

10526

Rev. 18/

**SERVANTS OF INDIA SOCIETY'S LIBRARY,  
POONA 4**

Cl. No. X9.4-5 G.5 Date of release for loan  
Ac. No. 10526

This book should be returned on or before the date  
last mentioned below.

*An overdue charge of 5 naye Paise will be levied  
for each day the book is kept beyond this date.*

8 JUL 1963

2 MAR 1972

**Dhananjayrao Gadgil Library**



**GIPE-PUNE-010526**

*The Royal Institute of International Affairs is an unofficial and non-political body, founded in 1920 to encourage and facilitate the scientific study of international questions.*

*The Institute, as such, is precluded by its rules from expressing an opinion on any aspect of international affairs; opinions expressed in this book are, therefore, purely individual.*

**EASTERN  
INDUSTRIALIZATION  
AND ITS EFFECT ON  
THE WEST**

*'It is yet to be seen how much we can do with this our "Greatness in small things". Human fingers are still the very best machines that mankind do possess, and if the 400,000,000 dexterous fingers of the Japanese are made to be fully employed, we know not what prodigious revolutions they will make in industrial circles. The time may come when we beat the world with the tips of our fingers.'*

YOITHI MAYEDA

EASTERN  
INDUSTRIALIZATION  
AND ITS EFFECT ON  
THE WEST

*With special reference to*  
**GREAT BRITAIN and JAPAN**

By

**G. E. HUBBARD**

*assisted by*

**DENZIL BARING**

*With a conclusion by*

**PROFESSOR T. E. GREGORY**

**OXFORD UNIVERSITY PRESS**  
**LONDON : HUMPHREY MILFORD**

*Issued under the auspices of the Royal Institute  
of International Affairs*

1935

OXFORD  
UNIVERSITY PRESS  
AMEN HOUSE, E.C. 4  
London Edinburgh Glasgow  
New York Toronto Melbourne  
Capetown Bombay Calcutta  
Madras Shanghai  
HUMPHREY MILFORD  
PUBLISHER TO THE  
UNIVERSITY

XD. 4-5  
G5

10526

PRINTED IN GREAT BRITAIN



## FOREWORD

**T**HIS book owes its origin to an inquiry by the Institute of Pacific Relations—for which the Royal Institute of International Affairs acts as the British Council—into the international aims and results, in the Pacific, of the social, economic, and political policies of the countries most intimately connected with that area—a topic which is to be one of the principal subjects for discussion at the Institute of Pacific Relations Conference which will be held in 1936.

In selecting the study of Eastern Industrialization as the principal contribution to be made from the United Kingdom towards this inquiry, the Council of the Royal Institute was influenced by the interest felt by Great Britain in this subject; and it was agreed that it would also be valuable, both for the purposes of the Conference and for the general information of those interested in the question, to include in the survey some estimate of the economic effects of this industrialization in Great Britain.

The work of compilation was entrusted by the Council of Chatham House to Mr. G. E. Hubbard, a member of the Royal Institute who has had considerable personal experience of the Far East. The thanks of the Council are due to Mr. Hubbard for the many months of labour which he has expended on this work and to Mr. Denzil Baring, also an Institute member, who has assisted him throughout. Expert collaboration has been obtained from various quarters, and substantial contributions—amounting in some cases to the virtual authorship of particular sections—were given by the following:

Mr. Oliver Lawrence, formerly Economic Assistant to the Information Department of Chatham House (in the chapter on World Markets).

Professor G. C. Allen, of Liverpool University (in the chapter on Japan).

Mrs. Vera Anstey, of the London School of Economics (in the chapter on India).

Mr. S. R. Dennison, of Trinity College, Cambridge (in the chapter on Great Britain).

The final chapter, as indicated on the title-page, is from the pen of Professor T. E. Gregory.

With Mr. Hubbard and with these individual contributors lies the responsibility for any opinions expressed in the study, since Chatham House is precluded by its Royal Charter from expressing an opinion on any aspect of international relations.

Further valuable assistance, mostly in the form of constructive criticism, was received from members of Chatham House, from members of the Institutes of International Affairs in the various countries of the Commonwealth, and from others too numerous to mention by name. Individual acknowledgement must, however, be made of the substantial help obtained from Sir George Sansom, H.M. Commercial Counsellor in Japan; Sir Atul Chatterjee, member of the Council of India; Mr. J. Jewkes, Manchester University; Mr. R. W. Lacey, of the Joint Committee of Cotton Trade Organizations; Mr. Bernard Ellinger; Miss Freda Utley, and Mrs. N. M. Windett.

To these and many other advisers, including the International Labour Office, Geneva, and a number of business firms with special knowledge of the countries dealt with in the book, is largely due such success as may have been obtained in avoiding serious errors of fact or of emphasis.

The study was greatly facilitated by the abundant data accumulated during the last eight years by the Institute of Pacific Relations itself and by its component national units. Most valuable material was available both in numerous monographs on economic and social questions relating to the countries of the Pacific and in the Institute's major publications, particularly the series of past Conference records, printed under the title of *Problems of the Pacific*, and the *Economic Handbook of the Pacific Area* issued last year.

ASTOR

*Vice-Chairman of the Council of the  
Royal Institute of International Affairs.*

CHATHAM HOUSE,  
ST. JAMES'S SQUARE, S.W. I.  
August, 1935.

## CONTENTS

SYNOPSIS . . . . .	ix
INTRODUCTION . . . . .	xix
I. COMPETITION IN WORLD MARKETS . . . . .	I
II. JAPAN . . . . .	45
§ 1. BRIEF HISTORY OF JAPANESE INDUSTRIALIZATION . . . . .	45
§ 2. PRESENT CONDITIONS: (a) National policy in its effects upon industrial development; (b) Distinctive features of industrial organization, finance, and labour; (c) Population, raw materials, and food-supplies . . . . .	64
§ 3. JAPAN'S INDUSTRIAL FUTURE . . . . .	152
III. CHINA . . . . .	181
§ 1. BRIEF HISTORY OF CHINESE INDUSTRIALIZATION . . . . .	181
§ 2. GOVERNMENT POLICY TOWARDS INDUSTRY: (a) National Industrial Policy; (b) General characteristics of labour and industry; (c) Chinese and foreign-owned factories . . . . .	198
§ 3. CHINA'S INDUSTRIAL FUTURE . . . . .	228
IV. INDIA . . . . .	240
§ 1. BRIEF HISTORY OF INDIAN INDUSTRIALIZATION . . . . .	240
§ 2. PRESENT CONDITIONS: (a) The organization and finance of large-scale industries and the role of foreign capital; (b) The industrial policy of the Government; (c) The cotton mill, and iron and steel industries; (d) Characteristics and problems of industrial labour . . . . .	252
§ 3. INDIA'S INDUSTRIAL FUTURE: (a) India's competitive position and industrial potentialities; (b) Political factors affecting India's industrial future . . . . .	292
V. GREAT BRITAIN . . . . .	307
§ 1. HISTORICAL NOTE ON BRITISH INDUSTRIAL DEVELOPMENT IN THE NINETEENTH CENTURY . . . . .	307
§ 2. POST-WAR CONDITIONS IN THE EXPORTING INDUSTRIES. . . . .	313
§ 3. REACTIONS ON THE SOCIAL STRUCTURE: UNEMPLOYMENT AND THE 'DISTRESSED AREAS' . . . . .	334

VI. THE EFFECTS OF EASTERN INDUSTRIALIZATION UPON TRADE RELATIONSHIPS IN THE BRITISH COMMONWEALTH . . . . .	346
CONCLUSIONS: an economist's comment, by T. E. Gregory .	363
BIBLIOGRAPHY . . . . .	372
INDEX . . . . .	379

## SYNOPSIS

### I. COMPETITION IN WORLD MARKETS

Japan the centre of attention in regard to trade competition—competition from Japan not a novel feature of international trade, and its intensification due to qualitative rather than quantitative changes—analysis of these changes; transition to 'finished' exports, increase in range of goods exported, expansion to new markets—changes have developed from natural, not artificial causes—no deliberate policy of selling below costs—extent of changes in direction of trade; rapid expansion in newer markets.

**NETHERLANDS EAST INDIES:** Development of Japanese trade; quota restrictions.

**CHINA:** Japanese progress in China market for cotton goods at expense of Western countries—decline in importance of cotton trade and change in Chinese imports reduces Japan's advantage—Japan's present share in Chinese imports—position in regard to machinery imports, &c.—improved outlook for Western imports in event of Chinese recovery.

**BRITISH INDIA:** Progress of Japanese trade—Indo-Japanese negotiations for trade on a barter basis.

**EGYPT:** Growth of Japan's reciprocal trade with Egypt—Japanese competition with Egyptian industries in Asia Minor markets—Japan's trading position with Egypt analogous to that with India.

**THE BRITISH EMPIRE:** Japanese competition most severe in colonial territories—development trend in the case of the Dominions—Japanese imports into British colonies not entirely competitive, new levels of demand tapped by Japanese goods—situation in colonial markets illustrated by samples; position in West Africa, East Africa, Ceylon, British Malaya, Tanganyika, and Palestine; effects of low prices of Japanese imports; threat to Lancashire's exports of better quality cottons from low quality rayon goods from Japan; Japanese exports of rayon.

**COLONIAL MARKETS OF OTHER WESTERN POWERS:** French Morocco; French West Africa.

**OTHER WORLD MARKETS:** The Balkans; the Near East; South and Central America—reciprocal basis of Japanese trade with these countries.

TABLE	i. Japanese exports of manufactured articles.
"	ii. Japanese exports (divided into countries).
"	iii. Monthly average exports of cotton piece-goods. (From Japan and the United Kingdom.)
"	iv. Imports into the Netherlands East Indies by countries of origin.
"	v. Imports into the Netherlands East Indies of cotton tissues by countries of origin.
"	vi. Imports into the Netherlands East Indies of rayon tissues by countries of origin.

TABLE	vii.	Miscellaneous imports into the Netherlands East Indies from Japan.
"	viii.	Principal imports into China in 1934.
"	ix.	Japanese competition in British India. (Indian Imports.)
"	x.	Japanese exports to Great Britain.
"	xi.	Japanese exports to Australia.
"	xii.	Imports of cotton and rayon textiles into Nigeria in 1934.
"	xiii.	Imports of rayon piece-goods into Jamaica during 1934.
"	xiv.	Imports of British and Japanese cotton textiles into the British Colonial Empire.
"	xv.	Imports and average import values of cotton piece-goods into Tanganyika.
"	xvi.	Imports and average import values of cotton piece-goods into Palestine.
"	xvii.	Piece-goods exports of cotton and rayon.
"	xviii.	Japanese rayon piece-goods exports by destination.
"	xix.	Exports of cotton tissues to South America by Japan, Great Britain, and the U.S.A.
"	xx.	Japanese exports to South America.

## II. JAPAN

### § I. BRIEF HISTORY OF JAPANESE INDUSTRIALIZATION

Japanese industry and foreign trade during the feudal epoch—impact of Western commercial enterprise and Japan's first steps in modern industrialization—the Government the author of all major enterprises—the effects of the Sino-Japanese War in stimulating industry—the transfer of individual enterprises from Government to private hands—composition of Japanese trade at the end of the nineteenth century—boom resulting from the Russo-Japanese War—influx of foreign capital—predominant importance of textile industry—the silk industry—the cotton industry; development of (a) spinning, (b) weaving—general industrial development prior to the Great War—effects of the Great War on Japanese industry and trade and the expansion of trade markets—Japan passes from a debtor to a creditor nation—expansion of Japan's cotton trade during and after the War—subsequent return to low-quality export markets—reorganization and rationalization of the cotton industry after the world slump—financial crisis of 1927 and resultant readjustment—position of the cotton industry after the crisis—the rayon industry—the heavy industries; iron, steel, and machinery—the development of other industries; wool, porcelain, electrical apparatus, rubber goods—the effect upon Japanese industry of the world depression—production and export during the depression years.

### § 2. PRESENT CONDITIONS

#### (a) *National Industrial Policy in its effects upon Industrial Development.*

State-planned industry—partnership between State and private enterprise—State interest in the steel industry—transition from Government

ownership to Government directive control; the Government as industrial financier—rapid industrial development during the Great War creates new problems for the State—rationalization movement a fresh field for Government intervention—Bureau of Rationalization of Industry and its operation—Export Guild's Law.

(b) *Distinctive Features of Industrial Organization, Finance, and Labour.*

1. *Organization.* Japan's specialization in textile manufactures—integrated structure of the leading industries; cartels, trusts, and family groups—centralization of financial control; financial oligarchies—Japan's special advantages in cotton manufacturing; cheapness of labour, contact with Far Eastern markets, lower costs of freight, progress in organization, economies in the purchase of raw cotton—organizational structure; Japan Cotton Spinners' Association and its activities—methods of cotton purchase—technical equipment of Japanese cotton mills and adaptability to the use of coarse grades of raw cotton; tendency to change to higher grades of production—subsidization of the cotton industry—general review of the strong points of Japanese organization—Silk industry; rationalization of sericulture—Rayon industry; special advantages of Japan in rayon manufacture; staple fibre. National spirit in industry.

2. *Finance.* Currency depreciation and its effects; causes of Japan's abandonment of the gold standard in 1931, its influence on the internal price structure—comparison between the degrees of devaluation of the yen, the pound sterling, and the dollar and the reaction on wholesale prices—future exchange policy and the extent of the benefits derived from depreciation of the yen; countervailing rise in cost of raw materials and of rise in domestic prices—course of Japanese price movements after the gold embargo and comparison with movements in other countries—effect on production costs; wages and 'overheads'—cost of living as a factor affecting wages; stability of the cost of living index—fall in 'direct' wages—effect of currency depreciation on overhead expenses.

Criteria of Japan's national financial position—the budgetary situation for the last fifteen years—causes of the growth of public expenditure; military expenditure and agrarian relief—unbalanced condition of the budget since 1930; annual deficits—potential limits of increasing revenue by taxation—Government borrowing for covering annual deficits and its future prospects—the National Debt—low ratio of external to internal debt—Japan's balance of international payments—the internal debt position—can inflation be avoided?

