

Transportation in the Period of Railroad Priority (1892–1909)

Policy

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Changes in Transportation Policy

The year 1885 is an important turning point in modern Japanese history for three reasons. One, the Freedom and People's Rights Movement began a decline toward its eventual demise. This movement demanded that the Meiji government declare a popular constitution, inaugurate a national assembly, and eliminate from government the control of men from the former Satsuma and Choshu domains, the two most instrumental in overthrowing the Tokugawa shogunate and that remained forces in the government and armed forces for a long time thereafter. Two, Finance Minister Matsukata's inflation-control policy was brought to a successful conclusion during this year. Three, the leaders of the armed forces embarked on preparations for war with Qing China, which would lead to eventual Japanese domination of the Korean Peninsula. Thorough-going government political authority was controlling inflation and inducing new private capital investment. Class divisions created during the process of inflation control resulted in many farmers losing their land. To eke out a living these people poured into the urban areas and provided the labour force needed to supplement investment. The formation of modern capitalism begins at this point.

The transition affected government, the economy, and the military. From this time on, strong government authority unified the Japanese state on a double-edged course that led to the establishment of domestic capitalism and an attempt to dominate all of Asia. The adoption of the constitution in 1889, the establishment of the parliament in 1890, and the start of the Sino-Japanese War in 1894 clearly indicate the course followed.

Government policy is evident, too, in its transportation programme, a programme that gave first priority to railroads. As we have seen, roads and

coastal waters were the only routes for transporting passengers and cargo domestically in the initial Meiji years. Powerful control by the feudal shogunate and fiefs had left the roads and bridges in such a poor state that they were unfit for the newly permitted vehicular transport of a modernizing age. It was for this reason that the new Meiji government, in its initial stages, put greatest emphasis on improving old roads. But a policy of that nature required enormous amounts of investment, and the weak condition private capital was in at the time made impossible any expectations of improvement in road transportation.

The effectiveness of railroads as a means of transport was then discovered. The first railroad in Japan was the line between Shimbashi (Tokyo) and Yokohama. The line formally inaugurated passenger service in 1872, but it was not until a year later, on 15 September 1873, that it began hauling freight. Demand was not high at first, but two events during the ensuing decade proved the ability of railroads to carry large amounts of passengers and freight.

First was the Satsuma Rebellion (February 1877).¹ The only railroads operating then were on the Tokyo-Yokohama and the Kyoto-Osaka-Kobe routes. But the great efficiency of freight hauls over these short distances was an excellent lesson in railroad power to the army and the navy. The second was the change that followed after Japan Railway opened its routes between Ueno and Maebashi in 1884 and between Shinagawa and Akabane in 1885, thus completing a direct rail link between Maebashi and Yokohama. Gumma's Takasaki and Maebashi areas were home to Japan's finest silk production. Silk thread, cocoons, and woven silk were the major export items at that time. Cargo was normally loaded at Kuragano, in Gumma, onto boats that went down the Tone River to Tokyo Bay and then on to Yokohama. But Japan Railway's railroad connecting Maebashi to Yokohama shortened travel time and made transport much safer and cheaper than by boat. It wasn't long before all export goods from Gumma to Yokohama were going by rail.

These two changes were important because the first changed naval and military attitudes about the railroads and the second diverted the flow of government and private capital into rail transport.

From 1885 on, the major thrust in foreign policy was the armed forces; in domestic affairs, it was the demands of private capital formation. These two profoundly affected the government's transportation priorities, causing it to place first consideration on the railroads. The policy of railroad priority was an important determinant of the course Japan took after 1885. It was an effective policy during foreign wars and advanced domestic production and distribution.

Policy of Railroad Priority

What did the government actually do? First of all, it planned a nationwide railroad network. Corporate and armed forces leaders pushed hard for con-

struction of railroads during the latter half of the 1880s. While meeting their demands, the government decided to adopt legal means that would give it complete control over railroad construction.

So many plans were being made for private railroads that the situation was called one of "railroad fever." However, stock speculators were the ones coming up with most of these plans, so there was little likelihood that they would result in the creation of actual enterprises. Many people were hurt by their involvement in the speculation. By this time, though, moves were being made to head off such speculation. The 1885 creation of a new cabinet system had abolished the Ministry of Public Works and placed the Railway Bureau under direct cabinet control. The bureau's director, Inoue Masaru, was sensitive to what stock speculation in private railroads was doing, and he moved to get the control of all the nation's railroads in government hands through nationalization.

In 1890, the year the Diet was established, the Japanese economy had its first recession. Many private railroad companies, not just those in the planning stage but those already operating, were hit by fund shortages, a situation that made it very difficult to continue operations. The move for nationalization began to gain ground. In 1891, judging the time ripe, Inoue submitted to the home minister² recommendations for one law on railroad construction and another for purchasing private railroads.

The cabinet studied the report and submitted a bill, based on Inoue's two proposals, to the Imperial Diet. But, because of Diet dissolution and other problems, the bill was not adequately debated. Private industry was taking heed, though, of what was going on in the government and began a move to submit its own bill through Diet representatives. There then resulted a dispute over which of the two bills to accept, and no compromise could be reached.

