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County Currencies and the Manchurian Incident

YASUTOMI AYUMU

University of Tokyo

Manchuria in the 1920s-1930s did not have a Skinner-style periodic market network. Commodity distribution was concentrated in the county towns and there were few standard or intermediate market towns. Peasants in rural villages drove horse-drawn carts to county towns in winter and traded directly with merchants there. During the summer, peddlers did not travel between periodic markets but from village to village. This system was called *kenjo-keizai* (county town economy) by Ishida Kohei (1969).

There were three major reasons for this county town economy. First, there was the simple fact that peasants in Manchuria could use horse-drawn carts as there was a stable supply of horses from Mongolia and timber suitable for making wooden carts from the broad-leaf woods in the area bordering the Korean peninsula. Second, the cold winter in Manchuria greatly reduced transportation costs because the frozen rivers and roads became as flat and hard as paved roads. And third, commodity distribution was strongly seasonal because of the soybean monoculture.

Since peasants could travel very long distances, they could move their products to the county towns by themselves and sell them directly to the merchants there.

The transportation system which combined the railway with horse carts made it possible for export-oriented soybean cultivation to become widespread. This commodity production enhanced the connection between the soybean-producing peasants and the county town merchants. Commodity distribution was strongly linked to the flow of soybeans and was largely seasonal. Since the commodity distribution was concentrated in the winter, it was not efficient to keep periodic markets open throughout the year.

The county town economy resulted in a close economic relationship between the county town merchants and the rural village peasants; this allowed the county town to exert political control over the entire county. Thus the county towns in Manchuria had greater political power than county towns in the rest of China. The political unity of Manchurian counties was clearly demonstrated by the issue, circulation, and redemption of the *Ken Ryutsuken* (County Currency) during the Manchurian Incident.

On September 18, 1932, the Kwantung Army launched its plot known as the Manchurian Incident. Following the occupation of cities, the Kwantung Army swiftly confiscated the branches of note-issuing banks

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which were controlled by the governments of the Mukden clique. Halting the activity of these banks caused severe currency shortages and financial panic in almost all counties. Many counties started to issue their own county currencies in order to overcome this financial problem. The initiative was taken by the major merchants in the county towns who organized financial committees. After reaching agreement to issue local currency, these committees then got permission from county government authorities to do so.

All Japanese *Ken Sanjikan* (councilors) who entered into such counties in the aftermath of the occupation by the Kwantung Army were shocked to see the circulation of the county currencies. Some of them were angry at county town merchants because they recognized that one of the most important missions for the 'Manchukuo' government was currency unification. They felt the county currencies were symbolic of the backwardness of Chinese society. Others admired the self-governing ability of Chinese people at the county level. They correctly recognized that such self-governing committees were the building blocks of 'Manchukuo'.

Manchuria had 192 counties: Chie Fukui and I have found historical material related to this problem for about 100 of those counties. We confirmed that 50 counties issued their own currencies. The total amount of the currency issued could have been as much as one-seventh of the total value of notes issued by the Central Bank of Manchou in 1932. Since the average face value of county currency notes was far smaller than that of the Central Bank notes, we believe the latter could not be used in the countryside and that the county currency was the major currency in rural areas at least in 1932-33.

Redemption of these county currencies was rapidly achieved in 1934 when the Central Bank started to issue a large number of coins with small face values. This process paralleled the process of the Kwantung Army's "pacification" of Chinese partisans. The replacement of the county currencies with the coins of the Central Bank symbolizes the grip that the 'Manchukuo' government had on the rural communities.

It must be noted that in China in the 1910s it was normal for major merchants to issue their own currency even without permission from any authority. Usually, such money circulated only within the "intermediate market area" as in Skinner's meaning. The situation appears to have been the same in Manchuria in the 1910s. For example, in Tieling county, 256 merchants issued their own currency (Kuroda 1996). After the

Republican Revolution, the military cliques in all areas of China tried to unify currency-issuing rights in their own hands. Their policies faced difficulties in all areas except Manchuria. In the 1910s, the Mukden clique easily succeeded in replacing the private currencies with official ones issued by the provincial banks. By the end of the 1920s, private currencies had become the exception. When the Manchurian Incident caused financial panic in rural areas, the system of private currency revived, but it took the form of the County Currency, the circulation of which was not limited to a market area but extended to a larger area, the county. This clearly indicates that a county which on average had 200,000 people was the unit of local community in the Manchurian rural areas in 1932.