3. *Labour.* Comparative labour costs should be estimated per unit of consumption—Mrs. Orchard's estimate of 1929—increase in labour efficiency since that date—reasons for low efficiency as compared with the West; proportion of female labour, rapid labour turnover—cheapness of labour originally retarded technical improvements in Japan—recent rationalization movement and its effects on labour efficiency—difficulties and complications in comparing labour costs in Japan and the West; variations in factory conditions, the Japanese 'small producer', the importance

of 'indirect' wages—analysis of 'indirect' labour costs—counterbalancing costs in Great Britain, taxes and State insurances charges—calculation of comparative wages per unit of production in the cotton industries of Japan and Lancashire—Japanese wage costs probably less than one-half—comparison of overhead costs—the disparity small between Japan and Lancashire—hours worked in Japanese factories—the peculiar position of the 'small producer' in Japan and his importance in export trade; conditions in small factories—industrial relations in Japan; influence of feudal conceptions—weakness of Trade Unions; its causes.

(c) *Population, Raw Materials, and Food Supplies.*

Japan has no absolute problem of 'over-population', but suffers from agricultural over-population—need for alternative openings for labour—readjustment sought through industry and commerce—absorptive capacity of employment in 'indirect services'—limits of emigration—character of industrial expansion determined by poverty of natural resources, necessitating international trading—hence importance of examining Japan's situation regarding essential raw material supplies present and prospective—silk, cotton, wool, iron ore, coking coal; Manchuria as a source of supply—extent of Japan's self-sufficiency in steel manufacture—Japan's command of other industrial metals; copper, lead, tin, zinc—motive power; petroleum, hydro-electric generation.

Food and Population—Japanese Empire has been relatively self-supporting in food staples hitherto, but the future is problematic—growth of population; estimates of increase—Japan's rice budget—scope for increased rice production in Japan Proper—other foodstuffs; wheat supplies of Japan and her overseas possessions, meat, butter, milk, &c.—potentialities of Korea and Formosa as suppliers of rice—estimates of rice supply and demand during next fifteen years—possibility of Japan's colonies being able to supply the deficiency in home production—conclusion that Japan's obligation to export depends in fact chiefly on lack of industrial raw materials, but fear of food shortage also provides an incentive.

§ 3. JAPAN'S INDUSTRIAL FUTURE

Dependence of Japanese industrial prospects upon international economic and political relations; forecast can only be made on assumption of peace in Far East—monetary problems may determine immediate future—more permanent factors are increase of population and shortage of natural resources, requiring exchange of finished exports for imported necessities of life—conditions favour Japan in regard to import of raw materials, but can she expand her volume of exports?—specialized nature of Japanese export trade in the past; limited range of articles of export and of markets—change to greater diversification since the World Depression—which trend will hold good for the future?—importance of this question for Western exporting nations—reasons for expecting increasing diversification of Japan's export trade; the unfavourable outlook for silk, difficulties in expanding cotton exports in the face of international restrictions and of



increased local manufacture in former Eastern markets—more favourable prospect for developing new types of export; the outlook for various types—conclusions regarding future character of Japanese export trade.

The question of selling costs—conclusions to be drawn from previous section dealing with labour costs—economic and social links between farm and factory workers in Japan; the latter retain their connexion with the land—depressed living conditions of the agricultural class thus reacts on industrial wages—agrarian distress increases surplus of labour—any tendency towards an increased labour demand due to the growth of industries liable to be counterbalanced by increased mechanization of industry—improvements in factory efficiency a further element in reducing manufacturing costs—industrial wage rise might follow if Japanese Government were to force up food prices and so raise the cost of living—an effective agrarian relief policy would therefore be injurious to manufacturers' interests, while inaction may be disastrous for rural population—consideration of social and political forces affecting industry—advantages and drawbacks of Japan's 'immaturity'—and of her rise in population—conflict between national economic welfare and certain vested interests—conflict between economic and political objectives in choice of industries to be nurtured—conflict between rural and industrial interests, and consequent dilemma for the Government—withdrawal of financial support of agriculture would affect the basis of the State; the opposite policy would impede export expansion—choice of policies regarding the overseas empire and Manchuria; the 'economic bloc' versus a system of free trading—problem of competition between 'colonial' and 'home' producers; pig-iron, rice—influence of international environment on Japan's choice of policies; general economic nationalism as an incentive to Japanese imperial expansion with possible adverse effects to her economic welfare.

### III. CHINA

#### § I. BRIEF HISTORY OF CHINESE INDUSTRIALIZATION

Traditional type of Chinese industry—early foreign trade—unbalanced nature of the trade owing to China's indifference to foreign products—slow expansion of trade, but rising importance of imported cotton piece-goods—China begins to import cotton yarn first from India and later from Japan—Japan's share in the China trade stimulated by the Russo-Japanese and Great European Wars—post-war trade developments—general expansion till 1929, rapid decline of exports from that date followed by contraction of imports from 1931 onwards—changes in nature of imports—increasingly adverse trade balance for China.

Beginnings of modern industry—the first factories—Chinese industrial enterprise favoured by the Great War—the growth of the cotton industry in China and its effects upon foreign trade—export of cotton goods from China—development of other manufactures (woollens, flour, glass, cigarettes, rubber, and metal manufacturing).

General nature of industrial development in China—its unregulated

character—Chinese attitude to foreign technical instruction—the development of the foreign mills under the Treaty Port system—the status of rural industries in China—summary of foregoing section.

### § 2. PRESENT CONDITIONS

#### (a) *Political factors and Government policy towards industry.*

Present position regarding central authority in China—extraterritoriality a hindrance to national industrial development—Chinese Government's attitude to industry and the capitalist system—Government factories—protection and subsidy—tariff policy—the National Economic Council and the Cotton Industry Commission—industrial legislation.

#### (b) *General characteristics of Labour and Industry in China.*

Supply of labour—quality of labour—wages, living costs, and standard of life—labour recruitment—composition of labour, women and child workers—trade unions and strikes—summary of labour conditions—currency instability and price levels—finance and the position of the modern Chinese banks—difficulty in mobilizing capital required for industrial development—inadequacy of transport system—road and railway development—raw material resources (coal, petroleum, iron ore, raw iron, other metals, cotton, wool).

#### (c) *Chinese and foreign-owned factories.*

Conditions giving rise to foreign factories in China—foreign investment in China and the proportion invested in manufacturing industries—foreign industrial enterprise concentrated on the manufacture of cotton goods—statistics of cotton mills in China—greater financial facilities of foreign-owned enterprises—organization and management of foreign compared with Chinese mills—labour conditions in the two classes of mills—pessimistic Chinese forecasts of the future for Chinese factories.

### § 3. CHINA'S INDUSTRIAL FUTURE

Interdependence of industry and politics in China—résumé of natural assets and handicaps—degree of political stability—retarding cultural factors—foreign co-operation, present position and prospects—need for increase of physical equipment—markets for industrial products; capacity of the 'home' market—types of industry most likely to develop.

Foreign industrial enterprise as a separate problem—outlook for Japanese factory expansion in China: Chinese attitude, Japanese Government's policy—Japan's special position—general conclusions: the three alternative lines of progress.

## IV. INDIA

### § 1. BRIEF HISTORY OF INDIAN INDUSTRIALIZATION

Early contacts with the West; similarities and differences between England, China, and Japan—principal nineteenth-century industry and trade and their decline in face of competition from the West—penetration of English goods—*laissez-faire* policy of the Government and passive attitude of

Indians retard large-scale industrial development—contrast with Japan—change in conditions after the turn of the century; effects of Nationalist movement and constructive economic policy—pre-war prosperity—the Great War stimulates Indian industry but lack of machinery and plant limits development and Japan enters the breach—progress of India's foreign trade during the last two decades—dependence on foreign manufactures—the relative importance of agriculture and of small-scale and large-scale industry—relative importance of the major organized industries—the cotton industry from 1880—its war-time boom and post-war depression—production concentrated on home market—concluding analysis of India's position in world trade—imports; decline in cotton, iron, and steel goods, and increased importance of high-class miscellaneous manufactures—exports.

### § 2. PRESENT CONDITIONS

#### (a) *The Organization and Finance of Large-scale Industries and the Role of Foreign Capital.*

Industries in which foreign capital predominates; cotton mill and steel industries are exceptions—comparison with Japan and China regarding use of foreign capital and degree of accompanying outside control—the Managing Agency system criticized—scarcity of industrial capital; the reasons—European and indigenous credit agencies; methods of providing 'block' and working capital—list of improvements required in industrial and financial organization; defects in localization of industries.

#### (b) *The Industrial Policy of the Government.*

Government *laissez-faire* policy in nineteenth century—changes under Lord Curzon—fresh changes at period of Great War; Industrial Commission's Report of 1916—Tariff policy and work of Tariff Board—Tariff changes since the War; recent changes connected with Ottawa Conference and with Japanese competition—Ottawa Agreements as affecting India's trade with Great Britain and the Empire—Indo-Japanese negotiations and Trade Convention of 1933—analysis of India's fiscal autonomy.

#### (c) *The Cotton Mill, and Iron and Steel Industries.*

The cotton industry: (a) spinning; (b) weaving—causes of depression after 1923; Japanese competition—Tariff protection—the Indo-Japanese Cotton Agreement of January 1934—India and Lancashire Mill-Owners' Conference of October 1933 and its results—changed relations with Lancashire and co-operative action between Indian and Lancashire mill-owners.

Iron and steel industry: (a) pig-iron; (b) steel—relation between production and consumption of iron and steel goods—Tariff protection—provenance of iron and steel imports—Ottawa Conference results—Tariff Board report of 1934 and consequent legislation.

#### (d) *Characteristics and Problems of Industrial Labour.*

Low wage rates and low efficiency in India—labour unemployment—rural recruitment of labour; defects and advantages of the system—

relatively small proportion of women and child workers—working conditions, wages, and standards of life—standards extraordinarily low—comparison with Japan—labour legislation; Royal Commission on Labour and resultant Factory Act—Trade Union movement—workers' efficiency as compared with Lancashire and Japan—industrialization and the population problem.

### § 3. INDIA'S INDUSTRIAL FUTURE

#### (a) *India's Competitive Position and Industrial Potentialities.*

Factors for and against expansion—India's 'balanced economy'; her increase in self-sufficiency—this need not imply a reduction of her demand for imported manufactures—changes in direction of India's trade—outlook concerning expansion of Indian exports—Indian trade is 'complementary' with the U.K., British Empire, and U.S.A., 'competitive' with Japan, China, and Europe—trade with Great Britain and Japan analysed—international competition chiefly refers to cotton trade at present and iron and steel industry in the future.

#### (b) *Political Factors affecting India's Industrial Future.*

Dependence upon political developments—probable effect of proposed extension of political franchise and of communal electorates—political parties and party programmes in the economic field—future political relations with Great Britain and British Empire; possibilities in co-operation and discrimination—conclusions.

## V. GREAT BRITAIN

### § 1. HISTORICAL NOTE ON BRITISH INDUSTRIAL DEVELOPMENT IN THE NINETEENTH CENTURY

Purpose of the note—causes and effects of Great Britain's priority in modern industrialization and overseas trading—growth of her 'international' system of economy—rise of European competition leading to slackening off of British progress—Great Britain's loss of her early advantages—connexion between foreign investment and foreign trade—changes at turn of century and effects of Great War on British economic structure.

### § 2. POST-WAR CONDITIONS IN THE EXPORTING INDUSTRIES

Great Britain, like Japan, has a vital 'subsistence' problem; her dependence on export trade to maintain the standard of life—world production and trade in the years after the War; problems of new orientation of industries and of international re-adjustment—difficulties increased after 1925 by fall in prime commodity prices—changes in world demand; new types of commodities displacing the older staples; growth of 'secondary' production—Great Britain particularly affected—her peculiar problems also increase; maladjustments due to hypertrophy of certain war-time industries; surplus labour and plant; over-capitalization in the cotton industry especially—position after 1925; fresh difficulties consequent on restoration of

gold standard and world slump in prices—compensating reduction in manufacturing costs impeded by wage rigidity and Trade Union restrictions—'rationalization' in theory and in practice; pros and cons of 'vertical' amalgamation in the cotton industry; reorganization needed.

The textile industry; detailed examination of its present position—its losses in overseas markets and the causes in each case—finance and labour factors—surplus spindleage, the extent of the problem and the attempt to deal with it by the Lancashire Cotton Corporation—comparison with Japan in regard to co-ordination—scope for improvement by shifting production to higher grades of cotton goods.

Review of other staple industries; the coal industry; its reorganization—the iron and steel industry—ship-building; attempts to deal with excess shipyard capacity; effects of foreign governments' encouragement of native ship-building—the shipping trade; subsidized foreign competition—the woollen industry; its recent decline—sundry other industries affected by competition.

### § 3. REACTIONS ON THE SOCIAL STRUCTURE: UNEMPLOYMENT AND THE 'DISTRESSED AREAS'

General picture of unemployment and its distribution among the various industries, grouped as 'declining' and 'expanding'; concentration in the former—increase of employment in 'expanding' industries imperfectly cancelled by decrease in 'declining'; degree of permanent unemployment in latter—unemployment localized in so-called 'depressed areas'; its incidence in these areas—meaning and extent of 'surplus' labour; its causes—labour transference essential as a cure for distressed areas—transfer of workers to new industries in the same area; special position in Lancashire—migration to newer industrial districts in south and east; special difficulties for Lancashire—difficulties and limitations of labour migration in general—residual body of workers without hope of permanent employment—decline in export trade due largely to inescapable factors—relaxation of trade restrictions only a partial solution—relief must be sought in revival of staple industries combined with development of newer exporting industries to suit changed world conditions.

## VI. THE EFFECTS OF EASTERN INDUSTRIALIZATION UPON TRADE RELATIONSHIPS IN THE BRITISH COMMONWEALTH

The new nucleus of trade created in the Pacific and its effect on the British Dominions—historical development of British imperial trade relations—basis of British imperial trade—the growth of influences modifying imperial trade relations; disturbances caused by the Great War—the new post-war situation; growing importance of outside markets for the Dominions—effect of the world depression on British imperial trade—importance of Eastern industrial expansion in relation to imperial trade lies chiefly in the future—rising populations in the East are a fundamental factor—the economic link between Australia and Japan—review of the growth of

Australian-Japanese trade; importance of wool—Japan as a substitute market for Australian raw materials—the necessity of balancing Australian exports by purchases from Japan—opinions expressed by the Australian Commission to Japan—Australia's trade with China—New Zealand's trade with Japan—South African trade with Japan—analysis of Canadian trade with Japan; its relatively minor importance and smaller prospects of development—general tendency for Japan to become an increasing centre of trade for the British Dominions—closing of older channels of trade; agrarian protection in Europe, restriction on imports into the United Kingdom, pressure on exporters of primary products to find new markets—principles of the Ottawa Agreements and the limitations to a closed system of trade within the British Commonwealth—the effects of redistribution of trade and the prospects for readjustments.

