

Present Condition and Prospects of Japan

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OSAKA, Japan, Jan. 15, 1900.—(Special Correspondence of The Bee.)—I first visited Japan ten years ago, and it then had on the seven-league boots of modern industrial progress. I came again just before the war with China and found that the country had again made giant strides. Since then its business has been growing like a snowball rolling down hill, and it is now one of the great manufacturing nations of the globe. New mills of many kinds are going up. Here at Osaka are two-score large cotton factories operating more than 1,000,000 spindles and last year 80,000,000 pounds of cotton yarn were exported to China. A great part of the cotton used in Japan is made here, and the business is so growing that in the case of the division of China among the powers, this region will be turned into one vast cotton mill for making clothes for the celestials.

regular lines to New York as soon as it is finished. At the same time there are scores of other steamships from the great lines of Europe and the United States in the Japanese ports every month. The trade is so increasing that all want their share of the freight. One of the latest in the field is the North German Lloyd, which now has regular steamers from Europe to Japan, and which is said to be about to put on a service of fine vessels to ply between Hong Kong and San Francisco. Today the freight between these ports is congested. The Japanese merchants tell me they cannot get their goods promptly, and that they have to wait for months for the filling of their orders.

The United States and Japan.

There is a steady increase going on in our trade with the Japanese. I see American goods in all the cities and nearly every



STREET IN OSAKA.

Just above Osaka is Kioto, where there are now modern silk mills run by electricity developed by water power and about here and below at Kobe are factories which are making matches by the millions of gross for shipment to China, Korea, India and Australia. In Tokio, 300 miles to the eastward, some Japanese have just completed a woolen mill, and have now 1,300 hands employed in making cloth to supply the Japanese demand for warmer clothing, and at Nagasaki, the extreme western port of the empire, a shipbuilding yard has been established which is making 6,000-ton steamers as good as any constructed in Europe or the United States.

Japan Growing Rich.

The Japanese are, in fact, growing into a rich nation. They are already the nabobs of the Orient, the richest of the native races of the far east. I do not mean that they are wealthy in comparison with the Americans or the Europeans, but they are far ahead of any people of their own kind. There are no beggars. I have not been asked for alms once during my stay in the country, and I see no unemployed. Since the Japanese-Chinese war wages have increased from 50 to 100 per cent, and men who were working before that time for eight and ten cents a day are now getting twenty and twenty-five, and more than double the prices paid for the same class of labor in China and Korea. Wages are steadily rising and, though they are still not more than one-tenth the sums paid our workmen, they are enough to be riches to the people here. They are so high that many of the working people are saving money. There is now more than \$12,000,000 on deposit in the postal savings banks, owned by about 1,200,000 depositors, and this notwithstanding the people chiefly invest their savings in other ways.

As to the growth of wealth among the capitalists and the business classes this is still more remarkable. There is no end of factories, banks and companies of various kinds which are paying good dividends. The Nippon Yusen Kaisha Steamship company, for instance, is paying 25 per cent, and there is a horse railway in Tokio which is paying 35 per cent. The road is the only one in a city of a million and a half population. Its owners were recently asked to increase their capital and equip it electrically. They refused, saying they were doing very well and they doubted if they could pay a bigger percentage by the electric system. There is no doubt, however, but they will soon have to make the change.

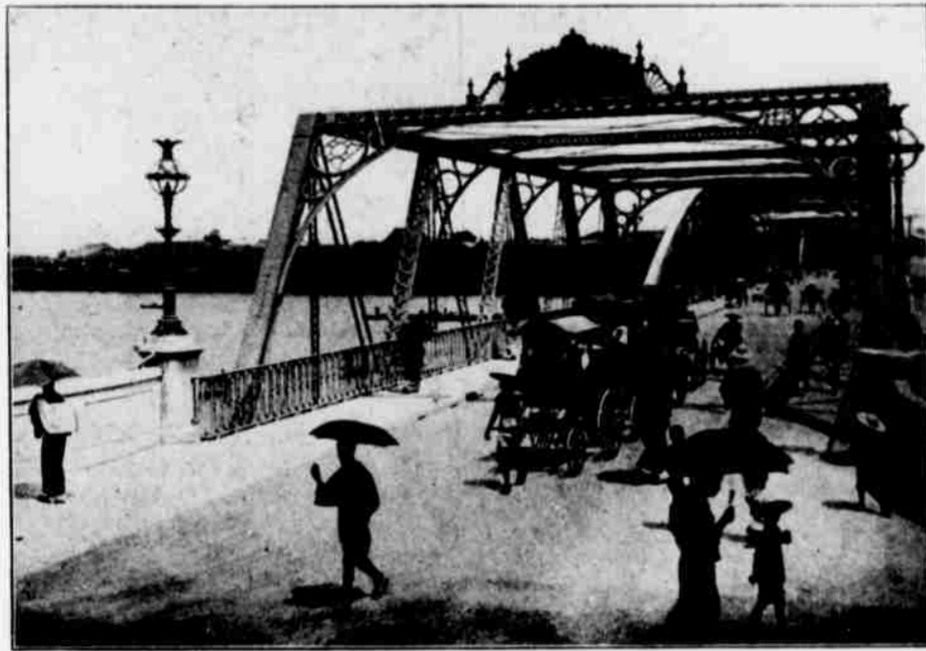
The railroads of Japan are paying, even those which belong to the government. There are now between 2,000 and 3,000 miles of track in the empire and more have been projected.