I speculate that the county town economy system allowed Manchurian society to experience rapid economic growth in the 1910-20s, with the exponential growth of soybean exports to Japan and Europe being a major contributing factor. A kind of soybean monoculture emerged during this period. In order to organize this kind of monoculture, merchants needed the power to persuade peasants to produce soybeans. The political unity of a county would have greatly enhanced the merchants' ability to control peasants. When peasants started to produce soybeans as a commodity, their dependence on county town merchants was increased. The merchants supplied funds, daily commodities, and agricultural devices and purchased the products of the peasants. The peasants' increased dependence on the county town merchants enhanced the political unity of the county.

The Mukden clique under the leadership of Zhang Zuolin developed rapidly in the 1910s and 1920s. They unified the Eastern Three provinces. They even dominated politics in Beijing during the 1920s. The base of this clique's strength may well have been support from merchants in county towns who had the power to control the rural peasants. During the same years that Zhang's clique was developing, the monoculture and export of soybeans was also developing rapidly. County town merchants and the Mukden clique succeeded in controlling the routes along which the soybean exports moved. The clique combined its banks with its soybean trading houses to acquire foreign exchange from the export of soybeans. It used these foreign exchange funds to purchase modern weapons and drastically increased its armaments. This process not only helped

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An Important Japanese Source for Chinese Business History

JOSHUA A. FOGEL
Princeton University

In the course of recent research on the early history of the Japanese community of Shanghai, I came across a source of prospective interest to anyone concerned with Chinese business history in the nineteenth century. It was a monthly publication entitled *Shanghai shōgyō zappō* (Shanghai commercial reports), published in Shanghai by the "Shanghai shōdōkai" (Shanghai commercial association) between July 1882 and October 1883. Initially it appeared monthly, with the last few issues coming less frequently. Little is known about the publishing group or about the editor. Oka Masayasu, who was also the secretary of the "Shanghai shōdōkai." Offices were first listed at Number 7 Jiangxi Road in the British Concession but soon moved to the grounds of the Mitsui Bussan Company at Number 11 Sichuan Road. This was, significantly, the first serial published by the Japanese community of Shanghai.

The paper was published in a current early- to mid-Meiji style of unpunctuated Japanese, relatively easy to read. The Japanese community at the time numbered only a few hundred, most of them businessmen (aside from the still prominent group of Japanese prostitutes in the burgeoning international port, who presumably had nothing to do with this serial). As the first article in its first issue makes clear, it was aimed at describing business conditions in China (not just Shanghai) for the Japanese there—and for those back on the home islands who did business with the continent. Agencies sold it in Tokyo, Osaka, Nagasaki, and Hakodate as well as in Shanghai.

When the idea for the organization which published *Shanghai shōgyō zappō* was suggested to Shanghai Consul-General Shinagawa Tadamichi in December 1879, he heartily supported it. This offers another interesting glimpse of the symbiotic relationship between the consulate and nascent business concerns at the time, a topic that has been developed by a number of Japanese scholars who have worked on the subject. The paper's statement of purpose included describing commercial conditions, goods and quantities available, prices, etc., all over China.

One fascinating article in the second issue entitled "Shina tsūshō ron" ("On trade with China") by Enami Tetsuo offers an evaluation which gives us a good sense of where on the political spectrum this journal saw itself. Enami notes that in the old "barbaric age," if a person or state wanted something in another's possession, they simply stole it and killed as necessary. But, in the present "civilized age," *bun* (Chinese, *wen*) had transcended *bu* (Chinese, *wu*), and the expansion of trade represented one such civilized mode of behavior. In the past the road to wealth and power was warfare, but now, trade and commerce had become the equitable modes of operation. Enami points to the 1872 Sino-Japanese treaty and the flourishing trade it has, in his opinion, reaped. He does note in passing that many Chinese remain arrogant in their relations with others, but the implication is that the practice will pass with time. This attitude seems fully in keeping with the "Civilization and Enlightenment" mode of early Meiji Japan, here applied to foreign trade and international relations.

Articles in *Shanghai shōgyō zappō* include translations from the English-language press of Shanghai, such as *Shanghai Mercury*, and translations of all the major treaties recently concluded between the powers and China. None of this is terribly interesting in and of itself. What is interesting and of considerable use to scholars are the numerous tables and charts of imports and exports of countless products, the listings of ships (sail and steam) by country calling at the port of Shanghai, the great detail on such items as coal, tea, and other products (and their sub-varieties) which we now know were elemental to the international trade of nineteenth-century Shanghai. Also, the Shanghai market prices on a long list of goods are given in tabular form, as are shipping and storage costs.