## INTRODUCTION

**T**HE emergence of Eastern countries as large-scale industrial producers, their entrance into international markets, the loss of these markets to the manufacturing countries of the West, and the reaction of the latter in the form of trade restrictions in colonial territories have caused a substantial addition to the world's economic problems of to-day.

To Great Britain, in common with other Western manufacturing countries, Eastern competition has brought regional unemployment, labour transference difficulties, problems of industrial reform, and other economic and social corollaries of a shrinkage of export trade. Japan is faced on the one side with pressure of population, and on the other with obstacles to commercial expansion through the progressive closing of the door to her exports which is taking place in many of the markets of the world. China, urged to industrialization by a widening adverse margin in her international balance of trade, is becoming her own supplier of the classes of goods in which she formerly offered a large market to the West. India—a half-way house—finds herself drawn into conflict with the manufacturing interests both of the East and the West through fostering home industries to relieve the poverty of her masses.

The more immediate problems relate to the progress of Japan, who, by reducing her costs of production to a level hitherto unknown, has extended her trading operations in every quarter of the globe and invaded and captured markets which, in the past, had been the cherished preserves of the exporting countries of the West.

Coinciding with world economic depression, the growth of Eastern competition has in one trade at least, namely that in cottons, produced results which for the Western countries concerned have been little short of catastrophic. In view of the success of Japan—with India and China

threatening to follow suit—in outdoing the West in the cheap manufacture of cotton goods and not a few other staple articles of trade, it becomes a question of primary importance to know what limits are fixed to the competitive power of Eastern manufactures *vis-à-vis* those of the West. Will there be a redressing of the balance, or has the West to expect an extension of competition resulting in a further displacement of trade? Is the Eastern factory worker destined, in fact, to supplant the Western operative in ever-widening spheres?

In this connexion much has been said and written about the industrial advantage which Eastern countries derive from a low standard of life, resulting in cheap wages. The weighing up of comparative costs of labour, of the effect of low wages upon competitive power and of their real importance as an international factor, together with judgment on the question as to whether present differences of standards are likely to be maintained, present, however, an exceedingly complex task and the determinant facts, if ascertainable at all, can only be reached by a thorough study of conditions in the individual countries. There are, moreover, a number of other factors—economic, social, and political—which count no less than relative labour costs in deciding competitive power and in directing the trend of development in each of the countries concerned. It is the study of all these essential factors affecting industrial progress which constitutes the substantive part of this book.

The method pursued for this purpose is that of analysing in turn the industrial structures of the three Eastern countries whose industrial development is on the largest scale, namely Japan, China, and India, and by attempting to deduce from the facts the lines of their future development. The industrial development of the East having been thus reviewed, its effect on the West is illustrated by an examination of the British export industries affected by competition, and by a general appreciation of the effect on the national economy of Great Britain of the loss of her overseas markets. The results of Japanese industrial expansion



upon 'third party' trade relations, represented by British Commonwealth trade, is the theme of a separate chapter. Finally, conclusions arising out of the study as a whole are presented by Professor Gregory in the concluding chapter of the book.

Primarily, therefore, the subject is dealt with in this work from the competitive angle. This should not be thought to imply the assumption that industrial progress in Japan, India, or China—even premising the continuance of the present low costs of production—must of necessity be to the detriment of Western exporting countries. To equate the two as if the growth of the one involved a proportionate contraction of the other would be an obvious error. To take the instance of Japan, her low-priced manufactures have already, in Africa and elsewhere, opened up new markets which, but for this, might have lain dormant for a very long time to come, offering little or no field to the higher-priced goods of the West. From the profits of such trade Japanese purchasing power must in its turn benefit, thereby stimulating imports both of the raw materials needed by Japanese industries, and also of manufactured goods, both 'capital' and for consumption, of kinds which Japan is not well fitted to produce. Again, Japan is at present regulating her trade with a view to correcting her adverse balance of trade and is concentrating on exports, but if these continue to grow a proportionate increase of imports must occur in the long run, the more so because Japan depends largely on foreign sources for raw materials required for manufacture. The growth of Japanese industry should, then, eventually benefit the trade of the world, though this obviously does not preclude very injurious results for individual countries with whom she stands directly in competition. For a properly balanced view such long-term aspects of Eastern industrialization need, of course, to be kept in mind when the more immediate problems arising from competition are being discussed.

The urgency of these problems has meanwhile already become great, and we have seen diverse attempts being

made to deal with the situation both on the international and the domestic plane. The Indo-Japanese Trade Convention of 1933, the negotiations between Japan and Great Britain during the same year, and the parleys conducted by Japan with the Netherlands East Indies and with Australia are examples of efforts at a solution from the international side, while unilateral action has taken the form of quota and tariff restrictions, Government control of exports, as instituted in Japan, and schemes of industrial reorganization such as have lately been introduced in the Lancashire cotton trade. But the measures hitherto taken have been, at the best, partial. While competition continues—and it appears likely not only to continue but to intensify in certain markets at least—the search for remedies must proceed. Varied suggestions have been made, including the division of markets by international agreement, the regulation of export prices, rationalization of production according to type and quality, and the specialization of industry within individual countries. To judge aright the merits of such proposals and to discover the line of action best calculated to succeed requires knowledge of conditions and trends in the various industrial centres. It is the aim of the present volume to add to this knowledge. Existing sources of material are inadequate to support conclusions of a definite sort. Other researches in the same field are, however, in progress and the study will be further advanced by discussion at the forthcoming Conference of the Institute of Pacific Relations, to which, as already mentioned, the present volume serves as a contribution from a British point of view.

G. E. HUBBARD.

# BIBLIOGRAPHY

## GENERAL (FAR EAST)

- GREAT BRITAIN: Department of Overseas Trade: Annual Reports by H. M. Trade Commissioners, Commercial, Diplomatic, and Consular Officers on Commercial and Financial Conditions in China, India, Japan, &c. London: H.M. Stationery Office.
- Report of the British Economic Mission to the Far East, 1930-1. 1931. London: H.M. Stationery Office. 156 pp. 2s. 6d.
- Report of the Cotton Mission, 1931. London: H.M. Stationery Office. 96 pp. 1s.
- BAIN (H. F.): Ores and Industry in the Far East. 1933. Enlarged and revised edition. New York: Council on Foreign Relations. Demy 8vo. xvi+288 pp. \$3.
- BARNES (J.), *ed.*: Empire in the East. 1934. New York: Doubleday, Doran. La. 8vo. vii+322 pp. \$3.25.
- FIELD (F. V.), *ed.*: The Economic Handbook of the Pacific Area. 1934. New York: Doubleday, Doran. London: Allen & Unwin. La. demy 8vo. xii+646 pp. Map. 18s.
- HOLLAND (W. L.), *ed.*: Commodity Control in the Pacific Area: a Symposium on Recent Experience. 1935. London: Allen & Unwin. California: Stanford University. Sm. roy. 8vo. 25s.

### Problems of the Pacific:

1927. Proceedings of the Second Conference of the Institute of Pacific Relations. Edited by J. B. Condliffe. 1928. Chicago University Press. Cr. 8vo. ix+630 pp. 8 maps. \$3.
1929. Proceedings of the Third Conference. Edited by J. B. Condliffe. 1930. Chicago University Press. Cr. 8vo. 720 pp. \$5.
1931. Proceedings of the Fourth Conference. Edited by Bruno Lasker. 1932. Chicago University Press. Cr. 8vo. xxi+548 pp. \$5.
1933. Proceedings of the Fifth Conference. Edited by Bruno Lasker and W. L. Holland. 1934. Oxford University Press. Chicago University Press. Cr. 8vo. xiii+528 pp. 21s. \$5.
- THOMAS (Albert): Report on Labour Conditions in the Far East, submitted to the Governing Body of the International Labour Office. 1929. Geneva: International Labour Office. 20 pp.
- UTLEY (F.): Lancashire and the Far East. 1931. London: Allen & Unwin. 8vo. 395 pp. 16s.
- WINDETT (N.): Australia as Producer and Trader, 1920-32. 1933. London: Oxford University Press. Demy 8vo. xii+320 pp. 15s.
- International Federation of Master Cotton Spinners and Manufacturers Association, Manchester: International Cotton Bulletins (bi-monthly).

## PERIODICALS:

- Japan Weekly Chronicle (Tokyo).  
 — Commercial Supplement (Tokyo).  
 Mitsubishi Circular: Mitsubishi Economic Research Bureau (Tokyo).  
 The Oriental Economist (Tokyo).

## CHINA

- Bank of China, Shanghai: Research Department: Position of China as a producer of raw material and consumer of manufactured products. — Annual Reports.  
 China Year Book. Edited by H. G. Woodhead. London: Simpkin Marshall (annual since 1912).  
 China: *in* Annals of the American Academy of Political and Social Science, November, 1930.  
 FONG (H. D.): Cotton Industry and Trade in China. 1932. Tientsin: Chihli Press. La. 8 vo. 2 vols. 32s. 6d.  
 HO (F. L.) and FONG (H. D.): The Extent and Effects of Industrialization in China. 1929. Tientsin: Nankai University. La. 8vo. 34 pp.  
 KING (S. T.) and LIEU (D. K.): China's Cotton Industry (*in* Problems of the Pacific, 1929).  
 LIEU (D. K.): A Preliminary Report on Shanghai Industrialization. 1933. Shanghai: China Council of the Institute of Pacific Relations. 8vo. 69 pp. 25 s.  
 ORCHARD (J. E.): China as a Source of Iron and Fuel (*in* Japan's Economic Position. See below under JAPAN).  
 PEARSE (A. S.): The Cotton Industry of Japan and China. 1929. Manchester: Taylor, Garnett & Evans. 8vo. 254 pp. 21s.  
 SALTER (Sir A.): China and the Depression; Impressions of a three month's visit. 1934. China: National Economic Council.  
 TAO (L. K.) and LIN (S. H.): Industry and Labour in China. 1931. World Social Economic Congress. 8vo. 64 pp.  
 TAWNEY (R. H.): Land and Labour in China. 1932. London: Allen & Unwin. 8vo. 207 pp. 7s. 6d.  
 VINACKE (H. M.): Problems of Industrial Development in China. 1926. Princeton University Press. Oxford University Press. 8vo. ix+205 pp. 9s.  
 WITTFOGEL (K. A.): Wirtschaft und Gesellschaft Chinas. 1931. Leipzig: Hirschfeld. 8vo. 767 pp. Rm. 32.

## JAPAN

- Great Britain: Department of Overseas Trade: Report on the Cotton Spinning and Weaving Industry in Japan, by W. B. Cunningham. 1927. London: H.M. Stationery Office. 3s.  
 United States: Department of Commerce: Trends in Japan's Trade. 1926.

- United States: Tariff Commission: Report of Japanese Cotton Industry and Trade. 1921.
- ALLEN (G. C.): Modern Japan. 1928. London: Allen & Unwin. 226 pp.
- ANDREADES (A.): Les Finances de l'Empire japonais et leur évolution. 1932. Paris: Alcan. Sm. 8vo. 202 pp.
- ASAHI (I.): The Secret of Japan's Trade Expansion. 1934. Tokyo: International Association of Japan. 8vo. 130 pp.
- CROCKER (W. R.): The Japanese Population Problem. 1931. London: Allen & Unwin. 8vo. 240 pp. 10s. 6d.
- Federation of British Industries: Report of Mission to the Far East, Aug.-Nov., 1934. 1s.
- International Labour Office: Industrial Labour in Japan. 1933. Geneva: I.L.O. London: P. S. King. 8vo. xvi+413 pp. 12s. 6d.
- Japan and Manchukuo Year Book. 1934. Tokyo: Japan and Manchukuo Year Book Company (annual).
- KENNEDY (M. D.): The Changing Fabric of Japan. 1930. London: Constable. 8vo. vii+282 pp. 16s.
- MAURETTE (F.): Social Aspects of Industrial Development in Japan. 1934. Geneva: International Labour Office. La 8vo. 69 pp. 1s. 3d.
- MOULTON (H. G.): Japan—an Economic and Financial Appraisal. 1931. Washington: Brookings Institution. 8vo. 645 pp. \$4.
- NASU (S.): Land Utilization in Japan. 1934. Chicago University Press. 328 pp. \$4.
- NITOBE (I.): Japan. (*Modern World Series.*) 1931. London: Benn. 8vo. 398 pp. 18s.
- ORCHARD (J. E.): Japan's Economic Position. 1930. New York: McGraw-Hill. 8vo. 504 pp. 25s.
- PEARSE (A. S.): The Cotton Industry in Japan and China (see above under CHINA).
- PENROSE (E. F.): Population Theories and Their Application: with special reference to Japan. 1934. California: Stanford University Press. 8vo. xiv+347 pp. \$3.50.
- Political and Economic Planning (P.E.P.): Report on the British Cotton Industry. 1933. London.
- REMER (C. F.): Foreign Investments in China. 1933. New York: Macmillan. 8vo. 708 pp. \$5. (See Chapter XVII: Japanese Investments in China.)
- STEIN (G.): Made in Japan. 1935. London: Methuen. 8vo. viii+206 pp. 7s. 6d.
- Tokyo Association for Liberty of Trading:  
 Bulletin No. 2. Japan's Trade with Australia and New Zealand and its Future. 1934. Tokyo.  
 Bulletin No. 3. Occupational Changes in Japan. 1934. Tokyo.
- YAMASAKE (K.) and OGAWA (G.): The Effect of the War upon the Commerce and Industry of Japan. (*Carnegie Endowment Economic and Social History of the World War Series.*) 1929. Yale University Press. Oxford University Press. La. 8vo. 405 pp. \$4.

*Institute of Pacific Relations: Conference Data Papers.*

- ASARI (J.): Development of the Cotton Spinning Industry in Japan. 1931. Shanghai Conference.
- INOUE (J.): The Economic and Industrial Development of Modern Japan. (Western influences in Japan No. 14.) 1929.
- MORIMOTO (K.): The Efficiency Standard of Living in Japan. 1931. Shanghai Conference.
- Supply of Raw Materials in Japan. By the Staff of the Tokyo Institute of Political and Economic Research. 1933. Banff Conference. 8vo. 23 pp. 20 c.
- UYEDA (T.): Future of the Japanese Population. 1933. Banff Conference. 8vo. 25 pp. 20 c.

