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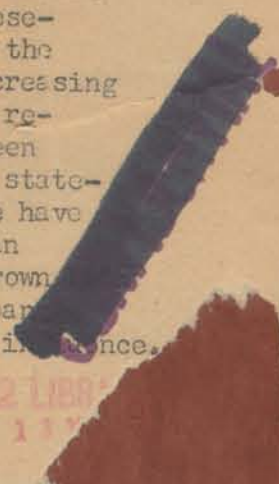
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HONG KONG UNDER MILITARY GOVERNMENT

This is a translation of an official Japanese publication prepared by the Far Eastern Economics Bureau of Hong Kong under the supervision of the Information Department of the Japanese Government, General of the Hong Kong Occupied Territory. It presents a virtually encyclopaedic survey of Hong Kong, stressing its value to the Empire, and enlarges upon the benefits to the populace conferred by the Japanese Government, in contrast to the "exploitation" under the British rule. The future role of Hong Kong as a key point of a Japanese-dominated East Asia is a central theme; and the suggestion that Japanese rule will bring increasing social benefits to the masses is constantly reiterated. Much of the basic material has been compiled from British sources; and detailed statements of measures undertaken by the Japanese have been worked into the text so as to present an integrated whole. Considerable light is thrown directly and inferentially on long-range Japanese plans for Hong Kong as a center of Japanese influence.



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HONG KONG UNDER MILITARY GOVERNMENT

TABLE OF CONTENTS

	<u>Page</u>
Official Notice.....	1
Introduction.....	2
Preface.....	3
<u>PART I. GENERAL DESCRIPTION</u>	
Chapter I. The Greater East Asia War and the New Hong Kong....	6
Section 1. The Position of Hong Kong Separated from Britain.....	6
Section 2. Its Underlying Political Importance.....	7
Section 3. Its Economic Importance is as Great as Ever....	10
Section 4. Its Present Degree of Usefulness and Its Future.....	13
Chapter II. History.....	14
Section 1. Before the British Occupation.....	14
A. Concerning the Name "Hong Kong".....	14
B. Hong Kong Before the British Occupation.....	15
Section 2. History of Hong Kong Under the British.....	17
A. The British Gain Possession of Hong Kong.....	17
B. 1841 - 1865.....	19
C. 1865 - 1920.....	21
D. 1920 - 1931.....	22
E. 1931 - 1937.....	22
Section 3. Hong Kong Just Before the Greater East Asia War.....	24
A. Hong Kong from the Point of View of International Relations.....	24
B. Trade with Various Countries.....	28
C. The Island's Industry.....	32
D. Hong Kong and the Chungking Government.....	35
Chapter III. Geography.....	40
Section 1. Position and Area.....	41
Section 2. Topography.....	41
Section 3. Climate and Natural Features.....	41

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Table of Contents (Cont'd)

	<u>Page</u>
Chapter IV. Population.....	42
Section 1. Peculiarities of the Population of Hong Kong..	42
Section 2. Population During British Rule.....	43
Section 3. Population as a Japanese Imperial Possession..	47
A. Dispersal of the Population.....	47
B. Division of the Population by Areas and by Nationality.....	49
C. Division of the Population by Occupation.....	50
Chapter V. Government.....	53
Section 1. General Policy of Military Administration.....	53
Section 2. Legislation and Administration.....	54
A. Legislation.....	54
B. Administration.....	54
Section 3. Judicial, Police, and Penal Systems.....	57
A. Judicial System.....	57
B. Police System.....	58
C. Penal System.....	58
<u>PART II. INSTALLATIONS</u>	
Chapter I. Port and Harbor.....	60
Section 1. Hong Kong Harbor.....	60
Section 2. River Transport.....	62
Chapter II. Airport.....	63
Chapter III. Land Transportation.....	65
Section 1. Roads.....	65
Section 2. Railways.....	67
Section 3. Municipal Street-cars, etc.....	68
A. Municipal Street-cars.....	68
B. The Peak Tramway.....	68
C. Busses.....	69
D. Horse-drawn Vehicles.....	70
E. The Hong Kong - Kowloon Ferries.....	70
F. Sedan Chairs and Rickshaws.....	70

UNCLASSIFIED

Table of Contents (Cont'd)

	<u>Page</u>
Chapter IV. Communications.....	73
Section 1. The Postal Services.....	73
Section 2. The Postal Money Orders Service.....	74
Section 3. Telegraph.....	74
Section 4. Telephones.....	76
Chapter V. Radio Broadcasting Service.....	78
Chapter VI. Water Supply and Drainage.....	79
Section 1. Water Supply.....	79
Section 2. Water Drainage.....	79
Chapter VII. Electricity and Gas.....	81
Section 1. Electric Lights and Power.....	81
Section 2. Gas.....	81
<u>PART III. ECONOMICS</u>	
Chapter I. The Greater East Asia War and Economic Changes in Hong Kong.....	83
Section 1. Old Hong Kong and New Hong Kong.....	83
Section 2. Economic Features of the Old Hong Kong.....	84
A. Hong Kong as a Commercial Port.....	84
B. Hong Kong as an Industrial Area.....	85
C. Hong Kong as a Link with the Chinese Overseas..	86
Section 3. The Collapse of the Old Hong Kong.....	86
Section 4. The Construction of Imperial Japanese Hong Kong..	87
A. Two Years of the New Order in New Hong Kong....	88
B. The Conduct of the War and the Life of the People.....	88
C. Economic Changes in Hong Kong.....	89
Chapter II. Economic Measures of the Government General.....	91
Chapter III. Finance and Taxation.....	95
Chapter IV. Finance and Currency.....	98
Section 1. Financial Organizations.....	98
A. Banks.....	98
B. Money Changers.....	103
C. Other Financial Organizations.....	103

UNCLASSIFIED

Table of Contents (Cont'd)

	<u>Page</u>
Section 2. Currency.....	104
A. Currency Before the War.....	104
B. Currency Since the Occupation.....	105
Chapter V. Market Prices.....	106
Chapter VI. Trade, Commerce, and Distribution.....	116
Section 1. Trade Machinery and Commercial Firms.....	116
Section 2. Trade Conditions.....	121
Section 3. Commercial Conditions.....	123
Section 4. Fresh Food Market.....	125
Section 5. Distribution of the Necessities of Living.....	127
Chapter VII. Industry.....	131
Section 1. Industry in Hong Kong Before the War.....	131
Section 2. Types of Industries in Hong Kong.....	132
A. Shipbuilding and Docks.....	132
B. Chemical Industries, etc.....	133
C. Foodstuffs and Luxury Goods.....	133
D. The Match Industry.....	134
Section 3. The Present State of Industries Operated by Chinese.....	135
Chapter VIII. Fisheries, Agriculture, Forestry, and Livestock- Raising.....	137
Section 1. Fisheries.....	137
Section 2. Agriculture.....	138
Section 3. Forestry.....	140
Section 4. Livestock-raising.....	140
Chapter IX. Mining.....	142
Chapter X. Labor.....	143
Section 1. British Labor Policies.....	143
A. Control by Societies.....	143
B. History of Social Legislation.....	143
C. Control of Labor.....	144
Section 2. Factory Workers Under the British Government...	144

UNCLASSIFIED

UNCLASSIFIED

Table of Contents (Cont'd)

	<u>Page</u>
Section 3. Labor Problems at Present.....	148
<u>PART IV. CULTURE</u>	
Chapter I. Cultural Policy.....	150
Chapter II. Education, Religion, Social Work.....	153
Section 1. Schools and Education.....	153
Section 2. Social Education.....	154
Section 3. Religion.....	155
Section 4. Social Service.....	156
Chapter III. Newspapers, Magazines, Printing.....	157
Section 1. Newspapers.....	157
Section 2. Magazines and Printing.....	161
Chapter IV. Art and Entertainment.....	163
Section 1. Motion Pictures.....	163
Section 2. Plays.....	166
Section 3. Tea Houses.....	169
Chapter V. Hygiene.....	174
Section 1. Medical Administration.....	174
A. Doctors and Hospitals.....	174
B. Drugs.....	176
C. Sanitation.....	177
D. Distribution.....	177
Section 2. The Prevention of Epidemics.....	178
<u>PART V. APPENDIX</u>	
Appendix A.	
The Hong Kong Shrine.....	181
The Churei Tower.....	181
The War Memorials.....	181
Appendix B.	
Population Survey.....	184
Registered Foreign Personnel.....	193
Price Index.....	195

UNCLASSIFIED



Table of Contents (Cont'd)

	<u>Page</u>
Appendix C.	
Japanese Firms and Enterprises.....	200
Appendix D.	
Chronology of Events in Hong Kong Military Government.....	210



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OFFICIAL NOTICE

Hong Kong, the base from which England had been bleeding the Far East for many years, and the center of her commercial and cultural penetration of the Orient, suddenly fell to the arms of our heroic troops, and is now Imperial Japanese territory. It is an occasion for boundless rejoicing on the part of the peoples of the Orient that we have thus overthrown the insatiable ambitions and the lawless plottings of England, the common enemy of mankind, and have utterly destroyed the fountain of her scheming and trouble-making.

The great purpose which is essential to the prosperity and happiness of all nations, because it will preserve the security of the Orient and contribute to the peace of the World, is the successful conclusion of the Greater East Asia War.

The first consideration of the Military Government of Hong Kong is all-out co-operation in prosecuting the Greater East Asia War. The second is the wiping out of the old order, the upholding of the native spirit and culture of the Orient, and the laying of the foundations for bringing all the people quickly within the sphere of Imperial favor and effecting the eternal well-being of the Orient under Imperial rule.

With this as my first duty, I received the Imperial appointment of Governor General of Hong Kong Occupied Territory.

Having devoted my services to this territory from the first, in close association with it, I do not anticipate any opposition to the Imperial will. Since the people will undoubtedly attain the permanent happiness and well-being they desire when the victory in the Greater East Asia War is won, it is to be expected that the inhabitants of this territory will continue to display self-respect and perseverance, will appreciate the objectives of the Imperial War, will punish debauchery and be discreet in indulgence, and under Imperial rule will be moved to make their contribution in the present crisis. If they will wake up and unshackle themselves from the bonds of their old ideas and their bad customs, and make strenuous efforts to go forward and work for the completion of the great undertaking of Oriental prosperity, I shall be glad to live on friendly terms with them, both in my official capacity and privately.

But if people fail to understand our trust, oppose our laws, flout our moral code, and vainly rebel, it is my responsibility to brand them as common enemies of the peoples of the Orient, and to punish them immediately and mercilessly under military law, regardless of their nationality or race.

ISOGAI Rensuke (磯谷廉介)

Governor General of Hong Kong
Occupied Territory

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INTRODUCTION

Although Hong Kong has now been a territory of the Empire for more than two years and steady progress has been made in the construction of the new Hong Kong, no book has yet appeared describing it in general or in detail.

"The Construction of the New Hong Kong", which was published previously attempted no more than a brief introduction, and there was no space in such a small pamphlet for a complete description of its later development and revival. However, it was known then that the Far Eastern Economic Information Bureau was planning the compilation of the new "Hong Kong under Military Government". An examination of the contents indicates that this book presents a general picture of Hong Kong under military rule and makes clear the significance of the development of Hong Kong during the Greater East Asia War. As this is a wartime production, one can hardly say that we were free in the choice of subject-matter, but we trust that a general view of Hong Kong under military rule may be obtained from it, and in this spirit we offer it for your perusal.

MASUHISA Haruki (升久春樹) Lt. Colonel

Head of the Information Department of the Office
of the Governor-General of Hong Kong Occupied
Territory. February 1944.

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PREFACE

There is no need to repeat here the fact that, after the outbreak of the Greater East Asia War, the occupation of Hong Kong drove British and American influence from the Hong Kong area and from East Asia. However, we must not jump to the conclusion that as a result of this shift Hong Kong lost the focal position which it occupied in East Asia. Before the War, Hong Kong backed by British political and economic power was the central and most important British base in East Asia. Although its British coloring and British functions have been eliminated by this war, Hong Kong has maintained its former position in East Asia.

However, there is no doubt that Hong Kong today has lost its former liveliness. Obviously, we cannot expect such prosperity during the Greater East Asia War as in the times of economic liberty. Considerable sacrifices are necessary for the prosecution of the War. Consequently, we must say that the full power of Hong Kong remains to be realized in the future.

There is no need for us to emphasize that the mission of the newly organized Hong Kong is to co-operate in the conduct of the Greater East Asia War and to work for the development of the Co-Prosperity Sphere.

The organization of the new Hong Kong has finally achieved completion, after two years of military government. Now that preparations have been completed for a practically new start in every important branch of government, economics, and culture, it seems as though this third year may mark the culminating point of the rebirth of Hong Kong. We believe that this book will serve to present some small picture of the powerful stature of the new Hong Kong. It will be an unexpected piece of good fortune if it also gives the reader an idea of the importance Hong Kong will have in the future.

We are very grateful for the assistance and co-operation we have received from many quarters, especially the various departments of the Office of the Governor-General of Hong Kong Occupied Territory, both in the collection of materials and in the preparation of the manuscript of this book. The authors or furnishers of material for the various chapters are as follows. We extend our warmest thanks to them all.

Editor-in-Chief TOGAI Yoshio 相井 義 公 雄
Permanent Director of this Bureau

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PART I. GENERAL DESCRIPTION

- Chapter 1. Written by the Hong Kong branch of this Bureau.
- Chapters 2, 3, 4. Written by the Hong Kong office of the East Asia Research Institute.
- Chapter 5. Departments of Civil Government and Justice in the Office of the Governor-General.

PART II. INSTALLATIONS

- Chapter 1. Department of Communications in the Office of the Governor-General.
- Chapter 2. Written by the Hong Kong branch of this Bureau.
- Chapters 3, 4. Department of Communications in the Office of the Governor-General.
- Chapter 5. Department of Information in the Office of the Governor-General.
- Chapter 6. Hong Kong Water-works and the Department of Communications in the Office of the Governor-General.
- Chapter 7. Department of Civil Government in the Office of the Governor-General.

PART III. ECONOMICS

- Chapter 1. Written by Mr. OGURA Hirokatsu (小椋廣勝)
- Chapters 2, 3, 4. Department of Finance in the Office of the Governor-General.
- Chapter 5. Department of Civil Government in the Office of the Governor-General.
- Chapter 6. Departments of Finance and Civil Government in the Office of the Governor-General.
- Chapter 7, 8, 9. Department of Civil Government in the Office of the Governor-General.
- Chapter 10. Written by the Hong Kong office of the East Asia Research Institute.

PART IV. CULTURE

- Chapters 1, 2. Department of Civil Government in the Office of the Governor-General.
- Chapters 3, 4. Department of Information in the Office of the Governor-General.
- Chapter 5. Department of Civil Government in the Office of the Governor-General.

The manuscripts and materials received from these sources have been selected, and revised or corrected, by the editors. The chief responsibility for the contents of this book accordingly rests with the editors. We ask forgiveness of those who contributed articles or materials, and we will welcome corrections from the public.

In commemoration of two years' government of Hong Kong Occupied Territory.

Far Eastern Economic Information Bureau
20 February, 1943(T.N.Presumably 1944)

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PART I

GENERAL DESCRIPTION



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CHAPTER I

THE GREATER EAST ASIA WAR AND THE NEW HONG KONG

Section 1. The Position of Hong Kong Separated from Britain.

On 25 December 1941, Hong Kong began a completely new career. In that splendid moment of history, when our Imperial forces occupied Hong Kong, they cast out all things British that they found and replaced them with the things of Greater East Asia. This shift explains the true meaning of the rebirth of Hong Kong and indicates the path which Hong Kong must now follow.

The opening on 20 February, 1942 of the Office of the Governor-General of Hong Kong Occupied Territory is the historic event which made clear to the world the truth about the rebirth of Hong Kong and established the principles to which it would conform. It may well be that the future destiny of Hong Kong was also decided at that point.

Why has Hong Kong alone among the occupied territories been given a Governor-General? There must be some special reason why only Hong Kong was selected for the establishment of a Government-General, despite the fact that, as the War has progressed, the territories occupied by our invincible Imperial forces have extended over vast areas.

Obviously, a Government-General of Occupied Territory differs fundamentally from the usual government-general which is dependent on the Cabinet. It is the instrument of military government based on military law, and consequently the general principles of its government are clearly laid down by military law. However, the vital factor which gives substance to these established principles is the material characteristics of the territory itself. There are many cases where these characteristics determine the specific nature of the military government. As a matter of fact, a closer examination reveals cases where the planning and practical administration of the military government is based upon the existence of these territorial characteristics.

In the case of Hong Kong, what do these characteristics indicate? This is a proposition which calls for investigation, for it is impossible to appreciate the true importance of Hong Kong without first grasping this proposition.

Two diametrically opposed points of view are to be found in discussions of the characteristics and importance of Hong Kong. One opinion is that the importance and prosperity of Hong Kong was brought about and maintained only by means of the political and economic power of England, and consequently, now that England has fallen, the value of Hong Kong has been reduced a good fifty percent.

Of course, if we trace the process of the development of Hong Kong historically, its prosperity was entirely built up and expanded by the efforts of England over the past hundred years. There is no need to describe here how England made this place the headquarters of her invasion of the Orient, acquired Hong Kong Colony and the leased New Territories by various means, diligently built up all kinds of installations, and made it the center of British economic activity in the Far East. However, we must not concentrate upon the achievements of Britain to the extent of overlooking the important changes which have taken place in China, namely, the flood of modernization which has swept through the whole continent from the gateway of South China and the development of the popular revolutionary movement which has flared up so rapidly. One might say that England, from her base in Hong Kong, leapt upon the slumbering, senile lion, and was at first allowed to have her way and succeeded in satisfying her greed; at the same time a voice came unnoticed from a corner of South China and awoke the lion, who turned and rose and fiercely bared his teeth. Thus, what was to England the prosperous latter half of a hundred years' history of the development of Hong Kong was for

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the Chinese a record of continual anti-British activity and bloody revolutionary struggles.

It is obviously incorrect to say that just because of these two sides of the history of the last fifty years, the British influence was completely extinguished upon the outbreak of the Greater East Asia War and the political and economic importance of Hong Kong has suddenly disappeared without trace. To discuss the value of Hong Kong by comparing the free economic prosperity which existed there before the War with its present economic situation would be to show ignorance of the nature of the war now going on in the Orient. We will gain a better idea of the present economic condition of Hong Kong if we consider that it is in the transition stage between its former British role and its part in Greater East Asia, and that this kind of transition is by no means easy to effect during the course of the fiercest war in history.

The second opinion is the strongly advocated theory based on the value of Hong Kong to the Orient as shown by history, that Hong Kong is indispensable for the development of Greater East Asia.

It is the writer's opinion that only by accepting this latter position can we grasp the true character of Hong Kong since the outbreak of the War, and so understand properly the purpose of the establishment of the Government-General of the Occupied Territory, and penetrate through to the true significance of the occupation of Hong Kong. And so we shall now try to describe in some detail the basis of this argument.

Section 2. Its Underlying Political Importance.

The reason why the advocates of the usefulness of Hong Kong consider it to be so very valuable is briefly that, although British influence has been swept away by the Greater East Asia War, the political importance of Hong Kong appears to have steadily increased, and it has maintained its former economic importance.

An examination of how the political importance of Hong Kong has changed in the Greater East Asia War requires consideration from two angles: (a) the solution of certain problems in China - fostering the People's Government at Nanking, and overthrowing the political power of Chungking, and (b) relations with the so-called "Overseas Chinese in the Southern Regions" who are scattered over every part of Greater East Asia.

First of all, in considering the political importance of Hong Kong from the point of view of the solution of Chinese problems, we must realize the historical necessity for the Chinese People's Revolutionary Movement. Looking at the course of this movement during the last half-century, we find (a) that its spearhead was at first directed against the misrule obtaining at the end of the Manchu dynasty, (b) that latterly it has seen the growing-pains of the establishment of the People's Government, and (c) that it was engaged the whole time in the unceasing struggle to cast off the influence of foreign nations, particularly Britain. The chief factor which forced modernization upon the senile China of the end of the Manchu dynasty was the contact with and penetration by foreign powers. All the processes of internal change from the old order to the new, the exposure of the senility of the Manchus, the rapid rise of agitation for modernization, the development of the revolutionary movement were brought about by negotiations with and opposition to foreign powers. It is also an uncontroverted fact that England has played the biggest role in the last hundred years of Chinese history. At the end of the Manchu dynasty, England was the first to knock at the closed door of China - Canton. It was England that opened the door in the outrageous Opium Wars. One may say at the same time that it was England that met with the strongest opposition from China, especially South China. However, feeling the steady decline of her own

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fortunes after World War I, and under pressure from the growing power of the People's Government which started in Canton Province, England finally made important alterations in her policy towards China. She changed from her previous high-handed methods to a diplomacy of flattery, and adopted the policy of shifting upon other countries the Chinese anti-foreign feeling which had been concentrated against herself. The fact that she switched this feeling against Japan was the cause of the Sino-Japanese Incident, which finally expanded into the Greater East Asia War. Now there is no going back.

We must not overlook two important points in the above sequence of events. One is that the modernization of China and the People's Revolutionary Movement had their origins in South China, and the leaders of these movements were Southern Chinese, and the other is that the British base which was most closely concerned with these movements was Hong Kong. We must also consider carefully how these historical factors have developed at the present stage. Briefly, we have the Civil War which may be called the continuation or extension of the People's Revolutionary Movement, which is going on under the leadership of Southern Chinese as before. On the other hand we have the reborn Hong Kong, which has shed its British characteristics and taken on those of East Asia. What must be our reactions when we compare and examine these historical developments and their outcome in the present!

On the whole, it is an undeniable fact that in the study of China in our country we have been inclined, for historical reasons, to lay stress on Northern China. Regrettably, our research into South China has in comparison, been extremely weak. What we have called the study of China has been more or less synonymous with the study of Northern China. It may be that we understood China well enough before the time of the People's Revolution, but I think we may say not only that the study of Northern China was insufficient, but also that it was practically impossible to appreciate from that study alone the new China which received its baptism from the People's Revolution, a movement started in South China by men of South China. One may even go so far as to say that it is impossible to understand modern China without being thoroughly familiar with South China. The writer firmly believes that this proposition is in exact agreement with our policy towards China today. Not only are the leaders of the present People's Government natives of South China for the most part, but also the leaders of the Chungking Government nearly all come from South China. It is evident that the solution of the problems of China depends upon the knowledge and understanding of South China. Setting aside the economic aspect for the time being, and confining ourselves to its political importance, we are forced to recognize the extremely high position which South China occupies in our plans for the solution of our problems in China. From this conclusion the political situation of Hong Kong, which is an important base in South China, is automatically clarified.

The second point which demonstrates the political importance of Hong Kong is its connection with the "Overseas Chinese in the Southern Regions". These Chinese are commonly reckoned at 8 millions. If we add those millions who have been incorporated into the countries where they live, the Chinese nationals and their descendants living in every part of the South amount to a surprisingly large number. Before the Greater East Asia War, these Chinese living abroad in all parts of the South, including Thailand, the Philippines, Burma, Indo-China, Malaya, Sumatra, Java, Borneo, Sarawak, and Brunei, had succeeded in monopolizing the economic leadership in almost every land, and had won very real political power in some areas. These people have undoubtedly made extremely important contributions toward the modernization of their mother country.

We shall make an investigation of such economic matters as the remittances of the Chinese overseas when we look at the economic importance of Hong Kong in the next section of this volume; but as far as their political contribution is concerned, it may suffice to mention here that they formed the hotbed of the People's Revolutionary Movement and that they formed the advance guard of the anti-foreign movement. The greater part of the funds for the Chinese People's Revolution came from subscriptions, of

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the Chinese overseas, and it was their purses which smoothed the path of the precursors of the Revolution when they were suffering great hardships. It is probably no exaggeration to say that the People's Revolution could not have achieved its present successes if it had not been for the Chinese overseas. At the same time, it was the Chinese overseas in the countries of the South who assisted in the gradual growth of the Revolutionary Government, conformed with the instructions of the anti-foreign movement, and stood in the fore-front of the battle first against Britain and later against Japan. If we ask why they shouldered these heavy tasks, it is because both the leaders of the Revolution and the Chinese overseas were Southern Chinese linked by ties of blood and coming from the same homes. The Chinese overseas were originally people who could not endure the corrupt government of the declining Manchu dynasty, and who, leaving a host of memories behind in the homes which they could not preserve from ruin, set out in search of a paradise in the South. And so it is not so very unnatural that these men were roused to action by the inspiration of the revolutionary leaders, and that a burning revolutionary spirit boiled up in them and overflowed.

However, before the second stage of the People's Revolutionary Movement, namely the establishment of the present People's Government in Nanking and the downfall of the government in Chungking, for which the development of the China Incident provided the opportunity, relations between the Chinese overseas and the mother country were a source of considerable agitation. From our point of view, we divided the Chinese overseas into two camps, those who were for us and those who were against us. From the time of the outbreak of the Greater East Asia War until the present, the Chinese overseas who were against us have been compelled to change their views completely and support the present People's Government. Even today, we shall probably have to admit that the Southern Chinese overseas are, politically speaking, of great importance.

However, these Chinese overseas have but one dream. It is a desire which they locked up their hearts when they left the country, and a vision which glows before their eyes when they think of their distant homes. If they succeed in life, they want to return to China and build a fine house and a tomb in their own village, and a luxurious villa in Hong Kong. At present a number of successful men are realizing this dream. Chinese nationals thus show that they are not behind any of the other nations of the world in love of their native land. We may say that the exceptional importance of Hong Kong in our dealings with the Chinese overseas is more than sufficiently indicated by the fact that, having this love for their homeland and being inseparably connected politically with the People's Revolution and the anti-foreign movement, and possessing an economic importance (to be discussed later) they have close ties with Hong Kong either through their leaders or through the families they left behind.

The third point which shows the political importance of Hong Kong is the tremendously large number of Chinese in the population. Of the total 800,000 population of Hong Kong, at least 90% are Chinese; but their composition is by no means simple. Of course, the majority are workers, who have migrated from the interior of China, and their native-born descendants. These descendants, too, have always maintained strong ties with their old homes. The Hong Kong resident families of Chinese who are overseas in the South, and the successful Chinese overseas themselves, are also included in the population figures. These people, who are mixed in origin but who bear the name of Chinese, make up almost the entire civil population of Hong Kong. We must not overlook the far reaching impact of the slightest event in the internal affairs of Hong Kong, for it will come to the ears of the Chinese people throughout the length and breadth of China and in every corner of the countries of the South. We should realize from this the extreme importance of the civil government, i.e. the government of the Chinese population, in the Military Government of Hong Kong.

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Briefly, the first object of the Greater East Asia Imperial War is to preserve the peace and security of the Orient, but it is also clear that we must drive out the confusion of American and British influence and attain a solution of our problems in China. When we look at the position of Hong Kong Occupied Territory along these lines we recognize that in the political field alone it is of vast importance, far beyond its importance in terms of territory or population. At the same time, the full significance of the change from the British Hong Kong to the new oriental Hong Kong can be appreciated only in the light of the foregoing. It also enables us to understand that, in comparison with its position in the past, the new Hong Kong has greatly increased in importance.

Section 3. Its Economic Importance is as Great as Ever.

The change to the new oriental Hong Kong has by no means diminished its economic importance. On the contrary, its importance has steadily increased since the beginning of the War. To make this clear, let us separate the static and the dynamic economic qualities of Hong Kong.

The static qualities are those derived from the assessment of the collective value of Hong Kong's economic and geographical features, its installations and machinery, capital, labor resources, natural resources stocks on hand, potential productivity, etc. So far as these matters are concerned, there have been no substantial changes in the economic importance of Hong Kong. Naturally, there is no change in the importance of its position as the guardian of the mouth of the Pearl River, the center of South China, and the hub of the whole vast expanse of Greater East Asia. Its ideally situated harbor is as much an asset as ever. The various installations of the harbor, the rows of giant warehouses, the numerous docks of all sizes, the dockyards, loading facilities, etc., are also unchanged. Moreover, the prewar large and medium modern docks, ship-building yards, etc., which are a particularly important feature of Hong Kong and the best in South-East Asia, are continually being developed and increased. At the same time, the engineering shops and factories associated with them are being either expanded or improved. Among these various factories, one may say that the seven or eight hundred small scale factories under Chinese management, and also the large modern factories, which used to belong to enemy owners, have suffered hardly any damage as a result of the War. Tremendous strides are being made in the development of underground resources and in the extension of arable land. There has been no change in roads, water supplies, or drainage. So far as land communications are concerned, the railways, street-cars, mountain car service, automobiles, etc., all returned to normalcy immediately after the occupation. The railway, for example, was recently opened through to Canton, and it has been restored to its pre-war activity. Sea communications have been established within the occupied area, and with Canton, Macao, and other neighboring ports, as well as the regular sea routes to distant countries. The work of expanding the air transport facilities is also on the way to completion.

There has been no decline from former times in the organization of distribution in the department stores and retail shops. The importing and exporting business has been brought to a peak of perfection, centering around the Foreign Trade Association, whose members are the greatly increased body of Japanese traders.

In the field of exchange and currency, setting aside the liquidation of enemy banks for the time being, various Japanese and Chinese banks have been opened, and the military scrip which has driven out the Hong Kong dollar is circulating smoothly. The cheap and plentiful labor supply, too, has hardly suffered at all from uncertainty of employment. In short, judging from the static elements, there has been some decrease in the

UNCLASSIFIED

existing capital, owing to the fall and disappearance of the Hong Kong dollar. The stocks of commodities have likewise decreased to some extent, owing to the consumption of the past two years. Yet we must recognize that those basic qualities, which enabled Hong Kong before the War to occupy the important position of shipping center of Greater East Asia, have been either preserved as they were or improved.

Now that the British economic organization, whose network covered every part of the Orient, has been swept away, the question is whether these static economic features of Hong Kong can be given full play as in the past. However good the equipment may be, it is of no value unless it is in use. We must now examine these matters from their dynamic aspects and try to grasp their functional importance.

When we look at the economic importance of Hong Kong dynamically, we must distinguish between the question of Hong Kong's prosperity as an independent unit and the question of its ability to contribute to the economic welfare of the Greater East Asia Co-Prosperity Sphere. Of course, these two questions are closely connected, and in a certain sense there is a cause-and-effect relationship between them. There would appear to be no objection to measuring the extent of Hong Kong's economic contribution to Greater East Asia by the level of its internal prosperity.

However, to tell the truth, the prosperity of Hong Kong itself, regarded from the point of view of assessing its economic importance, is no more than a factor of secondary importance. If I may be permitted to go to extremes, though the light of Hong Kong expired and the city faded away, its economic importance should still be recognized, so long as there has been no weakening of its capacity to contribute to the successful prosecution of the Greater East Asia War. Consequently, it would be erroneous to compare the pre-war prosperity of the British city with its present state, to argue that it is on the decline, and finally to deduce that the future of Hong Kong will be such and such. To regard the prosperity of British Hong Kong as characteristic, on the basis of reports on the freedom and plenty of life there in past years, to take this as a standard, and then to criticize the new oriental Hong Kong of today would be to form a false judgment without any comprehension of the economic situation in this most deadly of all wars.

Well then, we shall judge the economic importance of Hong Kong principally by its capacity to contribute to the economic life of Greater East Asia, but even here it is easy to create misunderstandings in the matter of Hong Kong's existing stocks. That is to say, in discussing the economic value of Hong Kong there is some tendency to argue that these abundant stocks alone are the main factor, and consequently that, in view of the consumption of the last two years and the impoverishment of its stocks, the wealth of Hong Kong is already exhausted. The stocks of Hong Kong used to be fairly considerable, especially on the score of war materials, which were secretly stored up by the British for several years before the War. Accordingly, it is not difficult to suppose that, since the occupation, these stocks have been making some contribution to the conduct of the Greater East Asia War. For all that, it must not be supposed that they have already declined to the point of exhaustion. Of course, when we consider that stocks consumed are not being replenished, we can well imagine that they are diminishing. While on the one hand, a certain quantity of the goods produced in Hong Kong itself is being sent out for use in the Greater East Asia War, on the other hand, the stocks are not entirely made up of materials directly useful in war; therefore, it stands to reason that the stocks of Hong Kong may still amount to something. However, in the final analysis, when stocks are exhausted, that is the end of them. Of course, where so-called productive consumption is concerned, it may result in the production of new commodities; but even then this relationship cannot last forever. In short, it must be said that stocks will only suffice to meet a certain demand over a certain period of time. Thus, if the economic strength of Hong Kong is judged by this point alone, as though one were looking at an idle man's larder, it is only too easy to come to the conclusion that it is nearing exhaustion. So it seems to be quite natural that a number of people should hold this view.

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However, to do so is to disregard the existence of the various other economic features of Hong Kong, and, by overlooking its operating capacity, to fall into a serious error.

Next, how shall we examine the economic functioning capacity of Hong Kong? The answer is that no detailed concrete explanation is necessary. We can reach agreement on the question merely by considering the extent to which the static features described above are being successfully employed at present in the conduct of the Greater East Asia War and the reconstruction of Greater East Asia. At the same time, on the assumption of the development and perfection of the Co-Prosperity Sphere, we can estimate fairly well the functional economic importance of Hong Kong in the future. Or if we imagine the economic activity of Hong Kong coming to a complete stand-still, we can try to judge what effect it would have on the wartime economy and on the reconstruction economy of Greater East Asia. This should give at least a negative idea of the economic usefulness of Hong Kong.

If we further consider the arrivals and departures of great numbers of ships, both large and small, the docks all working at full capacity, the various large and medium factories in operation, and the mines in full production, we shall have a more positive appreciation of the extent of Hong Kong's economic usefulness. There is no need for discussion of the fact that all these activities are being carried on in the interests of the successful prosecution of the War and the reconstruction of Greater East Asia. In the light of the foregoing we are probably now agreed on the importance of judging dynamically the economic value of Hong Kong.

The question which must naturally be considered first in estimating its future functional importance is the employment of the harbor facilities, which can boast of first-class modern equipment. However, there is no need to discuss their value again here. One thing we cannot overlook is the existence of the light industry factories in Hong Kong and their connection with the Chinese overseas in the Southern Regions. In Hong Kong today there are many medium and small scale light industry factories which are closed for lack of raw materials or demand for their goods. However, when we consider the great demand represented by the countries south of Hong Kong and the mainland of South China, which are lacking in this kind of factory, we may expect them to be very active in the future.

The fact that the Chinese overseas have important connections with South China in the economic field, is sufficiently proved by the remittances of Chinese overseas, which used to represent a substantial portion of China's receipts from abroad. At the same time, the Chinese overseas occupy a very important position in the trade relations between China and the South. They control various kinds of production, influence the rate of exchange, and own trading rights in the countries of the South; they have many contacts, with South China and Hong Kong. Among the more prominent of these in Hong Kong are the Nan-pei Company*1, the Chiu-pa Company*2, the Ke-tou*3. It must not be forgotten that Hong Kong was the main receiving center of remittances from the Chinese overseas. When we consider that these remittances will be coming to Hong Kong again, and that trade with Chinese overseas must be centered in Hong Kong, our expectations for the future importance of Hong Kong are heightened still further.

*1

南北行

*2

九八行

*3

客頭

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Section 4. Its Present Degree of Usefulness and Its Future.

We have now explained the general political and economic importance of Hong Kong, and the next question is whether or not it is being sufficiently and efficiently utilized.

Of course, it is a natural result of the conditions and difficulties of the war situation that Hong Kong is not now being ideally utilized, but it cannot be said that its usefulness as a base is slight or non-existent. Once its value is fully recognized, it may well be that measures can be taken to raise the degree of its usefulness above the present level. While its usefulness may be slight or non-existent in certain respects, after its true value is understood, there may be cases where greater efforts are needed the perfect methods of utilization. It could also be said that one reason why Hong Kong is not being employed to its fullest extent is the fact that people's knowledge of Hong Kong is not sufficiently thorough. The present discussion is designed to present merely a rough sketch; the purpose of the rest of this book is to introduce present-day Hong Kong in greater detail.

When we think of Hong Kong's usefulness in the future, the one thing we must not overlook is the position it occupies as "the kernel of Greater East Asia". When we examine the future political importance or economic usefulness of Hong Kong, we must regard it as developing as the kernel of Greater East Asia for the benefit of the whole of Greater East Asia. In the effort to accomplish this development in accordance with the objects of the Greater East Asia War may be found the true significance of the occupation of Hong Kong.

*1

The three great construction works - the Hong Kong Shrine, the Sacred Pagoda*2, and the War Memorial*3, which are being zealously carried on in spite of the heaviest demands necessary for the prosecution of the War, and in the face of all kinds of difficulties, are not to be considered mere ornaments of Hong Kong. By no means are they idle projects which would be out of place in time of war. This shrine, this pagoda, and this memorial are spiritual expressions of the concept of Hong Kong as the political and economic kernel of Greater East Asia. Thus, these three spiritual monuments which Hong Kong reveres will, through ages eternal, point out to the citizens of the Occupied Territory the road they must follow, and will surely inspire all the peoples of the Orient, who look towards them from distant lands, with the great light of the boundless and magnificent prosperity of Asia.

*1 香港神社

*2 中環塔

*3 佛舍利塔

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CHAPTER II.

HISTORYSection 1. Before British Occupation.A. Concerning the Name, "Hong Kong".

香港 is pronounced "Hsiang Kang" in standard Chinese, "Heung Kong" in the Cantonese dialect, and "Hiang Kong" in the Hakka dialect. The English pronunciation is "Hong Kong" and the Japanese, imitating this, write it as 香港 which is read "Hon Kon". The names "Peking"*1 and "Tibet"*2 are examples of such mixtures of Chinese and English. Despite the fact that "Hong Kong" is historically a relatively new name, explanations of its origin do not agree.

The name, "Hong Kong Island" does not appear either in the Kwang-tung Encyclopedia*3 or in the Hsin-an*4 Topographical Encyclopedia. This is not unnatural because of the fact that in China names are rarely given to entire islands. Volume II of the (K'ang-hsi*5) 1688 Edition of Hsin-an Topographical Encyclopedia contains the earliest reference to the name "Hong Kong Village".

Present-day Hong Kong proper, east of Aberdeen*6, which includes Little Hong Kong, was settled by the Hakka*7 tribe which came over Sham Shui Wan (Deep Water Bay*8). The character 邑 (abbreviated 井) of the name, "Little Hong Kong"*9 is used because it was a walled city, characteristic of Kwang-tung Province. Government buildings are called "ch'eng"*10 while private buildings are termed "wei"*11. Buildings inclosed by walls are called "lang"*12. Buildings in Chuang*13 in the North are particularly sturdy, and so there are many buildings of this type which bear the name of chuang.

The largest waterfall on the island is situated between Aberdeen and Mount Davis. According to ship's crews who used its water which flowed into the sea, it was, at one time, fragrant, and so they called it "fragrant river"*14; they are also said to have named the river mouth "fragrant port"*15, but this has not been verified.

Nowadays the water flows into the Hong Kong pastures (dairy farms); it is muddy, and is not at all as it used to be. The name of Waterfall Bay*16 however, remains unchanged.

*1 北京

*2 西藏

*3 T.N. An encyclopedia which deals with geographical and topographical matters.

*4 新安

Second Emperor of Manchu dynasty A.D. 1662-1723

*5 康熙

*6 香港仔

*7 客家

*8 深水灣

*9 香港 邑

*10 城

*11 邑

*12 壘

*13 莊

*14 香江

*15 香港

*16 瀑灣

If it could be determined that this waterfall is the Ao-yang-kan P'u^{*1}, one of the eight scenic spots of Hsin-an, listed in the Hsin-an Topographical Encyclopedia, it would account for the derivation of Tu-ao Shan^{*2}, the ancient name of a portion of Hong Kong Island. Even today one of the names given Hong Kong is Ch'un-tai Lu^{*3}, which has always been the name of a mountain road running along the northern coast of the main island. It has also always been the name of a fishing hamlet near the eastern tip of the island (the fishing village appears in the census of 1841). This name gradually came to denote the Northern part of this island and then the entire island. The name was used by the Hakkas of Hong Kong and was pronounced "Kuintailou" by them. Indeed, it can be traced back to the description of the Hong Kong water boundaries by Portuguese at the beginning of the 16th Century and to that of the British at the end of the 17th Century.

The appearance of the name, "Hong Kong Island", is ascribed to Captain J. Horsburgh, hydrographer for the East India Company which charted the coast of China in the years between 1806 and 1819.

The names, "Hong Kong", "Chi Kong", Hong Kong Bay (a bay between Lamma Island^{*4} and Hong Kong Island) and Waterfall Bay, which were places en route when Lord Amherst^{*5} was despatched there in 1816 by his government, are names which have come down through history.

B. Hong Kong Before the British Occupation.

From the creation of Pao-an^{*6} Hsien in the Chin^{*7} dynasty until the Ming^{*8} dynasty, Tung-kuan^{*9}, Tseng-sh'eng^{*10}, various hsiens in Tung-kuan, Nan-t'ou-ch'eng^{*11}, (a place with a population of 1,000) all came under the jurisdiction of Hsin-an Hsien. In the Ch'ing^{*12} dynasty, they came under the jurisdiction of Tung-kuan, then under Hsin-an Hsien, (after the Republic, Pao-an).

At the beginning of the Ming dynasty, an administrative center (which was later Kowloon ch'eng^{*13}) was established, and 1810 witnessed the completion of Kowloon fortress (called Chin-lung ch'eng because it had castle walls until 1856.

Tun-meng^{*14} of the New Territories (later T'sing shan^{*15} or Castle Peak^{*16}) was viewed by the New China Geography^{*17} as a strategic point between Canton and Arabia and this is recognized in the poem of Han-t'ui-chih^{*18}.

*1 教魚洋甘瀑

*2 獨鰲山

*3 裙帶路

*4 捕寮

*5 T.N. A reference to William Pitt Amherst, (1773-1857) Governor General of India, who made a mission to China in 1816.

*6 寶安

*7 晉

*8 明

*9 東莞

*10 增城

*11 南頭城

*12 清

*13 九龍城

*14 屯門

*15 青山

*16 カースル・ピーク

*17 新唐書地理志

*18 韓退之

There remains in Kowloon but a trace of the palace of the Sung^{*1} dynasty, which, at the end of the Southern Sung Dynasty, served as the place of sojourn for the Emperor Tuan Sung^{*2} who was driven into Mongolia and his successor, Ti Ping^{*3}. The remains of the palace were moved to make room for the enlargement of the airport. This area is mentioned in Chinese history in connection with the southward migration of the Sung family and are made famous by the poem, "Lonely Ocean"^{*4} by Bun Tensho^{*5}.

From the Yuan^{*6} dynasty to the Ming^{*7} dynasty, piracy and plundering flourished, but with the beginning of the Ming dynasty, a better class of people migrated from Tung-kuan Hsien to Kowloon Peninsula and Hong Kong Island. There were several communities of the Punci family^{*8}. The most powerful among these was the Teng^{*9} family who were Hong Kong's landowners. At a rather late date the Hakkas immigrated to Hong Kong from the northeastern part of Canton Province. Then the third immigrating family, the Hokuros^{*10} (also written 霍僑, 響僑) came from the Ch'ao shan^{*11} region. The respective languages of these families differed. There are also the Tankas^{*12}, a recent group, who live in boats and are treated in a special way. Tamao, which was the first Portuguese settlement was built in 1514 by Jorge Alvares (provincially pronounced Tung-men^{*13}). Its position, as discovered by recent research, is that of Ling-ting Island (Lonely Island^{*14}). This was forty years before Macao^{*15} was founded. In 1521 the Portuguese were routed at Chiu-shan^{*16}. The Dutch were defeated by a Portuguese fleet at Tai-o Island^{*17} at the beginning of the 17th Century and they were also defeated by the Chinese at Fu-t'ang-men^{*18}.

After the early part of the Ch'ing^{*19} dynasty, piracy and smuggling flourished for the second time in these regions.

Explanatory Note: The director of the Hong Kong Auto Transport Company^{*20}, Mr. Teng Chao-chien^{*21} is the head of the Teng family at present. His predecessor, Teng Chih-ang^{*22} is honored as a benefactor of Hong Kong University^{*23}.

Addendum: References for this section on the history of Hong Kong, were Hsu Ti-shan^{*24}: "An Historical Study of Hong Kong, Kowloon, and the New Territories", (Cantonese Culture and a Hundred Years of Trade, 1941), S.F. Balfour; "Hong Kong before the British."

*1 宋

*2 T.N. Ruler of Southern Sung Dynasty, A.D. 1276

*3 T.N. Ruler of Southern Sung Dynasty, A.D. 1778

*4 T.N. A faithful retainer of the Southern Sung Family 1236 - 1281

*5 文天祥

*6 元

*7 明

*8 潘千

*9 鄧

*10 福僑

*11 潮汕

*12 T.N. The Tanka or boat-people of Canton are a tribe who have been excluded from public examination and are discriminated against socially.

*13 屯門

*14 伶仃島

*15 T.N. Also known as Lan-tao or Tai-yu.

*16 九逕山

*17 大澳島

*18 佛堂門

*19 清

*20 香港自動車運送會社

*21 鄧肇堅

*22 肇志昂

*23 香港大學中文學院 *24 許地山

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(T'ien Hsia Monthly, Vol.XI and a separate volume, 1941). The history of Taman is considered as part of the history of Macao.

Section 2. Hong Kong Under the British.

"Hong Kong has for many years been the focal point of British exploitation of the Orient and the center of infiltration of British culture into East Asia."

The above is quoted from an official statement made by the Governor in the courtyard in front of the Gubernatorial mansion. It is certainly true that the history of Hong Kong is nothing but a history of exploitation of the Orient. We shall here undertake to relate briefly the history of British exploitation of the Orient, with Hong Kong as a British base over a period of a hundred years.

A. The British Gain Possession of Hong Kong.

The important city of Canton on the Canton River*¹ Delta has been, since the period of the Three Kingdoms*², the heart of Kwang-tung and Kwang-si*³ and the trade center of the South Seas. Macao has been occupied by the Portuguese since the 16th Century. The British, who made a late appearance in the China Sea region, had to develop new trade centers such as Amoy, Formosa, Chusan Island*⁴, and Canton.

England at one time had a base in Canton (1710); thereafter, for about 130 years, until the outbreak of the opium wars, Canton was a trade center for England and China.

The East India Company for England and the Canton Company Co-hong for the Manchu dynasty*⁵ were both monopolistic organizations. The former, backed by the power of trading capital was the vanguard of the British capitalistic strength; the latter, fulfilling its function of resistance against the Eastward push of the capitalistic influence of all foreign countries, was an organization which served to sap the strength of foreign trade and to nourish the corrupt Manchu bureaucracy. The two companies, now rivalling each other, now appeasing each other, turned Canton, a mere strip of land, into an electric spark between two great countries, oriental and occidental.

These conditions were not the final effects of the development of British Capitalism. The Industrial Revolution, which began in the eighteenth century England swept over Europe with an amazing impact and, particularly in England, introduced innovations into all aspects of political and economic life. Furthermore, at the end of the eighteenth century, the United States attained its independence, and its merchants, having shaken off the restrictions of the British East India Company, made their independent appearance on the Kwang-tung trading scene, where the United States assumed second place. Thereupon England, influenced by the increased power of industry at home, as a result of the rise of big industries, and abroad, by competition with the United States, found that the policy of trade monopoly which had prevailed until then could not meet the changed conditions. Therefore, it adopted a national policy of free trade and competition; and on 22 April, 1834, it abolished the Chinese trade monopoly held by the East India Company, which had had such a great influence on British Capitalism for two-hundred years. After the Industrial Revolution, the increased exportation to India of cotton goods manufactured by the big English mills, caused a third blow to be directed against China.

*1 珠江

*2 三國

T.N. Refers to the period 222-265 A.D. during which time China was divided into three states.

*3 嶺南

Ling-nan

T.N. Literally, south of the pass.

*4 舟山島

*5 Manchu dynasty A.D. 1644 - 1912

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This came about because India was forced to seek the money needed for the purchase of English manufactured goods by resorting to the sale of opium to China. This was the beginning of the opium trade which crowns the record of British crimes against the Orient. The effects of this dreadful drug were comparable to the destructive power of British gunfire leveled against the Great Wall of the old Manchu Empire.

In 1823 the value of opium imported into China exceeded that of raw cotton manufactured goods; and with coming of the era of free trade, the opium traffic increased greatly; by 1837 the value of opium imported was two and a half times that of cotton and cotton goods. China, which for a hundred years had had a favorable balance of trade, in 1827 found that its capital was flowing out of the country. South China and the region along the coast, where the land tax had already gone into effect were dealt a severe blow, and the Manchu dynasty was forced to consider the opium trade a serious matter.

Moreover, England was far from being satisfied with the extent of its China trade, and undertook by force of arms to obtain settlement in full for the vicissitudes following the industrial revolution, the difficulties of governing India, and the hazards of trade with China; and there broke out the Opium War, unpardonable in the eyes of God and men.

The next British envoy to China after Amherst, whom we have already mentioned, was Lord Napier, the first resident superintendent of British trade with China, who arrived in Canton. It was he who, on 21 August, 1834 in a letter to Grey, the British Foreign Minister, suggested British occupation of Hong Kong. This was like a return to the time when the British stirred up dissension between the foreign powers and the authorities in Canton. This occurred soon after the abolition of the East India Company's China trade monopoly, fifteen years after the occupation of Singapore, and seventeen years before the British flag actually flew over Hong Kong.

The Hong Kong of 1830 was known as a center of opium smuggling, a place of refuge for the British, the scene of many minor clashes between the British and the Chinese, and as the place where, immediately before the Opium War, fighting occurred between the British and Chinese.

On 20 January 1831, during the Opium War, Hong Kong was ceded to the British by the short-lived treaty of Ch'uan-pi*1, drawn up by Chi-shan*2 and Elliot, (this treaty was soon broken and hostilities were resumed but on 24 August, 1842, by the treaty of Nanking, the formal cession was agreed upon and in 1842 Hong Kong became a Crown Colony.)

On 26 January 1841 Commodore Bremer*3 landed at the foot of Tai-p'ing-shan*4 (later called Victoria Peak) and raised the Union Jack. This is the day celebrated as the anniversary of British occupation of Hong Kong.

It was just one hundred years and eleven months later that Hong Kong, on 25 December 1941, surrendered unconditionally to Japan. The history of the colony of Hong Kong during this period is merely an enumeration of ordinary events in the fields of education, sanitation, the suppression of piracy, tax adjustment, and civil engineering. Nevertheless, because of Hong Kong's role as an important connecting link between England and China, its history is significant. The first twenty-five years following British occupation - the constructive period, and the four years prior to its surrender - the years following the China Incident - were epoch-making periods unrivaled in its entire history.

*1 T.N. Also known as Chuenpee 川鼻

*2 T.N. Also known as Kishen 琦善

*3 T.N. Sir Gordon Bremer (ブリーマ)

*4 太平山

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The Opium War was literally a war over opium; that is to say, it was a trade war. Consequently, the acquisition of Hong Kong was not indispensable to England. It was Elliot's arbitrary decision which forced this action. Elliot's high-handed behavior in many other matters and his attitude of benevolent despotism toward China earned him the distrust of his home government; so, after a year and a half, he was recalled.

From this time until 1858, however, the idea that the acquisition of Hong Kong had been a blunder was dropped both in England and by the Hong Kong merchants. Hong Kong, which had been the source of embarrassment, gradually overcame various obstacles and continued to develop. The acquisition and establishment of bases and their building up had always been considered one aspect of British colonial policy, but nothing like the building up of this little piece of land, which became a match for all China, had ever been seen.

Well then, what was the source of the great wealth which within twenty-five years converted this mountainous, rocky, and barren island into a great city? It certainly did not come from the island of Hong Kong itself, but rather from the Chinese—and especially the South China opium and coolie trade. The British victory in the Opium War meant freedom to bring opium into China. The creation of the free port of Hong Kong gave rise at the same time to freedom in wrong-doing. The British merchants in England, India, and China felt that this was their great opportunity, and from 1842 to 1845 the exportation of opium from India to China jumped from 30,000 chests to 70,000 chests annually. Other exports and imports increased as well. The flow of capital out of China continued, and it is estimated to have amounted to 150,000,000 dollars during the 1840's alone. The upset conditions, which had prevailed before the war, became worse, and among the farming people, loss of land, vagrancy, and uprisings increased. These conditions were aggravated by the excessive taxation arising from the impoverished state of Manchu finances after the war. So, while on the one hand, India and Hong Kong accumulated great wealth, the agricultural villages along the coast of China were overrun by the poor.

Some of these dispossessed people were driven from the land and, living partly on the water, partly on the land, or wholly on the water, became the Tanka people who lost their national consciousness, became creatures of the British, and even sank so low as to engage in opium smuggling and in the building-up of Hong Kong. Another group became pirates. The advanced elements of this group promoted T'ai-p'ing*1 anti-foreign activities; still another group were sold into slavery overseas. As slaves they were simply another trading commodity.

Thus, from 1849 on, Hong Kong enriched itself in two ways at the expense of the peasants - by robbing them of their lands by means of the opium trade, and by selling them into slavery. Just at this time, gold was discovered in California and Australia, and, furthermore, the opening-up of Malay, South America, and the West Indies was under way; so there were markets in abundance for Chinese slave labor. It is said that in 1851 alone forty-four Hong Kong vessels sailed from Hong Kong to California, where they made a profit of 1,500,000 dollars from the coolie trade. Wealthy Hong Kong, which was built up in this manner, was stained with blood from seashore to mountain tops and was the standing embodiment of English crimes.

The merchants who carried on this plunder centering around Hong Kong were Jardine, Dent, and Sassoon, etc., - the so-called "merchant princes" who gained control of the China seas after the abolition of the East India Company's monopoly. The piratical trading ships of the period were the opium clippers (1830 - 1850), the American tea clippers (1846 - 1860), and the British tea clippers (1850 - 1870). Such Indian merchants as Mody, Jejeebhoy, and Tata also gained a foothold in the trade. There were incessant quarrels between the British merchants and the Hong Kong authorities, and between the British and Chinese authorities stemming from the character of the British people in this pioneer period.

*1 太平

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This looting trade which we have spoken of and which had most to do with building up Hong Kong could not, as such, last forever. By 1860 the merchants of Hong Kong thought that the city's trade had reached its maximum extent. Moreover, the opium trade, the powerful precursor which had broken through the barrier of old China, was now giving way to the exportation to China of British-made cotton and woolen goods and was drawing criticism from the British industrialists.

About this time, the British Government, seeking trade supremacy, carried out two invasions of China from its base at Hong Kong, one in 1858, the other in 1860, and secured the Treaties of Tientsin*1 and Peking*2. By the terms of these treaties a corner of the Kowloon Peninsula was ceded to England, and the legality of the opium and coolie trade was officially confirmed. Nevertheless, from this time on, the center of British-Chinese negotiations shifted to Shanghai. When, in 1861, the Englishman Lay became head of the Maritime Customs Bureau*3 Hong Kong's smuggling received a severe blow, while at the same time, British power in China increased.

It must not be thought that China's four hundred million people did nothing about the spread of British power from its base at Hong Kong, that stronghold of evil.

From 1840 to 1864 the T'ai-p'ing*4 Rebellion raged in South and Central China, and at the end of this period, during the 1860's, open warfare broke out with the British. Throughout the coastal region there were uprisings instigated by the Triad Society*5. All over the Orient -- in the great Sepoy Rebellion in 1857, in the disturbances in Malaya, and in the uprisings in Japan towards the end of the Shogunate -- England was amazed just as it has been again today by the power of the people of the Orient which it had always disregarded.

Naturally, these efforts to expel the British were reflected in Hong Kong and the cause found support among the people of this city who had heretofore been considered docile. The outstanding incidents which occurred were the mass meetings in 1844 and the exodus from Hong Kong of three thousand persons in protest against the poll-tax; the attack on Kowloon by the T'ai-p'ing*6 forces in 1854; the incident of the poisoning of the bread of four hundred British government officials in 1857; the strike against the Chung-chung-shih*7 registry in 1862; and the clash between Malaysians and the police in 1864.

While the British were thus confronted by the power of the peoples of the Orient and harrassed by the difficulties connected with the opium trade and the ruling of Hong Kong, the Americans were opening up the Pacific Ocean routes, and Russia was beginning to play an active part in the exploitation of the Pacific. England, which in the 1860's was changing from light to heavy industry, wished to retain its share of the China market and was consequently compelled to take this opportunity to put a stop to the opium and coolie trade which centered around Hong Kong. This took place about the middle of the 1860's and was the cause of the Hong Kong business depression of 1865 - 69, which was anticipated by the panic of 1857 in England and by the Bombay panic of 1866.

Thereupon the character of Hong Kong's trade changed completely (some of the great merchants were ruined, some changed over to coastal navigation and trade, and some moved to Shanghai). The opium and coolie trades lost their importance -- (the latter ended completely when it was prohibited in Macao in 1875), and Hong Kong's monopoly of trade with China came to an end. The Hong Kong Chamber of Commerce called this period the Era of the Policy of Retreat.

*1 天津

*2 北京

*3 海關總稅務局

*4 太平

*5 三合會

*6 太平

*7 沖仲仕

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In the political field, also, the Governor General of Hong Kong was deprived of his additional functions as envoy plenipotentiary to China, superintendent of trade with China, and supervisor of matters pertaining to extraterritorial rights in China and Japan, and was limited to the government of Hong Kong. The other powers were transferred to Shanghai and Peking in the north.

Thus ended the first twenty-five years of Hong Kong's existence, years of turbulence, crime, and conflict.

By 1865, the appearance of the city was perfected, and the last of the pioneer governors, Robinson, who was returning home on completion of his term of office, took his triumphant departure, as befitted one who had built this city of brick and stone.

C. 1865 - 1920.

During the hundred years of British occupation, Hong Kong's function was that of an entrepot. The business which had been the source of its wealth in the early days had now ended. Its fate from this time on was to develop parasitically, living off the trade which passed through its free port.

The curtain rose on the new era with the unification of the monetary system in 1863, the registry of the first Hong Kong corporation in 1865 (the Coastal Sea Routes Company*¹ - a dock company); the organization in the following year, 1866, of the Hong Kong and Shanghai Bank*² (whose board of directors included Indians) which represented a high peak in the establishment of local enterprises, and the formation of Indian corporations, beginning with the establishment in 1868 of Wassiamull Assomull and Co. The decline of the wealthy merchants caused the reappearance of the compradores, and there came into existence the triangle consisting of Hong Kong and Shanghai, the various companies, and the compradores. The opening of the Suez Canal, the appearance of the steamship on the scene, and the laying of the cable not only made the distance between Shanghai and London shorter than in the age of the clippers but also increased the importance of Hong Kong's role as a transshipping center.

In the realm of government there was the adoption of the system of cadet officers and the establishment, similar to that in Malay, of the Secretariat for Chinese Affairs (later known as Chinese Government Office*³). Thus, the government acquired a fixed pattern.

During the next thirty years there was a change in the commodities traded in; Hong Kong was also compelled to devise a policy to cope with the flow of goods from the rising German nation which began before the Sino-Japanese War and with the flow of goods from Japan after the war (See note). In 1889, six years before the powers had begun to invest capital in China, business firms were already being established in Hong Kong. From that time on, there were ups and downs in the realm of industry and economics in Hong Kong. In the boom during the last World War, there were, besides the local commercial firms, many English and other concerns located in Hong Kong; local manufacturers began to export their own products; and Chinese enterprises sprang up. However, none of this changed Hong Kong's basic nature as an entrepot.

Note: Three times - in 1896, 1920, and 1934 - the Hong Kong Government organized economic investigating committees which conducted economic surveys.

