

Dhananjayrao Gadgil Library



GIPE-PUNE-026205

Publications of the
Carnegie Endowment for International Peace
Division of Economics and History
John Bates Clark, Director

JAPANESE MONOGRAPHS

EDITED BY

BARON Y. SAKATANI, D.C.L.

Formerly Minister of Finance of Japan

- Conscription System in Japan, by Gotaro Ogawa.
- Expenditures of the Russo-Japanese War, by Gotaro Ogawa.
- Military Industries of Japan, by Ushisaburo Kobayashi.
- War and Armament Loans of Japan, by Ushisaburo Kobayashi.
- War and Armament Taxes of Japan, by Ushisaburo Kobayashi.
- Expenditures of the Sino-Japanese War, by Giichi Ono.
- War and Armament Expenditures of Japan, by Giichi Ono.

EXPENDITURES OF THE SINO-JAPANESE WAR

BY

GIICHI ONO

Councilor of Finance Department

NEW YORK

OXFORD UNIVERSITY PRESS

AMERICAN BRANCH: 35 WEST 32ND STREET

LONDON, TORONTO, MELBOURNE AND BOMBAY

1922

COPYRIGHT 1922
BY THE
CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE

XA:76.42

F2

26205

PRINTED IN THE UNITED STATES OF AMERICA
AT THE RUMFORD PRESS, CONCORD, N. H.

NOTE BY THE DIRECTOR

The plans of the Division of Economics and History of the Carnegie Endowment for International Peace have been transformed by the World War. Problems now calling for study transcend in importance those with which this Division has been dealing and material for research and record so far transcends any that was formerly available that it will demand almost exclusive attention for some years to come. A new world has evolved suddenly out of the world which we knew and the transformation extends to the foundations of government and of economic life.

The process of warfare itself is now so unlike that of former days that many military rules of the past have gone into the scrap basket. The late war ended when its deadliest tools had barely been brought into action. The peoples have fought as they had worked, by machinery, mechanical and chemical engines of destruction have decided the result and will decide in like manner the result of all wars of the future. Machine shops and chemical laboratories will so largely determine what armies shall win that fighting strength will be as much a matter of available capital and of science in applying it as of numbers of troops and strategy in directing them. It is safe to say that the death dealing arts and instruments will far surpass in destructiveness those which made the late war so deadly, and to a soldier of the future the order to march into a cloud of poisonous gas and a whirlwind of missiles will resemble an order to plunge into the rapids of Niagara. This is one central and obvious fact which the war has taught us and it has many corollaries, some of which have to do with the increased costs of war and the importance of the particular resources that make a nation powerful for offense and defense; but there are less conspicuous economic facts which are more fundamental, since they may determine where and when, if at all, wars shall hereafter occur.

Causes of warfare are always partly economic and those which incited the recent one were mainly so. The business plans of a powerful state reached to the ends of the earth

and so crossed and interlaced the claims of other states that some writers, then and afterwards, pronounced the war inevitable. If we assume a settled purpose on the part of such a state to encroach on the rights of others, we may say that it doubtless was inevitable. The victory of the defending countries has saved them from an immediate and intolerable domination, but it can not be taken as an assured fact that similar attempts will never again be made. The economic inducement continues and the means may at some time be forthcoming.

Within the several states war has democratized industry, giving to labor an increase of control—a change that if continued will entail momentous consequences; but still greater effects have been produced on the relations of states to each other. The world as a whole has changed more than its component parts and the new relation of the parts to one another is the critical element in the situation. The great increase in the economic functions of governments is one cause of this condition. Within the great international community in which the several states are units extensive economic functions have gravitated into the hands of governments and caused them to face each other as business rivals and to deal with each other in a multitude of ways in which the merely self-seeking policy of private business is intolerable. Power to invoke principles of justice and international law as interpreted by a competent court has become an indispensable means of allaying strife and this fact exalts to supreme importance the high court of nations which has just been established. It magnifies also the importance of the economic facts and principles with which the law itself will have to deal. It is not merely individual men or private corporations who now meet each other in the rough and tumble of a world-wide mart but states themselves, each representing its own population and seeking to foster its interests as a zealous and faithful agent. The chances of friction that are inherent in ordinary commerce inhere today in vast international transactions and will increase in the measure in which the intercourse grows. All this means a

great increase in incentives to warfare, on the one hand, and in the motives for preventing it, on the other. Private commerce unites more than it separates those who participate in it, and it remains to be seen whether international commerce will act in the same way; but, in view of what modern war means, the human race will deserve to perish, and much of it will probably do so, if the forces of strife are allowed to get the upper hand. Whether they will or not—whether the recent economic changes will tend to reduce warfare or to increase it—depends on the ability of nations to create and maintain the instrumentalities that in the new state of the world are necessary.

Certain it is that the feeling which prevails today, the world over, is not one of security. The dread of further war is greater than it was before 1914. In some areas war still prevails, in others peace is held by a precarious tenure and in all it can be firmly established only by conscious and intelligent action by the states themselves. Mere exhaustion holds war dogs temporarily in leash, but it will take more than that to tame them as they must be tamed if peace is to endure.

