

YOKOHAMA 11th March 1882.

TO SIR HARRY S. PARKES, G.C.M.G , K.C.B.,

*Her Britannic Majesty's Envoy Extraordinary and Minister  
Plenipotentiary in Japan.*

SIR,

We, the undersigned, residents of Yokohama, have the honour to solicit your attention to certain matters which appear, in our judgment, to have an important bearing on the future commercial, social, and general welfare of the Japanese people and ourselves.

We have the greater confidence in addressing you because we believe the pendency of treaty revision is an opportune moment to submit the views of those foreign merchants who have deeply considered the subject of this communication: and, furthermore, because, in preferring any request which may appear at first sight to confer privileges upon us superior to those to be derived from their grant by the Japanese people, we can assure you that we have endeavoured to keep in view the community of interest existing between the Japanese people and ourselves; and we have therefore abstained from pressing upon your attention any matters which do not appear to us to accord with the principle that native and foreign interests depend upon each other.

With these prefatory remarks we beg leave, at once, to introduce the substance of this communication.

By the conditions of the treaties and the resolution of the government to enforce them against certain people while relaxing them in the case of others, the numerous ports on the coasts of Japan are closed to the advantages derivable by the Japanese people from the commerce it is understood to be the desire of the government and people to extend. No foreign-owned vessel can enter a non-treaty port without permission; and that permission can only be obtained by a few privileged persons. The products of Japan, with the exception of tea and silk, are chiefly cereals, the growth of which can be very largely increased and which must far exceed in value and importance any other production of Japan known to us for which a constant demand may be relied upon. Eighty-five per cent of the vast exports of the United States consist of the products of agriculture: and vessels can load cargoes of grain at San Francisco for carriage to all parts of the world; evidence that the distances at which the great markets lie from the producing district is no obstacle to the realization of food products. Japan, with great tracts of cultivable but fallow ground exports no cereals, consequent upon the cost and insufficiency of the only available means of carriage. If this difficulty could be overcome there would follow speedy and great improvement in the quality and quantity of Japanese grown cereals. To utilize these products, markets are the first necessity. Those markets are to be found outside of Japan, and may be availed of to infinite advantage, if cheap and abundant means of carriage are placed at the disposal of the people.

It is unnecessary for us to dwell at length upon the reasons which may be adduced in support of the wisdom of measures to relax the strict conditions which surround and close the coast trade. Stated briefly they are:—

The great inadequacy, in number and tonnage, of seaworthy and sea-going vessels, under the Japanese flag, suitable for the coast-trade.

The available tonnage of the Mitsu Bishi, and other companies and private owners, fitted for safe, rapid, and insurable coast transport, does not, so far as we can estimate, exceed 50,000 to 75,000 tons.

This small quantity of shipping affords a marked contrast to the merchant navies of less populous and less favourably situated countries. Thus, according to the latest returns, Norway, with a population of 1,806,900, possessed 8,125 vessels of 1,509,477 tons, or fully twenty times the carrying capacity of the entire mercantile fleet of Japan, with a population of 35 millions.

The economic truth (embodied in the writings of the greatest political economists of all nations, tested and proved by long practical experience, and supporting the doctrine enunciated by Adam Smith) that commerce is the cause, not the effect, of navigation, cannot be disregarded without inflicting upon the nation which does so the inevitable evils inseparable from retarded circulation of commodities.

Japan is now suffering from the retarded circulation of her saleable commodities owing to restrictions on sea carriage, aggravated by the total absence of roads suitable for inland traffic connecting the producing districts with the ports from which only exportation is permitted; and even if this latter were to a material extent remedied, the insufficiency of horses, and the great distances to be traversed, are powerful and eloquent arguments in favour of the safe, cheap, and expeditious highway of the sea (which is within one hundred miles of any part of the country) being thrown open to the people of Japan.

The reports which reach us from various parts of the empire warrant the conclusion that large surplus crops of grain, principally rice, are stored in the producing districts. These surpluses may be either exaggerated or understated in quantity: but such reasonable estimates as seem justifiable and supportable point to a supply of rice alone beyond the requirements of the home consumer (and therefore a surplus supply) available for export, worth at least 30 millions of dollars in silver.

The very perishable nature of this commodity renders its early realisation an absolute necessity: and it is obvious that such realisation can only be effected by granting to native merchants or farmers facilities for placing this large surplus on a market, either here or abroad. From these facilities, if granted, many good consequences will flow. Farmers and others would find themselves in a position to utilize their surplus crops, and the instinct of gain would excite them to renewed and enlarged exertion, which in its turn would entail the cultivation of more land, the importation of foreign manures, implements, and seed corn; the construction by private enterprise or otherwise of roads, railways and canals indispensable to the conduct of greater and increasing schemes of profitable industry. These are not the remote but the immediate consequences of a stimulus to agricultural production, which, in addition, would give an impetus to all branches of trade; and a steadily increasing prosperity would be the result of the employment and utilization of

labour, and of the vast tracts of land now lying untilled and unproductive.

Nor would this great stimulus to industry benefit the people alone. More exportation means greater importation; both together mean increased national wealth. Customs and excise duties would rapidly grow; the revenue would steadily increase by the addition of a larger sum of taxation freely payable by a people adding to their own material wealth; and, though last, a most important factor is the influence an enlarged commerce would exert upon the present seriously depreciated and fluctuating paper currency. More trade means a greater demand for a circulating medium of exchange; a demand which would have a direct tendency to raise currency to a near approach to, if not entirely to par, with specie. The increased income of the government would enable them to undertake a moderate scheme of redemption of currency with specie; and that, combined with the cheering influences of reviving commerce, would inspire the people and exert a most beneficial influence upon the nation.

To ensure these wholesome and revivifying effects one measure is required by the people from the government. Whether, upon mature deliberation, that measure should be regarded as calculated to promote the interests of foreigners at the expense of the Japanese people; or as tending directly to promote the welfare of the Japanese in the first instance and improve the commerce carried on by foreigners in the next, will be sufficiently demonstrated, we think, when its nature is explained.

Upon the reasons here given we venture to suggest that the Government of Japan should be asked to permit the employment of foreign vessels in, to, and from the unopened ports of Japan, freely, without favour to persons, and subject to certain stated conditions. What these conditions should be is not a matter for us to decide: but we may for your information append an outline of those regulations which appear to us calculated to give the country the full benefit of cheap coast carriage without extending the concession too far. They are:—

1. The charter of a foreign-owned vessel for trade on the coast of Japan may be effected by any Japanese subject amenable to the laws of Japan.
2. A bureau shall be established in the capital, with branches in the principal cities and towns, authorized, upon compliance of the petitioner with the regulations enacted, to grant a permit for the charter of a foreign vessel to trade with the non-treaty ports of the Japanese empire.
3. The permit so granted may cover a period of time not exceeding four calendar months.
4. The permit shall be a pass-port issued in duplicate: the original to be deposited with the consul of the nation to which the chartered vessel belongs; and the duplicate, countersigned and sealed by the said consul, to form a portion of the "papers" of the chartered vessel.
5. The permit shall express, in clear and positive terms, the conditions under which it is granted, the regulations to be observed on entering, during the stay in, and on leaving port; the municipal, port, or harbour regulations to be followed and observed; the dues payable; and the distinguishing flag to be worn while employed in such service.
6. No person beyond the master, his officers, the chief engineer, the surgeon,

and the supercargo shall be permitted to go ashore in any non-treaty port, and then only for the business of their several departments; unless provided with separate passports obtainable in the usual course, or with the special permission of the local or other authorities.

7. The production of the permit and compliance with its conditions shall entitle the vessel therein named to all the hospitalities of the port to the full extent to which they would be enjoyable by a Japanese vessel: and for the furtherance of these purposes the permit shall be exhibited at all times on demand of any naval officer instructed for that object, or customs, harbour, or other qualified officials acting under the orders of the bureau.