*¹ 沿岸航路會社
*³ 華民政務司署

*² 香港上海銀行

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There had constantly been minor opposition to England but the great uprising was the Ta-pu*1 or Cotton-Field Incident of 1899.

In 1898 the leasing of the New Territories had been agreed on in the treaty of Peking, but in April of the following year, 1899, when the Union Jack was hoisted there, 2600 inhabitants of the district, filled with hatred of England, banded together and fought against British troops. Within a few days they were crushed by the might of British arms, but their brave act was indeed the finest thing in Hong Kong's history prior to the Boxer Incident (in 1900).

The Ch'en-Wan Incident*2, the Revolution of 1911*3, the May 4th Incident, etc. all had considerable effect on Hong Kong. Nor can we ever forget the important part played in Hong Kong by the many Japanese patriots who supported the revolution.

D. 1920 - 1931.

During the decade of the 1920's Hong Kong's economic importance fell sharply. This corresponded with the decline of British commercial power in the Chinese market. Furthermore, the development of industry during the first World War did not bring about a rise in Hong Kong's relative position. Rather than prosperity, Hong Kong's distinguishing feature during the 1920's was the anti-British activity and the antagonism toward Britain on the part of the Chinese during the depression after the war.

As early as 1922 there was a seamen's strike, and the seamen's representative was spoken of as the hero of Chinese liberation. Again, the anti-British strikes in 1925 - 26 in Canton and Hong Kong - the provincial port strikes*4 shook the government of Hong Kong to its foundations. Following the Incident of 30 May (the murder of some Chinese by the British police) in 1925 in Shanghai and the 23 June Incident (the murder of Chinese by British and French troops) which took place on the Island of Shameen at Canton, 700,000 Chinese of Hong Kong united and broke off all relations with the British; 10,000 students and workmen left the port by the land route and brought the life of the colony of Hong Kong to a standstill. The "fragrant port", changing completely, became the "smelly port". This was the only time in the hundred years of British occupation that the Chinese people had demonstrated their strength. The relationship between England and China is revealed by the fact that the leading elements in these strikes became the leaders of the northern armies and that the superior elements, including Wang Ching-wei*5, who from Canton had given much counsel, became the leaders of China from that time on.

E. 1931 - 1937.

The Manchurian Incident, aside from causing anti-Japanese agitation and an anti-Japanese boycott, had little direct effect on Hong Kong. The final result was that England remained a passive spectator and did not try pulling anyone's chestnuts out of the fire. After the establishment of the National Government in Nanking, Britain abandoned its traditional gun-boat policy, and in view of the building up and unification of China, it adopted a vigorous policy of rapprochement with China and began trying to collaborate with Japan in extending economic aid to China. The Anglo-Japanese collaboration was not successful, but the monetary reforms of 1935 which developed from closer Anglo-Chinese relations had far-reaching results. Britain was now very anxious to see a centralized government at Nanking and a united China and was no longer working with the Southwest military faction, as it had during the 1920's (See note 1).

*1 大埔

*2 辰丸事件

*3 辛亥革命

*4 省港罷工

*5 汪精衛

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The sending of envoys - Hammond, Leith Ross, and Kirkpatrick - on three occasions had no direct bearing on Hong Kong but was a matter between the British Government and the Chinese Central Government. This new British policy was based wholly on the presence in China of strongly entrenched British capital. Its flexible and multi-faceted character was given it by the capital of the various banks located in China, foremost among which was the Hong Kong and Shanghai Bank. The monetary reforms, such as the change from political to economic loans, and the linking of Chinese currency with the pound, were victories for England in the years 1935 and 1936, and caused fresh realization of the significance of Hong Kong (and Shanghai). See Note 2.

Note 1: After the fall from power in 1939 of Cheng Chi-tang*1 of the Kwang-tung Army, Chiang Kai-shek went to Kwang-tung on a tour of inspection, and while he was there the Governor General of Hong Kong, Caldecott, paid him a formal visit. Kwang-tung's swing to the side of the central government was due solely to the completion of the Canton-Hankow Railway*2. The line connecting the Canton-Hankow and the Canton-Kowloon Railways was not finished until after the China Incident; so there was no connection between Hong Kong and the middle Yangtze district.

Note 2: The fact that the main office of the Hong Kong and Shanghai Bank was in Hong Kong and that the other British development banks in China centered around Hong Kong or Shanghai is in striking contrast to the fact that the real headquarters of all the Japanese development banks in China (both private and semi-official) were in Tokyo or Osaka.

Addendum: Among the National Government's plans for building up agriculture, the most concrete was the policy of forming cooperatives.

The survey of Hong Kong's system of cooperatives conducted in 1934 by C.F. Strickland had much to do with promoting cooperatives in China and gives one an idea of Britain's broad conception of the full utilization of its bases.

Let us now take up Hong Kong's trade. Before the China Incident a third of all its imports were for local consumption (this includes both articles processed in Hong Kong and speculative imports). One tenth of its exports were locally produced. It also relayed goods from China to Europe, and from the South Seas or Europe to China or the South Seas. By 1936, Hong Kong's trade had gradually dropped from 200,000,000 pounds in 1920, when it was at its height, to 50,000,000 pounds. This business depression was aggravated by the silver question with which it was closely related; and, finally, in 1934, when even the British Government Office could no longer ignore it, they appointed the famous Economic Commission (See Note 1). As a result of the work of this Commission, trade was promoted, the development, side by side, of Hong Kong and Canton was planned, and efforts were made to expand local manufacturing industries. In 1932 Britain held the Ottawa Conference to cope with the depression which followed the world-wide panic of 1929; Hong Kong, too, joined in the deliberations and since then it has used Empire materials and shared in Imperial preference.

During the decade from 1920 - 1930 only the Chinese manufacturing concerns showed an increase, and it was not until after the China Incident that industries began growing in any numbers.

Note 1: The report of this committee of 1934 - 1935 is the best material available on Hong Kong's economic organization. There is nothing more recent which corresponds to it.

Summarized translations are to be found in No. 233 of the Survey of China and the South Seas edited by the Foreign Affairs Section of the Office of the Governor General of Taiwan and in Number 3 of the Board of Investigation of Tropical Industry Series*3.

*1 陳濟棠

*2 粵漢線

*3 熱帶產業調查會叢書

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After the crash of 1929 there was a terrific drop in the price of silver, followed later by a sudden rise. Since Hong Kong was on the silver standard, the exchange ratio of its currency was upset. This was also true in the case of China. After the National Government on 4 November 1935 put into effect the monetary reforms, and the Province of Kwang-tung (which at that time was semi-independent) instituted reforms on 6 November 1935, Hong Kong, likewise, on 9 November carried through a reform of its monetary system. This provided for a ban on the exportation of silver, the nationalization of silver, and the establishing of an Exchange Fund. This was in response to the monetary reforms which had spread all over China, and its object was to assure Hong Kong of a central place in the economic system. And, indeed, the Hong Kong dollar continued to circulate all over South China as it had before, while the circulation of the currency established by the central government was retarded. This is an example of the many angles of British policy towards China.

It is estimated that British investments in Hong Kong in 1936 covered 696 enterprises, with paid-in capital of about 150,000,000 Hong Kong dollars and a total capital of 1,350,000,000 Hong Kong dollars. European investments in industry did not increase after 1920, but Chinese investments in industry rose sharply from 17,000,000 Hong Kong dollars in 1920, to 51,000,000 Hong Kong dollars in 1920, to 51,000,000 Hong Kong dollars in 1934. 60 percent of the remittances sent home by the overseas Chinese in the South went via Hong Kong.

Section 3. Hong Kong Just Before the Greater East Asia War.

The four years between the outbreak of the China Incident in 1937 and that of the Greater East Asia War in 1941, years which witnessed this landing of the Imperial forces in South China in 1938, the outbreak of the Second World War in 1939, and the tripartite alliance between Japan, Germany and Italy in 1940, were eventful and replete with difficulties for Hong Kong. It was a period of many changes. At first, Hong Kong was merely a base from which aid was sent to Chiang Kai-shek; next, it was a rear base for Britain in the World War; and finally it became an important point in the encirclement of Japan by the ABCD powers. Thus, it kept changing all the time.

We will here present merely a brief account of Hong Kong before the Greater East Asia War.

A. Hong Kong from the Point of View of International Relations.

It was natural that after the China Incident Hong Kong's relations with Japan should become extremely bad. During the four years following the Incident, the British policy was consistently pro-Chiang Kai-shek and anti-Japanese. But it was typical of crafty England, quick to seize every opportunity, that it should make conciliatory overtures to Japan. Evidence of this was the transferring as early as 1938 of the supervision of the collection of maritime customs at Shanghai from the Hong Kong and Shanghai Bank to the Specie Bank^{*1}. Also, from July to September of that year there were the conferences between Ugaki^{*2} and Craigie. Meanwhile, Hong Kong carried out its role of keeping the life-blood flowing to the Chiang-Kai-shek forces by means of the Canton-Kowloon and the Canton-Hangkow routes (this includes water transportation along the Canton River^{*3} and also the Canton-Kowloon highway opened in August, 1937).

Hong Kong stepped into the place which Shanghai had formerly held in world trade. In the first half of 1938, Hong Kong stood first in legally taxed trade with China (this does not include arms and other commodities smuggled in), and in January, 1938, the Kowloon customs office accounted for 40 per cent of China's total imports. This was the time when the great plan to move the Chinese depots to Kowloon and the New Territories

*1 正金銀行

*2 宇垣

*3 珠江

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was formulated. In July, 1938 the Governor General, Northcote, paid an unofficial visit to Canton and in August and September the head of the Government of Kwang-tung Province, Wu Tieh-cheng*1 made unofficial visits to Hong Kong.

However, with the expanding of the Incident in 1938 and the occupation of Canton by the Imperial forces, and the loss of power by Britain at the Munich conference which shook Hong Kong, that source of support for Chiang Kai-shek, to its foundations, it seemed as though the activity of the city would be cut in half. But these events did not cause Hong Kong's downfall. On the contrary, it was the scene of a flourishing war boom as the stronghold of British support of Chiang Kai-shek, which from that time on was very active.

Following Japan's proclamation of the Greater East Asia Order in 1938, the British initiated a policy of making loans to Chiang Kai-shek and of supporting the Chinese currency; they made Hong Kong the focal point of interference with the New Order. At this time, the routes used in place of the Canton-Hankow route were (a) the French Indo-China, Macao, and Kwang-chou-wan*2 routes which were unsettled and did not permit large-scale operations, and (b) the smuggling routes between Hong Kong and Shao-chou*3. Hong Kong's trade with China, French Indo-China, Kwang-chou-wan and Macao, exclusive of smuggling, increased from 475,000,000 dollars in 1938 to 556,000,000 dollars in 1939. (We might mention in passing that although wholesale commodities were short in 1939 the prices were not so high as in 1938)

During 1939, Hainan Island*4, Swatow*5, Pei-hai*6 (or Pakhoi)*7, and Nanning*8 fell into the hands of our forces. In the summer of 1939, while the conferences between Arita*9 and Craigie were going on, the world situation changed completely. The United States broke off its treaty of commerce and navigation with Japan; we waged a mopping-up war along the borders of Kowloon; and immediately before the breaking up of the conference, Germany and Russia concluded a non-aggression pact.

Hong Kong declared war on Germany when England did, on 3 September 1939, and issued many war-time financial and economic regulations. A great change took place in the free port of Hong Kong. It was turned into a rear supply-base for England and a point of blockade against the enemy. By December 1939 it had been converted to a war-time economic basis, but in the 19 months between that time and the freezing of Japanese assets in July 1941, it was allowed to remain a free port, outside the sterling area. While, on the one hand, it was proposed to make money from free trade, on the other hand, the Hong Kong dollar was keyed to the British pound, and the circulation of the pound in Hong Kong was restricted. Although there were many contradictions inherent in Britain's dual policy toward Hong Kong, Hong Kong managed to keep going despite all difficulties.

In 1939 our forces captured Chung-shan Hsien*10 and Hong Kong was troubled by a food shortage. At the end of the year, our forces announced the opening up of the Canton River and the removal of the British border troops stationed at Pao-an*11. Thereupon Hong Kong reached a partial compromise with Japan, and in the spring of 1940 the port was opened to a limited amount of trade.

At the beginning of 1940, British loans to Chiang Kai-shek stopped, and American support became very strong. It was at this time that Hong Kong's trade with Japan, which had been in the wane since the China Incident, began again to increase. In 1939, trade between Japan and Hong Kong reached 34,000,000 Hong Kong dollars as compared to 22,000,000 Hong Kong dollars

*1 吳鐵城
*3 韶關
*5 汕頭
*7 北海
*9 有田
*11 寶安

*2 廣州灣
*4 海南島
*6 北海
*8 南寧
*10 中山縣

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in 1938; and although it fell short of 1937's high of 78,000,000 Hong Kong dollars, Japan's receipt of foreign commodities coming via Hong Kong, and the buying of special mining products of South China were noticeably brisk, and even Chinese commercial firms, lamenting the lack of goods, were eager to enter into relations with Japan (See Note 1).

Note 1: This trade between Japan and Hong Kong tended: (a) to drain the yen block of its resources which went to secure foreign goods from Hong Kong; (b) to divert military supplies to Hong Kong; and (c) to allow Japanese goods to get to Chungking.*1 Because of these evils, the trade was curbed by Japan in May, 1940. The fact that Hong Kong, which was a center of support for Chiang Kai-shek, should be making money from its trade with Japan is the best evidence of the contradictory aspects of the situation. The important products exported by Chungking were wolfram, antimony, tin, tea, tung oil, hog bristles, etc; but 99 percent (840,000 dollars, 1,420 piculs*2) of the wolfram exported from Hong Kong in 1939 went to Japan and, amazingly enough, even in March, 1941, when international relations were so strained, 23 percent (500,000 dollars, 1,420 piculs) still went to Japan (which received more than any other single country). The acquisition of foreign goods via Hong Kong in 1939 also deserves notice.

On the western front, France's unconditional surrender in June, 1940 tended to make Britain even more conciliatory. In that same month, too, our forces were carrying out mopping-up operations at the borders of Kowloon. The most notable act of conciliation toward Japan that year was the closing of the Burma Road (i.e. closed to arms, ammunition, trucks, fuel oil, and railroad materials) during the three-month period beginning 18 July. This was after our army had sent a supervisory group to French Indo-China. Hong Kong, also, began to carry out more punctiliously the terms of the January, 1939 agreement with Japan concerning the control of the exportation of arms and ammunition to China, and prohibited the exportation, either by sea or over the border, of the five articles listed above. No time limit was placed on this embargo, and, when the Burma route was reopened, the Hong Kong Government declared that it would not reopen the Hong Kong route without prior negotiation with Japan. After this, too, our blockade of the China coast gradually became more extensive. In July, Ning-po*3 and Wen-chou*4 were blockaded; in August all the ports of Che-kiang*5 and Fu-kien*6 were placed under blockade, and foreign trade with China grew less and less.

However, Hong Kong's trade with South China in 1940 was three times that of 1939. The sharp drop in exports to South China did not begin until 1941 (See the table which appears elsewhere in this Chapter).

However, Hong Kong's trade, as a whole, dropped after the beginning of the Anglo-German war. Although its trade in 1940 amounted to 1,400,000,000 Hong Kong dollars compared to 1,100,000,000 Hong Kong dollars in 1939; if the 35.3 percent rise in commodity prices is taken into consideration, this is seen to be an actual decrease of 11 percent. In June, the month that France surrendered, the British Government office ordered the evacuation of women and children (this order was later revoked) and 3,000 women and children were sent to Australia. While these events cast a cloud over Hong Kong and caused a slump in business, they made the people more pleasure-seeking than ever.

Next, with the advance of our forces into the northern part of French Indo-China, the China Incident came to affect all East Asia, and upon the conclusion of the tripartite Alliance between Japan, Germany, and Italy, it took on a global character. From this time on, Japanese-British relations

*1 重慶
*3 寧波
*5 浙江

*2 T.N. 1 picul - 132 pounds.

*4 溫州
*6 福建

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became still worse and British rapprochement with Japan more and more difficult. Under the guise of Anglo-American cooperation, England seemed to have sucked the United States into the currents of its policy toward the Far East. As Hong Kong continued to get supplies through to Chiang Kai-shek, our forces in July of that year carried out the Lui-chou Peninsula*1 operations, and, in November, the Shui-tung*2 (Tien-pai Hsien*3) operations. At the end of December we announced the strengthening of the blockade against the coast of South and Central China. While England confirmed its basic agreement to lend 10,000,000 pounds to Chiang Kai-shek it also made full use of the Hong Kong - Shao-chou*4 smuggling route. For this reason, our forces in February 1941, blocked the route and carried out landings at a number of strategic points on the Lui-chou - Pak-hoi (Lui-chou - Pci-hai)*5 Peninsula and between the Lui-chou and Chu-chuang (Canton River)*6 Peninsulas. Next, they occupied Fu-chou*7. It is not to be wondered that after receiving so many blows, Hong Kong's trade with China should dwindle.

The monetary value of Hong Kong's total trade for the first half of 1941 was 7.6 percent less than in the same period of the previous year. When one allows for the 24.9 percent increase in commodity prices this becomes a decrease of 3.6 percent. The value of tea, tung oil, wolfram, and hog bristles coming into Hong Kong was one-fourth the value of those products during the same period of the preceding year. Hong Kong had, to a great extent, lost its importance as a transshipment point for trade with China, and its new political and economic significance was based solely on its value as a link in the British Empire's line of communications. The effort to replace the loss of trading profits by increased local manufacturing and to substitute trade with the South Sea region for that with China achieved a certain degree of success.

November 1940 witnessed the opening of the Delhi Economic Conference attended by delegates from India, Australia, New Zealand, South Africa, East Africa, Palestine, Ceylon, Malaya, and Hong Kong. According to the final report of the Hong Kong delegate, Sloss*8, the vice-chancellor of Hong Kong University, the promotion of the following industries of Hong Kong was considered desirable: (a) the shipbuilding industry in which Hong Kong boasted that it stood first among British possessions; (b) the fibre industry, which was of military importance as a supplement to the Indian fibre industry (c) the processing of rubber; (d) the manufacture of other military supplies; and (e) the manufacture of machines and appliances. Shipbuilding was really flourishing. The production of knit goods, rubber shoes, cotton goods, gas masks, and articles such as flashlights, produced on a small scale for the Chinese market, which since the China Incident had risen greatly, continued to thrive as a result of Imperial preference, British demand for military supplies, and the cutting-off of the supply of goods from Japan.

Meanwhile, the world situation kept changing from moment to moment. In April, 1941, Russia and Japan concluded the Neutrality Treaty; in June the Russo-German War broke out; on 25 July Britain and the United States froze Japanese and Chinese assets; on 26 July the Anglo-Japanese treaty of Commerce and Navigation was broken off; on 28 July our forces advanced into the southern part of French Indo-China. On 1 August, Hong Kong entered the sterling block. The dual policy toward Hong Kong which Britain had followed since 1939 was abandoned, and Hong Kong's 150 years' existence as a free port and distributing center came to an end. Hong Kong now became the northernmost point in the ABCD powers' encirclement of Japan. From this

*1 雷州

*3 電白縣

*5 雷州·北海

*7 福州

*2 水東

*4 港韶

*6 珠江

*8 又口又

time on, the British, American, and Chinese currency stabilization fund, which was set up in January 1941, was put to work in earnest in Shanghai and Hong Kong to stabilize currency and to prevent illegal exchange transactions. The banks in Hong Kong, foremost among which was the Hong Kong and Shanghai Bank, cooperated with the British Government Office, and by November they had eliminated the local Chinese bank organizations' free exchange of currency with Shanghai. Thus, financial relations between Hong Kong and China were confined to transactions with the interior and, to a small degree, with Shanghai. This was a great change from Hong Kong's former position as a financial center.

From this time on, acquisition of the raw materials for local industries suddenly became very difficult, and violations of economic regulations became common. Thus, Hong Kong, whose trade with Shanghai and Macao had been cut off became merely a British outpost. During 1941 there were a great many meetings of British, American, Dutch, and Chinese (Chiang Kai-shek faction) leaders in various places in the Orient, and Hong Kong was driven step by step towards war. Military preparations for land, sea, and air warfare progressed, the Canadian troops were strengthened, and the clouds over the city darkened.

During this time, the British merchants became estranged from the Government Office. Strong opposition continued to the Legislative Council's increased war-time taxation. Although the English and Chinese groups had always been completely separate with no ties between them, they joined in severe criticism of the tightening of government controls which developed after the outbreak of the Anglo-German War.

As early as the summer of 1939, at the time of the Ku-lang-hsu^{*1} incident, the first air-raid drill was held and an air-raid protection office^{*2} was established. This was followed by the organization of an ARP unit made up of Chinese, and in November, 1941, they even went so far as to organize a machine-gun battalion composed entirely of Chinese. However, even with all these Chinese organizations, it was impossible, in view of the history of the past hundred years, to arouse overnight the loyalty of the million odd Chinese inhabitants.

B. Trade with Various Countries.

The figures concerning Hong Kong's trade with other countries have been confidential since March 1940, but since these confidential figures have passed into other hands, we will present them for the years of 1940 and 1941. (The unit is 1,000 Hong Kong dollars).

<u>Country</u>	<u>1939</u>	<u>1940</u>	<u>(to 1941 August)</u>
I. British Empire			
Total Imports (from the British Empire to Hong Kong)	81,821	123,728	87,431
Exports from Hong Kong	106,898	160,605	118,818
1. England			
Imports	39,697	46,347	17,666
Exports	22,417	39,055	17,572
2. Australia			
Imports	7,125	17,684	13,229
Exports	3,917	4,707	2,442

*1 鼓浪嶼

*2 防空管理處

Country	1939	1940	(to 1941 August)
3. Burma			
Imports	1,035	1,997	18,132
Exports	5,343	20,508	20,252
4. Northern Borneo			
Imports	3,070	5,815	2,659
Exports	1,653	2,251	1,531
5. Canada			
Imports	4,843	8,350	4,420
Exports	2,553	3,316	1,598
6. British Malay			
Imports	12,959	17,315	14,182
Exports	45,986	61,625	48,775
7. India			
Imports	9,565	20,504	13,357
Exports	9,364	7,931	7,160
II. China, French Indo-China, Macao			
1. North China			
Imports	166,317	238,416	161,179
Exports	45,107	79,458	68,603
2. Central China			
Imports	13,768	10,406	1,968
Exports	22,173	11,777	9,448
3. South China			
Imports	43,121	7,811	1,620
Exports	22,939	63,752	17,710
4. Macao			
Imports	32,872	24,700	23,894
Exports	45,039	50,655	57,172
5. Kuang-chou-wan			
Imports	26,357	37,267	15,004
Exports	42,286	42,649	34,614
6. French Indo-China			
Imports	40,660	66,399	26,639
Exports	55,480	27,547	7,924

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<u>Country</u>	<u>1939</u>	<u>1940</u>	(to <u>1941 August</u>)
III. Japan			
Imports	27,430	25,438	20,629
Exports	6,555	13,915	4,846
IV. America			
Imports	51,901	77,235	75,676
Exports	76,885	76,142	38,579
V. South Sea			
1. Thailand			
Imports	29,884	57,004	38,677
Exports	15,493	24,780	15,621
2. Dutch East Indies			
Imports	39,431	61,669	54,893
Exports	15,160	15,709	13,364
3. Philippines			
Imports	2,563	6,263	6,497
Exports	11,357	12,979	6,047
VI. Europe			
1. Belgium			
Imports	5,865	4,854	7
Exports	1,320	14	0
2. France			
Imports	2,633	2,103	79
Exports	7,130	2,352	0
VII. Germany			
Imports	13,065	106	0
Exports	12,612	0	0
<u>Total</u>			
<u>Imports</u>	594,199	752,739	516,297
<u>Exports</u>	533,385	621,752	405,732

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Annotations: The above figures are limited to the exchange of commodities and do not include money. The 1940 and 1941 figures are computed by totalling the figures for the separate months. The term "North China" covers the territory extending from Wen-chou*1 north, including Manchuria up to Kuan-tung-chou*2. "Central China" extends from Fu-chou*3 south to Shan-wei*4. South China extends from Kwang-tung*5 west to Yun-nan*6 Province. The term "Japan" includes outlying territories; "America" includes Hawaii; "Malay" includes the Straits Settlements and Christmas Island; "North Borneo" includes Brunei.

Noteworthy points brought out by the above table are: The flourishing trade with Burma from 1940 on; and the increase in exports to South China, in spite of the blockade of Canton River. In connection with this, we may add that, according to the Customs Statistics of the Chinese Government, 73 percent of Hong Kong's exports to China in the year 1940 and 37 percent of its imports from China in that year went through ports controlled by the Chungking government (This includes Kowloon).

Hong Kong's exports to South China in 1940 are shown in the following table, based on customs statistics. The increase in exports occurs chiefly in exports to Chungking-controlled territory. Exports to Chungking-controlled territory (this includes only Hong Kong's so-called South China exports) increased from 6,552,000 dollars, Maritime Customs scale, in 1939 to 39,297,000 dollars in 1940. The increase in exports to Kowloon and Lei-chou*7 has been particularly marked. There have also been increases in exports to Wu-chou*8, Ssu-mao*9, and Tieng-yüeh*10. In addition, during the fiscal year 1940, exports to Chungking, Wan-hsien*11 Chang-sha*12 and San-tu-ao*13 also increased.

Imports from Hong Kong (The unit is the customs gold unit)

I. Territory under Chungking (in 1940)	1938	1939	1940
Kowloon	1,826,308	1,921,353	19,575,400
Kung-pei	76,414	836,885	594,962
Wu-chou	327,444	7,070	91,961
Lei-chou	218,238	2,508,069	18,377,300
Lang-chou	108	312,025	43,133
Meng-tzu	239,951	953,817	578,750
Ssu-mao	894	4,449	13,678
T'eng-yüeh	3,252	4,737	10,236
II. Occupied Territory (as of 1940)			
Kwang-tung	975,650	72,343	324,088
Chiang-men	158,508	33,819	354
San-shui	56,967	0	0
Nan-ning	10,927	2,534	135
Ch'iang-chou	229,124	136,319	134,355
Pei-hai	51,670	149,421	7,963

*1 温州
 *4 汕尾
 *7 雷州
 *10 勝越
 *13 三都澳

*2 關東州
 *5 唐東州
 *8 檳榔嶼
 *11 萬縣

*3 福州
 *6 雲南
 *9 惠寧
 *12 長沙

C. The Island's Industry.

We have already touched briefly upon the island's most important manufacturing industries. However, because it has had to import its raw materials, manufacturing has never made outstanding progress. After the China Incident, when the problem of surplus population became really acute and measures had to be taken to cope with the situation, the plan which was resorted to was the development, though on a small scale, of agriculture, forestry, animal husbandry, and fishing and the opening-up of the New Territories. However, it may still be said that the island depends on the outside world for all of its agricultural, forestry, and marine products, and that the produce of the island is quantitatively negligible.

The New Territories have an area of 350 square miles, of which 75 square miles are arable; however, no progress at all has been made since 1900, by which time the British had assumed complete control of the island. An economic committee in 1920 and another in 1934-35 recommended the development of agriculture and the raising of livestock, but nothing was done beyond the recommendation. Since 1927 there have been agricultural exhibitions held under the auspices of the wealthy Chinese merchants; and in 1931, the New Territories' Agricultural Association*1, (a private organization), was formed. This organization, besides receiving some subsidies from the government (in the fiscal year 1940, that is, from 1 January 1940 to 31 March 1941 it received 2,000 dollars), was given some land in Fen-ling*2 for an experimental station in 1935. At first, the main work of the organization was the holding of an agricultural Fair. The enlightenment of the small farmers and their participation in the Fair began in 1937. By 1940 about three hundred farmers (most of them small farmers) were members. When in 1938 F. Frippance*3 became superintendent of forest lands, agriculture and forestry received a new stimulus. Accomplishments and projects from that time until 1941 are as follows:

1. An agricultural survey of the entire area of the New Territories was conducted and was finished in 1940.
2. A survey of the forests of the entire territory of Hong Kong was carried out and was finished in 1939. By 1941, forest reservations amounted to 600 acres.
3. The total area of the forest lands set aside under the forest (preservation) system established in 1906 amounted to 80 square miles (one fifth of the total area of the New Territories). In view of the rise of fuel substitutes since the Anglo-German War, attempts were made to increase this, but they failed. (In this connection - the number of arrests for stealing, reported by the Forest Supervision Bureau*4, which amounted to 84 cases in September, 1939, increased to 211 in October of that year).
4. They undertook to establish an agricultural experimental station between Fen-ling and Yuan-lang*5 and planned to spend 150,000 Hong Kong dollars on it during the fiscal years 1942 and 1943.
5. An Agricultural Improvement Law was promulgated in the end of 1939. Although, under this law, a change to the use of dung as fertilizer was mentioned, this change has not been carried out.
6. Forestry rather than agriculture has been stressed.

The following table gives the acreage of land devoted to the different crops and to livestock. These figures are for entire territory of Hong Kong. Sericulture and salt manufacture are carried on to a very slight extent.

Progress in agriculture has consisted chiefly in the improvement of varieties rather than in bringing new land under cultivation. The agencies

*1 新界農業協會

*3 フリッパンス

*5 元朗

*2 粉嶺

*4 園林監督署

which have been concerned with improving varieties are the New Territories Agricultural Association*¹ and the Connell*² Seed Company of America. Rice heads the list of the improved strains (the variety improved by the Connell Seed Company is No.716), but experimentation has also been carried on with Tung oil (Aleurites cordata) and with the sweet potato.

	<u>Acreege in 1912</u>	<u>Acreege in 1939</u>
Paddy fields (2 harvest fields which also produce 1 catch-crop)	11,500	11,405
Paddy fields (2-harvest fields)	19,000	21,968
Paddy fields (1 harvest field)	2,100	2,745
Sweet Potatoes	8,700	8,753
Peanuts	2,200	2,200
Sugar cane	2,100	2,100
Pincapples	500	268
<u>Fruit orchards</u>	<u>100</u>	<u>788</u>
Total	46,200	50,227

(Although vegetable crops are not given in the above statistics, they are considered important).

Horses	97	636
Cattle	1,246	3,573
Sheep*	---	---
Goats*	140	361

* Sheep and goats are raised chiefly for slaughter. Some milk goats, however, are used to provide milk for the Indians.

In 1941, when the problem of surplus population became extremely pressing, Hong Kong was finally forced to start on the project of opening-up new land for cultivation. This work came within the jurisdiction of the Medical Department*³, and on 1 March a Development Committee headed by the Medical Superintendent Selwyn Clark*⁴ was organized. The places chosen for colonization were Tai-o Island*⁵ in the New Territories (also known as Lan-tao*⁶ or Tai-yu-Tao*⁶) and the Saigon region (including Hebe Haven in the southern part of Saigon). The aims of the enterprise were: (1) to reduce surplus population; (2) to afford relief to the unemployed and to provide an adequate supply of vegetables; (3) to improve hygiene and sanitation; (4) to provide homes for refugees; (5) to provide safety against air-raids. It was also decided that a prison work-camp should be established

*¹ 新界農協會

*³ 衛生司署

*⁵ 大澳島

*² カーネル

*⁴ セルウィン・クラーク

*⁶ 爛頭・大嶼島

at Ian-tao. By May 1941, preparations were practically completed, but because of excessive military expenditures, funds were not available and for that reason the project was dropped. The only aid it received came from provincial organizations, such as the Hui-yang Chamber of Commerce*1, the Ch'ao-chou Association*2 and the Chung-hua (Chinese Forest) Lin Si-ho Organization*3.

The fishing industry of Hong Kong is very primitive. It is carried on by a special class of people - the Tanka (boat-people of Canton) - and the trade is conducted under a complicated system of financing. For this reason, although the waters off Hong Kong abound in fish of all kinds, there is a surplus of imports over exports. The only up-to-date aspect of the business is the appearance of steam fishing trawlers, which were introduced by the Nippon Suisan Kaisha (Japanese Marine Products Company*4) which began operations in Hong Kong in 1927. Before the China Incident, the fishing-grounds worked by the Hong Kong fishermen extended as far as Swatow*5 and the east coast of Hainan, but since the Incident fishermen have stayed within territorial waters. Agencies for the advancement of the fishing industry are the Chinese Overseas Port Fishermen's Advancement Society*6 established in the fall of 1936 (its president is Hsieh Fen-sheng*7) and the Hong Kong Fisheries Research Station*8 established in 1940. (This is under the supervision of the Department of Biology of Hong Kong University.) Since the China Incident, the former organization has served as a Chungking Nationalist relief agency. The latter organization, though originally (in 1938) planned by the home government, was taken up by the Hong Kong Government when the mother country was forced by the outbreak of the World War to abandon the project, and it was established under the supervision of the Department of Biology of Hong Kong University. A marine laboratory was constructed in Aberdeen. The surveys of the fishing industry conducted since 1938 by S.Y. Lin (Lin Su-Yen*9) have become the major work of this institution. The Hong Kong Government's appropriation for the Fisheries Research Station amounted to 20,000 dollars for the fiscal year 1940 (1 January 1940 - 31 March 1941) and to 190,000 dollars for the fiscal year 1941 (1 April 1941 - 31 March 1942).

According to the Government Office's statistics for 1939:

Fishing Junks - 2,722
 Invested Capital - 15,000,000 dollars
 Fisherman - 40,000
 Additional Crew Members - 25,000
 Total catch - 45,000 tan or 2,700 tons
 Wholesale sales - 7,150,000
 Retail Sales - 10,000,000

Since the Anglo-German war, the exportation of fresh fish has shrunk to nothing. Moreover, cold storage facilities throughout the region have never before been so taxed. It is reported by the Chinese Overseas Port-Fishermen's Advancement Society that the number of fishing vessels under Hong Kong registry, which amounted to 3,408 at the time the society was organized, had decreased by May 1940 to 900 (of which only 270 were actively being used for fishing).

*1 惠陽商會

*3 中華林西河堂

*5 汕頭

*7 謝憤生

*9 林書顏

*2 潮州同鄉會

*4 日本水產會社

*6 中華僑港魚民協進會

*8 香港魚業研究所

D. Hong Kong and the Chungking Government.

When the death-struggle between Japan and China broke out, Hong Kong and the Shanghai Settlement maintained their separate existences as neutral territories. The first thing which the war brought to Hong Kong was a stream of refugees. While most of these refugees were vagrants and poor people, a small percentage were wealthy people fleeing in order to save their property. It is significant that a great many of these wealthy refugees were leading business men of Shanghai (and Canton).

Thus, because of the inflow of Chinese capital, Hong Kong's wealth increased tremendously. After the Incident, six more Chinese banks opened branches in Hong Kong, and most of the Shanghai banks made Hong Kong their center of operations. Even such institutions as the Central Bank of China*1, the Bank of China*2, and the Bank of Communications*3, whose headquarters were nominally in Chungking, carried on their main business through their Hong Kong branches. Because of the banks, business firms, and factories, large and small, which moved to Hong Kong, Chinese capital there reached the sum of 100,000,000 dollars. Formerly, when the National Government was in control it was thought that relations between the Che-kiang*4 financial group, Chiang Kai-shek's government, and Shanghai were excellent, but when Chiang's government fled to the interior, the Che-kiang financial clique sought refuge in Hong Kong rather than in Chungking (See Note 1.) Although the Cho-kiang and Canton business men talked loudly of resistance to Japan they intensely disliked the harsh war-time economy in the interior. Some influential Chungking government men were denounced for making money in Hong Kong and turning the national crisis to their financial advantage, while disseminating anti-Japanese propaganda.

Note 1: Among the prominent figures in the Che-kiang business world who moved to Hong Kong were Tu Yueh-sheng*5, Wang Hsiao-lai*6, Lin K'ang-hou*7, Ch'ien Yung-ming*8, Pei Tsu-i*9, and Yu Ling-ch'ing*10. Yu Ling-ch'ing, for instance, was criticized for coming to Hong Kong in the spring of 1941 after having cornered the Shanghai rice and grain market.

Hong Kong, which was well adapted to giving aid to Chiang Kai-shek, like the Shanghai Settlement, could not avoid becoming an important factor in China's war-time economy. The Chinese plan to move their depots to Kowloon came to naught when the Imperial forces landed early in the war, in 1938, at Bias Bay. Even so, the Chiang Kai-shek government utilized Hong Kong to the utmost. The Central Trust Bureau*11, the National Military Council*12 and the Ministry of Communications*13 which are part of the Chungking government all established their purchasing offices in Hong Kong. The following companies, all dealing in commodities which are of military use, established agencies and offices in Hong Kong: The Chiao-t'ung (Transportation)*14 Company and the Hsi-nan Yun-shu Company*15.

*1 中央銀行

*3 交通銀行

*5 杜月笙

*7 林康侯

*9 貝祖貽

*11 中央信託局

*13 交通部

*15 西南運輸公司

*2 中國銀行

*4 浙江

*6 王曉籟

*8 錢永銘

*10 虞洽鄉

*12 軍事委員會

*14 交通會社

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(The Southwest Transportation Company*1) which were under government administration; the Ao-ti T'u-ch'an-ping Shu-ch'u Company (Interior-Products Exportation*2) and the Fu-hua Company (the Prosperous-China Company*3) which were under government management and which exported tea, silk, tung oil, and wolfram to Russia; the Chung-kuo Chih-wu-yu Company (the Chinese Vegetable Oil Company*4) which exported tung oil; the Chung-kuo Ch'a-yeh Company (the Chinese Tea Company*5) which exported tea; and the Kuang-si Sheng Ju-ch'u Kang Huo Mao-i Ch'u (Kwangsi Import and Export Port Cargo and Trade Office*6) which exported tung oil.

The Chung-kuo Kung-yeh Ho-Tso Hsieh-ts'eng (the Chinese Industrial Cooperative Society*7), the Hsiang-kang Ts'u-tsin Company (the Hong Kong Promotion Company*8), and a Postal Savings and Remittance Office*9 (which guarantees funds sent out of China) were also established there.

A great deal is also known about Wu Tieh-ch'eng*10 (T.N. Also known as Wu Te-chen), Yung-chi Hang*11 (the general term for the six organs of the Kuomintang in Hong Kong) and about the Hong Kong offices of the various war agencies. However, it must be observed that Hong Kong's aid to Chungking was not motivated by the desire to further the war effort. It was purely profit-seeking. For this reason, the extreme nationalists in Chungking regarded Hong Kong with hostility.

Even from the political point of view, relations between Chungking and Hong Kong were full of contradictions. After the fall of Canton and after the closing of the route to French Indo-China, the most convenient means of transportation between Chungking and Hong Kong was via the regular air routes of the China National Aviation Corporation*12 and the Eurasia Aviation Corporation*13. Influential men travelled back and forth constantly.

The year after the fall of Canton, the Kuomintang Port Authority*14 was established here, headed at first by Wu Tieh-ch'eng*15 and later by Ch'en T'se*16. The Kuo-nin Jih Pao (The Kuomintang Daily News)*17 was the party organ. Just before the Greater East Asia War there had been a good deal of talk about establishing a consulate-general in Hong Kong, a plan which had been under discussion since the nineteenth century. However, as the war progressed, and breaches occurred in the unified battle line against Japan, opposition developed in British Hong Kong to such Chungking - Hong Kong collaboration. This was quite natural in a region where Chungking had no real power.

The first voice in favor of peace with Japan, that of Wang Ching-wei*18 was heard in Hong Kong in February, 1938; but that was as far as the matter went at that time. In 1938 there were strikes of the seamen's and printers' unions, but since 1938, strikes died down and in 1941 there were very few. The activities of the Communists had practically ceased.

*1 西南運輸公司

*3 富華公司

*5 中國茶葉公司

*7 中國工業合作協會

*9 郵政儲金匯業辦

*11 榮記行

*13 歐亞航空公司

*15 吳鐵城

*17 國民日報

*2 奧地土產品輸出會社

*4 中國植物油公司

*6 廣西省入出港貨貿易處

*8 香港促進社

*10 吳鐵城

*12 中國航空公司

*14 國民黨港澳總支部

*16 陳策

*18 王精衛

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Among those who deserted the cause of Chiang Kai-shek and took up residence in Hong Kong were: Sung Ching-ling*1, Tz'u Hsiang-ning,*2 Ch'en Yu-jen*3 Hsu Chung-chih*4 Cheng Chi-tang*5 (died in 1940), Yen Hui-ching*6 and for a time Sung Tzu-wen*7.

From 1940 to the beginning of 1941, in Chungking and the various regions in the interior, attempts were made to control the intelligentsia of the left wing and of a section of the right wing. As a result of this pressure, writers and cultivated men of all sorts streamed into Hong Kong, where controversies became heated. After the Hsing-tao Jih Pao (The Singapore Daily News)*8 went over to the right, the left wing Hua-shang Pa*9 (China Commercial News [first published in April 1941] Tsou T'ao-fen*10, Ch'ang-chiang*11) came into existence, and after that, the right wing Kuang-ming Pao*12 (first published in September 1941 - Liang Shu-ming*13) began publication. The "Announcement of the Coalition of the Principal Nationalist Parties", published in the Kuang-ming Pao*14 on 10 October, 1941, foreshadowed the rise of anti-Chiang Kai-shek influences which resulted from the formation of a united front by the left wing of the Kuomintang, the adherents of the Old Patriotic Association*15, the National Socialist Party*16, and the National Youth Party*17. In 1941, too, the controversies between the newspapers affiliated with the Kuomintang and those affiliated with the third party and the left wing were at their height. Striking instances of the control which, after the China Incident, Chungking exerted through the Hong Kong government over the expression of ideas, were the closing down of the communist newspapers, the ban on the distribution of other left wing newspapers, and the closing of the Sheng-huo Bookstore*18 which leaned towards the old Patriotic Association.

There was little worthy of notice in the way of cultural achievement during the hundred years of British domination of Hong Kong. Even the Hong Kong University*19, the only British university anywhere in China, was on a much lower level than Chinese Universities. Nor did publications ever flourish in Hong Kong. However, after the China Incident the so-called "solitary isle of Hong Kong" came into existence, and the Tientsin Ta Kung Pao, and the Shanghai Ta Kung Pao*20 moved south to Hong Kong; and, following that, the Hsing-Tao Jih Pao*21 began publication. In 1939 the Chinese language daily newspapers were as follows:

- The Hsun-huan Jih-pao (循環日報) (established 1873)
- The Hua-tzu Jih-pao (華字日報) (1864)
- The Hua-ch'iao Jih-pao (華僑日報) (1922)
- The Kung-shang Jih-pao (工商日報) (1924)
- The Nan-chung Pao (南中報)
- The Nan-ch'iang Jih-pao (南強日報) (a small publication established in 1928)

- | | | |
|-----------|-----------|----------|
| *1 宋慶齡 | *2 何香凝 | *3 陳有仁 |
| *4 許崇智 | *5 陳濟棠 | *6 顏惠慶 |
| *7 宋子文 | *8 星島日報 | *9 華商報 |
| *10 鄒韜奮 | *11 長江 | *12 光明報 |
| *13 梁漱溟 | *14 光明報 | *15 救國會 |
| *16 國家社會黨 | *17 中國青年 | *18 生活書店 |
| *19 香港大學 | *20 上海大公報 | |
- *21 T.N. Jih-pao (日報) means Daily News; Wan-pao (晚報) means Evening News; Chao-pao (朝報) means Morning News.

- The Nan-hua Jih-pao (南華日報) (controlled by the Wang [汪] faction)
- The Kung-shang Wan-pao (工商晚報) (1931)
- The Hsün-huan Wan-pao (循環晚報) (1932)
- The T'ien - kuang Pao (天光報) (a small publication established in 1933)
- The Hsiang-kang Chao-pao (香港朝報) (a small publication established in 1933)
- The Hua-tzu Wan-pao (華字晚報) (1932)
- The Chu-chiang Jih-pao (珠江日報)
- The Tien-yen Jih-pao (天演日報) (Wang [汪] faction)
- The Tzu-jan Jih-pao (自然日報) (a small publication established in 1937)
- The Ta Kung Pao (大公報) (1937)
- The Li Pao (立報) (a small publication established in 1938)
- The Hsing Pao *1 (星報) (1938)
- The Chung-kuo Wan-pao (中國晚報) (1938)
- The Hsing-tao Jih-pao (星島日報) (1938)
- The Hsing-tao Wan-pao (星島晚報) (1938)
- The Ta-kung Wan-pao (大公晚報) (1937)
- The Hsing-tao Ch'en-pao *2 (星島晨報) (a small publication started in 1938)
- The Tzu-yu Jih-pao (自由日報) (Wang faction - 1939)
- The Kuo-min Jih-pao *3 (國民日報) (1939)

Thus, Hong Kong became a Chinese publishing center, with anti-Japanese literature spread everywhere. After the China Incident, the Shanghai Settlement and Hong Kong became isolated islands in the publishing world.

After the fall of Kwang-tung Province, the Ling-nan*4 University moved to Hong Kong; next the Kuang-chou University*5 and the Kwang-tung National University*6 also moved there. As Japanese power came to be felt more and more in Shanghai, many of its (educational) leaders went to Hong Kong, but Hong Kong never became a students' town.

However, it is the field of entertainment, rather than that of culture which gives one the best idea of conditions in Hong Kong during the four years following the China Incident. In spite of political, economic, and social conflicts, in spite of the fact that Hong Kong found itself overrun by the poor and confronted by the problem of refugees, in spite of the fact that the construction of fortifications progressed all over the island and that the clouds of war hung low over the city - nay, for these very reasons themselves - vice and entertainment thrived more than ever.

*1 Singapore News

*2 Singapore Morning News *3 National Daily News

*4 嶺南

*5 廣州大學

*6 廣東國民大學

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Restaurants, bars, racetracks, beaches, and golf courses were more crowded than ever before. As a result of the great influx of dancers from Shanghai, dance-halls spread. Thus, Shanghai's characteristic enterprises and educational institutions moved south.

East Asia's two entertainment centers in 1941, Shanghai and Hong Kong, lost their significance with the outbreak of the Greater East Asia War.

Addendum: The Historical and Statistical Abstract of the Colony of Hong Kong, 1841 - 1930, (Hong Kong 1932) appears in the chronological tables published by the British Government Office.

In writing this treatise we have frequently quoted from Mr. OGURA Hirokatsu's*1 Hong Kong. This work furnishes the only connected account of Hong Kong's development from the Kwang-tung (廣東) trading period to November, 1941.

*1 小椋廣勝

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GEOGRAPHYSection 1. Position and Area.

Hong Kong Occupied Territory is situated on the east bank of the Canton River*¹ delta between latitude 22° 9' to 17' N and longitude 113° 52' to 114° 30' E on the north coast of the South China Sea. It is 91 miles from Canton (Kwangchow*²) and 40 miles from Macao. It is 1,600 nautical miles from Yokohama and 1,425 nautical miles from Singapore. Consequently it is situated almost exactly in the geographical center of the Greater East Asia Co-prosperity Sphere.

The total area of 1,013 square kilometers (391 square miles) is divided into Hong Kong Island*³, Kowloon*⁴, and the New Territories*⁵. Hong Kong Island, together with the various adjacent islands, has an area of 32 square miles. In 1842 Hong Kong was ceded to England; afterwards England took possession of these various adjacent islands as being a part of Hong Kong. Kowloon, with an area of 3 square miles, was ceded to England in 1860. Stonecutter's Island*⁶ (Ngon Shun Chau now called Mukojima) was also construed by England as being contained in Kowloon. The New Territories have a total area of 356 square miles, consisting of the major part of the Kowloon Peninsula, 33 islands around Hong Kong, and the adjacent sea-areas. These were leased by England on 1 July 1898 for 99 years (until 30 June 1997). At first, within the New Territories, jurisdiction over Kowloon City*⁷ was retained by the Imperial Chinese officials of the region, but in 1899 this ceased with the removal of the officials. Further, a section of the New Territories bordering on Kowloon (15.7 square miles) was named New Kowloon*⁸; its boundaries were fixed in 1937. Ever since the establishment of the English Government Office, both the Crown lands and the leased territory have been under the identical administration.

Note It is regrettable that in a place like Hong Kong we are compelled to use the English weights and measures. In the future we propose to change to the metric system entirely.

Section 2. Topography.

Since the coastline of this territory is very irregular, Hong Kong is a naturally good harbor. The islands also are scattered about very irregularly; the largest of these, Tai Yu Island*⁹ (also known as Tai O Island*¹⁰ or Ian Tao Island*¹¹), is about twice the size of Hong Kong Island. Throughout the whole territory the country is generally hilly; the highest hill is Tai Mo Shan*¹² (3,130 feet) on the mainland of the New Territories; the next highest is Feng-Huang-Ling*¹³ (Jan Tao Peak*¹⁴) (3,065 feet) on Tai O Island; the highest hill on Hong Kong Island, Kagamine*¹⁵ (T.N. Pronunciation unverified) (old name: Victoria Peak), is 1,823 feet high.

*1 珠江

*2 廣州

*3 香港島

*4 九龍

*5 新界

*6 昂船洲

*7 九龍城

*8 新九龍

*9 大嶼島

*10 大嶼島

*11 爛頭島

*12 大帽山

*13 鳳凰嶺

*14 爛頭峰

*15 香个峰

The city district of Hong Kong is situated opposite Kowloon on the gently sloping north shore of the island on reclaimed land and dried marsh land. The city district of Kowloon lies on small hills which have been leveled off. In the New Territories several lines of hill-crests run east and west, while in the northern part there are swamps where paddy-field rice is grown. In short, as a harbor the location is good, but it would not appear to be well suited to be the site for a large city. The fact that a large city has grown up on such land as this is entirely due to the planning of England. Geological studies of Hong Kong have not yet been published, but there are four mines in the New Territories.

Section 3. Climate and Natural Features.

This area is under the influence of the monsoon, and thus the climate is, in general, subtropical. The winter is cool and dry, while the summer is damp and hot. The northeast monsoon period comes every year from October to the following April, with the early part of winter being the most pleasant. Around March or April a warm south wind springs up; the humidity is high and there are thick fogs, so that it is extremely gloomy. The southwest monsoon period lasts from May to August, but the direction of the wind is variable. During the summer, rain is plentiful with three-fourths of the annual rainfall concentrated in the period from May to September. The months from June to October comprise the typhoon season; since July 1841, great damage to life and property has been caused by the typhoon.

The average annual temperature is 72° Fahrenheit, the July average 82° and the February average 59°; in the course of a year, temperatures higher than 95° and lower than 40° are rare. In the spring and summer seasons the humidity is high, reaching as high as 95%, but in the winter season it drops as low as 20%. The average number of hours of sunshine per month runs from 94 hours in March to 217 hours in October. The average annual rainfall is 84.26 inches.

There are few trees, and as a result of a policy of prohibiting indiscriminate felling, the territory is covered, albeit sparsely, with miscellaneous trees. There are no tropical animals or plants deserving particular notice, but on rare occasions tigers and leopards are seen. The varieties of marine animals are abundant.

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CHAPTER IV.

POPULATION

Section 1. Peculiarities of the Population of Hong Kong.

The population of Hong Kong, unlike any other in the world, was entirely urban. In Chapter II, preceding, the rise of the wealth of Hong Kong was described. The fact that some 2,000 Tanka*¹ came to the harbor soon after the territory was occupied by England indicates fairly clearly the character of the population of this place. It is natural that landless vagrants should stream into the city seeking bread, for Hong Kong was the spot closest to the whole South China region which was attractive to vagrants.

Hong Kong is not an industrial city capable of attracting the regular laboring class. Throughout the past hundred years this characteristic has always been due to the fact that Hong Kong is a transshipping port; a concentration of population dependent upon such a relay port which possesses no manufacturing or means of production for itself, which does not form an economic unit, naturally cannot avoid a peculiar composition. Moreover, the unlimited supply of coolie slave-labor was an extremely cheap and convenient thing for England which did not find it necessary to take any constructive measures with respect to the population. Behind the apparent magnanimity with which, as a rule, persons of the Chinese race were admitted freely into Hong Kong, there was at the same time the gentlemanliness peculiar to the English under which Chinese persons might freely starve to death. Living in conditions of over-population, crowded habitations, poverty, disease, and unemployment, unskilled labor is faced with the natural result of deciding whether to return home or die of starvation. It is said that during the hundred years in which it has been a free port of England, there has not been a day which did not see somebody die of starvation under the large and imposing buildings. Moreover, because of Britain's opposition a Chinese consul was never stationed in Hong Kong. What with the laissez-faire policy prevailing in the territory and as a result of its being outside the sphere of Chinese political disturbances because it is a British possession, Hong Kong attracted an inflow of Chinese rich men and fleeing politicians, and its prosperity became increasingly evident.

The influx of Chinese, especially after the China Incident, was tremendous. The Chinese population before the Incident was 980,000, but just prior to the fall of the city it had increased to a million several hundred thousand (possibly 2,000,000). (See Note 1) Except for that portion which consists of the wealthy and the politicians, the majority of those newcomers were without houses to live in and inevitably formed a problem-population sleeping in the streets. As the feeling of security in Hong Kong became unsettled with the development of the Incident, the result was that even in England's great Hong Kong it was not enough for the authorities just to wait for the Chinese to die by starvation or suicide. The government was compelled to do something about the problem of excess population; so an ordinance restricting immigration went into effect as of 15 January 1941, (1940, number 32) whereby the Chinese were forbidden free entry into the territory. A movement eventually developed for getting rid of this population (see Note 2); however the authorities were unable to effect any substantial decrease in the population.

Note 1: The large-scale influx of Chinese into Hong Kong began in August 1937 with a group from Shanghai, and increased suddenly on three peak occasions during 1938 -

- a. When Canton was bombed in May.
- b. When the landing was made at Bias Bay in October.
- c. When there was fighting at the British-Chinese border in November.

*1 T.N. A tribe of aborigines living in boats on the river near Canton.

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During 1939 - 40 the influx continued actively. From 1939 on, because of high prices and difficult living conditions, there was an exodus of part of the Chinese and a return to the agricultural districts.

Note 2: Riddance by compulsion was undertaken from time to time ever since professional beggars were shipped out in the direction of Canton in 1864. It was a forceful procedure based on the fact that Hong Kong was a city which did not form an economic unit.

The motivating spirit in the case of Japan was entirely different from that of England; Japan's case is stated later in this volume.

Section 2. Population During British Rule.

Next, before entering into a discussion of the population of Imperial Hong Kong, let us show, by the following, the cause of the population increase during the time it was a British possession from 1841, before British ownership when there were 2,000 people, through the end of the 19th century when there were 260,000 people, and from 1914, when there were 500,000 people, to 1937 when it had increased to 1,000,000 people.

	<u>Chinese</u>	<u>Non-Chinese</u>	<u>Total</u>
1841 before occupation	less than 2,000	--	--
1841, May	5,650	--	--
1842	12,361	--	--
1844	19,009	454	19,463
1850	31,987	1,305	33,292
1865	121,497	4,007	125,504
1866 (depression)	111,482	3,616	115,098
1872	115,564	6,421	121,985
1881	150,690	9,721	160,402 (T.N. sic)
1895	237,670	10,828	248,498
1896 (depression and plague)	226,710	12,709	239,419
1899 (immediately preceding the Boxer Rebellion)	243,490	15,822	259,312
1901 (census)	280,564	20,096	300,660
For the first time, the New Territories (102,254) and persons living on the water (40,100) were included in the main census.			
1906 (partial census) (including the Army and Navy)	307,388	21,560	329,038 (T.N. sic)
1911 (ditto)	445,384	18,893	464,277

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	<u>Chinese</u>	<u>Non-Chinese</u>	<u>Total</u>
1914	480,594	20,710	501,304
1918	548,000	13,500	561,500
1921, April (census)	610,368	14,798	625,166
1925, July	706,100	19,000	725,100
1926, December	691,000	19,000	710,000
1931, March (census)	821,429	28,322	849,751
1933	902,197	20,446	922,643
1934	923,584	20,098	944,492 (T.N.sic)
1937	984,400	22,582	1,006,992 (T.N.sic)
1938	1,005,523	23,096	1,028,619 (see note)
1939	1,026,645	23,611	1,050,256 (see note)

Note: From the July Seventh Incident on (T.N. the "China Incident", which began 7 July 1937), persons who came by junk or sampan or crossed the Chinese-British border were not included in these last two years. The British Government Office estimates their number in these last two years at approximately 600,000 to 700,000.

	<u>Chinese</u>	<u>Non-Chinese</u>	<u>Total</u>
1941, March (semi-official population survey) (minus the New Territories)	1,420,629	23,708	1,444,337

The figures cited above for the years up to 1939 were all taken from publications of the British Government Office, but the figures other than those resulting from a formal census are merely inferred by means of extrapolation. Even from these rough figures alone, we can perceive the rapid increases which were made at the time of various incidents relating to China (the Taiping Rebellion^{*1}, the Revolution of 1911, etc.). The first was conducted by the British Government Office in 1871, and was conducted at ten-year intervals from 1881 on; from 1891 on, the general form of the census was defined. Since 1901 the New Territories also have been included in the census. The 1941 census was postponed indefinitely; consequently we have to resort to the 1931 figures which were the latest gathered by the British. (See Note) Only a survey-like census was taken in 1911; thus there were only two complete censuses in 31 years.

Note: This census was called "Report on the Census of the Colony of Hong Kong, taken on the night of 7 March, 1931 by W.J. Carrie, M.A.B.Sc., Superintendent of Census. Sessional Paper. No. 5/1931". Its contents consisted of an introduction; a section on area, buildings, dwellings, households; a section on population, division by sexes, ages, marital status; a section on birthplaces, nationalities; a section on period of residence in this area; a section on levels of education; and a section on occupations and industries.

*1 大平戰

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The important part of this survey is the section which classified occupations and industries. Specifically, the former are businesses carried on by individuals, and the latter are those businesses or services characterized by having a large number of individuals or various kinds of occupations organized as one company or under one head-man. When it came to recording the occupations of the Chinese, such as they are in this area, it was deemed advisable to make a count on the basis of the stability of the family system and the extensiveness of side-line or secondary occupations, but the census-taker, according to his own statement, did not report the full results.

Then, as part of the census a survey was conducted of the "ability to read and write English or the mother-tongue", but these matters are always likely to result in exaggeration, and verification is impracticable.

The following are some pertinent comments concerning the 1931 population, of which 97% were Chinese;

- (1) The ratio of Chinese males to Chinese females decreased sharply, compared with 1921 (1921 - 100 to 64, 1931 - 100 to 75).
- (2) The fixed nature of Hong Kong's population was strengthened.
- (3) Because the New Territories have an agricultural population, the number of males and females is approximately equal.
- (4) The population fluctuated due to influx and efflux; considering just the travellers who used the railroad and steamship connecting with Canton in 1936, we find the daily average of persons entering Hong Kong to be 4,475 and of persons leaving Hong Kong to be 4,472; hence there was a daily ebb and flow of population involving close to 9,000 persons.

	<u>Males</u>	<u>Females</u>	<u>Total</u>
Hong Kong	247,967	162,954	410,921
Kowloon	146,618	118,057	264,675
New Territories	50,147	48,758	98,905
On the Water	<u>47,126</u>	<u>28,124</u>	<u>75,250</u>
Totals	491,858	357,893	849,751

In 1931 the number of persons having occupations was 470,794, among whom the persons engaged in

1. manufacturing numbered 111,156
2. transportation and communication numbered 71,264
3. fishing and agriculture numbered 64,430
4. commerce and finance numbered 97,026

The persons having occupations comprised 52.8% of the total population - 71.28% of the males, and 27.58% of the females *1. In this connection,

*1. N. On the basis of the population figures given above, the number of persons having occupations (470,794) compared with the total population (849,751) produces the figure 55.403% rather than 52.87%.