We here confront a wide difference between the several states in comparative desire for peace and disposition to maintain it. One portentous fact is the grim determination of Russian communists to extend their system by crude force from state to state. Bolshevism is government by the few and largely the bad masquerading as government for and by the people. In its mother country, Russia, the economic measure by which it began its career was confiscation of private wealth—in itself an ultra-democratic measure. If this had brought in a true communism, it would have been a ruthless and unjust measure for creating a peace-loving state. A just and orderly democratizing of industry in the several states would give new strength to the forces of peace, and it would be highly improbable that any state so influenced would try to extend its system over foreign countries by military invasion. Democracy, socialism, communism and bolshevism all appear in the aftermath of the war. The first of

them makes for future peace and so does even the conservative element in the second, while all else in the series means certainty of civil strife and danger of international war.

The fact that during the war governments had to take on innumerable functions that were formerly in private hands has lent an impetus to socialism and to the perverted growths that have accompanied it, and it has created a new international system the meaning of which is profoundly significant, though he who runs can not so easily read it. There are dangerous features in the system which the war evoked and, happily for mankind, there are available safeguards which were evoked with them and need to be retained if human effort can do it.

By a compulsion that there was no resisting, the war forced the nations of the Entente into economic cooperation with each other. Commissions centering finally in the Supreme Economic Council adjusted in a harmonious way questions that would otherwise have led to rivalry and conflicting action in purchasing war materials, securing ships, apportioning food, controlling railroads, financing the war and doing a multitude of other things with the one common purpose of victory. The special compulsion of the struggle is over, but it has left an aftermath of issues grave enough to make peace insecure unless something equivalent to the Supreme Economic Council survives in full efficiency. The agency that did so much to win the war can do so much to prevent another one, but to that end it will have to be guided by economic principles and it is a saving fact that these still survive. The war has not abolished the law of demand and supply, though governments may forget it. In the coming era they must build better than they now know. Economic knowledge must either go in advance of action and prevent disaster or follow action and be learned from disaster. Beyond computation is the importance of attaining the knowledge and using it when evil impends and prevention is possible.

JOHN BATES CLARK,
Director.

NEW YORK,
September 27, 1920.

AUTHOR'S PREFACE

When Japan emerged from the old regime and instituted the present system of government at the time of the restoration of the governmental power to the Emperor, she was beset with many troubles both from within and without and the future destiny of the Empire seemed hanging in the balance. Yet, within no more than half a century, extraordinary changes have taken place and Japan has today become one of the great Powers, having developed her present state of national power and prosperity in that short period. Such a record is hardly paralleled in any other country. Japan's history, therefore, during the fifty years of the Meiji Era, has, it is needless to say, a unique place in the history of the world, while the Sino-Japanese War, which is treated in this book, has likewise an especially important position in this period of Japan's history. There are two reasons for assigning to it such special importance: one is the effect of that war upon Japan; the other is its special effect upon China and the various foreign countries which had interests in the Far East. I shall, for the sake of convenience, call the former the internal, and the latter external, effect.

The Sino-Japanese War was the first international war in which Japan had engaged since the restoration of Meiji. At first the people generally did not believe in the possibility of final victory, but fortunately for them the laurels were awarded to Japan at last. The nation then, for the first time, realized the latent power which she had been conserving since the restoration, and henceforth Japanism as opposed to the Europeanism of the ante-bellum period has been encouraged, and the nation has constantly planned for the development of this national power to the fullest extent. Now this new national consciousness may be considered as the internal effect of the war. At once Japan made remarkable progress in all directions. The enlightened measures adopted, together with

the resulting economic development, furnish materials for a valuable discussion of the effects of the war and for an authentic history of the nation's development in modern times. As for the external effect of the Sino-Japanese War, it had a special significance, in its exposure of the weakness of China. The loosening of the national bond of unity of China had long been foreseen by intelligent observers; but the Sino-Japanese War clearly showed the accomplished fact to the world. Consequently, both Europe and America, who have for many years kept watchful eyes upon enterprises in the Far East, realized that their opportunity was at hand. They vied with each other in efforts to secure concessions, so that Far Eastern affairs assumed special importance in reference to the world's political and economic questions. All this was a result of the Sino-Japanese War.

Such were the internal and external effects of this war. As for the economic effects, they too have been very great. They have completely changed the economic relations of the Far East. Consequently, a discussion of that war in its relation to Japan and especially to the economic conditions of the Far East will help greatly in making clear how the new situation in the Orient has been brought about. The value of such discussion is immeasurable. While, to be sure, this book does not go so far as to treat of the external effects of the war, yet, even as a discussion of the internal effects alone, the work forms a valuable history of the economic development of Japan. From this point of view it may be seen how important the Sino-Japanese War was in the economic development of Japan.

The author of this work, Mr. Keiichi Asada, has long served in the Department of Finance, where he has been actively engaged in work relating to money circulation and finance. The figures which are assumed as basis of the arguments in this book were obtained after careful investigation and are trustworthy in the highest degree. Today, any one who wants to make investigations of the same kind must depend upon the materials in the possession of the Department of

PREFACE

xi

Finance. The author has made good use of these materials. And there is only one thing to regret. That is, that, on account of the limited scope of the present treatise, the author could not adduce additional figures in proof of his arguments. However, he has not failed to grasp the general principles underlying those figures, and to this fact the present editor, in his concluding remarks, desires cordially to attest.

GIICHI ONO.

TOKYO, JAPAN,
May, 1916.

