

Japan Looted Gold Resources in Northeast China during World War II

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Abstract-China abounded in gold resources in her northeastern part and for a long time Japan had thirsted and desired for them. Japan had begun to explore the gold resources of China since the Sino-Japanese War in 1894. Since the Russo - Japanese War, it had searched for gold in China more unscrupulously. Furthermore, since 9.18 Incident, Japanese companies such as Manchurian Gold Mining Company had begun to wantonly develop the gold resources in Northeast China and made great profits.

Keywords- Gold in Northeast China, Looted by Japan.

Northeast China is abundant in gold resources. In the early 15th century, placer gold was found and mined in the basin of Songhua River. In the early 19th century, Jilin Province developed the gold resources around Jiapigou gold ore. In the late 19th century, the Qing government set up the Government-run Gold Ore Bureau in Mohe, a place in Heilongjiang province, to give a direct management of the gold mining industry. In the early 20th century, gold resources in the three provinces of Heilongjiang, Jilin and Liaoning of northeast China rank second in the Far East, next only to Russia. In 1914, The Republic of China implemented Mining Ordinance and reduced the mining tax. So the nongovernmental gold mining organizations began to grow increasingly. The government-run, government-supervised and merchant-run, and jointly-run gold mining enterprises got a great development. At that time, the most famous gold mines were Mohe, Qiganhe and Jilalin gold ores in Heilongjiang Province, Jiapigou, Yanhe, and Qiupigou gold ores in Jilin Province, Yumin, and Baoma River gold mines in Fengtian Province, etc. The volume of these gold mines is quite impressive with 1674 tons in 1926, 1337 tons in 1927, 999 tons in 1928, 525 tons in 1929, and 1477 tons in 1930. In short, Before 9.18 Incident, the gold exploration volume of Northeast China accounted for about 55% of all the gold production in China. Northeast China was rich in gold resources, and Japan desired and was thirsty for them for a long time. After Sino-Japanese War in 1894, Japan dispatched many military officers, spies, police, experts and scholars to investigate and explore the gold resources in Liaodong Peninsula and obtain China's economic information. After the Russo-Japanese War, Japan occupied the important ports of Lushun and Dalian, and then gave more detailed surveys of the gold resources in the entire Fengtian Province or even the whole northeast China. A wild tide of searching for gold in China appeared. The Department of Manchurian Railway, set up in 1906, made the most exhaustive and detailed investigation.

It is a state-run organization, a state agency in charge of South Manchuria in the name of Japan and a state capitalist corporate of monopoly plundering economic interest. Since its establishment, it had been concerned about the mineral resources in the northeast China. Thus it set up such departments as Manchuria Railway Investigation Department, Manchuria Railway Geological Survey to launch a detailed investigation of the gold ores from the south of Liaodong Peninsula to the upstream of Songhua River and the alluvial gold Strip of the Heilongjiang River Valley. In 1914, its investigators Kido Mukutarox explored Chaihepu gold ore. In 1915, Haliyochi and Sinava Murata investigated Five-phoenix Building (Wufenglou) gold ore and Haicheng gold ore. From 1927 to 1935, Yahagibe Mao and Kimura Rokuro gave an exploration successively and respectively to such gold ores as Fenshui, Dog Milk, Wangdagou, Jiapigou, Heihe, and Hunchun for many times. In 1932, Manchuria Railway Department spent 600,000 Japanese Yen in organizing the investigation team and setting up training school to educate the investigators, asking them to learn Chinese and grasp the knowledge of investigation. Then the Investigation Team was divided into three groups to give the spot reconnaissance. Each group was made up of more than a hundred people and equipped with a variety of drilling machinery, radio, walkie-talkie, surveyors, medical corpsman and security personnel. From 1936 to 1937, Uchino Toshio and others again explored the Sandaogou placer gold and Neipingquan gold ore. In short, Manchuria Railway Geological Survey gave quite a detailed census to around 900 gold mining places in Northeast China and wrote millions of words investigation report, which was kept as confidential information in the Secret Agency of Japanese Kwantung Army, Manchuria Railway Investigation Department and other decision-making bodies. According to the statistics of Japanese Manchuria Railway Economic Investigation Commission, by the end of 1930, there had been 69 gold ores in Northeast China with 17 in Fengtian Province, 13 in Jilin Province, 39 in Rehe Province, and 126 placer gold ores with 30 in Fengtian Province, 42 in Jilin Province, 50 in Heilongjiang Province, and 4 in Rehe Province (Note 1). In 1941, the book of General Map of Manchuria Mining Area, published by Manchuria Mining Co. Ltd., gave a very comprehensive and systematic introduction to mineral deposits in the provinces of Northeast China. It records in detail the location, quantity and size of the gold ores in Jilin Province, Heihe Province, Sanjiang Province, Dong'an Province and Jiandao Province. The greed and wild ambition of the Japanese aggressors can be distinctly read. In several decades after the Russo-Japanese War, Japan spent a lot of manpower and material resources

in surveying the gold production in Northeast China and deliberately planned to give an exploration. Japan did not have the opportunity until after 9.18 Incident. It could not wait patiently to explore the gold mines in northeast China in an enterprise pattern. Based on the findings, the puppet Manchuria manipulated by the Japanese Imperial Army developed a gold production policy immediately after established. In July, 1932, Takagi Sakichi, a member of Economic Survey Committee of Manchuria Railway Department, published Strategy of Developing Gold Mines in Manchu, which gave plans about the specific steps and methods of exploring the gold ores in Northeast China. Since then the Secret Agency of the Japanese Kwantung Army held special conferences to give a research and formulate "Program of Developing the State-owned Placer Gold and Gold Mines in Manchu" and "Manchu Gold Incentive Plan", "Law of Gold Purchase" and "Law of Gold Export Prohibitions", Japan legalized and theorized its looting China's gold resources in the form of law. Japanese aggressors realized its plundering the gold resources in Northeast China mainly through the way by which the state capital monopolized the gold cause. They maneuvered the puppet Manchu, declared that gold resources belonged to the state, and resorted to forcible monopolization. The Manchuria Gold Mining Co., Ltd. is a good case in point. Manchuria Gold Mining Co., Ltd. was set up in 1934, whose main task was to supervise, organize and manage the gold mining in entire Northeast China. And its jurisdiction included "88 counties and 11 Qi in Jilin and Heilongjiang Provinces with the land area of a total of 87 million square kilometers, 1.3 times of Japanese territory" (Guan, 2006, pp.600-605). According to KMT government, "Manchuria Railway Gold Mining Corporation concentrated on and dealt with the placer gold deposit of Heilongjiang, Xing'an, and Jilin Provinces. It had the capital of 12,000,000 yen funded by the puppet state, the Manchuria Railway Company and the Dongtuo Company. There had been a provision that the gold mining right should not be transferred to the folk world. However, since the company was new and got privileges, it won a reliable credit of access to mining industry." (Note 2) These words indicate that the Gold Mining Company was financed with 5 million yen from Manchu government, 5 million yen from Manchuria Railway Company and 2 million from Japanese Dongtuo Company. Japan interpreted it as joint project between Japan and Manchu, or "semi-official and semi-folk program". The company provided that the state-owned mining rights within the puppet Manchu, which stands for the government, that is, the official part, should be transferred to the agency represented by Manchuria Railway Company and Japanese Dongtuo Company, the representatives of private enterprises. The first director of Manchuria Gold Mining Company was Zhang Yanqing, a minister of the puppet Manchu Industry Department. Hideo Kusama was the deputy director. Its headquarters was in Changchun, with three branches in Heihe, Jiamusi and Yanji, which respectively managed the gold mining in the jurisdiction of their own. After the establishment of the Manchuria Gold