Shanghai shōgyō zappō disappeared without a trace in the fall of 1883 and is rarely mentioned today even in histories of the Shanghai press. Its last issue carried a story on the Chinese *huiguan* (Landsmannschaft)

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Research Note: The Collection of Japanese Materials at the Ōita University's Research Support Office

KAI YIU CHAN
Tunghai University

This short report introduces useful materials held at the Research Support Office, Ōita University (located in Ōita Prefecture south of Ōita City) for scholars of Chinese business history. It also comments on the working conditions at Ōita as I experienced them during my research trip in July 2002. The Office is part of the Faculty of Economics and holds a collection of pre-WWII and wartime Japanese surveys on the political, economic and social conditions of both domestic and foreign fronts. Ōita University inherited the books and materials from its predecessor, the Ōita Higher College of Commerce (*Ōita Kōto Shōgyō Gakko*) and established the collection. According to Professor Kanemaru Yuichi of Ritsumeikan Asia-Pacific University (APU, in Beppu, Ōita Prefecture), the College was one of the commercial colleges established by order of the Ministry of Education to train Japanese personnel to work in its overseas empire (Formosa and Korea), Manchuria, China and Southeast Asia.

My fortnight research trip began with personal introductions to the Office by two APU professors, Kanemaru Yuiichi and Xu Jinsheng. (A letter of introduction would also be sufficient as the Office is basically open to outside users.) The Office is run by two assistants, who were very kind and helpful during my short stay. The materials are catalogued, and the user can find several copies of the printed catalogue on the shelf.

The catalogue is a four-volume publication which was compiled and published in the 1980s. One of the volumes covers colonial and overseas materials; another covers Japanese domestic materials; the other two cover journals in Japanese and European languages. For a Chinese/Taiwanese historian like myself, the first volume on colonial and overseas materials is most relevant. These materials are mainly from the period running from the mid-1920s to 1945, although some reports or surveys may be earlier or later than this time frame. Each chapter contains one area or country, such as Formosa (Taiwan), Korea, Manchuria, China, Thailand, etc., which formed a political unit under Japanese

pre-1945 categorizations. Chapters are further subdivided into different subjects—economic, social, industrial, political, religious, etc.

While the cataloging system was probably perfectly well-fitted to the original arrangement of the collection, the compilation of an author catalogue would make it more user-friendly. Since these surveys and books were published by institutional units which were possibly linked with policy-making bodies in Imperial Japan, an author catalogue would certainly help the user to identify the complexities of and changes in emphasis in the government's research during the 1930s and 1940s. An author catalogue would also make it easier to understand the history of these agencies' research as well as the aims and contents of their publications.

After locating the title and serial number in the catalogues, one can request up to ten items by filling out a standard form. Upon receiving the request form, the assistants bring the materials from the stacks. Basically, I was able to have access to all items I intended to read, except for one that was reported as missing or improperly filed.

The collection itself contains mainly series of surveys and reports published by different agencies of the prewar Japanese Empire. These agencies include such well-known organizations as the South Manchurian Railway Company, Yokohama Specie Bank, Bank of Taiwan, Asia Revitalizing Council (*Kōa In*) and the Taiwan Governor-General's Office. However, sources from several minor but not unimportant organizations, such as the Osaka Chamber of Commerce and the Dairen Japanese Merchants' Association, can also be found. The collection also includes annual or even monthly reports from these agencies and organizations on specific areas. Some of the reports may be original surveys conducted by these agencies; some others are perhaps translations from Chinese or other languages. One can sometimes find off-prints of articles from journals, such as *Shina Kenkyū*, which were sent to the commercial college by the authors themselves. Although there is no concrete figure about the completeness of

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A Treasury for the Study of Chinese Business History: The Microfilming Project for the Shanghai Business Archives

CHENG LINSUN
University of Massachusetts

A project for preserving and providing access to the Shanghai Business Archives has been successfully completed at the Center for Research on Chinese Business History (CRCBH) of Shanghai Academy of Social Sciences (SASS).

Over the past several decades, SASS collected many original documents left by large private companies such as the Rong family enterprises and the Liu Hongsheng family enterprises, as well as other business documents collected by the Institute of Chinese Economic Statistics during the 1930s and 1940s. The collection is an unusually rich resource for the study of Chinese business history. For example, the enterprise files of Liu Hongsheng (known as China's "King of Enterprises"), which were donated by his family, contain personal correspondence between Liu and his family, his correspondence with many business owners and government leaders, minutes of board meetings, and contracts of his company from the 1920s to 1950s. As Andrea McElderry commented, "the collection is all the more valuable since companies usually maintain control over their records (regardless of the country they are in); such records are rarely readily available to scholars. Hence this collection represents a valuable resource for business history in general and not just for the study of Chinese business."