BIBLIOGRAPHY

- ASADA KEIICHI, Treatise on the Fluctuation in Prices of Commodities in Japan since the Meiji Restoration, and the Cause thereof (*Meiji Ishin igo ni okeru Wagakuni Bukka no Hendō oyobi Sono Genin ron*) 1912.
- CURRENCY SYSTEM INVESTIGATING COMMITTEE, Report and Supplements (*Kahei seido Chōsakai Hōkoku oyobi dō Furoku*), 1895.
- DEPARTMENT OF FINANCE:
References for Monetary Circulation (*Kinyū jikō Sankōsho*), 1899-1910.
Report of Financial Readjustment after the Sino-Japanese War (*Niju shichi hachinen eki Sengo Zaiseishimatsu Hōkoku*), 1900.
Comparative Table of Figures for Forty-one Years relating to Foreign Trade of Japan (*Dainihon Gaikoku Bōeki Shijū ichinen Taishōhyō*), 1909.
Annual Reports on Foreign Trade of Japan (*Dainihon Gaikoku Bōeki Nenpō*), 1882-1910.
Annual Reports of the Department of Finance (*Ōkurashō Nenpō*), 1875-1911.
Annual Statistical Reports of the Bureau of Taxation (*Shuzei-kyoku Tōkei Nenpō*), 1885-1910.
- GENERAL STAFF OF JAPAN, History of the Sino-Japanese War (*Nisshin Senshi*), 1904-1907.
- INABA, KUNZAN, Complete History of the Ching Dynasty (*Shinchō Zenshi*), 1914.
- KOBAYASHI, USHISABURO, Treatise of Adjustment of Finance (*Zaisei Seiri Ron*), 1912.
- ORIENTAL ECONOMICS PUBLISHING CO., Finance and Economy after the Sino-Japanese War (*Nijū shichi hachinen Sengo no Zaisei oyobi Keizai*), 1903.
- SAKATANI, Y. (representing the authors), History of Finance of the Meiji Era (*Meiji Zaiseishi*), 1904.
- STATISTICS BUREAU OF THE CABINET, Annual Statistical Reports of the Japanese Empire, Nos. 1-34 (*Nihon teikoku Tōkei Nenkan*), 1882-1911.
- TAKIZAWA, NAOSHICHI, Treatise on History of Japanese Money Circulation (*Nippon Kinyū Shiron*), 1912.
- YOSHIDA, TOGO, History of Ancient Japanese-Korean Relations (*Nikkan Koshi dan*), 1911.

EXPLANATORY TABLES

VALUE OF JAPANESE CURRENCIES

Japan adopted the gold standard system in 1871, but the inconvertible paper money became principal currency a few years later. In 1886 the paper money became convertible into silver and after that date the Japanese currency system was the silver standard *de facto*, until on October 1, 1897, the gold standard system was legally adopted. The figures necessary to ascertain the value of Japanese currencies are given below:

- (1) 1 gold *yen* (according to Coinage Law of 1871) contains 1.5 gramme pure gold.
- (2) 1 gold *yen* (according to Coinage Law of 1897) contains 0.75 gramme pure gold.
- (3) 1 silver *yen* contains 24.261 gramme pure silver.
- (4) The value of 1 silver *yen* in the English currency (according to the demand rate of exchange on London in the average of the year) is as follows:

	s. d.		s. d.		s. d.
1874.....	4.02.0	1882.....	3.08.8	1890.....	3.04.5
1875.....	4.00.8	1883.....	3.07.9	1891.....	2.02.6
1876.....	3.11.2	1884.....	3.07.9	1892.....	2.10.5
1877.....	3.11.7	1885.....	3.06.0	1893.....	2.06.7
1878.....	3.09.4	1886.....	3.03.2	1894.....	2.01.2
1879.....	3.08.0	1887.....	3.02.0	1895.....	2.01.3
1880.....	3.08.9	1888.....	3.01.0	1896.....	2.02.0
1881.....	3.08.4	1889.....	3.01.1	1897.....	2.00.4

- (5) The value of 1 *yen* of paper money in the English currency (calculated on the basis of the above mentioned exchange rate and the quotations of the silver price in the Tokyo Exchange in the average of the year) is as follows:

	s. d.		s. d.		s. d.
1877.....	3.10.1	1880.....	2.06.4	1883.....	2.10.7
1878.....	3.05.6	1881.....	2.02.1	1884.....	3.04.3
1879.....	3.00.3	1882.....	2.04.5	1885.....	3.03.7

- (6) 1 *ryō* (unit of value of the old currency system) was declared in the Coinage Law of 1871 to be equal to 1 *yen*.

CHRONOLOGICAL TABLE

Meiji	1st	1868 A. D.	Meiji	15th	1882 A. D.
"	2d	1869 "	"	16th	1883 "
"	3d	1870 "	"	17th	1884 "
"	4th	1871 "	"	18th	1885 "
"	5th	1872 "	"	19th	1886 "
"	6th	1873 "	"	20th	1887 "
"	7th	1874 "	"	21st	1888 "
"	8th	1875 "	"	22d	1889 "
"	9th	1876 "	"	23d	1890 "
"	10th	1877 "	"	24th	1891 "
"	11th	1878 "	"	25th	1892 "
"	12th	1879 "	"	26th	1893 "
"	13th	1880 "	"	27th	1894 "
"	14th	1881 "	"	28th	1895 "

CHRONOLOGICAL TABLE—(Continued)