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child-labor between the ages of 5 to 13 (Japanese style of figuring ages) numbered 5,753.

The 1931 Chinese population classified by birthplaces was as follows:

Hong Kong (including Kowloon, the New Territories)	270,478	32.93%
Canton River Delta	<u>377,676</u>	<u>45.97%</u>
Total of the preceding	648,154	78.90%
Kwang-tung Province*1	534,239	65.04%
Hong Kong and Kwang-tung Province	804,717	97.97%
Other parts of China	13,160	- -
Hong Kong and China	817,877	99.56%
Other parts of the Continent of Asia	2,240	
Elsewhere	1,312	

The 1931 non-Chinese population classified by races was as follows:

English	14,366 (of whom 7,682 were Army Troops)
Other Europeans and Americans	2,036
Eurasians	837 (the majority have Chinese nationality)
Portuguese nationals actually in Hong Kong	3,197 (including 32 Portuguese-born in the homeland and 172 crew members of a Portuguese gunboat)
Indians	4,745 (of whom 1,270 were Army Troops)
Japanese	2,205 (among whom 372 persons living on the water; Koreans and Formosans were not included)
Others	<u>936</u>
Total	<u>28,322</u>

The most recent population survey made by the British was conducted on 13-15 March 1941 by the Air Defense Administration (See Note)

<u>Nationality</u>	<u>Hong Kong</u>	<u>Kowloon</u>	<u>On the water</u>	<u>Totals</u>
Chinese	697,674	568,955	154,000	1,420,629
English	5,542	2,440	0	7,982
Indians	3,342	4,037	0	7,379

*1 廣東省

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<u>Nationality</u>	<u>Hong Kong</u>	<u>Kowloon</u>	<u>On the Water</u>	<u>Totals</u>
Europeans (not classified)	663	2,272	0	2,935
Portuguese	765	2,157	0	2,922
Americans	139	257	0	396
Others	1,169	625 (misprint for 925?)	0	2,094
Totals	709,294	581,043	154,000	1,444,337

Although a survey was not made in the New Territories, the population there was estimated at 195,000. The above totals about 1,640,000. Assuming an omission of 10% in the survey, the total population was estimated to be nearly 2,000,000. Owing to the rain that night only some 20,000 persons were found in the streets, but the actual number of homeless was probably much greater. Apropos of this, according to an estimate of the Police Department in June 1938, there were 27,000 persons sleeping in the streets.

Note: South China Morning Post and others, 17 May 1941. These figures are erroneous and do not agree with the totals. In addition, see the same newspaper for 5, 7, 19 April.

Section 3. Population as a Japanese Imperial Possession.

Recently, Governor General Isogai said in a conference with a group of Chinese journalists, "The old Hong Kong was a gathering place for persons living in dissipation, but present-day Hong Kong must become a spirited site of industry. Formerly there were many warmly-clad, well-fed individuals here who had lost the true Oriental spirit, but there is neither need nor excuse for such persons' existence. The process of getting rid of excess population will continue." ("Overseas Chinese Daily"*1 and "Hong Kong Island Daily"*2 of 5 October 1943.) The first question to be taken up by the government of Imperial Hong Kong was the matter of dispersing the excess population. The prosperity of Hong Kong is extremely important from the point of view of the emancipation of East Asia's billion people; that being the case, in order to build it anew, measures regarding the population are being taken according to a new line of reasoning.

A. Dispersal of the Population.

Immediately after the occupation of Hong Kong, one of the most important matters to be undertaken was the rapid reduction of the population of Hong Kong which, at that time, came close to 2,000,000 people. This was because at the conclusion of the campaign, we were looking forward to the smooth operation of the Military Government; this could not be accomplished with an excessively large population to handle. Hence, the Military Government set up a plan for getting rid of the Chinese population by force, and during the existence of the Military Government Office (up to 19 February 1942) 554,000 persons were dispersed. Likewise, after the Office of the Governor General was opened for business, this policy was followed and the process continued, and in the period from the establishment of the Office of the Governor General to the end of September 1943, 419,000 persons were forced to leave Hong Kong. If this figure is added to the number of persons dispersed during the existence of the Military Government it totals some 973,000 persons.

*1 華僑日報

*2 香島日報

At the end of September 1943 the population of Hong Kong (Hong Kong Island, Kowloon, and the New Territories) was approximately 860,000 persons. When we add the number of dispersed persons to the number of the present population, the population immediately prior to the occupation must have amounted to more than 1,300,000. Of course, among the dispersed persons there probably were some who subsequently slipped back into Hong Kong secretly; but at any rate, to have gotten rid of more than 970,000 persons in less than two years and to have been able to reduce the population of Hong Kong to less than half of what it was just before the occupation is something that must be termed an extraordinary success.

Three kinds of processes were used for getting rid of population:

- (1) suggested evacuation (expense-free evacuation)
- (2) evacuation at the individual's own expense.
- (3) compulsory evacuation

Regardless of the particular process employed, the results not only aided in building the new Hong Kong, but also caused the Chinese who were idle loafers hindering the rebuilding to return to their native habitats. Suggested evacuation and compulsory evacuation caused criminals, vagrants, unemployed, poverty-stricken persons, and others, whose presence would hinder the process of getting production underway in the future Hong Kong, to return to their home towns. In the case of suggested evacuation the persons concerned were supplied lodging, meals, and traveling expenses and were sent home via the three routes of T'ai-p'ing*1, Chiang-men*2, or Shen-ch'uan*3. (See Note) In the case of compulsory evacuation, food and pocket-money were given the evacuees, and they were transferred outside the district. From the end of 1943 on, however, compulsory evacuation has been applied only to exceptional cases. What is known as evacuation at the individual's own expense consists of a person's leaving Hong Kong by his own free will and at his own expense, or else of his departing from Hong Kong with the assistance and at the expense of a Chinese association of people hailing from his own province.

Note: During the time of the Military-Government Office they were mainly sent through Canton. From 14 November 1943 the following nine places were added as routes for returning home:

1. Tan-shui (also known as Tamshui)*4
2. Shen-ch'uan*5
3. Hai-men (also known as Hoimoon)*6
4. Shan-wei*7
5. Chia-tzu Harbor (also known as Kiatze Harbor)*8
6. Shih-ch'iao (also known as Shikiu)*9
7. San-shui (also known as Samshui)*10
8. Shih-ch'i (also known as Shekki)*11
9. Shan-t'ou (also known as Swatow)*12

*1 太平

*3 深圳

*5 神泉

*7 汕尾

*9 市橋

*11 石岐

*2 江門

*4 淡水

*6 海門

*8 甲子港

*10 三水

*12 汕頭

Also known as Kongmoon

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As heretofore stated, the total number of persons dispersed since the occupation up to the end of September 1943 exceeded 973,000. Of these, suggested evacuation accounted for 576,000, compulsory evacuation 16,000, and evacuation at the individual's own expense over 381,000. Furthermore, evacuation at the individual's own expense is increasing substantially.

B. Division of the Population by Areas and by Nationalities.

The first post-occupation census was taken in September 1942. This consisted of the records previously made in the Register of Houses and Inhabitants which was based on the residence reports turned in to the commandant of the Hong Kong gendarmes by residents under his jurisdiction. Also taken into account were the adjustments in the directory necessitated by changes appearing from a census taken during the 15-day period from the 4th to the 18th of September. According to this first census, the total population of Hong Kong (Hong Kong Island, Kowloon, the New Territories) was 980,000 persons, of whom there were 2,300 Japanese, 970,000 Chinese, and 7,000 foreigners.

On 31 May 1943, a second census was carried out along stricter lines than the previous one. In this second census, 37,394 persons were discovered who were not entered in the population register. Of these, about 1,000 were unreported births, about 22,000 were unreported residents, 2,666 were cases of secret entry, and about 12,000 were miscellaneous. Also, a so-called ghost population of 114,625 persons entered in the register but non-existent in fact was discovered. Of these, about 3,000 were unreported deaths, about 60,000 were missing persons, about 24,000 were unreported departures, about 3,000 were persons reported from more than one residence, about 4,000 were false reports, and about 10,000 were miscellaneous. (T.N. This makes a total of only 104,000). By taking these factors into account, this census of the population of Hong Kong attained additional accuracy. According to the second census, the total population of Hong Kong, including Hong Kong Island, Kowloon and the New Territories, was 863,000, of which 5,000 were Japanese, 851,000 were Chinese, and 7,000 were foreigners.

Population statistics are published monthly, based on the census, by the method of extrapolation. By the end of September, 1943, the population was 392,000 on Hong Kong Island, 376,000 in Kowloon, and 92,000 in the New Territories, making a total of 860,000. Of these, 6,000 were Japanese, 847,000 were Chinese, and 7,000 were foreigners. The following table shows the population figures as given by the first and second census and at the end of September 1943 by extrapolation.

Population of Imperial Japanese Hong Kong.

	First Census 18 Sept. 1942	Second Census End of May 1943	End of Sept. 1943 (by extrapolation)
1. Population by Areas:			
Hong Kong Island	457,629	397,922	392,269
Kowloon	419,088	365,323	375,739
(Water-dwellers included in the above)	(19,299)	(15,448)	(18,732)
New Territories	<u>103,356</u>	<u>100,154</u>	<u>91,917</u>
Total	980,073	863,399	859,925

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First Census	Second Census	End of Sept. 1943
18 Sept. 1942	End of May 1943 (by extrapolation)	

Additional:

Kai Tak Area (啟德區) (estimated)	)	12,000	--	--
Mei Wo Island (梅窩) (estimated)	)	700	526	536
Cheung Chau Island (長洲) (estimated)	)	20,000	19,102	18,736
Tai O Island (大嶼) (estimated)	)	8,000	8,814	9,775
Ping Chau Island (坪洲) (estimated)	)	<u>2,000</u>	<u>1,358</u>	<u>1,358</u>
Estimated Total		42,700	29,800	30,405

2. Population by Nationality:

Japanese	2,348	5,022	6,037
Chinese	970,380	851,412	846,633
Male Chinese	492,748	423,111	419,945
Female Chinese	477,632	428,301	426,688
Foreigners	<u>7,345</u>	<u>6,965</u>	<u>7,255</u>
Total	980,073	863,399	859,925

The above population figures must also agree with the number of rice ration coupons issued (See Part III, Chapter VI, Section 5, "The Distribution of Essential Commodities"), and the idle people who have no rice ration coupons are naturally placed in the position of having to leave Hong Kong.

At the end of November, 1943, there were more than 7,000 registered foreigners of various nationalities. More than 60% of the total were Indians and Portuguese. (See statistics in the Appendix at the end of this volume).

The Portuguese are being encouraged to return to Macao, but this is not included in the "dispersal" previously described.

C. Division of the Population by Occupations.

At the same time as the second population census (end of May, 1943), an examination of the population according to occupations was made. Out of a total population of 863,000, there were found to be 497,000 employed (57.7%), and 367,000 unemployed (42.3%). Of these unemployed, 361,000 were Chinese. However, we cannot regard all these unemployed as living in idleness, since a considerable portion is made up of the families of employed persons.

Yet we can also well imagine that, among the 497,000 employed persons, there are some who have made false or exaggerated declarations, from fear of being evacuated as unemployed persons. At any rate, on the basis of these figures, the population of Hong Kong is classified occupationally as follows.

Population of Hong Kong Classified According to Occupations.

1. <u>Employed</u>	496,746	100.0
Agriculture	72,743	14.6
Fisheries-	18,478	3.7
Mining	1,375	0.3
Industry	65,472	13.2
Commerce	156,531	31.5
Transportation	22,667	4.6
Governmental functions	13,842	2.8
Casual trade	10,922	2.2
Casual labor	40,231	8.1
Domestic work	53,582	10.8
Miscellaneous	40,903	8.2
2. <u>Unemployed</u>	<u>366,653</u>	--
3. <u>Grand Total</u>	863,399	--

Note: These are total numbers employed in each kind of occupation, including heads of businesses, office-workers, technicians, and laborers. For details, see next table.

As we see in this table, the largest section of the employed population of Hong Kong is occupied in commerce and accounts for 157,000 out of a total employed population of 497,000, or 31.5%. Next largest are agriculture, with 73,000 (14.6%), industry, with 65,000 (13.2%), and domestic service (serving women, house-boys, etc.), which amounts to 54,000 (10.8%). A true picture of the character of Hong Kong, as a trade and commercial city and as a consumer city, is here presented.

We are making no additions to this table of population according to occupations, but we will next show its original components. An examination of the entry marked "commerce" reveals that it is made up of 47,000 heads of businesses, 50,000 office-workers, and 57,000 other workers; this breakdown indicates that there are a great many small commercial enterprises. There are also a considerable number of small manufacturers.

<u>Nature of Occupation</u>	<u>Japanese</u>	<u>Chinese</u>	<u>Foreigners</u>	<u>Total</u>
1. <u>Agriculture</u>				
Owners and directors	6	18,871	8	18,885
Office workers	9	2,215	3	2,227

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<u>Nature of Occupation</u>	<u>Japanese</u>	<u>Chinese</u>	<u>Foreigners</u>	<u>Total</u>
<u>1. Agriculture (cont'd)</u>				
Technicians	3	113	0	116
Other workers	0	51,512	3	51,515
<u>2. Fisheries</u>				
Owners and directors	8	6,069	1	6,078
Office workers	78	488	0	566
Technicians	9	74	0	83
Other workers	22	11,729	0	11,751
<u>3. Mining</u>				
Owners and directors	5	109	0	114
Office-workers	22	226	3	251
Technicians	8	112	1	121
Other Workers	0	887	2	889
<u>4. Industry</u>				
Owners and directors	58	3,083	3	3,144
Office-workers	135	9,439	17	9,591
Technicians	146	5,838	21	6,005
Other workers	6	46,678	48	46,732
<u>5. Commerce</u>				
Owners and directors	370	46,601	164	47,135
Office-workers	1,381	48,837	238	50,456
Technicians	15	1,770	27	1,812
Other workers	50	56,894	184	57,128
<u>6. Transportation</u>				
Owners and directors	31	2,318	2	2,351
Office-workers	318	3,288	49	3,655
Technicians	23	1,000	6	1,029
Other workers	4	15,557	71	15,632
<u>7. Governmental functions</u>				
<u>8. Casual trade</u>				
<u>9. Casual labor</u>				
<u>10. Domestic work</u>				
<u>11. Miscellaneous</u>				
<u>12. Unemployed</u>	<u>1,654</u>	<u>361,398</u>	<u>3,601</u>	<u>366,653</u>
Total	5,022	851,412	6,965	863,399

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CHAPTER V.

GOVERNMENT

Section 1. General Policy of Military Administration.

On 26 December, 1941, the day after Imperial forces completely occupied Hong Kong, military government was established, and military administration was proclaimed for the occupied territory of Hong Kong.

On 19 January, 1942, it was decided to create the Government General of Occupied Hong Kong, and Lieutenant-General ISOGAI Rensuke was appointed by his Imperial Majesty to be the first Governor General of Occupied Hong Kong. Governor General Isogai assumed his post 20 February 1942, and since that date, military administration under the Government-General of Occupied Hong Kong has been in force.

The general policy of military administration of the Government General of Occupied Hong Kong is explained in the "Official Notice" which was issued at the time that Governor General Isogai assumed office. Its text, which is set forth in the opening section of this document, called for all-out cooperation in prosecuting the Greater East Asia War as the first principle of the government established for Hong Kong. Under this principle, all policies have been forcefully executed, devoting the total human and material strength of Hong Kong to the speedy conclusion of the Greater East Asia War. The policy is one of general mobilization of the total material strength of Hong Kong, the various installations of harbors and bays, airports, shipyards, and factories -- as well as her economic power. Simultaneously, the government causes the residents within its jurisdiction to see the light of Sino-Japanese coalition, to take to heart the essentials of the establishment of the Greater East Asia Co-Prosperity Sphere, and to unite in an overwhelming effort toward the successful outcome of the Greater East Asia War.

Military administration means government conducted with its prime objective the objective of prosecution of the war; however, at the same time, it is necessary to have government based upon planning for the future. Of course, the military administration is administration in behalf of prosecution of the present war, but today one must not forget to lay the foundation of policies for the future utilization of Hong Kong in the establishment of the Co-Prosperity Sphere. The manner in which the Hong Kong military administration reconciles these two so-called incompatible propositions is a matter of grave concern. Various arguments may arise with respect to Hong Kong military government, depending upon the relative degree of importance or urgency seen in the two.

However, this point is clarified in the statement of the "Official Notice" to the effect that the future administration of Hong Kong under military rule shall consist in lending all-out united effort to the prosecution of the Greater East Asia War, washing away the old order and fostering the native spirit and culture inherent in the Orient, bringing the multitude quickly to bask in Imperial favor, and realizing eternal prosperity in the Far East modeled after the Imperial Way.

Thus, the Hong Kong military government has the two-fold objective of laying a foundation for: (a) Bringing all-out united effort to the prosecution of the War, and (b) the realization of eternal prosperity for the Far East modeled after the Imperial Way. This attests to the magnanimous spirit of the military administration of Hong Kong.

It is not demanded that the Chinese become Japanese. It is, however, strongly demanded that they start a new life as true Chinese. The basis of the policy toward the Chinese is the fact that if they again become true Chinese, they will unhesitatingly cooperate with Japan. This is the outstanding characteristic of rule over the Chinese in Hong Kong. Needless to say, our administration of Hong Kong is being conducted in keeping with our brilliant policy of national development.

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Section 2. Legislation and Administration.A. Legislation.

All legislative functions in Occupied Hong Kong are performed by the Governor-General, and there is no specially instituted formal advisory organ. Bills are drawn up in the various sections of the Office of the Governor General and are promulgated as law upon the approval of the Governor General. However, even though no formal advisory organ exists, the opinions of the Chinese, who constitute the majority of residents in this area, are not entirely disregarded. A Chinese Representative Committee has been established, founded on a desire to consider, insofar as possible, the opinions of the Chinese people in the matter of general administration. This committee issues statements of opinion in response to inquiries of the Governor General regarding political matters pertaining to the Chinese people in the area under his jurisdiction. This committee should be aware at all times that the opinions which it expresses to the Governor General may be taken into account at the time of legislating.

There are four forms of legislating:

1. By Order of the Governor General. *1
2. By Proclamation *2
3. By Public Announcement *3
4. By Public Notice *4

Most important matters, such as those determined in accordance with Statutes or Imperial Edicts from Japan proper, are stipulated in Orders of the Governor General. All other matters, depending upon their importance, are stipulated in Proclamations, Public Announcements, or Public Notices. During 1942, 56 Governor General Orders, 22 Proclamations, 86 Public Announcements, and 19 Public Notices were promulgated.

During the fiscal year 1943, 53 Governor General Orders, 16 Proclamations, 74 Public Announcements, and 31 Public Notices were issued.

The substance of law with which administrative departments are concerned is steadily being materially perfected in accordance with the progress of the administration of the Government General. The same cannot be said concerning the law with which the judiciary is concerned. This is due to the fact that a system as basic as the judicial system for civil cases cannot be easily revised in a day. Consequently, at present it is beyond our control; however, we are zealously endeavoring to make as quickly as possible whatever changes may be necessary from the standpoint of stability and public reaction.

B. Administration.

The administration of the occupied territory is conducted by the Governor General through the Office of the Governor General*5, which is divided into many department and sections. The complete organization of the Office of the Governor General cannot be made public, but the lower echelon of administration which is charged with the immediate exercise of general administrative functions is described in the following.

*1 督令
*3 公示
*5 總督部

*2 布告
*4 公告

Under the lower administrative organization the occupied area of jurisdiction is divided into the three Regions*1 of Hong Kong, Kowloon and the New Territories, and regional controls are enforced through Regional Offices*2 located therein as first line administrative organs. The Regional Offices are in charge of enforcing compliance with orders and instructions of the Office of the Governor General concerning matters pertaining to general administrative functions within the Region, such as its agriculture, economy, school affairs, religion, and sanitation.

*3

Twenty-eight Districts have been created as communal administrative organs for the Chinese residents. The Districts are under the jurisdiction of the Regional Offices, and the District Head and assistant Head are appointees of the Governor General; however, their personnel is entirely Chinese. They administer distribution of commodities necessary to the Chinese, housing, and sanitation. District expenses are defrayed by subsidies from the current Military Administration Accounts. Social service bodies under the Districts are also being organized, and they are utilized in the details of military administration.

Among the agencies cooperating in administration of the Chinese, there is, in addition to the previously mentioned Chinese Representative Committee, a Chinese Consultative Committee*4 which considers the opinions of the Chinese in matters pertaining to political affairs affecting the Chinese and deliberates upon them in accordance with Chinese habits and customs. It even plans details of enforcement policies, insofar as possible, through minutely organized bodies of Chinese and seeks their cooperation. These organs were created under the General Policy, 28 March 1942.

The Chinese Representative Committee is composed of four Chinese who are recognized as men of intelligence and experience and as having the confidence of the people. The four who have been appointed include the chairman Lo Hsu-ho*5 (Chinese Representative under British Administration, head of the firm of Hsu-ho*6 and director of the Chinese Land-buying Company); Liu T'ieh-ch'eng*7 (Manager of Communications Bank); Li Tzu-fang*8 (Director of East Asia Bank); and Ch'en Lien-Pe (Pai)*9 (Governor General of the Fu-hsing*10 Oil Refining Company).

The Chinese Consultative Committee, composed of twenty-two men recognized as representatives of various fields such as Chinese trade, industry, transportation, finance, education, charity, the arts, medicine, construction, and labor, is a cooperating agency in the execution of political affairs affecting the Chinese. It holds regular meetings twice a week, and after debating various matters pertaining to political affairs of the Chinese, it gives voice to its opinions through the Chinese Representative Committee. The Chinese Consultative Committee is expected to know everything there is to know about the condition of the people. Members of this Committee are as follows:

- Chairman Chou Shou-ch'en (周壽臣))
(President of Directors of the East Asia Bank and
President of Directors of the China Department Store
[中華百貨公司])
- Li Kuan-ch'un (李冠春))
(Manager of the Ho-fa-ch'eng Company [和
發成公司])
- Tung Chung-wei (董仲偉))
(President of the Hong Kong Chamber of Commerce,
Head of the Association of Exchange Firms of
Hong Kong [香港錢莊公會], and
Manager of the Tao-heng Silver Company [道
亨銀號])

*1 地區

*2 地區事務所

*3 區

*4 華民各界協議會 *5 羅旭和

*6 旭和

*7 劉鐵誠 *8 李子方

*9 陳廉白

*10 復興

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Yeh Lan-ch'uan (葉蘭泉)
(Head of the Hong Kong Chinese Industries
and Merchants Federation [香港中華廠
商聯合會] Director of the
Everlasting Cemetery (Chinese) of Hong Kong
[香港華人永遠墳場], and
Superintendent of the Confucian Temple of
Hong Kong [香港孔聖堂])

Wu Hua (伍華)
(Permanent Advisor to the Hong Kong Construction
Firms Association [香港建築商會],
President and General Manager of the Hong Kong
Pi-ta Company [香港必打行],
and General Manager of the Sheng-t'ai Construction
Company [生泰建築公司])

Lo Wen-chin (羅文錦)
(Lawyer)

K'uang Ch'i-tung (龐啟東)
(President of the South China Daily News
[南華日報] and Committee
member of the Propaganda Department of the
Peoples Government [國民政府宣傳部])

Lin K'ang-fa (凌康發)
(President of the General Trade Committee of
Kowloon [九龍總工會] and Head of
the Tea Shop Workers Association [茶居工業
總會])

Lin Chien-yin (林建寅)
(President of the General Labor Association
of Hong Kong and Kowloon [港九勞工總會])

Li Chung-fu (李忠甫)
(Head of East China San Yuan [東華三院]
and Manager of the Asia Company [亞細亞行])

Kuo Tsan (郭贊)
(Vice-President of the Hong Kong Chamber of Commerce
and Chinese Director of the Bank of France)

Lu Ai-yun (陸靄雲)
(President of the South China Physical Culture
Association of Hong Kong [香港南華體育會]
and Manager of the Chien-tung Company [建東公司])

Chou Yao-nien (周耀年)
(Construction Engineer)

Kuo Ch'uan (郭泉)
(Director of the Wing On Bank [永安銀行]
Director of the Wing On Company, and Head of the P'u-I
Foreign Goods Trading Company [普益洋貨行商會])

Wang Te-kuang (王德光)
(Head of the Business Office of the Chinese Representatives
Committee [華民代表會事務所])

UNCLASSIFIED

UNCLASSIFIED

T'an Ya-shih (譚雅士)
(Lawyer)

Wang T'ung-ming (王通明)
(Superintendent of the T'ung-ming Hospital
of Hong Kong and Kowloon [香港九龍通明醫院長])

Teng Chao-chien (鄧肇堅)
(Director of the Teng Tien-fu Silver Company
[鄧天福銀號], Vice-President
of the Hong Kong Auto Transport Company [香港自動
車運送會社])

Yen Ch'eng-kun (顏成坤)
(President of the Hong Kong Auto Transport Company)

Huang Yen-ch'ing (黃燕清)
(Principal of the Kuang-hua Middle School of Hong Kong
[香港光華中學校長], Chief Secretary of
the Hong Kong Association of Middle and Primary Schools
[香港中小學校會], and Current Manager
of the Pao-liang Bureau [保良局當年經理])

Section 3. Judicial, Police and Penal Systems.

A. Judicial System.

(1) Trial Machinery.

There is a considerable difference between the judicial system of Hong Kong Occupied Territory and that of the Southern Occupied Territories. This is due to the fact that a fairly large number of native judges had been employed in the South; and so by utilizing them as judges after occupation by the Imperial Army, judicature was able to continue without interruption. However, judges in law-courts of Hong Kong under British rule were British without exception. Since they were interned as enemy aliens upon occupation by the Imperial Army, it was essential that Japanese assume their functions. Therefore, along with the establishment of the Government General on 20 February 1942, courts-martial and civil tribunals were established to handle criminal matters and civil matters respectively, and applicable substantive and adjective law was drafted, based upon Japanese law.

On 15 October 1943 a Public Procurator's Office and a new court were established by reason of a review of the intrinsic nature of courts-martial and the replenishment of key judicial personnel. As a result, at present both military courts and courts of law are provided. Courts-martial try only criminal cases in which the military is the plaintiff. The law-courts have jurisdiction in all other criminal cases and are in charge of all civil cases.

Thus the judicial system has continued virtually uninterrupted. However, there still remains pending for the future judicial system the matter of revision and reorganization of the substantive and adjective law applicable in these courts. Although criminal law has been organized for the time being, there still remains the problem of reorganization of the civil law. The substance of the civil law in this area is "based upon the law of Japan with consideration for the previous law and customs of this area". The civil law is in a different position than the criminal law. Although the rights and duties created by the laws and customs of the late British regime should not be completely disregarded, still, inasmuch

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as Japanese jurists are now employed, the old laws and customs cannot be continued unchanged. It was for this reason that the civil law now in effect was adopted. However, the arrangement obviously needs revision and reorganization, and the authorities are at present diligently working toward this end.

(2) Organization of the Bar.

Under the British regime in Hong Kong, a number of Chinese had become barristers and solicitors. Since they ardently desired to return to their work, on 20 February 1943 there was promulgated the Bar Decree pursuant to which these Chinese lawyers were permitted to participate solely in civil cases. This decree also enabled other persons eligible to be lawyers in China to commence practice in this area. Twelve of the seventeen lawyers now practicing are former barristers or solicitors. They are cooperating very well with the civil judiciary under the supervision of the Judicial Department.

B. Police System.

From the time of occupation until the present, military police have exercised all police powers in Hong Kong. Although Indians, Chinese, and others have been employed, they are merely assistants to the military police.

The peace has been completely preserved in Hong Kong, and to a great extent this success must be attributed to the military police. Under the principle of immediate disposition of police offenses, the military police may take summary action in cases involving imprisonment for not more than 3 months or a fine of not more than 500 yen. Of course, an appeal will be permitted.

C. Penal System.

At the time of the establishment of the Government General, a prison was provided under the Military Judicial Affairs Department by utilizing the existent buildings and facilities of the prison located in Chik-Chu*1 under the British regime. At the end of November 1943, there were about 400 prison inmates committed by courts-martial and courts of law. These were almost entirely Chinese; however, they included some enemy aliens and nationals of other powers. Since the buildings of the prison are large, strong, and virtually undamaged, they have a total potential capacity of about 7,000 persons.

However, at present, the working facilities cannot be adequately utilized due to lack of directors and shortages of equipment and materials. Consequently, the labor power of the inmates cannot be fully employed. Doubtless, pending bills concerning the future of the prison will provide for full utilization of the prisoners' potential labor power toward the goal of increased production.

*1 赤桂

T.N. Stanley Prison.

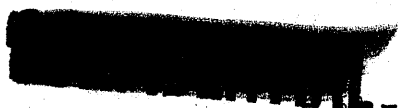
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PART II

INSTALLATIONS



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CHAPTER I.

PORT AND HARBOR

Section 1. Hong Kong Harbor.

Hong Kong Harbor lies between the Southern edge of Kowloon and Hong Kong Island. It has a water area of 14 square miles and is a good natural harbor. The eastern entrance is Lei U Mun*1 (T.N. Channel); and the western entrance is on a line connecting the western edges of Mukojima *2 (Ngon Shun Chau *3 in Chinese; former English name is Stonecutter's) and Tsing Chau Island*4. The depth of the water varies, but at low tide it is from 24 to 78 feet. The usual tide is of 6 feet, with high spring tides of 8 feet. Freight is handled both offshore and at wharves, the offshore handling being by means of junks and lighters. The harbor facilities, because there has long been an extremely cheap and plentiful labor supply, still offer much room for mechanization - they are, for instance, somewhat inferior to those at Dairen. When they are improved in this respect, the present capacity of the port will be increased. In 1939, before the Greater East Asia War, 3,698 ocean-going steamships with a total tonnage of 11,067,000 tons, entered the port. The combined warehouse capacity at Hong Kong Island and Kowloon was X hundred thousand tons before the War (T.N. Figure not given, presumably for strategic reasons).

Geographically, the Port stands at the center of the Greater East Asia Co-Prosperity Sphere, and in addition to having splendid harbor and warehousing facilities, as set forth in the Third Economic Report*5, Hong Kong has all sorts of wharves and shipbuilding facilities. In the present Greater East Asia War these facilities are making a tremendous contribution to the conduct of the war. Thus, there must be considered both its strong geographical position at the center of the Greater East Asia Co-Prosperity Sphere, and the capacity of the harbor facilities. Without doubt it will develop increasingly great strength in the future.

At the end of December, 1943, the activities of the Japanese operators with respect to ocean transport and freight handling at the harbor were as follows:

A. Ocean Transport.

Nippon Yusen Kaisha

日本郵船會社

Osaka Shosen Kaisha

大阪商船會社

Toa Kaiun Kaisha

東亞海運會社

Yamashita Kisen Kaisha

山下汽船會社

Showa Kaiun Kaisha

昭和海運會社

Canton River Transport Association

廣東內河運營組合

as the Pearl River),

(T.N. The Canton River is also known

Kokusai Unyū Kaisha

國際運輸會

Nittō Kōgyō Kisen Kaisha

日東鑛業汽船會社

*1 鯉魚門

*2 向島

*3 昂船洲

*4 青洲島

*5 第三「經濟篇」

B. Harbor Freight Handling.

- Taiwan Unyū Kaisha (臺灣運輸會社),
 Canton Freight Warehouse Association (廣東荷役倉庫),
 Mitsui Bussan Kaisha (三井物產會社)
 (coal only)
 Chung-sheng Company (中盛公司) (coal only)

C. Ocean Freighting.

- Ying-chuan Company (穎川洋行),
 Taiyo Hansen Kaisha (大洋帆船會社),
 Maeda Company (前田洋行),
 Chien-ch'eng Company (建成行),
 Yü-hsing Shan-yün Company (裕興航運公司),
 Chien-shang Company (營商行),
 Lin Pen-yuan Hsing-yeh Company (林本源業公司),
 South Asia Commercial Sailing Ship Import Board (南亞商行)
 帆船運輸部

D. Junk-borne Commerce.

- Hung-fa Company (宏發公司)

E. Passenger Vessel Hand Baggage Delivery.

- Hong Kong Redcap Company (香港赤帽社).

Besides the above, there are about 60 Chinese operators engaged in freighting (chiefly in junks). We omit mention of the present status, with respect to transportation, of the principal yards and warehouses of the Port of Hong Kong.

Finally, a word on the training of seamen. The Government General held a meeting of seamen on 25 January 1943, for enrollment of the experienced seamen in Hong Kong, and acted as a medium for the enlistment of members throughout Hong Kong. It is striving step by step to fill the demand by drawing from Japan proper, China, and the South (T.N. presumably the so-called "Southern Sphere"). On 15 March, 1943, a training station for seamen was established, which has been training seamen since that time. The graduates of this training station serve on the motor and sailing ships of the Government General, and are achieving splendid results.

UNCLASSIFIED

Section 2. River Transport.

River transport from Hong Kong to Canton and the Si-Kiang and Tung-Kiang*¹ districts is conducted on a regular schedule by the Canton River Transport Association. From the aspect of carrying out transshipping between Hong Kong and Canton, these water lanes merit discussion as evidence of the fact that Hong Kong is not fulfilling its function as a transshipping port during this war.

The establishment of the Canton River Transport Association took place just after the entry into Canton of the Imperial Forces in 1938; and the subsequent expansion of the occupied area increased the demand for the revival of inland waterways in the Pearl River*² delta. The Fu-ta Company*³, in collaboration with the Chinese operators, began operations with the assignment of a small steam vessel and a lighter to the Canton - Fu-shan*⁴ run. This was the beginning of the Canton River Transport Association; accompanying the revival of the occupied area, the routes to the interior of the Pearl River delta were extended, and connections were established with Hong Kong, Macao*⁵ etc. After the occupation of Hong Kong, the company moved from Canton to Hong Kong in January 1942, and routes were established to Kwang-chou Wan*⁶ and Haiphong*⁷; and the company developed into the sole independent water transport business having headquarters in South China.

Transshipping between Canton and Hong Kong has been carried on since May 1943, by the Canton River Transport Association. The ocean-going steamers which formerly went to Canton, stopping over at Hong Kong, were no longer allowed to proceed to Canton. In October, the former Keelung - Canton schedule was shifted to Hong Kong, the Hainan Island line was discontinued, and all the ocean-going steamers now stop at Hong Kong. Thus, all the freight and passenger traffic between Hong Kong and Canton is carried by lighters and the scheduled steamers of the Canton River Transport Association.

At the present time, the end of 1943, the Canton River Transport Association has in service between Hong Kong and Canton (The Canton Line) two steamers operating on a schedule and carrying freight and passengers. In addition XX lighters with a capacity of X hundred thousand tons are in use for the transshipping of passengers and freight (T.N. figures omitted, presumably for strategic reasons). Also, the Macao Line*⁸ (between Hong Kong and Macao), the Kiang-men Line*⁹, and the Macao - Canton Line each have one ship in service carrying freight and passengers, and scheduled service is commencing. Preparations are being made for the use of the following designated hotels for travelers who transfer at Hong Kong to the inland river routes:

Matsuhara*¹⁰ Hotel

Hong Kong Hotel

Toa *¹¹ Hotel

Seamen's*¹² Hotel

Katori*¹³ Hotel

Yokoyama*¹⁴ Hotel

*1 西江 東江 *2 珠江
 *4 佛山 *5 澳門
 *7 海防 *8 澳門線
 *10 松原 *11 東亞
 *13 香取 *14 橫山

*3 福大公司
 *6 廣州灣
 *9 江門線
 *12 海員

CHAPTER II.

THE AIRPORT

The Hong Kong Aerodrome is on the Kowloon side, at Kai Tak^{*1}, and can accommodate both landplanes and seaplanes. Just before the Greater East Asia War, the Kai Tak Aerodrome, according to a British report, possessed short-wave and standard radio equipment, radio direction finders, an aeronautical weather station, an airport management office, offices of the various airline companies, shops, and tanks holding about X thousand gallons of petroleum products, floodlights of X million candle power as equipment for night landings of land planes, semi-permanent equipment for landing passengers and freight from seaplanes, docks for seaplanes and floats and special anchoring buoys for seaplanes ("Report on the Social and Economic Progress of the People of the Colony of Hong Kong, 1938" and "Administration Report, 1939") (T.N. figures in the above paragraph omitted, presumably for strategic reasons).

Before the Greater East Asia War five airline companies operated lines to Hong Kong; and when the Imperial Forces put a stop to the control of the Chungking Government over land and sea communications, overseas communications were maintained by way of Hong Kong. This route, with the prolongation of the China Incident, assumed ever-increasing importance to the Chungking Government, as we will later demonstrate statistically. However, this air base was overthrown by the Imperial Forces with the attack on Hong Kong; and at present the Hong Kong airport has come into use in connection with the establishment of Greater East Asia.

The development by the enemy of the Hong Kong airport before the Greater East Asia War was as follows:

(a) The British Imperial Airways Company (in Chinese: 英國帝航公司^{*2}; Imperial Airways). In November 1940, it merged with the British Overseas Airways Corporation^{*2}. Service: Hong Kong - Bangkok; direct connections in Bangkok with the London-Australia Line. After October, 1940, because of the European war, it made connections only with the New Zealand - Australia - Africa Line. In March, 1941, the Hong Kong office was discontinued.

(b) The China National Aviation Corporation^{*3}, a joint U.S. - Chinese Company. Service: Hong Kong - Kweilin - Chungking; Hong Kong - Shao-kuan^{*4}. From Chungking connections with Kunming (connections from Kunming to Rangoon and Hanoi), Chia-tien^{*5}, I-chang^{*6}, Chengtu^{*7}, Kwei-yang^{*8}, etc.

(c) Pan American Airways^{*9} (in Chinese: 聯美航空會社^{*9}). Service: Hong Kong - Macao - Manila - San Francisco.

(d) Eurasia Aviation Corporation^{*10}, a joint German - Chinese corporation. Service: Hong Kong - Kweilin - Chungking; Hong Kong - Shao-kuan. From Chungking, connections to Kunming; from Kunming to river points^{*11} and Chengtu (from Chengtu to Hsi-an^{*12} and Lan-chow^{*13}).

(e) Air France^{*14} (In Chinese: 法國航空公司^{*14}). Service: Hong Kong - Hamoi - Paris. Discontinued in July, 1940.

The swift increase in the use of Hong Kong as an airport between the time of the China Incident and the Greater East Asia War is amply testified to by the rise in freight and passenger traffic, shown below.

*1 啟德

*4 韶關

*7 成都

*10 歐亞航空公司

*13 蘭州

*2 英國海外航空 *3 中國航空公司

*5 嘉定

*8 貴陽

*11 河內

*14 佛國航空會社

*6 宜昌

*9 汎米航空會社

*12 西安

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Hong Kong (Kai Tak Aerodrome) Air Travel Statistics

	<u>Arrivals</u>				
	<u>1936</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>
Number of Planes	123	398	633	479	....
Number of Passengers	135	1,929	6,006	3,611	6,462
Mail (tons)	6.9	150.0	74.5	90.9	65.9
Freight (tons)			22.0	21.2	254.4

	<u>Departures</u>				
	<u>1936</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>
Number of Planes	121	395	649	485	....
Number of Passengers	154	1,756	3,963	2,550	4,505
Mail (tons)	2.9	394.0	125.0	86.5	66.5
Freight (tons)			98.7	85.2	498.4

(Note: 1936-1939, Hong Kong Blue Book; 1940, Hong Kong General Chamber of Commerce Report.)

Since the occupation of Hong Kong by the Imperial Forces, the Great Japan Aviation Company*1 and the China Aviation Company*2 have had at Hong Kong a traffic office for civil aviation, opened in April, 1942. There are the Japan - Formosa - Hong Kong - Canton Line (also to the occupied territories in the South) and the Shanghai - Hong Kong - Canton Line, both of which come into Hong Kong.

Table of Distances from Hong Kong to Various Ports in the
Co-Prosperity Sphere (in nautical miles)

Macao	39	Osaka	1,341
Canton	83	Nagoya	1,489
Shan-ton (汕頭)	187	Yokohama	1,602
Hoi-hcn (海口)	272	Tokyo	1,612
Amoy	292	Otaru	1,918
Fuchow (福州)	459	Fusan	1,145
Shanghai	823	Dairen	1,259
Nanking	1,004	Rashin	1,580
Tsingtao	1,116	Haiphong	486
Tientsin	1,450	Manila	633
Takao	342	Saigon	924
Keelung	475	Singapore	1,425
Nagasaki	1,074	Bangkok	1,500
Moji	1,179	Djokjakarta	1,782
Kobe	1,387	Rangoon	2,546

*1 (Dai Nippon Kōkū Kabushiki Kaisha) 大日本航空株式會社

*2 中華航空公司

CHAPTER III.

LAND TRANSPORTATIONSection 1. Roads

The whole of Hong Kong Island and the Kowloon Peninsula is composed of weathered granite and other cohesive rocks; and the high peaks of 500 meters and more which form the backbone of Hong Kong and the Kowloon Municipality*1 are pressed close by the surrounding sea. Consequently the coastline, with the exception of a portion of the southern edge of Kowloon, exhibits an appearance much like that of Oyashirazu*2 or Osenkorogashi (T.N. pronunciation uncertain)*3 in Japan. The soil and the physiography both have characteristics similar to those of the former. It is hilly land with rugged crags. In this physiographically very difficult terrain, a complete system of paved roads was constructed during the British regime. These roads total 590 kilometers - 270 kilometers on Hong Kong Island, and 320 kilometers on the Kowloon Peninsula. The total extent is 590 kilometers.

Hong Kong was made a modern city by the British, and its internal transportation system depends chiefly on automobiles. Consequently, the roads are all constructed for automobiles, and the place is literally criss-crossed with roads. These roads have been constructed according to the so-called "structural method".

The roads within Hong Kong chiefly run parallel to the seashore. There are Sumiyoshi Way*4 (formerly Connaught Road), Showa Way*5 (formerly Des Voeux Road), Meiji Way*6 (formerly Queen's Road*7); etc. These roads are all of high grade paving; with these as main roads, a road system of all sizes of roads has been developed, dividing the town into sections. Most of the large roads are in a group along the sea front. The paving is generally of asphalt.

The 24 miles of road which encircle Hong Kong Island may be traversed in an hour's drive by way of Gen Hong Kong (T.N. Aberdeen*8), Sham Shui Bay*9 (T.N. Deepwater Bay) and Midori ga Hama*10 (T.N. Repulse Bay). Besides the roads running along the shore line, the road system is composed of the one main road which cuts across the Island from east to west, and several roads running lengthwise. The road which climbs to the peak, more than 500 meters above sea-level, above all the rest of Hong Kong, can be easily climbed in an automobile.

The width of the principal roads in the Hong Kong municipality is 20 meters, and there are 12.7 kilometers of these roads. They are used also by the main car line, which crosses the Hong Kong Municipality from east to west.

The roads of the Kowloon Municipality have a more recent history than those of Hong Kong. Their construction and layout are new, and the width of the main roads is generally more than 30 meters, with a width of more than 20 meters in the city. There are 26.5 kilometers of these

*1 九龍市街地

*3 お仙ころかし

*5 昭和通

*7 皇后道

*9 深水灣

*2 親不知

*4 佳吉通

*6 明治通

*8 元香港

*10 綠竹濱

roads. Katori Way*¹ (formerly Nathan Road*²) and Kajima Way*³ (formerly Prince Edward Road*⁴) are representative modern roads of the Hong Kong occupied area. Katori Road, in particular, has 3,500 meters of straight road, with paving chiefly of reinforced concrete. The city and the New Territories have a single car line. These roads bear the largest amount of traffic in the Kowloon Municipality.

Aside from the public roads, most of the roads which serve important installations and the numerous scattered fortifications and even private roads are beautifully paved. But once outside the boundary, one sinks knee-deep in mud on the usual Chinese roads. On the Kowloon Peninsula and in the New Territories there is a road which makes a circuit in the vicinity of the boundary of the former English territory. The surfaces are chiefly asphalt. There is a road along half of the 56 miles of the sea front, about an hour's drive by automobile. There are a great many winding hillside roads, so constructed that one can travel at an average speed of about 38 miles an hour. There are trees along the roads in the level places, and many spots where the roads are lined with beautiful trees. The width of the roads is generally about 6 meters. These roads were formerly routes for the transport of war materials for Chungking, and were the only link between Hong Kong and continental China. The British could not ignore transportation problems with the pressure of our forces upon Asia and the rapidly changing situation in East Asia, and there was anxiety about the need for strategic roads. Large amounts of money were poured out in construction expenses. Improving the grades, straightening the curves, widening, bridge construction etc. were rushed until the day before the Greater East Asia War. Many places can be seen where construction was halted when half complete.

The roads of the Kowloon New Territories were designed for the transportation of goods in and out of Hong Kong to and from China, and they were constructed for strategic purposes to the advantage of Britain. Consequently the roads were not built to every nook and corner so as to have an intimate connection with the daily life of the Chinese living in British territory. Only the roads already established are good. The road in the New Territories turns west from the shore line and goes from the edge of the Kowloon Peninsula by way of Tsun Wan*⁵ and Fan Ling*⁶ to Tai Po*⁷ and Kowloon, a distance of 90 kilometers (going east, from Kowloon by way of Sha Tin*⁸, Tai Po, and Yuen Long*⁹ to Kowloon). Including the 70 kilometers of branch roads in the vicinity of the international boundary, there is a total of 160 kilometers.

Thus, the density of the roads of Hong Kong is less than the American standard for roads in mountainous territory, and, of course, less than that in desert territory. Nor does it measure up to the density of roads per person in Japan.

We said previously that Hong Kong had a criss-cross of roads; but the statement only holds true for Hong Kong and Kowloon Municipality; the New Territories are as yet undeveloped. To open up the interior of the peninsula, there should be a road going lengthwise and one going crosswise, and with the completion of these, the welfare of the inhabitants, their tranquilization, the development of arable land, the circulation of goods, etc., can be smoothly carried out.

*¹ 香取通

*³ 鹿島通

*⁵ 荃灣

*⁷ 大埔

*⁹ 元朗

*² 彌敦道

*⁴ 太子道

*⁶ 粉嶺

*⁸ 沙田

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Section 2. Railways.

The railway within the jurisdiction of the Government General at present is a 37 kilometer section between Kowloon and Sham Chun Market*1. There are 8 stations along it: Kowloon, Yau Ma Ti*2, Sha Tin*3, Tai Po*4, Tai Po Market*5, Fan Ling*6, Sheung Shui*7 and Sham Chun Market. All use of the Sheung Shui station is forbidden.

This railroad extended to Canton before the war, and between Canton and Sham Chun Market, there were more than 142 kilometers built by Chinese capital, called the Canton - Kowloon Railway*8. The 30-odd kilometers between Kowloon and Sham Chun were under British control and were called the Kowloon - Canton Railway*9. The line was opened on 1 October, 1911. After the China Incident the Japanese forces cut the line, and it remained so. However, in November, 1943, as a result of the Canton - Kowloon campaign, the line was restored, and on 28 December, 1943, the whole line was reopened.

The rates for passengers and freight are shown in the table below. At present only passengers who have permission from the railroad may travel. Hand baggage and personal effects only are handled, and large bundles are not accepted. The train requires one hour and 58 minutes to go from Kowloon to Sham Chun Market, and there are three round trips daily with mixed trains.

Kowloon 10 sen	25	45	50	60	65	75
Yau Ma Mkt.	20	40	40	55	60	70
Sha Tin	20	25	40	40	55	
Tai Po	10	20	25	35		
Tai Po Mkt.	15	20	30			
Fan Ling	10	15				
Sheung Shui	15					
Sham Chun Mkt.						

Note: Second class fare twice the above rates. Children are half fare. Amounts less than 5 sen counted as five sen.

This railway goes through Kowloon Municipality between Sha Tin and Kowloon. The area between Sha Tin and Sham Chun Market is all a zone of cultivated land, where half of the supply of vegetables for Hong Kong and Kowloon is produced. In the vicinity of Sha Tin is a region distinguished for its scenery, the Sai Lam Temple*10, To Fung Shan*11, and P'lo Ling Shan*12 being especially famous places of historic interest.

- *1 深圳墟
- *3 溜田
- *5 大埔墟
- *7 上水
- *9 九廣鐵道
- *11 道風山

- *2 油麻地
- *4 大埔
- *6 粉嶺
- *8 廣九鐵道
- *10 西林寺
- *12 普靈山

In the Canton - Kowloon campaign of November, 1943, the Hong Kong Defense Force*¹ and the South China Army*² cooperated in the cleaning-up of the Canton - Kowloon Railway; and in conjunction with this campaign the whole length of the Canton - Kowloon Railway was opened up. The opening of the Railroad which accompanied this clean-up was of vast significance for both Canton and Hong Kong. Land communications have been added to the air and water connections between Hong Kong and Canton; and by this means a considerable convenience has been achieved in the transport of goods between Hong Kong and Canton. This campaign was a big step toward the unification of Hong Kong and Canton, and the unification of South China.

Section 3. Municipal Streetcars, etc.

A. Municipal Streetcars.

The Hong Kong city streetcars were formerly under the management of the Hong Kong Streetcar Company (Hong Kong Densha Kaisha*³) (a British-capitalized concern). The system was opened in July, 1905, and includes a total of about 16 kilometers (9.99 miles), serving all points in the city. It is the flower of the city's transportation system. With the outbreak of the Greater East Asia War it sustained a certain amount of damage, but after the occupation by the Imperial Forces, the process of restoration was immediately begun, and on 27 January, 1942, one portion was opened to traffic. By 20 March, the entire system was restored, and it has been under the direct management of the Government General since that time. At present there are 112 double-decker streetcars in operation, and they run continuously within the city.

The following fares are applicable:

- (1) Ordinary fare. First class (upper deck) - 15 sen. Third class (lower deck) - 10 sen.
- (2) Early morning discount (from the first run until 8 a.m.). Round trip, third class only - 10 sen.
- (3) Commutation tickets (30 coupons). First class - ¥ 3.60 (20% discount) Third class - ¥ 2.10 (30% discount).
- (4) Season tickets (Third class only, restricted to schoolchildren only one round trip per day). One month - ¥ 1.80; three months - ¥ 3.60.

Cars travel at two-minute intervals in Yin-chen Ward*⁴, the main business district, and elsewhere at five-minute intervals.

Daily receipts average ¥ 10,000, with passengers averaging 100,000 daily. Before the war, the car stops were indicated simply by power poles painted red, but in November, 1942, Japanese-style names were given to 47 stops, such as Jōriku Hama*⁵ Hachiman Way 1 Chome*⁶, front of Hong Kong Post Office*⁷, Aoba Gorge*⁸, etc.

B. The Peak Tramway.

The Hong Kong Peak Tramway was established by the Hong Kong Peak Tramway Company*⁹, and began operations in May, 1888. In the attack by the Imperial Forces it suffered some damage, but after the occupation it

*¹防衛隊

*²南支軍

*³香港電車會社

*⁴般賑區

*⁵上陸濱

*⁶八幡通一丁目

*⁷香港郵便局

*⁸青葉峽

*⁹香港高地電車會社

was zealously restored, and on 25 June, 1942, operation was resumed, and has continued to the present. It links the city and the Peak, and it has important functions from the standpoint of policing, sanitation, and residence. Its total length is 1.46 kilometers (0.91 mile) and it goes to an elevation of 1,300 feet. There are five stations: at East Taisho Way*1, Ian Road*2, Kirishima Way*3, Moi Road*4 (T.N.Plum Road?) and Park Road*5. The fares are as follows: (1) Ordinary fare. Round trip - 50 sen; Garden Road*6 to Kagamine*7 (T.N. Victoria Peak); Park Road to Moi Road - 30 sen. Only round trip tickets are sold. (2) Commutation Tickets (20 one-way coupons). Park Road to Kagamine, ¥ 5.00; Park Road to Moi Road ¥ 3.00.

Service starts at 7:30 a.m. and goes on until 11:00 p.m. On ordinary days there are 20 trips, and on all holidays the railway operates at 30-minute intervals. Recently the monthly passenger average has been about 23,700 persons. At present this mountain railway is integrated with the city car system; both are managed directly by the Government General.

C. Busses.

Before the war the China Motor Bus Company*8 operated the busses on the Hong Kong side, and the Kowloon Bus Company*9 on the Kowloon side. After the outbreak of war the Government General combined the two as the Hong Kong Automobile Transport Company*10, and charged this company with operation of bus transportation in the area. The chief lines and fares are as follows:

Hong Kong (front of Post Office) to Little Hong Kong	30 sen
Hong Kong to Chik Chue *11 (T.N. Stanley)	40 sen
Kowloon (Tsim Tsa Tsui Wharf*12) to Kowloon City*13	10 sen
Kowloon (Tsim Tsa Tsui Wharf) to Sham Shui Po*14	10 sen
Kowloon (Wong Kok*15) to Yuen Long*16	75 sen
Sham Chun*17 to Sha T'au Kok*18	35 sen

The company also operates reserved automobiles for freight and passenger traffic.

- | | |
|--------------|---------------|
| *1 東大正道 | *2 蘭道 |
| *3 霧島通 | *4 梅道 |
| *5 柏架道 | *6 花園道 |
| *7 香个峰 | *8 中華自動車會社 |
| *9 九龍乘合自動車會社 | *10 香港自動車運送會社 |
| *11 赤桂 | *12 尖沙咀碼頭 |
| *13 九龍城 | *14 深水埗 |
| *15 旺角 | *16 元朗 |
| *17 深圳 | *18 沙頭角 |

D. Horse-Drawn Vehicles.

As a supplement to the transportation system, horse cars have appeared since the outbreak of the war, and they are operating at present in the Kowloon area. The capacity of the carriages is 6 to 14 persons. The districts in which they operate and the fares are as follows:

Kowloon (Tsim Tsa Tsui Wharf) to Kowloon City	40 sen.
Kowloon to Sham Shin Po	40 sen
Kowloon to T''o Kwa Wan *1	40 sen

E. Hong Kong - Kowloon Ferries.

These ferries serve as an extension of the land between Hong Kong and Kowloon, and are necessary as a bridge between the two places for the convenience of the people of the cities. The Tin Sing Ferry *2 between Hong Kong and Tsa Tsui Wharf *3 in Kowloon is an important connecting route. The fares are as follows:

First class (upper deck)	25 sen
Third class (lower deck)	10 sen

The ferries operate from 7:00 a.m. to 11:00 p.m., and go at twenty-minute intervals, except during the morning and evening rush hours. They require about 15 minutes to cross. The Yua Ma Ti *4 Ferry plies between the T'ung Yat Wharf *5 in Hong Kong to the Wong Kok Wharf *6 and Sham Shui Po *7 in Kowloon. The fares are as follows:

First class (upper deck)	35 sen
Third class (lower deck)	15 sen

They operate daily from 7:00 a.m. to 9:00 p.m., and go every thirty minutes. The time required from Hong Kong to Wong Kok is twenty-five minutes.

F. Sedan Chairs and Rickshaws.

Sedan chairs are at present found only in the hilly residential areas of Hong Kong. The fares depend on the urgency of the trip and on the weather, and generally are about one yen per kilometer. Rickshaws serve different purposes than automobiles and carriages, and there are about a thousand of them here and there in the Hong Kong - Kowloon area. They are the favorites of the city people.

Table of Old and New Street Names in Hong Kong and Kowloon

<u>Old Name</u>	<u>New Name</u>
Connaught Road Central (干諾道中)	Central Sumiyoshi Way (中住吉通)
Connaught Road West (干諾道西)	West Sumiyoshi Way (西住吉道)
Gloucester Road (告士打道)	East Sumiyoshi Way (東住吉通)

- | | | |
|--------|---------|---------|
| *1 士瓜灣 | *2 天星渡船 | *3 沙咀碼頭 |
| *4 油麻地 | *5 統一碼頭 | *6 旺角碼頭 |
| *7 深水埗 | | |

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Table of Old and New Street Names in Hong Kong and Kowloon (cont'd)

<u>Old Name</u>	<u>New Name</u>
Queen's Road Central (皇后大道中)	Central Meiji Way (中明治通)
Queen's Road East (皇后大道東)	East Meiji Way (東明治通)
Queen's Road West (皇后大道西)	West Meiji Way (西明治通)
Des Voeux Road Central (德輔道中)	East Showa Way (東昭和通)
Des Voeux Road West (德輔道西)	West Showa Way (西昭和通)
Kennedy Road (堅尼地道)	East Taisho Way (東大正通)
Upper Albert Road (上亞厘道)	Central Taisho Way (中大正通)
Caine Road (堅道)	
Bonham Road (般含道)	West Taisho Way (西大正通)
Praya East (東海旁)	Hachiman Way (八幡通)
Yee Wo Street (怡和街)	Kasuga Way (春日通)
Causeway Road (高威士道)	Korigawa Way (水川通)
King's Road (英皇道)	Hokoku Way (豐國通)
Conduit Road (干讀道)	Izumo Way (出雲通)
Bowen Road (寶雲道)	Kirishima Way (霧島通)
Nathan Road (彌敦道)	Katori Way (香取通)
Prince Edward Road (太子道)	Kajima Way (鹿島通)
Victoria Peak (太平山)	Kagamine (香ヶ峰)
King's Park (皇園)	Kowloon Stadium (九龍技場)
Queen's Statue (大鐘樓)	Showa Square (昭和廣場)
Happy Valley (黃泥涌谷)	Aoba Gorge (青葉峽)

Table of Old and New Street Names in Hong Kong and Kowloon (cont'd)

<u>Old Name</u>	<u>New Name</u>
Public Garden (兵頭花園)	Taisho Park (大正公園)
Repulse Bay (淺水灣)	Midori ga Hama (綠竹濱)
Kennedy Town (堅尼地土)	Sano Dai (三王台)
Aberdeen (香港仔)	Gen Hong Kong (元香港)

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CHAPTER IV.

COMMUNICATIONS

Under the British regime, communication services in Hong Kong were classified as either government operated or privately operated. Postal, money order, and broadcasting services were administered by the Post Office Department as government services. Telegraph was privately managed principally under the British Cable and Wire Company and the Denmark Great Northern Telegraph Company (大北電信會社). The telephone service was privately operated by the Hong Kong Telephone Company. After occupation by Imperial forces all communications services became government operated under the direct administration of the Office of the Governor General. Already the services have been restored and reorganized, and they now function perfectly.

Section 1. The Postal Service.

Postal services were begun 22 January 1942. Currently established post offices and their divisions are described in the following. The divisions are, for the most part, the window agencies which accept mail matter and sell postage stamps, but there are also divisions which are widely separated from the main office and which handle the collection and delivery of mail.

<u>Post Office</u>	<u>Divisions</u>	<u>Date Division Opened</u>	<u>Collects and Delivers Mail</u>
Hong Kong	Wan Tsai 灣仔	14 February 1942	No
Hong Kong	Sheung-Waan 上環	14 February 1942	No
Hong Kong	Sai Ying P'oon 西營盤	26 March 1942	No
Hong Kong	Chik Chue 赤桂	1 May 1942	Yes
Kowloon	Yau Ma Ti 油麻地	14 February 1942	No
Kowloon	Sham Shui Po 深水埗	14 February 1942	No
Kowloon	Kau Lung Tong 九龍塘	14 February 1942	No
Kowloon	Tai Po 大埔	26 March 1942	No
Kowloon	Yuen Long 元朗	26 March 1942	No

Mail may be sent to the following places:

- a. Japan, Manchuria, Republic of China, Thailand, French Indo-China and Mongolia.
- b. Imperial Southern Occupied Territories.
- c. Neutral powers including U.S.S.R., Turkey, Bulgaria, Switzerland, Spain, Portugal, Portuguese, and Spanish colonies in Africa, and Macao.
- d. Points within the area of jurisdiction of the Government General.