## INDIA

- Great Britain and India: Census of India, 1921 and 1931.
- Statistical Abstract of India (annual).
- Report on Moral and Material Progress of India (annual).
- Review of the Trade of India (annual).
- Reports of the Indian Trade Commissioner, India House (annual).
- Report of the Indian Fiscal Commission. Cmd. 1724 of 1922.
- Report (and volumes of evidence) of the Royal Commission on Agriculture in India. Cmd. 3132 of 1928.
- Report (and volumes of evidence) of the Royal Commission on Industrial Labour in India. Cmd. 3883 of 1931.
- Report (and volumes of evidence) of the Central Indian Banking Committee and of the Provincial Banking Committee 1932.
- Reports of the Indian Tariff Board, especially regarding:  
The Grant of Protection to the Steel Industry 1924;  
Statutory Inquiry into Steel Industry 1927;  
Report on the Iron and Steel Industry 1934;  
Statutory Inquiry into the Indian Cotton Mill Industry 1927.
- Report on the Working of the Scheme of Preferences resulting from the Agreement at Ottawa between India and H.M. Government in the United Kingdom, up to the end of the fiscal year 1933-4.
- Department of Overseas Trade. Reports on the Conditions and Prospects of British Trade in India (annual).
- ANSTEY (V.): Economic Development of India. 1931. London: Longmans Green. 562 pp. Full bibliography. 25s.
- BUCHANAN (D. H.): The Development of Capitalist Enterprise in India. 1934. New York: Macmillan. 482 pp. 21s.
- DEY (M. L.): The Indian Tariff Problem. 1933. London: Allen & Unwin. 288 pp. 16s.
- JAIN (L. C.): The Monetary Problems of India. 1933. London: Macmillan. 208 pp. 10s. 6d.
- LOKANATHAN (P. S.): Industrial Organization in India. 1935. London: Allen & Unwin (*in the press*).

- PANANDIKAR (S. G.): *Industrial Labour in India*. 1933. London: Longmans Green. 294 pp. 9s.
- PEARSE (A.): *The Cotton Industry of India: the report of a journey to India*. 1930. Manchester: Taylor, Garnett & Evans. viii+332 pp.
- UTLEY (F.): *Lancashire and the Far East*. (See above under FAR EAST.)
- WATTAL (P. K.): *The Population Problem in India*. 1934. Bombay: Bennett, Coleman. 185 pp. Rs. 3.80.

PERIODICALS AND JOURNALS:

- Asiatic Review (London).  
 Bombay Labour Gazette.  
 Capital (Calcutta).  
 Indian Journal of Economics (Allahabad).  
 Indian Trade Journal (Calcutta).

GREAT BRITAIN

- Great Britain: *Annual Statements of the Trade of the United Kingdom*.  
 ——— *Monthly Accounts of Trade and Navigation of the United Kingdom*.  
 ——— *Committee on Industry and Trade: First Report*. 1929 (Balfour Committee). Cmd. 3282. 338 pp.  
 ——— *Survey of Overseas Markets*. 1925. 740 pp.  
 ——— *Survey of Industrial Relations*. 1926. 497 pp.  
 ——— *Factors in Industrial and Commercial Efficiency*. 1927. 544 pp.  
 ——— *Further Factors in Industrial and Commercial Efficiency*. 1928. 360 pp.  
 ——— *Survey of the Metal Industries*. 1928. 528 pp.  
 ——— *Survey of Textile Industries*. 1928. 328 pp.  
 ——— *Reports of Investigations into the Industrial Conditions in Certain Depressed Areas*. 1934. Cmd. 4728. 240 pp.  
 ——— *Statistical Tables relating to British Foreign Trade and Industry*. 1924-30. 1930. Cmd. 3737. (2 vols.)  
 ——— *Ministry of Labour Gazette* (monthly).  
 ——— *Royal Commission on the Coal Industry: Final Report* 1926. Cmd. 2600. 294 pp.
- League of Nations: *World Economic Survey 1931-2*. Geneva 1932. 327 pp.  
 ——— *World Economic Survey 1932-3*. Geneva 1933. 345 pp.  
 ——— *World Economic Survey 1933-4*. Geneva 1934. 365 pp.
- ALLEN (G. L.): *British Industries and their Organization*. 1933. London: Longmans Green. 338 pp. 10s. 6d.
- BOWLEY (A. L.): *Some Economic Consequences of the Great War*. (*Home University Library*.) 1932. London: Butterworth. Sm. 8vo. 251 pp. 2s. 6d.
- CLARK (C.): *Statistical Studies regarding the Present Economic Position of Great Britain* (in the *Economic Journal*, September 1931).
- CLAY (H.): *The Post-War Unemployment Problem*. 1929. London: Macmillan. 317 pp. 8s. 6d.

- CLAY (H.): *The Problem of Industrial Relations*. 1929. London: Macmillan. 317 pp. 12s.
- DANIELS (G. W.) and JEWKES (J.): *The Comparative Position of the Lancashire Cotton Industry and Trade*. 1927. Manchester: John Heywood, Ltd. 101 pp.
- ELLINGER (B. H.): *Japanese Competition in the Cotton Trade* (in the *Journal of the Royal Statistical Society*, part ii, 1930).
- FLORENCE (P. Sargent): *The Logic of Industrial Organization*. 1933. London: Kegan, Paul. 291 pp. 10s. 6d.
- HILTON (J.) and others: *Are Trade Unions Obstructive?* 1935. London: Gollancz. 349 pp.
- HOBSON (C. K.): *The Export of Capital*. 1914. London: Constable. 261 pp.
- KINDERSLEY (R.): *British Foreign Investments in 1928* (in the *Economic Journal*, June 1930).
- LOVEDAY (A.): *Britain and World Trade*. 1931. London: Longmans Green. 229 pp. 10s. 6d.
- MC CALLUM (E. D.): *The Problems of the Depressed Areas in Great Britain* (in *International Labour Review*, August 1934).
- MARQUAND (H.): *The Dynamics of Industrial Combination*. 1931. London: Longmans Green. 206 pp.
- MEAKIN (W.): *The New Industrial Revolution*. 1928. London: Gollancz. 284 pp. 9s.
- PICOU (A. C.): *The Economic Position of Great Britain*. 1927. Royal Economic Society Memorandum.
- Political and Economic Planning (P.E.P.): *Report on the Cotton Industry*. London, 1934.
- *Report on the Iron and Steel Industry*. London, 1934.
- The Post-War Depression in the Lancashire Cotton Industry* (in the *Journal of the Royal Statistical Society*, part ii, 1928).



## INDEX

- Act of Algeciras: 23.
- Aden:  
Chinese trade with: 192.
- Aeroplanes:  
manufacture in China: 193.
- Africa: *xxi*, 51 *sq.*, 159; copper production: 139; British trade with: 326; Indian trade with: 241, 298; Japanese competition: 327.
- Africa, East: 17, 266, 280; increase of Japanese trade with: 7, 19; British trade with: 327; Chinese trade with: 192; Indian trade with: 274.
- Africa, North: 15.
- Africa, Portuguese: 24.
- Africa, South:  
British trade with: 327, 348; Japanese trade with: 7, 16, 26, 355 *sqq.*
- Africa, West: 17, 19, 266.
- Africa, West, French: 24.
- Agriculture: 16, 109, 114, 125, 131 *sq.*, 145 *n.*, 149, 163 *sq.*, 166, 173, 181, 196 *sq.*, 199, 205, 212, 220 *sq.*, 232 *sq.*, 248, 261, 285, 302, 309, 335 *n.*, 350, 359, 364; fall in produce value: 214, 287; relief of: 105, 107 *sq.*, 170, 172.  
*See also* PLANTATION INDUSTRIES; POPULATION; SUBSIDIES; and individual subjects.
- Ahmedabad: 258 *and n.*, 291.
- Ahmedabad Mill Owners' Association: 279 *and n.*
- Alcohol: 201.
- Algeria: 23.
- Aluminium, *see* METALS.
- America, *see* UNITED STATES.
- America, Central:  
Japanese trade with: 26.
- America, North:  
trade with the East: 348.
- America, South:  
British trade with: 361; copper production: 139; Japanese trade with: 7, 25 *sqq.*, 51, 355.
- Anglo-Chinese Kailan Mining Administration: 231.
- Anglo-Japanese Conventions, *see* COMMERCIAL NEGOTIATIONS.
- Anshan: 136.
- Anthracite, *see* MINING INDUSTRY.
- Antimony, *see* METALS.
- Arabia:  
Indian trade with: 274.
- Argentina: 22, 26 *sq.*; British trade with: 326.
- Armaments: 7, 57, 66.
- Artificial silk, *see* RAYON.
- Asia: 182, 348; decline of British cotton markets: 327.
- Asia Minor: 15.
- Associated Australian Chambers of Commerce: 354.
- Atlantic: 348.
- Australasia:  
British trade with: 326.
- Australia: 16, 22, 60, 267, 271, 349, 356, 358 *sq.*, 361; reciprocal trade with Japan: 25 *sq.*, 61, 161, 348, 350 *sqq.*, 357; export of wheat: 148, 353; wool output: 221; effects of Great War on industry: 347; balance of trade: 352; trade with China: 353; mission to Japan: 353 *sq.*; Japanese Trade Delegation: 354.
- Baldwin, Mr.: 360.
- Balfour Committee: 316, 331.
- Balkans:  
Japanese trade with: 25 *sq.*
- Bank of China: 189, 215 *sq.*
- Bank of England: 327.
- Bank of Japan: 52, 105, 111, 168; founding of: 47.
- Bank of New South Wales: 355, 357.
- Barakar: 243.
- Batavia: 9.
- Bauxite, *see* MINERALS.
- Beer: 9.
- Belgium: 23, 59 *n.*, 250, 283.
- Belgian Congo:  
Japanese trade with: 24.
- Bengal: 243.
- Bengal Iron Company: 281 *n.*

- Berlin: 17.  
 Berlin, Treaty of, *see* COMMERCIAL NEGOTIATIONS.  
 Bhole, Sir Joseph: 272.  
 Bicycles: 19, 24, 126, 128, 268.  
 Bihar: 243.  
 Bombay: 246, 258 *n.*, 273, 276, 285 *sq.*, 302.  
 Bombay Cotton Mill Industry: 264.  
 Bombay Mill Owners' Association: 279.  
 Bombay Presidency: 248, 250, 290.  
 Bonuses, *see* WAGES.  
 Bounties, *see* SUBSIDIES.  
 Bradford Dyers' Association: 91.  
 Brazil: 27, 60.  
 British American Tobacco Company: 193.  
 British Hosiery Manufacturers' Federation: 56.  
 British Indian Act: 290.  
 British Malaya: 17, 161; Japanese trade with: 19.  
 British Somaliland: 17.  
 Broach: 243.  
 Bureau for the Rationalization of Industry: 69 *sqq.*, 72 *sq.*;  
 Committee on Control: 70 *sq.*;  
 Committee on Control of Sales: 70;  
 Committee for Encouragement of Consumption of Home Products: 70.  
*See also* STAPLE INDUSTRIES CONTROL ACT.  
 Burma: 303; oil fields: 246.  
 Business Tax: 234 *n.*  
 Butter:  
 Australian export of: 350.  
 Calcutta: 60, 243, 285.  
 Calico Printers' Association: 224, 322.  
 Canada: 55, 142, 148, 250, 267, 315 *n.*, 359, 361; Japanese trade with: 16, 355, 358; coal output: 219; effects of Great War on industry: 347, 357; trade with China: 353, 358; trade with United States: 358; Pacific trade development: 357 *and n.*, 358.  
 Canned goods: 23.  
 Canton: 192, 216.  
 Capital, Industrial, *see* FINANCE.  
 Carpet industry: 197, 223, 268.  
 Cartels: 55, 70 *sq.*, 75 *sq.*, 90, 328, 330.  
 Casablanca: 24.  
 Cement: 9, 47, 71, 73, 75, 204, 253, 260, 294, 300.  
 Cereals: 10. *See also* WHEAT.  
 Ceylon: 17 *sq.*, 280; Indian trade with: 274, 298; Japanese trade with: 19, 25; opposition to quota policy: 20, 280 *n.*  
 Chahar: 220.  
 Chartered Companies, *see* TRADE, INTERNATIONAL.  
 Chemical Manufactures: 51 *sq.*, 56, 73, 196, 252, 263, 295 *and n.*, 296, 300;  
 Ammonium-sulphate: 201;  
 Dyes: 52, 160 *n.*, 183, 252;  
 Fertilizers: 47, 75, 147 *n.*, 233;  
 Magnesium chloride: 267 *n.*  
 Chile:  
 Japanese trade with: 26.  
 China: *xix sqq.*, 1, 7, 45 *sq.*, 51, 58 *sq.*, 61, 63, 75, 80, 83, 134, 136, 159, 240, 246, 250, 253, 285, 287, 289 *and n.*, 291, 293, 298 *sq.*; boycott on Japanese goods: 6, 9 *sqq.*, 25;  
 Foreign trade, its unimportance to China: 182; expansion by railway extension: 184, 238; change of markets: 348; trade relations with Japan: 235 *sqq.*, 236 *n.*, 238;  
 Great War, its effect on trade: 198; decline in British cotton exports: 326;  
 Industrial development: 193-8, 200, 203, 213, 215, 217, 222, 229 *sqq.*, 232 *sq.*, 238; rural industries: 197; foreign technical training: 194 *sq.*; decentralization: 196 *sq.*; mechanization of industry: 196; factory development: 10, 183 *sq.*, 186 *sq.*, 198, 204 *sq.*, 229, 237; electrification of: 84; organization of: 225 *sq.*; deficiency in factory plant: 231;  
 Relations of State to industry: 199-205; industrial legislation: 203 *sqq.*, 231, 234 *and n.* Chinese and foreign partnership in industry: 231; home market: 232 *and n.*, 233;