Meiji 29th	1896 A. D.	Meiji 41st	1908 A. D.
" 30th	1897 "	" 42d	1909 "
" 31st	1898 "	" 43d	1910 "
" 32d	1899 "	" 44th	1911 "
" 33d	1900 "	" 45th	1912 "
" 34th	1901 "	Taisho 1st }	1913 "
" 35th	1902 "	" 2d	1914 "
" 36th	1903 "	" 3d	1915 "
" 37th	1904 "	" 4th	1916 "
" 38th	1905 "	" 5th	1917 "
" 39th	1906 "	" 6th	
" 40th	1907 "		

WEIGHTS, MEASURES AND MONEY

With English, American, French and German Equivalents

Japan	Great Britain	U. S. of America	France	Germany
<i>Ri</i> = 36 <i>Chō</i> = 2,160 <i>Ken</i> = 12,960 <i>Shaku</i>	{ 2.44030 Miles	2.44029 Miles	3.92727 Kiloms.	3.92727 Kiloms.
<i>Ri</i> (Marine)	{ 1.15152 Miles	1.15151 Miles	1.85318 Kiloms.	1.85318 Kiloms.
Square <i>Ri</i>	{ 5.95505 Sq. Miles	5.95501 Sq. Miles	15.42347 Km. Carrés	15.42347 Quadratm. Km.
<i>Cho</i> = 10 <i>Tan</i> = 100 <i>Se</i> = 3,000 <i>Bu</i>	{ 2.45064 Acres	2.45062 Acres	99.17355 Ares	99.17355 Ar.
<i>Tsubo</i> = 10 <i>Gō</i> = 100 <i>Shaku</i>	{ 3.95369 Sq. Yards	3.95367 Sq. Yards	3.30579 Centiares.	3.30579 Quadratm.
<i>Koku</i> = 10 <i>To</i> = 100 <i>Shō</i> = 1,000 <i>Gō</i> = 10,000 <i>Shaku</i>	{ 4.96005 Bushels	{ 47.65389 Gallons (Liq.) 5.11902 Bushels (Dry)	1.80391 Hectolitres	1.80391 Hectolitres
<i>Koku</i> (Capacity of ship)	{ 1/10 of one Ton	1/10 of one Ton	1/10 de Tonne	1/10 Tonne
<i>Kwan</i> = 1,000 <i>Momme</i> = 10,000 <i>Fun</i> = 100,000 <i>Rin</i>	{ 8.26733 lbs. (Avoir.) 10.04711 lbs. (Troy)	{ 8.26733 lbs. (Avoir.) 10.04711 lbs. (Troy)	3.75000 Kilogs.	3.75000 Kilogs.
<i>Kin</i> = 160 <i>Momme</i>	{ 1.32277 lbs. (Avoir.) 1.60754 lbs. (Troy)	{ 1.32277 lbs. (Avoir.) 1.60754 lbs. (Troy)	0.60000 Kilogs.	0.60000 Kilogs.
<i>Yen</i> = 100 <i>Sen</i> = 1,000 <i>Rin</i> = 10,000 <i>Mō</i>	{ 2.0.582 s. d.	0.4984 Dollar	2.583 Francs	2.0924 Marks

CONTENTS

PART I—EXPENDITURES OF THE SINO-JAPANESE WAR

CHAPTER	PAGE
I Introduction	3
II Disbursements of the War	35
III Supply of War Funds	47

PART II—ECONOMIC EFFECTS OF THE SINO-JAPANESE WAR

I Introduction	81
II Effects on Public Finance	87
III Effects on the Money Market	152
IV Effects on Industries	208
V Effects on Commerce	224
VI Effects on Transportation and Communication	254
VII Effects on Primitive Industry	273
VIII Social Effects	278
IX Conclusion	320
INDEX	325

