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STRUCTURE-CHANGES IN JAPAN'S FOREIGN TRADE

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1. MEANING OF STRUCTURAL CHANGES

Structural changes, as representing one phase of qualitative change in contrast to quantitative changes, present a most interesting problem in their bearings on the development of post-war capitalism. The structural changes with which I propose to deal in the present article refer to changes in the structure of trade as embodying one phase of structural changes in general economics or a phenomenal form of general economics. Whereas people are very sensitive to changes in the volume of trade or quantitative trade changes, as reflecting trade prosperity or decline, they do not evince so much interest in qualitative trade changes, which are no less important. The Structural changes under discussion are merely one form of qualitative change, it is true, but there can be no qualitative change which is entirely divorced from a quantitative change. Inevitably conditioned by the general and fundamental relationship between quantity and quality, structural changes in the present case denote, it will be observed, nothing more or less than qualitative changes induced by quantitative changes.

Now, structural changes in trade deserves attention in a variety of ways. In the first place, there is the question of trade balance. Is an equilibrium maintained between ex-

ports and imports, or is there a loss of balance, favourable or unfavourable? This is in itself a question of qualitative difference, but, needless to say, it is nothing but a problem of quantitative relation between exports and imports. Changes in the structure of trade in this sense have always claimed much public attention, and it is a well-known fact that trade policy has been shaped with such structural changes chiefly in view. This change has also a close bearing on the development of national economy and its structural changes.

Secondly, the inner structure of both exports and imports claims attention in considering the structure of trade. On a previous occasion, I touched on this subject in the course of my observations on the concentrative and dispersive tendencies of trade. The countries with which export and import trade is carried on, which, of course, determine the international structure of trade, call for attention also. Here, too, the question is, after all, how trade is distributed internationally. The question of the international structure of trade can be viewed from various angles. On the previous occasion, I studied it from the point of view of the concentration or dispersion of trade internationally. The question can also be considered from the standpoint of the geographical distance of the countries with which trade relations exist, from that of the degree of friendship with these countries in political relations, from that of their connection or otherwise with bloc economy, or from still other view-points.

Thirdly, the inner structure of imports and exports deserves attention from the view-point of trade enterprises as well. In this case also, the main point of the problem is whether it is concentrative or dispersive. Besides, the nature and the location of trade enterprises may come in for their share of attention. In any case, the problem of the structure of enterprises forms part of the question of the structure of trade, and their structural changes are associated with the development of the general form of enterprises.

Fourthly, the nature of the articles of trade presents a question for constant study, in view of its peculiar import-

ance. In this case also, as observed before, whether the articles of trade are limited or multifarious in kind furnishes an important problem, especially from the point of view of lessening trade risks. At the same time, the kinds of commodities, that is, to what extent the imports and exports are composed of producers' or consumers' goods—especially to what extent they are composed of raw materials, foodstuffs and finished goods—are of peculiar importance, as the structure of trade in this sense must accord with the stage of development in national economy and as changes in this structure are believed to reflect changes in the structure of national economy itself.

Thus, the structure of trade and its structural changes are of varying purport, and they contain a variety of problems for study. In the present article, however, I propose to deal mainly with the composition of the articles of trade. First, I shall examine the structure of trade in recent years and the changes which have come over it; next, I shall study how this structure of trade compares with that of the principal trading countries of the world; then the historical development of the structure of Japanese trade will be reviewed, and lastly the change which have occurred in the trade structure will be analysed.

2. THE STRUCTURE OF JAPAN'S TRADE IN RECENT YEARS

In order to see how the country's trade is constituted and how its structure has changed in recent years, I have worked out both the value of each of the classified groups of articles for export during the ten years from 1926 to 1935 and its percentage of the total value of exports, as is shown in the following Table No. 1:—

From the above table it will be seen that the exports of foodstuffs during the latest three years average ¥175,000,000 or 8.1 per cent. of the total amount of exports, and those of raw materials ¥93,000,000 or 4.3 per cent. of the total ex-

Table No. 1.

Structure of the export trade in recent years.