At present only ordinary mail matter is handled; packages are not accepted. Ordinary mail matter is divided into five classes as in Japan proper.

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To expedite the sending of periodicals and large quantities of mail a special-payment postage system, contract mail system, and third class mail permit system are provided.

<u>Region Handling Mail</u>	<u>Date Service Opened</u>	<u>Notes</u>
Japan and area under jurisdiction of Government General	1 December 1942	-----
Imperial Southern Occupied Territories	1 March 1942	Limited to first class mail
Central and South China	25 May 1943	-----
Mongolia	1 August 1943	-----
North China	15 August 1943	-----

Postage stamps and post cards are put into circulation by the Imperial Government, and the rates are the same as in Japan proper.

Frequency of collection and delivery considering the volume of communications is shown in the following.

Hong Kong and Kowloon	Central Section Other Sections	Twice daily Once daily
Island of Hong Kong, Chik Chue Area, and New Territory	All Sections	Once every other day.

For the benefits of the public, postage stamp sales stations are provided, wherever possible, in the neighborhood of post-boxes. At present, there are 22 such stations in the Hong Kong Post Office District and 13 in the Kowloon Post Office District.

Section 2. The Postal Money Order Service.

Money Order service between Hong Kong and Japan has been operative since 1 December 1942; however, because of such factors as restoration and reorganization of telegraph services, it was limited at first to small money orders and post office orders. Handling classifications were adjusted with the opening of telegraph money order service on 21 August 1943. The value of money orders that may be drawn is limited to 500 yen per person per day, which is the limitation set by the Money Order Control Law for issuance of money orders in Japan proper.

Section 3. Telegraph.

Telegraph service was commenced 1 February 1942, and at present telegram receipt and delivery services are performed by the Hong Kong Telegraph Office and the Kowloon Post Office. However, the actual transmission and receipt of telegrams is handled exclusively by the Hong Kong Telegraph Office. Although the telegraph apparatus was destroyed by the

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ravages of war, it is gradually being restored by the authorities. Hand in hand with the replenishment of necessary communication personnel, the area of telegraph dispatch has gradually been extended. Now, at the end of 1943, almost all the Greater East Asia Co-Prosperity Sphere is embraced as may be seen by the following:

<u>Telegraph Zone</u>	<u>Date Service Opened</u>	<u>Type of Telegram Handled</u>	<u>Notes</u>
Japan	1 February 1942	In Japanese and Romanized Text	Limited to Japanese and English Language
Manchuria	1 November 1942	In Japanese, Chinese, and Romanized Text	Limited to Japanese and English Language
Mongolia	1 November 1942	Same as above	Same as above
North China	1 November 1942	Same as above	Same as above
Central China	24 October 1942	Same as above	Same as above
Amoy	24 December 1942	Same as above	Same as above
Shantou	1 October 1942	Same as above	Same as above
Canton	1 February 1942	Same as above	Same as above
Hainan Island	1 October 1942	Same as above	Same as above
Macao	1 October 1942	In Chinese and Romanized Text	Limited to Japanese, English, and Portuguese Language
Thailand	1 July 1943	In Japanese Text	
French Indo-China	11 November 1943	In Japanese Text	For present limited to Saigon
Imperial Southern Occupied Territories	Gradually opened after 1 July 1942	In Japanese and Romanized Text	Limited to Japanese Language

Although telegraph rates in various localities vary according to class and number of words, the following is offered as a summary of basic rate calculations:

In the calculation of the number of words in a Japanese-style telegram, the name is counted as two words, regardless of the number of letters, and each five letters of the authorized text are counted as one word. The method of calculating Chinese and Romanized telegrams is to count each word of the name and text as one word. The minimum rate for telegrams in Japanese or Romanized style sent to Imperial Southern Occupied Territories is the three-word fee. The minimum rate for telegrams to other areas is the five-word fee.

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Section 4. Telephone.

The telephone exchange equipment and underground wiring in the cities of Hong Kong and Kowloon were almost undamaged by the war. Therefore, on 17 January 1942, the Hong Kong Office and the Kowloon Branch Office were reopened. At that time they were reopened to provide service on a temporary basis for former subscribers. However, after telephone regulations fixing rates, procedure for subscribing for telephone service, etc., were drawn up and announced, formal subscribers were selected, and beginning 20 February 1942, telephone bills were collected.

The telephone exchange system is the automatic type. The exchange equipment is Siemens Brothers Automatic Exchange Equipment. The number of subscribers has gradually increased until at the present, February 1943, they number over 10,000. The rates vary according to distance from the telephone office and other conditions of location, but the average annual service fee is 120 yen. New subscribers, other than public servants, must pay an installation fee of 200 yen and a deposit of 100 yen.

Before the war, there were 40 public telephone centers in the cities of Hong Kong and Kowloon, but this service had to be abandoned temporarily after occupation since it was impossible to use metal currency.

In order to alleviate as much as possible the inconvenience caused by giving up this service, telephone window service was opened at the Hong Kong and Kowloon Post Offices on 20 February 1943. The charge for this service is 10 sen per call.

Information about Various Facilities Relating to Transportation, Communications, Water Service, Electricity, Gas, Real Estate, and Housing.

<u>Name</u>	<u>Address</u>	<u>Telephone No.</u>
Hong Kong Harbor Bureau (香港港務局)	--	25913
Hong Kong Mariners' Training School (香港海員養成所)	--	23087
Japan Aeronautics Business Office (大日本航空營業所)	--	31168
Hong Kong Branch Office of China Airways (中華航空香港支所)	--	56163
Streets and Sewers Business Office (道路下水事務所)	--	39393
Street Car Business Office (電車事務所)	--	26655
Hong Kong Auto Transport Company	Jen-hsing on Pi-ta Chieh (必打街 粉仁行)	31004
Hong Kong Ferry-Steamer Business Office (香港連絡船事務所)	--	31350
Hong Kong Post Office	--	26313

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<u>Name</u>	<u>Address</u>	<u>Telephone No.</u>
Hong Kong Telegraph Office	--	28035
Hong Kong Telephone Office	--	20202
Hong Kong Broadcasting Studio	--	21280
Hong Kong Water Works (香港水道廠)	--	28660
Hong Kong Electric Company (香港電氣廠)	--	20056
Hong Kong Gas Works (香港瓦斯廠)	--	20828
Real Estate Superintendent's Office (不動產管理部)	--	--
Hong Kong Land Rental Office (香港賃地事務所)	--	23500
Hong Kong House Registration Office (香港家屋登錄所)	--	31814

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CHAPTER V.

RADIO BROADCASTING SERVICE

The Hong Kong Radio Broadcasting Station was captured 26 December 1941. Since then, broadcasting has been resumed (by February, 1942 it was completely restored), and at present the following two types of broadcasts are handled:

1. Broadcasts, No.1 (Standard broadcast band)

These broadcasts are designed for the Japanese under the jurisdiction of the Government General. They keep the Japanese thoroughly informed concerning central policies and conditions by relaying Tokyo East Asia broadcasts. Efforts are also being made to diffuse information concerning the military administration by inserting programs arranged in the Hong Kong Broadcasting Station itself. Service is provided from 1145 until 2230; daily news, educational, and recreational programs are carried.

2. Broadcasts, No.2 (Standard broadcast band)

These broadcasts are designed for the general populace under the jurisdiction of the Government General. By laying stress on swift, reliable news broadcasts, these programs seek to keep the populace completely informed about the rule of the Government General, to eradicate American and British thought, and to lead the people toward cooperation in the prosecution of the Greater East Asia War. Listening is being promoted by offering richly varied programs in Canton and Peking dialects, Indian, and English. Transmission is begun at 0730 and is terminated at 2240.

Before the war the listening audience amounted to some 13,000 persons including 10,400 Chinese, 1,300 Europeans, and 1,300 others. The listening audience, as of November 1943, amounts to 7,300 and consists of over 960 Japanese, 5,800 Chinese, 200 Indians, and 340 others. No radio receiving fees are collected at present. Use of all-wave and shortwave receiving sets is forbidden except by special permission of the Governor General as vital to performance of duties.

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CHAPTER VI.

WATER SUPPLY AND DRAINAGE

Section 1. Water Supply.

Today, Hong Kong's water supply is excellent by virtue of the fact that over a period of eighty years and at an expense of \$40,000,000 the British Government conquered the disadvantages and inconveniences of topography. An annual rainfall of 2,000 millimeters (the average rainfall over the 30 year period) can supply 2,000,000 to 3,000,000 gallons of water per day for Hong Kong and Kowloon combined, or a supply of 2 to 3 gallons per person per day for 1,000,000 persons. However, it is necessary to bear in mind the fact that Hong Kong's water supply is entirely dependent upon rainfall.

During the storming of Hong Kong, the water supply system was destroyed by the enemy. This was speedily restored after occupation. Service was resumed in Kowloon on 1 January 1942 and in Hong Kong on 20 January 1942, and it has continued until the present time.

Before occupation the number of housing units to which water was supplied (number of water installations) totaled 27,000 units, but at the end of 1943 they amounted to only about 55% of the pre-occupation figure. This fact is due principally to the decreased population and the lack of construction. The remarkably low number of housing units to which water is supplied in proportion to resident population is further due to a condition particularly characteristic of this area - one unit of water equipment is furnished not to each household, but rather to each building. This is done since buildings tend to be quite high and house as many as ten households, or perhaps ten offices or a store. This system of one unit of water equipment per building is based upon the fact that before the war it was the custom for the head of the house to be responsible for the water bill and that, from the standpoint of building construction, it is troublesome to install water equipment for every household.

Prior to occupation, the water rate was 25 cents (in Hong Kong money) per 1,000 gallons for most houses and gardens on the city streets (the rates for city streets, the midlands, and mountain heights differed). The post-occupation water rate is set at 40 sen per 1,000 gallons, which represents a remarkable reduction in rate when one considers the exchange ratio of Hong Kong money and war-notes. Moreover, this rate is far lower than either that of the city of Canton or that of large cities in Japan proper.

The water supply of Hong Kong is now administered directly by the office of the Governor General.

Section 2. Water Drainage.

With the exception of sewage disposal, the water drainage system in the Hong Kong and Kowloon districts is complete. Even in the southern sections where rainfall is especially heavy, there is no flooding. Moreover, the drainage method is planned most economically. The drainage facilities waste none of the available surface area of the cities. The area above and on both sides of the sewers is utilized for streets.

For the most part, both the covered and uncovered ditches are of stone construction. The open ditches have a railing of stones about one meter in height. The side-walls of the ditches are stone, and the bottom is made of stone or concrete. They are about 3 meters deep and 4 to 8

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meters wide. There are no rivers in the cities of Hong Kong and Kowloon. These sewers, which are completely banked with stone, are the rivers here. These "rivers" are usually covered (covered ditches) and are utilized as sites for streets, etc.

In good weather the water level in these sewers (drainage ditches) is very low. During heavy rains the ditches will be full, but the waters recede quickly to the former low level. This illustrates the efficiency and advantage of this type of sewer whereby the water runs down an incline. The heavy rain on the streets and residential sections flows down these sewers. All these covered ditches are invisible from the surface and are interconnected underground, running in all directions.

The above describes drainage of flood water and underground water. Little had been done in the past to provide for sewage disposal. Sewage disposal is drainage of fluid refuse (other than rain water), such as that from kitchens, bath rooms, wash rooms, and lavatories. It is only with respect to drainage of sewage that Hong Kong can be said to be lacking in modernity. Nothing whatever was done about Hong Kong's sewage. It just flows along reaching the harbor in the vicinity of the wharves, typhoon anchorages, and shipyards. From the standpoint of sanitation, this sewage disposal condition was a matter demanding speedy reform, and it is being steadily improved at the present time. (See Chapter V - Part IV)

Hong Kong's sewers are under the supervision of the Streets and Sewers Department of the Office of the Governor General.

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CHAPTER VII.

ELECTRICITY AND GAS

Section 1. Electric Lights and Power.

The electric light and power services in Hong Kong are furnished by the Hong Kong Electric Company under the supervision of the Office of the Governor General. Before the war, these projects belonged to the Hong Kong Electric Light Company, Ltd. (in Hong Kong) and the China Electric Power Company, Ltd. (in Kowloon). The former was capitalized at \$18,000,000 and the latter at \$15,000,000. Both companies were capitalized 50% with Anglo-American capital, 40% with Chinese capital, and the remainder with other foreign capital. The real power of administration was wielded by the British. In recent years the former had declared high dividends of from 22% to 30%, and the latter had dividends of 10%.

When Imperial troops entered Kowloon on 16 December 1942 (T.N. sic! Presumably 1941), they set about repairing damages, and on 26 December they succeeded in supplying electric current for military use in Kowloon. Then, on 3 January 1943 (T.N. sic - presumably 1942), they succeeded in supplying electric current for military use in Hong Kong. Electricity was supplied to the general public, beginning 1 January 1942 in Kowloon and 15 January in Hong Kong. At the time the Government General for occupied Hong Kong was established on 20 February 1942, this service was incorporated in the Office of Electricity directly administered by the Office of the Governor General; and from 1 January 1943 up to the present, it has administered electrical services as a delegated function.

Due to geographical conditions, electricity for Hong Kong is generated by steam power. All the coal, which supplies the generating power, must be imported; since coal transportation is difficult, the Electric Company has lately formally regulated consumption in an effort to conserve electric power. Of course, there is no fear about the supply of power for essential industries.

Section 2. Gas.

The gas works are operated by the Hong Kong Gas Works under the supervision of the Office of the Governor General. Before the war, they belonged to the Hong Kong China Gas Company*1. This firm was a British joint stock company organized in 1863. It was capitalized at 157,500 pounds. One plant was located on Hong Kong Island and another in Kowloon. Immediately after occupation, restoration of the gas works was begun. As early as 30 December 1941, gas supply for Hong Kong was resumed, and on 10 January 1942, service was commenced in Kowloon. Gas service was among the very first services to be restored after the fall of Hong Kong.

At first, the plant was referred to as the Hong Kong Military Government Gas Works, but in March 1942, when the plant came under the direct administration of the Government General, its name was changed to the Hong Kong Government General Gas Works. On 10 January 1943, this became a delegated civilian service, and it retains such status to the present day.

As in the case of electricity, conservation in gas consumption is required.

*1 香港中華煤氣公司

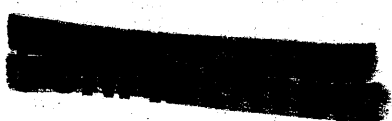
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PART III

ECONOMICS



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CHAPTER I.

THE GREATER EAST ASIA WAR AND ECONOMIC CHANGES IN HONG KONG

Section 1. Old Hong Kong and New Hong Kong.

There is no doubt among the people of East Asia, regardless of whether they are Japanese or Chinese, that the Greater East Asia War has opened a new era in the history of Hong Kong. However, the new Hong Kong to which the War has given birth is still in process of formation, and, moreover, that process has only just begun. On the other hand, the old Hong Kong under the British was, in the course of a century, fully organized and operative as the base for British penetration of the Orient. Consequently, when examining the economic changes in Hong Kong, we cannot make a literal comparison between the old and the new Hong Kong. Three problems confront us in this discussion:

1. To examine the characteristics of the old Hong Kong and to assess the factors which determined and conditioned those characteristics.
2. To ascertain what changes have occurred in the various conditioning factors in the course of development of the situation in the Orient, and what changes the characteristics of Hong Kong have been forced to undergo in consequence.
3. To inquire what changes in the characteristics of Hong Kong have been effected by the Greater East Asia War, and what direction the development of Hong Kong is likely to take in the future.

Hong Kong's historian, E.J.Eitel, was the first westerner to examine the characteristics of Hong Kong. He entitled his work "Europe in China", and wrote as follows in his preface.

"British public opinion, feeling that the mission of Britain in Europe and North America has been accomplished, has lately turned to the invasion of fresh fields for the fulfillment of Britain's destiny. The various Asiatic countries bordering on the Pacific Ocean now all have connections with the British Foreign Office, with the governors appointed by it, and with the India Office, and are coming within their sphere of interest..... The fact is that the mainstay of the balance of world power has shifted from the West to the East, from the Mediterranean to the Pacific Ocean....."

"Fifty years of British government of Hong Kong have shown how gladly the Chinese people (excluding the government official class) accept a firm European system of control. Also, by turning this stony mountain rapidly into one of the world's principal trading centers to the amazement of everyone, we have proved how successful Chinese labor, production, and trade under British control can be. And that is not all. Being on the western edge of the Pacific Ocean, with Canada to the northeast, India and West Africa to the southwest, and Australia to the south, Hong Kong's position is particularly important. Moreover, we may say that it is important, not only with regard to China and Japan, but particularly with regard to the greater role which the Pacific Ocean is playing in the most recent scenes of world history."

This book, written in the Golden Age of the British Empire and published in 1895, sings hymns of unstinted praise for the mission and achievements of the British Empire, as the bearer of 19th Century Western European culture to the Orient. These hymns contain a quantity of self-delusion and exaggeration, but it is a fact that the British changed this stony mountain on the South China Sea into a base for the control of China

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and finally of the Far East and into one of the world's principal trading centers. However, the Orient was not a collection of passive races who would always accept the control of the European. The Greater East Asia War put an end to "European Hong Kong" on 25 December 1941, and the energies and resources of Hong Kong were taken over for the use of the Orient. Be that as it may, let us see what economic features Hong Kong "under British control" possessed.

Section 2. Economic Features of the Old Hong Kong.

The history of Hong Kong begins with the British mercantile houses on the land of thirteen Chinese companies facing the Pearl River in Canton. Since the time of K'anghsi (T.N. 1662 - 1723), it was customary for ships of the East India Company to come here and carry on trade every summer and to withdraw in the winter. Trade at that time was conducted within very strictly defined limits, and transactions were only permitted through the agency of some thirteen specially licensed merchants.

As the years passed, the British merchants were no longer allowed to reside in Canton, and by means of customs dues and other taxes the conditions of trade fell entirely under the control of the Chinese. The British merchants strove persistently to break down these restrictions. According to the British merchants, this fight was carried on under the banner of "the right to free trade on equal terms". However, it was in fact nothing more nor less than a fight for freedom to trade freely in opium, which was poisoning the Chinese people. During the course of this struggle, the British merchants were chased out of Canton and were forced at one time to retreat to a lonely island at the mouth of the Pearl River, and even to take to the open sea outside Hong Kong. In 1839 the fight developed into open warfare between Britain and China, and the British, using Chinese levies, stormed Canton, occupied Hong Kong and the Chushan Islands, overran the provinces of Fukien and Chekiang, and forced the Chinese into submission.

The Treaty of Nanking, which was concluded between Britain and China in 1842 at the end of this Opium War, enabled the British to establish their base for Far Eastern trade in the territory of Hong Kong. Further, the Peking government was compelled to agree to open the five ports of Canton, Amoy, Fukien, Ningpo, and Shanghai for trade between Britain and China. But British ambitions in China were not satisfied with this. By the Treaty of Tientsin in 1858, which was the result of the Second Opium War, and by the Treaty of Chefoo in 1876, the British caused trading ports to be opened first on the banks of the Yangtze and then in North China. Here they established concessions, a system of consular jurisdiction, and so-called "extra-territoriality". Based on these concessions all over China, the British were able to conduct their trade just as they pleased, without any interference from the Chinese authorities. The British merchants, who had clamored for "free and equal trading" before, were thus enabled to better the Chinese by unequal treaties and to carry out economic penetration as far as they wished.

A. Hong Kong as a Commercial Port.

Hong Kong was established, as we have seen, as a base for the economic penetration of China, and its economic features were adapted for that purpose. That is to say, Hong Kong under British control was principally an intermediate commercial port. The prime basis of Hong Kong's economic prosperity was its foreign trade, and its other industries were far behind in importance. Also, its trade was not confined to the export of its own products and the import of goods required for its own consumption. The greatest emphasis was laid on imports for the purpose of re-export and on the re-export of imported goods. Moreover, China was by far the most important partner in this trade.

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To be more precise, before the China Incident, two-thirds of the total imports of Hong Kong were for re-export, and one-third was for home consumption. Also, nine-tenths of the total exports were imported goods, and goods manufactured in Hong Kong amounted to no more than one-tenth of exports. 10% of re-exports were Chinese coastal trade relayed through Hong Kong, i.e. goods imported from one part of China and exported to another part of China. Between 20% and 25% were trade unconnected with China, i.e. goods imported from countries other than China and exported to countries other than China. The remaining 65% to 70% were Chinese foreign trade relayed through Hong Kong, i.e. transshipping in the transport of goods between China and the markets of the world.

It can easily be understood why, in order to carry out this function, Hong Kong was given the character of a "free port". The British Government's policy of making Hong Kong a free port was maintained consistently from January 1841, when the British principal trade supervisor, Charles Elliot, as the first governor of Hong Kong, proclaimed: "The British Government of Hong Kong will impose no harbor dues or other similar taxes", until just before the Greater East Asia War. It was also their policy to impose no restriction on the transfer of funds; so a free exchange market and a free speculative market were permitted to exist. The object of these free port measures was to incorporate the British territory of Hong Kong economically into the Chinese market. In monetary matters, too, attention was given to making the currency of Hong Kong of the same kind as the money in circulation in the Chinese market. Thus, on the one hand, North, Central and South China were covered with a network of concessions, from which merchandise was spread all over the country; and on the other hand, the policy of using Hong Kong as a redistributing center achieved its object.

The rows of docks, piers and jetties in the harbor, and the dozens of warehouses crowded round them, are evidence of Hong Kong's success as a commercial port.

B. Hong Kong as an Industrial Area.

As a secondary characteristic, the old Hong Kong was an industrial area. Although it was not essentially an industrial area, and although the natural conditions offered practically no encouragement for the development of an extensive manufacturing industry, Hong Kong did possess a certain amount of industry prior to the Greater East Asia War. First to be developed was the ship-building industry, which was connected with the use of Hong Kong as a port. Then hemp rope and cement factories sprang up, as industries belonging to the same category. These were chronologically the oldest, and were developed by British capital. Other British industries were the sugar and tobacco industries in which raw materials from the South were made into finished goods and exported to the China market. Besides these, there were the public utilities, such as electric light, telephones, and street-cars.

In contrast to these large-scale, modern, and well-equipped businesses there were the cottage industries and handicrafts of the Chinese. These were developed later than the British factories, but their development has been speeded up in recent years. Whereas in 1920 their total capital was estimated at 17,480,000 Hong Kong dollars, in 1934 it had risen to 51,240,000 dollars. Still further strides were made after the outbreak of the China Incident, and a large-scale factory system sprang into being. The principal industries were textiles, rubber boots, foodstuffs, etc. In short, while there is no denying that Hong Kong is not favorable to the establishment of large industries, we cannot overlook the development of medium and small-sized light industries towards the end of the period of British occupation. A comparison with the present level of the development of industry in China indicates that Hong Kong comes next in importance to the Shanghai and the Peking - Tientsin areas.

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C. Hong Kong as a Link with the Chinese Overseas.

The third factor in the economic nature of Hong Kong is its connection with the Chinese overseas. Since the time of the Ming dynasty, the surplus population of South China has sought an outlet in the various countries of the South; and in the 19th Century, when the European and American nations began their advance upon the Pacific coasts and started to develop the countries of the Pacific with their capital, the emigration of Chinese overseas grew extremely high. The Chinese overseas are natives of South China, in particular Canton and Fukien. After Hong Kong became a British possession, emigrants from these parts generally passed through Hong Kong. When gold was discovered in California in 1848, when gold was next discovered in Australia, and railways were built and industry spurred ahead in these two countries and in the countries of South America, the Chinese were welcomed as cheap and hard-working labor. For about the next twenty years, so-called "contract emigration", that is, the export of coolies, was carried on from Hong Kong and Macao, and was extremely profitable to the ship-owners of Hong Kong. Later, the system of contract emigration, which was no better than slave-traffic, was stopped, but emigration of the population via Hong Kong continued. The Chinese have contributed to the development of every country in the Pacific, either as laborers for European and American capital or as merchants.

No small proportion of their wages and business profits is sent back to their homes in China in the form of remittances. It is calculated that before the China Incident the total of these remittances rose to between four and five hundred million dollars annually. 80% of these were remitted to the Chinese banks in Hong Kong, and were sent on from there via the exchange to their homes. For this reason, the remittances of the Chinese overseas were of great importance to Hong Kong's financial position.

In trade between Hong Kong and the Pacific countries, the close relations between the Chinese traders overseas and the traders of Hong Kong have a considerable effect. The Nan-pei Company*1 and the firm of Chin-shan*2, which are leaders among the Chinese traders of Hong Kong, have clients among the Chinese overseas everywhere, as well as having financial connections, which bring commercial relations in their train. On the other hand, many of the wealthy Chinese in Hong Kong were originally Southern Chinese overseas, and the number of Hong Kong businesses owned by the capital of Chinese overseas is of considerable importance. In short, all the Chinese in Hong Kong may be called Chinese overseas, and their close relationship with the Chinese overseas in other countries of the Pacific is an important element in the prosperity of Hong Kong.

Section 3. The Collapse of the Old Hong Kong.

We have now described the three main elements which formed the economic character of Hong Kong under British rule. The native industries, such as agriculture, fishing, and mining, have, of course, some degree of significance as economic elements, but since their share in determining the general economic character of Hong Kong is extremely small, they may be disregarded at this point. As we have said, upon a survey of the various economic elements of Hong Kong as a whole, it is obvious that the principal reason for the existence of Hong Kong in the past was that it was the base for British economic penetration of China. The front line of this economic invasion was made up of treaty ports and concessions, while Hong Kong played the part of a base in the rear. It was, therefore, the prerequisite of the satisfactory economic development of Hong Kong that British trade with China, backed by inequitable treaties, should proceed without accident.

*1 南北行

*2 金山莊

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However, at the beginning of the 20th Century, friction arose in British trade with China for two reasons. One was the rise of competition from other countries, and the other was the national awakening of China. First of all, Germany and America made remarkable progress in China at this time; and among the Oriental countries, the advance of Japan in the field of light industry was sufficient to threaten the British position. Japan's share in the matter was not confined to economic competition with Britain. By rousing the countries of the Orient from their lethargy, she shook the foundations of the American and British organization for the control of the Pacific. On the other hand, the national awakening of China was touched off by the Revolution of 1911. The Hong Kong strike of 1925 reduced Hong Kong's share of China's overseas trade from 30% to 11%, and the wave of anti-British feeling, which followed the Northern Campaign of 1926, for a while threatened complete disaster to British interests in China.

Before British influence in Hong Kong entirely disappeared, the dying light of British Hong Kong gave a last flicker. This arose from the fact that, before the competition of the late-comers in the China market could increase its pressure, the British were carrying out a conversion from the mere expansion of markets to a new expedient. They shifted the emphasis of their economic activity in China from "commerce in the treaty ports" to "investment and the acquisition of concessions". They changed from disputing the leadership in the export of merchandise with their new competitors to the acquisition of railroad and mining rights in the interior and investment in such rights, and thus maintained their dominant economic position. Then, seeing that the attacks of the Chinese Revolution were directed against themselves, they craftily changed their course, and tried appeasement of the controlling political power in China by the power of their capital. They made drastic political concessions to the Nanking Government and tried to pacify it by increasing their investments. They made extreme efforts to shift the direction of the anti-foreign movement against Japan, and achieved success in the attempt.

A conciliation between the British and Chiang thus came about, causing the anti-Japanese trend to spread, and finally, in 1937, the China Incident broke out. During the Incident, Hong Kong was exceedingly busy as a base for the joint activities of the British and Chiang, and as a supply route to Hankow and Chungking for bringing assistance to Chiang. Because of our control of the Yangtze in Central China and our blockade of the South China coast, Hong Kong was for about two years the only base for the assistance of Chiang on the China coast.

Trade, investments in industry, and remittances from the Chinese overseas increased, and for the time being Hong Kong benefited greatly by the war situation. But, as the inevitable result of the state of affairs in the Orient after the China Incident, the Greater East Asia War broke out. On 8 December 1941, the attack on Hong Kong was begun, and on the 25th the British troops and Governor surrendered; and so the curtain fell upon a century of history of British-occupied Hong Kong.

Section 4. The Construction of Imperial Japanese Hong Kong.

Hong Kong now made a new start. First, the military authorities of the occupying force quickly took restorative measures; then, on 19 January the Government General of the Occupied Territory was established, and on 20 February the Office of the Governor General began its administration under Lieutenant General ISOGAI Rensuke*, the first Governor General, and has now been operating for two years. We shall now attempt to trace the economic developments of this period.

*1 磯谷廉介

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A. Two Years of the New Order in Hong Kong.

The main problems of the military authorities at the beginning of the occupation were the expropriation and control of enemy-owned property, the maintenance of the food supply, and the resumption of commerce and industry. The expropriation and control of enemy property was efficiently carried out, with the object of making the existing facilities of Hong Kong contribute to the war effort. Installations that were needed for the benefit of the community were quickly put back into operation, and those that required investigation or control were dealt with accordingly.

It seemed as though the food problem would be serious, for the Hong Kong Occupied Territory embraced a large population and was weak in production resources, but this too was skillfully solved. In March, a marketing system was put into effect by the use of controlled prices and recognized merchants, beginning with a coupon marketing system for hulled rice, and then extending the system to sugar, fats, firewood, and other essential articles of living. The lack of stocks of hulled rice gave cause for concern, but as early as April the first shipload of rice from Thailand entered the harbor. In the matter of the resumption of business in shops and factories, the principal large-scale factories controlled by enemy capital were entrusted to the management of Japanese businessmen between February and June, 1942. The Chinese banks were opened in February, four large Chinese department stores were opened in March, and thereafter nearly all the Chinese businesses were reopened. In May, Japanese firms were permitted to do business, and many new businesses were opened.

In the latter half of 1942, the exchange of goods with the various occupied territories of Greater East Asia was begun. In July, an agreement was made with Canton for regular mutual trade. In November, a trade agreement was concluded between Hong Kong and the Philippines; then another was concluded between Central China and Hong Kong; and goods are also being exchanged with Japan proper, Formosa, Thailand, French Indo-China and Singapore outside such agreements. In September, the Trade Control Order*1 was issued. This established the machinery for the control of Hong Kong's trade, and in October the Trade Association*2 was set up under its provisions. In 1943, the work of reconstructing Hong Kong was chiefly directed towards regulating and expanding the trade relations whose foundations were laid the year before. In order to strengthen the existing transport facilities, the construction of motor sailing-ships*3 has been begun, and various measures are being taken for the use of junks in transport.

In the matter of trade relations, traffic began to be relayed via Hong Kong in May 1943. Details concerning this have not been published, but the sphere of relaying is understood to be limited to South China at present. An important economic development in the second year was the abolition of the Hong Kong dollar and the unification of the currency in the Occupied Territory. This fact may be considered an important and significant indication of the economic nature of the Occupied Territory.

B. The Conduct of the War and the Life of the People.

When we look at these two years of successful reconstruction of Hong Kong, our first thought is that Hong Kong is now following two different economic aims. One is to make the maximum possible contribution to the prosecution of the War, using the existing installations and means; and the other is to stabilize the living conditions of the Chinese overseas who are the local inhabitants, and to provide them, insofar as possible, with comforts and good employment. This two-fold scheme of things is equally applicable to the economic reconstruction of the other occupied territories of the south. However, in the case of Hong Kong, unlike the other areas, the natural resources are inadequate; it is impossible to contribute to the conduct of the War by developing and using them; and the development of resources needed in wartime cannot provide employment for the inhabitants.

*1 貿易取締令

*2 貿易組合

*3 機帆船

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What Hong Kong can do towards this end is, first, as a port, to be an intermediary for the circulation of goods within the Co-Prosperity Sphere and second, to obtain raw materials from other areas and manufacture goods from them. The success of its functioning as a port depends in the long run on the strengthening of the economic ties among the members of the Co-Prosperity Sphere and on the amount of shipping available. The possibility of obtaining raw materials from other areas also depends on the other countries and on shipping. The importation of raw materials and foodstuffs is bound up with the question of payment, and the only way in which payment can be made is to use Japanese and other investments as import funds, or else to use the existing stocks as exchange goods.

The allocation of shipping and funds for the objects pursued by Hong Kong is permissible insofar as it agrees with the general war policies. In short, both the ends and the means of the reconstruction of Hong Kong are dependent upon the Greater East Asia War. At present, it is the task of the economic leaders of Hong Kong, as far as possible, to avoid appealing to headquarters for shipping and funds and to make the fullest use of existing facilities and stocks.

The fact that it became possible to import goods from the South within a year of the occupation of Hong Kong is a result of the magnificent successes of the Greater East Asia War and is a reflection of the progressive economic realization of the Co-Prosperity Sphere. And yet, the present war situation shows the two sides arrayed against each other, a bitter air war is going on over the South West Pacific, and the war is causing tremendous wastage. The essential economic duty of the Co-Prosperity Sphere at present is to direct its resources to the fullest possible extent to the prosecution of the War and to cultivate a war strength which can rival the economic power of America and Britain. In this sense, the well-being and employment of the inhabitants of Hong Kong is limited to what the greater aims of the conduct of the War will permit.

With respect to the reconstruction of Hong Kong, the question of the disposal of the surplus population has arisen. In Hong Kong today, it is not possible for us to feed for no purpose the population of more than 1,500,000 which had collected there before the Greater East Asia War. The Office of the Governor General has followed a policy of sending the surplus population back to their native villages in the surrounding country, and by the end of October, 1943, the population had decreased to 850,000. It seems that later on it may be necessary to take still further steps for the dispersal of the surplus population.

C. Economic Changes in Hong Kong.

In this chapter, we have discussed the three main economic features of British Hong Kong - relay trade, industry, and the Chinese overseas. Now let us ascertain the present condition of these features. Such a survey will give us the concrete economic facts about present-day Hong Kong. First, Hong Kong's trade can no longer be called pure relay trade. All its imports are either goods for consumption in Hong Kong or raw materials for its industries. Yet Hong Kong's function as a transshipping port has not entirely disappeared. It is no longer a commercial function, but is a matter of transportation technique. It is not a case of importing freight through the merchants of Hong Kong and exporting it again when a good business opportunity arises, but rather of shipping material to Hong Kong, using the warehousing facilities to accommodate it, and then reshipping it to other places, for the sake of efficiency in the wartime handling of shipping. In the South China Communications and Transport System*1, which was put into operation in May 1943, Hong Kong's relaying capacity was used in the South China Sphere for the first time.

Secondly, among the local industries, ship-building has been carried on to the fullest possible extent. Both in building and repairs, a

*1 南支連絡輸送

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considerable contribution has been made to the wartime shipping situation. However, the small-scale industries of the Chinese could make little direct contribution to our war strength, and because of the raw material situation, too, their revival has not progressed very far.

Thirdly, in the matter of remissions from the Chinese overseas, now that movement of money between the various occupied territories is restricted, they have not the same freedom as they had before the War. Only those who have families living in Hong Kong are permitted to send a fixed sum of money for living expenses from the countries of the South. Since the Chinese overseas have no freedom to handle shipping at present, scarcely any trade is carried on through them. However, they have recently started carrying on trade by means of sailing-ships, and it is worthy of note that the Chinese overseas are active in this field.

The fact that one new economic element has been added to wartime Hong Kong is also worthy of attention. This new element is the effort to achieve self-sufficiency as far as possible. The effort first took shape as an increase in the importance of the native productive industries, such as agriculture, forestry, and fishing. In agriculture and forestry, we have already begun to carry out plans for large scale development of the park land in the New Territories, expanded cultivation of vegetables and fruit-trees, raising the standard of agriculture by improved seedlings and manures, and introducing afforestation and stock-raising on a large scale. In the fishing industry, fishermen have come out from Japan, and a "Junk Fishing Association *1" has been organized among the local fishermen under the guidance of the Governor General's Office. However, in all Hong Kong Occupied Territory, there are no more than 12,000 chobu (T.N. 29,400 acres) of arable land, and therefore, whatever efforts are made to increase production, it will not be sufficient to feed the population of Hong Kong. Hong Kong differs in this respect from the other areas in the South, which plan to become self-supporting by conversion of crops and by breaking new soil. Hong Kong's effort towards self-sufficiency amounts only to diminishing reliance upon imports from overseas and raising on the spot as much food as possible.

From this point of view, the first requirement is to strengthen the ties with the Canton area and Chungshan-hsien*2, which are directly in the rear of Hong Kong. The first step in this direction was taken in July, 1942, at which time a trade agreement was reached with Canton. In November, 1943, as a result of the campaign to tranquilize the area along the Canton-Kowloon Railway *3 which was fought by the South China Army and the Hong Kong garrison in co-operation, the territory behind Hong Kong was expanded. When public order has been established in this area and reconstruction has begun, it is expected that Hong Kong will make more rapid strides toward the goal of self-sufficiency.

This is a picture of the present economic situation of Hong Kong; and, naturally, there is no more of the pre-war economic assistance to Chiang. This means that Hong Kong, as an integral part of Greater East Asia, is entirely directed towards the prosecution of the War. Bearing in mind the fact that Hong Kong has also maintained its exchange of goods with the other countries of the South, and provides a comfortable life and employment for a population of 800,000, its situation must be regarded as a triumph of the economic construction of the Co-Prosperity Sphere. If we were to discuss at this point the economic position of Hong Kong after the Greater East Asia War, we could not escape the accusation of indulging in idle theories. However, such facts as the abolition of the Hong Kong dollar and the exclusive use of military scrip and the reopening of Hong Kong as a transportation center should be regarded as measures which will determine the future character of Hong Kong.

*1 ジャック 魚業組合

*2 中山縣

*3 廣九沿線地區肅清作戰

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ECONOMIC MEASURES OF THE GOVERNMENT GENERAL

Hong Kong, which had been prosperous for a hundred years, experienced a change in economic status with the outbreak of the Greater East Asia War and the coming of the Imperial Forces, for it could no longer be the commercial distributing center which it formerly had been. Since this was entirely due to the war, it is felt that there is room for great development in the future. Various plans for the economy of Hong Kong and its future status are under consideration, as is the present livelihood of the inhabitants.

The great objective, the total mobilization of the economic strength of Hong Kong in behalf of the prosecution of the war, which is the most urgent need at present, must be accomplished. The present economic plans of the Government General of occupied Hong Kong are all being carried out in accordance with the above policy. Specifically, the shipyards of Hong Kong and Kowloon are in the hands of Japanese companies; the other installations are all controlled by military officials, and their use as parts of a military base is paramount, and their use as parts of a commercial port is secondary. Much assistance has been given to those who wished to return home, and the weeding-out of the unnecessary population within the area of jurisdiction has been planned. By these means the authorities have striven to make the burden on each country as light as possible - all with the object of making practical use of Hong Kong in the war. The results of the plans of the Hong Kong Government General are as follows:

First, the geographical relationship of Japan and Hong Kong with regard to trade, compared to what it was during the British regime, has changed. Also, the condition of shipping has, of course, changed because of the war. Because of limitations on the places with which trade is conducted, etc., extensive trade cannot be expected in Hong Kong in its present condition. Furthermore, it is necessary to plan a decrease in dependency on other places - Hong Kong being without extensive production - with a view to the wartime self-sufficiency of the city. Thus, a strict attitude is maintained toward exports and a liberal one toward imports.

The "Order for the Control of Exit and Entry, Residence, the Import and Export of Goods, the Establishment of Enterprises, Business, and Commerce within the Area of Jurisdiction of the Government General of the Hong Kong Occupied Territory"*1, which was published in March 1942, immediately after the opening of the Office of the Government General, established facilities for reporting imports of goods to the authorities after importation, and stipulated that all exports must be authorized before exportation. Trade with Japan, Manchuria, and points in China (except Macao and Kwang-chow-wan)*2) was made subject to settlement in Tokyo - the so-called "special yen" settlement*3. In April, 1943 with the object of building up import balances, exports to the various points were made non-exchange exports*4 in principle (Hong Kong Government General Order No.21, 1942, "Regulation for the Control of Non-Exchange Exports to Specially Designated Areas".*5)

In July, Chapter 4 of Government General Order No.9, referred to above, was rescinded, and in its place the "Regulation for the Control of the Export and Import of Goods"*6 (Hong Kong Government General Order No.32) was issued. It set up the requirement that prior authorization of the Government General was thenceforth required for the import of goods excepting grain, edible oils and fats, meat, fish, and fowl, vegetables, and a number of other basic foodstuffs. Later, in September, this regulation was expanded to include the requirement of prior authorization for imports of basic foodstuffs which had not previously required authorization. It was further revised

*1 香港占領地總督管區に於ける出入居住物資の搬出入及
企業營業商行爲取締令 (Government General Order No.9, 1942)

*2 廣東灣

*3 特別圓

*4 無爲輸移出

*5 特別地域無爲替輸移出取締規則

*6 物資搬出入取締規則

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to require authorization for imports of these articles from Macao and Kwang-chow-wan.

This expansion was adopted for the express purpose of economizing on import balances.

Trade with the surrounding district (Amoy, Kwang-tung Province, and Macao) by all operators was allowed. However, in the interests of preserving harmony with the places traded with and the necessity for planning increased imports, trade with other places, i.e., Japan, Manchukuo, North China, Central China, French Indo-China, Thailand, and the Southern Occupied Territories was limited to members of the Hong Kong Foreign Trade Association.*¹ (Hong Kong Government General Foreign Trade Control Order No.43, 1942*² published 18 September). Transactions of the members of the Foreign Trade Association all require authorization; and therefore trade with distant places, the aforementioned regulations notwithstanding, was stipulated as requiring authorizations for both export and import. The Association may be joined regardless of the nationality of the joiner; but so far no persons besides Chinese or Japanese have been permitted to join. This is doubtless unavoidable in view of maintaining good relations toward the places traded with.

There is an established policy with regard to commodity prices. However, since almost all of the daily requirements of Hong Kong must come from outside and the majority of them must be obtained from contiguous areas because of the war, and since Hong Kong is virtually an extension of continental China, commodity prices in Hong Kong are not independent. Prices there are generally influenced by prices at Shanghai, Canton, Macao, etc., so that even if it was desired to adopt an independent price policy for Hong Kong, success could not be expected. In particular, there is the influence of sudden price rises in enemy territory, which necessarily involves price rises within the occupied territory. Thus, the Government General with few exceptions maintains a policy of non-interference with prices.

A system for the distribution of rice, the staple food of the population of the area under jurisdiction, has been in operation since the establishment of the Government General. The price has advanced from 25 sen per catty (T.N. 1.33 lb.) (4 ko) to 75 sen at the present time (end of January 1944); but compared to other commodity prices and also to the price of rice in contiguous territory, this is still extremely cheap. The distribution of salt and sugar has been controlled, and the prices of these and several other commodities have been maintained at a comparatively low level. On the other hand, special control of the free-trade price levels of these commodities is not practiced. Thus, for example, the distribution price of rice is very low, but the free-trade price level has gone from 2 yen per catty up to as much as nearly 3 yen per catty. The maintenance of the low price levels of these commodities has occasioned considerable expense on the part of the Government General, and the policy of dispersing the superfluous population has some extremely contradictory aspects. However, the sudden rise in the price level of these commodities is considered to be a hardship on the general populace, and has been examined with paternal solicitude. The policy in force has developed daily since the occupation, and has gradually been adjusted in proportion to the pacification of the people.

With reference to commercial and industrial enterprises, all businesses and projected business enterprises have been subject to a permit system (Hong Kong Government General Order No.9, 1942, referred to above); but in principle the revival of business enterprises has been permitted without qualification. Commodity prices, too, have in principle not been interfered with, as mentioned before, so that trade in general has prospered greatly. Aside from assistance (T.N. subsidies ?), there has not so far been much activity in the matter of obtaining raw materials.

Among the various manufacturing enterprises, shipyards, tobacco factories, sugar factories, and other important factories were for the most part

*¹ 香港貿易組合

*² 貿易取締令

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enemy-owned, and now their management and operation has been entrusted to Japanese. Others operated by Chinese - shipyards for building wooden ships, rubber factories, textile factories, lumber plants, etc., have been recognized as necessary to us (T.N. the Japanese). By the process of buying them out, or operating and controlling them as Sino-Japanese joint enterprises, their operation has largely been put in charge of Japanese. This, from the point of view of obtaining an assured supply of raw materials, must be regarded as a necessary procedure.

Under the selfish British policy not much emphasis was placed on the basic production enterprises of agriculture, forestry, and fisheries. However, from the standpoint of the completion of the Greater East Asia War, in view of the present objectives of self-sufficiency and the supply of goods for the daily needs of the residents, these basic productive enterprises should be encouraged on a large scale. Thus, at the present juncture, we are striving for the opening-up of land in the New Territories; we are giving assistance in opening-up of land and are improving technical guidance of agriculture; we are also providing for the establishment of the Junk Fishermen's Association*¹, the guidance of junk-fishing, the opening-up of marketing facilities for fish, and guidance for the improvement of fish products.

With regard to currency and the circulation of money, the circulation of both military yen notes*² and of Hong Kong dollars was at first permitted. In the summer of 1942 the exchange rate was revised from 2-to-1 to 4-to-1, and at the same time the withdrawal of the Hong Kong dollar and the increase of the amount of military notes in circulation was begun. In April, 1943, the limit on the exchange of Hong Kong dollars for military notes (exchange for those wishing military notes) was abolished, and the exclusive use of military notes was advanced a step. On 10 May the announcement was made that the use of Hong Kong dollars was to be forbidden, and this measure was put into effect on 1 June. Thus, the exclusive use of military notes within the area of jurisdiction was brought about, and a basis was provided for a permanent system of currency later on. Afterward, the Government General continued to hold firmly to a policy of currency retrenchment. The remittance of money from elsewhere and the lending of money by banks was put under a licensing system, so that at present the circulation of military notes is on a stable basis. The total amount of currency in circulation, compared to that on 1 June, when the exchange of Hong Kong dollars was completed, seems not to have increased greatly.

Remittances of money from other places require, in principle, the permission of the offices in charge in the places of origin. Also, the permission of the Hong Kong Government General is required in order to receive payment on them (except for remittances from Japan, Manchuria, and Canton). Remittances from Hong Kong to various places in settlement of payments for imports are permitted in principle, but other types of remittances are more or less subject to limitation depending on the place to which they are to be sent. At first, loans by banks were classified as items requiring the permission of the Ministry of Finance, but later they were made subject to the permission of the Government General. After 2 October, 1943, the permission of the Ministry of Finance was no longer required, and the permission of the Government General alone was sufficient. Nevertheless, since, in anticipation of future needs, the necessity for obtaining prior permission of the Ministry of Finance was done away with, the permission of the Government General was made hard to obtain, and in fact it was made extremely difficult except in unavoidable instances.

The Government General announced in the spring of 1942 its intention of liquidating the so-called enemy banks - the banks having connections with the United States, England, Holland, Belgium, and Chungking; and the liquidation is in progress at present. This liquidation deserves particular

*¹ 戎克漁業組合

*² 圓軍票

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attention in that the funds of the banks which are being liquidated have been put into a "pool" and refund of savings at a uniform rate of 20 percent has been carried out in the case of each of the banks. The state of the assets of the different banks varies, but very few of them had savings that could be refunded in full. Beginning with the Hong Kong and Shanghai Bank*1 which had 65 percent (T.N. of its funds) in savings, the greater part of the banks were extremely low in funds. Even the Hong Kong and Shanghai Bank was in such a condition that a refund of scarcely 10 percent (5 percent after the deduction of the various expenses of liquidation) could be made. Thus, the office in charge, concerned for the depositors of savings, realized that it would not be at all fair to make refunds of savings according to the state of the funds of the various banks, and the "pool" system was adopted. A good deal of the money refunded was paid at the expense of the government office in charge. A uniform rate of 20 percent on repayments was maintained (it is said that without the aid of the Government General a refund of even 11 percent would have been difficult).

A great deal of anxiety was occasioned by the existence of banks with Chinese capital, and at the very beginning a limit was set to the refund of savings; but later, in the spring of 1943, this limit was abolished, and relief loans of 20,000,000 dollars (5,000,000 yen) were made. The closing of the banks with Chinese capital was requested on the ground of the lack of funds. The pooling of funds referred to above and the emergency loans to the banks with Chinese capital both were contrary to the policy of a strict retrenchment in the amount of money in circulation; but these things may be ascribed to a spirit of charity which wished to alleviate, as much as possible, the losses suffered by the common people in the war.

In the above paragraphs we have surveyed the results of the economic policies of the Government General (the financial policies will be discussed in the next chapter). Now, a glance at the policy on ocean transport seems to be required. Ocean transport is not yet active. The Government General is to a degree charged with the construction and operation of motor and sailing vessels. With regard to the utilization of Hong Kong as a distributing center, the trip to Canton by large vessels is gradually being done away with, and Hong Kong is becoming the terminal port. Coastal traffic has been to some extent turned over to small vessels, but traffic from Hong Kong back and forth to the north and south has not yet attained any substantial proportions. These measures do not make a very large contribution to economizing on shipping space. One can say of Hong Kong that the trend is toward its becoming the distributing center of Greater East Asia. Consequently, its importance is great. The demonstration of the true value of Hong Kong as a seaport belongs, however, to the future.

Addendum: With respect to the opening of commercial, manufacturing, and other enterprises, "Regulation for the Control of Enterprises, etc."*2 (Government General Order No.52) was issued on 25 December, 1943, to take effect 1 January, 1944. This regulation, which is a separate law, revised the stipulations of Government General Order No.9 (referred to previously) in regard to business, commerce, and the opening of businesses. By this new law, financial concerns and 12 other classifications of enterprises were made subject to permit from the Government General; places of entertainment and amusement and 15 other classifications of enterprises were made subject to permit from the Head of the Military Police. For other enterprises, report to the authorities was made sufficient. The enterprises of Chinese were granted increased freedom of activity. Enterprises of Japanese were made "subject to permit from the Government General until further notice", just as before.

*1 香港上海銀行

*2 營業等取締規則

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CHAPTER III.

FINANCE AND TAXATION

The actual costs of the administration of the Government General are a military secret, and it is not permitted to estimate them. We can, however, get an approximate figure for the proportion of those costs which depends on taxes as a source of revenue. Moreover, we can discuss, to a certain extent, the tax system of Hong Kong.

There are nine types of taxes at present in force in Hong Kong:

1. The house-tax*¹ (Kaoku Zei)
2. The special house-tax*² (Tokubetsu Kaoku Kei)
3. The business-profits tax*³ (Eigyo Rieki Zei)
4. The land-tax*⁴ (Tochi Zei)
5. The alcoholic-beverage tax*⁵ (Shusei Ganyu Inryo Zei)
6. The stamp-tax*⁶ (Inshi Zei)
7. The entertainment and refreshment tax*⁷ (Yukyo Inshoku Zei)
8. The amusement tax*⁸ (Goraku Zei)
9. The house-ownership-registration tax*⁹ (Kaoku Shoyukan Toroku Zei)

Except for the entertainment and refreshments tax, which was established subsequent to the occupation, these taxes follow in their main outlines those which were in force under the former regime. Taxes of the former regime, which are not now collected, include the inheritance tax*¹⁰ (Isan Zei), the salary tax*¹¹ (Hokyu Zei), and the pari-mutuel tax*¹² (Baken Zei). A study is now being conducted with a view to the revival of these taxes.

The classifications and methods of computing the nine taxes in force at present, and a summary of tax rates, etc. are given below:

House-tax: This is levied on the basis of the rental value set by the Chief of the Tax Office*¹³ (Zoinusho-cho) and the rate is 16 percent. The house-tax was made effective 1 August, 1942, by the Occupied Hong Kong Government General House Tax Levying Order*¹⁴.

Special house-tax: This applies to houses having a total rental value of ¥ 5,000 or more on the basis of the standard for the house-tax. The rate is 6 percent (T.N. evidently a surtax). The tax went into effect 31 March 1943.

- *1 家屋稅
- *3 營業利益稅
- *5 酒精含有飲料稅
- *7 遊興飲食稅
- *9 家屋所有權登錄稅
- *11 俸給稅
- *13 稅務所長

- *2 特別家屋稅
- *4 土地稅
- *6 印紙稅
- *8 娛樂稅
- *10 貴產稅
- *12 馬券稅
- *14 香港占領地總督部
家屋稅徵收令

Land-tax: Collection continues to be made, on a provisional basis, of "Crown Rent" on lands leased from the old regime. This rental is a fixed amount established at the time the lease was made. The tax is levied on the basis of the Land-Tax Order (Hong Kong Government General Order No.41, 1942) issued 13 September 1942.

Business-profits tax: This tax is levied on annual receipts of ¥ 5,000 and over, of an individual or corporation during the previous year, less the expenses necessary to obtain these receipts. The tax rates are as follows:

¥ 5,000 and over to ¥ 50,000	10 percent
¥ over ¥ 50,000	15 percent
Over ¥ 100,000	20 percent
Over ¥ 300,000	25 percent
Over ¥ 500,000	30 percent

Profits of less than ¥ 5,000 are tax exempt, and it is felt that this is an excessive lightening of the very small tax burden. This tax was promulgated and put into effect 12 April, 1943.

Alcoholic-beverage tax: This applies to alcoholic beverages made, imported (T.N. from foreign countries) or brought in (T.N. imported from Japan etc.). The tax on most Japanese and Chinese sake is ¥ 12 per to (T.N. one to equals 3.18 British Imperial pints), ¥ 7 per to on beer, ¥ 6 per British gallon on beverages made from fruit (T.N. wine and cider), ¥ 40 per British gallon on Occidental beverages (T.N. whiskey, etc.). This tax was promulgated and put into effect 20 April, 1943.

Stamp-tax: This tax applies to persons drawing up documents, account-books, etc., and is in general similar to the stamp tax imposed in Japan proper. The rates are approximately the same as those under the former regime, and are somewhat high by comparison with the rates levied in Japan proper. This tax was promulgated and put into effect by the Stamp Tax Order of 1 December 1942 (Hong Kong Government General Order No.50, revised in part 29 December).

Entertainment and refreshment tax: This tax was promulgated by the Entertainment and Refreshment Tax Order of 11 December 1942 (put into effect 15 December). The purpose of this tax is much the same as that of the entertainment and refreshment tax in Japan proper. However, the rate is extremely low, being only 10 percent of fees for entertainment and refreshment of ¥ 2 or more per individual admission. As with the business-profits tax, there would seem to be room for an increase in this tax.

Amusement tax: This tax was promulgated 24 December 1942, and put into effect 1 January 1943 on the basis of the Amusement Tax Order. The purpose of the tax is much the same as that of the admission tax*1 in Japan proper. The rates are on a graduated scale, amounting to 12 percent of admission fees.

In its general outlines, the Hong Kong tax system, as sketched above, follows that of the old regime, but the rates, the basis of computation, etc., have been revised in some respects. The tax system has been administered properly from the point of view of gaining popularity with the people because it has taken into consideration changes that have occurred in economic conditions since the occupation and because taxes have been levied, insofar as possible, on appropriate principles.

*1 nyujo zei 入場税

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But, as we have seen before, there remains room for a substantial increase of the business profits tax, the entertainment and refreshment tax; the procedure of the former regime is not being carried out with respect to the inheritance tax, the salary tax, and the pari-mutuel tax; and there are other new taxes, which could be established. Two factors must be considered insofar as taxes are concerned. On the one hand, there is the matter of making known at the present time our paternal attitude toward the lives of the people. On the other hand, there is the matter of increasing taxes. The solidity of the basis of the financing of the Hong Kong Government General is a matter which deserves discussion.

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FINANCE AND CURRENCYSection 1. Financial Organizations.

Before the Greater East Asia War, there was always a large amount of free capital in Hong Kong, and the money market was generally slack all the year round. Since Hong Kong was a great commercial transshipment port and a center for Chinese of the propertied classes, refugee capital came in from China because of the unsettled conditions prevailing on the mainland. Further, the remittances from the Chinese overseas in the South Seas and other lands passing through Hong Kong annually amounted to from two to more than three hundred million dollars. On the other hand, there was not a great deal of agriculture or industry, and there was little fixed capital. Therefore, except for the good business periods around the Chinese New Year and the fall, the money-market was always slack, and rates of interest were comparatively low.

However, when the Greater East Asia War broke out and our Imperial troops seized the stronghold of the British in East Asia within twenty days, the character of Hong Kong was completely changed. The money-market in the new Hong Kong lost its former British and American complexion completely, and it has now entered on the road to a new organization, based on the co-operation of the Japanese and Chinese banks, under the leadership of the Japanese banks.

A. Banks.

Before the War, there were 47 banks in Hong Kong, of which 2 were Japanese, 5 British, 4 American, 1 French, 2 Dutch, 2 Belgian, and 31 Chinese. 15 of these banks were associated in a clearing-house. After the occupation by our Imperial Troops, the liquidation of 17 banks was ordered. These were the 13 British, American, Dutch and Belgian banks, together with 4 under Chungking management, which were recognized as enemy banks.

British Banks. There were five British banks in Hong Kong before the War. Of these, three were banks of issue*¹, and were established by the British for purposes of economic penetration of the Orient. These were:

1. Hong Kong and Shanghai Banking Corporation*²
or Hui-feng Yin-hang*³
2. The Chartered Bank of India, Australia and China*⁴
3. The Mercantile Bank of India, Ltd.*⁵

The Hong Kong and Shanghai Bank in particular (Head Office - Hong Kong, established 1864), acting in concert with its branch office in Shanghai, occupied a position which might well be called that of general head temple of British finance. It was active everywhere in the Far East, and especially in China, in all the important financial and exchange markets. It had vast investments in all kinds of industrial and business firms in Hong Kong, and was the shining light of Hong Kong economic circles.

The following two British banks were not banks of issue, and were not associated with the clearing-house: E.D.Sassoon Banking Co.*⁶ and Thos. Cook and Son (Bankers) Ltd.*⁷. All five of these banks were liquidated, the

*¹ 發券銀行
*³ 滙豐銀行
*⁵ 有利銀行
*⁷ 通齊隆

*² 香港上海銀行
*⁴ 渣打銀行
*⁶ 新沙宣銀行

first three on 7 April 1942, and the latter two on 20 May 1942. The liquidator was the Specie Bank (Shokin Ginko*1).

American Banks. There were four American banks in Hong Kong before the War.

1. The National City Bank of New York*2
2. The Chase Bank*3
3. The Underwriters Savings Bank for the Far East*4
4. The American Express*5

The first two of these were members of the clearing-house, and the latter two were not. All four were liquidated on 7 April 1942. The liquidator was the Bank of Formosa (Taiwan Ginko *6).

French, Dutch, and Belgian Banks. The five French, Dutch, and Belgian banks were as follows:

1. Banque de l'Indochine *7
2. Nederlandsche Indisch-Handelsbank*8
3. Nederlandsche Handels-Maatschappij*9
4. Banque Belge pour l'Étranger (Extrême-Orient) S.A. *10
5. Crédit Foncier d'Extrême-Orient*11

The French bank (still in operation) and the two Dutch banks are banks of long standing in the Far East and are members of the clearing-house. The two Dutch banks and the Banque Belge pour l'Étranger were liquidated on April, 1942, and the Credit Foncier d'Extrême-Orient on 20 May, 1942. The liquidator of the Banque Belge pour l'Étranger was the Specie Bank, and the liquidator of the other three was the Bank of Formosa.