INDEX

- Administration:** increase of expenditures for, 43, 102-3; general expenditures for (1893-1903), 144.
- Agriculture:** prohibition of resale of Japanese products of, in Kankyodo, 16; progress in, 89; Bank of Agriculture and Industry, 90, 94, 107, 175, 178 *et seq.*, 193; expenditures to encourage, 139; experimental stations, 273; capital invested in (1896-1903), 277.
- Amoy,** 188.
- Anshantani,** captured by Japanese, 31.
- Antung,** Chinese evacuation of, 26.
- Aomori,** 106.
- Army:** organization of, corps, 25-6; size of, 35; rehabilitation of, 89-90, 94 *et seq.*; four year expansion scheme (1895-1899), 97 *et seq.*; expenditures for (1893-1903), 99-100; extraordinary expansion expenditures for (1896-1903), 101; use of Chinese indemnity for expenditures for, 120.
- Asan,** 19, 21-2.
- Bakeuchu,** 13.
- Bank notes:** 51; issued by Bank of Japan (1894-1896), 55, 166, 286; issued to meet extra expenditures, 56; increased circulation of, 154; redemption of national, 162, 167, 191-2; guarantee reserve issues of, 166, 168 *et seq.*, 200; issued by Bank of Formosa, 186-7; issuance of national, 189-90; issued (1893-1899), with increase or decrease, 197-8.
- Bank of Japan:** 72, 82, 152, 155, 161, 193; loans to government by, 51, 59 *et seq.*, 73, 75, 83, 158, 199; war expenses met by note issue of (1894-1896), 55, 166, 286; redemption of loans of, 76; enlarged business of, 90, 156, 175; deposit of Chinese indemnity funds in, 122; purchase of bonds by, 125; increased capitalization of, 176.
- Banks:** Hypothec and Industrial, 83, 90, 94, 175, 178 *et seq.*, 274; national banks, changed to ordinary, 83, 189-90, 193; of Agriculture and Industry, 90, 94, 107, 120, 274; subsidies to, 90, 103, 107, 120, 179, 182; bonds issued by, 156; regulations concerning issue of bank notes by, 161; reorganization of, 175 *et seq.*, 193-4; development of realty, 178 *et seq.*; deposits and loans of (1893-1903), 195; capital, deposits, profits and dividends of (1893-1903), 207. *See also under individual headings.*
- Banks of Agriculture and Industry:** subsidies to, 90, 107, 120, 179; establishment of, 94, 175; business of, 178 *et seq.* (1897-1903), 204-5, 274; reorganization of, 193-4; loans by (1894-1903), 202, 274.
- Bellenue,** French missionary, 9.
- Ben, Li Sai,** Korean Progressive leader, 12.
- Bokueiko,** Korean Progressive leader, 14.
- Bokueiju,** revolt of, 10.
- Boxer Rebellion,** 132.
- Budget:** of revenue and expenditures, 47-8, (1893-1913), 87-8; for army and navy, 57, 87-8; for expenditures after 1896, 90; for 1899, 131.
- Business tax,** 90, 129.
- Chaimucheng,** battle at, 27.
- Chang, Li Hung,** 12-3, 15; peace representative of China, 33.
- Chemulpo:** 15, 21, 23; opened to trade, 12-3; Treaty of, 13-4.
- Chihli, Province of,** 31-2, 57.
- Cholla, Province of,** revolutionary movements in, 17.
- Chung-Chong, Province of,** revolutionary movements in, 17.
- Chungking,** opened to commerce, 33, 232.
- Cities, towns and villages:** increase in annual expenditures for (1893-1903), 138; ratio of increase of expenditures for 1904 over 1895, 139; expansion of expenditures for, 142; population of, 300-1, (1893-1903), 318-9; increase in population of (1887-1905), in annual percentages, 322.
- Coal,** rise in price of, 285.
- Colonial Bank of Hokkaido:** business of, 175-6, 178 *et seq.*; reorganization of, 193-4.
- Communications Office,** expenditures for (1894-1905), 36, 43, 46.
- Conservative party, in Korea,** 12 *et seq.*

- Currency: expended for war expenses (1894-1896), 57; scarcity of, 81, 83; inflation of, 84-5, 154, 196; reform of, system, 118, 161, 165, 232, 235; increased volume of, 288; in circulation, in annual percentages (1887-1905), 322.
- Customs, revenue from, (1889-1908), 291.
- Disbursements, monthly (1894-1896), 59; for government and private railways (1893-1903), 266, 268.
- Education: improvements in system of, 84, 89, 94, 112; use of indemnity funds to promote, 132; expenditures for, 138-9, (1893-1903), 151.
- Enterprises: comparison of expenditures for post-bellum, with total annual expenditures (1894-1903), 91 *et seq.*; revenue for post-bellum, (1896-1903), 92; revenue for (1895-1905), 150; expenditures for (1895-1905), 141, 150; development of, 226.
- Exchange, rates of, in London, Paris and Berlin (1886-1895), 163.
- Factories, number of, and capital invested in (1893-1903), 212-3.
- Factory hands: number of (1893-1903), 211 *et seq.*, (1896-1903), 218; percentage of, to total population (1896-1903), 220; percentage of adult and minor, to total number of (1896-1903), 221; comparison of number of adult male to female (1896-1903), 222.
- Fenghuangcheng, 25; Chinese evacuation of, 27.
- Foreign Office: expenditures for (1894-1903), 36, (1894-1895), 43-4.
- Formosa: 6; Japanese expedition to, 11; ceded to Japan, 33, 224, 229; fighting in, 35; Bank of, 94, 175, 185 *et seq.*, 194, 206; expenses incurred in, 103, 109 *et seq.*; railways of, 111, 261; loans for development of, 115-6; expenditures for (1895-1903), 146 *et seq.*; production of sugar in, 229; trade of, with Japan (1897-1903), 230; passengers, freight, income, etc. of railways of (1897-1903), 269.
- Fortresses, expenditures for construction of, 98-9.
- Foundry, iron: establishment of, 89, 94, 96, 273; expenditures for construction of, 103-4; use of indemnity funds for construction of, 120.
- France: occupation of Kwangchow by, 7, 34, 320; interference of, in Liaotung Peninsula, 33-4; tariff agreement with, 233, 290.
- Fukushima, 106.
- Fusan: 9-10, 22-3; opened to trade, 13.
- Germany: acquisition of Kiaochow Bay by, 7, 34, 320; invitation to, to occupy Korean territory, 12; interference of, in Liaotung Peninsula, 33-4; monetary system of, 162; tariff agreement with, 290.
- Goko, revolt of, 10.
- Gold standard: adoption of, 83, 123, 159, 163 *et seq.*, 225, 232-3, 286-7.
- Great Britain: occupation of Weihaiwei by, 7, 34, 320; invitation to, to occupy Korean territory, 12; interference of, in Liaotung Peninsula, 33-4; tariff agreement with, 233.
- Griffis, Dr. William Elliot, cited, 8.
- Hachioji, 105.
- Haicheng, 25, 27, 29, 31.
- Hanabusa, Yoshikata, Chargé d'Affaires at Seoul, 11, 13.
- Hangchow, opened to commerce, 33, 232.
- Heung-Sun, Prince, 9-10; Korean Conservative leader, 12-3.
- Hiroshima: 43; Imperial army headquarters at, 22, 50; telephone extension in, 264.
- Hokkaido: colonial development of, 90, 112; plan for railway construction in, 106, 258; bond issue for railway construction in, 114; Colonial Bank of, 175-6, 178 *et seq.*, 194.
- Home Office: expenditures for (1894-1903), 36, (1894-1898), 43-4.
- Hongkong, branch bank at, 188.
- Hooshan, Chinese defeat at, 26-7.
- Hori, Lieutenant, military instructor in Korea, 12.
- Huanglinchi, 30.
- Huayuankow, 27-8.
- Hypothec Bank: establishment of, 83, 90, 94, 175; business of, 178 *et seq.*, (1897-1903), 203; reorganization of, 193-4; advances made by (1898-1903), 274, (1897-1903), 276.
- Income tax: 131; returns from (1893-1903), 295 *et seq.*
- Indemnity: Chinese, to Japan, 12, 20, 33, 82, 119, 224, 286; transfer of, 57-8, 77-8, 116; use of, for army expenditures, 90, 120; revenue from, 96-7, 119-20.