- China:—*cont.*  
 Sino-Japanese War, 47 *sq.*, 186;  
 Standard of living: 206, 208 *sq.*;  
 Trade balance: xix *sq.*, 185, 229,  
 238;  
 Trade with Australia: 354 *sq.*;  
 Canada: 358; Japan: 156, 176,  
 232.  
 Treaty Port System: 181, 186,  
 194 *sqq.*, 199, 205, 238; organiza-  
 tion of: 226 *sq.*; attitude of State  
 to foreign enterprise: 234 *sq.*;  
 foreign-owned factories: 187, 195,  
 198 *sq.*, 205 *sq.*, 222, 225 *sq.*, 228,  
 233 *sqq.*, 238, 273, 277; extra-  
 territorial rights: 181, 200, 234 *sq.*,  
 238 *sq.*;  
*See also* COTTON; CURRENCY; EX-  
 PORTS; IMPORTS; JAPAN; MAN-  
 CHURIA.
- China Development Finance Cor-  
 poration: 231.
- Chinaware: 182, 265, 351.
- Chinese Cotton Mill-Owners' Associa-  
 tion: 233 *sqq.*
- Chinwangtao: 216.
- Cigarettes: 187, 193, 198.
- Clare Lees, Sir William: 278.
- Clothing: 23.
- Clyde: 331.
- Coal, *see* MINING INDUSTRY.
- Coal Mines Act: 330.
- Coastal and River Services, *see* TRANS-  
 PORT.
- Commercial Negotiations:  
 Anglo-Japanese Convention (1905):  
 280;  
 Anglo-Japanese Negotiations (1934):  
 17, 25, 279;  
 Congo Basin Treaties: 280 *n.*;  
 Crisis Import Ordinance: 9;  
 Indo-British Trade Agreement  
 (1935): 266 *sq.*, 272, 278 *sq.*, 283,  
 303;  
 Indo-Japanese Trade Convention  
 (1904): 264, 277; (1933): xxii, 9,  
 13, 268 *n.*, 269, 271, 277; (1934):  
 13 *sq.*, 86, 265, 275, 277;  
 Japan-Australia: xxii;  
 Japan-Great Britain (1933): xxii;  
 Japan-Netherlands East Indies:  
 xxii;
- Ottawa Agreements: 16, 264 *sqq.*,  
 267, 271, 304, 349, 360;  
 Sino-Japanese Treaty (1930): 201 *n.*;  
 Treaty of Berlin: 17;  
 Washington Conference: 201.  
*See also* COTTON; TARIFFS.
- Committee for Encouragement of  
 Consumption of Home Products,  
*see* BUREAU FOR THE RATIONALI-  
 ZATION OF INDUSTRY.
- Committee on Control, *see* BUREAU  
 FOR THE RATIONALIZATION OF  
 INDUSTRY.
- Committee on Control of Sales, *see*  
 BUREAU FOR THE RATIONALIZA-  
 TION OF INDUSTRY.
- Communism: 130, 210.
- Congo Basin: 17.
- Congo Basin Treaties, *see* COM-  
 MERCIAL NEGOTIATIONS.
- Copper, *see* MINING INDUSTRY.
- Cost of living, *see* WAGES.
- Cotton: 76, 78, 81, 85, 88 *sq.*, 91,  
 133 *n.*, 134, 154, 156 *sq.*, 159 *sq.*,  
 162, 167, 168, 176 *sq.*, 183, 186,  
 191, 198, 201, 204, 207 *sq.*, 216,  
 218, 220 *sq.*, 223, 233, 242,  
 247 *sqq.*, 252, 260, 287, 293, 296,  
 298 *sq.*, 315 *sq.*, 319, 321, 327,  
 337 *n.*, 369; negotiations between  
 Japan, India, and Great Britain:  
 71; Colonial trade: 278, 280, 327;  
 Lancashire trade, reorganization  
 schemes: xxii, 324, 339; Japanese  
 competition: 20, 112, 278, 328  
*sq.*; undercut by rayons: 22,  
 91 *sq.*; Indian and Japanese com-  
 petition: 273, 275, 288; cause of  
 loss of trade: 86; decline of  
 Moroccan market: 23; India's  
 loss of markets to: 241, 307; her  
 relations with Lancashire: 278;  
 depression in Lancashire in-  
 dustry: 320, 370; number of  
 spindles reduced: 323 *n.*, 324,  
 328; reduced production: 328;  
 reduction of costs: 329;
- Piece goods: xx, 10 *sq.*, 13 *sqq.*,  
 17 *sqq.*, 21 *sqq.*, 24, 26, 53, 55,  
 63, 84, 115, 120, 123, 182 *sqq.*,  
 185, 190 *sq.*, 202, 232, 246, 250,  
 261 *sqq.*, 264, 267, 269, 273 *sq.*;

Cotton:—*cont.*

- 278, 280, 294, 325; duty on: 12; regulation of Indian import of, 13; opening of market in Korea: 50;
- Raw cotton: 10, 13 *sqq.*, 25 *sq.*, 81 *sqq.*, 84 *sqq.*, 88, 98 *sq.*, 121, 183, 185, 202, 216, 221, 226, 249, 256, 266 *sq.*, 268 *and n.*, 270 *n.*, 276 *sq.*, 280, 298 *sq.*, 324 *and n.*;
- Spinning industry: 47, 49, 51, 54, 71, 79, 82, 112, 121 *sq.*, 134, 190, 204, 210, 339;
- Weaving industry: 7, 56, 79, 81 *sq.*, 84, 112, 122, 134, 158, 189 *sq.*, 210, 339;
- Yarn: 49, 51, 63, 84, 120, 183 *sqq.*, 189, 232, 241, 246, 249 *sq.*, 262, 272, 275 *sq.*, 278, 299;
- China, effect of growth of native industry: 10 *sq.*; export of 'nankeen': 182; power-driven spindles: 183, 187, 238; increase of cotton mills: 184, 187; cultivation of cotton plant: 184; cotton crisis: 189; reduction of output: 189; hand-loom industry: 196, 198, 238; mill machinery in China inferior to that of Japan: 231;
- India, power spinning: 183 *and n.*; loss of European markets: 241; first spinning mill established: 243; expansion of home markets: 249 *sq.*, 272; hand spinning industry: 241, 249, 274; loss of foreign markets: 241;
- Japan, growth of exports: 5, 11, 50 *and n.*, 51; introduction of cotton plant into: 46; of spinning machinery: 49; rationalization and reorganization of industry: 54; methods of purchase: 83 *sqq.*, 88; Japanese mills in China: 83, 226; advantage in technical equipment: 85 *sq.*, 87 *sq.*, 114; centralization of marketing agencies: 88; increase of efficiency: 119 *sq.*; expansion in Asiatic markets: 160.
- See also* PRICES; PRODUCTION; STATISTICS; TARIFFS; TEXTILES; TRADE.
- Cotton Industry Commission: 202.
- Cotton Textile Industrial Guilds, Federation of: 75.
- Cotton Trade Organizations, Joint Committee of: 121, 123 *n.*
- Crisis Import Ordinance, *see* COMMERCIAL NEGOTIATIONS.
- Currency:
- Copper coinage in Japan: 45; in China: 213;
- Deflationary policy: 78 *sq.*, 104, 114; 158, 320; depreciation, silver: 6, 62; its effect on industry: 93-104, 353;
- Embargoes on gold exports: 52, 95, 97, 100; on silver exports: 186, 212; emergency currency: 258 *n.*; exchange policy of Japan: 96 *sq.*;
- Fluctuations: 10, 93, 99 *sq.*, 104, 193, 211 *sq.*, 214, 229, 283; comparisons of value of the yen: 96; depreciation of: 268, 273, 275, 277; foreign exchange: 212;
- Gold Standard, America's departure from: 100; Great Britain's departure from: 94, 100; her return to: 320; Japanese departure from: 57, 93 *sq.*, 97, 99 *sq.*, 158; her return to: 62;
- Inflationary policy: 111, 152, 157 *sq.*;
- Opium as currency in China: 182;
- Paper currency: 213, 214 *and n.*;
- Silver, appreciation: 208, 212, 215, 229 *n.*; bullion: 182, 186, 213; purchasing policy of the U.S.A.: 212;
- Stabilization, on gold basis: 47, 245; of rupee: 275; its decline in gold value: 245;
- Substitution of the dollar for the tael: 213 *sq.*
- See also* FINANCE; STATISTICS; TARIFFS.
- Curzon, Lord: 261.
- Cyprus: 17.
- Dai Nippon Spinning Company, *see* DAI-NIPPON BOSEKI KABUSHIKI KAISHA.
- Daimyos*: 46.

- Dai-Nippon Boseki Kabushiki Kaisha: 82, 226.
- Daniels, Professor: 319.
- Debt, *see* INTERNAL DEBT; NATIONAL DEBT.
- Durham: 340, 343.
- Dutch East Indies, *see* NETHERLANDS EAST INDIES.
- Duties, *see* TARIFFS.
- Dyes, *see* CHEMICAL MANUFACTURES.
- East India Company:  
Trade monopoly and trading powers removed: 240.
- East Indian Railway: 243.
- East Indies: 159; cotton trade: 241.
- Education:  
China: 197;  
India: 244, 262;  
Japan: 244.
- Egypt: balance of trade: 15; British trade with: 327; Chinese trade with: 192, 221; Japanese trade with: 7, 15, 22, 26.
- Electric motors: 143.
- Electric power: 140, 231.  
Production and distribution of: 55, 142, 196;  
Chinese hydro-electric power: 219;  
Indian: 246, 294; Japanese: 142 *and n.*, 143.
- Electrical industry: 11, 23, 48, 60 *sq.*, 126, 139, 160, 315, 334.
- Embargoes, *see* FINANCE.
- Emigration: Japan: 133, 167.  
*See also* POPULATION.
- Engineering: 135, 139, 161 *sq.*, 184, 193, 243, 246, 253, 294, 310, 316, 337 *n.*;
- 'Central Machine Shop': 201.
- Europe: 75, 296, 298, 348 *sq.*, 359 *sq.*;  
British trade with: 326, 361;  
regional agreements for reciprocal trade: 359.
- Ewo Cotton Mills Company: 225, 227.
- Expenditure, *see* FINANCE.
- Export Guilds Law: 72, 169.
- Exports:  
Africa, South: 356; America, South: 27; Argentine: 27; Australia: 161, 348, 350 *sq.*, 354 *sq.*, 361;  
Belgium: 23; Brazil: 27; British Malaya: 161;  
China: 63 *n.*, 86, 181 *sq.*, 184 *sq.*, 191 *sq.*, 197, 202, 218 *sq.*, 221, 234;  
Egypt: 15, 26;  
Formosa: 150; France: 23, 310;  
Germany: 8, 310; Great Britain: *xx*, 8, 9, 19, 23, 61, 191, 298, 308, 310, 314, 320, 324 *sq.*, 327, 330, 333, 346, 347 *sq.*, 350; fall of exports to India: 12 *sq.*  
Holland: 9;  
India: 8, 86, 242, 245, 249 *sq.*, 252, 261, 266, 276, 282, 294, 297 *sq.*, 304; Italy: 23;  
Japan: *xix*, *xxi*, 1 *sq.*, 8, 10 *sq.*, 13 *sq.*, 16 *sq.*, 19, 21, 23 *sq.*, 26, 48 *sq.*, 52 *sq.*, 56, 60 *sq.*, 63, 82, 112, 126, 133, 151, 157 *sq.*, 182, 184, 191, 265, 333, 351, 353 *sq.*, 357; Government control of exports: *xxii*; effect of Chinese boycott on: 6; expansion in world markets: 7, 20, 27, 52; increased value of to America: 26 *sq.*; British Colonies: 19; China: 50 *sq.*; Egypt: 15, 26; effect of currency depreciation on: 16; cotton yarn surplus exported: 50; expansion of rayon export: 92;  
Korea: 58, 150;  
Manchuria: 58;  
Netherlands East Indies: 10; New Zealand: 356, 361;  
Peru: 27;  
Turkey: 26;  
United States: 8, 86, 298, 348;  
*See also* CURRENCY; STATISTICS.
- Extraterritorial Rights, *see* CHINA; JAPAN.
- Factory Act, *see* LABOUR.
- Famine: 242 *and n.*, 244 *sq.*, 260.
- Famine Commission: 242.
- Far East: 274.
- Fertilizers, *see* CHEMICAL MANUFACTURES.
- Finance: 52 *and n.*, 365 *sq.*  
China: industrial capital: 194, 203, 216 *sq.*, 224; provided by foreign borrowing: 194, 217

- Finance:—*cont.*  
 232, 237, 239; bank loans: 216;  
 public bonds floated: 226 *n.*;  
 Government and private colla-  
 boration: 201; Banking system:  
 215 *sq.*; foreign investment:  
 203, 222 *sq.*, 230 *sq.*, 253;  
 foreign enterprise: 225, 231,  
 244;  
 Great Britain: embargo on gold  
 export: 94; industrial capital:  
 308, 319; banks reluctant to  
 lend for cotton industry: 327;  
 foreign investment: 311 *sq.*;  
 bank loans: 319; over-capitali-  
 zation: 319 *sq.*, 324;  
 India: diminishing internal pur-  
 chasing power of: 12; industrial  
 capital: 257; provided by  
 foreign borrowing: 244, 253  
*sq.*, 304 *sq.*; establishment of  
 joint-stock banks: 257; Indian  
 investment: 257; bank rates:  
 258 *and n.*; working capital:  
 259; 'under-capitalization':  
 258; 'over-capitalization': 275;  
 Finance Act: 276;  
 Japan: gold value of exports: 3;  
 introduction of banks into  
 Japan: 47; control of by  
 Government: 67 *sq.*; Industrial  
 capital: 63, 77, 171, 253, 281,  
 284; provided by foreign  
 borrowing: 48; values written  
 down: 54; concentration of:  
 77; Financial policy: 52 *sq.*, 67,  
 69, 76, 78, 104-11; her budget-  
 ary position: 104-8;  
 Financial crisis of 1927: 55, 62,  
 68, 105, 152; embargoes on  
 gold exports: 52, 95, 97, 100,  
 105; increase of gold reserves:  
 53; private investment: 68,  
 109;  
 Government expenditure: 68,  
 105-8, 161, 176, 204; banking  
 policy: 78; control of bank  
 capital: 77; Inukai policy: 111;  
 United States: financial crisis of  
 1929: 62, 157; banking crisis,  
 1933: 100;  
 Taxation: 67, 106, 108, 193,  
 203 *sq.*, 217, 222, 234 *and n.*,  
 245, 264, 303, 305, 314.  
*See also* CURRENCY; SUBSIDIES.  
 Fish: 46, 144, 358.  
 Flour: 187, 204, 355.  
 Flour mills: 192.  
*See also* WHEAT FLOUR.  
 Foreign Exchange Control Law: 96.  
 Formosa: 135, 137, 147 *sqq.*, 150 *sq.*,  
 175 *sq.*; sugar industry: 176.  
 France: 23, 250, 309, 315 *n.*, 332;  
 Colonial policy: 23;  
 Steel production: 294.  
 Freight: 203;  
 Cost of: 80, 121, 332, 333 *n.*;  
 Excessive growth of tonnage:  
 332 *sq.*  
 Fuji Boseki: 82.  
 Furs: 181.  
 Fushun: 137, 141; deposits of oil-  
 shale: 140.  
 Gambia: 17.  
 Gasoline, *see* OIL.  
 Geneva: 205.  
 Germany: 8, 59, 65, 137, 143, 249 *sq.*,  
 283, 309, 315 *n.*, 321, 360; trade  
 with India: 296.  
*See also* EXPORTS.  
 Glass: 19, 23, 47 *sq.*, 60 *sq.*, 63, 183,  
 187, 192, 197 *sq.*, 295, 300.  
 Gold, *see* CURRENCY.  
 Gold Coast: 17.  
 Goshi Kabushiki Kaisha: 84.  
 Great Britain: 1, 8, 15, 19, 23, 55 *sq.*,  
 59 *n.*, 61, 65, 71 *sq.*, 79, 82 *sq.*,  
 94, 96, 100 *sq.*, 121, 126, 137,  
 143, 183, 249 *sq.*, 265, 283, 301,  
 327;  
 Chinese trade with: 11, 231; invest-  
 ment in Chinese industries: 223;  
 Colonial policy: 278, 280, 346 *sq.*,  
 360; importance as a Dominion  
 market: 359;  
 Foreign investment, effects on  
 trade: 312; foreign trade: 310,  
 321, 325, 347; loss of markets:  
 344;  
 India, trade with: 283, 295 *sq.*, 298;  
 loss of Indian markets: 296;  
 competition: 183, 241, 330;  
 Industrial development: 311 *sq.*,

Great Britain:—*cont.*

344; effects of Great War: 312 *sq.*, 316, 319, 331, 344, 347; decline in export trade: 313, 316, 343, 348; 'rationalization' and reorganization: 321 *sqq.*, 324, 328, 330 *sq.*, 345; factory development: 308; industrial supremacy challenged: 309 *sq.*; early industrial development: 308 *sq.*; Imperial trade: 348 *sqq.*, 351 *sqq.*, 354-61.

