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CHAPTER XVI.

THE ANNALS OF JAPAN.

The Empire of Japan consists of a chain of islands lying off the east coast of Asia. Korea, on the mainland, was annexed in 1910. Formosa and the Pescadores, toward the south, were ceded by China after the War of 1894-1895, and the southern half of Sakhalin, called Karafuto by the Japanese, was ceded by Russia in 1905. There are several thousand islands in all, of which 432 have a coast-line of at least 1 *ri* (2.44 miles) or serve as sea-marks. The islands are traversed north and south by ranges of mountains, and the country is extremely rugged. The larger islands are covered by elaborate networks of small streams.

The census of the entire Japanese Empire, taken October 1, 1920, reported a total population of 76,988,379 persons, and an area of approximately 262,842 square miles, a density of 293 persons per square mile.¹ The following table gives some indication of the rate of growth of the population of Japan proper:

December 31,—	Persons Having Legal Residence in Japan Proper ^a	
	Thousands of Persons ^b	Persons per Square Mile ^c
1880	36,359	243
1890	40,453	270
1900	44,826	299
1910	50,985	340
1920	57,919	387

^a Published in original source under the heading, "Population ayant le domicile légal dans l'Intérieur. (Population de droit.)" The data are based on censuses made by district authorities, and estimates from births, deaths, etc. Koreans, Formosans, and natives of Karafuto are not included.

^b Japan Bureau de la Statistique Générale, *Résumé Statistique de l'Empire du Japon, 1924*. Tokio, 1924. pp. 4, 5.

^c Computed from original data given in square kilometers by multiplying by 2.59.

¹ Japan Bureau de la Statistique Générale, *Résumé Statistique de l'Empire du Japon, 1924*. Tokio, 1924. pp. 1, 4. Area figures computed from original data given in square kilometers by multiplying by 0.3861. Small islands with a coast-line of less than one *ri*, unless inhabited or serving as sea-marks, are not included.

About 45 per cent of the population live in towns of 2,000 inhabitants or less.

Japan is not naturally suited to agriculture, due to the irregularity of its topography. Nevertheless, one-sixth of its area is under cultivation. During recent years, there has been little increase in the farm area, and, in addition, such area has already reached a high degree of intensive cultivation. By far the most important agricultural product is rice. The rice crop is harvested in November. The next largest crops are those of barley, rye, and wheat, but the area occupied by these three together is but half as large as that of the paddy-fields. Next to the rice industry in importance is silk culture. Contrasted to the rice industry, which has shown little growth during the last twenty years, sericulture has expanded steadily and rapidly, the number of cocoons produced annually more than doubling in the last twenty years.

The manufacturing industries of Japan have rapidly adopted the methods of Western civilization. That the rate of growth has been extraordinary is evidenced by the following table of persons employed in factories:

Year	Factory Workers ^a (thousands)
1900 ^b	422
1910 ^c	865
1920 ^d	1,580

^a Japan Bureau de la Statistique Générale, *Résumé Statistique de l'Empire du Japon, 1917, 1920 and 1924*. Tokio. For the year 1900, data are given under the head of "ouvriers"; for 1910 and 1920, as "ouvriers" and "ouvriers inférieurs", which have here been summed.

^b Establishments included which employ more than 10 workers or apprentices.

^c Establishments included which employ an average of 10 workers or apprentices per day.

^d Establishments included which employ an average of 5 workers per day.

The bulk of the workers are employed in the textile or affiliated industries.

Coincident with the rapid industrial development, has been the expansion of Japan's foreign trade. At present, the United States is its chief customer. The most important articles of export are silk and cotton textiles; those of import are raw cotton, iron and steel, and machinery. With the exception of a few years in the early nineties, and those during the War, Japan's foreign trade returns regularly show an excess of imports over exports.

A further indicator of the industrialization of Japan is the rapid extension of railroads. The first railroad was built in 1872. The following table shows the later development:

March 31,—	Railroads in Japan Proper ^a (miles)
1880	73
1890	1,213
1900	3,637
1910	5,130
1920	8,208 ^b

^a Japan Bureau de la Statistique Générale, *Résumé Statistique de l'Empire du Japon, 1917* and *1924*. Tokio. Data are for lines in use, including those government owned, privately controlled, and *Kéibentétsudô* (defined as "Tramway à petit nombre de voitures"). The privately owned roads disappear after 1916, and the last group appears first in 1910.