- Industry: capital investment in (1896-1903), 209-10, 219, 240, 243; progress of, 211.
- Industrial Bank: 194; business of, 188-9, 206.
- Inouye, Kaoru, vice-minister of Japanese Mission to Fusan, 10.
- Inouye, Ryoka, Lieutenant Commander, 10.
- Interest rates: in Osaka and Tokyo, 65; on loans by laws Numbers 8 and 25, 77; paid on bonds (1893-1903), 117.
- Isotake-no-Mikoto, 8.
- Itom, Prince, 15.
- "Japanism", 157-8.
- Jingo, Empress, expedition of, to Korea, 8.
- Judicial Office, expenditures for (1894-1903), 36, (1895), 43, 45.
- Kai, Yuan Shi, Chinese Minister, 13-4, 16-7.
- Kaidaichi, 106.
- Kaiping, 27, 29.
- Kanghwa Island Affair, 10.
- Kankyodo, 16.
- Kiaochow, German occupation of, 7, 34, 320.
- Kin, Kin Gyoku, Korean Progressive leader, 14; assassination of, 16.
- Kinchow-ching, capture of, 28-9.
- Kiuliencheng, 25; Chinese evacuation of, 26-7.
- Kiun, Kim Ok, Korean Progressive leader, 12.
- Kizuki (Izumo Province), 8.
- Kobe: extension of telephone service in, 106; encouragement to navigation from, 108.
- Komatsu, Prince, General, Chief of Japanese General Staff, 32.
- Konwasai, battle at, 27.
- Korai, overthrow of kingdom of, 4.
- Korea: population and area of, 3; Chinese and Japanese attitude toward, 4 *et seq.*; 11-2; Japanese expedition to, 8; trade with, 9, 12, 154, 237; independence of, 10, 14, 21; disturbance in, 13 *et seq.*, 35.
- Kure, 106.
- Kuroda, Kiyotaka, chief of Japanese Mission to Fusan, 10.
- Kwangchow Bay, leased to French, 7, 34, 320.
- Kyoto: 124; extension of telephone system in, 106, 264.
- Labor: prices of, in Tokyo and Osaka (1893-1903), 282, 292, 294; prices of in Tokyo (1873-1910), 293, 312-3; fluctuation of price of (1893-1903), 294; prices of, and commodities compared with cost of living, 298; price of, in Osaka (1893-1903), 314-5.
- Land tax, 130-1.
- Legations and Consulates: expenditures for (1894-1895), 44; increase of expenditures for, 89.
- Liaotung Peninsula: ceded to Japan, 33; retrocession of, 34, 78, 157-8, 168, 286; compensation for return of, 118.
- Liaoyang, 25, 27.
- Loans: public, 50, 54, 57-8; of Bank of Japan, 51, *et seq.*, 75, 83, 158, 199; details of "First", 61 *et seq.*; regulations for war, 64, *et seq.*; "Second", 66 *et seq.*; "Third", 68 *et seq.*; details of first three, 69 *et seq.*; receipts from war, 72; extraordinary special, 72-3; "Fourth", 74; based on laws Numbers 8 and 25, 75 *et seq.*; for railway and telephone improvement, 90, 114; for expenditures for Sino-Japanese War (1894-1910), 113; for industrial enterprises, 114 *et seq.*; for Formosan development, 115-6; sterling, 116; by Hypothec Bank and Banks of Agriculture and Industry, 181, 202; outstanding, of Hypothec Bank (1897-1903), 183; of Colonial Bank of Hokkaido, 185; of banks (1893-1903), 195.
- Loochoo, 6; as a Japanese possession, 10-1.
- Manchuria, fighting in, 35.
- Merchandise, value of, sold (1898-1903), 242.
- Merchant Marine: subsidies to, 254, 263, (1893-1903), 270 *et seq.*, progress of, 256, 262 *et seq.*
- Min, Prince, assassination of, 14.
- Miyake, Dr. Yūjiro, cited, 157.
- Monopolies: leaf tobacco, 90, 126; increased revenue from tobacco, 132, 137; workings of, 134 *et seq.*
- Motienling, 30.
- Nagasaki: 13, 16; subsidy for harbor improvement at, 262; telephone extension in, 264.
- Nagoya: 105; telephone extension in, 264.
- Naval Office: expenditures for (1894-1903), 36; extraordinary expenditures for (1894-1901), 40 *et seq.*
- Navigation, subsidies for, 103, 108-9.
- Navy: rehabilitation and expansion of, 89-90, 94 *et seq.*; seven year expansion scheme (1895-1903), 97 *et seq.*