Japanese trade with: 59, 61, 92; competition: 163, 183, 327, 333 *sq.*, 350 *sq.*, 359 *sqq.*;

Standard of living: 313, 343;

Steel production: 294; reorganization of: 330.

*See also* EXPORTS; FINANCE; IMPORTS; LABOUR; UNEMPLOYMENT.

Great War, *see* WAR.

Greece: 332.

Guilds: 72, 241.

Gunnies, *see* JUTE.

Hankow: 216, 220.

Hankow-Canton Railway: 216.

Hankow and Yangchuen Smelting Works: 220.

Hangchow-Kiangshan Railway: 200.

Hawaii: 346.

'Hedging': 83 *sq.*

Hide and skins: 267 *n.*, 269.

Hokkaido: 146, 148.

Holland, *see* NETHERLANDS.

Hong Kong: 60, 192.

Hong Kong and Shanghai Banking Corporation: 225.

Hopei: 216.

Hosiery: 56, 133 *n.*, 160, 192, 197.

Household articles:

Japanese export of: 48.

I.P.R., *see* PACIFIC RELATIONS CONFERENCE, INSTITUTE OF.

Imperial Bank: 257 *sq.*, 258 *n.*

Imperial Department of Industries: 262.

Imperial Steel Works: 51, 66,

Imports:

Africa: Portuguese: 24; South: 16,

356 *sq.*; West: 24; Australia: 16, 22, 348, 350, 353 *sq.*;

Belgian Congo: 24;

Canada: 16; China: 6, 10 *sq.*, 181, 183, 185, 190 *sq.*, 202, 218, 221, 231, 350, 358; Crown Colonies: 17 *sq.*, 21, 23;

Egypt: 15;

Great Britain: 16, 144, 268, 298, 350 *sqq.*, 359, 361;

India: 12 *sqq.*, 242, 247, 250, 252, 261, 265, 273 *sq.*, 282 *sq.*, 294,

297 *sq.*; Italian Somaliland: 24;

Japan: *xxi*, 2, 15, 27, 48, 58 *sq.*, 61, 82, 84, 86, 98, 100, 103, 135 *sq.*, 138, 140, 144, 148 *sq.*, 155, 160, 350 *sq.*, 358;

Morocco: 23;

Netherlands East Indies: 8, 9, 23;

New Zealand: 355;

Tripoli: 24.

*See also* CURRENCY; MACHINERY; STATISTICS TARIFFS.

India: *xx sq.*, 1, 8, 15, 21, 27, 51, 58, 60 *sq.*, 71, 85, 136, 176, 183, 192, 221; comparison between Japan and India: 243 *sq.*, 250; decline in British cotton exports to: 326; early contact with the West: 240 *sqq.*, 243, 246; economic crisis of 1921: 250; 1933: 251; establishment of Japanese industry in India: 247;

Foreign trade: boycott of foreign products: 274, 297; extension of markets: 274; change in distribution: 295; overseas markets: 266, 274, 298, 348; home industries: *xix*, 6, 12, 241; home markets: 250, 294, 306;

Industrial development: 242 *sq.*, 245, 281, 284, 292, 306; caste a hindrance to: 244; foreign control: 244; foreign investment: 253, 304 *sq.*; foreign technical training: 254, 281; Government industrial policy: 243 *sq.*, 246 *sq.*, 254, 261, 267-72; her 'balanced economy': 294 *sq.*; inferior factory organization: 275 *sq.*, 288; establishment of Department of Commerce and Industry: 261;

India.—*cont.*

- Great War, its effect on trade: 246 *sq.*, 250, 261 *sq.*, 275, 282;  
 Japanese competition: 249, 264, 274 *sqq.*, 277 *sqq.*, 299, 327;  
 Japan-India trade agreement (1934): 86, 159; causes of Japan's strength: 275 *sq.*, 289 *sq.*;  
 Lack of machinery and plant: 247, 275 *sq.*, 281; Managing Agency system: 255 *sq.*, 259;  
 Political conditions: 301-4; relations with Great Britain and the Empire: 303 *sq.*; reciprocal trade with Japan: 7, 9, 12 *sq.*, 25, 51, 156, 270, 273, 277, 282, 296, 298;  
 Standard of living: 284 *sqq.*, 287 *sq.*, 292, 294 *sq.*, 300, 303, 306;  
 Trade with China: 232, 273, 275, 298 *sq.*; with United States: 12, 296.  
*See also* CHINA; COMMERCIAL NEGOTIATIONS; EAST INDIA COMPANY; EXPORTS; JAPAN; TARIFFS; TRADE.  
 Indian Banking Inquiry Committee: 259.  
 Indian Cotton Inquiry Committee: 266 *and n.*  
 Indian External Capital Committee (1925): 254.  
 Indian Iron and Steel Company: 281 *n.*  
 Indian Peninsula: 246.  
 Indian Tariff Amendment Act: 265, 278 *n.*  
 Indian Tariff Textile Protection (Amendment) Act: 268 *sq.*, 279.  
 Indian Trade Union: 290.  
 Indo-China: 46.  
 Indo-China, French: 220, 346.  
 Indo-Japanese Trade Conventions, *see* COMMERCIAL NEGOTIATIONS.  
 Industrial Bank of Japan: 68.  
 Industrial Commission: 261 *sq.*  
 Industrial Dispute Act: 204.  
 Industrial Mission of the Federation of British Industries to the Far East: 168.  
 Industrial Revolution: 307 *sq.*, 311, 364; cause of decay of peasant industries: 241 *sq.*

- Industrial Transference Board: 338.  
 Inouye, Mr. (Finance Minister, Japan): 69, 104 *sq.*  
 Insurance: 222, 253 *n.*, 291, 318;  
 Health: 118 *n.*  
 Life: 77;  
 Unemployment: 118.  
 Internal Debt: 108, 110, 164, 216.  
 International Affairs, Royal Institute of: 135.  
 International Hours Convention, *see* WASHINGTON HOURS CONVENTION.  
 International Labour Conference: 288.  
 International Labour Office: 102, 205, 289 *n.*  
 Inukai Ministry: 111.  
 Iraq:  
   British oil concession: 141;  
   Indian trade with: 274;  
   Japanese trade with: 26.  
 Iron, *see* METAL MANUFACTURES.  
 Iron ore, *see* MINERALS.  
 Irrigation: 244.  
 Italian Somaliland: 24.  
 Italy: 23, 332.  
 Japan: *xix sqq.*, 1, 8, 19, 45 *sq.*, 183, 192, 205, 208, 217, 219, 225, 232, 247, 250 *sq.*, 253, 260, 277, 285, 287, 289 *and n.*, 290 *sq.*, 293, 296, 298 *sq.*, 318, 321, 323 *n.*, 331 *sqq.*, 334, 351, 359, 364, 366, 369 *sqq.*;  
 Balance of trade: *xxi*, 16, 352, 356;  
 British and Colonial trade: 16 *sqq.*, 23, 28, 349; effect of British Colonial quotas on: 18;  
 Chinese trade with: 6 *sq.*, 10, 192, 232;  
 Early economic development: feudal system, its effect on trade: 45 *sq.*, 171, 174, 244; the 'Shogunate' days: 45; Dutch trading station: 46; economic revolution (1868): 46; its results: 46 *sq.*;  
 Government author of major enterprises: 47, 49, 64 *sq.*;  
 industries under private management: 47, 66, 73, 76 *sq.*;  
 freedom from foreign control: 50; earthquake disaster (1922): 52, 68; (1923): 105; economic crisis



- Japan:—*cont.*  
 (1920): 52; (1927): 62; (1929): 62, 165;  
 Foreign trade: a State monopoly: 46; financing of: 47; change in composition of: 47 *sq.*, 156; decrease of European trade: 52; expansion: 156, 246, 356, 359;  
 Great War, brings new markets and trade increase: 51 *sq.*, 83, 246;  
 Home consumption: 126, 151, 154; home industries: 126, 154, 158 *n.*, 235;  
 Imperial policy: 175 *sq.*, 177 *sq.*; trade with her colonies: 154, 172, 175 *sq.*, 176 *n.*, 177, 235; reciprocal trade with Australia: 350, 352, 354, 361;  
 Industrial development: 3, 5, 6, 9, 12, 19, 51 *sqq.*, 57, 114, 133-43, 152, 155 *sq.*, 168, 176, 294; boycott on Indian raw cotton: 277; control by cartels: 55, 70 *sq.*, 75 *sq.*, 90, 172; effect of mechanization of industry: 167 *sqq.*; Indo-Japanese iron and steel company established: 60; importance of her Asiatic markets: 7, 51, 79 *sq.*, 346; Japan-India trade agreement: 86;  
 Inukai Ministry: 111;  
 Policy regarding overseas factories: 235 *sqq.*, 238; extraterritorial rights: 236;  
 Raw material problem: 133-41, 150 *sq.*, 154 *sq.*, 352; relation between agriculture and industry: 164-8; relationship of State to industry: 65-74, 78, 169 *sqq.*, 173, 244; foreign investment: 223, 225;  
 Russo-Japanese War: its effect on trade: 48 *sq.*, 184;  
 Sino-Japanese War: 47; its effect on trade: 47 *sq.*, 67;  
 Standard of living: 79, 101, 112, 116, 144, 147, 149, 154, 164 *sqq.*, 173 *sq.*, 177, 355;  
 Supplies of foodstuffs: 144-8, 151, 154;  
 Trade with French Colonies: 23; with New Zealand: 356, 361; with North America: 51, 348; with South Africa: 356 *sq.*  
*See also* CHINA; COMMERCIAL NEGOTIATIONS; COTTON; CURRENCY; EXPORTS; FINANCE; IMPORTS; INDIA; NATIONAL DEBT; NETHERLANDS EAST INDIES; PRODUCTION; SILK; TRADE; WAGES.  
 Japan and Shanghai Spinning and Weaving Company: 226.  
 Japan Industrial Club: 117.  
 Japan Iron Manufacturing Company: 66, 139.  
 Japan Paper Manufacturers' Association: 76.  
 Japan Rayon Association: 90.  
 Japanese Cotton Spinners' Association: 49, 75, 81 *sqq.*, 87, 122.  
 Jewkes, Mr.: 319 *and n.*  
 Jute: 242, 246, 248, 252 *sq.*, 293, 298 *sq.*;  
 Jute cloth and gunnies: 246;  
 Spinning: 243;  
 Weaving: 243.  
 Kaip'ing coal-fields: 216, 218.  
 Kanegafuchi Boseki Kabushiki Kaisha: 82.  
 Kanegafuchi Cotton Manufacturing Company: 78.  
 Karafuto: 137, 176 *n.*  
 Kerosine, *see* OIL.  
 Korea: 46, 50, 58, 136 *sq.*, 147 *sqq.*, 150, 175 *sqq.*, 192;  
 Chinese trade with: 192;  
 Coal output: 219;  
 Rice production: 149, 151, 177.  
 Kwantung: 136, 176 *n.*  
 Labour:  
 Cheap labour, India: 249 *n.*, 254, 308 *n.*; child labour: 204 *n.*, 210, 287 *sq.*, 288 *and n.*, 289 *sq.*; comparison of Chinese and Japanese labour: 206; comparison of labour costs in Japan and Lancashire: 122 *sqq.*; costs: xx, 21, 79, 86, 98, 101, 111 *sq.*, 114 *sqq.*, 117, 119 *sq.*, 121 *sqq.*, 155, 163, 167, 202, 275, 284 *sq.*  
 'Demarcation': 320; depressed areas:

- Labour:—*cont.*  
 337 *sq.*, 340 *sq.*, 343; difficulty of procuring skilled labour: 281 *and n.*; disputes: 129, 281, 327 *sq.*; effect of cheap labour on rayon prices: 91; effect of 1929 depression: 165;  
 Factory Acts: 204, 248, 285, 288 *sqq.*; Consolidating Act: 289; factory inspection: 204 *sq.*, 288, 290;  
 Female labour: 112 *sq.*, 122, 165, 168, 204 *n.*, 205 *sq.*, 210, 275, 287, 289 *sq.*, 342;  
 Hours of labour: 114, 115 *and n.*, 120 *n.*, 122, 124 *sq.*, 127, 158 *n.*, 189, 196 *n.*, 206, 227, 288 *sqq.*, 340, 343;  
 Japanese abundance of manual workers: 48, 275; effect on wage: 166, 170; increase of factory hands: 51, 114;  
 Labour Union Law: 204;  
 'Leave': 286;  
 Legislation: 204 *sq.*, 288 *sqq.*, 291; low efficiency as compared to the West: 112, 114, 285, 291 *sq.*;  
 Mechanization of factories: 55, 103, 142, 166, 196, 339;  
 Need for alternative openings for labour: 131 *sq.*; night work: 204 *n.*, 288;  
 Post-war effects: 316 *n.*;  
 Recruitment: 116, 172, 209, 243, 260, 285, 286, 337 *sq.*; contract system: 209; double-shift system: 275, 290;  
 Strikes: 210, 276; surplus of labour: 317, 324, 338, 342 *sq.*, 345; 'sweating': 127;  
 Transference: xix, 171 *sq.*, 318, 337, 340 *sqq.*;  
 Turnover: 112 *sq.*, 205 *sq.*, 286, 292;  
 Working conditions in India: 288;  
*See also* PRODUCTION; STATISTICS; UNEMPLOYMENT; WAGES.
- Labour disputes, *see* LABOUR.  
 Labour Union Law, *see* LABOUR.  
 Lancashire: 14, 19 *sqq.*, 22 *sq.*, 79, 82, 85 *sqq.*, 122 *sqq.*, 220, 241, 247, 249, 260, 265 *sq.*, 268, 270 *sq.*, 273, 278, 288, 291, 303, 307, 323, 328, 337, 338 *n.*, 340, 342 *sq.*  
*See also* COTTON.  
 Lancashire Cotton Corporation: 327 *sq.*  
 Latham, Mr.:  
 Australian mission to Japan: 353 *sq.*  
 League of Nations: 202, 203 *n.*  
 Leather: 154, 252, 298.  
 Lees-Mody Pact: 278.  
 Lignite, *see* MINING INDUSTRY.  
 Li-Hung-chang: 187.  
 London: 104.  
 Lumber: 358.  
 Lyons: 23.
- Machinery: 5, 7, 10, 48, 56, 59 *sq.*, 68, 103, 135, 197, 242, 295, 307, 319; growth of Chinese import of: 11, 184, 186, 231; import statistics: 11.  
 Madras: 248, 261, 291.  
 Malaya: 136, 266, 280; Chinese trade with: 232; Indian trade with: 274, 298; Japanese trade with: 7, 25.  
*See also* BRITISH MALAYA.  
 Malta: 17.  
 Manchester: 121.  
 Manchukuo: 58, 61, 134, 137 *sq.*, 140, 220.  
 Manchuria: 7, 10 *sq.*, 57 *sqq.*, 80, 94, 104 *sq.*, 108, 136 *sq.*, 140, 148, 160 *sq.*, 175 *sq.*, 176 *n.*, 177, 185, 213 *n.*, 219, 232 *n.*; Chinese trade with: 192; unsuitable for colonization: 133.  
 Matches: 201, 204, 263, 294.  
 Maurette, M.: 124 *sq.*  
 Mauritius: 17.  
 Meat Industry: 361.  
 Meiji administration: 78.  
 Metal manufacture: 11, 48, 57, 135, 193, 241, 334;  
 Iron: 45, 51, 57, 59, 75, 135 *sq.*, 138, 161, 173, 177, 197, 201, 220, 241 *sqq.*, 246, 252, 266 *sqq.*, 270, 280 *sqq.*, 283, 292, 294, 298, 300, 306, 308, 310, 315 *sq.*, 337 *n.*, 339;  
 Steel: 7, 45, 51, 57 *sqq.*, 66, 75, 135 *sq.*, 161, 173, 201, 220, 241

- Metal manufacture:—cont.**  
*sq.*, 246, 252, 263 *sq.*, 266 *sq.*,  
 280 *sqq.*, 283, 292, 294, 298, 300,  
 306, 310, 315 *sq.*, 330 *sq.*, 337 *n.*,  
 339; amalgamation of steel pro-  
 ducers: 66, 76; Bessemer process:  
 161, 220, 330; galvanized sheets:  
 266, 284; National Committee of  
 the Iron and Steel Industry: 330;  
 open-hearth furnaces: 161.
- Metals:** 247, 252;  
 Aluminium: 135, 139 *sq.*, 193,  
 201 *n.*, 358;  
 Antimony: 220;  
 Lead: 139 *sq.*, 267 *n.*, 358;  
 Nickel: 358;  
 Tin: 139 *sq.*, 220;  
 Zinc: 358.  
*See also* METAL INDUSTRY.
- Metal-ware:** 181.
- Michigan:** 222.
- Millet:** 149.
- Minerals:** 10, 74, 233, 241;  
 Asbestos: 295;  
 Bauxite: 140.  
 Iron ore: 58, 60, 66, 103, 135 *sq.*,  
 138, 154, 160, 173, 176, 216,  
 219 *sq.*, 280, 293;  
 Limestone: 281.  
 Magnesite: 281.  
 Manganese: 184, 220, 281;  
 Mineral reserves: 219 *sq.*  
 Tungsten: 184, 201 *n.*, 220.
- Mines Act:** 289.
- Ming Dynasty:** 181.
- Mining Industry:** 253, 316, 322;  
 Anthracite: 218;  
 Coal: 77, 135 *sqq.*, 138, 140, 143,  
 154, 160, 172 *sq.*, 177, 216, 246,  
 280 *sq.*, 292, 294, 298, 308, 310,  
 337 *n.*, 338 *sq.*; available sup-  
 plies: 137, 218; Cartel system,  
 Great Britain: 330; consumption:  
 137; Indian coal-fields: 243;  
 Copper: 45 *sq.*, 71, 135, 139; in-  
 creasing output in Japan: 139;  
 Lignite: 218.  
*See also* AFRICA; CURRENCY; SOUTH  
 AMERICA.
- Minseito Administration:** 78.
- Mitsubishi:** 54 *n.*, 79 *n.*
- Mitsubishi (Iwasaki):** 76 *sqq.*
- Mitsubishi Economic Research Insti-  
 tute:** 7, 88, 122, 168.
- Mitsui:** 54 *n.*, 76 *sqq.*, 79 *n.*
- Mitsui Bank:** 78.
- Mogul Empire:** 240.
- Mombasa:** 80 *n.*
- Mongolia:** 221.
- Montagu-Chelmsford Report:** 262.
- Morocco, French:**  
 Increase of Japanese imports: 23.  
 'Most-favoured-nation' clause, *see*  
 TARIFFS.
- Motor-cars:** 24, 59, 252, 295 *sq.*, 315.
- Motor tyres:** 19.
- Munitions:** 161.
- Munitions Board:** 261.
- Mysore:** 290.
- Mysore Iron Works:** 281 *n.*
- Naigai Wata Kaisha:** 226.
- 'Nankeen',** *see* COTTON.
- Nanking Ministry of Industry:** 210.
- Nanyo:** 176 *n.*
- Nasu, Dr.:** 134.
- National Bureaux:** 203.
- National Debt:**  
 India: 305;  
 Japan: 67, 106, 108; progress since  
 Great War: 109 *sq.*
- National Economic Council:** 202,  
 203 *n.*, 221.
- National Recovery Administration:**  
 65.
- National Shipbuilders Security  
 Limited:** 331.
- Naval Construction:**  
 Japan: 108.
- Near East:**  
 Japanese trade with: 25 *sq.*  
 'Near East Trade Promotion Society':  
 27.
- Netherlands:** 8, 9, 23, 250, 332.
- Netherlands East Indies:** 27, 60, 92,  
 156, 192, 334, 346; Chinese trade  
 with: 232; Colonial policy of:  
 8 *sq.*; cost of living: 9; Japanese  
 trade with: 7 *sqq.*, 12, 23, 25, 51,  
 156.
- See also* EXPORTS; IMPORTS; TREA-  
 TIES.
- New York:** 52, 104.

- New Zealand: 353 *sq.*, 358 *sq.*, 361;  
British trade with: 348; Japanese  
trade with: 355.
- Nigeria: 17 *sq.*
- Nippon Menkwa Kabushiki Kaisha:  
84.
- Nisshiu Boseki: 82.
- North Borneo:  
Japanese oil concessions: 141.
- Northumberland: 343.
- North Sakhalin:  
Japanese oil concessions: 141.
- Norway: 332.
- Oil: 9 *sq.*, 26; British oil concessions:  
141; gasoline: 140; kerosine: 140,  
183; legislation, Japanese: 141;  
native vegetable oils: 183, 268;  
Japanese navy contract for Fushun  
oil: 141; oil mills: 187; petroleum:  
140, 196.
- Oil-seeds: 242.
- Oji Paper Manufacturing Company:  
76.
- 'Open Door', *see* TRADE.
- Opium: 26, 182.
- Ore, *see* MINERALS.
- Osaka: 24.
- Osaka Asahi: 102.
- Osaka Godo Boseki Kabushiki Kaisha:  
82.
- Ottawa: 16, 278, 283, 297, 360.
- Ottawa Agreement, *see* COMMERCIAL  
NEGOTIATIONS.
- Pacific: 346, 358.
- Pacific Relations Conference, Insti-  
tute of: 72, 77, 133 *n.*, 135, 209,  
222.
- Palestine: 21.
- Paper: 75 *sq.*, 154, 158, 187, 197, 201,  
253, 263, 295, 300, 358.
- Peking-Hankow Railway: 216.
- Persia:  
British oil concessions: 141;  
Indian trade with: 274;  
Japanese trade with: 26.
- Peru: 27.
- Petrol: 73.
- Petroleum, *see* OIL.
- Peuhsihu: 136.
- Philippines: 46, 192, 346.
- Pig-iron, *see* METAL INDUSTRIES.
- Plantation Industries: 246, 248, 253.
- Poland: 315 *n.*
- Population: xix, 6, 10, 125, 130, 153  
*sqq.*, 162, 166, 170 *sq.*, 248, 264 *n.*,  
292, 309, 313, 337, 341, 349,  
364 *sq.*; agricultural over-popu-  
lation: 131 *sqq.*, 173; colonial  
population: 150; comparisons of  
agricultural labour: 359; effect of  
increasing population on imports:  
144, 229, 349; housing: 286;  
overcrowding: 286 *n.*
- See also* EMIGRATION; STATISTICS;  
UNEMPLOYMENT.
- Porcelain: 60 *sq.*, 265.
- Pottery: 19, 23, 45, 63, 133 *n.*, 181,  
197.
- 'Preference', *see* TARIFFS.
- Prices: 3, 7, 16, 20, 62, 70, 81, 87, 155,  
158, 164, 166 *sq.*, 208, 233, 245,  
284, 319, 359; decline in world  
prices: 139, 320; deflation of  
prices: 212, 320; fall in price of  
raw materials: 19; India's price  
depression: 250, 283, 287; infla-  
tion of prices: 319;
- Japanese commodity prices, Africa:  
24; Japan's price advantage: 16  
*sq.*, 21, 28, 48, 56, 79, 81, 86, 112,  
159, 162, 169, 279;
- Price-cutting: 328, 370; price fluc-  
tuations: 83, 96, 99 *sqq.*, 104, 161;  
regulation of: xxii, 69, 73, 81,  
242, 329 *sq.*; rise in world prices:  
52 *and n.*;
- Stabilization: 67, 107, 323.
- See also* FINANCE; STATISTICS.
- Prince Rupert: 358.
- Principal Industries Control Act, *see*  
STAPLE INDUSTRIES CONTROL  
ACT.
- Printing: 210, 358;  
Calico printing works: 224 *n.*
- Production:  
Centralized control of Japanese  
cotton: 81, 87; Costs, French and  
Japanese comparison of: 24;  
'overhead': 99, 120 *sq.*, 123 *sq.*,  
139, 141, 163, 170, 322 *sq.*, 369;  
Chinese metal production: 219 *sq.*;  
cotton: 221, 227; woollen: 221;

- Production:—*cont.*  
 Colonial production: 154; early  
 British increase: 308;  
 Home production, to reduce im-  
 ports: 229; Indian mill produc-  
 tion expansion: 278;  
 Japanese reduction of costs: *xix sq.*,  
 2, 79; Japanese steel: *138 sq.*;  
 wheat: 148;  
 Limit of output: *69 sq.*, 73, 330;  
 localization: 260; over-produc-  
 tion, steel: 281;  
 Plantation production: *242 sq.*;  
 Rationalization: *xxii*, 68, *114 sq.*,  
 119, 196;  
 Ship-building output: 339;  
 Stabilization of rice: 166.  
*See also* STATISTICS.  
 Protection, *see* TARIFFS.
- Quotas, *see* TARIFFS.
- Railways: 194, 230, 239, *243 sq.*,  
*253 n.*, 312;  
 China: 184, 200, 217, 238, 245;  
 India: 242, 245, 261;  
 Japan: 47;  
 Manchuria: 57.  
 Rayon: 7, *13 sqq.*, *17 sqq.*, *21 sqq.*, 24,  
 49, 52, 56, 57, 63, 75, 77, 82,  
*88 sq.*, *133 n.*, 134, 154, *156 sq.*,  
 160, 192, 201, 269, 277, 315, 334  
*and n.*, 369; increase of output:  
 90, 160; Japan-India trade: 277  
*sq.*, 300; Lancashire cotton trade  
 supplanted: *91 sq.*  
 Rayon-cotton mixtures: 13, 56.  
 Religion:  
 Buddhism: 75;  
 Shintoism: 75.  
 Reserve Bank: 260 *and n.*, 305.  
 Reserve Bank Bill: 260, 302.  
 Rice: 101, 107, *164 sq.*, 173, 177, 185;  
 acreage: 147; colonial produc-  
 tion: *149 sqq.*; consumption: *144*  
*sqq.*, *145 n.*, 146 *n.*, *150 sq.*, 172,  
 242, 267 *n.*, 298 *sq.*; production:  
 147, 154.  
 Ring spindle: 85, 88.  
 Roadways, *see* TRANSPORT.  
 Rubber: 9, 48, 60 *sq.*, 334.  
 Rubber goods: 19, *23 sq.*, 126, 193,  
 198, 295, 300.  
 'Rupee Tender System': 254.  
 Russia: 60, 148, 184.  
 Russo-Japanese War, *see* WAR.  
 Safeguarding of Industries Act: 265.  
 Satsuma: 49.  
 Schuster, Sir George: 270, 294, 305.  
 Scotland: 337.  
 Scrap-iron: 161, 282 *n.*; Japanese  
 substitute for pig-iron: 138 *and n.*  
 Seiyukei party: 78, 95.  
 Sewing machines: 59.  
 Shanghai: *205 sq.*, *208 sq.*, *212 sq.*,  
*215 sq.*, *222 sq.*, 225, 234 *n.*, 273;  
 Capitalization: 224;  
 First foreign-owned mills set up:  
 187.  
 Shanghai Cotton Manufacturing  
 Company: 78.  
 Shantung: 216.  
 Sheep raising: 134.  
 Shimonoseki, Treaty of: 186.  
 Ship-building: 7, 47 *sq.*, 74, 310, 316,  
 320, 337 *n.*, 339;  
 Depression in British trade: *331 sq.*;  
 Increase of shipyards in Japan: 331.  
 Shipping: 7, 47, 51, 68, 77, 80, 82, 88,  
 222, 244, 247, 332 *sq.*  
 Effect of reduced export of coal: 333.  
*See also* FREIGHT; SUBSIDIES.  
 Shogun: 46.  
 Siam:  
 Chinese trade with: 192;  
 Japanese trade with: 7.  
 Sierra Leone: 17.  
 Silk: 4, 7, 22, 54, 75, 85, 98, 107, 162,  
 164, 182, 201 *sq.*, 202 *n.*, 204 *n.*,  
 210, 218, 233, 351 *and n.*;  
 China: raw silk trade superseded by  
 Japan: 134, 185;  
 Government inspection stations:  
 169;  
 India: 299; increase of Japanese  
 exports to: 300; Italian competi-  
 tion with Japan: 23;  
 Japanese decline of exports: 88, 157,  
 159; trade with United States:  
 51, 63, 157;  
 Piece goods: 89;  
 Rationalization of sericulture: 89 *sq.*;

