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The Cooperation of Jacob Schiff and Takahashi Korekiyo Regarding the Financial Support for the War with Russia (1904–1905) Analysis of Schiff and Takahashi's Private Correspondence and Diaries

Abstract

This paper presents the problem which the Japanese Government had in gaining financial support for the war with Russia (1904–1905). It is based on the private correspondence and diaries of Jacob Schiff and Takahashi Korekiyo, which provide a closer look at the problem of conducting the war. It also shows the first moment when Japan confirmed its position as a world power, becoming the first Asian country which was treated as an equal partner by the Western powers.

Introduction

The Russo-Japanese War of 1904–1905 was broadly described in numerous papers. The incredible victory of the Japanese army over Russia's brought Japan into the club of leading countries and confirmed its position in the world. