

How did Japan introduce policies for regulating trade with the enemy during the First World War?

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During World War I, Allied countries, including Japan, regulated trade with companies associated with their enemies. At the same time, free trade had critical importance for the economic and national survive of Japan, which lacked abundant natural resources. This paper explains how Japan joined a global network regulating trade with enemy-associated companies during WWI. Japan implemented naval contraband of war and trade embargoes on some goods in the beginning of the war, but after the promulgation of the British Trading with the Enemy (Extension of Powers) Act 1915 on 23 December 1915, Japan cooperated with the British endeavour to ban trade with enemy-associated companies. The Japanese government began to instruct Japanese traders and shipping companies not to trade with companies on the British Black List.

The Japanese government issued an imperial ordinance regulating trade with enemy-associated companies in April 1917 based on the resolution of the Paris Economic Conference of the Allied in June 1916. The crucial reason that the Japanese government cooperated with the United Kingdom was the importance of maintaining trade with Allied countries, especially the British Empire. Japanese light industry, which was the country's most profitable industry, imported natural resources mostly from the British Empire. At that time, British companies stopped trading with not only with enemy-associated companies but also companies suspected of having any relations with those companies. To continue to do business with British companies, Japanese companies had no choice but to cut all relations with enemy-associated companies and to follow British rules.

Criticism of banning private trade was based on the grounds of humanism or moral conduct between 'civilized states'. Before WWI, war had been thought of as a conflict between states. Life, property and other rights of civilians, even those with enemy nationalities, were to be protected. In the Privy Council which discussed the imperial ordinance, Miyoji Ito, a leading privy, pointed out that abusing enemy civilians by banning private trade was a significant change from Japanese policies during the Chino-Japanese and Russo-Japanese Wars. This change marked an age of total war in which everything in a state was mobilised to support war, and there were no differences between combatants and non-combatants.