foreigners shall be agreed upon equitably and due compensation therefore shall be paid. The period for such removal shall be determined in due time, and those who do not remove before the expiry of this period shall not be

entitled to compensation.

We have considered it to be to our mutual advantage to come to the present basis of understanding in order to avoid future unnecessary negotiations, and we beg that Your Excellencies will consider and agree to it and will favour us with a reply.

We have the honour to be, etc.

FROM JAPANESE COMMISSIONERS TO CHINESE COMMISSIONERS

Shanghai, October 8, 1903

Gentlemen,

We have the honour to acknowledge the receipt of Your Excellencies' despatch of this date in which you state that—

"According to the provision of Article X of this Treaty, regarding the establishment in Peking of a place of international residence and trade, it is agreed that in case of and after the complete withdrawal of the foreign troops, now guarding the Legations and Communications, a place in Peking outside the Inner City, convenient to both parties and free from objections, shall be selected and set apart as a place where merchants of all nationalities may reside and carry on trade. Within the limits of this place merchants of all nationalities shall be at liberty to lease land, build houses and warehouses, and establish places of business; but as to the leasing of houses and land belonging to Chinese private individuals, there must be willingness on the part of the owners and the terms thereof must be equitably arranged without any force or compulsion. All roads and bridges in this place will be under the jurisdiction and control of China. Foreigners residing in this place are to observe the Municipal and Police Regulations on the same footing as Chinese residents, and they are not to be entitled to establish a Municipality and Police of their own within its limits except with the consent of the Chinese authorities. When such place of international residence and trade shall have been opened and its limits properly defined, the foreigners who have been residing scattered both within and without the city walls, shall all be required to remove their residence thereto and they shall not be allowed to remain in separate places and thereby

cause inconvenience in the necessary supervision by the Chinese authorities. The value of the land and buildings held by such foreigners shall be agreed upon equitably and due compensation therefor shall be paid. The period for such removal shall be determined in due time, and those who do not remove before the expiry of this period shall not be entitled to compensation.

We have considered it to be to our mutual advantage to come to the present basis of understanding in order to avoid future unnecessary negotiations, and we beg that Your Excellencies will consider and agree to it and will favour us with

AGREEMENT CONCLUDED BETWEEN THE EMPIRE OF JAPAN AND THE REPUBLIC OF CHINA

Signed at Nanking May 6, 1930

The Government of Japan and the National Government of the Republic of China have, through their respective representatives, agreed upon and concluded the following Articles:—

ARTICLE I

The Japanese and the Chinese Governments agree that all matters relating to rates of duty on the import and export of articles, drawbacks, transit dues and tonnage dues in the territories of Japan and the territories of China shall be regulated exclusively by the laws of Japan and of China respectively.

ARTICLE II

The Governments of Japan and of China shall reciprocally grant to each other and to the nationals of the other country, in customs duties, drawbacks and transit dues and all other similar internal charges, applied to the import and export of articles, and in tonnage dues, as well as in all matters connected therewith, treatment not less favourable than that accorded or to be accorded to its own nationals or to the Government and nationals of any other foreign country.

Articles produced or manufactured in the territories of Japan or of China and imported into the territories of the other, from whatever place arriving, shall receive, in import duties, draw-

a reply."

In reply we beg to inform you that we agree generally to all the terms contained in the despatch under acknowledgement. As to the detailed regulations, these shall in due time be considered and satisfactorily settled in accordance with Article X of this Treaty; but it is understood that such regulations shall not differ in any respect to our prejudice from those which may be agreed upon between China and other Powers. We have the honour to send Your Excellencies this communication in reply and for your information.

We have the honour to be, etc.

backs and transit dues and all other similar internal charges, and in all matters connected therewith, treatment not less favourable than that accorded or to be accorded to the like articles produced or manufactured in any other foreign country.

Articles produced or manufactured in the territories of Japan or of China and exported to the territories of the other shall receive, in export duties, drawbacks and transit dues and all other similar internal charges, and in all matters connected therewith, treatment not less favourable than that accorded to the like articles produced or manufactured in the same territories and exported to any other foreign country.

In regard to tonnage dues and all matters connected therewith vessels of Japan and of China shall each receive in the territories of the other treatment not less favourable than that accorded or to be accorded to the vessels of any other foreign country.

ARTICLE III

The stipulations contained in the foregoing Articles as well as in the exchanged Notes annexed to the present Agreement shall be incorporated in, and form part of, a Treaty of Commerce and Navigation to be negotiated and concluded as soon as possible between the Empire of Japan and the Republic of

China.

ARTICLE IV

The Japanese, Chinese and English texts of this Agreement have been carefully compared and verified; but in the event of there being any difference of meaning between them, the sense as expressed in the English text shall be held to prevail.

ARTICLE V

The present Agreement shall enter into force on the tenth day following the date of the signature thereof.

ANNEX I

Nanking, May 6th, 5 Showa (1930)
Monsieur le Ministre,

With reference to the Agreement which we signed to-day I have the honour to state that it is the understanding of the Japanese Government:

1. That, beginning from the date of the coming into force of the above-mentioned Agreement, the Chinese Government will maintain: for a period of three years the rates of duty leviable under Items 1, 2 and 3 in Part I of the Schedule attached hereto, and will also maintain for a period of one year the rates of duty leviable under Item 4 in

Part I of the said Schedule, as the maximum rates of Import Duty leviable during the respective periods on articles falling within such Items produced or manufactured in the territories of Japan and imported into the territories of China, subject, however, to the reservation made in the said Schedule by the Chinese Government concerning the increase of rates; and

2. That the Japanese Government will maintain for a period of three years from the date of the coming into force of the above-mentioned Agreement, the rates of duty leviable under the three Items in Part II of the Schedule attached hereto, as the maximum rates of Import Duty leviable during the said period on articles falling within such items produced or manufactured in the territories of China and imported into the territories of Japan.

I shall be much obliged if Your Excellency will be good enough to confirm the foregoing understanding.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

(Signed) M. Shigemitsu.

His Excellency
Dr. Chengting T. Wang

SCHEDULE

Part I

No. of Item	Description of articles	Nos. in Chinese Customs Import Tariff of 1929
1	Cotton goods	1 to 10, 12 to 14, 22 to 24, 25 to 32, 37, 38 40, 43, 46, 47, 51, 53 58, 59
2	Fishery and sea products	196 to 199, 202, 205, 206, 213, 216, 217, 218, 231
3	Wheat flour	280
4	Miscellaneous goods	302, 567, 568, 603 to 605 (a), 612, 647, 652 (b), 655 (b), 677 (c), 685, 706, 709 (f), 709 (g), 710, 715
		value not over Hk. Tls. 15 per doz.
706	Thermostatic containers and parts thereof, value not over Hk. Tls. 15 per doz.	
709 (f)	Electrical machinery and parts thereof	
710	Toys and games.	
715	Vehicles: velocipedes (e. g., bicycles etc.), not otherwise enumerated, value not over Hk. Tls. 40 per piece.	

The numbers which appear in Part I of this Schedule indicate the same articles as are mentioned under the corresponding numbers in the Chinese Customs Import Tariff of 1929, with the exception of the following numbers which cover only such articles as are enumerated thereunder:

632 (b) Rubber shoes and boots, as also foot-gear made wholly or partly of rubber.

665 (b) Clocks and movements assembled as a unit, value not over Hk. Tls. 40 per doz.

677 (c) Hats and caps, of felt made with other materials than beaver or hair.

The rates of duty on articles mentioned in Part I of this Schedule shall remain the same as those stated under the corresponding numbers in the aforesaid Tariff, it being understood that, as regards the rates of duty on articles

covered by the numbers not underlined, the Chinese Government reserves the right to increase the rates specified above by not more than two and a half per cent. ad valorem. In the case of specific rates of duty, the increase above provided for will be based either uniformly upon the original duty paying value by which the rates in the afore-

said Tariff were determined or uniformly upon the duty paying value which was adopted by the Tariff Valuation Commission in 1928.

The Chinese Government reserves the right to levy an excise on imported Cotton Yarn (No. 51) in addition to the Customs Import Duty.

Part II

No. of item	Description of articles	Nos. in existing Japanese Import Tariff
1	Grass cloth	299. 5, (over 48 centimetres in width excepted) C-1, a-1 to a-4, C-2, a-1 to a-4
2	Silk piece goods	303. 3, A, a, b.
3	Embroidered tissues	300 (Hand-work only)

Unless otherwise specified, the numbers which appear in Part II of this Schedule indicate the same articles as are mentioned under the corresponding numbers in the Japanese Import Tariff at present in force.

The rates of duty on articles mentioned in Item 1 in Part II of this Schedule shall remain the same as those stated under the corresponding numbers in the Japanese Import Tariff at present in force, and the rates of duty on articles mentioned in Items 2 and 3 in Part II of this Schedule shall be thirty per cent. less than those now levied under the Law relating to Import Duties on Luxuries and Similar Articles.

Nanking, May 6th, 19th Year R. C.
(1930).