Chinese Banks. There were 31 Chinese banks in Hong Kong before the War, 24 of which have been permitted to resume business since the War began. After their triumphal entry into the fortress, the military authorities began by following the policy of permitting all Chinese banks to reopen for the time being under limited conditions. Later, because they were obviously enemy banks, four were liquidated on 15 June, 1942. The

- | | |
|-------------|-----------|
| *1 正金銀行 | *2 萬國通寶銀行 |
| *3 大通銀行 | *4 友邦銀行 |
| *5 美國運通銀行 | *6 台灣銀行 |
| *7 佛國東方匯理銀行 | *8 安達銀行 |
| *9 荷蘭銀行 | *10 華比銀行 |
| *11 義品放款銀行 | |

Chung-yang (Central Bank*1) and the Bank of Canton*2 were liquidated by the Specie Bank; the Chung-kuo Kuo-fu (Chinese National Wealth Bank*3) and the Chung-kuo Nung-min (Chinese Farmers' Bank *4) were liquidated by the Bank of Formosa. Of these, only the Bank of Canton was an associate of the clearing-house.

The following is a table of the twenty remaining banks which reopened: (T.N. In the table, * indicates that the particular bank is associated with the clearing-house.)

Name of Bank	Capital	Head Office	Estd. in Hong Kong
Chung-kuo Yin-hang (Bank of China)* (中國銀行)	N.C. \$40,000,000	Chungking	1917
Chiao-t'ung Yin-hang (Bank of Communications)* (交通銀行)	N.C. \$20,000,000	Chungking	1924
Tung-ya Yin-hang (Oriental Bank) * (東亞銀行)	H.K. \$ 5,598,600	Hong Kong	1918
Hua-chiao Yin-hang (Chinese Overseas Bank)* (華僑銀行)	Sts \$10,000,000	Singapore	1923
Yung-an Yin-hang (Lasting Peace Bank) (永安銀行)	H.K. \$ 2,295,288	Hong Kong	1934
Yen-yeh Yin-hang (Salt Trade Bank) (鹽業銀行)	N.C. \$ 7,000,000	Shanghai	1919
Hsiang-kang Shan-t'ou Shang-yeh Yin-hang (Hong Kong and Swatow Commercial Bank) (香港汕頭商業銀行)	H.K. \$ 250,000	Hong Kong	1935
Kuo-min Shang-yeh Ch'u-hsu Yin-hang (People's Commercial and Savings Bank) (國民商業儲蓄銀行)	N.E. \$ 1,125,160	Hong Kong	1921
Chung-kuo Shih-yeh Yin-hang (Chinese Industrial Bank) (中國實業銀行)	N.C. \$ 4,000,000	Shanghai	1938
Shang-hai Shang-yeh Ch'u-hsu Yin-hang (Shanghai Commercial and Savings Bank) (上海商業儲蓄銀行)	N.C. \$ 5,000,000	Shanghai	1934
K'ang-nien Ch'u-hsu Yin-hang (Year of Peace and Plenty Savings Banks) (康年儲蓄銀行)	H.K. \$ 407,000	Hong Kong	1922

*1 中央

*2 廣東

*3 中國國貨 *4 中國農民

Name of Bank	Capital	Head Office	Estd. in Hong Kong
Fu-chien Sheng Yin-hang (Fukien Provincial Bank) (福建省銀行)	N.C. \$ 5,000,000	Fukien	1938
Kuang-tung Sheng Yin-hang (Canton Provincial Bank) (廣東省銀行)	N.C. \$10,000,000	Chiichiang	1929
Kuang-hsi Yin-hang (Kwangsi Bank) (廣西銀行)	N.C. \$15,000,000	Kweilin	1932
Chung-nan Yin-hang (Central Southern Bank) (中南銀行)	N.C. \$ 7,500,000	Shanghai	1934
Chin-ch'eng Yin-hang (Metal Walls Bank) (金城銀行)	N.C. \$ 7,000,000	Shanghai	1936
Kuo-hua Yin-hang (National China Bank) (國華銀行)	N.C. \$ 1,000,000	Shanghai	1938
Hsin-hua Hsin-to Ch'u-hsü Yin-hang (New China Trust Savings Bank) (新華信託儲蓄銀行)	N.C. \$ 2,000,000	Shanghai	1939
Chu-hsing Ch'eng Yin-hang (United Prosperity and Honesty Bank) (聚興誠銀行)	N.C. \$ 4,000,000	Chungking	1938
Ch'uan-yen Yin-hang (River Salt Bank) (川鹽銀行)	N.C. \$ 3,000,000	Chungking	1940

The following banks closed down of their own accord, either because they had difficulty in remaining in operation or for various other reasons:

1. Kwang-tung Sheng (Canton Provincial)
2. Kwangsi
3. Chung-nan (Central Southern)
4. Chin-ch'eng (Metal Walls)
5. Kuo-hua (National China)
6. Hsin-hua Hsin-to (New China Trust)
7. Chu-hsing Ch'eng (United Prosperity and Honesty)
8. Ch'uan-yen (River Salt)
9. Fu-chien Sheng (Fukien Provincial)

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Thus, by the end of December 1943, there were eleven Chinese banks operating within the occupied area, but some of them may have to close down in the future. The better adjustment and unification of the Chinese banks is one of the problems of financial reconstruction. The trends and condition of the Chinese banks which have resumed business since the War began can be ascertained from the following table.

Table of Chinese Bank Deposits, Loans and Cash Balances

Month	Year	No. of Banks	Deposits (includes money on deposit)	Loans	Cash (includes money on deposit)
Oct.	1942	20	68,137	22,629	19,231
Nov.		20	65,926	22,422	17,706
Dec.		20	65,851	22,377	18,544
Jan.	1943	20	64,503	22,314	17,348
Feb.		20	63,098	21,773	17,005
Mar.		18	56,662	20,939	14,322
Apr.		17	52,752	20,667	12,344
May		15	15,592	5,025	7,356
June		15	15,137	5,063	6,577
July		14	15,273	4,793	6,660
Aug.		13	14,934	4,708	6,595
Sept.		13	14,819	4,688	6,495
Oct.		11	14,559	4,435	6,377
Nov.		11	14,716	4,457	6,533
Dec.		11	15,004	4,475	6,872

Note: Up to April, 1943, figures are in thousands of Hong Kong dollars. From May, 1943, figures are in thousands of yen (military scrip).

Japanese Banks. There are two Japanese banks - the Specie Bank and the Bank of Formosa. Both were associated with the clearing-house before the War. They were closed temporarily on account of the War; on 24 January 1942, their branches were reopened on their former premises. The Specie Bank was later transferred to the former premises of the Bank of Canton, and the Bank of Formosa was transferred to the premises of the National City Bank of New York, as an indication of the prestige of the Japanese banks and as a promise of their future status as the financial center of the area. An agency for the Bank of Japan, which had not existed before the War, was also established in the branch office of the Specie Bank and was opened for business on 5 February, 1942. Acting on the instructions of the authorities, the Specie Bank opened another branch in Kowloon on 24 July, 1942.

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Thus, the Japanese banks have finally attained a pre-eminent position in the economic reconstruction of Hong Kong, in the expansion of trade agreements, in the increase of the pressure of work in the various factories and businesses, and the speed-up of the movement of capital and goods.

B. Money-changers.

Before the War, there were about 200 money-changers in Hong Kong, and after the War, 68 of these were at first allowed to continue business as officially recognized money-changers by the Military and by the Finance Department of the Office of the Governor General. However, since transactions in French and Hong Kong money, which formed the bulk of the business of these people after the outbreak of the War, became a matter for special permission under the new currency regulations which came into effect on 1 June, 1943, the majority of the money-changers who had reopened were compelled to close down or to convert their businesses. At present, there are between ten and twenty money-changers in business; and these, for the most part, handle remittances from Chinese overseas. The Finance Department has also abolished the title of "officially recognized" money-changer.

The remittances from Chinese overseas were interrupted by the War, but, through the mediation of the Japanese authorities, they have been gradually resumed, beginning in January, 1943, with remittances from Indo-China and later extending to Thailand, Singapore, Malaya, the Netherlands East Indies, etc. The names of the fifteen money-changers at present handling the remittances of Chinese overseas are as follows.

1. Tao Heng 道亨
2. Yung Hsing 榮興
3. Fu Heng 富衡
4. Yung Heng 永亨
5. Yung Feng 永豐
6. Hung Te 鴻德
7. Heng Sheng 恆生
8. Ying Hsin 英信
9. Kuang An 廣安
10. Teng T'ien-Fu 鄧天福
11. I Sheng 義生
12. Ts'ai Chi 財記
13. Yung Lung 永隆
14. Li Yüan 麗源
15. Fa Ch'ang 發昌

C. Other Financial Organizations.

The other financial organizations in Hong Kong since the War began are as follows: (1) approximately 300 Chinese pawn-brokers, who handle the finances of the common people; (2) about 100 Chinese trust businesses; (3) 17 Chinese insurance companies (14 for damage and loss and 2 life insurance), and (4) foreign insurance companies. There are 7 Japanese insurance companies, two

of which, the Nippon Kaijo Kasai (Marine and Fire*1) and the Tokyo Kasai Kaijo (Fire and Marine*2) opened up in Hong Kong before the War. The other five companies, which were selected to open in Hong Kong by their headquarters in Japan, are the Nippon Kasai Kaijo (Fire and Marine*3), the Kyodo Kasai Kaijo (Fire and Marine*4), the Meiji Kasai Kaijo (Fire and Marine*5), the Yasuda Seimei (Life*6), and the Chiyoda Seimei (Life*7). There are also 25 agents for Japanese insurance companies (18 for damage and loss insurance and 2 for life insurance).

Under the military government, the pre-war clearing-house, the Shanghai Mercantile Stock Exchange (Shanghai Kawase-Koekiyo*8), and the Stock Exchange have been suspended, but it would appear that the question of reopening these organizations will arise as the economy of the new Hong Kong is restored.

Section 2. Currency

The British government authorities in Hong Kong, acting in co-operation with the monetary reforms of the Nanking government, prohibited the export of silver and nationalized it in 1935. They then linked the Hong Kong dollar which was formerly on the silver standard, with the English pound, roughly at the level of one shilling and threepence to the dollar. It thus became a controlled currency, based on the rate of exchange of the pound.

A. Currency Before the War.

Before the War, the Hong Kong dollar, the old French money, and other foreign monies were accepted currency, but only the Hong Kong dollar was legal tender. This was of three kinds:

1. Paper money issued by the three banks of issue - the Hong Kong and Shanghai Banking Corporation; the Chartered Bank of India, Australia, and China; and the Mercantile Bank of India, Ltd. Notes were of five kinds - 500 dollars, 100 dollars, 50 dollars, 10 dollars and one dollar; however, only the Hong Kong and Shanghai Banking Corporation had the right to issue one dollar notes.

2. One dollar notes issued by the British government office. These were issued as emergency currency at the time of the monetary reforms.

3. Coins issued by the British government office - nickel ten-cent and five-cent pieces, and copper one-cent pieces.

An examination of the amount of Hong Kong dollars in circulation in the period just before the War reveals that - on 25 December, 1941 - there were about \$290,000,000 issued by the three issue banks, and about \$12,000,000 issued in notes and coins by the government office, making a total of roughly \$300,000,000. Of this, about \$240 - 250,000,000 were believed to be within the sphere of jurisdiction of the Governor's Office.

The circulation of the old French money was not officially recognized before the War, but trading in it was permitted, and the Chinese banks handled deposit accounts in French money.

The total amount of French money in Hong Kong before the War was said to be roughly \$300,000,000, of which between \$90,000,000 and \$100,000,000 was

*1 日本海上火災 *2 東京火災海上 *3 日本火災海上
 *4 共同火災海上 *5 明治火災海上 *6 安田生命
 *7 千代田生命 *8 上海為替交易場

[REDACTED]

hold by money-changers and in other holdings; the banks had \$30 - 40,000,000, and another \$150,000,000 was in general use. The other foreign currencies traded in before the War were mainly American and British paper money, followed in importance by the notes and coins of the Philippines, Indo-China, Thailand, Singapore, etc.

B. Currency Since the Occupation.

After the capture of Hong Kong, the military authorities used military scrip, but they did not resort to such abrupt measures as immediately abolishing the Hong Kong dollar. They established a ratio of 2 to 1 between the military scrip and Hong Kong money, and permitted the use of both. Later, on 21 July, 1942, they cut the value of the Hong Kong dollar down to one-fourth of the military scrip. At the same time, they bolstered the circulation of military scrip by insisting on all payments of taxes to the Government General being made in military scrip and by setting up a military scrip exchange for the conversion of money for users of military scrip. In this way, the military scrip achieved a very satisfactory circulation.

However, in the middle of February, 1943, there was a sudden wave of buying Hong Kong dollars, planned by local speculators acting in accord with speculators in neighboring areas such as Shanghai, and for a while this trend became steadily stronger. Then, at the beginning of April, the intensive speculative buying of Hong Kong dollars gradually declined, and by the middle of the month, the military scrip exchange returned to normalcy. After this, on 1 May, the authorities issued new currency regulations. Dating from 1 June, the circulation of Hong Kong dollars was prohibited, and the yen became both in name and in fact the only currency within the Hong Kong area of jurisdiction. Thus, the currency of the area became completely adjusted.

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CHAPTER V.

MARKET PRICES

Although the market price policy is always one of the most difficult problems in a wartime economy, particular difficulties have been encountered in Hong Kong. There are two principal causes for this: First, Hong Kong is a consumption city rather than a production city, and second, foreign trade, which made Hong Kong extremely prosperous, has been virtually suspended. The problem of market price has many facets and demands careful consideration in its extremely difficult management.

While it is true that a thoroughly studied and finely adjusted machinery is essential to a market price policy, it is virtually impossible to attain such a state in the present stage of military administration. Even though an official market price policy or a low price policy be adopted, there will be the mechanical difficulty of checking "unrestrained" transactions. The geographical boundaries of Hong Kong invite such evil consequences. Due to these factors, there is considerable basis for fear that the market price structure may be disrupted, thereby preventing the receipt of goods from other areas. Therefore, although the Government General has, to a considerable extent, adjusted supply and demand of fresh foodstuffs as well as contributed to the stabilization of price structure through regulation of the retail market, it has attempted, in the case of other commodities, to do away with accumulation of stocks, restricted sales, and acquisition of excessive profits chiefly through publicity and enlightenment without adopting special market price control measures.

Furthermore, in regard to essential articles of living, there is no framework such as exists in Japan whereby the population is sustained by a rationed amount which supplies the minimum of necessities. Persons who find the amount rationed to them inadequate can freely buy more in the market. For instance, although Chinese are rationed 0.4 kin (T.N. 1 kin = 1.32 pounds) of rice per person per day, there is no restraint against a person who needs more rice freely buying it in the market. In this respect, the rationing system differs both in practice and in theory from that in Japan proper. Although this may be accounted for by various differences in conditions in Hong Kong and Japan proper, it is feared that if these differences in the rationing systems are not clarified, misconceptions may arise concerning both the rationing system and the market price system of Hong Kong.

In the case of rationing in Japan proper, free purchase in the market of essential articles of living covered by the rationing system is not permitted. Consequently, if a purchase is made in the market in excess of the rationed amount, it is an illicit transaction in the black market at black market prices. However, the picture is different in Hong Kong. Such purchases are not considered black market transactions. They are simply free transactions in a free market at unrestricted prices. Of course, the price in the free market is far higher than the ration price. However, it is not "black market". Disciplinary action is taken only when upon consideration of all factors it is deemed that an excessive profit, too high to be within the regulations, has been made.

Even though throughout the area, market prices as well as freight rates, etc. are given consideration, prices too high to be within the law, obvious indications of restricted sales, pouring rationed goods on the market, etc. create excessive profits. Such cases are subject to disciplinary action as injurious to the military administration and are punished. However, except in cases wherein an illegally high price is exacted, these transactions are freely permitted. Thus, although the term "black market" is commonly used, it does not have the same meaning as the term has in Japan proper. It refers simply to the free market.

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As stated above, the Government General has (1) adopted a supervised rationing system with respect to essential articles of living; (2) regulated the fresh foodstuffs retail market; and (3) adopted no special restrictive market price policy with respect to commodities other than those heretofore specified. An attempt shall be made in this chapter to describe market price movement of essential commercial commodities as it pertains to the rationing system and retail market. This material is based upon data discussed in Chapter VI. The figures in Chapter VI are those of the survey of the Commerce and Industry Section of the Department of Civil Government. This survey was completed at the end of May 1943 and is the only definitive market price survey.

This data is extremely useful, since it covers a wide field of investigation and permits comparisons and contrasts with pre-war figures. The following is a summary of this survey.

(a) An effort has been made to conduct a market price survey of goods of nearly identical quality by methods such as ascertaining the prices of leading shops and department stores within the area of jurisdiction or taking the ledgers of these stores for reference material. Although absolute accuracy cannot be expected due to the great differences in quality, this reference material will indicate the general trend of market price movement.

(b) Due to the fact that this survey was made in a short period of time, stress has been laid on essential articles of living limited to the following commodities:

1. Foodstuffs	47 varieties
2. Fruits and vegetables	32 varieties
3. Meats	
a. Pork	5 varieties
b. Beef	6 varieties
c. Poultry	4 varieties
d. Fish	7 varieties
e. Salted and dried fish	5 varieties
4. Alcoholic beverages	21 varieties
5. Fuel	7 varieties
6. Paper	27 varieties
7. Cotton	9 varieties
8. Material for foreign-style clothing	18 varieties
9. Proprietary medicines and Chinese medicines	
a. Proprietary medicines	15 varieties
b. Chinese medicines	10 varieties
10. Electrical appliances	17 varieties
11. Metal manufactured articles	26 varieties
12. Miscellaneous	
a. Cosmetics and perfumes	33 varieties
b. Soap	9 varieties

UNCLASSIFIED

Miscellaneous (cont'd)

c. Shirts	7 varieties
d. Underwear	8 varieties
e. Neckties	7 varieties
f. Hats	3 varieties
g. Stockings	9 varieties
h. Woolen yarn	6 varieties
i. Woolen goods	9 varieties
j. Towels and handkerchiefs	13 varieties
k. Sheets and tablecloths	10 varieties
l. Blankets	8 varieties
m. Leather goods	17 varieties
n. Foreign-style umbrellas	5 varieties

(c) Unit price is converted into its equivalent with the pre-war exchange rate of dollars and yen as the standard. The subsequent ratio is found with yen, using the 100 base of the end of September 1941. The above means that the pre-war ratio of the Hong Kong dollar and the yen was 1:1. In other words, 20 cents in Hong Kong money was equivalent to 20 sen. Now, by establishing a par value of 100 on the dollar for the end of September 1941, the ratio of value between the end of September 1941 and the present, as well as relative value of the yen after the 1941 date, are found. Thus, if a price expressed as 20 cents in Hong Kong money at the end of September 1941 is expressed as 20 sen in yen at the end of May 1943, the ratio of 100 remains unchanged. However, if it is expressed as 30 sen, the ratio becomes 150.

Below is a list of essential commodities contrasting prices at the end of September 1941, the end of March, the end of September 1942, and the end of May 1943.

As may be seen from the following tables, market prices have risen considerably. For example, between the end of September 1941 and the end of May 1943 the market price of sugar increased to 19 times the former price, cooking oils rose to 15 times former prices, polished rice rose to 10 times; and paper increased to 15 times the former price. However, the principal source of this increase lay in the high market prices in areas around Hong Kong.

The degree of sudden rise of market prices in Hong Kong still falls short of the level of market prices in Shanghai, Canton, etc. This may largely be due to the existence of stocks of articles in Hong Kong.

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(T.N. X indicates a free market price, Y indicates the official price)

Commodity	Unit	End of Sept. 1941 (\$)	End of March 1942 (¥)	End of Sept. 1942 (¥)	End of May 1943 (¥)	Index for the end of May 1943 using the 100 base of the end of Sept. 1941
1. Foodstuffs						
Polished rice (large variety)	1 kin	0.20	0.20	0.30	X 2.05 Y 0.30	1,025 150
Sugar, No.24 White sugar	1 kin	0.18	0.70	0.55	X 3.50 Y 0.60	1,944 333
Table salt	1 kin	0.05	0.35	0.13	X 0.40 Y 0.20	800 400
Cooking oils	1 kin	0.37	1.60	1.40	5.50	1,486
Eggs	1	0.05	0.25	0.30	0.40	800
Soy sauce (Medium quality)	1 kin	0.20	0.20	0.30	1.50	750
2. Fruits and Vegetables (Prices designated for Central Market)						
Potatoes	1 kin	0.12	0.43	0.72	0.96	800
Chinese cabbage	1 kin	0.18	0.16	0.18	0.23	192
Onions	1 kin	0.08	0.25	0.27	0.43	525

Commodity	Unit	End of Sept. 1941 (\$)	End of March 1942 (¥)	End of Sept. 1942 (¥)	End of May 1943 (¥)	Index for the end of May 1943 using the 100 base of the end of Sept. 1941
3. Meats						
Pork	1 kin	1.50	3.73	3.02	5.33	355
Beef	1 kin	1.30	2.40	2.40	3.60	277
Fowl	1 kin	2.40	-	3.70	10.40	433
Large fish	1 kin	0.85	-	1.10	1.20	141
Salted and dried fish	1 kin	0.50	0.75	1.20	1.07	214
4. Alcoholic Beverage						
Whiskey (Johnny Walker Black Label)	1 lge. size bottle	11.00	12.00	41.00	95.00	864
Gin (Gordon's)	1ge. size bottle	4.50	3.00	6.00	32.00	711
5. Fuel						
Firewood	1 kin	0.022	0.04	0.04	0.08	364
Matches (Hong Kong Brand)	10 per package	0.25	1.60	0.42	0.75	300

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UNCLASSIFIED

UNCLASSIFIED

Commodity	Unit	End of Sept. 1941 (\$)	End of March 1942 (¥)	End of Sept. 1942 (¥)	End of May 1943 (¥)	Index for the end of May 1943 using the 100 base of the end of Sept. 1941
6. Paper						
Newsprint for flat-bed presses	1 ream 32" X 43" stock	11.50	16.00	26.00	170.00	1,478
Imitation papers	1 lb. 31" X 43" stock	0.58	1.00	1.60	8.50	1,466
7. Cottons						
Fine-woven Shanghai	12 lbs. 40 yds.	26.00	26.00	37.00	220.00	846
8. Suiting for foreign-style clothing						
English Winter Goods - Worsted	1 yd. 58" material	50.00	62.00	78.00	120.00	240
Arthur British Textiles Serge	1 yd. 56" material	20.00	27.00	42.00	100.00	500
English-made white linen	1 yd. 28" material	7.00	8.50	10.00	30.00	479

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Commodity	Unit	End of Sept. 1941 (\$)	End of March 1942 (¥)	End of Sept. 1942 (¥)	End of May 1943 (¥)	Index for the end of May 1943 using the 100 base of the end of Sept. 1941
9. Proprietary medicines and Chinese medicines						
Carbolic Acid	1 lb.	1.20	-	5.00	27.00	2,000
Sulphuric Acid	1 lb.	0.40	-	0.50	3.80	950
Chinese medicine (cold remedy)	100 kin	70.00	120.00	180.00	180.00	257
Chinese medicine (rhubarb)	100 kin	200.00	100.00	140.00	180.00	90
10. Electrical Appliances						
40 watt light bulbs (Hua-te 華德)	1	0.30	0.30	0.50	1.50	500
Hong Kong made 3 B brand flashlights	1	2.80	2.80	3.20	3.50	125
Shanghai South China 16" Hanging Electric Fan	1	39.00	39.00	46.00	60.00	154
6-tube radio, R.C.A. Q22	1 set	90.00	130.00	175.00	215.00	239

UNCLASSIFIED

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Commodity	Unit	End of Sept. 1941 (\$)	End of March 1942 (¥)	End of Sept. 1942 (¥)	End of May 1943 (¥)	Index for the end of May 1943 using the 100 base of the end of Sept. 1941
11. Articles made of metal						
Shanghai San-Chiao (Triangle (三角)) Chinese Cooking-pots	1	1.50	1.50	4.50	6.00	400
2 lb. Thermos bottles (Li-hsing (立興))	1	2.50	2.50	3.00	7.00	280
12. Miscellaneous						
Gillette Safety-razors	1 set	2.50	2.80	4.00	6.50	260
Toilet Soap (Pe-Huang (White King) (白皇))	1 cake	0.35	0.70	1.20	3.50	1,000
White shirts (Hong Kong Cosmos)	1	4.50	4.50	8.50	20.00	444
Hong Kong-made knit shirts (Chin-chao (金爪) brand)	1	2.00	3.00	5.00	7.00	350
Hong Kong-made neckties	1	0.95	0.95	1.50	3.00	316

- 113 -

UNCLASSIFIED

UNCLASSIFIED

Commodity	Unit	End of Sept. 1941 (\$)	End of March 1942 (¥)	End of Sept. 1942 (¥)	End of May 1943 (¥)	Index for the end of May 1943 using the 100 base of the end of Sept. 1941
Hats (British-made winter hats trade marked T'ai-tzu 太子 (Crown Prince)	1	12.00	12.00	17.00	23.00	192
Shanghai Cha-hua (渣華) men's stockings	1 pair	0.60	0.60	1.00	2.00	333
Shanghai-made Feng-ch'ao (Bee's comb 蜂窠 brand) 40strand woolen yarn	1 lb.	8.00	11.00	20.00	30.00	375
British-made flannel shirts	1	12.50	15.00	25.00	35.00	280
Hong Kong-made Fu-hua-hsing (富華興) white bathtowels	1	0.60	0.60	0.88	3.00	500
English-made bed sheets	1	7.00	9.50	15.00	25.00	357
English-made T'ai-p'ing-pe (太平白) brand blankets	1	55.00	60.00	90.00	150.00	273
Shanghai-made 66" X 84" Pao-an (寶安) blankets	1	29.50	43.00	58.00	80.00	271

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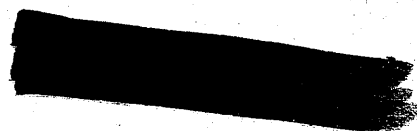
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Commodity	Unit	End of Sept. 1941 (\$)	End of March 1942 (¥)	End of Sept. 1942 (¥)	End of May 1943 (¥)	Index for the end of May 1943 using the 100 base of the end of Sept. 1941
China-made men's low-shoes (短 靴)	1 pair	9.50	9.00	13.50	65.00	684
Ch'i-chang (啓昌) trunks (30")	1	25.00	22.00	45.00	300.00	520

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CHAPTER VI.

TRADE, COMMERCE, AND DISTRIBUTIONSection 1. Trade Machinery and Commercial Firms.

It is believed that Hong Kong will in the future have the vital mission of serving as a point of transshipment for goods flowing into the Co-Prosperity Sphere. However, for the duration of the Greater East Asia War it can not manifest its true value as a transshipping point for trade; instead, its mission will be limited primarily to serving as a junction point for readjusting freight space.

At present, Hong Kong trade is conducted under a strict policy designed to facilitate the flow of materiel to the various areas of the Co-Prosperity Sphere. In accordance with this plan, strong controls are imposed upon Hong Kong trade with Japan proper, Korea, Manchuria, North China, Central China, Thailand, French Indo-China, and the Southern Occupied Territories. In October, 1942, the authorities organized the Hong Kong Foreign Trade Association*1, composed principally of Japanese commercial firms, in order to carry out these controls. This association was charged with the management of all export-import trade. (Exports without returns are forbidden as a matter of policy.)

Trade with neighboring regions (Amoy, Kwang-tung Province, Macao, and Kwangchow-wan) is comparatively unrestricted, being in general based on the Japanese-Chinese trade and commerce which is conducted under a licensing system. Since 15 July 1943, a license system has been imposed upon all imports other than essential articles of living. Since 1 October, all imports from Kwangchow-wan and Macao have been under the license system, and means have been devised for proper utilization of capital in the acquisition of essential articles of living.

The Hong Kong Foreign Trade Association is organized as follows: Members of the association are divided into Export-Import Shipping Association Members *2 and Distribution Association Members*3. Imported commodities are as a rule supplied to retail businesses through the Distribution Association, and dealings between members of the Distribution Association are forbidden.

Members of the Foreign Trade Association are as follows (end of December, 1943):

Iwai Sangyo Kabushiki Kaisha (Iwai Industrial Co., Ltd.)

岩井産業株式會社

Ito Shoko (Ito Commercial Co.)

伊藤商行

Iwata Sangyo Kabushiki Kaisha (Iwata Industrial Co., Ltd.)

岩田産業株式會社

Ichida Shokai Kabushiki Kaisha (Ichida and Co.)

株式會社市田商會

Hattori Boeki Kabushiki Kaisha (Hattori Trading Co., Ltd.)

服部貿易株式會社

*1 香港貿易組合

*2 輸移出入組合員

*3 卸配給組合員

Nichi-men Jitsugyo Kabushiki Kaisha (Japan Cotton Industrial Co., Ltd.)

日綿實業株式會社

Nissho Kabushiki Kaisha (The Nissho Co., Ltd.)

日商株式會社

Nippon Onkyo Kabushiki Kaisha (Japan Onkyo Co. Ltd.)

日本音響株式會社

Minami Nihon Kaiyo Gyogyo Tosei Kabushiki Kaisha
(South Japan Sea Fishing Control Co.)

南日本海洋漁業統制株式會社

Nishimura Shokai Kabushiki Kaisha (Nishimura and Co.)

西村商會株式會社

Nissen Kogyo Kabushiki Kaisha (Nissen Industrial Co.)

日扇興業株式會社

Honda Yoko (Honda and Co.)

本田洋行

Horiouchi Shoten (Horiouchi Bookstore)

堀内書店

Eisei Shoko (Eisei Commercial Co.)

益成商行

Toyo Menka Kabushiki Kaisha (Oriental Cotton Co., Ltd.)

東洋棉花株式會社

Toki Yoko (Toki and Co.)

東記洋行

Toyo Kogyo Shokai (Oriental Industrial Co.)

東洋工業商會

Chuwa Shogyo Koshi (Chuwa Commercial Co.)

中和商業公司

Chuei Yoko (Chuei Co.)

忠榮洋行

Choei Yoko (Choei Co.)

兆榮洋行

Chuko Yoko (Chuko Co.)

中香洋行

Rindai Yoko (Rindai and Co.)

林大洋行

Ochi Yoko (Ochi and Co.)

越智洋行

Orita Yoko (Orita and Co.)

折田洋行

Oeisei Yoko (Oeisei Co.)

王永星洋行

Okura Sangyo Kabushiki Kaisha (Okura Industrial Co., Ltd.)

大倉產業株式會社

Watanabe Sangyo Koshi (Watanabe Industrial Co.)

渡邊產業株式會社

Toka Yoko (East China Co.)

東華洋行

Kato Shokai (Kato Co., Ltd.)

加藤商會

Kato Bussan (Kato Products Co., Ltd.)

加藤物產株式會社

Kasho Yoko (Kasho Co.)

華昌洋行

Kawamura Yoko (Kawamura and Co.)

河村洋行

Kaiyo Kogyo Kabushiki Kaisha (Kaiyo Industrial Co.)

開洋興業株式會社

Kato Yoko (Kato and Co.)

加藤洋行

Kanan Unsho Koshi (South China Transportation and Sales Co.)

華南運銷公司

Takashimaya Handa Kabushiki Kaisha (Takashimaya Handa Co., Ltd.)

高島屋飯田株式會社

Takekoshi Shoten Kabushiki Kaisha (Takekoshi and Co.)

株式會社竹腰商店

Taifuku Yoko (Taifuku Co.)

泰福洋行

Taisei Yoko (Taisei Co.)

大成洋行

Daido Yoshiten Kabushiki Kaisha (Daido Paper Co., Ltd.)

株式會社大同洋紙店

Taiwan Nichi Chiku Kabushiki Kaisha (Taiwan Nichi Chiku Co., Ltd.)

臺灣日蓄株式會社

Tanaka Yoko (Tanaka and Co.)

田中洋行

Tairiku Boeki Koshi (Continental Trading Co.)

大陸貿易公司

Taiwan Seika Kabushiki Kaisha (Taiwan Fruit and Vegetable Co., Ltd.)

臺灣青甲株式會社

Takeda Seiyaku Kogyo Kabushiki Kaisha (Takeda Drug Co., Ltd.)

武田製藥工業株式會社

Takemura Mengyo Kabushiki Kaisha (Takemura Cotton Co., Ltd.)

竹村棉業株式會社

Dai-ichi Seiyaku Kabushiki Kaisha (Dai-ichi Drug Co., Ltd.)

第一製藥株式會社

Tsurutani Shokai Kabushiki Kaisha (Tsurutani and Co., Ltd.)

株式會社鶴谷商會

Nakamura Shokai Kabushiki Kaisha (Nakamura and Co., Ltd.)

中村商會株式會社

Nanka Shogyo Koshi (South China Trading Co.)

南華商業公司

Nanko Koshi Kabushiki Kaisha (Nanko Co., Ltd.)

株式會社南興公司

Nozaki Sangyo Kabushiki Kaisha (Nozaki Industrial Co., Ltd.)

野崎產業株式會社

Yamanouchi Seiyaku Kabushiki Kaisha (Yamanouchi Drug Co., Ltd.)

山ノ内製藥株式會社

Maruyama Shoten (Maruyama and Co.)

丸山高店

Maruei Kabushiki Kaisha (Maruei Co., Ltd.)

丸永株式會社

Matsuzakaya Kabushiki Kaisha (Matsuzakaya Co., Ltd.)

株式會社松坂屋

Maeda Yoko (Maeda and Co.)

前田洋行

Kyodo-Gumi Kabushiki Kaisha (Kyodo-Gumi Co., Ltd.)

株式會社協同組

Kissho Yoko (Kissho and Co.)

吉昌洋行

Kyogenjun (Hsieh Yuan Shun)

協元順

Kyoei Yoko (Kyoei and Co.)

協榮洋行

Fukuoka Tamaya Kabushiki Kaisha (Fukuoka Tamaya Co., Ltd.)

株式會社福岡玉屋

Fukudai Koshi (Fukudai Co., Ltd.)

株式會社福大公司

Gohara Yoko (Gohara and Co.)

郷原洋行

Kosho Kabushiki Kaisha (River Trading Co., Ltd.)

江商株式會社

Kosei Koshi (Kosei Co.)

公誠公司

Koa Shoten (Koa Bookstore)

興亞書店

Ataka Ko-Sangyo Kabushiki Kaisha (Ataka Industrial Co., Ltd.)

安宅興產業株式會社

Asano Bussan Kabushiki Kaisha (Asano Industrial Co., Ltd.)

淺野物產株式會社

Abeko Shoten (Abeko and Co.)

株式會社安部幸商店

Sanyo Koshi (Sanyo Co.)

三羊公司

Sanko Kabushiki Kaisha (Sanko Co., Ltd.)

三興株式會社

Sakura Shoko (Sakura Co.)

櫻商行

Miho Yoko (Miho Co.)

美豐洋行

Mitsubishi Shoji Kabushiki Kaisha (Mitsubishi Trading Co., Ltd.)

三菱商事株式會社

Mitsui Bussan Kabushiki Kaisha (Mitsui Products Co., Ltd.)

三井物產株式會社

Shanghai Shigyo Koshi (Shanghai Paper Co.)

上海紙業公司

Shinwa Yoko (Shinwa Co.)

信和洋行

Furiyama Koshi (Furiyama Co.)

振山公司

Shionogi Seiyaku Kabushiki Kaisha (Shionogi Drug Co., Ltd.)

鹽野義製藥株式會社

Tokitatsu Yoko (Tokitatsu Co.)

時達洋行

Shinko Kabushiki Kaisha (Shinko Co., Ltd.)

新興株式會社

Shinto Boeki Kabushiki Kaisha (New Enterprise Trading Co., Ltd.)

新東貿易株式會社

Showa Boeki Koshi (Showa Trading Co.)

昭和貿易公司

Shiraki Boeki Kabushiki Kaisha (Shiraki Trading Co., Ltd.)

白木貿易株式會社

Hyakko Yoko (Hyakko Co.)

百興洋行

Hiraoka Koshi (Hiraoka Co.)

平岡公司

Morita Yoko (Morita and Co.)

森田洋行

Morishita Jintan Kabushiki Kaisha (Morishita "Jintan" Co., Ltd.)

森下仁丹株式會社

(T.N. "Jintan" a patent medicine)

Yamaguchi Yoko (Yamaguchi Co.)

山口洋行

Sekiyu Rengo Kabushiki Kaisha (United Petroleum Co., Ltd.)

石油聯合株式會社

Chuka Shukko Kogyo Kabushiki Kaisha (China Industrial Co., Ltd.)

中華出光興業株式會社

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Section 2. Trade Conditions.

Hong Kong, which has virtually no nascent industries worthy of notice other than its marine industry, must rely on other regions in the Co-Prosperity Sphere for foodstuffs, raw materials, and all other essential commodities. For example, Hong Kong calls upon Thailand and French Indo-China for rice; upon North China, Manchuria, and areas of the Southern Regions for foodstuffs; upon Central China for wheat flour; upon Japan proper and Central China for silk, cotton thread, and cotton cloth; upon areas of the Southern Regions for rubber, tin, fuel oil, and lumber; and upon Japan proper and Central China for various types of machinery, raw materials, and medicinal supplies. Consequently, with the exception of fresh fish and varieties of salted and dried fish, almost all Hong Kong exporting consists of processed raw products imported from other areas and the pre-war stock. Fortunately, however, a considerable amount of refined sugar and cut tobacco are exported, thereby furnishing a part of the capital for the aforementioned imports. In addition, beef, pork, vegetables, fruits, and other common fresh foodstuffs are imported from Canton, Macao, Kwangchow-wan, etc.

Commodities which Hong Kong seeks in other areas of the Co-Prosperity Sphere, and commodities which she supplies to these areas, are listed below, according to region.

1. Japan Proper, Central China, and Manchuria.

(a) Commodities in demand by Hong Kong:

- (1) Beans
- (2) Bean cake
- (3) Cooking oils
- (4) Wheat flour
- (5) Cotton thread and cotton cloth
- (6) Plate glass
- (7) Rice paper
- (8) Sheet paper
- (9) Chemicals
- (10) Machinery
- (11) Coal
- (12) Opium

(b) Commodities supplied by Hong Kong:

(1) Sugar

(2) Anping

(安平)

T.N. This commodity cannot be found in available source materials. It may possibly be ampera, a type of rush mat.)

(3) Hemp bags

(4) Manila rope

(5) Chinese medicines

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2. Areas of the Southern Regions.

(a) Commodities in demand by Hong Kong:

- (1) Rice
- (2) Coal
- (3) Lumber
- (4) Firewood
- (5) Natural Rubber
- (6) Miscellaneous grains
- (7) Leaf tobacco
- (8) Palm oil
- (9) Coconut oil
- (10) Rattan
- (11) Pepper
- (12) Tin
- (13) Raw sugar
- (14) Manila hemp


(b) Commodities supplied by Hong Kong:

- (1) Sugar
- (2) Cigarettes
- (3) Miscellaneous goods
- (4) Manufactured goods
- (5) Matches
- (6) Manila rope
- (7) Chinese paper
- (8) Chinese patent medicines
- (9) Anping
- (10) Foreign-type paper
- (11) Tea
- (12) Vegetable seeds

3. Coastal Areas.

(a) Commodities in demand by Hong Kong:

- (1) Rice paper
- (2) Anping

- 
- (3) Locally-made paper
 - (4) Engineering construction materials
 - (5) Chinese liquor
 - (6) Leaf tobacco
 - (7) Oil-paper
 - (8) Native sugar
 - (9) Cooking oils
 - (10) Chinese medicines
 - (11) Domestic animals
 - (12) Domestic fowl
 - (13) Vegetables
 - (14) Fruits
 - (15) Eggs
 - (16) Various types of grains
 - (17) Charcoal
 - (18) Firewood
 - (19) Porcelain (pottery)
 - (20) Salt

(b) Commodities supplied by Hong Kong:

- (1) Cotton textiles
- (2) Articles made of cotton
- (3) Cigarettes
- (4) Foreign-style paper
- (5) Articles made of cotton
- (6) Chinese medicines
- (7) Salted and dried fish
- (8) Matches
- (9) Rattan
- (10) Miscellaneous goods

Section 3. Commercial Conditions.

Before the war, Hong Kong was a consumption city and a transshipping point in world transportation. Her merchants served as foreign traders or industrialists, according to their means. Since the war began, along with the change in world economic conditions, difficulties in transport have disrupted the economic activities of these merchants. Furthermore,



Hong Kong Government General Decree No.9 of 28 March 1942, whereby all industry and business, including commodity export and import, came under a license system, has to some extent influenced commercial activity.

The condition of various businesses at the end of September, 1943, was as follows (according to business license statistics):

Total Number of Licenses	42,000
Commerce.....	68%
Agriculture, forestry, and marine industries.....	11%
Transportation industry.....	10%
Manufacturing industry.....	2%
Foreign trade industries.....	1%
Miscellaneous	8%

The position of Japanese among the foregoing is as follows (in terms of numbers of enterprises):

General foreign trade.....	87
Coastal trade.....	84
Miscellaneous foodstuffs dealers.....	42
Miscellaneous dealers.....	19
Tobacco dealers.....	7
Shipfittings dealers.....	6
Confectioners.....	5
Record dealers.....	4
Commodity market dealers.....	4
Clock dealers.....	3
Marine products dealers.....	5
Book dealers.....	3
Mat dealers.....	3
Dry goods and textiles dealers.....	3
Foreign-style clothing dealers.....	3
Metal dealers.....	3
Construction materials dealers.....	2
Scrap dealers.....	2
Photographic equipment materials dealers.....	2
Laundrymen.....	2
Department store dealers.....	2



Athletic goods dealers	1
Typewriter dealers	1
Electrical appliances dealers	1
Undertakers (T.N.: Dealers in funeral outfits)	1
Fuel dealers	1
<hr/>	
TOTAL:	297

These figures indicate the great part played by the foreign traders; however, with the exception of certain firms, Japanese commercial firms have not shown very vigorous commercial activity in the two years since occupation.

Section 4. The Fresh Food Market.

The fresh food market in Hong Kong consists of (1) the Hong Kong Wholesale Market which deals in vegetables, fruits, poultry, hens' eggs, beef, fresh pork, and other fresh farm produce; (2) the Hong Kong Wholesale Fish Market which deals in fresh fish and dried and salted fish; and (3) the public retail markets which meet the demands of the general consumer with supplies received from both of the above sales markets.

Under British rule, the markets were under the direct administration of the head of the government Bureau of Sanitation, and stress was laid on sanitary facilities. Even street-vendors came under strict controls, and sales of vegetables and fruits by so-called wandering peddlers under a government license system and in local districts were the only sales sanctioned for the convenience of the ordinary consumer.

A curious outgrowth since occupation, is the designation of districts for the street vendors, in the proclamation providing for retail outlets. Strict control is being exercised by the responsible officials. However, today, these street vendors are gradually being absorbed by the City Market as the markets are adjusted.

Below is a discussion of the various markets.

(1) Wholesale Market (Fresh Agricultural Foodstuffs). With the beginning of the importation of fresh agricultural foodstuffs under a barter system with Canton by the Department of Civil Affairs of the Military Government immediately after occupation of Hong Kong, a Goods Receiving Association ^{*1} was organized to receive and distribute imported commodities. However, upon the establishment of the Government General on 20 February 1942, control was transferred to the Government General; and that office continued the functions of the association. Thereafter, the association was gradually dissolved, and on 1 August 1943, the Hong Kong Wholesale Market Association ^{*2} was organized, jointly capitalized at 100,000 yen by persons resident in Hong Kong who dealt in fresh agricultural foodstuffs (more than 40 Japanese and Chinese). This market was opened on Nishi (West) - Sumiyoshi Way in Hong Kong, and a branch market was established in Yau Ma Tei ^{*3} in Kowloon.

*1 荷受組合

*3 油麻地

*2 香港大賣市場組合

It was divided into three departments: - Fresh Fruits and Vegetables Department, Domestic Animals Department, and Poultry Eggs Department - and through brokers, fresh agricultural foodstuffs supply and demand were harmoniously adjusted and appropriate prices maintained.

(2) Fish Market. Immediately after the occupation, the Fish Dealers' Association*1 was formed in order to obtain fisheries products, but it was dissolved in the interests of progress, and on 8 October, 1942, with the Nippon Fish Company*2, the Tensho Fish Company*3, the Junk Fishermen's Association*4, the Fish Dealers' Organization*5, etc., as members, the Hong Kong Wholesale Fish Market Association*6 was formed with joint capital of 500,000 yen. This fish market was established at Shan Wong Tai*7 in Hong Kong, and a branch was established at Yau Ma Ti in Kowloon, thus serving to regulate supply and demand. Preparations for opening a branch market at Sau Ki Wan*8 in Hong Kong are now rapidly going forward.

(3) Retail Markets. The public markets of the old British regime, at 11 places in Hong Kong and 9 places in Kowloon, a total of 20, were re-established on 4 January, 1942, to serve the needs of the people. But because of the increase of the merchants in the markets and the opening of the two wholesale markets, etc., the number of retail markets gradually increased until there were 27 - 14 in Hong Kong and 13 in Kowloon. On 31 July, 1943, a Retail Merchants' Association*9 was formed in each of the markets, and these were joined in the Federation of Hong Kong Retail Market Associations*10 which embarked on a career of development. In view of all the circumstances, the retail markets were separated from the direct control of the Government General and since October, 1943, the Federation has been the intermediary through which they are managed.

For the first half of 1943 (from January through June) the amounts handled per month by the Wholesale Market and the Wholesale Fish Market, and the total value were as follows:

1. Wholesale Market

	<u>Amount Handled</u>	<u>Value</u>
Fresh fruits and vegetables	2,021,186 catties	536,297 yen
Domestic livestock	114,007 catties	266,877
Domestic fowl	17,408 catties	70,636
Fresh eggs	352,195 eggs	86,887

2. Wholesale Fish Market

	<u>Amount Handled</u>	<u>Value</u>
Fresh sea fish	471,463 catties	392,109 yen
Salt and dried fish	438,586 catties	321,660
Fresh freshwater fish	152,307 catties	262,823

*1 魚欄業者組合

*3 天草水產會社

*5 魚欄團體

*6 香港魚卸市場組合

*7 山王台

*9 小賣商組合

*2 日本水產會社

*4 戎克魚者組合

*8 筲箕灣

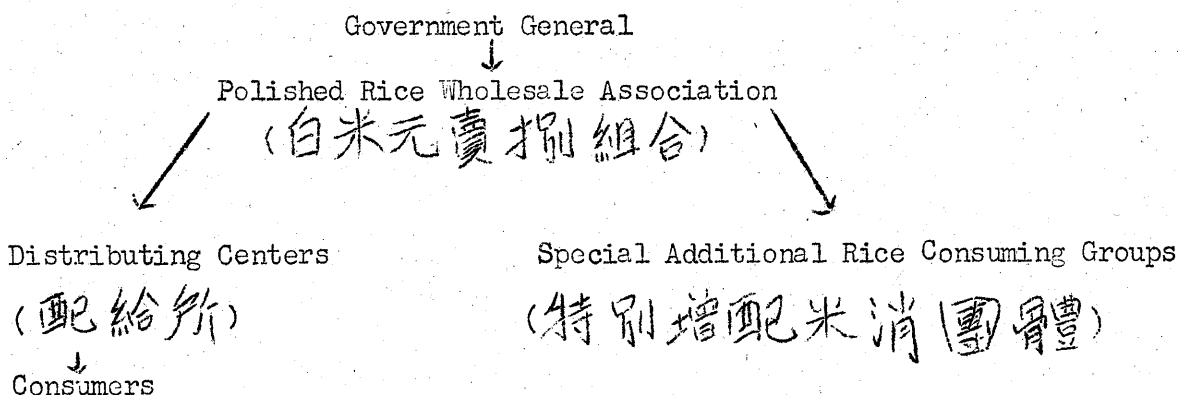
*10 香港小賣市場組合聯合會

Section 5. Distribution of the Necessities of Living.

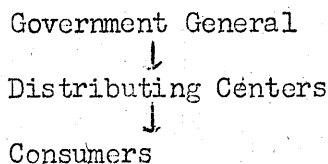
The smooth distribution of the necessities of life is a necessary factor in the maintenance of the lives of the people. Before the war, supply and demand operated in the regular way under a system of free economy. However, as already set forth, because of the state of shipping space since the outbreak of the war, conditions arose which made it difficult to bring in commodities. Under the guidance of the Government General, it was decided to put Japanese firms in place of the Chinese ones. But free importation, as it had existed before, was absolutely out of the question, and it was possible to secure only minimum quantities of necessities. Under such conditions, the bountiful supply of commodities came to a stop; and in order to distribute commodities to the necessary degree the administration established systems of distribution for various products as described below. Passbooks have been adopted for the Japanese, and a system of coupons has been set up for the Chinese.

(1) Products Distributed, and Systems of Distribution.

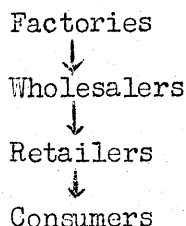
Polished Rice (effective 20 March 1942)



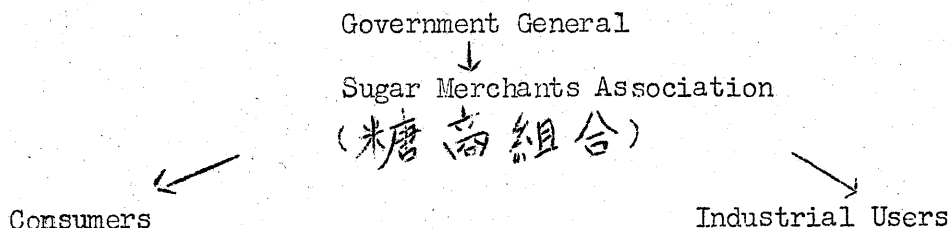
Wheat Flour (effective 20 March 1942)



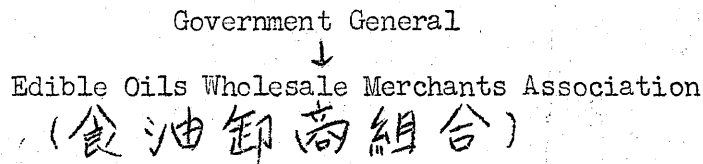
Tobacco (effective 7 May 1942)



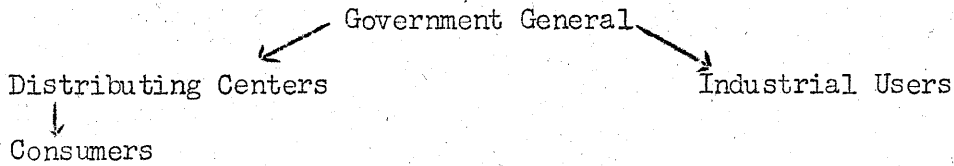
Sugar (effective 30 May 1942)



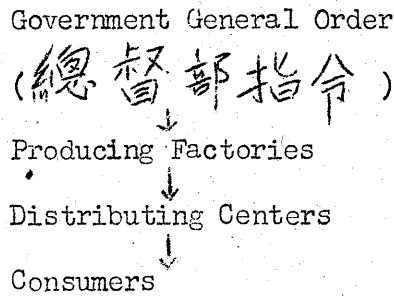
Edible Oils (effective 29 June 1942)



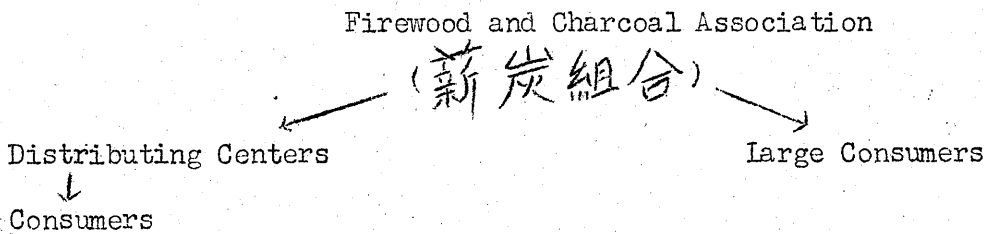
Salt (effective 25 January 1943)



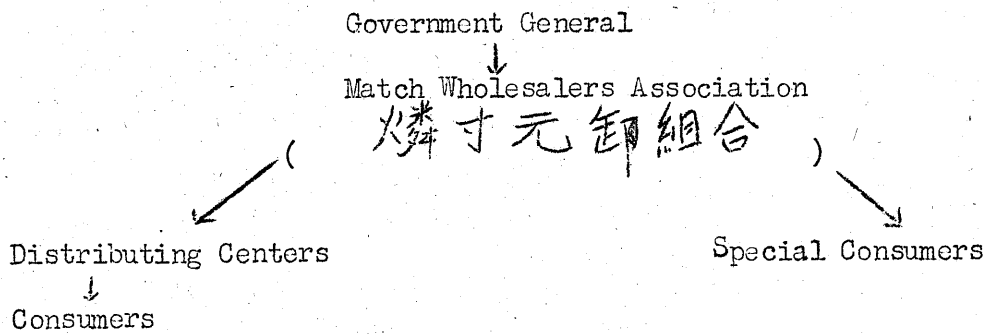
Miso (T.N.: Bean paste) (effective 16 August 1943)



Firewood and Charcoal (effective 26 August 1943)



Matches (effective 4 September 1943)



FLUCTUATIONS IN MARKET PRICES OF COMMODITIES DISTRIBUTED1. Polished Rice

<u>Date</u>	<u>Sen per Catty</u>
20 March 1942	20.0
18 October 1942	30.0
1 September 1943	37.5
16 January 1944	75.0

2. Wheat Flour

<u>Date</u>	<u>Sen per Catty</u>
20 March 1942	50.0
1 March 1943	90.0
1 January 1944	200.0

3. Sugar

<u>Date</u>	<u>Sen per Catty</u>	
	<u>White Sugar</u>	<u>Brown Sugar</u>
30 May 1942	55.0	50.0
1 May 1943	60.0	55.0
1 December 1943	70.0	65.0

4. Edible Oils

	<u>Yen per Catty</u>	
	<u>Peanut Oil</u>	<u>Coconut Oil</u>
27 June 1942	-----	1.40
6 August 1943	5.0	3.50

5. Salt

	<u>Sen per Catty</u>
25 January 1943	20.0
1 October 1943	24.0

6. Firewood

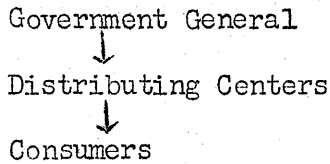
	<u>Sen per Catty</u>
26 August 1943	12.0
20 October 1943	18.0

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7. Matches, Miso

(See Below)

Of the above commodities, miso is distributed only to Japanese, and wheat flour only to Japanese and foreigners. Commodities are not distributed to the Japanese through the system shown above, but at separate distributing centers set up for the Japanese, according to the system herein presented:



(2) Quantities and Prices of Commodities Distributed to Chinese.

The quantities and prices have varied somewhat since the regulations were put into effect, but at present, the end of January, 1944, they are as follows:

<u>Article</u>	<u>Quantity per Person</u> (per month)	<u>Unit Price</u> (per catty)
Polished Rice	12.0 catties	70.0 sen
Sugar	0.5 catties	{ white 70.0 sen { brown 55.0 sen
Edible Oils	0.6 catties	{ peanut 5.0 yen { coconut 3.50 yen
Salt	0.5 catties	24.0 sen
Matches	{ up to 5 persons, 5 boxes { 6 to 10 persons, 10 boxes { 11 persons and over, 15 boxes	10.0 sen per box
Miso	1.2 catties	75.0 sen
Wheat Flour	{ Japanese, 1.0 catties { Foreigners, 0.6 catties	200.0 sen
Firewood and Charcoal	10.6 catties	18.0 sen

The brands and prices of tobacco at present, the end of January, 1944, are as follows:

(per ten)

Ng-wa (Wu-hua) (五華)	45 sen
Yuk-ip (Yü-yeh) (玉葉)	65 sen
Ruby Queen (紅錫包)	1 yen
Pirate (老刀)	1.40 yen

CHAPTER VII.

INDUSTRYSection 1. Industry in Hong Kong Before the War.

Hong Kong possessed a fairly well developed modern industry before the Greater East Asia War. Shipbuilding, docks, cement, Manila rope, oxygen, tobacco, soft drinks, refined sugar, confectionery, matches, paint, etc., were among the principal types of industry; and the greater part of these were British-operated. The industries operated by Chinese centered about the building of wooden ships, the repair of small vessels, lumber milling, rubber manufacturing, textile manufacturing and other fiber-goods enterprises, flashlight manufacturing, drug manufacturing, etc., etc.

Following the occupation, these various industries were, of course, all put to the most practical use. Unfortunately, it is not possible to state what contributions the industry of Hong Kong is making at the present time; however, if we summarize the various types of industry which Hong Kong had before the war, the fact that their present contribution is by no means slight becomes rather evident. The following are the principal industrial enterprises which existed before the war:

1. Shipbuilding and Docks.

Hong Kong and Whampoa Dock Co., Ltd.

香港黃埔船塢有限公司

Messrs. W.S. Bailey and Co., Ltd.

庇利船廠

Taiku Dockyard and Engineering Co. of Hong Kong, Ltd.

太古船塢

Naval Dockyard

英國海軍工作部

2. Chemicals.

Tien-Chu Mc-Tsin Manufacturing, Co., Ltd.

天厨味精有限公司香港分廠

Far East Oxygen and Acetylene Co., Ltd.

釘鐵廠(極東アセチレン會社)

The National Lacquer and Paint Products

國民製煉漆油有限公司

Duro Paint Manufacturing Co., Ltd.

國光製漆有限公司

3. Rope, Nails.

Hong Kong Rope Manufacturing Co., Ltd.

香港麻索廠

The Hong Kong Nail Factory, Ltd.

香港製釘有限公司

4. Foodstuffs and Beverages.

Hong Kong Brewery and Distillery, Ltd.

香港麥酒釀造會社

4. Foodstuffs and Beverages (Cont'd)

A.S. Watson and Co., Ltd.

屈臣氏

Taiku Sugar Refining Co., Ltd.

太古糖房

British Cigarette Co.

大英煙草公司

Lane, Crawford, Ltd.

連架喇佛公司

5. Matches.

The Great China Match Co., Ltd.

大中國火柴股份有限公司

Hong Kong Match Factory

香港火柴廠

(T.N. English names of the above companies are those given in the text itself, and are not necessarily exact translations of the Chinese characters.)

Section 2. Types of Industries in Hong Kong.

A. Shipbuilding and Docks.

Before the war, the port of Hong Kong was a flourishing shipbuilding center. The two main shipyards were the Hong Kong Dock^{*1} (Hong Kong and Whampoa Dock Co., Ltd.) and the Kowloon Dock^{*2} (Taiku Dockyard and Engineering Co., of Hong Kong, Ltd.). The Hong Kong Dock was operated by the Taiku Co.^{*3} a British concern, which was established in 1901. It was at first engaged mainly in ship repair work, but in recent years, heavy machinery was imported from England, and hulls were constructed at this shipyard. Up to the time of the occupation by the Imperial Forces, 300 ships of various sizes had been constructed there. The Kowloon Dock was under the management of the Tien Hsiang Co.^{*4}, a British concern established in 1866, which operated the Kowloon Docks^{*5} and the Ta Chueh Tsui Docks^{*6}. In addition to these, there were the Bailey Shipyard^{*7} (Messrs. W.S. Bailey and Co. Ltd.), the docks of the Naval Dockyard (T.N. British Navy Dockyard), and dozens of Chinese-operated yards for the repair of small vessels and junks. These comprised the dockyards. Since the occupation by the Imperial Forces, these docking and shipbuilding facilities have been made use of, and a number of shipyards are being established for the construction of sailing and steam vessels, and for the strengthening of maritime transportation.