8. The permit shall not be delivered to the applicant therefor until the fees specified therein have been paid.

9. Fees shall be levied either in the form of tonnage dues, or as licence for time, or in such manner, and to such extent as the bureau may direct. Such fees to be fixed and not variable.

10. The breach of any of the conditions upon which the permit was granted shall constitute an offence punishable as may be agreed upon by the contracting powers.

11. A customs or other official may, at the option of the bureau, accompany each vessel engaged under this form of charter. He shall be provided with a free passage and suitable accommodation, food, and attention while on board; but no charge for his remuneration shall be made upon the chartered vessel.

Under conditions such as these, or with such others as may be desirable, embodied in a convention sanctioned and recognized by foreign governments as well as by that of Japan, a ready and cheap means of conveyance would be immediately opened to the people; with such conveniences of transport Japanese merchants would be able either to send their produce to an open port for sale there, to send it abroad directly on their own account, or to sell in the open ports for delivery at a non-treaty port against payment on delivery, or on other agreed terms.

There is no necessity to enlarge upon the advantages which would accrue to natives and foreigners by the grant of this conditional concession. They are manifest. We believe that when the arguments in support of the concession are pressed upon the attention of the Government of Japan, they will see, equally with ourselves and their own people, how important the question is in its relation to native trade.

If, moreover, yourself or the government desire further or more detailed information or explanations, a deputation of our body would be glad to be afforded the honour of an interview for the purpose of more fully explaining these views.

The second point of mutual benefit to the Japanese people and ourselves is a concession obviously calculated to extend our commercial relations. We have not presumed to ask for any power for ourselves to conduct trade with unopened ports, nor have we asked for any other than conditional powers in that respect to be conferred upon the Japanese people, and we equally refrain from asking for unconditional extension of the limits of the treaty ports; but we are of opinion that the permission granted to us to travel into the interior might be enlarged and modified in one respect.

The present form of passport, granted by the government to foreigners at the request of their ministers, contains certain "Directions to bearer" "Local regulations" and "Additional directions issued by request of the Japanese Government." In the last named, Clause VI, reads as follows:—

"The bearer, while in the interior is "forbidden to shoot, to trade, to conclude mercantile contracts with Japanese, and to rent houses or rooms for a longer period than his journey requires."

The italicised passage, we venture to recommend, should be omitted from future passports.

Whether we may or may not trade with the people of the interior of the country through Japanese agents need not now be discussed. We are satisfied that the system of guilds and other trade combinations, over which the government have no apparent control, limits the number and class of Japanese who are entitled by the existing treaties and conventions to enjoy free and unrestricted commercial intercourse with us: and we believe that this most objectionable system can only be broken through by a government concession granting us conditional permission to travel into the interior to meet face to face with the real producers and consumers, there to arrange in person the terms and extent of our business without the intervention of third parties.

We submit that the Japanese people generally know nothing of foreign merchants except through the evil reports, false and exaggerated, circulated by those whose interests are best served by preventing that freedom of intercourse, social and commercial, expressly granted by their own government. Until some means are adopted to permit us to know more of each other, it is impossible that the mutual feelings of respect entertained by respectable Japanese and foreigners can be manifested and strengthened; and until that takes place we must perforce distrust each other. As we are now placed we are compelled to remain ignorant of each others' wishes and requirements, and submit our commercial transactions and ourselves to the mercies of men who are the remnants of an evil past, when the native merchant was an outcast despised by every Japanese of education or social status; and the foreigner was regarded as occupying the same rank and entitled to no higher consideration.

The concessions on the part of the government asked for here, may be essayed as tentative measures only. If, after the lapse of a reasonable time, they are found to infringe upon the sovereign rights of Japan, to benefit unduly the foreigner at the cost of the native, to be distasteful to the people, or to work in any manner prejudicially to the common welfare of the nation, their rescission should be provided for.

The concessions here set out appear to us to bear so closely upon the future commercial progress of the Japanese people, while they strike at the very foundations of the grievances of which foreigners justly yet vainly complain, that we have deemed them worthy of being brought specially to your notice.

We have the honour to be,

Sir,

Your most obedient, humble servants.