- expenditures for (1893-1903), 99-100; extraordinary expansion expenditures for (1896-1903), 102; use of Chinese indemnity for, expansion funds, 120.
 Negotiable paper, handled (1893-1895), 225, (1893-1903), 239.
 Neuchang, 285; encouragement to navigation from, 108.
 Niuchwang, capture of, 30-1.
 Nodzu, Michitsura, Lieutenant-General, Commander-in-chief of Fifth Army Division, 23.
 Notes, government: issued, 160-1; redemption of, 189 *et seq.*; cleared (1893-1903), 241.
 Okuninushi-no-Mikoto, 8.
 "Open door" policy, 321.
 Opium War, 7.
 Osaka: 124; interest rates in, 65, 75; extension of telephone service in, 106; subsidy for harbor construction at, 262; prices of commodities and wages in (1893-1903), 282, 292, 294; wholesale prices in (1893-1903), 310; prices of labor in (1893-1903), 314-5.
 Oshima, Major-General, Japanese officer, 17.
 Otori, Japanese Minister at Seoul, 22.
 Ou, Hung Tiyong, Korean Progressive leader, 12.
 Oyama, General, Japanese commander-in-chief of Second Army Corps, 25.
 Panic: financial, 83, 174; of 1899 and 1901, 159, 283.
 Paper money in circulation (1893-1899), 171.
 Payment plan of war bonds, 65, 67-8.
 Peking, 9, 15; proposed attack upon, 32.
 Pescadores, occupation of, 31-2; ceded to Japan, 33, 229.
 Phung Island, battle at, 19, 21-2, 49.
 Ping-yang, campaign of, 21 *et seq.*
 Population: of towns and villages, 300-1, (1893-1903), 318-9; increase of (1887-1905) in annual percentages, 322.
 Port Arthur: 25, 27; leased to Russia, 7, 34, 320; attack upon, 28-9.
 Prices: rise of, 81 *et seq.*, 153, 158, 161, 273; of tobacco, 136; of commodities (1873-1912), 279-80, 284 *et seq.*; of labor and commodities in Tokyo and Osaka (1893-1910), 282, 292; comparison of, of commodities with currency in circulation (1887-1911), 289, 311; of labor in Tokyo (1893-1903), 293-4, 312-3; fluctuation of, of labor and commodities (1893-1903), 294; wholesale, in Tokyo (1893-1903), 303 *et seq.*; in Osaka, 310; of labor, in Osaka (1893-1903), 314-5; of necessities in Tokyo (1893-1903), 316; of commodities in annual percentages (1887-1905), 322.
 Progressive party, of Korea, 12, 14.
 Railways: construction and improvement of, 89, 94, 96, 103, (1893-1903), 145, 255-6, 258 *et seq.*; expenditures for new construction of, 105-6; construction of, in Formosa, 111, 261; volume of goods transported by (1893-1903), 227; capital invested in (1896-1903), 257; extension of private (1893-1903), 261; passenger, freight, income etc. of government (1893-1903), 265, of private (1893-1903), 267, of Formosan (1897-1903), 269; revenue, disbursements and profits of government (1893-1903), 266, of private (1893-1903), 268.
 Receipts: monthly government (1874-1876), 59; from war loans, 63, 72, 113-4.
 Redemption: of war loans, 64, 66, 68, 75 *et seq.*, 89, 113; Chinese indemnity used for, of war expenses, 121; of national bank notes, 162, 167; of government notes and bank notes, 189 *et seq.*
 Regulations for issue of war loans, 64 *et seq.*
 Revenue: budget of, for war purposes, 47-8, (1894-1896), 56, (1893-1903), 87-8; monthly, for war purposes, 52-3; from occupied territory, 55; for expenditures for war, 58; for expenditures after 1896, 90; for post-bellum enterprises (1896-1903), 92; increase of, 94; ten year plan for (1896-1905), 95; from telegraph system, 131-2, 137; from tobacco monopoly, 132, 137; expansion of, of local communities (1893-1903), 142; excess of, over expenditures (1893-1903), 143; of government railways (1893-1903), 266; of private railways (1893-1903), 268; from customs duties, 291.
 Rewards, for war fund contributors, 43.
 Rice: area under cultivation (1893-1903), 275; average price of (1893-1903), 281.
 Rintsushin, 23.
 Russia: Port Arthur leased to, 7, 320; interference of, in Liaotung Peninsula, 33-4.
 Ryuzan, 23.