*1 香港トツク

*2 九龍トツク

*3 太古洋行

*4 天祥洋行

*5 九龍船渠

*6 大角嘴船渠

*7 庇利船渠

B. Chemical Industries, etc.

Chemical industries too, were rather highly developed before the war. The Tien Chu Me-Tsin Manufacturing Company's Hong Kong Branch Factory*¹, which is operated by Chinese, is the largest of these. The main office was in Shanghai (established there in 1923); but, because of the difficulties of operation occasioned by the spread of the China Incident of 1937, a branch factory was established in Hong Kong in 1938. At the time of the establishment of this branch factory, only a factory for the production of flavoring*² was set up; but after the attack of the Imperial Forces on Canton there was a scarcity of hydrochloric acid, and in order to secure self-sufficiency in its supply, a hydrochloric acid plant was added. By this means, integrated production of hydrochloric acid, caustic soda, and flavoring was achieved.

The Far East Oxygen and Acetylene Co., Ltd. (main office Paris, France; manager - a Frenchman of English extraction) (T.N. sic) manufactured oxygen and acetylene before the war. The Ho-yuan Plant*³ of the Ching-chow Ying-ni Co.*⁴ (affiliated with Jardine-Matheson, a British concern) manufactured cement. The National Lacquer and Paint Products Co. (British - operated; capital 150,000 Hong Kong dollars) and the Duro Paint Manufacturing Co., Ltd., (Chinese-operated, capital 107,500 Hong Kong dollars) manufactured paint, enamel, varnish, lacquer, etc. In addition to these, the factory of the Hong Kong Rope Manufacturing Co. Ltd., as a part of the business of the Shewan Tomes and Co., Ltd.*⁵, a British concern, imported manila hemp from the Philippines and manufactured Manila rope of superior quality for maritime use.

A nail factory was operated by The Hong Kong Nail Factory Ltd., (Chinese-operated).

C. Foodstuffs and Luxury Goods.

The foodstuff and beverage manufacturing industry was well developed in Hong Kong before the war. It possessed a good-sized market in Hong Kong itself, and was favored with a vast market in China and the South Seas. Hong Kong's position as a distributing center was utilized to import raw materials on a large scale; and the articles manufactured were in demand throughout the whole of East Asia. Under the British regime in East Asia, refined sugar was a particular example of flourishing economic enterprise; it was distributed throughout China, and even as far as Manchuria and Japan.

First among the beverage industries was the Hong Kong Brewery and Distillery, Ltd., promoted by an Indian, Ratto Jee*⁶ (T.N. transliteration uncertain: ラット・チー in text) was established in 1933 with a capital of 1,500,000 dollars, with the expectation of forcing from the market the beer imported at that time from Japan, Singapore, Shanghai, and Australia, and alcohol imported from Java. However, the company's performance did not come up to expectations, owing to the fierce competition of imported beer and alcohol. Before the war it could produce 3800 cases (of four dozen) and 60 koku (T.N. one koku equals 39.7 Imperial gallons) of alcohol per month.

*¹天厨味精廠有限公司香港分廠

*² Aji no Moto. T.N. Trade name for a condiment made up of wheat and sodium glutamate.

*³ 鶴園工場

*⁴ 青洲英坭公司

*⁵ 旗昌洋行

*⁶ ラット・チー

Soft-drink manufacturing was well developed before the war, Hong Kong being in the hot region of Asia and the demand for soft-drinks being great. One division of A.S. Watson and Co., Ltd., was established in 1885 as a plant for such business, and before the war it had a capital of 1,500,000 dollars. It had a pre-war daily capacity of 6,000 dozen; and in the year before the war its total production was 1,319,000 dozen. There are nineteen varieties, including orange soda, Coca Cola, etc.

The production of refined sugar is carried on by the Taiku Sugar Refining Co., Ltd. This company was founded in 1894 as a subsidiary of Butterfield and Swire, Ltd., with a capital of 200,000 pounds. For the past half century it has distributed refined sugar all over the Orient, and contributed greatly to the economic power of Britain in East Asia. For about ten years after the annexation of Formosa the sugar made in this factory was in demand even in Japan. Thereafter, with the expansion of the Japanese sugar-refining industry, the factory's sales were encroached upon by sugar exported from Manchuria and North China. The factory exported to all of China and to French Indo-China, Malaya, Burma, and India. It has produced about 100,000 metric tons in a year (1,700,000 piculs), and in the fifty years since the beginning of operations its equipment and machinery have been greatly improved.

The tobacco industry was not subjected to any restrictions by the British government before the war, and as a result of free competition it had developed to a considerable extent. Leaf tobacco was imported from the United States, the Philippines, the South Seas, India, etc., and processed and manufactured in Hong Kong. It not only was consumed locally, but it also was exported to all of China, the Philippines, the South Seas, etc. Its manufacture constituted one of Hong Kong's most important industries. Before the war, there were about ten tobacco factories in Hong Kong. Two of these were modern factories with large capital — the British Cigarettee Company, which had British and American capital, and the South Seas Hsiung Ti Tobacco Co., Ltd.*1 which had Chinese capital. Before the Greater East Asia War the former company, working a day and a night shift, devoted its main efforts to the monthly production of 9,000 cases (50,000 per case) of Gold Flake, Capstan, and Embassy brand cigarettes, of high quality. The latter company was the Hong Kong branch of the South Seas Hsiung Ti Tobacco Company, Ltd., of Shanghai (capital 12,500,000 dollars [yuan]*2), and its monthly production before the war was between three and four thousand cases. The company sold its products as far away as the South Seas.

The confectionery industry, too, was well developed in Hong Kong before the war. There were some various factories, large and small, with British and American capital; and some with Chinese capital. The largest of these was operated by Lane, Crawford, Ltd. (established 1938).

D. The Match Industry.

Before the war, Hong Kong had two important match factories, the Great China Match Co., Ltd., and the Hong Kong Match Factory. Both were Chinese capitalized companies, and they were quite successful. The combined production of these two companies was between three and four thousand cases per month. Assuming a monthly consumption of three small boxes per person by the Hong Kong population of one million persons, the consumption in Hong Kong would be 420 cases per month. The Hong Kong match industry, like the other manufacturing industries, procured its raw materials from overseas, and exported almost its whole production. Raw materials were brought from America, Tsingtao, Shanghai, Singapore, Australia, etc. Chemicals, wood, and paper were imported from these places, manufactured in Hong Kong and the product exported to various areas such as the South Seas, the Philippines, Malaya, England, the United States, and elsewhere.

*1 南洋兄弟烟草公司 *2 元

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Section 3. The Present State of Industries Operated by Chinese.

According to studies of the Commerce and Industry Section of the Department of Civil Government *1, there were 805 Chinese-operated factories at the end of October, 1943. The largest group includes 340 textile enterprises, in addition to which there are 5 firms making itoori*2 (silk textiles), 8 making woolen blanketing and underwear textiles, 7 making socks and stockings, 14 making toweling, 1 making gauze, 22 engaging in dyeing, and 2 making handkerchiefs -- thus, a total of 399, or about half of the total factories, are engaged in the manufacture of fiber goods. The next most numerous are enterprises making and repairing articles of metal, which, combined with enterprises making and selling metal implements, total 79 factories. Next in order are 51 enterprises making alcoholic beverages, 32 having to do with electrical appliances (including electric motors and batteries), and 20 rubber factories.

When Hong Kong is revived as a trade center of Greater East Asia, these Chinese-operated enterprises will certainly develop greatly, but it must be remembered that their techniques and equipment are at a low general level. The fact that in the past they were favored with an ample supply of cheap labor accounts for the strength of the Chinese-operated enterprises in Hong Kong. However, the improvement of techniques and equipment has now come to a stop, and the future development of these enterprises depends on the carrying-out of improvements in these respects.

List of Chinese-operated Enterprises

(Study of the Commerce and Industry Section, Department of Civil Government, as of 31 October, 1943)

<u>Type</u>	<u>Number of Factories</u>
1. Itoori (Silk Textile)	5
2. Textiles	340
3. Woolen blanketing and underwear textiles	8
4. Socks and stockings	7
5. Lacquer	5
6. Preserved ginger	9
7. Leather	17
8. Rubber manufacturing	20
9. Nails	7
10. Needles and buttons	6
11. Dyeing	22
12. Toweling manufacture	14
13. Gauze	1
14. Badge-ribbon manufacture	1
15. Printing	12
16. Electrical machinery	22
17. Batteries	10
18. Lamp manufacture	2
19. Tooth brushes	3
20. Manganese, White Lead refining	5
21. Sugar candy, and dried mochi	5
22. Flavorings	6
23. Sugar manufacturing	1
24. Metals (manufacture and repair)	48
25. Metal (manufacture and sale of metal implements)	31
26. Sheet iron manufacture	2
27. Safe manufacture	2
28. Watch strap manufacture	1
29. Mosquito incense (manufacture of incense sticks for repelling mosquitoes)	1

*1 民治部商工課

*2

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Types (cont'd)Number of Factories (cont'd)

30. Drugs	7
31. Glass	3
32. Chinese crockery	1
33. Ices (T.N. refreshments)	1
34. Peanut oil manufacture	6
35. Saida manufacture (T.N. not cider but a carbonated beverage.)	2
36. Match manufacture	2
37. Type casting	5
38. Brewing	51
39. Soap manufacture	12
40. Canned food	3
41. Cosmetics	7
42. Wire and pulley manufacture	1
43. Can manufacture	1
44. Stationery	3
45. Oil refining	9
46. Cardboard, copybook (coarse paper) manufacture	2
47. Shoyu sauce manufacture	11
48. Rice polishing	6
49. Pickled plum manufacture	1
50. Handkerchief manufacture	2
51. Manufacture of industrial raw materials	2
52. Manufacture of briquettes	3
53. Cloth umbrella manufacture	1
54. Mah Jong manufacture	1
55. Cooperage	1
56. Lamp oil manufacture	5
57. Supply of labor	5
58. Jinriksha manufacture	1
59. Bean waste	2
60. Thermos bottle manufacture	2
61. Pottery manufacture	2
62. Refined oil	3
63. Jute bag manufacture	1
64. Rope manufacture	1
65. Hand-made copper and iron brushes	1
66. Hand-made scrubbing brushes	3
67. Rattan weaving	1
68. Toothpicks	1
69. Piano manufacture and repair	1
70. Tooth paste manufacture	1
71. Fire hydrant manufacture	1
72. Bread and cake making	3
73. Noodle making	6
74. Flour milling (soy bean and rice flour)	2
75. Grain milling	2
76. Bristle manufacturing	1
77. Machine-made cotton rope	2
Total	805

CHAPTER VIII.

FISHERIES, AGRICULTURE, FORESTRY,AND LIVESTOCK RAISINGSection 1. Fisheries.

Fisheries constitute one of Hong Kong's most important native industries. Naturally, a great deal of encouragement has been given to its development since military government went into effect. Hong Kong is surrounded by the sea and has a number of good harbors and anchorages; it is rich in good natural fishing places, and has an abundance of fish of all kinds. It is an uncontrovertible fact that the fishing industry is important and that it promises to develop even further in the future. The varieties of fish include the true sea-bream*1, the tsureko sea-bream,*2 the kobi sea-bream*3, the itoyori*4, and other varieties of sea-bream, ishimadara*5, guchi (T.N. probably *Sciaena schlegeli*), tachi-uo (hairtail), nibe (T.N. probably a mackerel), conger eels, pomfrets, cuttlefish, prawns, and shellfish of a dozen varieties. Depending on the season, there is considerable fishing for mullet, sawara (T.N. a mackerel, *Cybium nipponium*), and other fish. The fishing season is at its height from October to March; and line-fishing, fishing with nets from the shore, trawling, fishing in shallows with nets, flare-fishing with nets, and fishing with set nets are widely carried on.

There are numerous harbors for fishermen, one on Hong Kong Island at Sau Ki Wan*6; four in Kowloon and the New Territories, at Yau-Ma Ti*7, Tsun Wan*8, Ts'ing Shan*9, and Tai Po*10; three in To Sui*11, at Cheung-chau-to*12, Tai-O*13, and Po-Tai*14. The above are the most important bases for the fishing industry. The fishermen are called Tanka*15 (T.N. a class of boat-people, who are under certain civil and social disabilities), and who make their dwellings in fishing boats and junks, raising their families there. There is a characteristic southern (T.N. i.e., South Chinese) small boat on which these fisher-coolies live; and for the most part they are ignorant people who are inept at trade, so that they are easily imposed on by cunning fish buyers and fish dryers.

*1 真鯛

*3 咩魚

*5 石斑

*7 油麻地

*9 青山

*11 島嶼

*13 大澳

*15 蛋民

*2 連子鯛

*4 絲火然

*6 筲箕灣

*8 荃灣

*10 大浦

*12 長洲島

*14 蒲台

The fishing described above is conducted by methods similiar to those used in Japan, though somewhat more primitive. In spite of the fact that the fisheries' procedures are simple and childish, the amount of fish and salt fish produced in a year amounts to about 20,000,000 kin (T.N. one kin equals 1.32 lb.). Besides supplying the million inhabitants of Hong Kong with an abundance of supplementary food, the dried and salt fish form staples of trade which are exported to Canton and elsewhere.

Since salt is used for the processing and preservation of the majority of the tropical fish caught, the salt industry must necessarily be developed. In the past, the industry depended for most of the salt required on imports from Hainan Island. In Hong Kong the salt beds are not very extensive, and the yearly production is only 5,000,000 kin. Oysters, sogyo *1, rengyo *2 and mullet are reared in the New Territories, but because of the difficulties of importing fish food and young fish in wartime, the raising of freshwater fish is suffering a depression.

The above summarizes the fishing industry in Hong Kong. Under the British regime there was absolutely no provision for promoting the development of the industry, as was the case with other industries as well; and nothing was looked after except the collection of taxes. Moreover, the ignorance of the fishermen was exploited; prosperous fish buyers and fish dryers supplied boats, fishing equipment, and capital, and customarily grabbed the profits. There arose a need for rationalizing the junk fishing industry to counteract these evil practices and to make certain of an increase in sea food production in wartime. As the first step in the plans for accomplishing this aim, the harbors mentioned above were designated as bases for the fishing industry, and in each of these bases an organization of the fishermen, the Junk Fishermen's Association*3 was set up, regulations for the control of the fishing industry were issued, and protection and control of fishing rights were instituted.

The Federation of Junk Fishermen's Associations*4 was established. Its objectives include the collection of fish, the maintenance of prices, the establishment of supervised fish markets in which transactions are regulated, the guidance of the fishing industry, the obtaining of materials, and the prosperity of the fishermen. More than 5,500 fishing junks, with 50,000 fisher-people, are being completely taken in hand, and the objective of an annual catch of 30,000,000 kin is on the way to achievement. The building up of the salt-beds, the encouragement of fish raising, the improvement of manufacture and processing, etc., and all sorts of plans for the guidance and fostering of the fishing industry are being devised; and the tranquilization of the fisher people's lives and the expansion of the Hong Kong fishing industry are being strenuously forwarded.

Section 2. Agriculture.

The climate of Hong Kong is warm, much like that of the middle part of Formosa, and is suitable for the cultivation of crops. But the soil is composed principally of granite and quartz-porphry; and except for a portion of the New Territories, it is poor in organic matter and its fertility is extremely depleted. In addition, the farmers are ignorant of agricultural methods; and as a result of their notion that fertilizer yields poor results, the arable land has been even further depleted.

*1 草魚

*3 戎克漁業組合

*2 蓮魚

*4 戎克漁業組合聯合會

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The total area of cultivated land in Hong Kong is 12,000 chobu, 94% of which is in the New Territories. The area in paddies is 87% of the total, and the majority of the crop is made up of water-grown rice. Dry-field cultivation is not at all extensive. For this reason, dry-field crops are put in after paddy crops, as a second crop in paddy fields, and sweet potatoes and various kinds of vegetables are cultivated the year round. Extremely little wheat, mullet, maize, or other cereal is grown.

All the paddies are of the so-called natural type, which have no supply of water with which to grow water rice except from natural precipitation. The amount of rain water necessary to grow water rice is hard to obtain after April; and from October on, there is a distinct shortage of water. Nevertheless, a second harvest of rice is carried out, but because of the carelessness of the cultivation, the harvests are extremely small. The two harvests together amount to about 8 koku per chobu, which is astonishingly little in comparison with the 29 koku average for rice of the Hōrai*¹ variety raised in Formosa, and the 26 koku of the ordinary variety raised there.

There is a vast difference between the operation of paddies, dependent upon natural precipitation alone and the intensive methods of modern agriculture. In order to develop agriculture in Hong Kong, it is necessary to put into effect various plans, such as quickly preparing irrigation installations, and either changing from two crops of water rice to one crop of water rice, or converting paddies in areas which suffer from a lack of water into dry-fields so as to rationalize the time of planting. At the same time, since the shortage of fertilizer is the principal reason for the stagnation of agriculture in Hong Kong, this condition must be improved. At present, the amount of fertilizer used gives only about 3 to 5 kan *² (T.N. 8.27 lb.) of nitrogen per chobu, and only about 2 to 3 kan of phosphates and potassium per chobu. This is only 1/7th to 1/4th of the standard of approximately 20 kan per chobu used in Formosa; in other words, it can scarcely be termed fertilizing at all.

However, in the present wartime status of Hong Kong, mineral and other fertilizers are hard to obtain, and it is not easy just at present to get large quantities of fertilizer for the farmers. The thing to do is to publicize the plans to improve and maintain the capacity of the soil by hoeing in green manure. The deficiency of fertilizer will be alleviated by the use of green manure, and if the time of planting is rationalized, an increase of three to five thousand kin of unhulled rice can be obtained without difficulty. Thus, with a single crop, an increase of 50 to 150 percent over the total yield from the two crops formerly put in can be obtained.

Next to rice, the most important crop is sweet potatoes. But because the time of planting water-rice is advanced unduly and the time of planting sweet potatoes is delayed, the harvest is extremely poor. The yield, as compared to a yield of 20,000 kin per chobu in Formosa, is only 6,000 to 7,000 kin. In the pig-raising station operated directly by the Government General, a superior Formosan variety of sweet potato, Formosa Agricultural No. 3*³, was cultivated, and a harvest of approximately 15,000 kin obtained, which shows that we must not overlook the improvement of the varieties cultivated.

In summary, it is very difficult to imagine, in view of the extremely low level of agricultural knowledge of the farmers in Hong Kong and the difficulty of obtaining a supplementary supply of fertilizer at the present time, that poor production can be overcome and self-supply brought about through the agricultural measures set forth above. Conditions in

*1 蓬萊

*2 貫

*3 臺農三號

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Hong Kong make it necessary to plan a rapid increase in the production of foodstuffs; and it is recognized that we must place emphasis first on the training of dependable persons in the agricultural communities. Thus, it has been decided to take the first steps toward agricultural improvement by establishing Agricultural Guidance Stations*¹, then to attach Agricultural Training Schools*² to them, to strive to spread agricultural knowledge and arouse a spirit of encouragement with respect to agriculture.

In addition, there is an accumulation of agrarian problems such as financing, tenant-farming, etc., which will have to be studied and solved. The agricultural bodies which are to study these things must be speedily organized; and we must plan a revolution in the agriculture of Hong Kong through perfecting the organization of these bodies.

Section 3. Forestry.

Almost all of the area under jurisdiction is mountainous, and it is, for the most part, barren. During the British regime no basic plan for afforestation was made or carried out for thirty years. The afforestation which was accomplished consisted of planting trees in the parks of Hong Kong Island, landscaping in the Sham Sui Wan area, planting near reservoirs to prevent sanding, and planting in more or less convenient places where the ground was fertile, near villages. There are many unforested areas, and for the most part they have been left just as they were, unutilized for rest and recreation.

However, it is extremely important for the future of Hong Kong to cultivate trees in connection with irrigation, sluiceways for the drinking water supply, the growing of fish, and for the self-supply of fire wood and charcoal. The trees which are most suitable for planting in Hong Kong include babisho, soshiju (T.N. *Acacia confusa*), mokumao (T.N. *Castuarina stricta*), ginnemu (T.N. *Leucaena glauca*, White popinac leadtree), kayupute (T.N. *Melaleuca leucadendron*), etc., with which comparatively sound results were obtained in the past.

The rationalization of the woods and groves in Hong Kong, viewed from all angles, is a grave problem. Since the advent of the military government we have striven to protect the forests and have aimed at turning barren lands into green; and we are in the process of realizing plans for progressive afforestation.

Section 4. Livestock.

The kinds of livestock raised in Hong Kong include cattle, horses, swine, chickens, etc. In the past, meat from Hainan Island and elsewhere constituted the supply, and local livestock was not in a flourishing condition. Even with swine, which were the principal kind of livestock, there was only one head per agricultural household - a poor showing. At present, the households specializing in livestock production raise milk cows and swine; and the other animals are raised by the farmers only as a supplementary occupation. Moreover, an increase in feed does not seem likely. The actual condition in Hong Kong is that there are no means of encouraging the production of livestock other than by supplementing the supply of agricultural labor and feed, together with agricultural improvement.

*¹ 農事指導所

*² 農事傳習所

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The Government General of the Hong Kong Occupied Area has put Japanese firms in charge of the Hong Kong Stock Farm and the Kowloon Stock Farm (the former "Dairy Farms"); and at present there is a rather large number of milk cows on them. Swine and domestic fowl are raised, and the milk and meat are used to supply military and civilian requirements, for dairying use, and for feeding (T.N. calves). Also, it is planned to increase the number of head on these stock farms.

The Hong Kong Stock Farm was established in 1886, sponsored by Butterick Manson, a British chemist, and in 1920 it was combined with the Hong Kong Ice and Cold Storage Co., Ltd., as the Dairy Farm, Inc. and Cold Storage Co., Ltd.*¹ Subsequently, the stock farm, cold storage facilities, ice plant, etc., were expanded; and in 1925 its capitalization was 2,200,000 dollars. After the occupation by the Imperial Forces, its stock farm, refrigeration plant, cold storage facilities, and ice plant were put under the management of a Japanese company, and remain so at present. The refrigeration and cold storage facilities are used not only for the storage of milk and milk products (cream, butter, and cheese) but are also extensively used for the refrigeration and storage of fish and shellfish. They are making a great contribution to the supply of seafood in Hong Kong.

*¹牛奶冰廠公司

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CHAPTER IX.

MINING

The South China region is best known for its output of wolfram, and before the Greater East Asia War, Hong Kong was the main distributing center for wolfram. The British-controlled Marsman's Mines, the Hong Kong Mines, Ltd.*1, and other companies attempted the mining of wolfram, lead, molybdenum, iron ore, manganese, and other minerals, deposits of which were known to exist.

Lead, for instance, was discovered and mined over ten years ago by the Chinese. Later, Neilson, an American of British extraction, took over the management of the lead mine and carried on test boring. However, results proved to be poor, and in July 1940, the mines were shut down.

In addition to the wolfram mines operated by Marsman's Mines, the natives engaged in bootleg mining of wolfram.

Iron ore was discovered by British engineers, and mines were opened up by the South China Iron Manufacturing Company*2. Alumina mining was carried on by Mac Bain, a British merchant.

Before the war, the mining mentioned above was going on, but Hong Kong's mining industry was in general none too flourishing. However, the reader can well imagine the good use which is now being made of these mineral resources as a result of the increase in productive capacity which was effected after Hong Kong was occupied by the Imperial forces.

*1 香港鑛山會社

*2 華南製鐵公司

There was practically nothing in the old Hong Kong that could be called a labor policy. Isolated cases can be found where various regulations of the International Labor Office, the Shanghai International Settlement, the Chinese Republic, or of other British Crown Colonies were followed, but that is all. After the China Incident, when great numbers of workers moved in from Shanghai and other parts of China, the labor problem became more serious, and so in November, 1938, a Labour Office*1 was established. In 1941, it rose to the position of drafting all labor legislation. In order to facilitate a comparison with our government of Hong Kong, we shall give here a fairly detailed account of labor policies and labor conditions during the period of British government.

Section 1. British Labor Policies.

A. Control by Societies.

In 1845, the Hong Kong government published the barbarous ordinances for control by the Triad*2 and other secret societies, and violators of the ordinances were punished by branding. Branding was abolished in the following year, but the society ordinances of 1911 and 1920 are direct descendants of these ordinances. After the dock strike in 1927, the first trade union regulations were passed, but even after the strike, the unions of Hong Kong were, on the whole, nothing more than friendly organizations. Between 1922 and 1940, thirteen societies, including the Chinese Maritime and Industrial Combined General Assembly*3, were dissolved under the Society Ordinance of 1920; and between 1927 and 1938, three societies, including the Hong Kong Immigrant Labour General Assembly*4, were dissolved under the Emergency Regulations of 1922. After the China Incident, the factories which moved in from Shanghai brought their own labor organizations with them, revived the unions which had been at a standstill for the past ten years, and created their own Shanghai brand of labor disputes. In 1938, there were strikes like that of the Paper Money Printing Section of the Division of Documents*5. In 1939, there were about 300 societies in Hong Kong, with a membership of 110,000. Of these, 84 were labor unions, with 44,000 members, and 28 were handicraft unions, with 12,000 members. The largest of the societies was the Ch'ung Cheng General Assembly*6, which was the clan organization for immigrant families.

B. History of Social Legislation.

In 1921, the Hong Kong Child Labour Investigation Committee was formed, and the British boasted of it as the first Chinese labor investigation ever conducted in the Far East. In the following year, the employment of children under the age of ten (Japanese system*7) in factories was forbidden. A complete set of factory regulations was tardily promulgated by the Factories and Workshops Ordinance of 1937 (No. 18 of that year), but responsible British officials recognized how inadequate it was. In 1938, the minimum age for female servants was set at twelve. Between 1920 and 1930, the British government's greatest efforts in this field were concerned with the problem of "mui-chai"*8 or the traffic in young girls. Since such social legislation as prohibiting traffic in human beings could have no effect on British capital, it was a good way to make a display of humanity. But there were still no protective regulations covering adult male labor.

*1 勞工司署

*2 三合會

*3 中華海員工業聯合總會 or 中華海員工會

*4 僑港工團總會 or 香港總工會

*5 中華書局紙幣印刷部

*6 崇正總會

*7 T.N. Under this system, a child is one year old during the calendar year in which it is born, and becomes two years old on the following Jan. 1st.

*8 妹仔

From 1920 on, there were three organizations within the British governmental organization for dealing with labor problems. The first was the Chinese People's Administration Office*1, and until 1937, the head of this department was also Protector of Labour. Also belonging to this office and engaged in the same duties was the later-established Factory Investigation Office*2, which continued until 1941. In 1927, a Labour Sub-department was established. The second organization was the Urban Council, which changed its name to the Sanitary Board in 1936, and which had indirect authority as a legislative council*3 to create by-laws. From 1937 on, the head of this department was also Protector of Labour. The third organization was the Labour Advisory Board.

In 1938, a Labour Office*4 was also established, and the divided control which resulted became indeed complex. Only the mine-workers of the New Territories, the Yeh Pao Mines*5, came under the jurisdiction of the Health Commissioner*6. The Urban Council was in a completely anomalous position, and after the publication of the Factories and Workshops Ordinance in 1937, it passed no more by-laws. Also, the Labour Advisory Board was nothing more than an ornament, as it only represented a government department and the British capitalists.

C. The Control of Labor.

According to Article 37 of the Person Ordinance (1865/No.2), which was drawn up in 1865 and continued in effect until the occupation, "All persons joining illegal unions or conspiracies on account of wage fluctuations --- shall be charged with the minor offense of committing an illegal act of violence, and shall be sentenced to a term of less than two years' imprisonment." This was the law in the British Isles before 1871. Other similar legislation, applicable only in times of emergency, was invoked in the case of strikes, boycotts, etc. The general principle followed in dealing with serious incidents was to resort to emergency legislation, rather than to use regular legal methods. Regulations for compulsory arbitration were finally issued as late as April, 1941.

Note: A Minimum Wage Ordinance was published in 1932, but it was never really enforced, and, according to the British officials themselves, it was no more than a legislative gesture.

Section 2. Factory Workers Under the British Government.

Turning to a discussion of the conditions of factory workers under the British government, we find that, first of all, the requirement of registration of the factories (those using machinery) and the workshops (those using manual labor and employing more than twenty workers) to which the factory and workshop regulations applied. In February, 1939, the number of these factories and workshops was 303 in Hong Kong itself and 554 in Kowloon and the New Territories, making a total of 857. At a rough estimate, these places employed a total of 54,690 employees — 28,470 male workers and 26,220 female workers. Of course, just as in China, the production capacity per man is much inferior to that of the European worker, and it is said that four Chinese are required to do the work of one European riveter in the shipyards. The chief cause of this is their physical inferiority, which is due directly to starvation and malnutrition, and this in turn is connected with their inferior wages. Thus, the desultoriness of labor and its low standard of production, due to the combined influence of malnutrition and lack of education, are the causes of their continued weakness.

*1 華民政務司署

*4 勞工司署

*2 工廠調查處

*5 野堡

*3 定例局

*6 醫務總監

There are two systems of employment -- direct contract and the foreman system. The biggest employers using the foreman system are the ship-building yards. Where resale or renting of the whole contract is practiced, as was the case of road construction, this system becomes extremely cruel.

Conditions in the factories were bad in general, and especially so in the factories founded with petty Chinese capital which sprang up after the China Incident. The majority of the factories, just as in the large and medium-sized cities of China, were converted dwelling-houses. At the beginning of 1939, there were 113 factory-style factories in Hong Kong proper, as against 409 converted dwelling-house-style factories; and in Kowloon there were 180 as against 1,041. Incidentally, 80% of the Kowloon factories were in Sham Shui Po*¹, Tai Kok Tsui*², and Wong Kok*³.

The hours of work in most factories were from 7 to 12 a.m. and 1 to 5 p.m., and in some kinds of work, overtime work from 6 to 8 p.m. was common. Overtime was generally paid at the rate of 30 percent of the daily wage. Days of rest in places operated by Europeans were every Sunday, and in places operated by Chinese, seven days per year, according to custom. Three examples of actual wage rates paid as the beginning of 1939 are given below:

1. Shipbuilding and Engineering Plants.

Electricians, per day	1.00 - 2.40 dollars
Copper forging and casting	1.00 - 2.60
Installation work	0.80 - 1.55
Sawing on large machines	0.70 - 1.25
Boiler construction	0.95 - 1.20
Sailmaking	1.00 - 1.40
Shaping and forging steel	0.75 - 1.20
Lathework	1.00 - 1.40
Heavy construction	1.00 - 1.40
Coolies	0.70 - 1.00

Note: Time and a half for overtime. Double time for night work.

2. Knitting Mills.

Permanent male employees, per month	15 - 80 dollars plus "squeeze" and living accommodations.
Apprentices	2 - 8 dollars plus "squeeze" and living accommodations.
Home piecework, women	0.20- 1.00 (depending on grade)
Inexperienced workers	0.20
Singlet manufacture, with overtime work from 6 to 8 p.m.	1.00

*1 深水埗

*2 大角咀

*3 旺角

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3. Coolies.

Porters, per day	60 - 70 cents
Coal coolies	55
Jinriksha coolies	60 - 70

The figures for 1 and 3 are exactly the same in both the Hong Kong Blue Book and Administration Reports.

Note: The above three tables of wages were published at the beginning of 1939.

The price of rice in 1938 was 7.3 cents per catty, and in 1939, 7 cents per catty. (T.N. one catty equals 1.32 lb.) The 1938 and 1939 surveys give the following average monthly living expenses for ordinary laborers.

The averages are for the middle, eastern, and western parts of Hong Kong Island, and Yau Ma Ti in Kowloon. The figures appear to be slightly in error, but they are given as they appear in the original. (Figures furnished by Butters.)

	<u>Single persons</u> dollars	<u>Couples</u> dollars	<u>Children (per child)</u> dollars
Food			
summer	5.40	9.50	2.00
winter	5.90	10.20	2.50
Dwelling and light			
summer	4.50	6.75	0.60
winter	4.50	6.75	0.60
Clothing			
summer	0.95	1.80	0.37
winter	<u>1.85</u>	<u>3.20</u>	<u>0.47</u>
Total			
summer	10.85	18.10	2.97
winter	12.25	20.20	3.57

In the general survey of living expenses made in 1940, the average household is listed as having 4.1 persons and an average weekly income of 13.40 dollars (or 3.27 dollars per person) of which 5.95 dollars went for food (or 1.45 dollars per person). (See note)

Note: Nutrition Research Committee's Second Annual Report (year of 1940) published in the South China Morning Post, 6 February, 1941. This survey was conducted by the Medical Department of Hong Kong University over a period of three years. The Department canvassed 923 households, of which 2 were composed of people who sleep in the streets, 17 consisted of persons living in detached houses, and 244 were persons who simply rent bed-space (26.4% of the total persons). The standard of living of the ordinary laborer is judged to be far lower than indicated by these figures.

The proportion of total expenses paid by the average laborer as rent is high. This is because (a) the Hong Kong "land charges" are three times

what they were in the suburbs of London; (b) the fixed production tax*1 at the time was at the high rate of 17% ad valorem (increased by 5% after the beginning of the war between England and Germany); and (c) conditions are aggravated by the housing shortage. Also, almost all the local working people cluster about the factories in order to avoid the burden of transportation expenses. According to the 1931 census, there were areas in the city of Hong Kong which had more than 1,700 persons per acre; and the 1941 census showed 110,000 persons crowded into Wong Kok; 173,000 in Sham Shui Po and 148,000 in Yau Ma Ti. Employed persons had two meals a day, morning and evening. At noon they took only a cup of tea and a cake.

Because of the sudden rise in fuel prices since the China Incident there has been a great increase in the buying of prepared food. The usual dwelling consists of rented bed-space for sleeping purposes only, and it was common for two persons to share a single bed. Also, there has been a great increase in the rental of flats and bed spaces for very small sums. Thus, most of the four-story Chinese houses had an average of 18 to 60 persons per floor in 1938. As for clothing, a half-naked condition sufficed in the summer time, but in the winter some heavy clothing is necessary. The retail prices of the principal foodstuffs (and firewood and charcoal) of the wage-earning class were as follows:

	<u>1938</u>	<u>1939</u>	<u>1940 (August)</u>	<u>1941 Sept.</u>
			(per catty)	
Rice (third grade)	7.3 cents	7.0 cents	9.3 cents	20 cents
Fresh fish	24.4	28.4	39.3	85 (large fish only)
Dried fish	25.2	23.9	27.8	50
Beef	37.6	34.9	--	130
Pork	49.7	54.4	90.0	150
Oil	22.2	23.8	32.3	37
Firewood	1.4	1.8	2.23	2.2

Injuries to laborers were extremely few, except in shipbuilding. Almost all the industries are light, and since belt-guards were already installed, such a low accident rate was to be expected. The problem, rather than injuries, is illness among laborers, i.e., tuberculosis and beri-beri. The former originates principally in the terrific overcrowding of factories and dwellings, and the latter in malnutrition. In 1936, there were about 2,000 deaths from tuberculosis, and in 1940, there were 5,751 (9.5% of all deaths) from tuberculosis. There were at least 30,000 tuberculosis sufferers in 1940. Malnutrition is very common. In 1939, 16,000 deaths of Chinese infants (under one year) alone were reported, and the infant death rate of 34.3 percent was six times that among non-Chinese. There was practically no medical care for laborers, other than that from charitable sources. Social planning was not considered necessary by England.

Addendum: The above items are drawn from "Report by the Labour Officer, Mr. H.R. Butters, on Labour and Labour Conditions in Hong Kong. Sessional Paper No.3/1939." It is the only available authority on Labor in Hong Kong.

*1 不動產稅

[REDACTED]

Section 3. Labor Problems at Present.

The various kinds of factories in Hong Kong have been to a large extent revived at the present, and certain of them have even been expanded. Many people pass the gates of the factories to look at the employment notices; yet, there seem to be great many idle men in town. On the one hand, laborers are in demand, and on the other hand, laborers are lackadaisical about the demand. This is a paradox caused by the fact that the laborers have difficulty in recognizing the evil results of the wholly degenerate British Urban civilization. This two-sidedness cannot be eliminated in a day.

The recent high level of commodity prices has affected the day labor coolies more than the factory coolies, and on this account starvation among the coolies has reached alarming proportions. The wage rates for labor appearing in the newspapers are as follows:

- (a) Dock laborers. About 2 yen per day plus workers' rice*1 (rice supplied to laborers). At one dock on the Peninsula, a midday meal is provided.
- (b) Masonry construction, etc. Workers of even the lowest class employed on the Church Tower*2 and the Hong Kong Shrine*3 (T.N. a Shinto Shrine) construction --- about 1 yen per day.
- (c) Jinriksha coolies. Not considering the Jinriksha tax, 4 to 5 yen per day.
- (d) Needleworkers. The cost of sewing clothes is extremely high, and to patch a hole the size of a bean costs 30 sen. The number of people at present employed in this work is decreasing. (See Note)

Note: Hua-ch'iao Jih-pao (華僑日報), 2 November 1943. The supply of labor outside the area of jurisdiction will be treated somewhat as it is in Hainan Island and Borneo. As a matter of policy, the improvement of labor organizations*4 is being fostered. Various associations exist under the Hong Kong - Kowloon Central Labor Association*5 and the Hong Kong Seamen's Institute *6 Meetings*7 and Assemblies*8 (Mass Movements*9) require permission from the Chief of the Hong Kong Military Police.

*1 工米

*3 香港神社

*5 香九總工會

*7 結社

*9 民衆運動

*2 忠靈塔

*4 勞務團體

*6 香港海員公

*8 集會

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PART IV.

CULTURE



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CHAPTER I.

CULTURAL POLICY

The basic policy of the Government General of the Occupied Territory is to promote Oriental culture and to cause the inhabitants to shake off their preponderantly European and American ideas. In this respect, it does not differ at all from the cultural policy prevailing in other occupied areas. After the many years of the infiltration of European and American ideas, it would not be too easy to make the Chinese, who form the largest part of the population, change their ideas over-night. Hasty and coercive measures would never succeed. Consequently, in carrying out this policy in Hong Kong, we have taken measures to promote a gentle awakening of the people and have avoided any semblance of direct interference in their cultural life.

That is to say, the basis of the Government General's policy is to stimulate and renovate culture based on the Oriental philosophy. This is the thought underlying the entire cultural policy. However, as we have said before, care is exercised in putting it into effect. For instance, although we are discarding the preponderantly European-American culture, at the same time we are profiting by anything it has to offer, and, in particular, we are paying special attention to the promotion of science.

Again, with regard to the thorough diffusion of the Japanese language among the inhabitants, we are taking pains to be neither too lenient nor too severe. We are trying to keep them from hating Japanese as a result of having it forced on them. The understanding of each other's language is a short-cut to our mutual understanding, and it is an urgent matter from the point of view of governing the people. So, although the spread of Japanese among the people is of the greatest importance, as we have said before, the Government General has assumed a cautious attitude in carrying it out. Because of this cautious attitude, enthusiasm for Japanese is gradually producing results.

In religion, we recognize the principle of religious freedom. So long as religion does not expressly conflict with our aims, we do not interfere at all. More than this, since it is recognized that religion contributes greatly towards relieving the popular unrest which accompanies world-wide disturbances, it is our policy to support it as much as we can.

We treat social education in the same manner. Social education must be encouraged in order to reform social morals. This is particularly necessary in Hong Kong where in the past the spirit of luxury, idleness, and indolence has prevailed. Consequently, we have established the policy of social education based on the Oriental spirit of simple and honest love of work and have taken special pains with the re-education of the young men. Proceeding with this idea in mind, in the realm of entertainment, for instance, we have taken such steps as the closing down in July, 1942, of dance halls and other such unwholesome amusement places; on the other hand, we have not interfered with moving pictures, plays, and horse races, which the people like so well, except to stop, in January, 1943, the showing of moving pictures of an unfriendly character.

In view of the fact that the British Government Office and other agencies had succeeded in the past in maintaining fairly adequate charitable institutions, it is expected that under our administration these institutions will be continued and improved. However, it is thought that at the present stage of the prosecution of the war, we should take care not to stoop to mere charitable institutions.

Finally, we must not fail to make special mention here of the projected revival of Hong Kong University, which is a manifestation of the effort to make Hong Kong the cultural center of the South China and the Southern Regions. Hong Kong University was established in 1912. It has a Department of Medicine (six-year course), a Department of Engineering (four years), and

a Department of Arts (four years). In 1939, there were 236 students (including 22 women) in the Department of Medicine, 106 students in the Department of Engineering, 145 students (including 71 women) in the Department of Arts, and 22 students (including six women) in the Normal School. After the China Incident, Canton's Ling-nan University*1 was transferred to Hong Kong University, within which it continued to function. (It had 500 students). Since the Greater East Asia War, Hong Kong University has been closed, but in view of Hong Kong's geographical position and the fact that it has been the main link in communications with the Chinese overseas in the south, preparations are proceeding to re-open the university as soon as possible and to make it the educational and cultural center of the south. Hong Kong University's famous Fung Ping Shan Library*2 which houses Chinese literary writings is closed now, but plans for its re-opening are underway.

Guide to Shrines and Temples, Schools, and Libraries

<u>Name</u>	<u>Location</u>
Hong Kong Jinja (Hong Kong Shrine) 香港神社	
Churei Tower (Faithful Spirit Tower) 忠靈塔	
Kokumin School Shrine (People's School Shrine) 國民學校神社	In the Kokumin School
Nankai Jinja (South Sea Shrine) 南海神社	At Fleet Headquarters
West Hongan Ji (a Buddhist Temple) 西本願寺	117 Wan-Tsai Road 灣仔通
East Hongan Ji 東本願寺	64 East Sumiyoshi Way 東住吉通 (T.N. Old Name - Gloucester Road)
Nihon Yama Myoho Ji (Japan Mountain Buddhist Temple) 日本山妙法寺	Leighton Hill (禮志真山) (In the Fu-She-Li Pagoda) 佛舍利
Pai-lien Tsung Shen-yen-shen*3 白蓮宗 身延山	67 East Sumiyoshi Way 東住吉通 (Gloucester Road)
Hsiang-shan Szu (a Buddhist Temple) 香禪寺	16 Ka-na-tan Road*4 Kowloon 加拿芬道
The Hong Kong Konkokyo Temple 金光教香港教會	34 Lok-hak Road*4 洛克道
The Hong Kong Tenriko Temple 天理教香港教會	1 - 2 Takei Hill 竹居台

*1 嶺南大學

*2 滙平山圖書館

*3 T.N. 白蓮教 is the White-Lotus Sect)

*4 T.N. Probably transliteration of an English name.



Name
The Hong Kong Kokumin School
香港國民學校

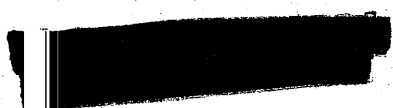
Location
Morrison Hill Road
麻里臣山道

Hong Kong Yochi En
(The Hong Kong Kindergarten)
香港幼稚園

Toa Gakuin
(East Asia Institute)
東亞學院

94 West Taisho Way
西大正通

The Fung Ping Shan Library
馮平山圖書館



CHAPTER II.

EDUCATION, RELIGION, AND SOCIAL SERVICE

Section 1. Schools and Education.

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There had long been an elementary Japanese school in Hong Kong. This school was established on 1 August 1909 by the Japanese Charitable Society*1; its management was transferred to the Japanese Society*2 when that organization was established in January, 1920. In April, 1928, the school was a six-grade school. On 1 February 1941, there were seven regular teachers and thirty-seven children.

After the occupation of Hong Kong, the Government General, in accordance with Imperial Ordinance, Number 148, on 1 September 1942, established the Kokumin (National) School*3 for the education of Japanese students. The school opened on 7 September. At the time it opened, it had ninety-seven students. This number gradually increased, and at present, at the end of 1943, the total number of boys and girls has reached 385. The following table shows the present condition of the school.

Grades:	9		
Staff:	8 men 2 women	Total	10
Students in Elementary Course:	177 boys 187 girls	Total	364
Students in the Secondary Course:	5 boys 6 girls	Total	<u>11</u>
Total Number of Students:			385

It is expected that in the future the Kokumin School will be expanded as the necessity arises. It is also anticipated that a middle school and a girls' high school will be established, and that a young men's school will be set up in accordance with the ordinance on young men's schools.

In 1942, the Government General by Ordinance Number 16, promulgated the principle of private schools for Chinese students. Permission for establishing such a school may be obtained under this ordinance. There are three types of these schools: elementary schools, boys' middle schools, and girls' middle schools. Each middle school is set up side by side with an elementary school.

At present, at the end of 1943, there are 27 elementary schools, with 14,600 pupils, 9 boys' middle schools, with 1000 students, and 6 girls' middle schools with 600 students. The following table gives a detailed picture of the schools.

	<u>Elementary Schools</u>	<u>Middle Schools</u>	
		<u>Boys' Schools</u>	<u>Girls' Schools</u>
Number of schools	27	9	6
Number of boys	9,657	1,095	
Number of girls	4,989	605	
Total number of students	14,646	1,700	
Staff - men	128	81	
Staff - women	259	30	
Staff - total	387	111	

*1 日本人慈善會

*2 日本人會

*3 國民學校

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In 1942, the Hong Kong Government General's Ordinance Number 70 established the principle of private kindergartens for young children. Permission for establishing such kindergartens may be obtained under this ordinance. At present, at the end of 1943, there are 8 kindergartens (including one run by Japanese) attended by 484 children.

Next, the Hong Kong East Asia Institute*1, a government-supported school, was established for educating the main body of Chinese youth. This school was established on 1 April 1943. Its aim is to give to the main body of Chinese youths living within the jurisdiction of the Government General of Hong Kong, business and normal training, modeled upon the Oriental spirit and based on Japanese morality, and to produce outstanding teachers and office workers able to meet the new conditions.

The Hong Kong East Asia Institute has a general course and also a secondary course. The secondary course is further divided into Sections 1 and 2. The general course supplies the education needed by those who will do simple work. It provides for the education of the lower class of office workers. Section 1 of the secondary course gives normal training. It undertakes the education of teachers for the Chinese schools. Section 2 of the secondary course gives business training. It provides for the education of the average business worker. The general course, which lasts one year, admits those who have graduated in the upper section of their class from an elementary school. The secondary course admits students who have graduated from middle school in the upper section of their class. This course of study is two years.

The number of students in the Hong Kong East Asia Institute at present is shown in the following table:

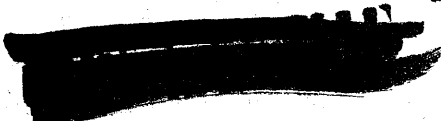
	<u>General Course</u>	<u>Secondary Course</u>
Number of classes	4	3
Number of students - boys	103	7
Number of students - girls	-	16
Total number of students	103	23
Teachers (entire school)	14	
Clerical workers (entire school)	3	

Section 2. Social Education.

The primary sphere of social education is the promotion of discipline in society as a whole, and education and enlightenment directed at the homes and at the masses. Consequently, in laying plans for it, we are not proceeding vainly in a mechanical way; rather, by linking formal education with all other phases of life, we are striving to regulate the whole social environment. The main points in this program are as follows:

1. Thoroughness in enforcing the government policy achieved by close connection between the government and the various other agencies.
2. Planning research and educational propaganda to promote good morals and manners. (Moving pictures, pamphlets, shadow-plays and exhibitions.)

*1 香港東亞學院



3. Propagating the spread of Japanese.
4. Re-examining the already existing organizations for social education and making their work effective and pertinent.
5. Planning for the gradual spread of wholesome entertainment.
6. Encouraging sports and physical training among the people. (Opening recreation grounds and establishing children's playgrounds, etc.)
7. Organizing sightseeing parties to go to Japan proper, in order to deepen the people's appreciation of Japan and to attest to the reality of Sino-Japanese friendship.
8. Forming an organization of the youths of Hong Kong and providing guidance and training for the young.

It is our policy to carry out a program of social education based on the above-mentioned points. However, at present, we are directing our efforts particularly toward the thorough spread of the Japanese language. In accordance with this aim, the Hong Kong Government General's Ordinance Number 15 provided for establishing places where short courses in Japanese would be given. Under these regulations, we have set up 16 Japanese language schools, with 2,984 students, and 43 centers for teaching short courses, with 3,058 students. The total number of students who have completed the course at the Japanese language schools or who have finished the short course has reached 21,365. (These are the figures at present, at the end of 1943.)

Official Notice 55 of the Government General formulated the main provisions for giving examinations in the Japanese language. It established ratings and planned to test the students' real ability, to stimulate their interest in learning, and to give them self confidence in their use of the language. It is also provided that in the Chinese elementary and middle schools, which have been mentioned previously, Japanese is to be taught as a regular course; and at least four hours a week are to be devoted to the study of the language.

We expect to promote sports and physical training among the people by setting up recreation grounds at various places in Hong Kong and Kowloon and opening them to the public. Preparations along this line are progressing.

Section 3. Religion.

Generally speaking, there are four types of religion in Hong Kong: Buddhism, Christianity, the Indian religion (the Hindu faith and Mohammedanism) and the faiths handed down in China's old shrines and temples. Among these, Buddhism, the Indian religions, and the traditional Chinese cults have very few adherents nowadays and do not present any particular problems when it comes to controlling and guiding the people. Christianity alone, because of its complexity and its many ramifications, because it has believers among people of the various nations, and also because it has the largest following of all the religions in Hong Kong, must be treated with caution. It is our policy to further, insofar as possible, the Japanese Buddhist religion and the other sound and reliable faiths. The Hong Kong Shrine*1 which is designed to be the center of the religious life of the people of Hong Kong, and, as a matter of course, of the Japanese residents, and the Churei Tower*2 dedicated to the brave spirits of the heroes who died in South China in the China Incident and in the Greater East Asia War, are under construction and at present are being rushed to completion.

*1 香港神社

*2 忠靈塔

Section 4. Social Service.

The social service enterprises in Hong Kong (orphanages, asylums for the aged and for the blind, etc.) are, for the most part, run by religious organizations. Since the outbreak of the war, contributions from philanthropists and other income has suddenly decreased, due to the upheavals in the economic world, and all the social service organizations have found it hard to keep going. Consequently, we have decided to investigate them thoroughly and to provide facilities and give support to those institutions which we find to be absolutely necessary, while at the same time reorganizing and consolidating them. The present state of social service enterprises is as shown below (conditions prevailing at present, at the end of 1943)

	<u>Number of Institutions</u>	<u>Number of Inmates</u>
Orphanages	9	1,144
Asylums for the aged	2	196
Asylums for the blind	1	32

We intend to see that the people cared for by these various institutions are given as much vocational guidance as possible, so that in the future they can make their contribution to society as soldiers in the battle of production. We do not intend to descend to mere charity. For the discussion of charitable medical institutions see the Section dealing with Hygiene.

CHAPTER III.

NEWSPAPERS, MAGAZINES, AND PRINTINGSection 1. Newspapers.

At present, there are six local newspaper companies in Hong Kong. One of these companies is run by Japanese; the other five are under Chinese management.

The Japanese-operated Honkon Nippo Sha (Hong Kong Daily News Co.)*1, besides publishing the Japanese language Honkon Nippo*2, the Chinese language Hsiang-kang Jih-pao*3, and the English Hong Kong News, carries on a printing business. The Honkon Nippo Sha was established in 1907 and began publication of the Japanese Honkon Nippo on 1 September of that year. The Chinese Hsiang-kang Jih-pao, which began in December 1937 as a Chinese language section published on the fourth page of the Japanese Honkon Nippo, became a separate paper which commenced publication at the end of June, 1938. Even after the Chinese Hsiang-kang Jih-pao began publication, it was still a thin sheet; but during the China Incident, as the only Chinese-language paper under Japanese control, it played a unique role. The Hong Kong News came out as a weekly paper in June, 1939. It continued its independent news reporting until the outbreak of the Greater East Asia War.

On the outbreak of the Greater East Asia War, the Honkon Nippo Sha was confiscated by the British Government Office, and its head men were arrested and imprisoned; but now, after the occupation of Hong Kong by the Imperial forces, it has resumed publication. Furthermore, the Hong Kong News has become a daily paper prepared for the benefit of neutrals and of Chinese overseas who understand only English.

The Chinese-language newspapers, besides the above-mentioned Hsiang-kang Jih-pao, are the Chinese-managed dailies, the Hua-ch'iao Jih-pao*4, Hsiang-tao Jih-pao*5, Nan-hua Jih-pao*6, Tung-ya Wen-pao*7, and the Ta-ch'eng Pao*8, which comes out every other day. Each of these displays its own individuality in make-up and management.

Originally, before the Greater East Asia War, Hong Kong was the center of British propaganda in South China. After the China Incident, it became the center of Chungking's anti-Japanese propaganda and most of the pro-Chungking publications were concentrated in Hong Kong. At the same time, some of the publications controlled by the National Government*9, were also established in Hong Kong, which became a center of international propaganda.

Among news agencies, besides the British Reuters, the American A. P. and U. P. and the Chungking Chun-yang-she *10 there were the Japanese Domei News Agency and the Nanking Chun-hua-she*11, etc. As is shown below, there were as many as forty locally published newspapers, large and small, extreme and moderate, British papers, Chungking papers, Peace Party papers, etc.

*1 香港日報社
*3 香港日報
*5 香島日報
*7 東亞晚報
*9 國民政府
*11 中華社

*2 香港日報
*4 華僑日報
*6 南華日報
*8 大成報
*10 中央社

English-language newspapers:

The South China Morning Post

Hong Kong Telegram

Hong Kong Daily Press

Hong Kong Weekly Press

Fortnightly China Mail

Sunday Herald

Chinese-language newspapers:

Ta Kung Pao 大公報

Hsing-tao Jih-pao 星島日報

Hsing-tao Ch'en-pao 星島晨報

Hsing-tao Wan pao 香島晚報

Hua-ch'iao Jih-pao 華僑日報

Hua-tzu Jih-pao 華字日報

Hua-tzu Wan-pao 華字晚報

Kuo-min Jih-pao 國民日報

Kuo-chia She-hui Pao 國家社會報

Kuo-hua Pao 國華報

Li-Pao 立報

Ch'eng Pao 成報

Kung-shang Jih-pao 工商日報

Kung-shang Wan-pao 工商晚報

Hsün-huan Jih-pao 循環日報

Hsün-huan Wan-pao	循環晚報
Hsiang-chiang Chao-pao	香港朝報
Chung-kuo Wan-pao	中國晚報
Tzu-jan Jih-pao	自然日報
Nan-ch'iang Jih-pao	南張日報
Nan-chung Pao	南中報
T'ien-kuang Pao	天光報
Hsien-hsiang Wan-pao	現象晚報
Hsing Pao	星報
Ching Pao	晶報
Hsien-Tao	先導

Peace Party Chinese-language papers:

Nan-hua Jih-pao	南華日報
Tzu-yu Jih-pao	自由日報
T'ien-yen Jih-pao	天寅日報
Ta-kuang Pao	大光報
Hsin Wan-pao	新晚報

Tabloids:

Chung-ta-pe	中發自
Huang-se Hsin-wen	黃色新聞
T'an-hai-t'eng	探海燈
T'ien-wen-t'ai	天文臺

Sao-tang 掃蕩
 Shih-pao 時報
 Ying-pu 硬佈
 Min-sheng Pao 民聲報

After the Imperial forces occupied Hong Kong, unfriendly newspapers were, of course, banned, and only those papers which were very eager to cooperate with Japan were allowed to be published.

On 1 June, 1942, the Chinese-language newspapers were combined, and, besides the Hsiang-kang Jih-pao there remained the previously mentioned four dailies and one alternate day newspaper. The distinguishing feature of Chinese-language newspapers in Hong Kong is that they are operated with private capital and consequently are on a small scale. The circulation of the largest does not exceed twenty to thirty thousand copies. However, each paper displays in its make-up strongly individual coloring, and each has its own characteristics.

The Hua-ch'iao Jih-pao*1, on 1 June 1942, took over the Ta-ch'ung Jih-pao*2 and is run from a purely commercial standpoint. Naturally, of course, its editorial policy stands for concerted action between Japan and China in order to bring the Greater East Asia War to a successful conclusion and for cooperation in putting into effect the policies of the Government General of Hong Kong.

The Hsiang-kang Jih-pao*3 is run by the influential overseas Chinese, Hu Wen-hu*4. In June, 1942, it took over the Hsing-tao Jih-pao*5 and the Hua-Tzu Jih-pao*6. Although its general platform does not differ from that of the Hua-ch'iao Jih-pao, it may well be said that it is too strongly colored by the personal opinions of Hu Wen-hu.

The Nan-hua Jih-pao*7 is now functioning, after having taken over, on 1 June, 1942, the Tzu-yu Jih-pao*8, the T'ien-yen Jih-pao*9, and the Hsin Wan-pao*10. Before the outbreak of the Greater East Asia War, the Nan-hua Jih-pao was published in Hong Kong as the organ of the Publicity Board of the Kuomintang's Central Executive Committee. Upon the outbreak of the Greater East Asia War, this company was closed down by the British Government Office, as was also the Hsiang-kang Jih-pao. The head of the company, Ch'en Shao-hsiang*11 was seized and imprisoned. Because the Nan-hua Jih-pao has a strongly political coloring it does not necessarily follow that it should be well received by the overseas Chinese. And, accordingly, its circulation is far smaller than those of the other papers.

*1 華僑日報
 *3 香港日報
 *5 星島日報
 *7 南華日報
 *9 天演日報
 *11 陳小翔

*2 大眾日報
 *4 胡文虎
 *6 華字日報
 *8 自由日報
 *10 新晚報

The Tung-ya Wan-pao*1 is the only evening paper. (The Chinese-language Hsiang-kang Jih-pao, Hua-ch'iao Jih-pao, Hsiang-tao Jih-pao, and Nan-hua Jih-pao are all morning papers.) Since its editorial policy is to stress special interests, it has a considerable number of readers. This newspaper is also working at new features such as writing-up famous Japanese personages.

The Ta-ch'eng Pao*2 is an evening tabloid and is quite different from the above-mentioned dailies. It is half newspaper, half reading material along the line of special interests.

The policy with respect to these various Chinese-language papers seems to be along the following lines. In accordance with the Government General's policy of making the Chinese residents of Hong Kong true Chinese, it does not interfere particularly with the newspapers so long as they remain the sort of papers which a true Chinese can read without shame. We are trying to keep the general public from losing confidence in the newspapers, and yet to see to it that the newspapers fulfill their mission of cooperating in the conduct of the Greater East Asia War. It looks as though this policy of guidance is achieving success.

Section 2. Magazines and Printing.

Among the magazines in the hands of the Japanese there is the bimonthly Shashin Joho (Picture News)*3 prepared by the Propaganda Section of the Information Bureau. The only Japanese private magazine company is the Hon Kon Toyo Keizai Sha (Hong Kong Oriental Economics Company)*4. This is really the Hong Kong branch of the Toyo Keizai Shimpo (Oriental Economic News)*5. It publishes a monthly magazine on economics as well as other publications.

There are only two Chinese-language weekly magazines put out by the Chinese: the Ta-ch'ung Chou-pao*6 and the Ya-chou Shang-pao*7. The former is published by prominent Chinese writers living in Hong Kong and stresses literature; the latter is read by the small merchants among the overseas Chinese in Hong Kong.

At present, the magazine business in Hong Kong is not very important; however, it appears that with the revival and expansion of Hong Kong's economic life, there will be plenty of opportunity in the future for development.