For studies of Chinese business and economic history as well as of Chinese society, the value of this project cannot be overestimated. Not only will business historians benefit from these documents, but scholars who work on more contemporary issues in Chinese studies will also be able to take advantage of the preservation of these documents. The vivid examples drawn from these materials will certainly help them perceive the essence of Chinese entrepreneurship, analyze the common business strategies that Chinese private businessmen developed in dealing with foreign and domestic competition, and understand the causes leading to the rise and fall of China's largest private companies. With accelerated privatization of contemporary Chinese business, these documents can also potentially provide lessons for China's new private entrepreneurs.

Unfortunately, most of the Center's holdings are highly fragile since many of them were handwritten on low quality paper more than half a century ago. Some have already been damaged by high humidity, extreme temperature, insects, water and even floods. Many scholars have seen documents that were frayed at the edges and stuck together as a result of water damage. Some are so fragile that they have begun to disintegrate. Had the documents remained on the shelves, these problems alone would have given them a short shelf life as historical sources. To make matters worse, these documents have had much handling since the CRCBH opened in 1992; scholars have made intensive use of them. Obviously the more these documents are used and handled, the greater the danger that they will disintegrate.

Sponsored by the Henry Luce Foundation and coordinated by the University of Massachusetts-Dartmouth, the project began in 1999. An international advisory committee was organized to supervise the work. Chaired by Sherman Cochran, the committee included Chinese business historians, librarians and microfilm experts from America (Linsun Cheng, William Kirby, Andrea McElderry, Diane Perushek, Kathlin Smith), Australia (Lai Chi-kong), China (Huang Hanmin, Qin Zhengfu, Sun Zuwei), France (Wang Ju) and Japan (Hamashita Takeshi).

Cooperating with the University of Massachusetts-Dartmouth and Fudan University, CRCBH began to repair and microfilm these documents in early 2000. All documents have been carefully repaired and reorganized. Of the available documents, the Advisory Committee and CRCBH selected 4,000 files to microfilm. After more than two years of hard work, CRCBH now has finished all 300,000 frames of microfilm. These microfilms were done by Fudan University's Library Microfilm Laboratory in accordance with the strict international standard and are of very high quality. Mr. Julio Borrios, the former head of the microfilm division at the Library of Congress, highly praised the quality of

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Personal Savings Accounts and Individual Autonomy in Shanghai before 1937

TSAI WENPIN
Leeds University

In the early twentieth century, personal savings accounts became an option for Shanghai residents. Managing personal savings meant that Chinese people had to come to terms with several new ideas. Among the concepts that savings involved were, first, Western-style banking processes, based on rational calculations of such things as interest rates and definite periods of time. Second, savings accounts also turned money into an abstract concept. In other words, a personal tie to one's savings was transformed from a relationship with concrete objects to a relationship with numbers printed in a savings book. For ordinary Chinese people, saving had usually meant hiding money under the bed; now it was transformed into a set of figures. Third, because interest rates and periods of time could be counted and produce rational expectations, the future could be planned. When individuals were able to plan their own futures, their power and confidence grew. This kind of personal inner power was a key element in the development of individual identity and autonomy which accompanied the flourishing of commercial life in early twentieth-century Shanghai.

The concepts of commerce and luxury were deeply connected to the new commercial Shanghai. *Shenbao*, one of the largest commercial newspapers, epitomized the spirit of the busy city.¹ Banking advertisements and a variety of related news formed a large part of the commercial coverage of *Shenbao*, and the new form of personal financial organization, the bank account, was particularly prominent here. It was not only young bankers who noticed the possibilities of personal savings accounts, but also pioneers of Chinese modernity such as Wang Zhixin and Ma Yinchu.² For them, savings were the first step to attaining individual autonomy, because they gave people the confidence to use their personal will and fulfill their potential. A person who was able to manage his own money was trusted and respected by others (especially the senior members of the family).

In order to attract as many people as possible to open accounts with them, modern banks had to offer the public good deals and attractive advertisements.³

Moreover, the language used in the advertisements had to demonstrate familiarity with the details of people's lives in order to make them feel that they were the audience that banks were speaking to. As on many other occasions in the development of Chinese modernity, the style of language became critical in reducing the boundary between new ideas and the common people.⁴ The modern Chinese bankers understood this. By employing easy and plain language in their advertising, they intended for people to link their futures with personal bank accounts by abandoning their old style of savings and accepting the new methods. For example, an advertisement called "The living savings box" (*huo puman*), placed by the International Saving Society⁵ in *Shenbao* said "the savings box (*puman*) style of savings is the old Chinese method... Because [Chinese people] do not have a real place for savings, the savings box can only be called a collecting container, rather than a savings container. Now the 'International Savings Society' is the most reliable 'living savings box': it will grow interest."⁶

Moreover, modern Chinese banks also required their employees to be polite to their customers.⁷ Voices from the common people alerted banking staff to the need to improve their attitude toward their small depositors. "Being polite and not showing a disdainful attitude to customers who make inquiries, memorizing [each] client's circumstances, not damaging the relations between hosts and clients when banks reject people, not letting people wait for too long, and greeting customers by smiling" were people's basic expectations.⁸ Following the popularization of personal savings accounts and the free use of personal incomes, Chinese people acquired not only the idea of planning their futures, but also self-esteem and individual rights; they required more respect from bank clerks.