Silk:—*cont.*

- Raw silk: 47 *n.*, 49, 56, 63, 72, 88 *sq.*, 133 *n.*, 134, 156 *sq.*, 173, 299; collapse of American demand for: 6, 25, 89, 156;
- Silk-weaving industry: 46, 49, 71, 82; subsidized by Government: 89, 201.
- Silver, *see* CURRENCY.
- Singapore: 8.
- Sino-Japanese War, *see* WAR.
- Soap: 265, 295.
- Social Problems Research Institute of Tokyo: 188.
- South Manchurian Railway Company: 140, 172, 175.
- Soya beans: 148, 185 *and n.*
- Spices: 298.
- Spinners' Association: 54.
- Standard of living, *see* Individual Countries.
- Staple Industries Control Act: 55, 70 *sqq.*
- Statistics:
- British foreign investment: 312 *and n.*; British markets: 309;
  - Chinese banking, table of growth: 215; factory workers, statistics: 210; coal production and consumption, table of: 136; cost of living index: 208;
  - Cotton mills, table of efficiency: 119 *sq.*, 188, 207; table of comparisons: 223 *sq.*, 224 *n.*; cotton mill industry, India: 249, 272 *sqq.*, 280; cotton mill profits: 325;
  - Exchange movements table: 95;
  - Export statistics: 1, 2 *sqq.*, 5, 29 *sqq.*; 36, 42 *sqq.*; 59, 63 *and n.*, 88, 91, 251, 310, 311, 325 *sq.*, 350, 351 *sq.*, 355, 358;
  - Foreign investment in China: 222;
  - Imports: 1, 14, 22, 32-35, 37-41, 190, 251, 273 *sq.*, 297, 299, 333, 351, 357, 359 *sq.*;
  - Indian trade distribution: 296; value of: 247; industrial development, table: 188; industrial value comparisons: 55, 57 *sq.*, 60; insured persons, table: 318, 336, 340;
  - Japanese budget statistics: 105; in-
  - dustrial enterprises, table of profits: 7; international payments, table of: 179 *sq.*; population, possible future statistics: 144 *sq.*; post-war development: 51 *sq.*;
  - Labour statistics: 285, 317;
  - Manufacturing costs: 98, 119; mechanization statistics: 168; migration of workers: 341 *and n.*; military expenditure: 107;
  - Organized industries: 248; output of coal-mines: 218 *sq.*;
  - Piece goods: 190 *sq.*; production costs: 121;
  - Quotas: 18;
  - Rice: production and consumption, table: 146;
  - Steel production: 282; surplus workers: 338;
  - Trade changes: 348; volume of: 245 *n.*;
  - Unemployed: 335, 338;
  - Wages: 206 *sq.*;
  - World production, table: 314; increase in: 315 *and n.*
- Steel Industries (Protection) Act: 263, 283.
- Steel Trade, *see* METAL MANUFACTURES.
- Straits Settlements: 18, 58;
- Chinese trade with: 192;
  - Opposition to quota policy: 280 *n.*
- Subsidies: 47, 57, 67 *sq.*, 80, 87 *sqq.*, 139, 161, 172 *sq.*, 175 *sq.*, 201, 203, 231, 254, 262 *sqq.*, 283, 332 *sq.*, 333 *n.*;
- 'Exchange bonus' to Japanese manufacturers: 163;
- Valorization schemes: 173.
- Suez Canal: 242.
- Sugar: 9, 11, 148 *sq.*, 185, 252 *sq.*, 260, 263, 294.
- Sumitomo: 54 *n.*, 76 *sq.*
- Suzuki firm:
- Collapse of: 68 *sq.*, 106.
  - 'Swadeshi' movement: 245, 274.
- Ta Chen, Dr.: 206.
- Tanganyika: 21.
- Tariffs: 250, 252, 359;
- Anti-currency depreciation: 16;

Tariffs:—*cont.*

- British preferential treatment: 265  
*sq.*, 269 *sq.*, 347;  
Chinese tariff policy: 10, 201 *sq.* and  
*n.*, 203, 222, 233; Colonial piece  
goods quota policy: 17 *sqq.*, 25;  
cotton trade protection: 276, 278;  
Dominion reciprocal preferences:  
360;  
Emergency Import Quota system:  
9;  
French Colonial Tariff system: 23;  
Imperial preference: 264, 267, 269  
*sq.*, 272, 303, 347, 360;  
India: tariff development: 12 *sq.*,  
159, 254 *sq.*, 262-71, 276 *sqq.*,  
279 *sq.*, 283 *sq.*, 300; 'fiscal auton-  
omy': 262 and *n.*, 269 *sqq.*, 272,  
279; Fiscal Commission: 262 *sq.*,  
276; 'Revenue' tariff: 260 *sq.*  
and *n.*;  
Japanese tariff development: 49 *sq.*,  
67, 172, 332;  
Lancashire preferential treatment:  
20, 241, 278 *sqq.*;  
'Most-favoured-nation' clause: 13,  
186, 277, 280;  
Quota restrictions: xxii;  
Regulation of cotton textile im-  
ports: 9;  
Steel trade, protection: 139, 173,  
266, 281, 283, 330;  
Tariff Board: 263 *sq.*, 266 *sq.*, 275  
*sq.*, 283 *sq.*  
*See also* COMMERCIAL NEGOTIA-  
TIONS; FINANCE.  
Tata hydro-electric companies: 246,  
253.  
Tata Iron and Steel Company: 246,  
253, 281, 283 *sq.*  
Taxation, *see* FINANCE.  
Tea: 23, 47 *n.*, 182, 242, 252, 298 *sq.*  
Textiles: 5, 13, 17 *sq.*, 20, 22, 49, 51,  
55 *sq.*, 57, 74 *sq.*, 78, 81, 83, 85,  
87, 91 *sq.*, 112, 117, 142, 162,  
192, 197, 210, 231, 241, 265, 268,  
278, 287, 290, 300, 310, 322, 324.  
*See also* COTTON; SILK.  
Tientsin: 187, 210, 214, 216, 221, 223,  
234 *n.*  
Timber: 154.  
Tin, *see* METALS.

- Tobacco: 26, 144, 196, 200, 204, 210,  
223, 269.  
Tokyo: 353.  
Tokyo Association for Liberty of  
Trading: 132.  
Tokyo Chamber of Commerce: 58.  
Tokyo Institute of Political and Eco-  
nomic Research: 72, 77, 141 *n.*  
Toyo Boseki Kabushiki Kaisha: 82  
226.  
Toyo Menkwa Company: 78, 84.  
Toyoda Automatic Loom Company:  
78.  
Trade Disputes Act: 291.  
Trade, International:  
Chartered Companies: 182, 240;  
China trade outlet for Western  
factory production: 183; Cotton  
Negotiations (1933): 71;  
Decline in world trade: 332;  
division of markets: xxii, 8, 156;  
specialization in individual coun-  
tries: xxii; drop in world demand  
for raw commodities: 229; 'foreign  
competition': 368;  
India: diminishing internal pur-  
chasing power: 12; Indo-Japan-  
ese agreement (1934), effects of:  
13; her position in world trade:  
250; change of direction: 296;  
cotton trade: international com-  
petition: 300; industrial recovery  
since 1929: 62;  
Japanese abandonment of gold  
standard followed by industrial  
boom: 158;  
Japanese competition: 1 *sqq.*, 11 *sq.*,  
15 *sqq.*, 19 *sqq.*, 24, 27 *sq.*, 81,  
90 *sq.*, 247; in Africa: 23 *sq.*;  
visit of Japanese trade ship to, 24;  
Japanese desire for option on  
world's surplus foodstuffs: 152;  
effects of Great War on trade: 52,  
114, 314;  
Japanese Trade Delegation to Latin  
America: 27; reciprocal trade  
demand: 26; trade combines:  
76, 82-5; speculations in dollars:  
94; in yen: 96;  
'Open Door': 17, 23;  
Post-war change in consumption  
demand: 315 *sq.*;

- Trade, International:—*cont.*  
 Reciprocal trade an advantage: 361 *sq.*  
*See also* COMMERCIAL NEGOTIATIONS; EXPORTS; IMPORTS; INDUSTRIAL REVOLUTION; PRICES; PRODUCTION; TARIFFS; WORLD ECONOMIC DEPRESSION.
- Trade Union Act: 291.
- Trade Unions:  
 Britain: 328;  
 China: 204, 210;  
 Great Britain: 320 *sq.*;  
 India: 290 *sq.*  
 Japan: 129 *sq.*, 171.
- Transport: 125, 214, 216 *sq.*, 229, 237, 243, 260, 262, 276, 293;  
 Coastal and River Services: 216, 253 *n.*, 304 *n.*;  
 Ocean Transport: 242, 261, 275, 356;  
 Roadways: construction opens up new districts to trade: 217.  
*See also* RAILWAYS.
- Treaty Ports, *see* CHINA.
- Tripoli: 24.
- Trusts, *see* CARTELS.
- Tsing Hua University: 206.
- Tsingtao: 216, 223.
- Tunis: 23.
- 'Turco-Japanese Traders' Association': 27.
- Turkey:  
 Japanese trade with: 26.
- Typewriters: 24.
- Umbrellas: 268, 300.
- Unemployment:  
 China: 196;  
 Great Britain: xix, 313, 320 *sq.*, 334 *and n.*, 335 *and n.*, 337, 339 *and n.*, 342 *sqq.*;  
 India: 287;  
 Japan: 132, 167, 170, 172.  
*See also* INSURANCE.
- United States: 8, 12, 25, 52, 59, 65, 72, 75, 85 *sq.*, 96, 101, 111 *sq.*, 137, 142 *sq.*, 148, 220 *sq.*, 225;  
 capture of British exports during Great War: 347; Chinese trade with: 11, 232, 353; Coal output: 219; economic developments: 100; investments in Chinese industries: 223; iron ore production: 135, 219; Japanese trade with: 6 *sq.*, 51, 86 *sq.*, 89, 156, 176, 275; oil deposits: 219; steel production: 294; trade changes: 348; trade with Canada: 358; with India: 296, 298; 'Wheat Loan' to China: 355.  
*See also* EXPORTS; FINANCE.
- Upper Yangtse: 214.
- Uruguay: 22, 26.
- U.S.S.R.: 55, 65, 141.
- U.S. Tariff Commission: 53.
- Vancouver: 358.
- Wages: xx, 79, 91, 119 *and n.*, 156, 163, 169 *sq.*, 206, 210 *sq.*, 276, 292, 320, 328; agricultural standard acts as check on wage rise: 166 *sq.*; alteration in distribution of income: 315; bonuses: 116 *sq.*, 120 *n.*, 123, 207; cost of living: 102, 158, 165, 208 *sq.*, 276; comparison of American and Japanese: 111 *sq.*, 158 *n.*, 165, 320 *n.*, 324, 369; effect of inflation on wage levels: 94, 99, 101 *sq.*; fall in 'direct' wages: 102 *sq.*, 119, 121, 145 *n.*; indirect wage costs: 117 *sq.*, 121 *n.*, 123, 207; payment in kind: 287; standard of wages: 164, 206, 285 *sqq.*; table of wage rates: 119 *n.*, 120 *n.*, 122.
- Wales: 337, 340, 343.
- War:  
 Great War: 3, 51, 68, 105, 155, 184, 187, 189, 198, 211, 220, 246, 311 *sqq.*, 331, 334, 344, 347;  
 Manchurian campaign: 104 *sq.*, 107;  
 Russo-Japanese War: 48, 184;  
 Sino-Japanese War: 47, 104, 186.
- Washington: 288.
- Washington Hours Convention: 125 *and n.*
- Water-power: 142 *sq.*, 172.
- West Indies: 17, 19, 266, 280;  
 Indian trade with: 298.



INDEX

395

- Wheat: 25, 27, 185, 192, 242, 350, 358;  
 Acreage: 147 *sq.*;  
 Australian-Japanese trade: 350, 354;  
 Consumption: 148;  
 Trade with China: 354.  
 Wheat-flour: 11, 148.  
 Whitley Commission: 288.  
 Wireless apparatus: 263.  
 Wissalink, Dr.: 87.  
 Wood: 45, 181.  
 Wood-pulp: 91, 263.  
 Wool: 25 *sq.*, 85, 134, 154, 160, 176, 184, 197, 246, 252, 315 *sq.*, 357, 366; Australian-Japanese trade: 350 *sq.*, 354 *sq.*; British depression: 333; Chinese wool-weaving: 221 *sq.*; expansion of industry: 60, 82, 134, 160, 192, 333; New Zealand export: 356; wool weaving, Japan: 47; Japan-South Africa trade: 356 *sq.*  
 World Economic Depression: xix, 2, 4, 27, 62, 94, 104, 155 *sq.*, 159, 208, 216, 229, 312, 348.  
 Workmen's Compensation Act: 291.  
 Yangtse Engineering Works: 220.  
 Yangtse River: 219.  
 Yangtse Valley: 161.  
 Yasuda: 54 *n.*, 76.  
 Yokohama earthquake: 105.  
 Yokohama Specie Bank, founding of: 47, 52.  
 Yunnan: 220.  
 Zinc: 139 *sq.*

PRINTED IN  
GREAT BRITAIN  
AT THE  
UNIVERSITY PRESS  
OXFORD  
BY  
JOHN JOHNSON  
PRINTER  
TO THE  
UNIVERSITY