As to banks they are to be found everywhere, and as a rule they are doing well. Two per cent a month is not an uncommon interest rate, and the banks as a rule pay interest on deposits. The total amount of native capital now used in this way foots up more than \$125,000,000, the Bank of Japan alone having a capital of 30,000,000 yen, or \$15,000,000. The banks do business just as our banks do, keeping their accounts and lending money in the same way. They do no "thank you" business of any kind, and charge their customers for any and every favor. There are large stock exchanges in Tokio and Osaka, and the yellow, almond-eyed bulls and bears fight here over the rise and fall of stocks just as our white, straight-eyed ones do in New York and Chicago.

Money in Steamships.

In their steamship lines the Japanese are making wonderful progress. They now have lines of steamers which go to nearly every great port. They have twelve big steamers which give them a fortnightly service to Europe via the Suez canal, a line of large ships to Australia via Hong Kong and Manila, regular steamers to all the Chinese, Korean and eastern Siberian ports and two lines which make regular sailings for Seattle and San Francisco. They are experimenting now with a line to Peru, and have sent several of their ships to Mobile and New Orleans to test whether it will pay them to import our raw cotton for their mills here in their own steamers. Last year the Nippon Yusen Kaisha added six vessels to its line, the six aggregating a tonnage of 34,000, and it now has twelve steamers which average more than 6,000 tons each.

Japan is very anxious to see the Nicaragua canal built, and will undoubtedly have its



ONE OF JAPAN'S NEW BRIDGES.

steamer brings over commercial travelers who have come for the first time to work the trade. By the new treaties foreigners can now do business and sell goods in any part of the empire. Before they went into effect they were required to have passports from the government if they went outside the treaty ports and all of the business was done by Japanese middlemen. Our drummers can now take interpreters with them and take their orders direct.

As to the foreign trade of Japan, it now amounts to enough to be well worth our consideration. It was more than \$220,000,000 last year, and of this the largest share of the exports went to the United States. We take, in fact, about one-fourth of all the goods Japan sells to foreigners, and it is only lately that we have been selling here anything like our share in return. We buy more of its raw silk than any other nation, our exports of this alone footing up more than \$12,000,000. We pay it more than \$3,000,000 a year for tea and an equal amount for silk goods, while we annually buy \$1,500,000 worth of Japanese matting. We send \$300,000 a year to Japan for drugs and chemicals and a large amount for curios, porcelain and other such things. We buy more and more every year, but it is only lately that our sales have largely increased.

At present we are gaining more rapidly in the Japanese markets than any other nation. Twenty years ago we furnished only about 5 per cent of the Japanese imports and England furnished over 50 per cent. Now we are supplying 15 per cent of all that Japan buys and the English have lost about half their trade. During the last few years the Americans have been sending locomotives and railroad machinery to Japan, and our exports of iron and steel manufactures now amount to more than \$2,500,000 a year. We are having an increased trade in wheat and flour, some of the Pacific coast mills being run almost entirely to supply the Japanese markets. The

people are becoming bread eaters as well as rice eaters, and in the army bread has been lately introduced as one of the rations. A great deal of flour is used for paste in the fan and other manufactures of paper, so that the demand for the American article is six times as great now as it was ten years ago.

New Treaties and the Americans.

As to just how the new treaties will work the Americans here are undecided. Minister Buck thinks they will be to the advantage of our trade, and seems to have no idea but that foreigners will have their rights and justice in the Japanese courts.



RAISING COCOONS FOR AMERICAN MARKETS.



JAPANESE WHO WORK FOR TWENTY CENTS A DAY.

and it is believed that many others will follow.

There is no doubt but that the Japanese will work for their share of the Chinese trade. They must do so in order to keep their people employed. They have now in the neighborhood of 45,000,000 people scattered over nearly 4,000 islands, which, all told, have an area not much greater than California. Of this area not more than one-tenth can be cultivated, and the people have to rely on the outside markets for their support. The population is increasing, and it will soon be a question where to find work for the surplus.

In this connection comes up the strained relations which are said to exist between the Japanese and the Russians. The people here are very bitter, and they feel that they will have to fight Russia sooner or later. Many of them would like to see war declared now, before the trans-Siberian railroad is finished, and while France has its hands full with the international exhibition at Paris. There is no telling that war may not come between now and next summer, and many believe that the Japanese are not only preparing for it, but they will force it, rather than let Russia go on as it is now doing.

Russian Influence.

I have met within the last few days several men who have just returned from Peking. They all speak of the assurance and air of proprietorship which the Russians now stand there now. They go about as though they already owned the Chinese empire, and they put their fingers into everything that the government does. They are also at Tientsin, and are making themselves felt as far south as Hankow, in the Yangtze valley.