Before the Greater East Asia War, as the Chungking-controlled publications became concentrated in Hong Kong, big printing establishments, such as the Hong Kong printing office of the Shan-Wu Yin-shu Kuan (the Commercial Press)*8 the printing establishment of the Chung-hua Book Company*9, and that of the Greater East Asia Book Company*10, were set up in Hong Kong, which became the printing and literary center of South China and the

*1 東亞晚報
 *3 寫真情報
 *5 東洋經濟新報
 *7 亞洲高報
 *9 中華書局

*2 大成報
 *4 香港東洋經濟社
 *6 大眾週報
 *8 商務印書館
 *10 大東亞書局



Southern Regions. After the occupation of Hong Kong, with the opening of a branch of the Cabinet Bureau of Printing and Engraving, these various printing plants were combined to form the Hong Kong Printing Office*1 and are used for all kinds of printing. Besides these, the private printing enterprises run by Japanese are the printing department of the Hong Kong Nippo Sha (the Hong Kong Daily News Company)*2, the Nichi-To Insatsu (Japanese-Oriental Printing Company)*3, the Chukyo Insatsu (Chukyo Printing Company)*4, the Toko Sha *5, and others.

*1 香港印刷工場

*2 香港日報社

*3 日東印刷

*4 中京印刷

*5 東光社





CHAPTER IV.

ART AND ENTERTAINMENT

Section 1. Motion Pictures.

Motion pictures in Hong Kong were dominated by American films before the Greater East Asia War. Eight American motion picture companies -- Warner, Metro, Paramount, Twentieth Century Fox, Universal, United Artists and Columbia -- had branches in Hong Kong and distributed American films; and Chinese films were kept down by the competition from American films. Thirteen studios in Hong Kong made pictures in the Cantonese language before the war, and some pictures were made in Pekingese as well; but as regards distribution and performance, the Cantonese films could not compete with the American ones.

There were 16 motion picture theatres in Hong Kong, and 22 in Kowloon (including Tai Po), a total of 38 (including the Specialized Drama Theatres)*1. After the occupation of Hong Kong, changes were made by the Japanese. First of all, immediately after the occupation, the Department of Information*2 made pictures, and on 1 January 1942, opened the Kowloon Hao-shih-chai Playhouse*3, which presents Japanese cultural pictures and propaganda films to the public without charge. By 5 March, 34 theatres had been reopened. In January, 1942, the Hong Kong Motion Picture Relief Society*4 was established under the auspices of the Department of Information. In June of the same year it was renamed the Hong Kong Motion Picture Association*5, and the work of distribution was put into its hands. On 5 June, motion picture censorship regulations were established by Hong Kong Government General Order No.22*6.

However, the showing of films originating in enemy countries had not yet been forbidden at that time. The showing of films of foreign origin was stopped in January, 1943. The order of the Information Department of the Japanese Army Ministry*7, issued 14 September 1942, regulating the making of motion pictures in the Southern Occupied Territories*8, specified that the Motion Picture Distributing Corporation*9 should extend its activities to Hong Kong; and by Public Notice No.87 of the Japanese Government General, issued 1 January 1943, this company's branch office was publicly recognized as the cognizant organ in Hong Kong for the control and distribution of motion pictures (The Hong Kong Motion Picture Association was dissolved). Thereupon, the Section of Motion Picture Distribution and Exhibition*10 began its real activity in Hong Kong at the same time. At the meeting in January of representatives of the motion picture industry held under the auspices of the Department of Information, it was decided to forbid the exhibition after 16 January of films originating in enemy countries.

Hong Kong was the first place in the Southern Occupied Territories where the exhibition of American films was stopped. The fact that there was a large stock of films in the Chinese language in Hong Kong made this easy, and the policy was successful. Since then, the programs of all the theatres in Hong Kong and Kowloon have been composed solely of Japanese films sent from Japan proper and the Chinese film companies' Pekingese and Cantonese

- *1 演劇專門館
- *2 報道部
- *3 好世界戲院
- *4 香港電映救濟會
- *5 香港電映協會
- *6 查督令第二十二號
- *7 日附陸軍省報道部
- *8 南方占領地
- *9 社團法人映畫配給社
- *10 映畫配給及發行部門



films. The numbers and kinds of pictures released in 1943 are as follows:

Japanese pictures	57
Modern pictures	42
Period pictures	7
Documentary and Cartoons	8
Pekingese pictures	58
Cantonese pictures	9
German pictures	3
French pictures	1
Russian pictures	<u>1</u>
Total	129

There are 12 theatres in Hong Kong at present, and 15 in Kowloon, a total of 27. First-run theatres include the Yu-lo Playhouse*1 and the Meiji Theatre*2 (both in Hong Kong). There are five second-run theatres, the Li-wu-tai*3, the Chung-yang Playhouse*4, the Hsin-shih-chiai*5, in Hong Kong, and the Ta-hua Playhouse*6, and the Ping-an Playhouse*7 in Kowloon. The Ping-an has the largest capacity, 1,781, and there are 11 theatres in Hong Kong and Kowloon with a capacity of more than a thousand. The first and second-run theatres' audiences consist of Japanese, educated Cantonese, and Pekingese; and the other theatres' audiences are composed of Cantonese of the middle and lower classes.

The number of persons seeing motion pictures in 1943 (paid admissions only) was more than 5,759,000, with the average number per month being 480,000. They were divided as indicated below. Estimating the population at 900,000, the yearly average of pictures seen per person is 6.4, which gives an indication of the avidness of the people of Hong Kong for motion pictures.

Japanese	21,973
Chinese	457,058
Foreigners	<u>840</u>
Total	479,871

A large number of producers, actors, and cameramen were scattered during the battle for Hong Kong; and the making of dramatic pictures is at present (end of 1943) just where it stopped, because of the situation with regard to materials, etc.

*1 娛樂戲院
*3 利舞台
*5 新世界
*7 平安戲院

*2 明治劇場
*4 中央戲院
*6 大華戲院

Motion picture people at present in Hong Kong include those listed below; they have entered the legitimate theater and other occupations.

Producers

Wang Fu-ch'ing	汪福慶
Feng Chih-kang	馮志剛
Wen Hen-fei	文恨飛
Pi Hu	畢虎
Mei Ling-hsiao	梅凌霄
Tang Te-p'ei	湯德培
Huo Jan	霍然

Actors

K'uang Shan-hsiao	鄺山笑
Chang Huo-yu	張活游
Ts'ao Ch'i-wen	曹綺文
Ts'ao Ta-hua	曹達華
Lu Mei	陸梅
Peiping Li-li	北平李麗
Pai Chü-yung	白駒榮
Ch'en Ch'ien-ju	陳倩如
Yeh Jen-fu	葉仁甫
Huang Shou-nien	黃壽年
Ku Mei-lun	胡美倫
Chu P'u-ch'uan	朱普泉

Chou Chih-ch'eng	周志誠
Li Cho-cho	黎灼灼
Li Chien-ch'in	利劍琴
Cheng Pao-yen	鄭寶燕
Ku Tieh-li	胡蝶麗
Cheng Meng-hsia	鄭孟霞

Cameramen

Chou Shih-lu	周詩祿
T'ang Chien-ting	湯劍廷
Huang-jieh	黃傑
Wu Hua	伍華

With respect to newsreels and cultural pictures, according to the Hong Kong office of the Japan Moving Picture Corporation*1 various pictures have been made, including "Hong Kong Shipyards", "Hong Kong Fire Department", and "Hong Kong Stock Farms".

Section 2. Plays.

Before the outbreak of the Greater East Asia War in Hong Kong, because of the crowding of Chinese into Hong Kong to escape the China Incident, the amusement business was rather successful. Cantonese plays, especially, drew the populace. Also, some of the actors traveled to Java, Malaysia, and America, to play before overseas Chinese, and had considerable success. Pekingese troupes were not organized because there was a lack of capable actors in Hong Kong. There was one long-established theatre giving plays in the Ch'ao-chou*2 dialect for some of the people from Ch'ao-chou; but because of the difference of the language from the local Cantonese, the audiences were small.

At the time, the following were members of the Hong Kong Specialized Drama Theatres*3; the Kao-sheng*4, Tai-p'ing*5, and Li-wu-tai*6 (the latter showing moving pictures also); and in Kowloon, the P'u-ch'ing*7, Pe-ho*8, and Tung-lo*9 (the latter showing moving pictures also).

Cantonese troupes*10 included the Chio-hsien-sheng Troupe*11, Tai-p'ing Troupe*12, the Chien-tien-hua Troupe*13, the Sheng-li-nien Troupe*14, and the Hsing-chung-hua Troupe*15.

*1 社團法人日本映畫社 潮州

*4 高陞

*7 普慶

*10 粵劇劇團

*13 錦添花

*5 太平

*8 北河

*11 蠻先聲

*14 勝利年

*3 香港漢康專門院

*6 利舞台

*9 東樂

*12 太平

*15 興中華

After the battle of Hong Kong, no plays were presented for a time; but in January 1942, the first move was made with the revival of the Kowloon P'u-ching Playhouse Troupe, followed by the Chio-hsien-sheng Troupe, the Chien-tien-hua Troupe, and others, under the supervision of the Department of Information. However, because there was still unrest among the people, the results were not very pleasing. For one thing, the Cantonese actors in the moving picture field plunged into the stage troupes to make a living, and new troupes sprang up -- including the

Feng-huang 鳳凰
 Sheng-p'ing 昇平
 Ming-hsing 明星
 Kung-yung 共榮
 Hsin Chung-hua 新中華
 P'ing-an 平安

and other Cantonese troupes; and also the,

Chung-hua Ta-chung Ko-wu Troupe 中華大眾歌舞劇團
 Hsin-hua-ching Troupe 新華京劇團
 Lao-cheng Hsing-ch'ao Troupe. 老正興潮劇團

Since the organization of these groups was not perfected, the results were bad and it became very difficult to maintain the troupes. For this reason, Hsien Chio -hsieh*1 of the Chio-hsien-sheng Troupe*2, Ch'ien Ching-t'ang*3 of the Chin-tien-hua Troupe*4, and Liao Hsieh-huai*5 of the Sheng-li-nien Troupe*6 left Hong Kong, and with the breakup of these three dramatic troupes, the stage was not very active.

However, with the backing of the Pa-ho Cantonese Drama Association*7 which is under the supervision of the Department of Information, and the Hong Kong Motion Picture Association*8, all of the dramatic talent in Hong Kong and Kowloon was reapportioned, and various troupes were organized: four Cantonese troupes - the Hsin Hong Kong*9, Ta-tung-ya*10, Ta-chiang-shan*11, and Kung-yung-hua*12; a Pekingese troupe, the Hsin-ch'u Lu-kong Ying-jin Troupe*13 (T.N. "Modern Drama Troupe of Moving Picture People Who Have Come to Hong Kong"); the Chu-ti Little Theatre Modern Troupe*14, composed of Shanghai motion picture people, and the South-Chinese Language Troupe*15

*1 薛覺先 *2 覺先聲劇團
 *3 陳錦棠 *4 錦添花劇團
 *5 廖俠懷 *6 勝利年劇團
 *7 粵劇人和會 *8 香港電影協會
 *9 新香港 *10 大東亞
 *11 大江山 *12 共榮華
 *13 新劇旅港影人劇團 *14 築地小劇場的新劇
 *15 南華語劇

(giving modern plays in Cantonese), and composed of local motion picture people. First in Shanghai, and then in other places, tranquility was gradually restored among the city populations, and the theatre at last showed activity.

In January, 1943, the Hong Kong Motion Picture Association was dissolved; and the Ying-jen (T.N. Moving Picture People's) and South Chinese Troupes disbanded because of the scarcity of talent. The Hsin Hong Kong and Ta-tung-ya Troupes both disbanded owing to various circumstances. Later, with the organization of the Ta-ya Chou Troupe*1, and following that, the reorganization of all the troupes and the formation of the Chung-hua*2, Kuang-hua*3, and Hsin-shih-tai*4 troupes, and other changes, the recent (end of December 1943) presentations of the troupes have been pleasing.

At the end of December 1943, there were three theatres which belonged to the Specialized Drama Theatres*5 - the Kao-sheng and Tung-fang in Hong Kong, and the P'u-ching in Kowloon. In addition, there were three, the Chung-yang and Li-wu-tai in Hong Kong and the Tung-lo in Kowloon, which also showed motion pictures. There were four troupes in the association:

Kuang-hua 光華
 I-ch'ing-t'ien 義擎天
 Hsin-chung-kuo 新中國
 Ying-hsing 銀星

The chief among the better male actors are:

Lo Pin-ch'ao 羅品超
 Pai Chü-jung 白駒榮
 Ching Tzu-pe 靚次伯
 Li Hai-ch'uan 李海泉
 Lu Fei-hung 陸飛鴻
 Ku Tien-wu 龔天吾
 Chang Huo-wu 張活游

and the chief among the better female actors are:

Mei Li-chen 余麗珍
 Ch'ü Ch'ien-ming 區倩明

*1 大亞洲劇團

*3 光華

*5 演劇專門院

*2 中華

*4 新時代

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Hu Tieh-nü 蝴蝶女

Chou Chieh-yün 鄒潔雲

Ch'in Hsiao-li 秦小梨

Cantonese actors who are living in various other places include:

In Canton:

Chen Chin-t'ang 陳錦棠

Hsin Ma Shih-hui 新馬師會 (T.N.?)

Wang Chung Wang 王中王

Wei Shao-fen 衛少芳

T'an Yü-chen 譚玉珍

T'an Hsiu-chen 譚秀珍

In Macao:

Liao Hsieh-huai 廖俠懷

Pai Yü-t'ang 白玉棠

Hui San-to 會三多

Shanghai Mo 上海妹

Pan Jih-an 半日安

In Kwang-chou-wan:

T'an Lan-ch'ing 譚蘭卿

P'ing Hsieh-hun 馮俠魂

Ch'u Hsiu-yun 楚岫雲

Section 3. Tea Houses.

By the term "tea houses"*1 (T.N. literally "song establishments") we mean here specifically Chinese establishments, other than dance halls and

*1 歌壇

UNCLASSIFIED

cabarets. The tea houses are places where one may take tea and food and listen to Cantonese or current songs, etc. The period of their greatest flourishing was in 1932 and 1933. At that time, there appeared such popular female singers as Chang Yüeh-erh*1, Hsu Liu-hsien*2, Shao Ming-hsing*3, Hui Fang*4, and others; each of whom attracted large audiences because of her unique qualities. At that time, there were few moving picture theatres, and the general populace seeking entertainment gathered in the tea houses. Later on, these places gradually declined, and in the year before the Greater East Asia War they fell off to a very large extent.

Thus, at that time, in Hong Kong the only song establishments which were open were the Lien-hsiang*5, the Tien-nan*6, the Sheng-ti Roof Garden*7, the Kuan-hai*8; and in Kowloon, the Ting-hao*9, and the Yun-lai*10, since the China Department Store Roof Garden*11, and the Yun-hsiang*12, etc., had closed. The hours of these establishments were the four hours between 7 and 11 p.m.; and the singers gave four performances during that time. The tea-money (which served also as an admission fee) was 15 cents (in Hong Kong money). The singers were all women, and before the war, except for radio broadcasts and solo concerts, there were no male singers in the tea houses.

For a year before the war, the principal cause of the decline of the tea houses was their lack of novelty, and the fact that the singers were always the same ones. We may also cite the facts that for two or three years before the war there were several kinds of motion picture theatres, that the making of Cantonese pictures was flourishing greatly; and that the money for admission fees was absorbed by the the theatres.

Four months after the occupation of Hong Kong, the first tea house, the Shun-ch'a-lou*13 was opened in Kowloon. Until that time, for a couple of months after the occupation, gambling places were springing up everywhere, and the gambling places in Kowloon had music in order to attract customers, and singers performed. The performers included singers of three or four types of songs. About five months after the occupation, the Tien-nan*14, and Yun-hsiang*15 opened in Hong Kong, and later the Hua-nan*16, Yin-liu*17, Hsin-ya*18, and Kuan-hai*19 opened. Still later, the Hua-jen*20 and

*1 張月兒

*3 小明星

*5 蓮香

*7 先施天台

*9 定好

*11 中華百貨公司天台

*13 純茶樓

*15 蓮香

*17 銀流

*19 冠海

*2 徐柳仙

*4 蕙芳

*6 添男

*8 冠海

*10 雲來

*12 雲香

*14 添男

*16 華南

*18 新亞

*20 華人

Chin-chiang*1 were established, and following that, the Li-yuan*2, T'ao-yuan*3 and Szu-hai-ch'un*4 in Hong Kong and the Ta-kuan*5, Ta-hua*6, Te-ju*7, and other tea houses in Kowloon. Recently there have been as many as ten song establishments, operating at one time and it may be said that they are in a flourishing state. The chief cause for their prosperity is the fact that in order to make a living, the unemployed musicians have organized tea houses, and that male singers, who were not seen before the war, have now caught on. Also, the populace has quieted down and is seeking diversion in the tea houses. Female singers who have achieved popularity since the war began include:

Hsiao Ming-hsing 小明星

Pen-yueh 奔月

(both have died of sickness)

Lo Pi-yün 劉碧雲

Lo Ch'ien-lan 劉倩蘭

Hsi Chien-li 洗劍勵

Li Shu-hsia 李淑霞

Hsin Tzu-ch'ing 辛賜卿

Li Yen-ping 李燕屏

Huang Shao-ying 黃少英

Lin Yen-wei 林燕薇

Pe Hsueh-hsien 白雪仙

Chiang Ying-hsueh 江映雪

Lin Hsueh-erh 林雪兒

Chang Pi-ling 張碧玲

Liang Chun-ying 梁群英

Ch'iu Fan-feng 邱丹鳳

Sheng Hsui-chen 盛秀珍

*1 襟江
*3 陶園
*5 大觀
*7 得如

*2 儂園
*4 西海春
*6 大華

Male singers include:

Yuan Yu-chin	院有進
Hui Pu-cheng	會浦生
Chung Yun-shan	鍾雲山
Hsi Kan-ch'ih	洗軒持
Li Hsiang-yung	李向榮
Me Ching-shen	麥慶申
Pi Lang-chien	畢永釗
Ch'en Shih-chang	陳世昌
Li Chin-ch'ang	李錦昌
Szu Tu-shen	司徒森
Cheng Cho-fu	鄭卓夫
Ch'en Pe-huang	陳伯璜
P'eng Shao-feng	彭少峰
Tsan Ti-fan	蔡滌凡
Sun Shih-ma	孫師馬
T'ang Chien-ting	湯劍廷
Yeh Meng-hung	葉夢魂
Huang Hsieh-hung	黃俠魂
Yang Kuei-fen	陽桂芬

Guide to Moving Picture Companies and Playhouses

Japan Moving Picture Co., Hong Kong Branch,
15 Central Meiji Way, Tel. 33872

日本映畫社

Guide to Moving Picture Companies and Playhouses (cont'd)

Moving Picture Distributing Co., Hong Kong Branch,
9 Central Meiji Way, Tel. 28272

映畫配給社

China Motion Picture Co., Hong Kong Agency,
9 Central Meiji Way, Tel. 28272

中華映畫

Yu-lo Playhouse
34 Central Meiji Way, Tel. 25332

娛樂戲院

Meiji Theatre
31 Central Meiji Way, Tel. 31453

明治劇場

Kao-sheng Playhouse
117 West Meiji Way, Tel. 27138

高陞戲院

P'u-ch'ing Playhouse
380 Katori Way, Tel. 57276

普慶戲院

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Hong Kong has a relatively warm climate and life is leisurely there. Upon casual observation, it gives the impression of being a clean and sanitary place. Nevertheless, before the war it was considered a den of contagious diseases. In the time of the British Government Office, the agencies dealing with hygiene were fairly well organized, but they existed for the sake of the Europeans and Americans, and their policy toward the Chinese was to leave them strictly to themselves. They sent out the merest feelers of a medical program by granting some annual aid to certain hospitals run by charitable organizations and to the Chinese-managed clinics. Aside from this, the British Government Office's effort to control epidemics consisted merely of attempting to segregate the Chinese community. Looking at the health situation of that period, while the residential sections and main gathering places of the Europeans and Americans were exceedingly clean, in the Chinese quarter there was house after house of the unhospitalized sick, and no effort was made to clean up the filth.

However, as soon as the Imperial forces occupied Hong Kong, the Government General paid a great deal of attention to a program of hygiene, particularly as directed toward the Chinese. And the Chinese, who form the largest section of the population, perceiving our true intention, cooperated with the authorities; and less than half a year after the occupation the health program was gradually showing results.

Section 1. Medical Administration.

A. Doctors and Hospitals.

For convenience's sake we will divide medical administration into matters pertaining to doctors, drugs, sanitation, and distribution. With regard to doctors, the first thing we did was to put into effect a system of registering all doctors and of straightening out the medical institutions. Up to this time, there had been three kinds of doctors in Hong Kong: the western doctors, the Chinese doctors, and the (Chinese) dentists*¹. The western doctors were those who had been trained at accredited schools. They included both those licensed by the British Government Office and those who were not so licensed. The Chinese doctors were the so-called Chinese-style doctors*² who, without having had any formal training, practiced according to the dictates of long years of experience. They were not licensed. The (Chinese) dentists likewise were dentists who had not had formal training and who were not licensed. Before the war, the British Government Office exercised a fair degree of control over the western doctors, but they did not interfere with the Chinese doctors and dentists. After the occupation, the Government General, promulgated the Government General of the Occupied Territory of Hong Kong's Order on Doctors and Dentists, which, while establishing the status of medical practitioners, also tended to improve their quality.

According to this order, those western doctors who had studied in Japan and completed a regular course there were given a Class A rating and licensed to practice indefinitely. The rest were rated as Class B and were licensed for one year. The order thus clarified the status of doctors. Furthermore, it recognized the Chinese doctors and dentists as medical practitioners and allowed them to give only such treatments as did not fall within the scope of regular doctors and dentists. In this fashion, it curbed the activities

*1

牙醫

*2

漢法醫

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of questionable practitioners. Proceedings are now under way for establishing the standing of midwives and nurses; but the conditions under which midwives may practice were immediately stipulated so that they could go on with their work. At the end of November, 1943, the number of doctors, etc. were as follows:

Doctors	247 (Class A - 28; Class B - 219)
Dentists	21 (Class A - 6; Class B - 15)
Chinese doctors	1,475
Chinese dentists	259
Midwives	51 (including 6 Japanese midwives)

The Government General, besides directly operating the general hospitals and clinics which care for the public, and also special hospitals which treat contagious diseases, mental diseases, and leprosy, proposes to handle medical institutions either by entrusting their management to other agencies as is the case with the hospitals for the poor, which are run by charitable organizations, and with the special hospital for Japanese nationals, the Philanthropic Society Hospital,*1 or by subsidizing them. The following are the hospitals and clinics operated directly by the Government General at present, at the end of November, 1943:

The Hong Kong Municipal Hospital's Out-Patients Clinic
(Honkon Shimin Iin Gairai Shinryo-sho)

香港市民醫院外來診療所

The Hong Kong Municipal Hospital's Number 1 and Number 2 Hospitals
(these have internal disease and external disease departments, a children's department, a skin disease department, a maternity department, eye department, and an ear, nose and throat department)

The Hong Kong Maternity Hospital
(Honkon San-in)

香港產院

The Hong Kong Mental Hospital
(Honkon Seishin Iin)

香港精神醫院

The Hong Kong Leper Hospital
(Honkon Rai-iin)

香港癩醫院

The Hong Kong Contagious Diseases Hospital
(Honkon Densen Byoin)

香港傳染病院

The Kowloon Contagious Diseases Hospital

九龍傳染病院

*1

博愛會醫院

The Taipo Clinic
大埔醫局

The Yuen Long Clinic
元朗醫局

The Chik Chue Clinic
赤柱醫局

The Wan-Tsai Clinic
灣仔醫局

The Ts'ing Shan Clinic
青山醫局

The Shau Ki Wan Clinic
筲箕灣醫局

The Tsun (Chuan) Wan Clinic
荃灣醫局

The Josui Clinic
上水醫局

(the above clinics have a general department for treatment of internal and external diseases).

B. Drugs.

Formerly there was no strict examination of medicines manufactured and sold in Hong Kong, and for that reason there were many which were harmful and dangerous. Moreover, skilled drug handlers, pharmacists, for instance, were very scarce. Also, their level of knowledge was much lower than that of Japanese pharmacists. Since it was, accordingly, necessary to bring the situation under control, although it was thought that there was no one so good as a regular pharmacist*1 at handling drugs and new remedies according to the methods of Japanese drug stores, we took those who qualified as druggists*2 in Japanese-held territory and after taking into account their personal history and experience, permitted them to practice the druggist business. We also regulated the trade by having these various pharmacists and druggists organize the Hong Kong Pharmaceutical Association*3, and having it take over the handling of the various phases of the business: importing, wholesaling, and retailing. But since there were, beside these, a considerable number of Chinese druggists, that is, those who handled the Chinese-style medicines, we brought them under control by organizing them into a Chinese Druggist Association. This organization took charge of the three fields: transportation, importing and exporting; retailing; and general distribution. It was divided into the following:

The Nan-pei Hang
南北行

The Ts'an-jung Hang
參茸行

The Sheng-yao Hang
生藥行

The Shu-yao Hang
熟藥

The Kao-yuan-wan-san Hang
膏丸散行

*1 藥製師

*2 藥種商

*3 香港藥業組合

In addition to all this, we established the Hong Kong Chemical Testing Office (Honkon Kagaku Shiken Sho)*1 which appraises and tests drugs and seals and packages, etc. No such measures as these had ever been put into effect until we instituted them after the occupation. At the end of November, 1943, there were in Hong Kong 156 modern remedy druggists (including 15 Japanese) and 1,418 Chinese-remedy druggists.

C. Sanitation.

Since the need for maintaining cleanliness, supervising burial and cremation and cemeteries and cremating grounds, and disposing of garbage was very obvious, even in the time of the British Government Office there was fairly adequate machinery for handling these matters. However, the work was performed by contract, and here, too, the policy of running things for the benefit of the Europeans and Americans was followed, so that sanitation and hygiene in the city as a whole was not at all thorough. After the occupation, we used the existing set-up insofar as possible, but we did away with the indirect system of letting contracts, and instead we managed the work directly, undertaking thorough supervision and control. These various activities were transferred on 1 November 1943 from the Hygiene Bureau of the Department of Civil Government to the offices of the various districts.

With regard to the collection of night-soil, which is carried out daily throughout Hong Kong and Kowloon, there were formerly three organizations in Hong Kong and two in Kowloon - a total of five - which handled it; but after the occupation we combined these and formed the Hong Kong Kowloon Sewage Waste Company. During the period of the British Government Office, the night-soil thus collected was thrown into the ocean; but the effect on sanitary conditions among the boat people (the Tanka) and on fishing within the harbor was deplorable; so we have now built a sterilizing pool (which we intend to enlarge in the future), and the sterilized contents are being distributed among the farmers by the Fertilizer Association*2. This may be considered a great step forward in the prevention of epidemics.

After the war, there was a tendency for malaria to increase because the bomb craters had not all been filled in and because of carelessness on the part of the people and shortage of medicines. However, under the guidance and supervision of the Malaria Prevention Office*3, and as a result of the activities of the district offices, it has been greatly reduced so that, at present, there is scarcely a trace left. Nevertheless, we are guarding against a future outbreak of the disease by continuing our surveys of the mosquito-breeding situation and the administering of medicine for malaria.

D. Distribution.

In order to insure an adequate supply of milk for the sick and wounded and for infants, a system for rationing milk to the general public has been put into effect. Milk may be obtained only by those who have a physician's prescription and the approval of the head of the Department of Hygiene*4.

We have also assumed control of the distribution of medical supplies so that they will not leak into the hands of the enemy. Medical supplies have been divided into three classes. Class 1 supplies, excluding those for military use, are obtained by permit; Class 2 supplies require a doctor's certificate; Class 3 supplies may be bought and sold freely.

*1 香港化學試驗所 *2 肥料組合
*3 マラリア防遏事務所 *4 衛生課

Section 2. The Prevention of Epidemics.

During the period of the British Government Office, the chief object of the epidemic prevention program was to prevent the spread of epidemics to the Europeans and Americans; thus, the arrangements along this line certainly left much to be desired. It was, therefore, quite natural that before the war many cases of contagious diseases should have broken out. But after the occupation, as a result of the special attention directed toward the prevention of epidemics, the number of cases has greatly diminished, as is shown below. For instance, cholera cases have decreased from 1,690 in 1937 to 164 in 1943. This is a decrease to about one-tenth of the earlier figure. And recently there have been no cases of smallpox at all. (Since the figures for 1941 were not complete, they have been left out of the table below.)

	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1942</u>	<u>1943</u>
Cholera	1,690	543	708	945	380	164
Smallpox	129	2,327	198	335	0	0
Diphtheria	308	319	232	189	34	43
Typhoid	464	539	394	410	777	246
Dysentery	831	1,071	853	1,343	230	169
Epidemic cerebro-spinal meningitis	157	483	488	268	13	2
Scarlet fever	8	4	4	22	0	1

The above figures show plainly that ever since the occupation, the occurrence of contagious disease has been decreasing. They show the effects of the effort to prevent epidemics through the enforcement of sanitary measures, disinfection, examination of faeces, and the policy of inoculating all the inhabitants. And they seem particularly good if the disillusionment of the people and the wandering about of the refugees are taken into account.

Particularly great attention has been paid to activities aimed at preventing epidemics. We have gathered together the Chinese enrolled in the Medical School of Hong Kong University (including nurses) and have formed an Epidemic-Prevention Organization and have sent more than three hundred people divided into four sections handling respectively quarantine, prevention, investigation, and disinfection to key points in Hong Kong and Kowloon where they have worked in the streets. At one time, with the assistance of charitable organizations, more than thirty Japanese doctors and nurses were stationed throughout the city. They examined all the inhabitants, gave them inoculations, tried to disseminate ideas of hygiene among the people. At present, inoculations are given three times a year, and examinations of faeces are conducted when necessary.

Next, after the Epidemic-Prevention Organization, we began to improve the Harbor Quarantine Station*1. We are taking steps to prevent contagious diseases being brought in by ships and are now carrying out strict inspection of the private ships which come and go. When it is thought necessary, various measures are taken, such as the following: examination of faeces is made, quarantine for the necessary period of time is ordered, the bringing in of rags from a certain region is prohibited. The number of persons passing through quarantine from January 1943 to November 1943 was 217,039.

Through the analysis by the Hong Kong Bacteriological Laboratory *2 of specimens sent it by various agencies and by private doctors, contagious

*1 海港檢疫所

*2 香港細菌研究所

diseases are diagnosed, and the patients are sent immediately to the Contagious Diseases Hospital. If they die, their corpses are cremated. In addition to this sort of work, the Bacteriological Laboratory also prepares serums.

The corpses of those who have not been hospitalized are sent to a morgue. Hong Kong and Kowloon each have a morgue. These receive the bodies and perform autopsies to determine the cause of death. After this has been ascertained, the bodies are cremated.

In the past, there was, aside from that used by the Japanese, only one crematorium open to the public in Hong Kong. But we have built new cremating establishments in Hong Kong, Kowloon, and the New Territories and are teaching the Chinese that the bodies of those who have died of contagious diseases should be disposed of by cremation.

Directory of Medical Establishments and Hygiene Agencies

Location

Office of the Hong Kong Hygiene Department
(Honkon Eisei-ka Jimusho)

香港衛生課事務所

The Hong Kong Clinic
(Honkon Shinryo-sho)

香港診療所

The Port Quarantine Office
(Kaiko Ken-eki-sho)

海港檢疫所

Specimen Examination Office
(Kemben-bu)

檢便部

The Kowloon Clinic
(Kyuryu Shinryo-sho)

九龍診療所

The Hong Kong Municipal Hospital
(Honkon Shimin Byoin)

香港市民病院

The Hong Kong Clinic of the
Philanthropic Society
(Hakuai Kai Honkon Shinryo-sho)

博愛會香港診療所

East Showa Way

The Kowloon Branch Hospital of the
Philanthropic Society
(Hakuai Kai Kowloon Bun-in)

博愛會九龍分院

327 Kajima Way

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PART V.

APPENDIX

APPENDIX A.

THE HONG KONG SHRINE, THE CHUREI TOWER, AND THE WAR MEMORIALS

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THE HONG KONG SHRINE, THE CHUREI TOWER, AND THE WAR MEMORIALS1. The Hong Kong Shrine.

The Hong Kong Shrine is the place where the vast and boundless Divine Virtue is praised in the form of the particular deity of the Greater East Asia Co-prosperity Sphere and of the guardian deity of Hong Kong. It is situated on the slope of Hong Kong's Victoria Peak*1 where the picturesque Chinese ceremony of Ch'ing Ming*2 takes place. (T.N. A solar period during which the Chinese worship at the graves, about April 5th). The shrine is dedicated in perpetuity to Amaterasu Omikami*3. Rapid progress is now being made in its construction.

2. The Hong Kong Churei Tower.

To the west of Mount Cameron*4 and roughly in the center of the main part of Hong Kong Island is the Ni Kenoku Hill*5. It can be seen from all parts of Hong Kong and Kowloon, from ships entering and leaving Hong Kong Harbor, and even from ships at sea far away to the south. It stands about 335 meters above sea level, and it is to be called in future the Hill of the Churei Tower (Faithful Spirit Tower)*6. On it, at a cost of 1,040,000 yen, over and above the contributions of interested persons in the Armed Forces everywhere, we are building the Churei Tower in the area of the South China Campaign, which includes both the China Incident and the Greater East Asia War. Our purpose is to enshrine the remains of all military personnel and civilians attached to the Army who laid down their lives in this campaign, and to pay eternal respect to them for their distinguished deeds, and at the same time to make clear the significance of this Imperial War. Building is now in progress.

3. War Memorials Commemorating the Capture of Hong Kong.

- a. Memorial of the complete destruction of enemy aircraft by our air forces.

East side of the hangars on Kai Tak*7 Airfield in Kowloon.

- b. Memorial of the surprise attack and capture of enemy pill-boxes and positions by our X troops. (T.N. Names of military units are omitted in this section.)

South side of the embankment at the eastern end of Sheng Mun*8 Reservoir in Kowloon.

- c. Memorial of the landing in the face of the enemy by our X troops.

Vicinity of the northern corner of the northeast section of Tung Loh Bay*9 on Hong Kong Island.

- d. Memorial of the desperate engagement of our X troops.

Vicinity of crossroads No.5 in the Aoba Hazama*10, formerly known as Wong Nei Chung*11, on Hong Kong Island.

*1 香片峰

*3 天照大神

*5 二軒屋高地

*7 啟德灣

*9 銅鑼灣

*11 黃泥涌

*2 清明

*4 金馬倫山

*6 忠靈塔

*8 城門

*10 青葉峽

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- e. Memorial of the blowing-up of the Wakabayashi Unit*1.
Vicinity of the covering sector*2 above Aoba Hazama on Hong Kong Island.
- f. Memorial of the brave fighting of our X troops.
Vicinity of Futatsu Ishi Kochi*3, at the foot of Mount Nicholson and to the southeast, on Hong Kong Island.
- g. Memorial of the action of the officer Masujima*4 and his patrol X.
Vicinity of the pill-boxes to the east of the T'ai Ku*5 Shipyard on Hong Kong Island.
- h. Memorial of beach party's fierce engagement.
Vicinity of searchlight positions on south coast of Lei U Mun*6 on Hong Kong Island.
- i. Memorial of the fierce battle of our X troops.
Vicinity of crossroads No.4 on the southern edge of Tai Tam Tuk*7 Reservoir, on the south coast of Hong Kong Island.
- j. Memorial of the night attack of our X troops.
Vicinity of crossroads No.3, where entry to the Stanley (Chik Chue*8) Peninsula is barred, on the south coast of Hong Kong Island.
- k. Memorial of the fierce battle of our X troops.
Vicinity of the entrance of the Midori-ga-hama Hotel*9 on the south coast of Hong Kong Island.

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*1 若林隊

*3 二丁百高地

*5 太古

*7 大潭篤

*9 綠个濱

*2 掩蔽部

*4 增島將校

*6 鯉魚門

*8 赤柱

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APPENDIX B.

STATISTICS

- Part I. Population Survey.
- Part II. Registered Foreign Personnel.
- Part III. Price Index.

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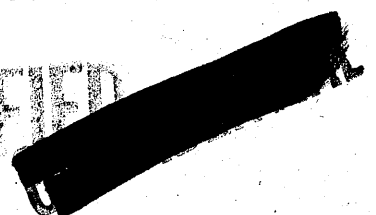
Note: The following Tables (Statistics, Part I) are taken from the October 1943 Survey of the Civil Affairs Department. The figures do not include Cheung Chau Island (長洲島) (estimated population (18,716), Ping Chau Island (平洲島) (1,356), Tai O (大澳) (9,780), or Mui Wo (梅窩) (531).

STATISTICS, PART I. HONG KONG POPULATION SURVEY (I)

District	Families	J A P A N E S E Population		Total
		Male	Female	
HONG KONG I. 香港島				
Naka-ku 中區	403	603	294	897
Nishi-ku 西區	37	51	16	67
Suijo-ku 水上區	33	50	20	70
Kuramae-ku 藏前區	5	6	3	9
Shan Wang-ku 山王區	25	29	16	45
Higashi-ku 東區	458	649	566	1,215
Kasuga-ku 春日區	140	250	125	375
Aoba-ku 青葉區	314	423	250	673
Tunglo Wan-ku 銅鑼灣區	146	361	95	456
Sau Ki-ku 筲箕區	35	164	26	190
Yuen Kong-ku 元港區	37	38	3	41
Chik Chue-ku 赤桂區	2	2	0	2
Total	1,635	2,626	1,414	4,040



District	Families	Population		Total
		Male	Female	
KOWLOON 九龍				
Kashima-ku 鹿島區	158	252	113	365
Moto-ku 元區	22	42	12	54
Ts'ing Shan Ku 青山區	33	68	14	82
Tai Kok-ku 大角區	14	19	12	31
Katori-ku 香取區	100	135	88	223
Minato-ku 湊區	486	818	514	1,332
Shan Ha (Yamanoshita)-ku 山下區	15	139	22	161
Tsun (Chuan) Wan-ku 荃灣區	5	7	7	14
Kai Tak-ku 啟德區	1	4	0	4
Saigon-ku 西貢區	0	0	0	0
<hr/>				
Total	834	1,484	782	2,266
<hr/>				
NEW TERRITORIES 新界				
Taipo 大埔	10	10	0	10
Yuen Long-ku 元朗區	1	1	0	1
Josui-ku 上水區	5	10	2	12
Shatou Kok-ku 沙頭角區	13	13	0	13
San Tien (Nitta)-ku 新田區	3	3	0	3
Sha Tien (Sunada)-ku 沙田區	1	1	1	2
<hr/>				
Total	33	38	3	41
<hr/>				
TOTAL	2,502	4,148	2,199	6,347



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STATISTICS, PART I. HONG KONG POPULATION SURVEY (II)

District	Families	C H I N E S E		Total
		Population		
		Male	Female	
HONG KONG I.				
Naka-ku	26,139	47,187	41,955	89,142
Nishi-ku	12,666	23,131	19,212	42,343
Suijo-ku	11,733	19,434	19,460	38,894
Kuramae-ku	6,499	9,201	10,718	19,919
Shan Wang-ku	3,047	5,283	5,440	10,723
Higashi-ku	18,997	30,338	32,243	62,581
Kasuga-ku	7,917	12,825	14,795	27,620
Aoba-ku	2,011	3,457	5,176	8,633
Tunglo Wan-ku	4,531	8,532	10,297	18,829
Sau Ki.-ku	10,073	21,174	20,255	41,429
Yuen Kong-ku	4,310	8,863	8,895	17,758
Chik Chue-ku	839	1,998	2,036	4,034
Total	108,762	191,423	190,482	381,905
KOWLOON				
Kashima-ku	1,501	2,403	3,076	5,479
Moto-ku	9,838	17,155	19,106	36,261
Ts'ing Shan Ku	26,218	45,174	46,405	91,579
Tai Kok-ku	18,447	30,854	31,132	61,986
Katori-ku	27,781	51,373	51,285	102,658
Minato-ku	3,213	5,202	5,469	10,671
Shan Ha (Yamanoshita)-ku	7,581	12,586	11,749	24,335
Tsun (Chuan) Wan-ku	3,244	5,796	5,577	11,373
Kai Tak-ku	2,791	6,594	6,904	13,498
Saigon-ku	2,120	5,164	5,657	10,821
Total	102,734	182,301	186,360	368,661

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District	Families	Population		Total
		Male	Female	
NEW TERRITORIES				
Taipo	3,905	9,512	9,931	19,443
Yuen Long-ku	8,615	17,020	18,397	35,417
Josui-ku	3,052	6,327	7,003	13,330
Shatou Kok-ku	2,487	5,912	6,330	12,242
San Tien(Nitta)-ku	1,447	2,604	3,092	5,696
Sha Tien(Sunada)-ku	1,210	2,605	2,920	5,525
Total	20,716	43,980	47,673	91,653
TOTAL	232,212	417,704	424,515	842,219

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STATISTICS, PART I. HONG KONG POPULATION SURVEY (III)

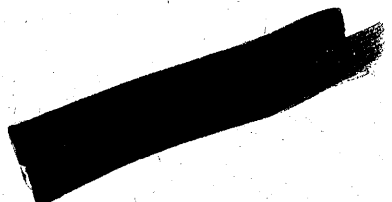
MISCELLANEOUS FOREIGNERS

District	Families	Population		Total
		Male	Female	
HONG KONG I.				
Naka-ku	588	728	474	1,202
Nishi-ku	19	21	7	28
Suijo-ku	108	133	109	242
Kuramae-ku	85	112	60	172
Shan Wang-ku	30	37	25	62
Higashi-ku	451	488	163	651
Kasuga-ku	128	207	178	385
Aoba-ku	78	249	396	645
Tunglo Wan-ku	147	177	178	355
Sau Ki-ku	151	159	36	195
Yuen Kong-ku	29	46	5	51
Chik Chue-ku	143	159	45	204
Total	1,957	2,516	1,676	4,192
KOWLOON				
Kashima-ku	185	237	219	456
Moto-ku	94	127	26	153
Ts'ing Shan Ku	176	223	128	351
Tai Kok-ku	83	104	108	212
Katori-ku	288	354	229	583
Minato-ku	402	592	411	1,003
Shan Ha (Yamanoshita)-ku	137	173	23	196
Tsun (Chuan) Wan-ku	33	34	0	34
Kai Tak-ku	24	7	19	26
Saigon-ku	0	0	0	0
Total	1,422	1,851	1,163	3,014

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District	Families	Population		Total
		Male	Female	
NEW TERRITORIES				
Taipo	18	15	9	24
Yuen Long-ku	34	38	1	39
Josui-ku	3	3	4	7
Shatou Kok-ku	21	22	0	22
San Tien(Nitta)-ku	2	0	4	4
Sha Tien(Sunada)-ku	5	16	4	20
Total	83	94	22	116
TOTAL	3,462	4,461	2,861	7,322



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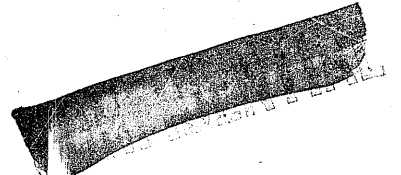
STATISTICS, PART I. HONG KONG POPULATION SURVEY (IV)

District	Families	T O T A L		Total
		Male	Female	
HONG KONG I.				
Naka-ku	27,130	48,518	24,723	91,241
Nishi-ku	12,722	23,203	19,235	42,438
Suijo-ku	11,874	19,617	19,589	39,206
Kuramae-ku	6,589	9,319	10,781	20,100
Shan Wang-ku	3,102	5,349	5,481	10,830
Higashi-ku	19,906	31,475	32,972	64,447
Kasuga-ku	8,185	13,282	15,098	28,380
Aoba-ku	2,403	4,129	5,322	9,951
Tunglo Wan-ku	4,824	9,070	10,570	19,640
Sau Ki -ku	10,259	21,497	20,317	41,814
Yuen Kong-ku	4,376	8,947	8,903	17,850
Chik Chue - ku	984	2,159	2,081	4,240
Total	112,354	196,565	193,572	390,137
KOWLOON				
Kashima-ku	1,844	2,892	3,408	6,300
Moto-ku	9,954	17,324	19,144	36,468
Ts'ing Shan Ku	26,427	45,465	46,547	92,012
Tai Kok-ku	18,544	30,977	31,252	62,229
Katori-ku	28,169	51,862	51,602	103,464
Minato-ku	4,101	6,612	6,394	13,006
Shan Ha (Yamanoshita)-ku	7,733	12,898	11,794	24,692
Tsun (Chuan)Wan-ku	3,282	5,837	5,584	11,421
Kai Tak-ku	2,816	6,605	6,923	13,528
Saigon-ku	2,120	5,164	5,657	10,821
Total	104,990	185,636	188,305	373,941

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District	Families	Population		Total
		Male	Female	
NEW TERRITORIES				
Taipo	3,933	9,537	9,940	19,477
Yuen Long-ku	8,650	17,059	18,398	35,457
Josui-ku	3,060	6,340	7,009	13,349
Shatou Kok-ku	2,521	5,947	6,330	12,277
San Tien(Nitta)-ku	1,452	2,607	3,096	5,703
Sha Tien(Sunada)-ku	1,216	2,622	2,925	5,547
Total	20,832	44,112	47,698	91,810
TOTAL	238,176	426,313	429,575	855,888



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STATISTICS, PART II. SURVEY OF REGISTERED FOREIGN
PERSONNEL RESIDENT IN HONG KONG

(Survey of Foreign Affairs Department of Government
General, 30 November 1943.)

NATIONALITY	HONG KONG		KOWLOON		Total
	Male	Female	Male	Female	
African	2	-	-	1	3
Albanian	1	-	-	-	1
Annamese	9	17	3	2	31
Armenian	2	1	1	-	4
Burman	-	-	6	1	7
Czechoslovakian	12	9	2	3	26
Danish	5	6	1	3	15
Esthonian	2	2	1	-	5
Eurasian	170	250	91	116	627
Austrian	1	2	1	1	5
Europeans of Chinese Nationality	-	7	-	9	16
Filipino	17	12	27	35	91
Finnish	-	1	-	-	1
French	24	36	8	10	78
German	4	5	3	3	15
Hungarian	3	4	3	2	12
Indian	1,755	648	945	314	3,662
Irish	29	27	6	6	68
Italian	32	63	6	20	121
Latvian	1	2	1	2	6
Lithuanian	1	-	-	-	1
Malayan	30	33	22	27	112
Palestinian	-	-	1	2	3
Polish	4	2	4	1	11
Portuguese	190	321	225	282	1,018
White Russian	40	42	48	46	176
Soviet Russian	8	-	1	2	11

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NATIONALITY	HONG KONG		KOWLOON		Total
	Male	Female	Male	Female	
Spanish	23	5	13	19	60
No Nationality	4	7	7	9	27
Swedish	1	3	4	7	15
Swiss	30	18	1	5	54
Thaiese	6	7	8	9	30
Turkish	5	1	-	-	6
Ukranian	-	-	1	1	2
Miscellaneous	74	242	170	239	725
TOTAL	2,485	1,773	1,610	1,177	7,045

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STATISTICS, PART III. MONTHLY PRICE INDEX FOR
DAILY NECESSARIES IN 1943

(In terms of Yen)

T.N. 1 Kin = approximately 1.32 pounds

TYPE	COMMODITY	Unit	High & Low	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	
	Polished rice (Best)	kin	High	1.20	1.40	1.20	1.20	2.20	2.40	2.70	3.60	3.40	3.00	2.90	3.00	
			Low	0.85	1.05	0.90	0.90	1.20	2.00	2.00	2.50	2.60	2.30	2.30	2.75	
	Polished rice (Medium)	kin	High	1.10	1.00	1.00	1.00	2.00	2.10	2.50	3.30	3.20	2.60	2.50	2.80	
			Low	0.75	0.90	0.825	0.825	1.00	1.80	1.80	2.20	2.30	2.20	2.00	2.50	
	Wheat flour	kin	High	1.50	1.60	1.60	1.70	2.80	5.00	5.50	6.50	6.50	6.40	5.80	5.80	
			Low	1.35	1.50	-	1.60	1.60	2.80	4.30	4.50	6.20	5.80	5.50	5.20	
	White beans	kin	High	0.55	1.00	1.00	1.10	1.80	2.20	2.60	3.00	3.50	3.50	3.20	2.50	
			Low	0.55	0.55	1.00	0.90	1.00	1.80	2.30	2.60	3.00	2.60	2.50	2.20	
	CONDIMENTS	Peanut oil	kin	High	2.00	2.00	3.75	3.75	5.20	7.20	7.00	7.70	12.80	12.00	11.60	15.60
				Low	1.875	-	2.00	2.75	3.50	5.20	5.60	7.00	7.70	11.20	10.40	10.80
Table salt		kin	High	0.65	0.50	0.40	0.35	0.35	0.35	0.35	0.50	0.40	0.50	0.50	0.50	
			Low	0.50	0.325	0.35	0.35	0.35	0.35	0.35	0.30	0.40	0.40	0.50	0.50	
Sugar (White)		kin	High	0.80	0.80	0.85	1.60	3.50	3.50	3.60	4.00	4.50	4.80	4.50	4.50	
			Low	0.80	0.80	0.80	0.85	1.80	3.20	3.20	3.50	4.00	4.50	4.50	4.50	

195
UNCLASSIFIED

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UNCLASSIFIED

- 961 -

TYPE	COMMODITY	Unit	High	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
			& Low												
FRESH FOODS	Vegetables (Greens)	kin	High	-	-	-	-	-	-	0.55	0.80	0.90	1.20	0.60	0.60
			Low	-	-	-	-	-	-	0.25	0.40	0.50	0.50	0.25	0.30
	Vegetables (White gourd Melon)	kin	High	-	-	-	-	-	-	0.60	0.75	0.80	0.60	0.55	0.45
			Low	-	-	-	-	-	-	0.20	0.25	0.30	0.50	0.25	0.25
	Vegetables (Saishin)	kin	High	0.175	0.250	0.200	0.40	0.40	0.30	-	-	-	-	-	-
			Low	0.138	0.150	0.750	0.20	0.175	0.275	-	-	-	-	-	-
	Vegetables (Rape)	kin	High	0.150	0.200	-	-	0.30	0.30	-	-	-	-	-	-
			Low	0.138	0.125	-	-	0.175	0.25	-	-	-	-	-	-
	Fresh fish (Pomfret)	kin	High	1.30	2.40	1.80	1.60	2.00	3.80	3.55	4.00	5.50	6.20	5.80	5.30
			Low	1.05	1.20	1.30	1.10	1.10	1.80	2.80	3.50	3.60	3.50	3.80	4.50
	Fresh fish (Cuttlefish)	kin	High	0.90	1.40	1.40	1.10	1.40	3.00	3.00	3.00	3.80	3.70	3.80	4.20
			Low	0.65	0.80	0.70	0.70	0.70	1.40	2.20	2.50	2.40	2.40	2.50	3.00
	Pork	kin	High	3.00	4.00	3.80	4.50	5.80	8.50	10.00	15.00	20.00	19.00	17.50	17.50
			Low	3.00	3.00	3.00	3.20	4.20	5.50	7.50	11.00	15.00	16.00	15.00	17.00
	Beef	kin	High	2.35	4.00	3.50	4.25	5.10	6.50	6.80	9.50	10.00	9.60	9.60	9.60
Low			2.00	2.35	2.875	3.00	3.20	4.20	6.40	8.00	9.00	9.00	9.00	9.00	
Mutton	kin	High	2.50	4.00	3.50	4.00	5.10	4.80	3.80	-	-	-	-	-	
		Low	2.00	2.50	3.00	3.00	3.20	3.10	3.50	-	-	-	-	-	
Hens Eggs	1	High	0.225	0.375	0.275	0.275	0.350	0.50	0.55	0.90	1.20	1.10	1.10	0.90	
		Low	0.175	0.225	0.200	0.225	0.250	0.35	0.42	0.55	0.90	1.00	1.00	0.85	

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TYPE	COMMODITY	Unit	High & Low		Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
			High	Low												
FUEL	Firewood	kin	High	Low	0.075	0.075	0.075	0.075	0.075	0.075	0.20	0.26	0.35	0.30	0.30	0.35
			0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.20	0.26	0.30	0.30	0.35		
	Charcoal	kin	High	Low	0.40	0.40	0.40	0.40	0.40	0.40	0.90	0.90	1.00	1.60	1.80	1.80
			0.40	0.40	0.40	0.40	0.40	0.50	0.90	0.90	1.00	1.50	1.60	1.80		
	Coal (High grade)	100 kin	High	Low	10.00	10.00	10.00	10.00	11.00	14.00	32.00	32.00	35.00	37.00	39.00	39.00
			10.00	10.00	10.00	10.00	10.00	11.00	25.50	32.00	32.00	35.00	37.00	37.00		
	Coal (Medium grade)	100 kin	High	Low	-	-	-	-	-	-	22.00	22.00	24.00	-	-	-
			-	-	-	-	-	-	14.00	22.00	22.00	-	-	-		
	Petroleum	kin	High	Low	2.50	2.50	2.50	2.50	2.50	3.50	4.50	4.80	9.00	9.60	10.80	11.00
			2.00	2.00	2.50	2.50	2.50	3.20	4.00	4.50	4.50	9.60	9.60	10.40		
Matches (Large)	box	High	Low	0.75	0.75	0.75	0.75	0.75	0.85	0.85	1.00	2.30	2.50	2.70	2.70	
		0.75	0.75	0.75	0.75	0.50	0.80	0.85	0.85	1.00	2.30	2.50	2.50			
Matches (Small)	box	High	Low	0.50	0.40	0.375	0.40	0.50	0.50	0.50	0.65	1.60	2.00	2.00	2.00	
		0.40	0.40	0.370	0.375	0.40	0.50	0.50	0.50	0.65	1.80	2.00	1.80			
PAPER	Figured paper	roll	High	Low	30.00	30.00	52.00	90.00	190.00	190.00	160.00	130.00	160.00	130.00	120.00	120.00
			30.00	30.00	30.00	50.00	90.00	140.00	115.00	80.00	80.00	120.00	120.00	120.00		
	Printing paper (Best)	稔*	High	Low	62.00	62.00	100.00	170.00	320.00	320.00	260.00	230.00	210.00	200.00	200.00	200.00
			62.00	62.00	62.00	98.00	170.00	260.00	210.00	170.00	150.00	200.00	200.00	200.00		
	Printing paper (Medium)	稔*	High	Low	-	-	-	-	-	-	50.00	45.00	110.00	70.00	65.00	65.00
			-	-	-	-	-	-	40.00	30.00	30.00	70.00	65.00	65.00		
*T.N. The translation of this unit of measure (Jen) cannot be ascertained by any of the available source materials.																

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TYPE	COMMODITY	Unit	High	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
			& Low												
LUXURY GOODS, ETC.	Tea (Black tea)	kin	High	0.75	0.85	0.85	0.85	2.00	2.25	2.50	2.50	2.77	2.70	2.70	2.70
			Low	0.75	0.75	0.85	0.85	0.85	2.00	2.20	2.20	2.55	2.70	2.70	2.70
	Tea (Lu-an)	kin	High	0.65	0.75	0.75	0.75	1.20	1.60	1.60	2.60	2.77	2.70	2.70	2.70
			Low	0.65	0.65	0.75	0.75	0.75	1.20	1.40	1.60	2.60	2.70	2.70	2.70
Bread	pound	High	0.80	1.00	1.00	1.20	1.60	2.20	2.20	2.30	2.40	2.40	2.40	3.00	
		Low	0.75	0.75	1.00	1.00	1.20	1.80	2.20	2.20	2.40	2.40	2.40	2.40	
Canned meat	can	High	2.50	3.50	3.50	2.75	3.00	3.50	4.50	8.50	8.70	8.70	8.50	8.70	
		Low	2.50	2.50	2.50	2.50	2.75	3.00	3.50	4.50	8.50	8.50	8.50	8.70	
CLOTHING	Cotton cloth (Best)	yard	High	2.00	2.00	2.00	2.50	3.20	4.00	4.80	4.00	4.50	4.50	4.50	5.80
			Low	1.50	1.20	2.00	2.00	2.50	2.80	4.00	4.00	4.00	4.00	4.50	4.50
	Cotton cloth (Medium)	yard	High	1.20	1.50	1.50	2.00	2.70	3.00	3.00	3.00	3.30	3.50	3.50	3.80
			Low	1.20	1.50	1.50	1.50	2.00	2.20	3.00	3.00	3.00	3.00	3.50	3.50
	Calico (Best)	yard	High	2.00	2.50	2.50	3.00	3.30	4.80	4.80	4.80	5.00	5.50	5.50	5.80
			Low	2.00	2.00	2.50	2.50	3.00	3.20	4.80	4.80	4.80	4.80	5.50	5.50
	Calico (Medium)	yard	High	1.50	2.00	1.50	2.50	2.80	4.00	4.00	4.00	4.20	4.50	4.50	4.80
			Low	1.50	1.50	1.50	2.00	2.50	2.80	4.00	4.00	4.00	4.00	4.50	4.50

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APPENDIX C.

JAPANESE FIRMS AND ENTERPRISES

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JAPANESE FIRMS AND ENTERPRISES

Banks

Yokohama Shokin-Ginko
橫濱正金銀行
Yokohama Shokin-Ginko

Yokohama Specie Bank, Ltd., Hong Kong Branch

Kowloon Branch
九龍分店
Bank of Taiwan, Ltd.

Taiwan Ginko
臺灣銀行

* * * * *

Insurance Companies

Yasuda Seimei
安田生命

Yasuda Life Insurance Co.

Chiyoda Seimei
千代田生命保險相互會社

Chiyoda Mutual Life Insurance Co.

Kyodo Kasai Kaijo
共同火災海上

Kyodo Fire and Marine Insurance Co.

Meiji Kasai Kaijo
明治火災海上

Meiji Fire and Marine Insurance Co.

Nippon Kasai Kaijo
日本火災海上

Nippon Fire and Marine Insurance Co.

Nippon Kaijo Kasai
日本海上火災

Nippon Marine and Fire Insurance Co.

Tokyo Kasai Kaijo
東京火災海上 (保險株式會社)

Tokyo Fire and Marine Insurance Co., Ltd.

Trade and Commerce

(Members of the Hong Kong Foreign Trade Association --
omitting those mentioned in other sections)

Iwai Sangyo
岩井産業

Iwai Industrial Co., Ltd.

Ito Shoko
伊藤商行

Ito Commercial Company

Iwata Sangyo
岩田産業

Iwata Industrial Co., Ltd.

Ichida Shokai
市田商會

Ichida and Company

Hattori Yoko
服部洋行

Hattori Trading Co., Ltd.

Nichi-men Jitsugyo
日綿實業

Japan Cotton Industrial Co., Ltd.

Nissho Kabushiki Kaisha
日商株式會社

The Nissho Co., Ltd.