^b Computed from original data given in kilometers, by multiplying by 0.62137.

Nearly 80 per cent of the total railway mileage is government owned.

Japanese currency was based on a silver standard until 1897, when a gold standard was established. In 1921, there were 2,016 banks in Japan. These include 7 special banks, the most important of which is the Bank of Japan, the central bank. In addition, there are 42 agricultural and industrial banks, 1,331 ordinary banks and 636 savings banks. The banking system is loosely organized, the vast majority of banks being private, local in character, and possessing only small resources.

In April, 1881, a sharp drop in the value of the yen ushered in a period of severe depression. The Bank of Japan was established in 1882, following a period of rapid depreciation of the currency. By 1886, gradual recovery had begun, and the years 1887 to 1889 were years of expansion and active speculation. In 1889, the good influence of the granting of the Constitution was offset by complete failure of the rice crop, and 1890 was ushered in amid uncertainty and distress.

1890 Recession; depression.

Activity culminates in crisis with many failures; commodity prices rise suddenly; great reduction in exports, but imports continue large.

Money very tight; stock exchange panic; violent foreign exchange fluctuations; bank failures.

Exceptional rice yield; price falls from very high point.

Food scarcity due to failure of 1889 rice crop; beginning of operation of new constitution.

- 1891 Depression.
Increased dullness and stagnation; large fall in imports creates favorable balance of trade.
Money continues tight.
Fair rice crop with higher price.
- 1892 Depression.
Dullness continues with little activity in industry; slight increase in volume of foreign trade.
Money eases; security prices rise; rapid decline in rate of exchange.
Good rice crop, low price.
- 1893 Mild depression.
Internal trade continues dull; some revival in imports.
Money very easy.
Poor rice crop, low price.
- 1894 Revival; recession.
Industry and trade show definite improvement, first half-year; with Chinese war, unsettled conditions, shipping difficulties, and military requirements cause recession; large increase in foreign trade with unfavorable balance.
Money market tightens sharply, July; violent exchange fluctuations.
Excellent rice crop with low price; small silk yield.
War with China declared, July; victories and capture of Port Arthur, November.
- 1895 Depression; revival.
Temporary depression with end of war, April, quickly yields to boom; many new enterprises organized; commodity prices rise; foreign trade very active, small favorable balance.
Tight money eases, summer.
Good rice crop, low price; large silk yield and high price.
War ends, April, Japan receiving large indemnity; Formosa acquired; foreign powers force return of Liaotung Peninsula.
- 1896 Prosperity.
Widespread activity and expansion, especially manufacturing; commodity prices rise; speculation; imports increase, creating large unfavorable balance.
Money easy.
Very poor crops; rice price high, but silk low.
Tidal wave on northeast coast.

- 1897 Prosperity; recession.
Continued activity and expansion, slackening in autumn; commodity price rise accelerated; continued activity in foreign trade, with exports retarded late in year.
Gold standard established; new currency in force, October; easy money tightens.
Rice crop failure, very high price; good silk yield with good price.
Tariff revised.
- 1898 Depression.
Dullness in internal trade; manufacturing depressed; many failures; government aid prevents severe crisis; imports continue to expand.
Money very tight, spring; silver ceases to be legal tender, March.
Large rice crop lowers price; fair silk yield with good price.
Payment of Chinese indemnity aids government finances.
- 1899 Depression.
Inactivity continues, especially in manufacturing industries; commodity price rise halted; exports revive, but imports fall sharply.
Slight financial panic; money eases, summer, but tightens late in year.
Poor rice yield with high price; good silk yield, price high.
Tariff increased, January; export duty abolished, July; new treaties make Japan "wide open" to foreign commerce.
- 1900 Deeper depression.
Increased dullness; many failures; manufacturing severely depressed; commodity prices fall after February; some revival in imports, exports decline.
Money very tight; many bank failures, December.
Good rice crop with good price; silk yield excellent with high price.
Japan joins Western nations in quelling Chinese Boxer uprisings.
- 1901 Depression; panic.
Depression continues; commodity prices fall; small increase in exports, decrease in imports.
Money very tight, easing late in year; financial panic, spring, with further bank failures.
Large rice crop with good price; poor silk yield price falls.