Monsieur le Chargé d'Affaires,

I have the honour to acknowledge the receipt of your Note of to-day's date which reads as follows:

"With reference to the Agreement which we signed to-day I have the honour to state that it is the understanding of the Japanese Government:

1. That, beginning from the date of the coming into force of the above-mentioned Agreement, the Chinese Government will maintain for a period of three years the rates of duty leviable under Items 1, 2 and 3 in Part I of the Schedule attached hereto, and will also maintain for a period of one year the

rates of duty leviable under Item 4 in Part I of the said Schedule, as the maximum rates of Import Duty leviable during the respective periods on articles falling within such Items produced or manufactured in the territories of Japan and imported into the territories of China, subject, however, to the reservation made in the said Schedule by the Chinese Government concerning the increase of rates; and

2. That the Japanese Government will maintain for a period of three years from the date of the coming into force of the above-mentioned Agreement, the rates of duty leviable under the three Items in Part II of the Schedule attached hereto, as the maximum rates of Import Duty leviable during the said period on articles falling within such Items produced or manufactured in the territories of China and imported into the territories of Japan.

"I shall be much obliged if Your Excellency will be good enough to confirm the foregoing understanding."

I have the honour to confirm, on behalf of the National Government of the Republic of China, that the foregoing understanding is correct.

I avail myself of this opportunity to renew to you, Monsieur le Chargé d'Affaires, the assurance of my high consideration.

(Signed) Chengting T. Wang.
Mr. M. Shigemitsu, etc

SCHEDULE

Part I

No. of item	Description of articles	Nos. in Chinese Customs Import Tariff of 1929
1	Cotton goods	1 to 10, 12 to 14, 22 to 24, 26 to 32, 37, 38, 40, 43, 46, 47, 51, 53, 58, 59
2	Fishery and sea products	196 to 199, 202, 205, 206, 213, 216, 217, 218, 231
3	Wheat flour	280
4	Miscellaneous goods	302, 567, 568, 603 to 605 (a), 612, 647, 652, (b), 665 (b), 677 (c), 685, 706, 709 (f), 709 (g), 710, 715

The numbers which appear in Part I of this Schedule indicate the same articles as are mentioned under the corresponding numbers in the Chinese Customs Import Tariff of 1929, with the exception of the following numbers which cover only such articles as are enumerated thereunder:

- 652 (b) Rubber shoes and boots, as also foot-gear made wholly or partly of rubber.
- 666 (b) Clocks and Movements assembled as a unit, value not over Hk. Tls. 40 per doz.
- 677 (c) Hats and caps, of felt made with other materials than beaver of hair, value not over Hk. Tls. 15 per doz.
- 706 Thermostatic containers and parts thereof, value not over Hk. Tls. 15 per doz.
- 709 (f) Electrical machinery and parts thereof.
- 710 Toys and games.
- 715 Vehicles: velocipedes (e. g., bicycles etc.), not otherwise enumerated, value not over Hk. Tls. 40 per piece.

The rates of duty on articles mentioned in Part I of this Schedule shall remain the same as those stated under the corresponding numbers in the aforesaid Tariff, it being understood that, as regards the rates of duty on articles covered by the numbers not underlined, the Chinese Government reserves the right to increase the rates specified above by not more than two and a half per cent. ad valorem. In the case of specific rates of duty, the increase above provided for will be based either uniformly upon the original duty paying value by which the rates in the aforesaid Tariff were determined or uniformly upon the duty paying value which was adopted by the Tariff Valuation Commission in 1928.

The Chinese Government reserves the right to levy an excise on imported Cotton Yarn (No. 51) in addition to the Customs Import Duty.

Part II

No. of item	Description of articles	Nos. in existing Japanese Import Tariff
1	Grass cloth	299. 5, (over 48 centimetres in width excepted) C-1, a-1 to a-4, C-2, a-1 to a-4
2	Silk piece goods.	303. 3, A, a, b.
3	Embroidered tissues	300 (Hand-work only)

Unless otherwise specified, the numbers which appear in Part II of this Schedule indicate the same articles as are mentioned under the corresponding numbers in the Japanese Import Tariff at present in force.

The rates of duty on articles mentioned in Item 1 in Part II of this Schedule shall remain the same as those stated

under the corresponding numbers in the Japanese Import Tariff at present in force, and the rates of duty on articles mentioned in Items 2 and 3 in Part II of this Schedule shall be thirty per cent. less than those now levied under the Law relating to Import Duties on Luxuries and Similar Articles.

ANNEX II

Nanking, May 6th, 19th Year R. C.
(1930)

Monsieur le Chargé d'Affaires,

With reference to the Agreement signed this day between China and Japan, I have the honour to request that you will be good enough to confirm, on behalf of the Japanese Government, my understanding that on the expiration of four months after the coming into force of the said Agreement, the reduced rates of the Chinese Customs Tariff heretofore leviable on articles imported or exported across the land frontiers between China and Japan will be abolished and the Customs Tariff without reduction will apply to such articles.

I avail myself of this opportunity to renew to you, Monsieur le Chargé d'Affaires, the assurance of my high consideration.

(Signed) Chengting T. Wang.
Mr. M. Shigemitsu, etc.

Nanking, May 6th, 5 Showa (1930)

Monsieur le Ministre,

I have the honour to acknowledge the receipt of Your Excellency's Note of to-day's date which reads as follows:—

"With reference to the Agreement signed this day between China and Japan, I have the honour to request that you will be good enough to confirm, on behalf of the Japanese Government, my understanding that on the expiration of four months after the coming into force of the said Agreement, the reduced rates of the Chinese Customs Tariff heretofore leviable on articles imported or exported across the land frontiers between China and Japan will be abolished and the Customs Tariff without reduction will apply to such articles."

I have the honour to confirm, on behalf of the Japanese Government, that the above understanding is correct.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

(Signed) M. Shigemitsu.
His Excellency
Dr. Chengting T. Wang, etc.

ANNEX III

Nanking, May 6th, 5 Showa (1930).

Monsieur le Ministre,

I have the honour to remind Your Excellency that in the course of our negotiations regarding the Customs Tariff question, it was stated that the Chinese Government entertained the intention of abolishing as soon as possible all such taxes and charges detrimental to the promotion of trade in China as likin, native customs duties, coast-trade duty and transit dues and other like charges.

I shall be much obliged if Your Excellency will be good enough to inform me as to what measures have been or will be adopted by the Chinese Government with a view to carrying into effect the aforesaid intention of the Chinese Government.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

(Signed) M. Shigemitsu.
His Excellency
Dr. Chengting T. Wang, etc.

Nanking, May 6th, 19th Year R. C.
(1930).

Monsieur le Chargé d'Affaires,

I have the honour to acknowledge the receipt of your Note of to-day's date which reads as follows:—

"I have the honour to remind Your Excellency that in the course of our negotiations regarding the Customs Tariff question, it was stated that the Chinese Government entertained the intention of abolishing as soon as possible all such taxes and charges detrimental to the promotion of trade in China as likin, native customs duties, coast-trade duty and transit dues and other like charges."

"I shall be much obliged if Your Excellency will be good enough to inform me as to what measures have been or will be adopted by the Chinese Government with a view to carrying into effect the aforesaid intention of the Chinese Government."

I have the pleasure to inform you that the Chinese Government is endeavouring to abolish as soon and as far as possible all such duties and charges as are mentioned in your Note under acknowledgement.

The Chinese Government has already issued a Mandate ordering the abolition of likin as from the 10th of October, 1930, and instructed the Minister of Finance to take all necessary measures for carrying this order into effect.

I avail myself of this opportunity to renew to you, Monsieur le Chargé d'Affaires, the assurance of my high consideration.

(Signed) Chengting T. Wang.
Mr. M. Shigemitsu, etc.

ANNEX IV

Nanking, May 6th, 5 Showa (1930).
Monsieur le Ministre,

I have the honour to state that in view of the large number and amount of the unsecured and inadequately secured obligations of China due to Japanese creditors, a speedy consolidation thereof is considered highly desirable. It is suggested by my Government that for that purpose a conference of the representatives of creditors should be called by the Chinese Government at the earliest possible date.

I shall be much obliged if Your Excellency will be good enough to inform me as to what measures have been or will be adopted by the Chinese Government for effectuating the aforesaid consolidation.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

(Signed) M. Shigemitsu.
His Excellency
Dr. Chengting T. Wang, etc.

Nanking, May 6th, 19th Year R. C.
(1930).

Monsieur le Chargé d'Affaires,

I have the honour to acknowledge the receipt of your Note of to-day's date which reads as follows:—

"I have the honour to state that in view of the large number and amount of the unsecured and inadequately secured obligations of China due to Japanese creditors, a speedy consolidation thereof is considered highly desirable. It is suggested by my Government that for that purpose a conference of the representatives of creditors should be called by the Chinese Government at the earliest possible date."

"I shall be much obliged if Your Excellency will be good enough to inform me as to what measures have been or will be adopted by the Chinese Government for effectuating the aforesaid consolidation."

