faction of the landed gentry. The landed gentry in the Kiangnan Delta was
critical of this reform, however, and counterproposed a system of the t’ieh i
貼役, under which the gentry would be exempted from labor in return to
rice or silver paid to those who actually undertook it. Under such circum-
stances, it must have been difficult for the county magistrate 知縣 to enforce
the new system despite the central government’s orders and encouragement,
and thus very little seems to have been achieved.

A Study of Foreign Trade Finance in Modern China:
Silver Price Increase in the First
Half of the Nineteenth Century and
Change in the Foreign Trade Mechanism
by Takeshi Hamashita

In China up to the end of 1840’s, settlement of foreign trade accounts
was made in three manners: in silver; by draft; by “barter”. The three,
which alternated as main methods of settlement in various phases of the
historical development of China’s foreign trade, were not mutually exclu-
sive; rather, in the way how they were related to one another, they
reflected the characteristics of foreign trade finance and mechanism.

(1) Settlement in silver: It is true that, along with the expanding
opium trade in the second half of the 1830’s and the first half of the ‘40’s,
a large outflow of silver took place from China to India. However, in
discussing the outflow of silver not only opium but also tea, silk and
cotton goods, i.e., both the outflow and inflow of silver, should be consid-
ered fundamental factors of the whole structure of Chinese export-import
relations with world markets. Settlement in silver, therefore, was caused
as the result of a final settlement of accounts from a multilateral trade in
the world market lead by Great Britain and the United States.

(2) Settlement by draft: In the second half of the 1820’s and later, Ameri-
can merchants would draw a bill of exchange payable in London to settle
their tea trade accounts. British merchants, in turn, would purchase it in
China for their own remittance home. This method of settlement was
made possible by a new trade mechanism which combined, with the British
cotton industry as an intermediary, the raw material supply market in the
United States and the sales market in Asia, and by having an international
finance mechanism centered round the London money market to back it up.

(3) “Barter”: This method cannot be regarded simply as primitive.
Rather it was necessitated by both a shortage in silver and an oversupply
of cotton goods at the open ports of China after the Opium War, a
manifestation of the peculiar nature of trade account settlement in this
period. This shortage of funds resulted in inroads of the British financial
capital into China, i.e., foreign banks opening branches there.

The Second Shidehara Diplomacy and Negotiations
for the Manchurian-Mongolian Railways
by Yōichi Ogata

Of the so-called Five New Manchurian-Mongolian Railways Agreement
reached in October, 1927, the contract for building the Tun-hua-Lao-t’ou-
kou line and the Tun-hua-Ta-lai line was signed in the next year between
the South Manchurian Railways and the Peking Government. Negotiations
for implementing it were continued between the Japanese and the Man-
churian Government until 1929 but no agreement was reached.

Kijūrō Shidehara, who had returned to the post of Minister of Foreign
Affairs in July, 1929, showed little interest in this question. To him, im-
provement of relations with the Nanking Government was the focal point
of Japan’s China policy, and, before it was achieved, any question having
do to with Manchuria, being only local in nature, could wait.

Toward the end of 1930, the opposition party Seiyūkai was prepared to
take up the issue of the steeply declining revenues of the South Manchurian
Railways in that year at the approaching 59th Imperial Diet, contending
that they had been caused by the anti-Japanese policy of the Manchurian
Government and Shidehara’s “soft” diplomacy. Shidehara, who was still
smirking from attacks from the opposition on his policies in his first term
as Minister of Foreign Affairs, had little other choice than suddenly shifting
the direction of his China policy and giving priority to solving many pend-
ing questions in Manchuria. He chose the railways as the first question
to be solved, and appointed Eiichi Kimura, minister to Czechoslovakia,
head of the Department of Negotiations at the South Manchurian Railways.
Shidehara’s hastiness in opening the negotiations, however, courted the opposition’s ridicule, strong objections from the inside...President Mitsugu Sengoku of the South Manchurian Railways was critical of making too much of the railways question...and the Manchurian Government’s suspicion...Chang Hsiieh-liang was afraid of Shidehara’s adopting an “expansive” policy.

Somehow Shidehara managed to surmount those obstacles and came to the point of opening actual negotiations. But the Manchurian Government did not respond to his overtures, judging that all he wanted was an early initiation of the negotiations. Moreover, differences between Shidehara and Sengoku were never reconciled and stalled the negotiations, which made no substantial progress. Thus tensions in Manchurian continued to rise until the explosion of the September 18th Incident.

Shidehara and those close to him later explained the failure of the second Shidehara Diplomacy as caused by the National Interests Recovery Movement in China. As far as the negotiations for the Manchurian-Mongolian Railways are concerned, however, most of the blame for its failure must go to Shidehara himself.

The Vaiśeṣika Theory of the Proto-type of Numbers (sāmkhyā)

by Keiichi Mitamoto

Generally speaking, the Vaiśeṣika theory of numbers supplies us with many interesting problems which underlie the relation between subject and object. No philosophical schools in ancient India, except for the Vaiśeṣika School and the Nyāya School, dealt systematically with this theory. The Vaiśeṣika School is characterized by conceptual realism and pluralism, and espouses the system of six (or seven) padārtha-s (substance, quality, etc.). Sāmkhyā is one of the twenty-four qualities, and the cause of the concepts of numbers (e.g., one, two). Therefore, sāmkhyā should be regarded as the “proto-type of numbers” or “number-ness” rather than be called “number.” So proto-types of individual numbers, dvitva, etc., should be called the proto-type of the number two, “two-ness” or duality, etc.

The Vaiśeṣika School gives a very complicated and difficult explanation of this theory of sāmkhyā (Prakāśāpāḍa-bhāṣya: sāmkhyā-prakāraṇa). The complicated nature and difficulty of this explanation is caused mainly by two reasons: The first is that the proto-type of the number two, etc., which causes the concept of the plural number, is not directly inherent in things, but occurs only after the selection of things by subject (perception itself). According to the Vaiśeṣika School, dvitva, etc., occurs from the motive of apekṣa-buddhi (perception as a motive).

The second reason is that the perception of numbers is thought to belong to conceptual perception (sāvikalpaka-pratyakṣa), or the perception of the relation between what is to be qualified (vīteṣja) and the qualifier (vīteṣṣana).

It must be noted that the perception of numbers is discussed with deliberation and in detail, when compared with all the individual cases of conceptual perception. Therefore, the criticism of the theory of the proto-type of numbers (sāmkhyā) turns out to be that of the Vaiśeṣika theory of perception. The main opponent who bitterly criticized this theory was the Yogācāra School of Buddhism. The author will investigate this criticism in a future article.