

# Japan

## A YEAR'S REMARKABLE PROGRESS

**I**T is little more than a year since Japan was stricken by the earthquake and Tokio and Yokohama devas-

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tated. The year since then has been one of remarkable progress toward reconstruction, a progress which will remind Americans of the splendid recovery made by San Francisco, Baltimore and Galveston, when those cities suffered widespread destruction.

An excellent review of Japan's reconstructive progress is given in the September issue of *Japan*. This issue is aptly called the "One Year After" number, and contains photographs of the progress made as well as articles by leading Japanese in commercial and political life.

Among these articles is one by Viscount Shibusawa describing the progressive steps by which Japan climbed to her present position as one of the great nations. Referring to the realm of finance his article says:

One of the first necessities recognized by the awakening nation, was the need of a new financial system, without which no business could be developed. To study this Hirobuni Ito, later Prince Ito, made an extensive tour of America where he studied the principles of banking which had been developed there, and brought back the results of his investigations to Japan.

After inaugurating and applying the principles of banking for the national system, the writer turned his thoughts to the needs of business. He realized that business, to become great and international in character, must have facilities for financing itself, and it was from this understanding that he evolved the idea of the first commercial bank. In 1873, therefore, he founded the Dai Ichi Kokuritsu Ginko—literally the first national bank.

Another article is by Manzo Kushida, Managing Director of the Mitsubishi Bank, Tokio, in which he gives expression to the courageous and indomitable attitude of the Japanese business world. After referring to the fact that the property loss in the earthquake ran to many millions of yen Mr. Kushida says:

On the other hand, we must not concern ourselves so much with what was destroyed as with what will be required in order to put us on a new economic basis nearly equal to that prior to the disaster. We all know that the tremendous loss can not possibly be regained in a short period. We must realize that the loss can be made good only by many years of thrift and saving. We must be prepared to work steadily and patiently with greater efficiency and better economy. In other words we must make up our minds to produce more and consume less, for only by accumulating this surplus can we hope to get fresh capital for rebuilding of our capital city, making it more substantial in structure and even stronger in economic resources.

#### JAPANESE-AMERICAN ECONOMIC TIES

Still another significant article is that contributed by Dr. Takuma Dan, the managing director of Mitsui Bomei Kaisha, the holding company for all the varied and widespread Mitsui interests. Dr. Dan traces the great growth of economic relations between Japan and the United States and points out that the United States "is bound to continue in supplying a larger part of reconstruction materials. . . . Japan will naturally want iron and steel as building materials which America can abundantly supply."

dantly supply. Besides these, the United States has also been principal supplier of cotton, machinery, motor vehicles and petroleum."

Dr. Dan points out that whereas in 1893 the United States imports to Japan represented only 7.2 per cent. of total imports, in 1923 American imports represented 25.8 per cent. The growth in the last decade is shown by the fact that American imports to Japan in 1914 totaled 96,771,000 yen—in 1923 they totaled 551,977,000 yen, a gain in ten years of nearly 500 per cent.