I have the pleasure to inform you that the Chinese Government has already commenced to set aside annually the sum of \$5,000,000 from the Customs revenues for the purpose of consolidating the domestic and foreign obligations of China and that it intends to call a conference of the representatives of creditors on or before October 1st of this year at which an adequate plan for consolidation will be presented and discussed with a view to devising means (including an increase of the sum above mentioned) for effectuating the consolidation in question.

I avail myself of this opportunity to renew to you, Monsieur le Chargé d'Affaires, the assurance of my high consideration.

(Signed) Chengting T. Wang.
Mr. M. Shigemitsu, etc.

TREATY OF COMMERCE AND NAVIGATION BETWEEN JAPAN AND THE UNITED STATES OF AMERICA

Signed at Washington, February 21, 1911

ARTICLE I The subjects or citizens of each of the High Contracting Parties shall have liberty to enter, travel and reside in the territories of the other to carry on trade, wholesale and retail, to own or lease and occupy houses, manufacturing, warehouses and shops, to em-

ploy agents of their choice, to lease land for residential and commercial purposes, and generally to do anything incident to or necessary for trade upon the same terms as native subjects or citizens, submitting themselves to the laws and regulations there established.

They shall not be compelled, under any pretext whatever, to pay any charges or taxes other or higher than those that are or may be paid by native subjects or citizens.

The subjects or citizens of each of the High Contracting Parties shall receive, in the territories of the other, the most constant protection and security for their persons and property, and shall enjoy in this respect the same rights and privileges as are or may be granted to native subjects or citizens, on their submitting themselves to the conditions imposed upon the native subjects or citizens.

They shall, however, be exempt in the territories of the other from compulsory military service either on land or sea, in the regular forces, or in the national guard, or in the militia; from all contributions imposed in lieu of personal service, and from all forced loans or military exactions or contributions.

ARTICLE II The dwellings, warehouses, manufactories and shops of the subjects or citizens of each of the High Contracting Parties in the territories of the other, and all premises appertaining thereto used for purposes of residence or commerce, shall be respected. It shall not be allowable to proceed to make a domiciliary visit to, or a search of, any such buildings and premises, or to examine or inspect books, papers or accounts, except under the conditions and with the forms prescribed by the laws, ordinances and regulations for nationals.

ARTICLE III Each of the High Contracting Parties may appoint Consuls-General, Consuls, Vice-Consuls, Deputy Consuls and Consular Agents in all ports, cities and places of the other, except in those where it may not be convenient to recognize such officers. This exception, however, shall not be made in regard to one of the Contracting Parties without being made likewise in regard to all other Powers.

Such Consuls General, Consuls, Vice Consuls, Deputy Consuls and Consular Agents having received exequaturs or other sufficient authorizations from the Government of the country to which they are appointed, shall, on condition of reciprocity, have the right to exercise the functions and to enjoy the

exemptions and immunities which are or may hereafter be granted to the consular officers of the same rank of the most favoured nation. The Government issuing exequaturs or other authorizations may in its discretion cancel the same on communicating the reasons for which it thought proper to do so.

ARTICLE IV There shall be between the territories of the two High Contracting Parties reciprocal freedom of commerce and navigation. The subjects or citizens of each of the Contracting Parties, equally with the subjects or citizens of the most favored nation, shall have liberty freely to come with their ships and cargoes to all places, ports and rivers in the territories of the other which are or may be opened to foreign commerce, subject always to foreign commerce, subjects always to the laws of the country to which they thus come.

ARTICLE V The import duties on articles, the produce or manufacture of the territories of one of the High Contracting Parties, upon importation into the territories of the other, shall henceforth be regulated either by special arrangements between the two countries or by the internal legislation of each.

Neither Contracting Party shall impose any other or higher duties or charges on the exportation of any article to the territories of the other than are or may be payable on the exportation of the like article to any other foreign country.

Nor shall any prohibition be imposed by either country on the importation or exportation of any article from or to the territories of the other which shall not equally extend to the like article imported from or exported to any other country. The last provision is not, however, applicable to prohibitions or restrictions maintained or imposed as sanitary measures or for purposes of protecting animals and useful plants.

ARTICLE VI The subjects or citizens of each of the High Contracting Parties shall enjoy in the territories of the other exemption from all transit duties and a perfect equality of treatment with native subjects or citizens in all that relates to warehousing, bounties, facilities and drawbacks.

ARTICLE VII Limited-liability and other companies and associations, commercial, industrial, and financial, already or hereafter to be organized in accordance with the laws of either High Contracting Party and domiciled in the territories of such Party, are authorized, in the territories of the other, to exercise their rights and appear in the courts either as plaintiffs or defendants, subject to the laws of such other Party.

The foregoing stipulation has no bearing upon the question whether a company or association organized in one of the two countries will or will not be permitted to transact its business or industry in the other, this permission remaining always subject to the laws and regulations enacted or established in the respective countries or in any part thereof.

ARTICLE VIII All articles which are or may be legally imported into the ports of either High Contracting Party from foreign countries in national vessels may likewise be imported into those in vessels of the other Contracting Party, without being liable to any other or higher duties or charges of whatever denomination than if such articles were imported in national vessels. Such reciprocal equality of treatment shall take effect without distinction, whether such articles come directly from the place of origin or from any other foreign place.

In the same manner, there shall be perfect equality of treatment in regard to exportation, so that the same export duties shall be paid, and the same bounties and drawbacks allowed, in the territories of each of the Contracting Parties on the exportation of any article which is or may be legally exported therefrom, whether such exportation shall take place in Japanese vessels or in vessels of the United States, and whatever may be the place of destination, whether a port of the other Party or of any third Power.

ARTICLE IX In all that the stationing, loading and unloading of vessels in the ports of the territories of the High Contracting Parties, no privileges shall be granted by either Party to national vessels which are not equally, in like cases, granted to the vessels of the other country; the intention of the Contracting Parties being that in these

respects the respective vessels shall be treated on the footing of perfect equality.

ARTICLE X Merchant vessels navigating under the flag of Japan or that of the United States and carrying the papers required by their national laws to prove their nationality shall in the United States and in Japan be deemed to be vessels of Japan or of the United States, respectively.

ARTICLE XI No duties of tonnage, harbour, pilotage, lighthouse, quarantine, or other similar or corresponding duties of whatever denomination, levied in the name or for the profit of Government, public functionaries, private individuals, corporations or establishments of any kind shall be imposed in the ports of the territories of either country upon the vessels of the other which shall not equally, under the same conditions, be imposed on national vessels in general, or on vessels of the most favoured nation. Such equality of treatment shall apply reciprocally to the respective vessels from whatever place they may arrive and whatever may be their place of destination.

ARTICLE XII Vessels charged with performance of regular scheduled postal service of one of the High Contracting Parties, whether belonging to the State or subsidized by it for the purpose, shall enjoy, in the ports of the territories of the other, the same facilities, privileges and immunities as are granted to like vessels of the most favoured nation.

ARTICLE XIII The coasting trade of the High Contracting Parties is excepted from the provisions of the present Treaty and shall be regulated according to the laws of Japan and the United States, respectively. It is, however, understood that the subjects or citizens of either Contracting Party shall enjoy in this respect most-favoured-nation treatment in the territories of the other.

A vessel of one of the Contracting Parties, laden in a foreign country with cargo destined for two or more ports of entry in the territories of the other, may discharge a portion of her cargo at one of the said ports, and, continuing her voyage to the other port or ports of destination, there discharge the remainder of her cargo, subject always

to the laws, tariffs and customs regulations of the country of destination; and, in like manner and under the same reservation, the vessels of one of the Contracting Parties shall be permitted to load at several ports of the other for the same outward voyages.

ARTICLE XIV Except as otherwise expressly provided in this Treaty, the High Contracting Parties agree that, in all that concerns commerce and navigation, any privilege, favour or immunity which either Contracting Party has actually granted, or may hereafter grant, to the subjects or citizens of any other State shall be extended to the subjects or citizens of the other Contracting Party gratuitously, if the concession in favour of that other State shall have been gratuitous, and on the same or equivalent conditions, if the concession shall have been conditional.

ARTICLE XV The subjects or citizens of each of the High Contracting Parties shall enjoy in the territories of the other the same protection as native subjects or citizens in regard to patents,

trade-marks and designs, upon fulfilment of the formalities prescribed by law.

ARTICLE XVI The present Treaty shall, from the date on which it enters into operation, supersede the Treaty of Commerce and Navigation dated the 22nd day of November, 1894; and from the same date the last-named Treaty shall cease to be binding.

ARTICLE XVII The present Treaty shall enter into operation on the 17th of July, 1911, and shall remain in force twelve years or until the expiration of six months from the date on which either of the Contracting Parties shall have given notice to the other of its intention to terminate the Treaty.

In case neither of the Contracting Parties shall have given notice to the other six months before the expiration of the said period of twelve years of its intention to terminate the Treaty, it shall continue operative until the expiration of six months from the date on which either Party shall have given such notice.