Minami Nihon Kaiyo Gyogyo
Tosei Kabushiki Kaisha

South Japan Sea-Fishing Control Company

南日本海洋漁業統制株式會社

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Trade and Commerce cont'd

Nippon Onkyo Kaisha 日本音響會社	Japan Onkyo Company
Nishimura-Shokai 西村商會	Nishimura and Company
Nissen Kogyo 日扇興業	Nissen Industrial Company
Honda Yoko 本田洋行	Honda and Company
Eisei Shoko 盈成商行	Eisei Commercial Company
Toyo Menka 東洋棉花	Oriental Cotton Co., Ltd.
Toki Yoko 東記洋行	Toki and Company
Toyo Kogyo Shokai 東洋工業商會	Oriental Industrial Company
Nakamura Shoten 中村商店	Nakamura and Company
Chuei Yoko 忠榮洋行	Chuei Company
Chuwa Shogyo Koshi 中和高業公司	Chuwa Commercial Company
Chuka Shukko Kyosan 中華出光興產	China Industrial Co., Ltd.
Choei Yoko 兆榮洋行	Choei Company
Chuko Yoko 中香洋行	Chuko Company
Rindai Yoko 林大洋行	Rindai and Company
Ochi Yoko 越智洋行	Ochi and Company
Orita Yoko 折田洋行	Orita and Company
Oeisei Yoko 王永星洋行	Oeisei Company
Okura Sangyo 大倉產業	Okura Industrial Co., Ltd.
Watanabe Sangyo Koshi 渡邊產業公司	• Watanabe Industrial Company
Toka Yoko 東華洋行	East China Company
Kato Shokai 加藤	Kato Co., Ltd.

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Trade and Commerce cont'd

Kato Bussan

加藤物産

Kato Products Co., Ltd.

Kasho Yoko

華昌洋行

Kasho Company

Kawamura Yoko

河村洋行

Kawamura and Company

Kaiyo Kogyo

開洋興業

Kaiyo Industrial Company

Kato Yoko

加藤洋行

Kato and Company

Kanan Unsho Koshi

華南運銷公司

South China Transportation & Sales Company

Takashimaya Handa Kabushiki

Kaisha

高島屋飯田株式會社

Takashimaya Handa Co., Ltd.

Takekoshi Shoten

竹腰商店

Takekoshi and Company

Taifuku Yoko

泰福洋行

Taifuku Company

Taisei Yoko

大成洋行

Taisei Company

Daido Yoshiten

大同洋紙店

Daido Paper Co., Ltd.

Dai-Maru Kogyo Koshi

大丸興業公司

Great Circle Industrial Company

Taiwan Nichi Chiku

臺灣日蓄

Taiwan Nichi Chiku Co., Ltd.

Tanaka Yoko

田中洋行

Tanaka and Company

Tairiku Boeki Koshi

大陸貿易公司

Continental Trading Company

Taiwan Seika

臺灣青果

Taiwan Fruit and Vegetable Company

Takeda Seiyaku Kogyo

武田製藥工業

Takeda Drug Company

Takemura Mengyo

竹村棉業

Takemura Cotton Company

Dai-ichi Seiyaku

第一製藥

Dai-ichi Drug Co., Ltd.

Tsurutani Shokai

鶴谷商會

Tsurutani and Company

Nanka Shogyo Koshi

南華商業公司

South China Trading Company

Nanko Koshi

南興公司

Nanko Company

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Trade and Commerce cont'd

Nozaki Sangyo 農崎産業	Nozaki Industrial Co., Ltd.
Yamanouchi Seiyaku 山ノ内製藥	Yamanouchi Drug Company
Yamaguchi Yoko 山口洋行	Yamaguchi and Company
Maruyama Shoten 丸山商店	Maruyama and Company
Maruei Kabushiki Kaisha 丸永株式會社	Maruei Co., Ltd.
Maeda Yoko 前田洋行	Maeda and Company
Kyodo-gumi Kabushiki Kaisha 株式會社協同組	Kyodo-gumi Co., Ltd.
Kissho Yoko 吉昌洋行	Kissho and Company
Kyogenjun (Hsieh Yuan Shun) 協元順	
Kyoei Yoko 協榮洋行	Kyoei and Company
Fukudai Koshi 福大公司	Fukudai Co., Ltd.
Gohara Yoko 郷原洋行	Gohara and Company
Kosho Kabushiki Kaisha 江高株式會社	River Trading Company
Kosei Koshi 公誠公司	Kosei Company
Ataka Sangyo 安宅産業	Ataka Industrial Co., Ltd.
Asano Bussan 淺野物産(株式會社)	Asano Products Co., Ltd.
Abeko Shoten 安部幸商店	Abeko and Company
Sanyo Koshi 三羊公司	Sanyo Company
Sanko Kabushiki Kaisha 三興株式會社	Sanko Co., Ltd.
Sakura Shoko 櫻商行	Sakura Company
Miho Yoko 美豐洋行	Miho Company
Mitsubishi Shoji 三菱商事(株式會社)	Mitsubishi Trading Co., Ltd.

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Trade and Commerce cont'd

Mitsui Bussan 三井物産	Mitsui Products Co., Ltd.
Shanghai Shigyo Koshi 上海紙業公司	Shanghai Paper Company
Shinwa Yoko 信和洋行	Shinwa Company
Furiyama Koshi 振山公司	Furiyama Company
Shionogi Seiyaku 鹽野義製	Shionogi Drug Company
Tokitatsu Yoko 時達洋行	Tokitatsu Company
Shinko Kabushiki Kaisha 新興株式會社	Shinko Co., Ltd.
Shinto Boeki 新東貿易	New Enterprise Trading Co., Ltd.
Shiraki Boeki 白木貿易	Shiraki Trading Co., Ltd.
Showa Boeki Koshi 昭和貿易公司	Showa Trading Company
Hinomatsu Yoko 廣松洋行	Hinomatsu and Company
Hyakko Yoko 百興洋行	Hyakko Company
Hiraoka Koshi 平岡公司	Hiraoka Company
Morita Yoko 森田洋行	Morita and Company
Morishita Jintan 森下仁丹(森博營業所)	Morishita "Jintan" Co., Ltd.
Sekiyu Rengo 西油聯合	United Petroleum Co., Ltd.

* * * * *

Maritime Transportation

Nippon Yusen (Kabushiki Kaisha) 日本郵船(株式會社)	Japan Mail Steamship Company
Osaka Shosen (Kabushiki Kaisha) 大阪商船(株式會社)	Osaka Mercantile S.S. Co., Ltd.
Toa Kaiun 東亞海運	East Asia Shipping Company
Yamashita Kissen (Kabushiki Kaisha) 山下汽船(株式會社)	Yamashita Steamship Company

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Maritime Transportation cont'd

Showa Kaiun Koshi 昭和海運公司	Showa Shipping Co., Ltd.
Dairen Kisen Kaisha 大連汽船會社	Dairen Steamship Company
Kwang-tung Naika Unei 廣東內河運營	Canton River Transportation Company
Kokusai Unyu (Kabushiki Kaisha) 國際運輸(株式會社)	International Transport Company
Nitto Kogyo Kisen 日東鑛業汽船	Nitto Mining Industry Steamship Company

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Port Cargo Handlers

Taiwan Unyu 臺灣運輸	Taiwan Transport Company
Kwang-tung Nieki Soko 廣東荷役倉庫	Canton Cargo Handling and Warehouse Company
Chusei Koshi 中盛公司	Chusei Company

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Maritime Freight Transportation

Egawa Yoko 額川洋行	Egawa and Company
Taiyo Hansen 大洋帆船	Taiyo Sailing Ship Company
Maeda Yoko 前田洋行	Maeda and Company
Ken Seng Hang 建威行	Ken Seng Firm
Yuko Koun Koshi 裕興航運公司	Yuko Shipping Company
Suga Shoko 菅商行	Suga and Company
Hayashi Hongen Kogyo Koshi Hong Kong Branch 林本源興業公司	Hayashi Hongen Industrial Company Hong Kong Branch
Nan-a Shoko (Hansen Unyubu) 南亞商行	South Asia Company (Sailing Ship Transportation Department)
Kohatsu Koshi 宏發公司	Kohatsu Company (Junk trade)
Honkon Akabosha 香港赤帽社	Hong Kong Porter Company (Passengers' hand-baggage delivery)

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Shipbuilding, Docks, Iron Manufacture

Honkon Zosenjo 香港造船所	Hong Kong Shipyard
Kowloon Zosenjo 九龍造船所	Kowloon Shipyard
Tonan Zosenjo 圖南造船所	Tonan Shipyard
Nanryo Zosenjo 南了造船所	Nanryo Shipyard
Dodai Kikisho 同大機器廠	Dodai Machine Works
Keiki Sensho 敬記船所	Keiki Shipyard
Kuang-chang-hsing Zosenjo 廣長興造船所	Kuang-chang-hsing Shipyard
Dai-nichi Zosenjo 大日造船所	Dai-nichi Shipyard
Fukui Sensho 福井船廠	Fukui Shipyard
Taiko Kosho 大興鋼廠	Taiko Steel Plant
Rokkako Seitetsu Koshi 大河溝製鐵公司	Rokkako Iron Foundry Company

Chemical Industry

Honkon Semento Kojo 香港セメント工場	Hong Kong Cement Factory,
Honkon Kagaku Kogyosho 香港化學工業廠	Hong Kong Chemical Manufacturing Plant
Honkon Dai-ichi Peinto Kojo 香港第一ペイント工場	Hong Kong Paint Factory, No. 1
Honkon Dai-ni Peinto Kojo 香港第二ペイント工場	Hong Kong Paint Factory No. 2
Honkon Sanso Kojo 香港酸素工場	Hong Kong Oxygen Plant

Other Business Firms

Honkon Seitoshu 香港精糖廠	Hong Kong Sugar Refinery
Honkon Seika Kojo 香港製菓工場	Hong Kong Confectionary Plant
Honkon Tabakosho 香港煙草廠	Hong Kong Tobacco Factory
Honkon Biiru Shusei Kogyosho 香港麥酒酒精興業廠	Hong Kong Beer and Alcoholic Spirits Plant

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Other Business Firms cont'd

Honkon Shokuryosui Kojo 香港食料水工場	Hong Kong Food and Beverage Company
Honkon Manira Ropu Kojo 香港マニラロープ工場	Hong Kong Manila Rope Factory
Honkon Seitei Kojo 香港製釘工場	Hong Kong Nail Factory
Honkon Matchisho 香港燐寸廠	Hong Kong Match Factory
Honkon Gomu Shokufu Kojo Dai-ichi Kojo Dai-ni Kojo 香港護謨織布工場	Hong Kong Elastic Fabric Factory Factory No. 1 Factory No. 2
Jidosha Shuri Kojo 自動車修理工場	Automobile Repair Shop
Honkon Kozan Jimusho 香港鑛山事務所	The Hong Kong Mine Office
Nihon Seitetsu Kabushiki Kaisha 日本製鐵株式會社	The Japan Iron and Steel Mfg. Co., Ltd.
Taiwan Takushoku 臺灣拓殖	The Taiwan Colonization (Company)
Minami Nihon Kaiyo Gyogyo Tosei Kabushiki Kaisha 南日本海洋魚業統製株式會社	Southern Japanese Sea-fishing Industry Control Company
Honkon Shiten 香港支店	Hong Kong Branch
Honkon Bokujo 香港牧場	Hong Kong Hatcheries
Honkon Reito Kojo 香港冷凍工場	Hong kong Cold Storage Plant
Amakusa Suisan Kogyo 天草水產興業	Amakusa Marine Products Company
Man-Tetsu Honkon Shisho 滿鐵香港支所	South Manchuria Railway, Hong Kong Branch Office

Newspapers, Magazines, Bookshops

Honkon Nippo Sha 香港日報社	Hong Kong Daily News Company
Domci Tsushinsha 同明通信社	Domci News Agency
Asahi Shimibun 朝日新聞	Asahi Newspaper
Mainichi Shimibun 毎日新聞	Mainichi Newspaper

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Newspapers, Magazines, Bookshops cont'd

Yomiuri Shimbun 讀賣新聞	Yomiuri Newspaper
Nishi Nihon Shimbun 西日本新聞	West Japan Newspaper
Toyo Keizai Shimpo 東洋經濟新聞	Oriental Economic News
Honkon Toyo Keizai-sha 香港東洋經濟社	Hong Kong Oriental Economics Company
Toa Kenkyujo 東亞研究所	East Asia Research Institute
Horinouchi Shoten 堀内書店	Horinouchi Bookstore
Koa Shoten 興亞書店	Koa Bookstore

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Information Bureaus, Hotels, Restaurants, Department Stores

Toa Kotsu Kosha 東亞交通公社	East Asia Transportation Agency
Matsubara Hoteru 松原ホテル	Matsubara Hotel
Honkon Hoteru 香港ホテル	Hong Kong Hotel
Toa Hoteru 東亞ホテル	East Asia Hotel
Kaiin Hoteru 海員ホテル	Mariners' Hotel
Yokoyama Hoteru 横山ホテル	Yokoyama Hotel
Katori Ryokan 香取旅館	Katori Hotel
Toa Hoteru 東亞ホテル	Toa Hotel
Matsuzaka Ya 松坂屋	Matsuzaka Inn
Tama Ya 玉屋	Tama Inn

* * * * *

Associations, Markets

Honkon Boeki Kumiai 香港貿易組合	Hong Kong Foreign Trade Association
Honkon Shintan Jukyu Tosei Kumiai 香港薪炭需給統制組合	Hong Kong Fuel Demand and Supply Control Association
Shintan Oroshi-akinai Kumiai 薪炭卸商組合	Fuel Wholesalers' Association

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Associations, Markets cont'd

Honkon Suisanbutsu Oroshi-uri Hong Kong Marine Products Wholesale
Shijo Kumiai Market Association

香港水產物卸賣市場組合

Honkon Tabako Moto-uri Hong Kong Tobacco Wholesale Dealers'
Sabaki-jin Kumiai Association

香港煙元賣捐人組合

Honkon Hansen Unyu Kumiai Hong Kong Sailing Vessel Transportation
Association

香港帆船運輸組合

Honkon Hiryo Haikyu Kumiai Hong Kong Fertilizer Distribution Association

香港肥料配給組合

Honkon Yakugyo Kumiai Hong Kong Drug Industry Association

香港藥業組合

Kaibo Senyu Kumiai Coastal Defense Transportation Association

海防專輸組合

Hon-Kyu Kosetsu Shijo Hong Kong - Kowloon City Market Association
Kumiai Rengo

香九公設市場組合聯合

Honkon Daibai Shijo Kumiai Hong Kong Wholesale Market Association

香港大賣市場組合

Honkon Daibai Shijo Kumiai Kowloon Branch

香港大賣市場組合

Others

Honkon-Daiwa Kai Hong Kong - Japan Society

香港大和會

Nihon Kurabu Japanese Club

日本俱樂部

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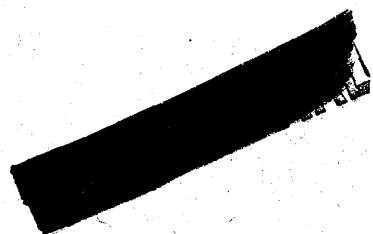
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APPENDIX D.

CHRONOLOGY OF EVENTS IN HONG KONG MILITARY GOVERNMENT

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CHRONOLOGY OF EVENTS IN HONG KONG MILITARY GOVERNMENT

(December 1941 - February 1944)

1941

- 25 Dec. Hong Kong completely occupied.
- 26 Dec. Military Government established.
- 29 Dec. By military proclamation, the use of Hong Kong money in denominations of ten dollars and under provisionally recognized along with military scrip.
- 30 Dec. Gas supply restored in Hong Kong.
- 31 Dec. Military Scrip Exchange Office opened in Kowloon to change Hong Kong money into military scrip up to a maximum of ten yen per person. Rate of exchange set at one yen in military scrip for two dollars in Hong Kong money.

1942

January

- 1 Jan. Kowloon water and electricity service restored.
- 4 Jan. Internment of enemy nationals ordered by Commander of Military Police. Hong Kong radio station restored and broadcasts resumed. Twenty public retail markets reopened for business in Hong Kong and Kowloon.
- 5 Jan. Military Scrip Exchange Office opened in Hong Kong.
- 6 Jan. Cottage industry begun.
- 10 Jan. Kowloon gas supply restored. Bus service in Kowloon partially restored.
- 11 Jan. Some motion picture theaters reopened.
- 12 Jan. By military proclamation, permission was given for the use of Hong Kong money in denominations of 25, 50, 100, and 500 dollars in the same way as the small notes of ten dollars or less, but the exchange of notes of more than ten dollars into military scrip was still not allowed.
- 15 Jan. Hong Kong electricity supply resumed. Communications by water between Hong Kong and Kowloon and between Hong Kong and Canton restored.
- 16 Jan. Work resumed in Kowloon docks.
- 17 Jan. Hong Kong and Kowloon telephone exchanges reopened. Hong Kong confectioners resumed work.
- 18 Jan. Twenty-eight officially recognized exchange shops reopened for business.

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- 19 Jan. Announcement by Imperial Headquarters that a Government General of Hong Kong Occupied Territory had been established, and that Lieutenant General ISOGAI Rensuke had been made Governor General by Imperial appointment.
- For the next three days only, repayments of bank deposits up to fifty dollars per person allowed.
- 20 Jan. Hong Kong water supply restored. Hong Kong tobacco factories resumed production.
- 22 Jan. Postal services resumed.
- 23 Jan. Second repayment of bank deposits up to fifty dollars authorized.
- 24 Jan. Branch offices of the Specie Bank and the Bank of Formosa opened for business.
- 25 Jan. Hong Kong ship-building yards resumed work.
- 26 Jan. Hong Kong bus services resumed.
- 27 Jan. City street-cars in partial operation.
- 28 Jan. Sea communications between Hong Kong and Kwangchow Wan^{*1} resumed.

February

- 1 Feb. Hong Kong telegraph office opened for all business.
- 3 Feb. Official announcement made that the use of Japanese bank-notes, Formosan bank-notes, Korean bank-notes, Chinese notes, savings certificates^{*2} and military scrip of series D and E is forbidden, while military scrip of series B and C and Hong Kong money (at a rate of two dollars to one yen) are currency.
- 8 Feb. Eleven additional officially recognized exchange shops opened.
- 11 Feb. Regular broadcasts resumed by Hong Kong broadcasting station.
- 12 Feb. Service resumed on the railroad between Shatin^{*3} and Shen-ch'uan^{*4}
- 17 Feb. Permission given for repayment of deposits in British, American, Dutch, French, and Belgian banks.
- 20 Feb. Governor General ISOGAI arrived at his post, the Government General of Hong Kong Occupied Territory opened its office, and the military

*1 廣州灣

*3 沙田

*2 儲備券

*4 深圳

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government office was closed. The Military Law Order, Military Punishment Order, Regulations for Judgment in Criminal Cases, Regulations for Criminal Procedure in Urgent Cases, Civil Government Order, Regulations for Judgment in Civil Cases, Prison Regulations, and Law for the Detention of Criminals Both Before and After Judgment, under the Jurisdiction of the Courts Martial of the Government General of Hong Kong Occupied Territory were proclaimed and put into effect. (Nos. 1 to 8 of Hong Kong Government Orders).

21 Feb. The Governor General issued his official notice.

24 Feb. Chinese banks reopened.

March

2 Mar. Sea route from Hong Kong to Swatow reopened.

4 Mar. All department stores in the city reopened.

5 Mar. The branches of the Specie Bank and the Bank of Formosa began to deal in remittances and money orders.

6 Mar. Twenty-one additional officially recognized exchange shops opened.

10 Mar. Courts martial, military disciplinary courts, and civil courts of the Government General of Hong Kong Occupied Territory established.

15 Mar. Coupon rationing system for hulled rice instituted, with a ration of 0.4 kin (T.N. about $8\frac{1}{2}$ oz.) daily per person, at a price of 20 sen per kin.

17 Mar. Street-car fares revised: First Class (upstairs) 15 sen, Third Class (downstairs) 10 sen.

18 Mar. Repayment of bank deposits up to 150 dollars per person authorized. (Third)

20 Mar. Official Gazette of the Government General published.

Rationing system for wheat flour instituted.

21 Mar. In the middle of February, the Military Scrip Exchange was closed, and the exchange of military scrip and Hong Kong dollars was interrupted, but by an order of the Finance Department of the Government General a Military Scrip Exchange for the purpose of buying military scrip only was established in the offices of the Specie Bank and the Bank of Formosa, the rate of exchange remaining at one yen in military scrip for two dollars in Hong Kong money.

The Shang Huan Nan Pien*¹ Market (fish and vegetables) was reopened.

*上環南便

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- 22 Mar. During the next three days, withdrawal of part of deposits in Hong Kong and Shanghai banks and their Kowloon branches authorized (restricted to neutrals and and non-enemy Chinese).
- 24 Mar. Reopening ceremony of the Kowloon Railway (Kowloon to Lo-hu).*1
- 27 Mar. City street-cars all running.
- 28 Mar. Order for the Control of Exits and Entries, Residence, Import and Export of Goods Enterprise, Management, Business, etc. within the Area of Jurisdiction of the Government General published and put into effect (Hong Kong Government Order No.9).
- Also, Regulations for a Chinese Representative Committee (Hong Kong Government Order No.10), and for a Hong Kong Council of Chinese of every Locality (Hong Kong Government Order No.11), which set up the organization for Chinese co-operation with the Military Government, were published and put into force.
- April
- 1 Apr. Regular postal services to Russia and the other neutral European countries begun. Telegraph office opened in Kowloon Post Office. In step with the revised postage rates in Japan, postage rates on mail from the Hong Kong area were revised (Hong Kong Government Order No.12)
- 7 Apr. The following banks were liquidated as enemy banks: The Hong Kong and Shanghai Banking Corporation, the Chartered Bank of India, Australia and China, the Mercantile Bank of India, Ltd., the Banque Belge pour l'Etranger, the National City Bank of New York, the Chase Bank, the American Express, the Underwriters Savings Bank, the Nederlandsche Indisch-Handelsbank, and the Nederlandsche Handels-Maatschappij.
- 10 Apr. The offices of the Government General were moved from the Orient Hotel in Kowloon to their present location.
- 16 Apr. Up to this time, there were three branch government offices in Hong Kong, Kowloon and Taipu under the jurisdiction of the Department of Civil Government, and these were the subsidiary administrative organizations. The Regulations concerning Regional Offices were now issued (Hong Kong Government Orders No.13 and No.14), and regional offices were set up in each of the three regions, Hong Kong, Kowloon and the New Territories.

*1 羅湖

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Regulations for Private Japanese Language Training Schools were issued and put into force (Hong Kong Government Order No.15).

Starting this day, the non-curfew period for townspeople was extended to 0500 - 2300 (Official Notice No.11).

- 17 Apr. Regulations for Private Schools issued (Hong Kong Government Order No.16).
- 18 Apr. Regulations for Private Kindergartens issued (Hong Kong Government Order No.17).
- 20 Apr. Names of some streets were changed to Japanese names today.
Mail service to Macao begun.
- 21 Apr. Liaison office for Greater Japanese and Chinese aviation established.
- 28 Apr. Telephone Regulations issued (Hong Kong Government Order No.19), in force retroactively from 20 February.
- 30 Apr. Public order within the area having returned to normal, all vigilance organizations were disbanded by order of the Office of the Governor General.

May

- 1 May Regular water communications between Hong Kong and the New Territories restored. Permission given for reopening twenty private schools, and teaching begun.
Hong Kong Government Order No.18, concerning restriction of the shipment of mail, put into effect.
- 2 May Dealings in ordinary money orders and telegraphic money orders begun between Hong Kong and all cities in peaceful areas of the Chinese mainland, remittances being limited to 500 yen in military scrip per person.
- 6 May Free trading in sacks, jute, hessian cloth, and Anping (安平) prohibited within the area (Official Notice No.20).
- 11 May A testing office for the Government General of Hong Kong Occupied Territory established, and regulations for the testing office published (Hong Kong Government Order No.20).
- 15 May The handling of mail for Japanese residents of the Philippines, Java, Sumatra, Malaya and Borneo was begun.
Tobacco Marketing Association established*1.

*1 煙草販賣組合

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20 May The following additional banks were designated as enemy banks and liquidated: Thos. Cook and Son*¹, E.D. Sassoon Banking Co., and Credit Foncier d'Extreme-Orient.

22 May Official price-fixing of the tobacco market went into effect.

30 May Penal Regulations for Hong Kong Police Offenses published and put into force (Hong Kong Government Order No.21).

Sugar rationing system introduced.

June

1 June Mail for Japanese residents of Burma now handled. Direct exchange of mail between Hong Kong and Macao established (previously, it was routed via Canton). Chinese newspapers reorganized and combined.

3 June Six dispensaries and two medical offices established as official dispensaries and medical offices of the Government General.

5 June Regulations issued for Censorship of Motion Pictures and Theatrical Performances (Hong Kong Government Order No.22).

12 June Orders for Doctors and Dentists issued, together with regulations for their enforcement (Hong Kong Government Orders No.23 and No.24), to go into force on 1 August.

15 June The four following banks under Chungking management were liquidated: the Central Bank, the Chinese Farmers' Bank, the Bank of Canton, and the Chinese National Wealth Bank.

18 June Price of the hulled rice ration raised from 20 sen (military scrip) to 30 sen per kin.

25 June Peak Tramway service resumed.

July

1 July Telegraph service for Java area begun.

Emergency Measures for Registration of Sailing Vessels issued, effective 6 July (Hong Kong Government Order No.25).

3 July Conference for economic co-operation between Hong Kong and Canton in session 3 and 4 July. Trade agreement between Hong Kong and Canton concluded at this conference. (First agreement covers period of three months from August to October, 1942).

*1 通濟隆

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- 4 July Hong Kong and Kowloon Sailing Vessel Transport Association formed*1.
- 8 July Sea route between Hong Kong and Kwangchow Bay reopened.
- 15 July Telegraph service to Malaya and Sumatra opened.
- 16 July Rationing system for edible oils and fats introduced.
- 20 July System of districts*2 introduced. 12 districts in Hong Kong Island, 9 districts in Kowloon, and 7 districts in the New Territories (Hong Kong Government Orders No.26 and No.27).
- 22 July Formation or meeting of illegal clubs of all kinds, dance halls or mahjong gaming houses prohibited.
- Wholesale Fuel Dealers' Association*3 went into operation, with a fixed wholesale price for firewood of 3 sen, 2 rin per kin, and a retail price of 4 sen.
- Regulations issued for Classification of Ordinary Mail and Postage Rates (Hong Kong Government Order No.28); also Regulations for Third Class Mail (Hong Kong Government Order No.29), both effective 25 July.
- 24 July Regulations for Currency and its Exchange within the Hong Kong Area of Jurisdiction (Hong Kong Government Order No.32) and Official Notice No.14 issued and brought into effect. Their essential points are as follows:
- (1) Military scrip and the Hong Kong dollar are the currency of the Hong Kong area.
 - (2) All public taxes must be paid in military scrip.
 - (3) Permission is necessary for the import or export of more than 200 yen in military scrip, for the import of more than 1,000 dollars in savings certificates, or for any imports of Hong Kong dollars or French money.
 - (4) Military Scrip Exchanges are established in the Specie Bank and in the Bank of Formosa, and these will freely sell military scrip in exchange for sums of Hong Kong money not exceeding 100 dollars, or for greater sums in the case of proven consumption requirements, or for amounts in savings certificates not exceeding 1,000 dollars, and will also sell Hong Kong dollars in exchange for military scrip.
 - (5) The rate of exchange is one yen of military scrip to four Hong Kong dollars, and eighteen yen of military scrip to one hundred dollars of savings certificates.

*1 香九帆船運輸組合*2 區
*3 薪炭卸商組合

217
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(6) Dealings prohibited:

Buying and selling of French money in exchange for military scrip or savings certificates. Buying and selling of Hong Kong dollars, savings certificates or French money in exchange for yen other than military scrip. Buying and selling of savings certificates in exchange for Hong Kong dollars.

- 25 July In order to adjust house property of unknown ownership and to put ownership of house property on an official basis, an Order for the Registration of House Ownership (Hong Kong Government Order No.30) and an Order for the Collection of House Taxes (Hong Kong Government Order No.31) were issued, both effective from 1 August.
- The method of reporting ownership of goods in warehouses and a list of warehouses within the area of jurisdiction were also published.
- 28 July The three following Chinese banks were made temporary Military Scrip Exchanges (100 Hong Kong dollars exchange limit): Chiao-t'ung Yin-hang (Bank of Communications), Tung-ya Yin-hang (Oriental Bank), and Hua-chiao Yin-hang (Chinese Overseas Bank).
- 29 July First contingent of townspeople returned free of charge to their native homes, with the assistance of the Government General.
- 31 July (T.N. 30 July?) The following additional Chinese banks were made temporary Military Scrip Exchanges: K'ang-nien Ch'u-hsiu Yin-hang (Year of Peace and Plenty Savings Bank), Yung-an Yin-hang (Lasting Peace Bank), Chung-nan Yin-hang (Central Southern Bank), and Yen-yeh Yin-hang (Salt Trade Bank). At the same time, the exchange limit was raised to 200 Hong Kong dollars.
- 31 July The Hong Kong and Kowloon Sewage Waste Company (香港廢務公司) was formed to deal with the disposal of sewage in Hong Kong and Kowloon.

August

- 1 Aug. Telegraphic service to Manila started.
- Handling of second-class postal matter begun (Hong Kong Government Order No.33).
- Regular sailings between Hong Kong and Tai O Island extended as far as Tai O.
- 7 Aug. Nine private primary schools licensed to reopen.
- 10 Aug. Governor General ISOGAI leaving Hong Kong on 7 August, visited in Canton the Commanding General of the South China Army, the Naval

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Headquarters, and the Government Headquarters of Canton Province, and returned to Hong Kong. From this day, rations of rice, fats, fuel and sugar must be paid for in military scrip.

- 14 Aug. Name of Stonecutters Island changed to Mukojima.
- 17 Aug. Regulations issued to the Chinese overseas concerning resumption of remittances from the occupied countries of the South, from Thailand, and from French Indo-China.
- 20 Aug. Regulations issued for the Control of Sailing Vessels Carrying on Trade outside the Hong Kong Area (Hong Kong Government Order No.34).
- 21 Aug. Mr. Chen Yao-tsu*1, Head of Canton Province, arrived in Hong Kong on a return visit to Governor General ISOGAI.
- 25 Aug. Part of the Emergency Measures for Registration of Sailing Vessels revised (Hong Kong Government Order No.36).
- 31 Aug. Regulations for Loans on the Income from Controlled Real Estate issued by the Office of the Governor General (Hong Kong Government Order No.37).

September

- 1 Sept. Hong Kong public schools opened under the Government General. Beginning of the school year in Chinese schools. Twenty-five schools already in existence, and ten newly established. Regulations for Use of the Water Supply (Hong Kong Government Order No.37) and Slaughter-house Regulations (Hong Kong Government Order No.38) put into force.
- 4 Sept. First population census of the Hong Kong area of jurisdiction conducted (until 18 September).
- 9 Sept. Tai Pu Hu*2 railroad repairs completed, and opening ceremony held.

Shek Tong Tsui*3 and Sham Shui Po*4 proclaimed recreation areas. Entertainment organizations of all kinds ordered to move into these areas by 31 October, and entertainment activities outside these areas forbidden.
- 10 Sept. Ceremony of purifying the site of the extension of Kai Tak Airfield held.

Postal service begun between all the islands within the Hong Kong area of jurisdiction.
- 13 Sept. Land Tax Regulations issued (Hong Kong Government Order No.41).
- 17 Sept. Regulations issued for the Control of the Fishing Industry. All persons wishing to engage in fishing within the Hong Kong area require a

*1 陳耀祖

*3 石塘咀

*2 大埔壩

*4 深水埗

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license from the Government General (Hong Kong Government Order No.42).

18 Sept.

Trade Control Regulations issued (Hong Kong Government Order No.43). Trade with Japan, Manchuria, North and Central China, Indo-China, Thailand, and the occupied countries of the South restricted to members of the Hong Kong Trade Association*1. Regulations for Houses and Inhabitants issued (Hong Kong Government Order No.40).

22 Sept.

Second session, in Canton, of the Conference for economic co-operation between Hong Kong and Canton, and record trade agreement between Hong Kong and Canton concluded (for period from 1 October to the end of December).

October

1 Oct.

Telegraph service begun between Hong Kong and Hainan Island and between Hong Kong and Swatow. Hong Kong Motor Transport Company*2 established, merging all bus companies, taxi and truck operators.

3 Oct.

Hong Kong Pharmaceutical Association*3 formed.

8 Oct.

Hong Kong Trade Association*4 formally established. Hong Kong Marine Products Wholesale Marketing Association*5 formed.

10 Oct.

Telegraph service to Macao begun.

15 Oct.

Regulations for Control of Land Communications (Hong Kong Government Order No.44) issued, in order to prevent breakdowns in communications.

19 Oct.

The crews of enemy aircraft who attack our Imperial Territory, Manchuria, or our campaign areas, and who fall into our hands, will be punished by court-martial (issued as Hong Kong Government Order No.45).

24 Oct.

Telegraph service between Hong Kong and Central China begun.

25 Oct.

Enemy aircraft attacked, and two were shot down.

30 Oct.

Listening to short-wave broadcasts and the possession of short-wave receiving sets forbidden (Hong Kong Government Order No.46, effective 1 November).

November

1 Nov.

Barter Trade Agreements established with the Philippines.

Telegrams from Manchuria, Mongolia, and North China accepted.

Restriction limiting mails to southern occupied territories to Japanese abolished.

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*1 香港貿易組合

*3 香港藥業組合

*2 香港自動車運送會社

*4 香港水產卸賣市場組合

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- 2 Nov. Orders relating to lighting controls during air-raid warning issued.
- 10 Nov. Regulations Concerning the Use of Leased Property (Hong Kong Government Order No.47) put into force. Affairs involved in the use of land possessed by the Government General Office, are to be dealt with by the Leased Property Department.
- Telegraph service between Hong Kong and Rangoon begun.
- 12 Nov. Regulations to prevent the stealing of materials used for important installations issued.
- 20 Nov. A jetty designated exclusively for the use of ferry boats and transports.
- December
- 1 Dec. Post office money orders and registered letters from Japan proper handled.
- The hours of the Hong Kong Broadcasting Department and the Tokyo Experimental Broadcasts extended.
- Hong Kong Government Order No.50 on Revenue Stamp Duties put into effect. A general summary of the special precautions to be taken by vessels in harbor during an air attack published.
- A Government Vaccination Center set up and vaccinating begun.
- 7 Dec. Additional Government General Medical Office No.7 authorized.
- 8 Dec. The sacred rites at the Hong Kong Churei Tower performed.
- Regulations for Executing the Budgets of Enterprises Administered by or Entrusted to the Government General were issued under Hong Kong Government Order No.52.
- 11 Dec. The Entertainment, Food, and Drink Tax Regulations to go in effect on 15 December under the Hong Kong Government Order No.51.
- 12-15 Dec. The Hong Kong - Canton Economic Combined Council in session here concluded the Third Trade Agreement. (For the 3 month period running from January to March 1943 there are to be exports from Canton to the amount of 800,000 yen per month, and from Hong Kong 400,000 yen per month.)
- The expenditures and revenue of the Government General from 1 January 1943 will be based entirely on the military monetary standard.
- The official price of firewood raised from 4 sen per kin to 5 sen per kin.

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15 Dec.

A committee for the Hong Kong Shrine was established, the president being the Governor General, and the chairman is the Chief of the General Staff.

The 9 Hong Kong ferry boats prohibited from carrying cargo other than hand baggage.

16 Dec.

Launching of OO ship under construction at OO. (T.N. Figures and places omitted, presumably for strategic reasons.)

24 Dec.

The Entertainment Tax Regulations under Hong Kong Government Order No.53 will be put into effect on 1 January 1943.

28 Dec.

Telegraph service between Hong Kong and Amoy went into operation.

29 Dec.

The Amendment to Article 2 of the Revenue Stamp Duties put into effect. (Hong Kong Government Order No.55)

1943

January

1 Jan.

Telegraph communications between Hong Kong and North Borneo officially opened.

The distribution of motion pictures under local control to be carried out by the Motion Picture Supply Company.

5 Jan.

The curfew for the people in the streets is extended until 2400.

Launching of the first Motor Sailing Ship OO Maru at Hong Kong. (T.N. Name omitted, presumably for strategic reasons.)

10 Jan.

Rules and Regulations of the Government General Prison Amended. (Hong Kong Government Order No.1)

15 Jan.

Direct telegraph service between Hong Kong and Osaka begun.

16 Jan.

The showing of American and English films prohibited.

21 Jan.

The official price of tobacco is raised: Ng-wa (Wu-hua) from 10 sen to 15 sen, Yuk-ip (Yu-yen) from 15 sen to 20 sen, Ruby Queen from 20 sen to 35 sen, Pirate from 25 sen to 40 sen.

23 Jan.

Opium Control Regulations put into operation in order to reduce opium smoking by rationing it to 1 kin per day. People possessing opium must sell it to the Official Opium Receiver before 28 Feb. Official Price for opium shortly to be set at 43 yen 50 sen per tael.*1 Hong Kong Government Order No.2, Official Notice No.3, Article 4.

*1 T.N. 1 tael = 1.33 ounces.

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25 Jan. Regulations concerning the distribution of table salt put into operation.

Private possession of fire arms, ammunition and other weapons forbidden (Order No.2).

26 Jan. Area of telegraphic communication extended to all islands in the Philippine group.

February

1 Feb. Motor Sailing Ship OO Maru Launched. (T.N. Name of ship omitted, presumably for strategic reasons)

6 Feb. Emergency Measure for Registration of Sailing Vessels amended. Persons engaged in the reconstruction of hulls, the dismantling of ships, or the repair of masts, chain cables, metal fittings, etc., must obtain the approval of the Harbor Master. (Hong Kong Government Order No.2)

7 Feb. Announcement made that 84 retail shops had been allotted table salt and could begin sales today. The amount available for each person per month is 5 lbs at a price 20 sen per kin.

10 Feb. The Channel Designed by the Engineers approved.

20 Feb. Regulations for Judgment in Criminal Cases, (Hong Kong Government Order No.5), Amended Regulations for Judgment in Civil Cases (Hong Kong Government Order No.6), and Amended Regulations for Criminal Procedure in Urgent Cases (Hong Kong Government Order No.7) put into force. Hong Kong Government Order No.3 of 1942 on Regulations for Judgment in Criminal Cases cancelled. Regulations for Lawyers (Hong Kong Government Order No.8) and Regulations for Registration of Names of Lawyers (Hong Kong Government Order No.9) put into force. Pre-war organization of lawyers restored.

25 Feb. Military Rule Order (Hong Kong Government Order No. 4) put into force. Hong Kong Government Order No.1 of 1942 on Military Law and Order No.2 on Military Punishment cancelled.

March

1 Mar. Official price of wheat flour raised from 50 sen per kin to 90 sen.

3 Mar. Regulations for Government Schools in East Asia (Hong Kong Government Order No.11) published and put into force.

20 Mar. Emergency Measures for the Registration of Lighters (Hong Kong Government Order No.12) put into force. Lighters (sampans) with a carrying capacity of 5 tons or over must be registered under this Order.

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22 Mar.

Fourth trade agreement between Hong Kong and Canton concluded in Canton (to run for 6 months from 1 April until 30 September providing for a monthly export to the value of 1,000,000 yen from Canton and 500,000 yen from Hong Kong).

31 Mar.

House Tax Regulations (Hong Kong Government Order No.13) and Special House Tax Regulations (Hong Kong Government Order No.14) introduced. Hong Kong Government Order No.31 of 1942, Order for the Collection of House Taxes, cancelled.

Restrictions on exports to Tai O, Ping Chau, and Cheung Chau Islands, respectively, published, effective 1 April (Hong Kong Government Order No.15).

April

1 Apr.

Based on the resolutions of the Shipping and Transportation Conference for all China, held in Nanking on 11 March, freight traffic destined for the vicinity of Hong Kong must be routed via Hong Kong from this date. All ocean-going shipping from Japan and from North and Central China, which until now has been docking in Canton, must stop at Hong Kong (This to take effect from May).

From this date, the principal currency in Central and Southern China is the savings certificate, and the issue of new military currency is suspended. However, there is no change in the currency policy of Hong Kong.

8 Apr.

By Hong Kong Government Order No.16 and Official Notice No.21, the Regulations for Currency and its Exchange within the Hong Kong Area of Jurisdiction (Hong Kong Government Order No.32 of 1942) and Official Notice No.11 of 1942 were partially revised. Up to this time, the free importation of savings certificates was restricted to the amount of 1,000 yen, but this sum was now changed to the equivalent in savings certificates of 200 yen in military scrip. Also, the Military Scrip Exchange formerly was permitted to sell military scrip in exchange for savings certificates up to the value of 1,000 yen, but transactions in savings certificates were now restricted to the equivalent of 200 yen in military scrip.

10 Apr.

Regulations Restricting the Transfer of Essential Commodities (Hong Kong Government Order No.17) issued and put into force. The buying and selling or giving and receiving of essential commodities within the Hong Kong area of jurisdiction is a matter requiring official permission.

12 Apr.

Trade Profits Tax Regulations issued (Hong Kong Government Order No.18).

14 Apr.

1943 Trade Agreement concluded between Hong Kong and Swatow (to go into operation on 1 May).

UNCLASSIFIED

UNCLASSIFIED

- 16 Apr. Restrictions on the buying and selling of military scrip by the Military Scrip Exchange withdrawn (Hong Kong Government Order No.19). Exchange transactions between military scrip and Hong Kong dollars therefore became unrestricted.
- 17 Apr. The Regulations Restricting the Transfer of Essential Commodities were revised by Hong Kong Government Order No.20.
- 19 Apr. Regulations issued for the Control of Exports without Bills of Exchange to Certain Areas (Hong Kong Government Order No.21). Exports without bills of exchange to Japan, Manchuria, and China (excluding Macao and Kwangchow Wan) are forbidden as a general principle.
- 20 Apr. Liquor Duty Regulations (Hong Kong Government Order No.20) issued and put into force.
- 26 Apr. Report of the conclusion of a trade agreement between Hong Kong and Hainan Island received. (Period from April 1943 to end of March 1944) Goods to be sent from Hong Kong include matches, Chinese drugs, athletic shoes, cotton manufactured goods, etc., to the value of 8,500,000 yen; commodities from Hainan Island will be chiefly salt to the value of 860,000 yen.
- Conclusion of a trade agreement between Hong Kong and Amoy reported. (Period from March 1943 to end of June) Goods to be sent from Hong Kong include cotton cloth, athletic shoes, tobacco, matches, etc., to the value of 500,000 yen; goods to be sent from Amoy include wines, paper, Chinese drugs, dried fruits, and other gift articles, etc. to the value of 500,000 yen.
- According to a statement issued by the head of the Department of Finance, the Government General has decided on a policy of buying all goods in government-controlled warehouses for cash from the owners.

May

- 1 May The price of sugar, beginning with the May ration, was raised by 5 sen per kin. The price of white sugar rose from 55 sen per kin to 60 sen, and the price of brown and black sugar from 50 sen to 55 sen.
- 8 May Second census carried out.
- 10 May The following regulations issued: Hong Kong Government Order No.26, Currency Regulations for the Occupied Territory; Official Notice No.14, Concerning the Exchange of the Hong Kong Dollar for Military Scrip; Official Notice No.28, Concerning Additional Emergency Military Scrip Exchanges; and Official Notice No.29, Concerning the Enforcement of the Currency Regulations. The main points of these regulations are as follows:

UNCLASSIFIED

UNCLASSIFIED

1. From 1 June the currency of the Hong Kong area will be limited to military scrip of series B and C, and denominations of 50 sen and under of series D and E. The use of the Hong Kong dollar will be forbidden.
2. Holders of Hong Kong dollars must exchange them for military scrip at the Military Scrip Exchanges by 31 May. Persons having deposits of Hong Kong dollars in the banks must convert them into deposits of military scrip by 31 May.
3. Settlement of all debts after 31 May must be made in military scrip.
4. The foregoing exchanges and settlements shall be made at the rate of 4 Hong Kong dollars to 1 yen of military scrip.
5. In addition to the existing Military Scrip Exchanges and Emergency Military Scrip Exchanges, the following nine banks were made Emergency Military Scrip Exchanges:
 - The Shanghai Commercial and Savings Bank
 - The Bank of China
 - The National Bank of China
 - The Chinese Industrial Bank
 - The Kwangsi Bank
 - The Canton Provincial Bank
 - The People's Commercial and Savings Bank
 - The Hong Kong and Swatow Bank
 - The Fukien Provincial Bank
6. Regulations and penal regulations concerning the buying and selling or exchange of currencies other than the official currency (including the Hong Kong dollar), the export and import of currency, and savings certificate exchanges.

Regulations for Consumption of Electricity came into force this month. The amount of electric light allowed was 70% of the average amount used from January to March of this year. The price set at 26 sen per unit, and one yen for each unit excess of the ration. For electric power, the ration was 85% of the average amount used during the first three months of the year; and for electric heating, 50% of the average amount used in the same period. A charge of 40 sen was made per unit in excess of the ration. The Gas Company announced that it would put the Gas

UNCLASSIFIED

UNCLASSIFIED

Consumption Regulations into force in May. The ration was 80% of the average amount of gas used in the first three months of this year. The charge for consumption in excess of the ration was three times the usual charge (of 66 sen per 100 cubic feet).

13 May A statement was made by the Consul-General at Canton that in future the Kwangchow Maritime Authorities do not propose to tax goods exported and imported via Hong Kong.

22 May In the interests of economy in gas consumption, it was decided to cut off the gas supply between the hours of 2300 and 0600.

25 May Registered mail service between Hong Kong and Central and Southern China begun.

31 May Official Notice No.17 announced that Hong Kong dollars could be exchanged until 1 June within the city areas of Hong Kong and Kowloon, and until 4 June outside the city areas.

Regulations for Control of the Transfer of Houses etc. (Hong Kong Government Order No.27) also issued this day. The sale or transfer of houses was put under a licensing system, and unjustified raising of the sales price of houses prohibited.

June

1 June From this day, the circulation of Hong Kong dollars was forbidden, and only military scrip to be used. Owing to the prohibition of the buying, selling or exchange of currency other than military scrip, the exchange shops were compelled to close down or convert their business.

9 June Regulations for Dealing with Debts Owed to Enemy Countries or to Persons of Enemy Nationality issued (Hong Kong Government Order No.28).

22 June Conclusion of a trade agreement between Hong Kong and Central China announced, the period covered running from 1 April 1943 to 31 March, 1944. Exports from Central China are to be to the value of 24,300,000 yen, and from Hong Kong 16,800,000 yen.

26 June Hong Kong Government Order No.29, creating the Hong Kong Revenue Office and the Kowloon Revenue Office and setting forth the jurisdiction of both Offices issued and put into effect.

28 June In the interests of security against air attacks, a black-out will be enforced every night from midnight until early morning.

July

1 July Telegraph service to Thailand begun (limited to Bangkok for the time being). The price of the local newspapers was raised from 5 sen to 10 sen per copy.

UNCLASSIFIED

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- 9 July Regulations issued for the Control of Exports and Imports (Hong Kong Government Order No.32 and Official Notice No.48). Licenses required for all imports other than the following authorized commodities: cereals, flour, beans, meat and poultry, eggs, fresh fish, cattle, pigs, sheep, fowl, fruit, vegetables, animal and vegetable fats and oils, and fuel. Licenses required for all exports. (Effective 15 July).
- 19 July Owing to the increased price of gasoline, taxi fares and truck charges were raised.
- 21 July Conclusion of an agreement between the Hong Kong and Kwangchow Wan authorities concerning regular shipments of livestock to Hong Kong announced.
- 25 July The Hong Kong Motor Transport Company announced that it would shortly curtail some of its bus services in the interests of fuel economy.
- 28 July Six enemy aircraft attacked at 1715, but were driven off by anti-aircraft fire.
- 29 July At 0915 6 enemy aircraft attacked, but caused no damage.
- 31 July Federation of Hong Kong Retail Market Associations established.
- August
- 1 Aug. Hong Kong Wholesale Market Association formed.
Registered and ordinary mail service begun between Hong Kong and Mongolia.
- 10 Aug. Area of dispatch of telegrams to the Philippines extended.
- 11 Aug. Notice issued by the Office of the Governor General stated that loans issued by Japanese banks require the consent of the Governor General. Control of capital thus assumed definite proportions.
- 12 Aug. The Canton Provincial Bank stopped withdrawal of deposits on 1 August and was liquidated.
Price of edible oils revised owing to introduction of rationing this day. Peanut oil 5 yen per kin.
- 15 Aug. Registered mail service to North China begun.
- 16 Aug. Rationing of miso sauce introduced.
- 21 Aug. Service of telegraphic money orders to Japan, Korea, Formosa, the South Sea Islands, and Kwang-tung Province begun.
- 24 Aug. Renewal of the Hong Kong - Amoy Trade Agreement announced. The second agreement was concluded because the first Hong Kong - Amoy Trade Agreement (from March to June for an agreed total of 500,000 yen) had expired.

228
UNCLASSIFIED

UNCLASSIFIED

The period of the new agreement was from 1 July until 31 October. The commodities to be exported from Hong Kong are cotton cloth, cotton manufactured goods, rubber-soled athletic shoes, tobacco, matches, etc., to the value of 750,000 yen. The commodities to be sent from Amoy were citrus fruits, Chinese rice-wine, dried fruits, gift-wrapping paper, Chinese drugs, etc. to the value of 750,000 yen.

25 Aug. 13 enemy planes attacked at 0940 causing slight damage. At 1808, 7 enemy planes attacked, but no damage was done.

26 Aug. Fuel rationing introduced.

September

1 Sept. New Department of Justice established by the Office of the Governor General deals with criminal and all types of civil cases generally, and has the duty of drafting the criminal and civil codes.

The price of the rice ration rose from 30 sen per kin to 37 sen 5 rin, chiefly because of the sudden rise in the price of imported rice.

Regulations controlling the consumption of electricity to be more severe. The rations from 1 September will be: electric light: 35% reduction of the amount used in June; electric heat: 20% reduction; electric power: 10% reduction; electricity used for luxuries such as elevators and electric fans reduced by 30%; the use of electric lighting for advertising, decoration and neon signs, and electric power for ice cream and iced confectionary machines prohibited. Because of the necessity for economy in electric consumption, the moving picture houses in Kowloon and Hong Kong will be closed 4 times per month beginning this month.

First class fare on the ferries raised from 10 sen to 15 sen.

2 Sept. About 10 enemy planes attacked, but were driven off by anti-aircraft fire.

5 Sept. Urban bus services in Hong Kong and Kowloon temporarily suspended in order to conserve gasoline.

11 Sept. The Head of the Information Department issued a statement in connection with the Italian surrender to the effect that the non-enemy Italians in Hong Kong must be afforded necessary protection.

22 Sept. Regulations for the Control of Imports and Exports partially revised. Licenses must now be obtained for the import of authorized goods (see entry for 9 July) from all areas other than Amoy and Canton Province (excluding Macao and Kwangchow Wan). (To go into effect 1 October)

UNCLASSIFIED

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27 Sept.

Official tobacco prices raised:

Ng-wa (Wu-hua) from 15 sen to 25 sen

Yuk-ip (Yu-yeh) from 20 sen to 35 sen

Ruby Queen from 35 sen to 60 sen

Pirate from 40 sen to 75 sen

30 Sept.

Federation of Junk Fishermen's Associations established to incorporate in one body the 8 Junk Fishermen's Associations of Cheung Chau, Tai-O, Ts'ing Shang, Po-tai, Tsun Wan, Tai Po, Yau Ma Ti, and Sau Ki Wan.

October

1 Oct.

Hong Kong Yamato Society established to form the Japanese residents of Hong Kong into a unit.

Rationing system for matches introduced. Households of between 1 and 5 persons to be allowed 5 large or 7 small boxes of matches per month; households of between 6 and 10 persons are allowed 10 large boxes or 15 small boxes of matches; 11 people or more, 15 large boxes or 23 small boxes. The price of the large boxes (containing 90 matches) is 10 sen per box and the small boxes (containing 60 matches) are 8 sen per box.

The price of salt was raised from 20 sen per kin to 24 sen per kin.

Rates of interest on deposits in the branches of the Specie Bank and the Bank of Formosa raised; on regular deposits an increase from 2.5% to 3% per annum, and on special current accounts an increase from 0.3% to 0.5% per diem.

2 Oct.

According to a statement issued by the Office of the Governor General, whereas it used to be necessary to obtain official permission from both the Ministry of Finance and the Office of the Governor General for loans from Japanese banks, from this time on, only permission from the Office of the Governor General is necessary.

3 Oct.

Ordinance No.13 officially announced the regulations relating to the sailing and anchoring in the harbor of all Chinese junks, to date from 5 October. These regulations stipulate, among other things, that the sailing of junks at night time is forbidden, the object being to prevent smuggling and robbery, to regulate shipping, to take precautions against magnetic storms, and to strengthen night air defense.

4 Oct.

Ordinance No.14 setting up a system of air raid warnings announced (to go into effect on 10 Oct.)

5 Oct.

Conclusion of the Fifth Hong Kong - Canton trade agreement for the period from October 1943 to March 1944 announced. The monthly total of exports from Canton to be roughly 1,500,000 yen (in the previous agreement it was 1,000,000 yen) and from Hong Kong 750,000 yen (previously 500,000 yen).

UNCLASSIFIED

- 15 Oct. The Office of the Governor General completed the organization of the judicial system by putting the following regulations into effect: the Regulations for Courts Martial (Hong Kong Government Order No.42), Regulations for Court Procedure (No.43), Regulations for Criminal Cases (No.45), Regulations for Judgment in Criminal Cases (No.46), Precedents for Summary Disposal of Criminal Cases (No.47).
- 25 Oct. The price of firewood rose from 12 sen per kin to 18 sen per kin.
- November
- 5 Nov. Regulations issued for the Disposal of Real Estate held as Security by Enemy-owned Banks. (Hong Kong Government Order No.50). Persons who are indebted to enemy-owned banks in process of liquidation and who have offered real estate as security may repay their debts by 31 December and obtain cancellation of their mortgages; otherwise, the securities will be disposed of by the bank in charge of liquidation.
- 8 Nov. Public schools opened in Kowloon.
- 11 Nov. The Garrison of Hong Kong joined with the South China Army in opening the Campaign to tranquilize the area along the Canton - Kowloon railway line*1.
- Telegraph service to Indo-China (Saigon) begun.
- 12 Nov. Communications between our Hong Kong and South China forces completely secured.
- "The object of the Canton - Kowloon Campaign is to root out at their source the disturbances along the Canton - Kowloon railway line and to extend the sphere of our public order, and thus to further the rapid development of the area of Hong Kong and South China, as a part of the reconstruction of the Greater East Asia Co-Prosperity Sphere". (South China Army report.)
- 14 Nov. Report states that from December there will be nine more repatriation centers working on the dispersal program, and that the procedure for returning people to their home towns will be simplified.
- 15 Nov. At 2250 enemy aircraft bombed Hong Kong at random, but no damage was done to important installations.
- 16 Nov. Governor General ISOGAI carried out an inspection of the front lines.
- Today, at 40 minutes after midday, enemy bombers attempted to bomb Hong Kong, but two of their planes were shot down and the damage inflicted by the enemy was extremely light.
- 23 Nov. Agricultural Guidance Office*2 of the Government General opened.

*1 廣九鐵道沿線
肅作戰

*2 農事指導所

UNCLASSIFIED

28 Nov.

Mr. Hu Wen-hu*¹ called a consultation of eight large rice firms to discuss the formation of a Chinese Overseas Company*². This company, with a capital of 10,000,000 yen (calling upon capital from the Chinese), would import rice and other foodstuffs from abroad, and would contribute to the solution of food problems, not only in Hong Kong, but in all parts of China as well.

December

1 Dec.

Respective prices of white, brown, and black sugar raised 10 sen per kin.

Official price of opium raised from 70 yen to 90 yen per tael. (T.N. 1.33 ounces)

Some of the Kowloon bus lines back in operation. Enemy aircraft attempted to attack Hong Kong at 1500 today, and seven of them were shot down.

8 Dec.

Ceremony of the interment of sacred charms in the Hong Kong Churei Tower.

11 Dec.

Hong Kong Food Assistance Board*³ set up. Also known as the Chinese Overseas Company (Chung-ch'iao Kung-szu)*².

13 Dec.

South China Army reports that the Campaign to tranquillize the country along the Canton-Kowloon railway line has achieved the objects intended, and the first stage is now over.

22 Dec.

Reported by the gas-works that, beginning this month, the regulations governing the consumption of gas will abandon the principle of actual results and will utilize a standard based on the number of people in a household. In the case of businesses, factories, etc. where the number of people cannot be used as a standard, they will be allotted the average amount consumed between June and September, less 20%.

25 Dec.

Second anniversary of the capture of Hong Kong.

Regulations for Control of Businesses, etc. (Hong Kong Government Order No.52), and Regulations for Control of Exits, Entries, etc. (Hong Kong Government Order No.53), issued, to take effect from 1 January, 1944. At the same time, Hong Kong Government Order No.9 of 1942 will be cancelled. The Regulations for Control of Businesses, etc., extract the sections concerning enterprises, businesses and companies from Hong Kong Government Order No.9, and place them in separate regulations. They also make comprehensive changes in the regulations, and recognize the freedom of action of all businesses conducted by Chinese, requiring only a record to inform the authorities, except in

*¹ 胡文虎

*³ 香港民食協助會

*² 中僑公司

UNCLASSIFIED

the case of those which are directly connected with the Military Government, those which require supervision in the public interest, and those which must be controlled from the point of view of policing and the maintenance of public order (these will require the same permissions as before). The Regulations for the Control of Exits and Entries extract the sections concerning exits and entries from Hong Kong Government Order No.9 and put them in separate regulations.

28 Dec.

The section of railroad of more than 70 kilometers between Shen-ch'uan*1 and Shek-lung*2 has been restored, and the whole railroad between Canton and Kowloon now opened.

General HATA*3, Commander-in-Chief of the China Expeditionary Armies, arrived in Hong Kong and had an interview with Governor General ISOGAI.

1944

January

10 Jan.

A branch of the bank handling the funds of the Government General (the Specie Bank) was opened in Kowloon.

11 Jan.

Handling of multiple telegrams discontinued. Names of countries revised in handling telegrams for the occupied territories in the South.

13 Jan.

The ___th motor sailing-vessel was launched (Arao Maru*4) (T.N. the figure is omitted, presumably for strategic reasons).

14 Jan.

Official notice published concerning lowering of the military conscription age.

16 Jan.

Retail price of rice changed from 37 sen 5 rin per kin to 75 sen, owing to sudden rise in costs of production.

17 Jan.

Official notice issued concerning changes in military service laws.

23 Jan.

Enemy planes tried to attack Hong Kong again. Three were shot down.

25 Jan.

Regulations for the Appendix to Ships' Signal Code-books (Hong Kong Government Order No.1) and Order for Emergency Registration of Steamships (Hong Kong Government Order No.2) issued and put into force.

February

1 Feb.

First distribution of purchase-money for goods deposited in warehouses in Hong Kong and Kowloon begun (continues until the 15th).

*1 深圳

*3 烟

*2 百龍

*4 荒尾

UNCLASSIFIED

Conclusion of trade agreement between Hong Kong and Hainan Island announced.

Telephone regulations partly revised; deposit money increased from 50 yen to 100 yen.

Fares on the ferry between Hong Kong and Kowloon, First Class, raised from 15 sen to 25 sen.

Standard electricity rates revised.

5 Feb.

Revision of tax regulations on alcoholic beverages. Manufacture of wines and spirits, vinegar, etc. brought under a licensing system.

11 Feb.

Enemy aircraft attacked again. Four were shot down.

20 Feb.

Commemoration of the second anniversary of the establishment of the Office of the Governor General. The Governor General distributed rice to the poor.

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