A compromise was reached by writing one overall bill for railroad construction that was then sent for deliberation. Many members of the House of Representatives had already started pushing for the construction of railroads in their electoral districts. The bill eventually passed both the House of Representatives and the House of Peers to become, on 21 June 1892, the Railroad Construction Law.

This law did not nationalize railroads, but it did stipulate that the government would determine where lines would be constructed and which of those lines would be built first, and, in turn, this would require Diet approval. The law also systematized government prerogatives in controlling railroad construction and permitted the private building of railroads if the government wanted them built.

The railroad lines that the law scheduled for construction were routes in Honshu, Kyushu, and Shikoku (Hokkaido would later come under the jurisdiction of the Hokkaido Railroad Construction Law adopted on 14 May 1896) that were considered important. The main routes completed by this time were between Shimbashi and Kobe (1 July 1889, later named the Tokaido Main Line) and between Ueno and Aomori (7 September 1891,

later the Tohoku Main Line). The San'yō Tetsudo (San'yō Railway) had finished building its tracks from Kobe west to Itozaki (the San'yō Main Line after nationalization) and the Kyushu Tetsudo (Kyushu Railway) built its line between Moji (later Moji Port) and Kumamoto (later nationalized as the Kagoshima Main Line).

In 1892, the government was operating 983.5 km of railways, but the private companies were operating a much longer 2,124.4 km. The government intended to use the law's provisions to confine the rail network to only those areas it considered necessary. The lines legally determined in the construction schedule formed major arteries, and the main trunk lines were routes that would connect Tokyo with the prefectural capitals, camps at the divisional and regimental levels, and naval ports. From the early years of Meiji, the government had a complete monopoly on the telegraph system, which gave first priority to government and armed forces telegrams, and it decided on which major routes telegraph lines would be established. The road system, too, was planned with Tokyo at the hub and the national highways fanning out to strategic points. The Railroad Construction Law further reinforced this principle of central control over transportation and communications.

Political and military requirements were the first consideration in deciding what lines would be constructed, but the major trunk lines also performed important economic functions. The system consisted, first of all, of the trunk line running across Honshu on the Pacific side from Aomori to Shimonoseki via Tokyo and the routes that crossed Honshu and passed through its major cities to connect with railroad routes running the length of the archipelago along the Japan Sea coast. The trunk routes went along basically the same routes as traditional freight and passenger traffic, so that although government and military exigencies were the guiding force behind the Railroad Construction Law, the routes were selected for full economic benefit.

Capitalism developed rapidly in the 1890s and early 1900s, particularly during and after the Sino-Japanese War of 1894–1895, and railroads became an ever larger part of the transportation system. Progress in private railroads, too, was dramatic. Diet permission was required for private companies to construct routes scheduled under the Railroad Construction Law, but in all other cases, all a private company needed to construct a railroad was a licence from the government. By the time the law was passed, San'yō Railway had obtained a licence to build a line to Shimonoseki, and Kyushu Railway had completed its tracks to Nagasaki and Sasebo. There was also a rapid increase in construction by local private railroads of tracks that connected into the main trunk lines.

Some of these lines competed directly with government-built railroads; competition on the Nagoya-Osaka route between Kansai Railway and the government-built railway made big news in 1902 and 1904.

However, with the Russo-Japanese War of 1904, the two main thrusts in foreign and domestic policy – expansion into Asia and private capital accu-

mulation – grew even stronger and increased the demand for railway nationalization, which resulted in the Railroad Nationalization Law of 31 March 1906. Armed with this law, the government was able to buy up the property of 17 major companies and to solidify its control over the national railroad network.

Notes

1. A samurai revolt broke out in Kagoshima in February 1877. Saigo Takamori had left public office and returned to Kagoshima. He eventually yielded to samurai who were disgruntled with the Okubo government policy and led them in revolt. Thirty thousand troops set out on a northward march to Tokyo. The government mobilized 52,000 troops to quell the rebellion and the entire southern part of Kyushu was a battlefield until September. Saigo's rebellion was eventually quashed, the government spent ¥41.57 million in prosecuting the war and issued inconvertible currency to cover its expenses. This issuance caused inflation that brought extreme pressure on fiscal resources.
2. Railroad administration was transferred from the cabinet to the Home Ministry.

Railroads

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Expanding Railway Networks and Transportation Capability

From the end of the 1880s to the beginning of the 1910s is the period in which Japan firmed up its policy of domination in Asia. That policy was also closely related to the establishment of a domestic capitalistic system. In the period of the Sino-Japanese War of 1894–1895 and the Russo-Japanese War of 1904–1905, the Japanese capitalist economy was rapidly transformed from light industry, centred on spinning, to heavy industry, centred on steel production. At the same time, the railroads were handling their military and economic requirements and rapidly accelerating in development.

Table 1 looks at the factors in railroad development from 1892 to 1907. The table shows that, in the 15-year period, operating mileage increased 2.5 times and passenger volume increased 5 times. Particularly noteworthy is the 10-fold increase in freight volume. The growth in freight-carrying symbolizes the progress in railroads at the time.

The paragraphs below give a general description of expansion of the railroad network, progress in developing independent technology and specifications, competition between government and privately operated railroads, and the nationalization of railroads.

As mentioned above, the main routes that started operating when the Railroad Construction Law was enacted in 1892 were the one that spanned