Saving was particularly important in the history of modern Chinese women's liberation. For example, the famous economist Ma Yinchu stressed that economic self-reliance was the first step to self-improvement. Apart from having her own job, the most fundamental factor for a housewife's self-reliance within the family

was having a conception of saving and organizing the family income wisely.⁹ Another article, "A housewife should pay attention to family economics," reminded housewives of their important position in the family and of their essential obligation to manage the family finances correctly and economically. It suggested housewives should make a family budget table at the beginning of the year, list all the normal annual expenses, then put the rest of money in bank accounts. It also reminded housewives to make price comparisons to avoid waste.¹⁰ Housewives were expected to control this very critical part of domestic practice. The wife was recognized as an economic animal,¹¹ and this kind of recognition bred confidence in the modern housewife's ability.¹² As some organizations had noticed, women were important potential clients: they emphasized their "female friendly" service environments. For example, The Woman's Commercial Savings Bank announced themselves in their advertisements as a bank which specialized in female business, although they also had male customers.¹³

Good interest rates, stable growth, and a long history were the key points by which banks recommended themselves to society. However, apart from high interest rates, the low entry level and variety of account types seemed to create more possibilities for both banks and people. In 1915, the Shanghai Commercial and Savings Bank (SCSB) invented the "One dollar savings" (*Yiyuan chuxu*) service.¹⁴ This new policy broadened the market and was copied by many other banks. "One dollar savings" ended the stereotype that only wealthy people could have banking accounts and invited the common people to join in. Furthermore, in order to satisfy their clients' different needs and plans, particularly those with small amounts of income and little spare money, banks had to design various savings programs. Apart from current accounts and different kinds of fixed term accounts, including installment accounts, fixed amounts savings and amortization savings, there were also savings plans for education, weddings, and savings for life after retirement.

The success of low entry requirements and the varieties of savings plans vindicated bankers' belief about the high potential of personal savings. The number of people with savings accounts grew. "One dollar savings" allowed youths, including young students, to organize their money and cultivate the idea of independence from an early stage. Judging from essays by the participants in the Savings Essay Competition held in Spring 1934 and sponsored by the Xinhua Trust

and Savings Bank (XTSB), young students (primary and middle school students) had many ideas about how to save money and how to plan their futures based on very limited financial resources.¹⁵ The articles of the Savings Essay Competition demonstrated that, on the one hand, members of different adult groups (university students, employees and, unusually for the time, housewives) were all seeking to pursue individual goals, such as further study overseas, or saving capital with which to open their own firms.¹⁶ The low-level saving services permitted all these groups to enter this novel individual savings schedule. On the other hand, adults had to look after their families and were concerned more with the savings plans for retirement and married life. Housewives had their own careful considerations about family economics. For example, many of them not only thought about their children's education, but also about their pensions. This can be seen as an example of how Chinese parents started to abandon the tradition of relying on their children in their old age.

The transformation of Chinese banking in early twentieth century Shanghai not only reflected the history of Chinese modernity, but also the progress of individual autonomy. The new banking system started to break down old popular concepts of financial management. A personal savings account was presented to ordinary people as a means to a stable future. Further, "One dollar savings" meant saving was no longer the privilege of wealthy people exclusively, but was open to the public, including women and young people. In turn, confidence in the success of this novel banking service relied on the growth of depositors' autonomy. Only when people were allowed to manage their money freely could personal banking securely establish itself.

NOTES

1. Advertisements occupied a huge amount of space in *Shenbao*. According to the survey, *Shenbao's* advertisements occupied more than half of the whole paper. Even with regard to the news coverage itself, economic and financial news constituted the majority. See Zhu Ruiyu, *Shenbao fanying xiade Shanghai shehui bianqian, 1895-1927* (The reflection of Shanghai's social transformation in *Shenbao, 1895-1927*), MA thesis, Taipei: Guoli Taiwan Shifan Daxue, Lishi Yanjiusuo, 1990, pp. 37-8. After 1924, *Shenbao*, while it retained its original local news column, gave even more space to local commercial news. An additional local news column (*Benfu zengkan*) was treated as a notice board for all sorts of Shanghai shopping and entertainment news.

2. Many articles in *Shenbao*, *Shenghuo* (Life Weekly) and *Funu zazhi* (Women's Magazine) associated the idea of savings with individual freedom.