Exports	Foodstuffs		Raw materials	
	Value (In ¥1,000)	Percentage	Value (In ¥1,000)	Percentage
1926	147,295	7.2	140,250	6.9
1927	145,562	7.3	137,324	6.9
1928	156,280	7.9	88,548	4.5
1929	160,118	7.5	88,739	4.1
1930	128,820	8.8	64,497	4.4
1931	102,297	8.9	44,802	3.9
1932	104,328	7.4	51,008	3.6
1933	157,988	8.5	73,765	4.0
1934	171,931	7.9	95,739	4.4
1935	197,110	7.9	110,463	4.4
Average for ten years	147,173	7.9	89,514	4.7
Average for last five years	146,731	8.1	75,155	4.1
Average for last three years	175,676	8.1	93,322	4.3

Exports	Manufactured materials		Finished goods	
	Value (In ¥1,000)	Percentage	Value (In ¥1,000)	Percentage
1926	881,863	43.1	852,118	41.7
1927	852,183	42.8	831,236	41.7
1928	823,714	41.8	812,949	41.2
1929	883,775	41.1	937,307	43.6
1930	524,099	35.7	691,190	47.0
1931	422,844	36.9	532,930	46.5
1932	486,196	34.5	700,509	49.7
1933	538,793	29.0	1,031,576	55.4
1934	498,529	23.0	1,345,512	61.9
1935	672,413	26.9	1,451,330	58.2
Average for ten years	658,441	35.5	918,666	48.7
Average for last five years	523,755	30.1	1,012,371	54.3
Average for last three years	569,912	26.3	1,276,139	58.5

ports. On the other hand, the exports of manufactured materials reach the enormous figure of ¥569,000,000 or 26.3 per cent. of the total exports, while those of finished goods show the biggest figure of all, namely, ¥1,276,000,000 or 58.5 per cent. of the total exports.

Now, let me examine what changes have come over the structure of the country's export trade during the last ten years. First, as to the exports of foodstuffs. Here, it will be seen that although there has been a marked increase in the absolute value of their exports, there has been no marked change in their proportion to the total exports, their percentage to the total being some eight per cent. In raw materials also, it is observed that there has been an increase in the absolute amount, but little change in the percentage, which stands at four per cent. or thereabouts. On the other hand, the exports of manufactured materials have witnessed a remarkable decline in the absolute value as well as in the percentage. Whereas such exports exceeded ¥800,000,000 ten years ago, the figure has been reduced to some ¥500,000,000 or ¥600,000,000. The decline in percentage has been even more remarkable. It has been reduced from 40 per cent. ten years ago to some 26 per cent. On the contrary, the exports of finished goods have witnessed a very remarkable increase. They have grown from ¥800,000,000 or thereabouts ten years ago to ¥1,300,000,000 or even ¥1,400,000,000, the percentage rising from 40 per cent. ten years ago to nearly 60 per cent. Thus, two prominent changes in the structure of the country's export trade in recent years are the absolute and relative decrease in the exports of manufactured materials and the absolute and relative increase in the exports of finished goods.

Table No. 2 shows the results obtained by the same method of calculation with regard to the structure of the import trade.

From the above table it will be seen that in the import trade during the last three years, the foodstuffs imported averaged ¥180,000,000 or 8.1 per cent. of the total imports. On the other hand, raw materials show the enormous figure

Table No. 2.

Structure of the import trade in recent years.

Imports	Foodstuffs		Raw materials	
	Value (In ¥1,000)	Percentage	Value (In ¥1,000)	Percentage
1926	350,280	14.7	1,341,918	56.4
1927	323,540	14.8	1,201,982	55.2
1928	298,543	13.6	1,165,198	53.1
1929	271,156	12.2	1,223,917	55.2
1930	208,296	13.5	828,552	53.6
1931	158,612	12.8	684,338	55.4
1932	160,671	11.2	838,799	58.6
1933	173,185	9.0	1,181,146	61.6
1934	174,448	7.6	1,413,856	61.9
1935	192,605	7.6	1,507,620	61.0
Average for ten years	231,134	11.7	1,138,733	57.2
Average for last five years	171,904	9.6	1,125,152	59.7
Average for last three years	180,079	8.1	1,367,541	61.5

Imports	Manufactured materials		Finished goods	
	Value (In ¥1,000)	Percentage	Value (In ¥1,000)	Percentage
1926	357,181	15.0	314,990	13.2
1927	348,160	16.0	290,475	13.3
1928	382,843	17.4	332,544	15.1
1929	355,393	16.0	345,913	15.6
1930	236,427	15.3	255,009	16.5
1931	181,136	14.7	197,533	16.0
1932	201,231	14.1	219,619	15.3
1933	328,799	17.1	220,328	11.5
1934	415,842	18.1	262,644	11.5
1935	468,616	19.0	286,292	11.6
Average for ten years	327,563	16.3	272,535	14.0
Average for last five years	319,125	16.6	237,283	13.2
Average for last three years	404,419	18.1	256,421	11.5

of ¥1,367,000,000 or 61.5 per cent., while manufactured materials imported amount to ¥404,000,000 or 18.1 per cent., these two categories combined constituting 79.6 of the total imports. Against this, the imports of finished goods amount only to ¥256,000,000 or 11.5 per cent.