- 1902 Slow revival.
Gradual recovery; marked improvement in manufacturing; commodity prices reach bottom, May; slow revival in foreign trade.
Money eases.
Very poor rice crop, with high price; poor silk yield, low price.
Anglo-Japanese Alliance formed.
- 1903 Revival.
Increased activity in internal trade and manufacturing; foreign trade begins period of rapid expansion.
Money easy.
Good crops; rice price falls and silk price recovers.
- 1904 Prosperity.
Great activity; temporary setback with Russian War gives way to increased industry and commerce; commodity prices rise.
Money tightens.
Very large crops diminish prices.
War with Russia declared, February.
- 1905 Prosperity; recession; depression.
War activity continues; depression sets in with peace, September; enormous increase in imports.
Money tight.
Very poor rice crop, high price; poor silk yield with good price.
Port Arthur surrenders, January; Russian fleet decisively defeated, June; peace treaty signed, September.
- 1906 Revival; prosperity.
Steady increase in activity; boom appears, summer; many new companies formed; commodity prices rise; speculation very extensive; foreign trade expands rapidly, small favorable balance.
Money eases; stock exchange active.
Good crops with higher prices.
- 1907 Prosperity; panic; recession; depression.
Boom continues to recession, spring; industry slackens gradually; many failures late in year; imports continue to pour in at record rate.
Money tight; financial panic with bank failures, spring; severe stock market liquidation, beginning March.
Good rice crop and price; silk yield small, very high price.
Government purchases important railroads; emigration to United States checked by agreement; Korea made a protectorate, July.

- 1908 Depression.
General inactivity and dullness; commodity prices fall at accelerating rate; decline in foreign trade.
Tight money eases late in year.
Very good crops, low prices.
- 1909 Depression; revival.
Continued dullness gives way to gradual recovery, fourth quarter; manufacturing activity increases; imports continue to decline, but exports revive, creating favorable balance.
Money easy.
Enormous rice crop, following attempt to corner market, causes sharp fall in price; good silk yield with low price.
- 1910 Revival; prosperity.
Steady progress in trade and industry; commodity prices rise slowly; marked increase in foreign trade, balance unfavorable.
Money abundant; government finances reorganized; stock exchange revives.
Poor rice crop, improved price; expansion in silk yield with low price.
Korea annexed, August; serious floods, autumn.
- 1911 Prosperity.
Continued development and expansion; extensive railroad construction; further marked increase in volume of foreign trade.
Money gradually tightens.
Good crops; rice price very high, silk fair.
Tariff raised, July.
- 1912 Prosperity.
Continued development and expansion; temporary halt in autumn, ascribed to Emperor's death; industrial promotion active; prices rise rapidly, first five months; foreign trade expansion continues.
Money very tight, after September.
Fair rice crop with very high price; revival in silk industry with good yield.
Emperor dies, July; first notable strike, occurring on Tokio tramways.

- 1913 Prosperity.
Continued activity; domestic expansion somewhat limited by money market; foreign trade expansion continues with large profits.
Money tight.
Good rice crop, but local failure in northeast causes much distress; good silk yield with low price.
Strong anti-American feeling due to Californian legislation; political difficulties lead to riots, February.
- 1914 Recession; depression.
Slump in internal trade increased by war; foreign trade active to war, then unsettled.
Money tight, first half-year and end of year; exchange unfavorable, last half-year.
Enormous rice crop; low prices necessitate government aid; silk industry desperate with no markets.
Japan declares war on Germany, August; Tsingtau seized, August; Kiaochow seized, November.
- 1915 Revival; prosperity.
Depression slowly gives way to activity; prosperity, last half-year; export boom and further decline in imports result in favorable balance.
Money easy; rapid increase in note circulation; further drop in foreign exchange, recovering late in year.
Large rice crop with low prices forces Government to enter market to assuage agricultural distress; silk industry booms late in year.
"Twenty-one Demands" submitted to China, January, and modified form accepted, May.
- 1916 Prosperity.
Activity and expansion with formation of many new enterprises; foreign trade active.
Money easy; stock exchange boom; foreign exchange rises above par.
Excellent rice and good silk harvest with rising prices.
- 1917 Uneven prosperity.
War boom continues, but many strains develop; severe panics in stock, cotton, and silk exchanges; commodity prices rise rapidly to August and then drop; foreign trade activity continues with much speculation.
Tight money, beginning of year, eases somewhat; foreign exchange above par; export of specie prohibited, September.
Poor rice crop and further expansion in silk yield; higher prices.
Great Britain limits imports, February; France limits imports, March.