3. The words used in savings account advertisements had to evoke people's ideas about looking after their own interests. For example, the International Savings Society claimed "If only you have savings, you won't be afraid of poverty." *Shenbao*, May 23, 1920: Dalu Bank announced it was "Giving a special deal to students and employees," *Shenbao*, May 13, 1931: and Guotai Commercial and Savings Bank stated "Savings is the only way to fortune," *Shenbao*, May 20, 1934.

4. Li Xiaotai. *Qingmo de xiaceng shehui qimeng yundong, 1901-1911* (Lower class Enlightenment in the late Ching period: 1902-1911). Taipei: *Zhongyang yanjiuyuan jindaishi yanjiusuo*, 1998.

5. The international Savings Society (*Wanguo chuxuhu*) was the most famous savings society in Shanghai in early Republican China.

6 *Shenbao*, May 16, 1920.

7. For example, "Suijiyingbian (Act according to circumstances)" in *Xinye youcheng* (*Bulletin of Zhejiang xingye yinhang*), Issue 4, December 9, 1932, p. 1; "Wu lixiangzhongde Xinhua yinhang (My ideal Xinhua Bank)" in *Xinyu* (*Bulletin of the XTSB*), Vol. 4, Issue 1, January 1, 1936, pp. 2-3; Chen Guangfu, the founder of The Shanghai Commercial and Savings Bank, made it a principle that his staff must be very polite and patient with their clients, small depositors. In his address to his staff in Qingdao branch, he emphasized that they must appreciate their customers business no matter whether it was for one or 100 Chinese dollars. They must do their best to give their customers convenience, and the staff must be friendly to businessmen. Chen said that "the customer's psychology always favors a busy place," because the sight of a busy firm will make people trust it. He claimed that the aim of SCSB was to serve society and not just make a profit. Therefore, even though some services would not make a profit, they still had to be offered. *Chen Guangfu xiansheng lüezhuan* (The short biography of Chen Guangfu). Taipei: Shanghai shangye chuxu yinhang, 1977, p. 31.

8. Shen Lu, *Wode chushu jihua* (My savings plans), ed. Wang Zhixin. Shanghai: Xinhua xintuo chuxu yinhang (Xinhua Trust and Savings Bank), 1934, p. 72.

9. Ma Yinchu, "Zhongguo nuzijingji wenti (Chinese women's economic problems)," *Shenghuo zhoukan*

(Life weekly). Vol. 2. Issue 6, November 28, 1926, pp. 36-7.

10. Jin Zhongxiu nushi, *Shenbao*, May 8, 1924.

11. Lydia Liu used the phrase "economic individual" to describe Xiangzi, the protagonist of *Camel Xiangzi*. See Liu, *Translingual Practice: Literature, National Culture, and Translated Modernity - China, 1900- 1937*, California: Stanford University, 1995, p. 108.

12. Susan Glosser, "The business of Family: You Huaigao and the Commercialization of a May Fourth Ideal," *Republican China*, April, 1995, pp. 81-116.

13. *Xinminbao*, August 3, 1946, Shanghai Municipal Archives, Q 78-2-13988, p. 9.

14. *Shanghai shangye chuxu yinhang* (The Shanghai commercial and savings bank). Taipei: Shanghai shangye chuxu yinhang, 1999, p. 12. However, in an interview with Hong Jiaguan, a scholar of Chinese financial history and the former Vice Chairman of Shanghai Banking and Finance Society, I was told that the Hong Kong and Shanghai Banking Corporation had already had a "one dollar savings" service during the 1880s. So far I have been unable to find evidence to confirm the claim.

15. This was commonly mentioned by the participants in the competition. The topic of the essay competition was "My savings plans." Participants were divided into five categories: primary school students, middle school students, university students, employees, and housekeepers. Although this book only collected twenty-four articles, there had been a thousand entrants by the end of July

16. *Ibid.*

A Japanese Source for Chinese Business History *Continued from page 3*

system which its author saw as a force for commercial cohesion among Chinese of the same province; he notes as well that Shanghai had a full panoply of *huiguan* and offers a description-translation of the rules and regulations of the Guangdong *huiguan* of Shanghai. The careful reader may detect a note of envy that Japanese merchants lacked such solidity away from home. Several pages later the journal disappeared forever. It can now be found at Hitotsubashi University Library and the Meiji shinbun zasshi bunko at Tokyo University.

Microfilming Project for Shanghai Business Archives
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these microfilms as "above the minimum international standards. In fact, it exceeds them by far. The resolution and the density of the film ... the quality of the processing of the film is excellent." Stored in a new temperature and humidity controlled storage box, these documents will be available to international scholars today just as they will be five hundred years from now when it is doubtful that the originals will still exist.