One of the European diplomats who has lately visited Peking tells me the Russians already practically own Manchuria, and that they have forbidden the Chinese to give concessions to any but Russians for mining and manufacturing there. The Chinese government has been warned that Manchuria belongs to Russia, and that any inclination to permit others than Russians to come into it will be considered as an encroachment upon Russia's preserves, and will be treated accordingly. Not long ago an American attempted to get some gold mining concessions in Manchuria, but was told that they could only be secured through the Russians.

He sent out a notice to the American residents at the time the treaties went into effect asking them to observe the new regulations and complimenting the Japanese government on its generosity in opening up the empire to foreigners. Inasmuch as none of the other ministers had the foresight or courtesy to do this the act has been greatly appreciated by the Japanese.

Minister Buck, by the way, has made himself very popular here, not only with the Japanese, but also with the foreign colony, by his plain, practical common-sense Americanism. He believes in the United States, and is always doing what he can to advance its interests, and he has no sympathy with any American who does not manifest the same disposition. I heard a curious story the other day of his treatment of one of our citizens who tried to go back on his country. The man was originally sent out here as a missionary by the Christian or Campbellite church, but so demonstrated his unfitness by his uncharitable attitude toward Japanese manners and customs that he was forced to resign.

He remained in Japan, however, found other means of making a living here and was regarded as one of the members of the American colony. Now, it is the custom of the Americans of Japan to unite together and give some kind of a celebration on the Fourth of July, but when this man was approached for his portion of the contribution last year he drew himself up and replied: "I have nothing to give. You ask for the money from me as a citizen of the United States. I do not claim citizenship there. My citizenship is in heaven."

This was before the new treaties had gone into effect, and it was only a few days after the occurrence that the man wanted a passport of Minister Buck, in order that he might go into the cooler regions of the interior. When he presented himself at the

This American traveled extensively through Siberia and spent considerable time among the Russians in Manchuria. He found that the common feeling among the Russians was that all Asia was bound to come into their hands sooner or later, and that they were now moving along the road to that accomplishment. They said that Russia wanted Manchuria as a breeding ground to raise Russian soldiers and a Russian population to raise food and supplies for the great war of the future. The army will soon be followed by emigrants, and Russians are already coming in along the line of their new railroad. There are regular emigrant steamers which come from Odessa, bringing colonists to Siberia. These will soon be directed to land their passengers at the Russian port on the Yellow sea.

At present the Russian soldiers are, I am told, bringing their families with them and are colonizing all along the line of the Russian-Chinese railroad. The invasion of troops has been going on since 1897, and it is claimed that there are now 150,000 Russian soldiers in Manchuria and eastern Siberia. The Russians take the lands along the line of their road, paying their own prices for them, and all their actions go to show that they consider Manchuria their own territory. They look upon Mongolia in the same light, and in these two great countries have perhaps the most valuable provinces of China. Manchuria is naturally rich. It has great areas of good wheat lands, and it will in the future be one of the bread baskets of Asia. It contains valuable minerals and deposits of gold and silver. Mongolia is said to be rich in its agricultural and mineral resources. It is the chief horse-breeding ground of east Asia, and as such will be of value to the Russians as a feeder for its cavalry.

At the same time the Russians are working their way more and more into Korea, and it is this that the Japanese most object to. The Russians do all they can to secure the friendship of the Koreans, a feeling which would naturally go to Japan, had its people not angered the Koreans by their rude treatment of them after they had defeated the Chinese. The Japanese have been very conciled in their actions toward the Koreans. They are domineering and at times very insulting. The Russians, on the other hand, are conciliatory. They are employing the Koreans along the northern boundary of the country and are doing all they can to gain their good will.

Japan's Preparations for War.

But what is Japan doing? She is by no means idle, I can tell you. Her preparations are going on both openly and in secret. She is perfecting her military organization, and she could fill Corea with troops within a few weeks. She has today one of the best fleets of war vessels afloat, and, as it is believed here, far better prepared for a long struggle than Russia.

Japan has her spies all over the Chinese empire. They are Japanese who understand and speak the Chinese language quite as well as the natives, who wear pig tails like the Chinese and are supposed to be Chinese. The great variety of dialects and features in the different provinces of China makes such spying comparatively easy. These spies are in the employ of the Japanese government, and make regular reports to it. Some of them are supposed to be Chinese merchants, others are employed on

legation, however, Mr. Buck told him that he could only apply for passports for citizens of the United States, and as he had denied having any such citizenship he would respectfully advise him to apply for a passport through the powers of the locality in which he said his only citizenship existed. The result was that the ex-missionary remained at home.

At the same time our minister is a strong friend of the active missionaries and is doing all that he diplomatically and consistently can to further their work here.

Japan and China.

Colonel Buck tells me that the Japanese are anxious that American capitalists should come here and look over the ground with a view to uniting with them in building factories to capture the great market of China as soon as that empire is opened up by the powers. They believe that such a combination would be immensely profitable and say that the cheap labor and undoubted skill of the Japanese would enable the goods to be made here more cheaply than in the United States. The proximity of Japan to China and the knowledge which the Japanese have of Chinese tastes, their ability to deal with them and the ownership of this as the base of operations, they claim, would be very important factors in the problem. On such combination has already been made,

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