1918 Uneven prosperity; recession.

Some improvement in internal trade; boom in war industries continues to Armistice; severe depression sets in, November, with many failures; commodity prices fall; foreign trade continues large.

Easy money tightens, autumn; foreign exchange continues above par.

Poor rice crop, further expansion in silk; high prices.

Japanese troops invade Siberia; serious rice riots, August.

1919 Depression; revival; prosperity.

Dullness continues to May, when revival sets in, followed by period of great activity; commodity prices fall to April and then rise rapidly; speculation; labor troubles arise; value of exports reaches peak, imports large, unfavorable balance.

Money eases to July and then tightens; stock exchange very active, prices reaching peak in October; foreign exchange continues above par.

Agricultural prosperity; excellent rice crop with record price; record silk yield with high price.

Korean revolt, March, suppressed by summer.

1920 Prosperity; recession; depression.

Continued acceleration to crisis, March, with collapse of silk market; rapid decline to severe depression and stagnation by August; failures; commodity prices reach peak, March, and then fall; exports and imports reach peak, spring, and then fall off rapidly, large unfavorable balance.

Money very tight; stock exchange panic, March; financial panic, April, with many bank failures; foreign exchange dips below par but recovers, May.

Record rice crop with extremely low price; smaller silk yield with very low price.

1921 Depression.

Dullness and inactivity; commodity prices reach bottom, March; temporary revival, late summer; further decline in prices and deeper depression, autumn; foreign trade small.

Money eases and tightens, autumn; foreign exchange below par, slowly falling.

Poor rice crop with improved price; good silk yield, price booms, November.

Typhoon and flood; Crown Prince constituted Regent owing to ill health of Emperor, November.

1922 Depression.

Depression in internal trade deepens; further curtailment in mining and manufacturing; unemployment; commodity prices fall to minimum, end of year; some revival in foreign trade, especially silk exports.

Money tight, temporary ease in summer; many runs on banks and failures, especially March and November; stock prices tend downwards; foreign exchange steady.

Excellent rice and fair silk yields, rising prices.

Troops withdrawn from Siberia, October.

1923 Depression.

Continued dullness and stagnation; beginning of revival checked, September; much distress with earthquake, September, and thirty days' moratorium declared; unemployment; commodity prices reach peak, October; exports decline, imports increase, enormous unfavorable balance.

Improved financial conditions hard hit by earthquake; money very tight late in year; exchange drops, end of year; dull stock market.

Poor rice, but good silk yield.

Earthquake and fire, September; Government takes emergency measures, including requisitioning of supplies, and suspending import duties.

1924 Depression.

Temporary activity in restoration work; depression deepens late in year; many failures; commodity prices fall, but rise after July; foreign trade active, especially imports.

Tight money market eases; marked fall in foreign exchange; embargo placed on export of gold.

Fair rice and poor silk yields.

Anti-American feeling aroused by Immigration Bill excluding Japanese from the United States on racial grounds; very high tariff on importation of luxuries established, July.

1925 Depression; revival.

Continued depression gives way to improvement, summer; decreasing unemployment; commodity prices decline, first four months and last quarter; fewer failures; very active and expanding foreign trade, improving balance.

Money market easing; exchange improves to April, slumps to September, and then recovers; stock speculation very active late in year; silver embargo removed, December.

Agriculture prosperous; good rice crop, record silk yield, and large wheat crop; rice and silk prices high, wheat declines.

Diplomatic relations with Russia resumed, January; earthquake, May; influenza epidemic, Tokio.