

The total trade in Manchuria is seven or eight billion yen a year, all of which is in our hands. The business we do in wool, cotton, soybeans, bean cakes, and iron, forms one-twentieth of the total volume of world trade. And it is steadily increasing. But the Namihaya Machi at Dairen (the wealthiest street in the city) is still in Chinese possession. The sad story goes further. Oil is a basic industry in Manchuria. We control only 6 percent of it. Of the 38 oil mills in Yingkow, there is not one Japanese; of the 20 oil mills in Antung there is only one Japanese and of the 82 or 83 oil mills in Dairen there are only seven owned by Japanese. This is by no means an optimistic outlook for us. In order to recover the lost ground, we must first of all develop transportation. Then, by securing a monopoly on both finished products and raw materials, we shall be able to gain the upper-hand eventually. Furthermore, we ought to assist our people in oil business by extending to them financial credit, so that the oil industry of the Chinese will be forced out of the market. There are many Chinese on Kawaguchi Machi in Osaka who are dealers of our manufactured goods in Mongolia and Manchuria. They are strong competitors of our own business men in China. Our people are greatly handicapped because of their high standard of living which compels them to figure at a higher percentage of profit. On the other hand, the Chinese also have their disadvantages. The goods that they get are of an inferior quality, but the price that they pay is at least 10 percent higher than what our own people pay. Besides, they are also obliged to pay Yen 2.70 more than our people for every ton of goods transported, and yet they can undersell our merchants in Manchuria. It clearly shows the inability of our own people. When one thinks of it, it is really pathetic. The Chinese is single-handed, receiving no assistance from the government. But the Japanese in Manchuria has every protection from the government and long term credit at a low rate of interest. Still there are innumerable cases of failures. Hereafter, we should organize a cooperative exporting house to China. The steamship lines and the South Manchuria Railway should give it special discounts, and the government in Kwangtung should