TREATY OF COMMERCE AND NAVIGATION BETWEEN JAPAN AND GREAT BRITAIN

Signed at London, April 3, 1911

ARTICLE I The subjects of each of the High Contracting Parties shall have full liberty to enter, travel, and reside in the territories of the other, and, conforming themselves to the laws of the country—

1. Shall, in all that relates to travel and residence, be placed in all respects on the same footing as native subjects.

2. They shall have the right, equally with native subjects, to carry on their commerce and manufacture, and to trade in all kinds of merchandise of lawful commerce, either in person or by agents, singly or in partnerships with foreign or native subjects.

3. They shall in all that relates to the pursuit of their industries, callings, professions, and educational studies be placed in all respects on the same footing as the subjects or citizens of the most favoured nation.

4. They shall be permitted to own or hire and occupy houses, manufac-

tories, warehouses, shops, and premises which may be necessary for them, and to lease land for residential, commercial, industrial, and other lawful purposes, in the same manner as native subjects.

5. They shall, on condition of reciprocity, be at full liberty to acquire and possess every description of property, movable or immovable, which the laws of the country permit or shall permit the subjects or citizens of any other foreign country to acquire and possess, subject always to the conditions and limitations prescribed in such laws. They may dispose of the same by sale, exchange, gift, marriage, testaments, or in any other manner, under the same conditions which are or shall be established with regard to native subjects. They shall also be permitted, on compliance with the laws of the country, freely to export the proceeds of the sale of their property and their goods in general without being subjected as for-

eigners to other or higher duties than those to which subjects of the country would be liable under similar circumstances.

6. They shall enjoy constant and complete protection and security for their persons and property; shall have free and easy access to the Courts of Justice and other tribunals in pursuit and defence of their claims and rights; and shall have full liberty, equally with native subjects, to choose and employ lawyers and advocates to represent them before such Courts and tribunals; and generally shall have the same rights and privileges as native subjects in all that concerns the administration of justice.

7. They shall not be compelled to pay taxes, fees, charges, or contributions of any kind whatever, other or higher than those which are or may be paid by native subjects or the citizens of the most favoured nation.

8. And they shall enjoy a perfect equality of treatment with native subjects in all that relates to facilities for warehousing under bond, bounties, and drawbacks.

ARTICLE II The subjects of each of the High Contracting Parties in the territories of the other shall be exempted from all compulsory military services, whether in the army, navy, national guard, or militia; and from all forced loans and military requisitions or contributions unless imposed on them equally with native subjects as owners, lessees, or occupiers of immovable property.

In the above respects the subjects of each of the High Contracting Parties shall not be accorded in the territories of the other less favourable treatment than that which is or may be accorded to subjects or citizens of the most favoured nation.

ARTICLE III The dwellings, warehouses, manufactories, and shops of the subjects of each of the High Contracting Parties in the territories of the other, and all premises appertaining thereto used for lawful purposes, shall be respected. It shall not be allowable to proceed to make a domiciliary visit to, or a search of, any such buildings and premises, or to examine or inspect books, papers, or accounts, except under

the conditions and with the forms presented by the laws for native subjects.

ARTICLE IV Each of the High Contracting Parties may appoint Consuls-General, Consuls, Vice-Consuls, and Consular Agents in all the ports, cities, and places of the other, except in those where it may not be convenient to recognize such officers. This exception, however, shall not be made in regard to one of the High Contracting Parties without being made likewise in regard to all other Powers.

Such Consuls-General, Consuls, Vice-Consuls, and Consular Agents, having received exequaturs or other sufficient authorizations from the Government of the country to which they are appointed, shall have the right to exercise their functions, and to enjoy the privileges, exemptions, and immunities which are or may be granted to the Consular officers of the most favoured nation. The Government issuing exequaturs or other authorizations has the right in its discretion to cancel the same on explaining the reasons for which it thought proper to do so.

ARTICLE V In case of the death of a subject of one of the High Contracting Parties in the territories of the other, without leaving at the place of his decease any person entitled by the laws of his country to take charge of and administer the estate, the competent Consular officer of the State to which the deceased belonged shall, upon fulfilment of the necessary formalities, be empowered to take custody of and administer the estate in the manner and under the limitations prescribed by the law of the country in which the property of the deceased is situated.

The foregoing provision shall also apply in case of a subject of one of the High Contracting Parties dying outside the territories of the other, but possessing property therein, without leaving any person there entitled to take charge of and administer the estate.

It is understood that in all that concerns the administration of the estates of deceased persons, any right, privilege, favour, or immunity which either of the High Contracting Parties has actually granted, or may hereafter grant, to the Consular officers of any other for-

sign State shall be extended immediately and unconditionally to the Consular officers of the other High Contracting Party.

ARTICLE VI There shall be between the territories of the two High Contracting Parties reciprocal freedom of commerce and navigation. The subjects of each of the High Contracting Parties shall have liberty freely to come with their ships and cargoes to all places, ports, and rivers in the territories of the other, which are or may be opened to foreign commerce, and conforming themselves to the laws of the country to which they thus come, shall enjoy the same rights, privileges, liberties, favours, immunities, and exemptions in matters of commerce and navigation as are or may be enjoyed by native subjects.

ARTICLE VII Articles, the produce or manufacture of the territories of one High Contracting Party, upon importation into the territories of the other, from whatever place arriving, shall enjoy the lowest rates of customs duty applicable to similar articles of any other foreign origin.

No prohibition or restriction shall be maintained or imposed on the importation of any article, the produce or manufacture of the territories of either of the High Contracting Parties, into the territories of the other, from whatever place arriving, which shall not equally extend to the importation of the like articles, being the produce or manufacture of any other foreign country. This provision is not applicable to the sanitary or other prohibitions occasioned by the necessity of securing the safety of persons, or of cattle, or of plants useful to agriculture.

ARTICLE VIII The articles, the produce or manufacture of the United Kingdom, enumerated in Part 1 of the Schedule annexed to this Treaty, shall not, on importation into Japan, be subjected to higher customs duties than those specified in the Schedule.

The articles, the produce or manufacture of Japan, enumerated in Part 2 of the Schedule annexed to this Treaty, shall be free of duty on importation into the United Kingdom.

Provided that if at any time after the expiration of one year from the date

this Treaty takes effect either of the High Contracting Parties desires to make a modification in the Schedule it may notify its desire to the other High Contracting Party, and thereupon negotiations for the purpose shall be entered into forthwith. If the negotiations are not brought to a satisfactory conclusion within six months from the date of notification, the High Contracting Party which gave the notification may, within one month, give six months' notice to abrogate the present Article, and on the expiration of such notice the present Article shall cease to have effect, without prejudice to the other stipulations of this Treaty.

ARTICLE IX Articles, the produce or manufacture of the territories of one of the High Contracting Parties, exported to the territories of the other, shall not be subjected on export to other or higher charges than those paid on the like articles exported to any other foreign country. Nor shall any prohibition or restriction be imposed on the exportation of any article from the territories of either of the two High Contracting Parties to the territories of the other which shall not equally extend to the exportation of the like article to any other foreign country.

ARTICLE X Articles, the produce or manufacture of the territories of one of the High Contracting Parties, passing in transit through the territories of the other, in conformity with the laws of the country, shall be reciprocally free from all transit duties, whether they pass direct, or whether during transit they are unloaded, warehoused, and reloaded.

ARTICLE XI No internal duties levied for the benefit of the State, local authorities, or corporations which affect, or may affect, the production, manufacture, or consumption of any article in the territories of either of the High Contracting Parties shall for any reason be a higher or more burdensome charge on articles, the produce or manufacture of the territories of the other, than on similar articles of native origin.

The produce or manufacture of the territories of either of the High Contracting Parties imported into the territories of the other, and intended for warehousing or transit, shall not be

subjected to any internal duty.

ARTICLE XII Merchants and manufacturers, subjects of one of the High Contracting Parties, as well as merchants and manufacturers domiciled and exercising their commerce and industries in the territories of such party, may, in the territories of the other, either personally or by means of commercial travellers, make purchases or collect orders, with or without samples, and such merchants, manufacturers, and their commercial travellers, while so making purchases and collecting orders, shall, in the matter of taxation and facilities, enjoy the most-favoured-nation treatment.

Articles imported as samples for the purpose above mentioned shall, in each country, be temporarily admitted free of duty on compliance with the Customs regulations and formalities established to assure their re-exportation or the payment of the prescribed customs duties if not re-exported within the period allowed by law. But the foregoing privilege shall not extend to articles which, owing to their quantity or value, cannot be considered as samples, or which owing to their nature, could not be identified upon re-exportation. The determination of the question of the qualification of samples for duty-free admission rests in all cases exclusively with the competent authorities of the place where the importation is effected.

ARTICLE XIII The marks, stamps, or seals placed upon the samples mentioned in the preceding Article by the Customs authorities of one country at the time of exportation, and the officially attested list of such samples containing a full description thereof issued by them, shall be reciprocally accepted by the Customs officials of the other as establishing their character so far as may be necessary to establish that the samples produced are those enumerated in the list. The Customs authorities of either country may, however, affix a supplementary mark to such samples in special cases where they may think this precaution necessary.

ARTICLE XIV The Chambers of Commerce, as well as such other Trade Associations and other recognized Commercial Associations in the territories of the High Contracting Parties as may

be authorized in this behalf, shall be mutually accepted as competent authorities for issuing any certificates that may be required for commercial travellers.