During the last ten years, it will be observed that the imports of foodstuffs have shown a remarkable decrease both in absolute and in relative figures. They declined from ¥350,000,000 ten years ago to ¥190,000,000. In percentage also, there has been as remarkable a decrease, that is, from about 15 to 7 per cent. With regard to the imports of raw materials, there has not been any marked change either absolutely or relatively, only a slight increase being observable. A somewhat stronger increasing tendency is witnessed in the imports of manufactured materials, while, on the other hand, a fairly big increase is noticeable, both absolutely and relatively, in the imports of finished goods. Thus, the tendency for the imports of foodstuffs and finished goods to decline and for the imports of raw materials to increase may be noted as characterising the changes which have come over the import trade during the last ten years.

Lastly, it will be seen that over 90 per cent. of the export trade is occupied by manufactured goods (manufactured materials, finished goods and some of foodstuffs) and about 80 per cent. of the import trade is taken up by materials (raw materials and manufactured materials). While foodstuffs form about eight per cent. of the total both in the import and in the export trade, raw materials constitute 30 per cent. of the export trade and 80 per cent. of the import trade. Finished goods, unlike raw materials, are exported more than they are imported, for while they constitute about 60 per cent. of the total exports, their percentage of the total imports is about 10 per cent. As already stated, the form of the trade structure and the changes which have come over it in recent years reflect the changes which have occurred in the structure of national economy.

3. INTERNATIONAL COMPARISON OF THE STRUCTURE OF TRADE

Let me now examine how the structure of Japan's trade so far described compares with that of the trade of the principal trading countries of the world. The following table No. 3 gives a comparison in the structure of the export trade between Japan and the four principal trading countries, Britain, the United States of America, Germany and France, during the last five years:—

Table No. 3.
International comparison of the structure of the export trade.

		Foodstuffs	Materials	Finished goods
Britain	1930	8.4%	11.2%	77.2%
	1931	9.0	11.9	73.6
	1932	9.0	11.9	75.3
	1933	7.5	12.5	76.6
	1934	7.7	12.4	77.0
	Average . .	8.3	12.0	75.9
America	1929	14.6	36.3	49.1
	1930	14.3	35.5	50.2
	1931	15.7	37.2	47.1
	1932	15.3	45.1	39.6
	1933	12.3	50.3	37.4
	Average . .	14.4	40.9	44.7
Germany	1930	4.0	20.4	75.1
	1931	3.7	18.9	76.9
	1932	3.5	18.0	78.2
	1933	3.5	18.5	77.7
	1934	2.8	17.5	78.1
	Average . .	3.5	18.7	77.2
France	1930	13.7	23.3	63.0
	1931	14.1	23.6	62.3
	1932	14.8	23.1	62.1
	1933	13.7	25.7	60.6
	1934	14.4	29.0	56.8
	Average . .	14.1	24.9	61.0

Japan	1930	9.0	41.0	48.2
	1931	9.1	41.7	47.5
	1932	7.6	39.3	51.3
	1933	8.6	33.4	56.3
	1934	8.0	27.8	65.4
	Average	8.5	36.6	53.7

From the above table, it will be seen that in the case of Britain, finished goods constitute over 75.9 per cent., raw materials 12 per cent. and foodstuffs 8.3 per cent. of the total export trade, thereby showing the highly industrialised domestic economy of that country. America's exports of finished goods form 44.7 per cent. of the total export trade against 40.9 per cent. for the exports of raw materials and 14.4 per cent. for the exports of foodstuffs. As the exports of raw materials and foodstuffs combined far exceed the exports of finished goods, it is easy to imagine the vast difference existing between the domestic economy of Britain and that of America. In Germany's export trade, finished goods form 77.2 per cent., raw materials 18.7 per cent. and foodstuffs 3.5 per cent. The large proportion of finished goods and the very small proportion of foodstuffs go to show the highly industrialised state of that country. As France exports less finished goods and more raw materials and foodstuffs than either Germany or Britain, it is obvious that she is not industrialised to the extent that the other two countries are.

How, then, does Japan compare with these countries? In the exports of finished goods—53.7 per cent. of the total exports—, she ranks fourth, that is, below Germany, Britain and France but above the United States. In the exports of raw materials—36.6 per cent. of the total exports—, however, she is next only to the United States. As will be explained later on, this is largely due to the heavy exports of raw silk. So far as foodstuffs are concerned—8.5 per cent. of the total exports—, Japan comes third, with the United States and France first and second and Britain running a

close fourth. Such being the case, Japan, as viewed from the standpoint of the structure of the export trade, ranks, on the whole, below Germany, Britain and France but above America.

There is no marked difference between these countries as regards the structure of the export trade. The common tendency observable is that in all these countries, finished goods constitute the largest proportion of the export trade, and then come raw materials, foodstuffs forming the smallest part. This testifies to the fact that the economic development of these countries is taking practically the same course.

The following Table No. 4 shows the structure of the import trade:—

Table No. 4.

International comparison of the structure of the import trade.

		Foodstuffs	Materials	Finished goods
Britain	1930	45.5%	24.0%	29.4%
	1931	48.4	20.1	30.4
	1932	52.9	23.5	22.5
	1933	50.3	26.7	22.4
	1934	47.4	28.6	23.4
	Average . .	48.9	24.6	25.6
America	1929	21.8	35.4	22.6
	1930	22.7	32.7	24.7
	1931	25.3	30.7	26.2
	1932	30.8	27.1	25.7
	1933	28.7	28.9	22.2
	Average . .	25.9	31.0	24.3
Germany	1930	28.5	53.0	17.3
	1931	29.3	51.7	17.2
	1932	32.0	51.7	15.6
	1933	25.8	57.6	15.8
	1934	24.0	58.4	16.8
	Average . .	27.9	54.5	16.5
	1930	22.5	55.8	21.6
	1931	33.2	45.1	21.7

France	1932	36.8	44.4	18.8
	1933	33.8	48.7	17.5
	1934	32.3	49.3	18.4
	Average	31.7	48.7	19.6
Japan	1930	13.5	69.0	16.6
	1931	12.9	70.3	16.0
	1932	11.2	72.9	15.4
	1933	9.1	79.0	11.5
	1934	7.7	79.7	12.1
	Average	10.9	74.2	14.3

From the above table it will be noticed that, unlike the export trade, the structure of the import trade is vastly different between nations. The difference is not marked in regard to the imports of finished goods, which, in percentage, vary only from 14.3 to 25.6 per cent. Nor is it markedly manifest in the aggregate of foodstuffs and raw materials imported. Thus, the characteristic features of all countries are observed chiefly in the relative proportion of foodstuffs and raw materials.

Britain is the heaviest importer of foodstuffs—48.9 per cent. of the entire imports—, and then follow France and Germany in order. Japan's imports of foodstuffs constitute only 10.9 per cent. of the total imports—the smallest percentage, smaller even than that of the United States. This must be taken as a proof of the soundness of Japan's national economy. On the other hand, Japan is the heaviest importer of raw materials, 74.2 per cent. of her total imports being raw materials. Germany comes next and then France, Britain being the smallest importer of raw materials. In this respect, Japan and Britain offer a singular contrast with each other. While Japan is strongly self-supporting in the supply of foodstuffs and is dependent largely on outside countries for the supply of raw materials, Britain depends greatly on others for her foodstuffs, and possesses a large measure of self-sufficiency in the matter of raw materials. The other countries are not so extreme either way. Another point of

contrast between Japan and Britain is that while Japan's imports of finished goods are smaller than her imports of materials, with Britain it is the other way round.

Lastly, a general review of the structure of both the export and the import trade of these countries discloses the fact that while Britain's chief imports are foodstuffs and her chief exports finished goods, the other countries import raw materials and export finished goods most largely. In the imports of raw materials Japan stands first on the list, with Germany, France and the United States second, third and fourth respectively. In the exports of finished goods, Germany comes first, and then follow France, Japan and the United States in that order. Altogether, the features of Japan's trade are the smallest imports of foodstuffs and the largest exports and imports of materials.

4. HISTORICAL DEVELOPMENT OF THE STRUCTURE OF TRADE

When the national economy of any country makes historical development, with the economic intercourse of the country with outside countries maintained in the meanwhile, the economic development of the nation concerned—the development of and changes in its economic structure especially—is bound to manifest itself in the structure of its trade. Consequently, the historical development of the structure of trade is not only a matter of consequence in itself, but is important as a question of general economy. Especially is this the case with Japan, who, since the Meiji Restoration, has developed capitalism largely through intercourse with other countries. In her case, the development of the structure of trade affords, in a sense, a typical example of the development of capitalism.

Now in order to see how the structure of the export trade has developed, I have worked out the percentage of the classified articles of export, taking the average of every five years during the period from the first year of Meiji

(1868) to the tenth year of Showa (1935). The very interesting results are shown in Table No. 5.

Table No. 5.

Historical development of the structure of the export trade.

Average	Foodstuffs	Raw materials	Manufactured materials	Finished goods	Other goods
	%	%	%	%	%
1868-72	25.4	23.1	40.8	1.9	1.5
1873-77	39.3	14.1	39.6	1.3	4.7
1878-82	37.1	11.6	40.4	7.2	3.0
1883-87	30.4	11.5	45.2	9.4	3.6
1888-92	23.3	11.3	46.2	15.5	3.7
1893-97	16.8	10.3	43.3	26.2	3.5
1898-1902	12.0	11.3	47.2	26.7	2.8
1903-07	11.9	9.1	45.3	33.1	2.6
1908-12	11.1	9.2	48.1	30.5	1.1
1913-17	10.4	6.5	48.5	32.5	2.1
1918-22	7.6	5.8	42.4	42.6	1.6
1923-27	6.7	6.5	45.9	39.8	1.2
1928-32	8.3	4.2	39.0	46.8	1.7
1933-35	8.1	4.3	26.3	58.5	2.8

From the above table it is clear that remarkable changes have come over the structure of the export trade since the first year of Meiji (1868). The most striking fact of all is the advance of the exports of finished goods. The percentage, which was less than two per cent. in the initial years of Meiji, exceeded 10 per cent. after 1887, surpassed 20 per cent. after 1897 and 30 per cent. after 1907. After the world war, it exceeded 40 per cent., and the recent remarkable trade advance has raised the percentage even above 50 per cent. This steady advance reflects the gradual industrialisation of Japanese national economy, and it may be taken to denote a typical case of the development of national economy.

A remarkable opposite phenomenon is the decrease in the exports of raw materials. Their exports, which showed 23 per cent. in the initial years of Meiji, have declined to only four per cent. of the total exports. This is a phenomenon

concordant with the advance of the exports of finished goods. It is quite natural that, as the industrialisation of the country progresses, there should be a decrease in the exports of raw materials. There have been no marked changes until recently in regard to manufactured materials, but during the last few years they have developed a striking tendency to decrease. There has been a marked decline in the exports of foodstuffs also. At first, they represented 20 to 40 per cent., but the latest figure is only 8 per cent. This is also a natural consequence of the industrialisation of national economy. In short, in the initial years, foodstuffs and raw materials constituted about 90 per cent. of the entire exports, but now they fall short of 40 per cent. The major part of exports—about 60 per cent.—is made up of finished goods.

The results obtained by the same method in regard to the historical development of the structure of the import trade are shown in Table No. 6.

Table No. 6.

Historical development of the structure of the import trade.

Average	Foodstuffs	Raw materials	Manufactured materials	Finished goods	Other goods
	%	%	%	%	%
1868—72	29.0	4.1	20.2	44.5	2.2
1873—77	13.5	4.3	22.0	56.0	4.1
1878—82	14.8	3.5	29.9	48.6	3.2
1883—87	20.1	4.7	28.6	44.7	1.9
1888—92	21.1	12.3	25.7	39.4	1.7
1893—97	20.8	22.7	19.1	35.1	2.3
1898—1902	22.9	31.4	16.3	28.0	1.4
1903—07	23.5	33.0	16.7	25.5	1.3
1908—12	12.0	44.3	18.9	24.1	0.7
1913—17	8.9	55.8	22.0	12.5	0.8
1918—22	12.9	49.2	22.2	15.0	0.7
1923—27	14.3	53.5	16.1	15.5	0.6
1928—32	12.7	55.3	15.5	15.7	0.7
1933—35	8.1	61.5	18.1	11.5	0.8

Table No. 6 shows tendencies no less interesting than those revealed by the previous one. The most noteworthy fact is that the imports of raw materials, which constituted four per cent. or thereabouts in the initial years of Meiji, have increased so greatly that their percentage now exceeds 60 per cent. On the other hand, there has been practically no increase in the imports of manufactured materials; there is even a tendency for their imports to decrease. The imports of finished goods have declined from 40—50 per cent. to 10 per cent. or thereabouts. All this may be regarded as signifying a common tendency incidental to the industrialisation of national economy. One fact which is noteworthy as a phenomenon peculiar to Japan is the tendency for the imports of foodstuffs to decrease. In the early years of Meiji, the percentage of such imports was nearly 30 per cent., but now it stands at about eight per cent. only. It is a well-known fact that, as we can see typically in Britain, when agriculture declines, in consequence of the commercialisation and industrialisation of a country, there comes about an increase in the imports of foodstuffs, but in Japan's case, the opposite phenomenon manifests itself. This peculiar phenomenon deserves special attention as a manifestation of one important characteristic of Japanese national economy.

Taking a synthetic view of the import and export trade, it will be seen that whereas Japan exported raw materials and imported finished goods in the initial years of Meiji—a phenomenon characteristic of agricultural countries—, she later assumed the character of an industrial country by importing raw materials and exporting finished goods. But, as is clear from the steady decline in the imports of foodstuffs, she nevertheless still retains some of the characteristics of an agricultural country. There has been a decrease in the exports of foodstuffs also. Raw materials have passed from the export stage to the import. As to manufactured materials, they are still being exported in fairly large quantities, though there has been a decline in the relative importance of such exports. Finished goods have clearly entered on the

stage of exports. It is possible to trace the development of Japanese national economy from a variety of angles, but the above survey of the historical development of trade covers, without doubt, one important phase of the study of the subject, for the development of the internal structure of national economy is bound to cause changes in the structure of foreign trade.

5. CONTENTS OF THE STRUCTURE OF TRADE

Let me, now, analyse the structure of Japan's foreign trade in recent years. In order to see how the export trade is constituted, to begin with, I have drawn up Table No. 7, in which the average value of the itemised articles for the three years from 1933 to 1935, and the percentage of each article to the total value of exports, are shown.

Table No. 7.

Contents of the structure of the export trade.

Exports		Average of three years: 1933-1935		
		Value (In ¥1,000)	Percentage	
Food-stuffs	Raw	Rice and paddy	5,257	0.2
		Peas and beans	7,645	0.4
		Marine products	15,837	0.7
		Others	14,741	0.7
		Total	43,479	2.0
	Manufactured	Wheat flour	32,369	1.5
		Tea	9,809	0.5
		Refined sugar	15,339	0.7
		Beer	6,363	0.3
		Isinglass	3,559	0.2
		Canned or bottled foods	51,473	2.4
		Others	13,286	0.6
		Total	132,197	6.1
	Raw	Sum total	175,676	8.1
		Vermifuge - chrysanthemum (pyrethrum)	6,732	0.3
Waste yarn and floss silk		1,898	0.1	
Coal		11,418	0.5	
Timber		21,912	1.0	
Others	51,362	2.4		
Total	93,322	4.3		

Materials	Vegetable oils or fats	17,850	0.8	
	Peppermint oil	2,042	0.1	
Manufactured	Fish oil and whale oil	4,243	0.2	
	Camphor	4,696	0.2	
	Mint-camphor	5,081	0.2	
	Raw silk	354,909	16.3	
	Cotton yarn	25,023	1.1	
	Rayon	22,627	1.0	
	Iron	51,177	2.4	
	Copper	10,346	0.5	
	Brass	7,273	0.3	
	Braids for head-gear	6,648	0.3	
	Others	68,997	3.2	
	Total	569,912	26.2	
	Finished goods	Soap	3,575	0.2
		Matches	3,129	0.1
		Silk fabrics	72,826	3.3
Rayon textiles		106,375	4.8	
Cotton cloth		457,221	20.6	
Woollen cloth		24,876	1.1	
Cotton blankets		5,498	0.3	
Silk handkerchiefs		3,575	0.2	
Cotton towels		6,578	0.3	
Knitted goods		46,038	2.1	
Hats, caps and bonnets		16,024	0.7	
Buttons		9,179	0.4	
Trinkets		10,126	0.4	
Paper		20,474	0.9	
Cement		8,672	0.4	
Potteries and earthen- wares		40,082	1.8	
Glass and glass-manu- factures		19,373	0.9	
Iron goods		33,226	1.5	
Rubber tyres		9,593	0.4	
Machinery and parts thereof		49,163	2.3	
Brushes		4,939	0.2	
Lamps and parts thereof		16,102	0.7	
Toys		30,205	1.4	
Others	280,111	12.9		
Total	1,276,139	58.6		
Grand total	2,177,348	97.2		

According to this table, foodstuffs amount in value to ¥175,000,000 (8.1 per cent.) of which manufactured foodstuffs form the major part, namely, ¥132,000,000 (6.1 per cent.), the exports of raw foodstuffs amounting to ¥43,000,000 (two per cent.) only. The principal individual items are canned or bottled foods valued of ¥51,000,000 (2.4 per cent.) and wheat flour valued at ¥32,000,000 (1.5 per cent.). It is noteworthy that both are manufactures of modern industry.

Secondly, of the materials exported, amounting to ¥663,000,000 (30.5 per cent.), a large proportion is also covered by manufactured materials valued at ¥569,000,000 (26.2 per cent.), raw materials being only ¥93,000,000 (4.3 per cent.). Of these raw materials, timber valued at ¥21,000,000 (one per cent.) and coal valued at ¥11,000,000 (0.5 per cent.) form two main items. The principal items among manufactured materials are raw silk amounting to ¥354,000,000 (16.3 per cent.), iron valued at ¥51,000,000 (2.4 per cent.), cotton yarn, valued at ¥25,000,000 (1.1 per cent.) and rayon amounting to ¥22,000,000 (one per cent.).