To provide better access to Chinese and foreign scholars, a catalogue was carefully compiled. In addition, Professor Huang Hanmin and other Chinese scholars reviewed all microfilmed documents and wrote a brief introduction for each of the 4,000 files. The introduction (in Chinese) includes collection name, title, author, date of the file and a brief description of the major contents of each document. CRCBH has printed the catalogue with the introductions in a 685-page book entitled *Contents and Brief Introductions to Chinese Business History Microfilm Material (Zhongguo qiyesi suwei ziliao mulu yu jianjie)*. The book provides scholars with a tremendously convenient way to use these valuable documents. The book is available for purchase by contacting Professor Lu Xinglong, the new director of CRCBH. (His address is Economics Institute, Shang-

hai Academy of Social Sciences, 7/622 Huaihai Zhong Lu, Shanghai 200020. Or contact him through Zhang Zhongmin, e-mail: zzhmin@public8.sta.net.cn) Until June 2003, it can also be viewed online at: www.people.fas.harvard.edu/~scheng/sass/index.htm

Sherman Cochran, in his recent book, *Encountering Chinese Networks: Western, Japanese and Chinese Corporations in China, 1880-1937*, made intensive use of the documents in the Liu Hongsheng file stored at CRCBH. As part of the project, the book was translated into Chinese and published in August 2002 by Shanghai Academy of Social Sciences Press. To celebrate the accomplishment of this project, the Institute of Economics at SASS held an international conference in August 2002 to discuss various issues of Chinese business history, which will be introduced in detail in the next issue of *Chinese Business History* (spring 2003).

Editor's note: Professor Cheng has modestly omitted himself from the credit for completing the project described above. He was the director of the project and had responsibility for coordinating the groups involved, purchasing and transporting equipment and supplies, and performing many other tasks. He is also the translator of Sherman Cochran's book Encountering Chinese Networks. On behalf of the many scholars who will benefit from this project, I extend our appreciation to him.

Sample of the file brief introduction: Liu Hongsheng Enterprises (translated from the Chinese)

Vol. No.	Title & Introduction	Time	Pages	Microfilm file no.
04-001	China Enterprises Bank	1931-50	169	01-108:01
	Including process of creating the bank and the bank's business correspondences: annual business reports, 1931-45; records of the stockholders meeting, bank business meetings, Board and Supervise committee meetings; documents regarding various stockholders' capital; the bank's investment on various businesses; balance sheets and other financial data			

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MARILYN SLAUGHTER: Education and Women Workers in the PRC.

County Currencies and the Manchurian Incident

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increase the Mukden clique's influence in the competition among military cliques but also helped it to stabilize its authority within Manchuria. This process may have also contributed to greater political unity in each county and to an increase in the authority of the county town. If this authority stabilized the relationship between county town merchants and peasants, then there was an incentive for peasants to switch from self-sufficient corn production to the riskier but more profitable production of soybeans. The political unity symbolized by the County Currency came from this kind of process.

When the Japanese army provoked the Manchurian Crisis, it quickly succeeded in establishing the puppet state of 'Manchukuo'. Through the efforts of both the army and the government, currency unification was achieved within a few years and "pacification activity" was also rather successful. The government of 'Manchukuo' enjoyed relative stability after 1935 and even succeeded in forcing peasants to ship their harvests into the government's hands after 1943. The success of the Japanese army in Manchuria contrasts sharply with its failure in North China after 1937. It is well known that the army could occupy only county towns and railways and faced fierce resistance from partisans based in the interior of North China. However, we must also note that in Manchuria the Kwantung Army had only 10,000 soldiers and likewise could occupy only county towns and railways.

Zhou Enlai predicted that the Japanese army could not occupy all 3,000 cities in northern China. If it actually could occupy the 3,000 cities, it would have to split its units into very small groups, and the Chinese side could destroy such small groups one by one. This prediction turned into reality in North China. However, the Kwantung Army, which faced a similar situation, succeeded in establishing and holding 'Manchukuo'. Zhou Enlai's simple theory cannot explain the difference between North China and Manchuria. The usual reason given is the difference in the stance of the Chinese side. In Manchuria, the policy was nonresistance, but in North China the Chinese side fought very energetically. I am not content with this traditional explanation and I believe that the difference between the marketing patterns must be taken in account.

North China had a Skinner-style network-type market system in which county towns did not have a direct grip on rural villages. The fact that the counties of

the Shandong province had a variety of private currencies even in the 1940s clearly reflects this kind of complex market system in North China. In contrast, Manchuria had a different market system where county authorities had significant power over rural villages. So it is logical to assume that when the Japanese army occupied Manchurian county towns, it could extend control over the entire county, but it could not do so in North China. The market system which strengthened the political and economic power of the county authorities in Manchuria in the 1920s contributed to making it fragile when attacked by the Japanese army in the 1930s. By contrast, the system which weakened county authority in North China in the 1920s contributed to tenacious resistance against the invasion of the Japanese army in 1930s.