ARTICLE XV Limited liability and other companies and associations, commercial, industrial, and financial, already or hereafter to be organized in accordance with the laws of either High Contracting Party, and registered in the territories of such Party, are authorized, in the territories of the other, to exercise their rights and appear in the Courts either as plaintiffs or defendants, subject to the laws of such other Party.

ARTICLE XVI Each of the High Contracting Parties shall permit the importation or exportation of all merchandise which may be legally imported or exported, and also the carriage of passengers from or to their respective territories, upon the vessels of the other; and such vessels, their cargoes and passengers shall enjoy the same privileges as, and shall not be subjected to any other or higher duties or charges than, national vessels and their cargoes and passengers.

ARTICLE XVII In all that regards the stationing, loading, and unloading of vessels in the ports, docks, roadsteads, and harbours of the High Contracting Parties, no privileges or facilities shall be granted by either Party to national vessels which are not equally, in like cases, granted to the vessels of the other country; the intention of the High Contracting Parties being that in these respects also the vessels of the two countries shall be treated on the footing of perfect equality.

ARTICLE XVIII All vessels which according to Japanese law are to be deemed Japanese vessels, and all vessels which according to British law are to be deemed British vessels, shall, for the purpose of this Treaty, be deemed Japanese and British vessels respectively.

ARTICLE XIX No duties of tonnage, harbour, pilotage, lighthouse, quarantine, or other analogous duties or charges of whatever nature, or under whatever denomination, levied in the name or for the profit of Government, public functionaries, private individuals, corporations, or establishments of any

kind, shall be imposed in the ports of either country upon the vessels of the other which shall not equally, under the same conditions, be imposed in like cases on national vessels in general, or vessels of the most favoured nation. Such equality of treatment shall apply to the vessels of either country from whatever place they may arrive and whatever may be their destination.

ARTICLE XX Vessels charged with performance of regular scheduled postal service of one of the High Contracting Parties shall enjoy in the territorial waters of the other the same special facilities, privileges, and immunities as are granted to like vessels of the most favoured nation.

ARTICLE XXI The coasting trade of the High Contracting Parties is excepted from the provisions of the present Treaty, and shall be regulated according to the laws of Japan and the United Kingdom respectively. It is, however, understood that the subjects and vessels of either High Contracting Party shall enjoy in this respect most-favoured-nation treatment in the territories of the other.

Japanese and British vessels may, nevertheless, proceed from one port to another, either for the purpose of landing the whole or part of their passengers or cargoes brought from abroad, or of taking on board the whole or part of their passengers or cargoes for a foreign destination.

It is also understood that, in the event of the coasting trade of either country being exclusively reserved to national vessels, the vessels of the other country, if engaged in trade to or from places not within the limits of the coasting trade so reserved, shall not be prohibited from the carriage between two ports of the former country of passengers holding through tickets, or merchandise consigned on through bills of lading to or from places not within the above-mentioned limits, and while engaged in such carriage these vessels and their cargoes shall enjoy the full privileges of this Treaty.

ARTICLE XXII If any seaman should desert from any ship belonging to either of the High Contracting Parties in the territorial waters of the other, the local authorities shall, within the limits of

law, be bound to give every assistance in their power for the recovery of such deserter, on application to that effect being made to them by the competent Consular officer of the country to which the ship of the deserter may belong, accompanied by an assurance that all expenses connected therewith will be repaid.

It is understood that this stipulation shall not apply to the subjects of the country where the desertion takes place.

ARTICLE XXIII Any vessel of either of the High Contracting Parties which may be compelled, by stress of weather or by accident, to take shelter in a port of the other shall be at liberty to refit therein, to procure all necessary stores, and to put to sea again, without paying any dues other than such as would be payable in the like case by a national vessel. In case, however, the master of a merchant-vessel should be under the necessity of disposing of a part of his merchandise in order to defray the expenses, he shall be bound to conform to the Regulations and Tariffs of the place to which he may have come.

If any vessel of one of the High Contracting Parties should run aground or be wrecked upon the coasts of the other, such vessel, and all parts thereof, and all furniture and appurtenances belonging thereunto, and all goods and merchandise saved therefrom, including any which may have been cast into the sea, or the proceeds thereof, if sold, as well as all papers found on board such stranded or wrecked vessel, shall be given up to the owners or their agents when claimed by them. If there are no such owners or agents on the spot, then the same shall be delivered to the Japanese or British Consular officer in whose district the wreck or stranding may have taken place upon being claimed by him within the period fixed by the laws of the country, and such Consular officer, owners, or agents shall pay only the expenses incurred in the preservation of the property, together with the salvage or other expenses which would have been payable in the like case of a wreck or stranding of a national vessel.

The High Contracting Parties agree, moreover, that merchandise saved shall not be subjected to the payment of any

customs duty unless cleared for internal consumption.

In the case either of a vessel being driven in by stress of weather, run aground, or wrecked, the respective Consular officers shall, if the owner or master or other agent of the owner is not present, or is present and requires it, be authorized to interpose in order to afford the necessary assistance to their fellow-country-men.

ARTICLE XXIV The High Contracting Parties agree that, in all that concerns commerce, navigation, and industry, any favour, privilege, or immunity which either High Contracting Party has actually granted, or may hereafter grant, to the ships, subjects, or citizens of any other foreign State shall be extended immediately and unconditionally to the ships or subjects of the other High Contracting Party, it being their intention that the commerce, navigation, and industry of each country shall be placed in all respects on the footing of the most favoured nation.

ARTICLE XXV The stipulations of this Treaty do not apply to tariff concessions granted by either of the High Contracting Parties to contiguous States solely to facilitate frontier traffic within a limited zone on each side of the frontier, or to the treatment accorded to the produce of the national fisheries of the High Contracting Parties, or to special tariff favours granted by Japan in regard to fish and other aquatic products taken in the foreign waters in the vicinity of Japan.

ARTICLE XXVI The stipulations of

the present Treaty shall not be applicable to any of His Britannic Majesty's Dominions, Colonies, Possessions, or Protectorates, beyond the Seas, unless notice of adhesion shall have been given on behalf of any such Dominion, Colony, Possession, or Protectorate by His Britannic Majesty's Representative at Tokio before the expiration of two years from the date of the exchange of the ratifications of the present Treaty.

ARTICLE XXVII The present Treaty shall be ratified, and the ratifications exchanged at Tokio as soon as possible. It shall enter into operation on the 17th July, 1911, and remain in force until the 16th July, 1923. In case neither of the High Contracting Parties shall have given notice to the other twelve months before the expiration of the said period, of its intention to terminate the Treaty, it shall continue operative until the expiration of one year from the date on which either of the High Contracting Parties shall have denounced it.

As regards the British Dominions, Colonies, Possessions, and Protectorates to which the present Treaty may have been made applicable in virtue of Article 26, however, either of the High Contracting Parties shall have the right to terminate it separately at any time on given twelve months' notice to that effect. It is understood that the stipulations of the present and of the preceding Article referring to British Dominions, Colonies, Possessions, and Protectorates apply also to the island of Cyprus.

TRAITÉ DE PAIX ENTRE LE JAPON ET LA RUSSIE

Signé à Portsmouth, en français et anglais,
le 5 septembre, 1905 (38^{ème} année de Meiji)

ARTICLE I

Il y aura à l'avenir paix et amitié entre Leurs Majestés l'Empereur du Japon et l'Empereur de toutes les Russies, ainsi qu'entre Leurs Etats et sujets respectifs.

ARTICLE 2

Le Gouvernement Impérial de Russie, reconnaissant que le Japon possède

en Corée des intérêts prédominants politiques, militaires et économiques, s'engage à ne point intervenir ni mettre d'obstacles aux mesures de direction, de protection et de contrôle que le Gouvernement Impérial du Japon pourrait considérer nécessaire de prendre en Corée.

Il est entendu que les sujets russes en Corée seront traités exactement de la même manière que les ressortissants

des autres pays étrangers, à savoir qu'ils seront placés sur le même pied que les ressortissants de la nation la plus favorisée.

Il est de même convenu que pour éviter toute cause de malentendu, les deux Hautes Parties Contractantes s'abstiendront, sur la frontière russo-coréenne, de prendre toute mesure militaire qui pourrait menacer la sécurité du territoire russe ou coréen.

ARTICLE 3

Le Japon et la Russie s'engagent mutuellement :

1. A évacuer complètement et simultanément la Manchourie à l'exception du territoire sur lequel s'étend le bail de la presqu'île de Liaotong, conformément aux dispositions de l'Article additionnel 1 annexé à ce Traité ; et

2. A restituer entièrement et complètement à l'administration exclusive de la Chine toutes les parties de la Manchourie qui sont occupées maintenant par les troupes japonaises ou russes ou qui sont sous leur contrôle, à l'exception du territoire susmentionné.

Le Gouvernement Impérial de Russie déclare qu'il n'a point en Manchourie d'avantages territoriaux ou concessions préférentielles ou exclusives de nature à porter atteinte à la souveraineté de la Chine ou incompatibles avec le principe d'opportunité égale.