Mining Corporation, it began to explore and manage the gold mining in 76% area of Manchu. In particular, in order to speed up the plunder of the gold resources in Northeast China, Japan employed the gold dredger, the most advanced equipment, which had never been used even in Japan, to mine the gold. It was as efficient as 6000 men in the labor. Furthermore, the number of the gold dredger employed by the company had been gradually increased. There were once 30 gold mining dredgers working at more than ten gold ores at the same time. According to Japanese statistics, "in the most prosperous period, there were 15 gold ores in the direct charge of the Mining Corporation, more than 20 plants contracted with about 20,000 gold mining workers" (Note 3) In 1936, National Fengtian Gold Refinery was established by Manchuria Gold Mining Corporation. It could handle 110,000 tons of ore annually including 70,000 tons of gold ore and had income of "541242 yen in 1934, 3660848 yen in 1935 to, 10024136 yen in 1936, 21111197 yen in 1937." (Note 3) Apart from the direct operation of gold mining, the corporation had also taken an indirect way to rent those mines unable to take into account to make money. "By the end of 1937, they had handled 1163 lease and contract matters, and established 128 new mines." (Guan, 2006, pp.600-605). At the same time, Japan also maneuvered the puppet Manchu Central Bank and passed its gold law, requiring that all gold producers must sell the gold to Manchu Central Bank in three months. Free trading of gold among private businessmen and the export of gold were prohibited. And the smuggling of gold was especially strictly forbidden. With this law, Japan bought a total of 14,781 kilograms of gold in Northeast China from 1933 to 1938. Gold from the corporation was completely given or sold to the Central Bank of the puppet Manchu as the gold reserves of Japanese yen and puppet Manchurian currency, which created a very convenient condition for Japan to set up the colonial financial system in Northeast China. Meanwhile, the huge gold reserves became the important source of foreign exchange for the Japanese Imperial Army to purchase and produce the munitions and equipments and met the capital requirement for Japan to expand the war of aggression. In 1937, Manchuria Railway Company transferred its investment in Manchuria Gold Mining Corporation to Manchuria Heavy Industry Development Co., Ltd. All of its shares and Dongtuo Company were purchased by Manchu in 1938. Thus, Manchuria Gold Mining Corporation owned the total amount of social capital of 60,000,000 yen and achieved the complete control of gold resources in Northeast China. In 1942, the corporation totally had 80 million yen. In 1943, because of the war, Manchuria Gold Mining Corporation dissolved after a 10-year operation and all its industries were transferred to Manchuria Mining Industry Development Co., Ltd., which continued to operate gold mining industry. In addition, there were some other companies such as East Manchu Mining Company, Majima Mining Company, Zhaode Mining Company and Haicheng Mining Company were engaged in gold mining in northeast China and all made great profits. In addition, Japan also gradually annexed many private

businesses to encroach the gold mines in China by the way of loan. The famous Jiapigou gold mine in Jilin was known as a rich gold mining cluster. Since Qing Dynasty, it was operated by "Han family". The family was also in charge of the forest, land and mines in the neighborhood. And the administration, judicial cases, military affairs and taxation were in the hand of the chief of the Han family. In the early Chinese Republican Period, Han family declined and borrowed a sum of money from some Japanese, which unexpectedly became an excuse for Japan to threaten the Han family for gold mining rights. In 1933, Han had to sign a contract with Japan and transferred Jiapigou gold mine to the Japanese Tatung Sokusan Co., Ltd. In October 1934, Japanese garrison marched into and stationed in Jiapigou and occupied the gold mine. It took various means, such as exploiting the workers and speeding up exploration to produce gold at a large scale. According to statistics, "Japanese imperialists had looted a total of 2327337 kilograms of gold from Jiapigou mine from 1940 to 1945." (Yu, 2007, pp.31-34). Not until 1945 when Japanese aggressors surrendered did the mine ceased the gold production. Japan's plundering the gold resources in Northeast China under the banner of cooperation and in the name of development is a great humiliation that Chinese people should never forget, and a lesson of history we Chinese should learn from.

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