Thirdly, finished goods amount to ¥1,276,000,000 (58.6 per cent.), of which cotton cloth valued at ¥457,000,000 (20.6 per cent.) constitutes the most important item. Of the other numerous articles, rayon textiles are valued at ¥106,000,000 (4.8 per cent.), silk fabrics at ¥72,000,000 (3.3 per cent.), machinery and parts thereof at ¥49,000,000 (2.3 per cent.), knitted goods at ¥46,000,000 (2.1 per cent.) and potteries and earthen-wares at ¥40,000,000 (1.8 per cent.). Taken altogether, the exports of raw materials are valued at only ¥136,000,000 (6.3 per cent.). A large proportion of the exports is thus taken up by manufactured goods which amount to ¥1,978,000,000 (90.9 per cent.). All this throws much light on the nature of Japan's export trade in recent years.

The results of the calculation made by the same method in regard to the composition of the import trade are given in Table No. 8.

According to the above table, firstly, the foodstuffs imported, valued at ¥179,000,000 (8.1 per cent.), consist largely of those in crude state, which amount to ¥134,000,000 (6.1 per cent.), manufactured foodstuffs being only ¥45,000,000 in value (two per cent.). Foodstuffs imported are, therefore, notably, different from foodstuffs exported. Of the foodstuffs in crude state, the principal items are peas and beans valued at ¥57,000,000 (2.6 per cent.) and wheat valued at ¥42,000,000 (1.9 per cent.).

Secondly, the imported materials amounting to ¥1,771,

Table No. 8.

Contents of the structure of the import trade.

Imports		Average of three years: 1933—1935		
		Value (In ¥1,000)	Percentage	
Food-stuffs	Raw	Rice and paddy	5,177	0.2
		Wheat	42,777	1.9
		Peas and beans	57,987	2.6
		Others	28,923	1.3
		Total	134,865	6.1
	Manufactured	Sugar	11,725	0.5
		Beef	6,086	0.3
		Others	27,404	1.2
		Total	45,215	2.0
		Sum total	179,413	8.1
Materials	Raw	Oil-yielding Materials	30,546	1.4
		Crude and heavy oils	94,655	4.3
		Crude rubber	46,220	2.1
		Nitrate of soda	4,258	0.2
		Sulphate of ammonium	14,766	0.7
		Phosphorite	17,370	0.8
		Oil cakes	40,637	1.8
		Cotton in the seed or ginned	683,511	30.7
		Other vegetable fibres	26,131	1.2
		Wool	180,803	8.1
		Coal	44,273	2.0
		Minerals	31,507	1.4
		Timber	43,514	2.0
		Wheat bran	7,476	0.3
		Others	133,426	6.0
	Total	1,367,541	61.5	
	Manufactured	Hides and skins	17,074	0.8
		Leathers	4,569	0.2
		Beef tallow	3,912	0.2
		Caustic soda, soad ash and natural soda	5,016	0.2
		Synthetic dyes	8,849	0.4
		Woollen or worsted yarns	2,220	0.1
		Pulp for paper making	42,141	1.9
		Pig iron	30,987	1.4
		Rails and fishplates	648	—
Other iron		140,153	6.3	
Aluminium	13,724	0.6		
Lead	16,429	0.7		
Copper	31,308	1.4		
Tin	13,856	0.6		
Zinc	7,731	0.3		
Others	76,816	3.5		
Total	404,419	18.2		

	Mineral oils (volatile)	153	}	1.6
	" " (petroleum)	35,106		
	Cotton cloth	1,688		0.1
	Woollen cloth	6,388		0.3
	Printing paper	5,846		0.2
Finished goods	Automobiles and parts thereof	26,254		1.2
	Internal-combustion engines	18,168		0.8
	Metal or wood working machinery and parts thereof	19,865		0.9
	Others	131,412		5.9
	Total	256,421		11.5
	Grand total	2,224,019		99.3

000,000 (79.7 per cent.) also consist largely of raw materials, which are valued at ¥1,367,000,000 (61.5 per cent.), the manufactured materials amounting to ¥404,000,000 (18.2 per cent.) only. Of the former, two main items are raw cotton valued at ¥683,000,000 (30.7 per cent.) and wool valued at ¥180,000,000 (8.1 per cent.). Among the various other items, the more important are crude and heavy oils valued at ¥94,000,000 (4.3 per cent.), crude rubber at ¥46,000,000 (2.1 per cent.), coal at ¥44,000,000 (two per cent.) and timber at ¥43,000,000 (two per cent.). The principal manufactured materials imported are iron valued at ¥170,000,000 (7.7 per cent.) and pulp for paper making amounting to ¥42,000,000 (1.9 per cent.).

Thirdly, the main items among the finished goods imported amounting to ¥256,000,000 (11.5 per cent.) are mineral oils valued at ¥35,000,000 (1.6 per cent.) and automobiles and parts thereof valued at ¥26,000,000 (1.2 per cent.). Altogether, the imports of finished goods amount only to ¥706,000,000 (31.7 per cent.). Articles in crude state valued at ¥1,502,000,000 (67.6 per cent.) thus comprise a large proportion of the imports. This presents an interesting contrast with the composition of the export trade, already described.

6. CONCLUSION

In conclusion, I will sum up the results of the above survey of the structure of Japan's foreign trade.

To begin with, the recent structure of trade in terms of classified articles of trade shows that manufactured goods constitute 90.9 per cent. of the entire export trade, finished goods forming 58.6 per cent. Of the entire imports, 79.7 per cent. is represented by materials, raw materials occupying 67.6 per cent. That is to say, Japan's trade has a feature common to industrial countries in that the imports are largely made up of raw materials, while the exports consist mainly of manufactured and finished goods. Japan's trade has nevertheless the peculiarity of self-sufficiency in the supply of foodstuffs. Foodstuffs constitute only 8.1 per cent. in both the import and the export trade.

Secondly, a comparison with the principal trading countries of the world shows that whereas, like all other countries, Japan exports finished goods in the largest proportion and foodstuffs in the smallest, she ranks below Germany, Britain and France but above the United States in the proportion that finished goods occupy in her export trade. On the other hand, the structure of Japan's import trade has special features of its own. It is diametrically opposite to Britain's. With the other countries the contrast is not so marked. That is to say, Japan's imports of foodstuffs are the smallest of all countries, while her imports of materials are the largest of all. Thus, it may be said that Japan's trade characteristics are self-sufficiency in foodstuffs and dependence on other countries for the supply of raw materials.

Thirdly, a survey of the historical development of the structure of trade, as reflecting changes in the structure of Japan's national economy, discloses that remarkable changes have come over the country's trade since the Meiji Restoration. In the structure of the export trade, it is noticed that whereas raw materials and foodstuffs formed big items in the early years of Meiji, they gradually shrank, their place being taken by finished goods and manufactured materials. In the structure of the import trade, the predominant place formerly occupied by finished goods and foodstuffs is now taken by raw materials. The most remarkable change in the

export trade is that the exports of finished goods, which represented only 1.9 per cent. in the initial years of Meiji, have expanded to 58.5 per cent. Equally remarkable is it that the exports of raw materials have declined from 23.1 per cent. to 4.3 per cent., and the exports of foodstuffs have decreased from 25.4 per cent. to 8.1 per cent. As marked changes which have come over the import trade may be mentioned the advance in the imports of raw materials from 4.1 per cent. to 61.5 per cent. and the decline of the imports of finished goods from 44.5 per cent. to 11.5 per cent. In spite of all this clear evidence of the industrialisation of the country, the imports of foodstuffs have fallen off from 25.4 per cent. to 8.1 per cent. This is an interesting fact illustrative of the peculiar nature of Japanese national economy.

Fourthly, this historical tendency manifesting itself over a long period is also noticeable in the changes during the last ten years. Particularly the signs of industrialisation are remarkable in recent years. In the export trade, the increase of finished goods and the decline of manufactured materials have been more striking, while in the import trade, there have been a steady decline in finished goods, an increase in raw materials and a decrease in foodstuffs. Herein lies the importance of the recent remarkable advance of the country's trade.

Fifthly, a study of the contents of the export and the import trade discloses further interesting facts. In the export trade, the foodstuffs and materials are largely manufactured goods. In the former, canned or bottled foods and wheat flour and, in the latter, raw silk, iron and cotton yarn are the main items. On the other hand, the foodstuffs and materials imported are largely raw. In the former, peas and beans and wheat and, in the latter, raw cotton, wool and crude oil form the main items. This puts the main features of Japan's foreign trade in a nut-shell. The finished goods exported are predominantly cotton textiles, and then follow in order rayon fabrics, silk cloth, machinery and parts thereof, knitted goods and potteries. The finished goods imported

are quite varied, mineral oils and automobiles and parts thereof being prominent among them.

In short, a survey of the structure of Japan's foreign trade shows—as may be shown by other means as well—that the country, while being intensively industrialised, still retains the status of an agricultural country in which the feudal element largely subsists. These two seemingly inconsistent factors in Japanese national economy constitute the important characteristics of this country. Although this peculiarity may give rise to various difficult problems, it gives peculiar strength to Japanese national economy.

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