ARTICLE 4

Le Japon et la Russie s'engagent réciproquement à ne mettre aucun obstacle aux mesures générales qui s'appliquent également à toutes les nations et que la Chine pourrait prendre pour le développement du commerce et de l'industrie en Manchourie.

ARTICLE 5

Le Gouvernement Impérial de Russie cède au Gouvernement Impérial du Japon, avec le consentement du Gouvernement de Chine, le bail de Port Arthur, de Talién et des territoires et eaux territoriales adjacents, ainsi que tous les droits, privilèges et concessions se rattachant à ce bail ou en faisant partie, et il cède, de même, au Gouvernement Impérial du Japon, tous les travaux et propriétés publiques dans le territoire sur lequel s'étend le bail susmentionné.

Les deux Hautes Parties Contractantes s'engagent mutuellement à obtenir du Gouvernement de Chine le consentement mentionné dans la stipulation ci-dessus.

Le Gouvernement Impérial du Japon donne, de sa part, l'assurance que les droits de propriété des sujets russes dans le territoire susmentionné seront parfaitement respectés.

ARTICLE 6

Le Gouvernement Impérial de Russie s'engage à céder au Gouvernement Impérial du Japon, sans compensation, avec le consentement du Gouvernement de Chine, le chemin de fer entre Tchan-Tchoun (Kouan-Tchen-Tsy) et Port Arthur et tous ses embranchements avec tous les droits, privilèges et propriétés y appartenant dans cette région, ainsi que toutes les mines de charbon dans ladite région, appartenant à ce chemin de fer ou en exploitation pour son profit.

Les deux Hautes Parties Contractantes s'engagent mutuellement à obtenir du Gouvernement de Chine le consentement mentionné dans la stipulation ci-dessus.

ARTICLE 7

Le Japon et la Russie s'engagent à exploiter leurs chemins de fer respectifs en Manchourie exclusivement dans un but commercial et industriel, mais nullement dans un but stratégique.

Il est entendu que cette restriction ne s'applique pas aux chemins de fer dans le territoire sur lequel s'étend le bail de la presqu'île de Liaotong.

ARTICLE 8

Les Gouvernements Impériaux du Japon et de Russie, en vue de favoriser et de faciliter les relations et le trafic, concluront, aussitôt que possible, une convention séparée pour le règlement de leurs services de raccordement de chemins de fer en Manchourie.

ARTICLE 9

Le Gouvernement Impérial de Russie cède au Gouvernement Impérial du Japon en perpétuité et en pleine souveraineté la partie sud de l'île de Sakhaline et toutes les îles qui y sont adjacentes, ainsi que tous les travaux et propriétés publiques qui s'y trouvent. Le cinquantième parallèle de latitude nord est adopté comme la limite du territoire

cedé. La ligne frontière exacte de ce territoire sera déterminée conformément aux dispositions de l'Article additionnel 2 annexé à ce Traité.

Le Japon et la Russie conviennent mutuellement de ne construire dans leurs possessions respectives sur l'île de Sakhaline et sur les îles qui y sont adjacentes aucune fortification ni travaux militaires semblables. De même, ils s'engagent respectivement à ne prendre aucune mesure militaire qui pourrait entraver la libre navigation des Détroits de La Pérouse et de Tartarie.

ARTICLE 10

Il est réservé aux sujets russes habitants du territoire cédé au Japon de vendre leurs propriétés immobilières et de se retirer dans leur pays ; mais, s'ils préfèrent rester dans le territoire cédé, ils seront maintenus et protégés dans le plein exercice de leurs industries et droits de propriété à la condition de se soumettre aux lois et à la juridiction japonaises. Le Japon aura la pleine liberté de retirer le droit de résidence dans ce territoire à tous les habitants se trouvant dans l'incapacité politique ou administrative, ou de les déporter de ce territoire. Il s'engage toutefois à ce que les droits de propriété de ces habitants soient pleinement respectés.

ARTICLE 11

La Russie s'engage à s'entendre avec le Japon pour concéder aux sujets japonais des droits de pêche le long des côtes des possessions russes dans les Mers du Japon, d'Okhotsk et de Behring.

Il est convenu que l'engagement susmentionné ne portera pas atteinte aux droits déjà appartenant aux sujets russes ou étrangers dans ces régions.

ARTICLE 12

Le Traité de Commerce et de Navigation entre le Japon et la Russie ayant été annulé par la guerre, les Gouverne-

ments Impériaux du Japon et de Russie s'engagent à adopter comme base de leurs relations commerciales, jusqu'à la conclusion d'un nouveau traité de commerce et de navigation sur la base du Traité qui était en vigueur antérieurement à la guerre actuelle, le système du traitement réciproque sur le pied de la nation la plus favorisée, y compris les tarifs d'importation, et d'exportation, les formalités de douane, les droits de transit et de tonnage et l'admission et le traitement des agents, des sujets et des vaisseaux d'un pays dans le territoire de l'autre.

ARTICLE 13

Aussitôt que possible après la mise en vigueur du présent Traité, tous les prisonniers de guerre seront réciproquement restitués. Les Gouvernements Impériaux du Japon et de Russie nommeront, chacun de son côté, un Commissaire spécial qui se chargera des prisonniers. Tous les prisonniers se trouvant entre les mains de l'un des Gouvernements seront remis au Commissaire de l'autre Gouvernement, ou à son représentant dûment autorisé, qui les recevra en tel nombre et dans tels ports convenables de l'État remettant que ce dernier aurait notifié d'avance au Commissaire de l'État recevant.

Les Gouvernements du Japon et de Russie présenteront l'un à l'autre, le plus tôt possible après que la remise des prisonniers aura été achevée, un compte documenté des dépenses directes faites respectivement par eux pour le soin et l'entretien des prisonniers depuis la date de la capture ou de la reddition jusqu'à celle de la mort ou de la remise. La Russie s'engage à rembourser au Japon, aussitôt que possible après l'échange de ces comptes comme il est stipulé ci-dessus, la différence entre le montant réel ainsi dépensé par le Japon et le montant réel également débourré, par la Russie.

THE CONVENTIONAL EMBODYING BASIC RULES
OF THE RELATIONS BETWEEN JAPAN AND
THE UNION OF THE SOVIET
SOCIALIST REPUBLICS

Signed at Peking, January 20, 1925

ARTICLE I The High Contracting Parties agree that with the coming into force of the present Convention, diplomatic and consular relations shall be established between them.

ARTICLE II The Union of Soviet Socialist Republics agrees that the Treaty of September 5th, 1905, shall remain in full force.

It is agreed that the Treaties, Conventions and Agreements, other than the said Treaty of Portsmouth, which were concluded between Japan and Russia prior to November 7, 1917, shall be re-examined at a Conference to be subsequently held between the Governments of the High Contracting Parties and are liable to revision or annulment as altered circumstances may require.

ARTICLE III The Governments of the High Contracting Parties agree that upon the coming into force of the present Convention, they shall proceed to the revision of the Fishery Convention of 1907, taking into consideration such changes as may have taken place in the general conditions since the conclusion of the said Fishery Convention.

Pending the conclusion of a convention so revised, the Government of the Union of Soviet Socialist Republics shall maintain the practices established in 1924 relating to the lease of fishery lots to Japanese subjects.

ARTICLE IV The Governments of the High Contracting Parties agree that upon the coming into force of the present Convention, they shall proceed to the conclusion of a treaty of commerce and navigation in conformity with the principles hereunder mentioned, and that pending the conclusion of such a treaty, the general intercourse between the two countries shall be regulated by those principles.

(1) The subjects or citizens of each of the High Contracting Parties shall in accordance with the laws of the country: a / have liberty to enter,

travel and reside in the territories of the other, and b / enjoy constant and complete protection for the safety of their lives and property.

(2) Each of the High Contracting Parties shall in accordance with the laws of the country accord in its territories to the subjects or citizens of the other, to the widest possible extent and on condition of reciprocity, the right of private ownership and the liberty to engage in commerce, navigation, industries, and other peaceful pursuits.

(3) Without prejudice to the right of each Contracting Party to regulate by its own laws the system of international trade in that country, it is understood that neither Contracting Party shall apply in discrimination against the other Party any measures of prohibition, restriction or impost which may serve to hamper the growth of the intercourse, economic or otherwise, between the two countries, it being the intention of both Parties to place the commerce, navigation and industry of each country, as far as possible, on the footing of the most favoured nation.

The Governments of the High Contracting Parties further agree that they shall enter into negotiations, from time to time as circumstances may require, for the conclusion of special arrangements relative to commerce and navigation to adjust and to promote economic relations between the two countries.

ARTICLE V The High Contracting Parties solemnly affirm their desire and intention to live in peace and amity with each other, scrupulously to respect the undoubted right of a State to order its own life within its own jurisdiction in its own way, to refrain and restrain all persons in any governmental service for them, and all organizations in receipt of any financial assistance from them, from any act overt or covert liable in any way whatever to endanger the order and security in any

part of the territories of Japan or the Union of Soviet Socialist Republics.