Note: This short article is an abstract of Yasutomi (2002) and Yasutomi and Fukui (2002).

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Collection of Japanese Materials at Ōita University

Continued from page 4

these publications, Professor Kanemaru believes that it is one of the few places in Japan with such a high concentration of these materials under one roof. Scholars can thus save the trouble of visiting many places to look for these sources.

This collection has unique aspects. It houses huge numbers of Japanese newspaper clippings from the 1930s and 1940s. These clippings mainly came from the overseas editions of major presses, including *Asahi Shinbun* and *Mainichi Shinbun*. They are all arranged

according to subject and area and so are convenient for users. According to Professor Kawashima Shin of Hokkaido University, it is believed that these newspaper clippings were compiled by the staff of the Ōita Higher College of Commerce. They provide a unique source of information on overseas news and on contemporary perspectives on current events.

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To conclude, the collection of the pre-WWII and wartime Japanese materials at Ōita University is certainly an important one for scholars. As the Office becomes more open to outsiders, there will undoubtedly be more users. The staff at the Office has my deep appreciation for their efforts to preserve the materials and to make them available for scholarly use.

Notes on Contributors

KAI YIU CHAN is Assistant Professor of History at Tunghai University, Taiwan. His research interests include Chinese business institutions, organizational structure, accounting systems and cross-cultural business practices. He is the author of several articles on Chinese business institutions and finance and on the socio-economic history of Taiwan Aborigines. His doctoral thesis, "The Structure of Chinese Business in Republican China: The Case of Liu Hongsheng and His Enterprises, 1920-1937," is being revised for publication. He is currently researching the history of modern China's grain trade networks and organization.

LINSUN CHENG is Associate Professor of History at the University of Massachusetts-Dartmouth. He directed the microfilming project described in his article. His book, *Banking in Modern China—Entrepreneurs, Professional Managers and the Development of Chinese Banks, 1897-1937* is forthcoming from Cambridge University Press (March 2003). He is the translator of Sherman Cochran's *Encountering Chinese Networks (Dagongsi yu guanxiwang—zhongguo jingnei de xifang, riben he huashang daqiye, 1880-1937)*. Shanghai Academy of Social Science Press, 2002.) Currently, he is working on a project which examines the Guomindang government's economic policies from the 1930s to 1950s on the Chinese mainland and in Taiwan. *E-mail: lcheng@UmassD.Edu*

JOSIUA FOGEL is currently Mellon Visiting Professor of East Asian History at the Institute for Advanced Study, Princeton University, on leave from the University of California, Santa Barbara. He has published extensively on the Japanese view of Chinese history and

culture and, more recently, on Chinese views of Japan. He is presently working on the formation of the Japanese community of Shanghai, c. 1860s-1890s.

E-mail: fogel@ias.edu

WEIPIN TSAI is a doctoral student in East Asian Studies at Leeds University. His dissertation "The Individual in Shanghai, 1914-1937: A Study of *Shenbao's* Advertisements" will focus on advertisements for items such as cigarettes, personal savings accounts, and domestic products; it will also look at the roles of modern women as portrayed in ads and study the concepts of individualism found in "Random Talk," a famous column in *Shenbao*. In November, he is presenting a conference paper "The Conflict between Commercialism and Nationalism in Shanghai before 1937: the Case of Cigarette Advertisements" at the Institute of Modern History of Academia Sinica, Taipei. *E-mail: weipin30@hotmail.com*

AYUMU YASUTOMI is Associate Professor in the Department of Asian Studies, Graduate School of Arts and Sciences, University of Tokyo. He has published '*Manshukoku no Kinyu* (Finance in 'Manchukuo,' Sobunsysa, 1997) and *Kahei no Fukuzatusei* (The Complexity of Money, Sobunsysa, 2000). Currently he is doing a comparative study of communication patterns in Dongbei, Shandong, and Shaanxi and also researching the building of an ecological economy in northern Shaanxi. *E-mail: yasutomi@ask.c.u-tokyo.ac.jp*

Correction: Brett Sheehan's e-mail address is: bsheehan@facstaff.wisc.edu. (The address was incorrectly listed in the Spring 2002 issue.)

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Contact:

Andrea McElderry, Editor
Chinese Business History
History Department, University of Louisville
Louisville, KY 40292 USA
phone: 1-502-852-6817; fax: 1-502-852-0770
e-mail: andrea.mcelderry@louisville.edu

Associate Editors:

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