- Sake*, tax on, 90, 126, 129, 289.
 Sanitation, expenditures for (1893-1903), 151.
 Sasebo, 31.
 Scrip, war, issued, 55 *et seq.*
 Seoul: 10; Japanese legation at, 11; Treaty of, 15.
 Shanghai, steamship service from, 108.
 Shanhaikwan, capture of, 32.
 Shantung: 30; fighting in, 35.
 Shashih, opened to commerce, 33, 232.
 Shimonoseki: 10; Treaty of, 33, 35, 109, 118; telephone extension in, 264.
 Shiojiri, 105.
 Shipbuilding: subsidies for, 84, 89, 109, 254, 262; increase in, 210, (1893-1903), 256.
 Sino-French War, 7.
 Sinonoi, 105.
 Soejima, Count, 9; Japanese envoy to Formosa, 11.
 Songhwan, battle of, 19, 22, 49.
 Soochow, opened to commerce, 33, 232.
 Soshajo, 22.
 Soshimori, 8.
 Specie: prevention of diminution of, 56-7; effect of war on reserve, 155; decrease of reserve, 171.
 "Spheres of Influence", 321.
 Steamship lines: 107-8; subsidies to, 108-9, 263; statistics of, 270 *et seq.*
 Stock exchange, effect of currency reform on, 165.
 Subsidies: for shipbuilding, 84, 89, 109, 254, 262; to banks, 103, 107, 120, (1897-1903), 179, 182; to Wakamatsu Harbor Construction Co., 104; to steamship companies, 108-9, 263.
 Sugar, imported from Formosa, 229.
 Sujin, Emperor, expedition of, to Korea, 8.
 Susano-no-Mikoto, 8.
 Tai-Wonkun, 9.
 Takezoe, Shinichiro, Japanese Minister to Korea, 14.
 Takushan, 27.
 Taiko, Hideyoshi, expedition of, to Korea, 8.
 Tamushan, naval battle at, 24.
 Taohotsuon, battle at, 27.
 Tariff rates, 233-4, 290.
 Tatungkow, capture of, 27.
 Taxes: increase of, 81 *et seq.*, 90, 126 *et seq.*, 280, 289 *et seq.*; readjustment of, 95; income from, 127; to defray expenditures of Boxer Rebellion, 132-3; business, 228; comparison of, with wages and cost of living (1893-1903), 299; levied (1893-1903), 317; revenue from, in annual percentages (1887-1905), 322.
 Teijosho, 13.
 Telegraph, revenue from, 131-2, 137.
 Telephone system, extension of, 89, 94, 103, 106-7, 255, 264.
 Tienchwangtai, capture of, 30-1.
 Tientsin: 14; Treaty of, 5, 15, 17, steamship service from, 108.
 Tobacco: establishment of, monopoly, 90, 126; workings of, monopoly, 134 *et seq.*; revenue and profit from, 132, (1898-1903), 136-7; advances in manufacture of, 210; rise in price of, 281; tax on, 290.
 Togakuto Affair, 6.
 Tokyo: 11, 124; interest rates in, 65, 75; extension of telephone service in, 106; prices of commodities and wages in (1893-1903), 282-3, 292; price of labor in (1873-1910), 293, (1893-1903), 294, 312-3; wholesale prices in (1893-1903), 303 *et seq.*; prices of necessaries in (1893-1910), 316.
 Tong Haks, revolutionary movement of, 17-8.
 Torpedo boats: number used during war, 35; use of indemnity funds for constructing, 97.
 Toyama, 105.
 Trade: with Korea, 9, 12, 154, 237; expansion of foreign, 89, 158, 230 *et seq.*; decrease of foreign, 168; foreign (1893-1895), 225, (1893-1903), 239, (1868-1903), 244 *et seq.*; between Japan and Formosa (1897-1903), 230.
 Transportation: progress in, 254 *et seq.*; capital invested in (1896-1903), 255.
 Treasury Office, expenditures for (1894-1903), 36, (1894-1897), 43, 45.
 Treaties: of Tientsin, 5, 15, 17; of 1876 (Korea), 10 *et seq.*; with western Powers, 12; of Chemulpo (1882), 13-4; of Seoul, 15; of Shimonoseki (1895), 33, 35; commercial, 234.
 Tsuboi, Rear Admiral, 21.
 Tsung, Tai, Emperor, 8.
 Tsuruga, 105.
 Ujina, 23, 32.
 United States: Chinese treaty with, 12; monetary system in, 162; tariff agreement with, 233.
 Vladivostok, steamship line from, 108.
 Wages: rise in, 85; of factory workers compared with, of independent workers (1899-1903), 223; of factory

- workers compared with prices of commodities (1899-1903), 223; comparison of, with cost of living and taxes (1893-1903), 299.
- War funds: extra, 47-8; subscriptions to, 54; shortages in (1894-1896), 60.
- War Office: expenditures for (1894-1903), 36-7; extraordinary expenditures for (1894-1901), 38-9.
- Warships, number engaged in war, 35; use of indemnity funds for construction of, 97.
- Weihaiwei: 19, 25; leased to Great Britain, 7, 34, 320; attack upon, 30 *et seq.*; expenditures for guarding, 97, 110, 118; use of Chinese indemnity for guarding expenditures of, 120.
- Wheat, area under cultivation (1893-1903), 275.
- Wiju, attack on, 26.
- Wönsan, 9, 18, 22-3; opened to trade, 12-3.
- Yamagata, Aritomo, Minister of War, 10, 23, 25.
- Yingkou, 30.
- Yokaichin, opened to trade, 13.
- Yokohama: extension of telephone service in, 106; steamship line from, 108.
- Yokohama Specie Bank: 90, 173, 193; business of, 175; increased capitalization of, 176; development of, 177; loans made by (1893-1903), 201.
- Yungching, 30.
- Yungancheng, battle at, 27.
- Zempojun, leader of Tong Haks, 17.

~~2003-04~~

CHECKED

2003-04