It is further agreed that neither Contracting Party shall permit the presence in the territories under its jurisdiction—(a) of organizations or groups pretending to be the Government for any part of the territories of the other Party, or (b) of alien subjects or citizens who may be found to be actually carrying on political activities for such organizations or groups.

ARTICLE VI In the interest of promoting economic relations between the two countries, and taking into consideration the needs of Japan with regard to natural resources, the Government of

the Union of Soviet Socialist Republics is willing to grant to Japanese subjects, companies and associations concessions for the exploitation of minerals, forest and other natural resources in all the territories of the Union of Soviet Socialist Republics.

ARTICLE VII The present Convention shall be ratified.

Such ratification by each of the High Contracting Parties shall, with as little delay as possible, be communicated, through its diplomatic representative at Peking, to the Government of the other Party, and from the date of the letter of such communications this Convention shall come into full force.

CONVENTION DE COMMERCE ET DE NAVIGATION
ENTRE LE JAPON ET LA FRANCE

Signé à Paris, le 19 août, 1911

ARTICLE PEREMIER

Les ressortissants de chacune des Hautes Parties Contractantes auront pleine liberté, avec leurs familles, d'entrer et de séjourner dans toute l'étendue territoriale de l'autre. Sous la condition de se conformer aux lois de pays, ils jouiront des droits ci-après spécifiés :

1 Ils seront, en ce qui concerne le voyage et la résidence, traités sous tous rapports comme les nationaux ;

2 Ils auront, comme les nationaux, le droit de se livrer au commerce ou à l'industrie manufacturière et de faire le trafic de tous articles de commerce licite, soit en personne, soit par des représentants, soit seuls, soit en association avec des étrangers ou des nationaux ;

3 Ils seront, en ce qui concerne l'exercice de leur industrie, métier ou profession, la poursuite de leurs études ou investigations scientifiques, traités à tous égards, comme les ressortissants de la nation la plus favorisée ;

4 Ils pourront posséder ou louer et occuper les maisons, les manufactures, les magasins, les boutiques et les locaux qui peuvent leur être nécessaires et prendre à bail des terrains à l'effet d'y résider ou de les utiliser dans un

but licite commercial, industriel, manufacturier ou autre ;

5 Ils pourront, sous la condition de la réciprocité, librement acquérir et posséder toute espèce de propriété mobilière ou immobilière, que la loi du pays permet ou permettra d'acquérir ou de posséder aux ressortissants de tout autre pays étranger.

Ils pourront en disposer par voie de vente, échange, donation, mariage, testament, ou de toute autre manière sous les mêmes conditions qui sont ou seront établies à l'égard des nationaux eux-mêmes. Ils pourront aussi exporter librement le produit des ventes de leurs propriétés et tout ce qui leur appartient en général, sans pouvoir être soumis en tant qu'étrangers, à des droits autres ou plus élevés que ceux auxquels seraient soumis les nationaux dans les mêmes circonstances ;

6 Ils jouiront d'une protection et sécurité constantes et complètes, pour leurs personnes et leurs propriétés ; ils auront un accès libre et facile auprès des cours et tribunaux de justice pour la poursuite et la défense de leurs droits, et ils seront, en outre, comme les nationaux eux-mêmes, libres de choisir et d'employer des avocats, avoués et autres hommes de loi pour les représenter devant les cours et tribunaux,

et d'une manière générale ils auront les mêmes droits et privilèges que les nationaux pour tout ce qui concerne l'administration de la justice ;

7 Ils seront exempts de tout service militaire obligatoire, soit dans l'armée de terre ou de mer, soit dans la garde nationale ou la milice, ainsi que de toutes les contributions imposées en lieu et place du service personnel. Ils seront exempts également de tous emprunts forcés et de toutes réquisitions ou contributions militaires, sauf ceux qui leur seront imposés, comme aux nationaux eux-mêmes, en leur qualité de possesseurs, locataires ou occupants de biens immeubles. Pour ce qui précède, les ressortissants de chacune des Hautes Parties Contractantes ne seront pas traités sur les territoires de l'autre moins bien que ne le sont ou ne le seront les ressortissants de la nation la plus favorisée ;

8 Ils ne seront contraints à subir des charges ou à payer des impts, taxes ou contributions, de quelque nature que ce soit, autres ou plus élevés que ceux qui sont ou pourront être imposés aux nationaux ou ressortissants de la nation la plus favorisée.

ARTICLE 2

Les habitations, magasins, manufactures et boutiques des ressortissants de chacune des Hautes Parties Contractantes dans les territoires de l'autre, ainsi que tous les locaux qui en dépendent, employés pour des buts licites, seront respectés. Il ne sera point permis d'y procéder à des visites domiciliaires ou perquisitions, non plus que s'examiner ou d'inspecter les livres, papiers ou comptes, sauf dans les conditions et formes prescrites par les lois à l'égard des nationaux eux-mêmes.

ARTICLE 3

Les ressortissants des Parties Contractantes jouiront de la liberté réciproque de commerce, et de navigation ; ils auront, de la même façon que les ressortissants de la nation la plus favorisée, pleine liberté de se rendre avec leurs navires et leurs cargaisons dans les lieux, ports et rivières des territoires de l'autre, qui sont ou pourront être ouverts au commerce extérieur ; ils bénéficieront, en se conformant toujours

aux lois du pays où ils arrivent, des mêmes droits, faveurs, libertés, immunités et exemptions en matière de commerce et de navigation, dont bénéficieront ou bénéficieraient les nationaux eux-mêmes.

ARTICLE 4.

Les sociétés anonymes ou autres et les associations commerciales, industrielles et financières qui sont ou seront constituées conformément aux lois de l'une des Parties Contractantes et qui ont leur domicile dans les territoires de cette Partie, sont autorisées, dans les territoires de l'autre, en se conformant aux lois de celle-ci, à exercer leurs droits et à ester en justice devant les tribunaux, soit pour intenter une action, soit pour y défendre.

ARTICLE 5

Les droits de douane perçus à l'entrée au Japon et en France sur les produits de l'autre pays ne pourront être autres ou plus élevés que ceux imposés aux produits similaires originaires du pays le plus favorisé.

Les droits perçus à la sortie du Japon et de France sur les produits destinés à l'autre pays ne pourront également être autres ou plus élevés que ceux imposés aux mêmes produits destinés au pays le plus favorisé.

ARTICLE 6

Les Parties Contractantes s'engagent à n'entraver nullement le commerce réciproque des deux pays par des prohibitions ou restrictions à l'importation, à l'exportation ou au transit.

Des exceptions à cette règle, en tant qu'elles seront applicables à tous les pays ou aux pays se trouvant dans les mêmes conditions, ne pourront avoir lieu que dans les cas suivants :

1 Pour les approvisionnements et munitions de guerre, dans des circonstances extraordinaires ;

2 Pour des raisons de sûreté publique ;

3 Par égard à la police sanitaire ou en vue de la protection des animaux ou des plantes utiles contre les maladies ou les insectes et parasites nuisibles ;

4 En vue de l'application aux marchandises étrangères des prohibitions ou restrictions édictées par des lois

intérieures à l'égard de la production intérieure des marchandises similaires ou de la vente ou du transport à l'intérieur des marchandises similaires de la production nationale ;

5 Pour les marchandises qui sont ou seront l'objet d'un monopole d'Etat.

ARTICLE 7

Les marchandises de toute nature originaires du territoire de l'une des deux Parties Contractantes et importées sur le territoire de l'autre Partie ne pourront être assujetties à des droits d'accise, d'octroi ou de consommation perçus pour le compte de l'Etat, des communes ou corporations, supérieurs à ceux qui grèvent ou grègeraient les produits similaires de la production nationale ou, à défaut de ces produits, ceux de la nation la plus favorisée.

Les produits du sol et de l'industrie de l'un des deux pays importés dans les territoires de l'autre, et destinés à l'entreposage ou au transit, ne seront soumis à aucun droit intérieur.

ARTICLE 8

Les importateurs de marchandises japonaises ou françaises seront réciproquement dispensés de l'obligation de produire des certificats d'origine.

Toutefois, dans le cas où un pays tiers ne serait pas lié avec l'une ou l'autre des Parties Contractantes par la clause de la nation la plus favorisée, la production de certificats d'origine pourra être exceptionnellement exigée.

Dans ce cas, les certificats seront délivrés dans les lieux d'expédition, sièges d'un consulat, par le consul de carrière du pays dans lequel l'importation doit être faite, et, dans les autres lieux, par l'autorité douanière, et, à défaut de cette autorité, par les Chambres de commerce ou les autorités locales.

Lorsque la délivrance des certificats d'origine entraînera la perception de taxes quelconques dans l'un des pays, des taxes équivalentes pourront être établies par l'autre pays à l'occasion des certificats d'origine qu'il délivrera. Il en sera de même, le cas échéant, pour les factures consulaires.

ARTICLE 9

Les négociants et les industriels, res-

sortissants de l'une des Parties Contractantes, ainsi que les négociants et les industriels domiciliés et exerçant leur commerce et industrie dans les territoires de cette Partie, pourront, dans les territoires de l'autre, soit en personne, soit par des commis voyageurs, faire des achats ou recueillir des commandes, avec ou sans échantillons et modèles. Ces négociants, industriels et leurs commis voyageurs, en faisant ainsi des achats et en recueillant des commandes, jouiront, en toute manière, du traitement de la nation la plus favorisée. Toutefois dans le cas où les voyageurs de commerce japonais en France ou français au Japon viendraient à être assujettis à un droit de patente, les voyageurs de commerce français au Japon ou japonais en France pourront être soumis à des impôts équivalents.

Les articles importés comme échantillons et modèles dans les buts susmentionnés, seront, dans chacun des deux Pays, admis temporairement en franchise de droits, en conformité des règlements et formalités de douane établis pour assurer leur réexportation ou le paiement des droits de douane prescrits en cas de nonréexportation dans le délai prévu par la loi. Toutefois, ledit privilège ne s'étendra pas aux articles qui, à cause de leur quantité ou valeur, ne peuvent pas être considérés comme échantillons et modèles ou qui, à cause de leur nature, ne sauraient être identifiés lors de leur réexportation. Le droit de décider si un échantillon ou modèle est susceptible d'admission en franchise, appartient exclusivement, dans tous les cas, aux autorités douanières compétentes du lieu où l'importation a été effectuée.

Les Chambres de commerce existant sur les territoires des deux Parties Contractantes seront réciproquement reconnues comme les autorités compétentes pour délivrer tous certificats qui pourraient être requis par les voyageurs de commerce, en vue notamment d'affirmer leur identité.

ARTICLE 10

Tous les articles qui sont ou pourront être légalement importés dans les ports de l'une des Parties Contractantes, par des navires nationaux, pourront de même, être importés dans ces ports par

des navires de l'autre Partie Contractante, sans être soumis à aucun droit au charge, de quelque dénomination que ce soit, autres ou plus élevés que ceux auxquels les mêmes articles seraient soumis s'ils étaient importés par des navires nationaux. Cette égalité réciproque de traitement sera appliquée sans distinction, que ces articles viennent directement du lieu d'origine ou de tout autre pays étranger.

Il y aura de même parfaite égalité de traitement pour l'exportation, de façon que les mêmes droits de sortie seront payés et les mêmes primes ou drawbacks seront accordés, dans les territoires de chacune des Parties Contractantes, à l'exportation d'un article quelconque qui peut ou pourra en être légalement exporté, que cette exportation se fasse par des navires japonais ou par des navires français et quel que soit le lieu de destination, soit un port de l'autre Partie, soit un port d'une tierce Puissance.

ARTICLE 11

En tout ce qui concerne le placement de navires, leur chargement, leur déchargement dans les eaux territoriales des Parties Contractantes, il ne sera accordé, par l'une des Parties, aux navires nationaux, aucun privilège, ni aucune facilité qui ne le soit également, en pareil cas, aux navires de l'autre Pays, la volonté de Parties Contractantes étant que, sous ces rapports, leurs bâtiments respectifs jouissent d'une parfaite égalité.

ARTICLE 12

Les navires marchands naviguant sous pavillon japonais et français et ayant à bord les documents requis par leurs lois nationales pour établir leur nationalité, seront respectivement considérés, en France et au Japon, comme navires japonais et français.

ARTICLE 13

Aucun droit de tonnage, de transit, de canal, de port, de pilotage, de phare, de quarantaine ou autres droits ou charges similaires ou analogues, de quelque dénomination que ce soit, levés au nom ou au profit du gouvernement, de fonctionnaires publics, de particuliers, de corporations ou d'étab-

lisements quelconques, ne seront imposés dans les eaux territoriales de l'un des deux Pays sur les navires de l'autre sans qu'ils soient également imposés, dans les mêmes conditions, sur les navires nationaux en général, ou sur les navires de la nation la plus favorisée. Cette égalité de traitement sera appliquée réciproquement à leurs navires respectifs, de quelque endroit qu'ils arrivent et quel que soit le lieu de destination.

ARTICLE 14

Les navires chargés d'un service postal régulier de l'une des Parties Contractantes, qu'ils appartiennent à l'État ou à une compagnie subventionnée par lui à cet effet, jouiront dans les eaux territoriales de l'autre, des mêmes facilités, privilèges et immunités que ceux qui sont accordés aux navires similaires de la nation la plus favorisée.

ARTICLE 15.

Il est fait exception aux dispositions de la présente Convention pour le cabotage dont le régime reste soumis à la législation du Japon et de la France respectivement; il est entendu toutefois, que les Japonais en France et les Français au Japon, jouiront pour tout ce qui concerne le cabotage, des droits et privilèges qui sont ou seront accordés par cette même législation aux ressortissants de la nation la plus favorisée.

Tout navire de l'une des Parties Contractantes, chargé à l'étranger d'une cargaison destinée à deux ou plusieurs ports d'entrée des territoires de l'autre, pourra décharger une partie de sa cargaison dans l'un desdits ports, et en continuant son voyage pour l'autre ou les autres ports de destination, y décharger le reste de sa cargaison, toujours en se conformant aux lois, aux tarifs et aux règlements de douane du pays de destination. De la même manière et sous la même restriction, tout navire de l'une des Parties Contractantes pourra charger dans les divers ports de l'autre, au cours du même voyage pour l'étranger.

ARTICLE 16.

Les deux Hautes Parties Contractantes déclarent qu'elles sont adhérentes

à la Convention d'Union de Paris du 20 mars 1883 pour la protection de la propriété industrielle; dans le cas où l'une d'entre elles cesserait d'adhérer à la Convention précitée, elles conviennent des stipulations suivantes:

Les ressortissants de chacune des Parties Contractantes jouiront, dans les territoires de l'autre Partie, des mêmes droits que les nationaux eux-mêmes, pour tout ce qui concerne la protection des brevets d'invention, des marques de fabrique ou de commerce, des dessins et modèles industriels et de fabrication de toute espèce, et noms commerciaux, et des indications de provenance, et pour tout ce qui concerne la répression de la concurrence déloyale, sous réserve de l'accomplissement des formalités et des conditions imposées par la loi.

Tout produit portant une fausse indication de provenance dans laquelle un des Pays Contractants, ou un lieu situé sur les territoires de l'un d'eux, serait directement ou indirectement indiqué comme pays ou comme lieu d'origine, sera saisi à l'importation à la requête des autorités douanières ou ministère public ou d'une partie intéressée, si la législation de chaque Pays Contractant l'admet, ou bien, à défaut, sera soumis aux actions et moyens assurés en pareil cas par la loi aux nationaux.

ARTICLE 17

Les Hautes Parties Contractantes conviennent que, pour tout ce qui concerne le commerce, l'industrie et la navigation, tout privilège, faveur ou immunité quelconque, que l'une d'elles a déjà accordés ou accorderait à l'avenir au commerce, à l'industrie et à la navigation de tout autre État, seront étendus immédiatement et sans condition, au commerce, à l'industrie et à la navigation de l'autre Partie Contractante, leur intention étant que le commerce, l'industrie et la navigation de chaque pays jouissent sous tous rapports du traitement de la nation la plus favorisée.

ARTICLE 18

Les stipulations de la présente Convention ne sont pas applicables:

1 Aux avantages particuliers actuellement accordés ou qui pourraient être

ultérieurement accordés par l'une des Parties Contractantes à des États limitrophes pour faciliter le trafic frontière;

2 Aux faveurs spéciales résultant d'une union douanière;

3 À la pêche assimilée à la pêche nationale;

4 Aux encouragements accordés ou qui pourraient être accordés à la marine marchande nationale.

ARTICLE 19

Les dispositions de la présente Convention sont applicables à l'Algérie. Elles pourront être ultérieurement étendues en tout ou partie aux colonies, possessions françaises et pays de protectorat par une déclaration concertée entre les deux gouvernements.

Il est entendu en outre que la présente Convention est applicable à toutes les colonies et possessions du Japon.

ARTICLE 20

La présente Convention sera ratifiée et l'échange des ratifications aura lieu à Tokyo; les ratifications seront notifiées dans le plus bref délai possible aux Gouvernements du Japon et de la France par leurs Représentants respectifs; à partir de la date de la dernière de ces deux notifications, la présente Convention entrera en vigueur et demeurera exécutoire pendant une période de dix années.

Toutefois, l'article 5 en vertu duquel les droits de douane perçus en France sur les produits d'origine japonaise et au Japon sur les produits d'origine française ne seront autres ou plus élevés que ceux perçus sur les produits similaires originaires du pays le plus favorisé, pourra être dénoncé à toute époque par chacune des deux Parties Contractantes, et dans ce cas, il cessera d'être exécutoire un an après cette dénonciation.

Au cas où douze mois avant la date d'expiration de la présente Convention aucune des deux Parties Contractantes n'aurait notifié son intention d'en faire cesser les effets, cet acte demeurera obligatoire jusqu'à l'expiration d'une année à partir du jour où l'une ou l'autre Partie Contractante l'aura dénoncé.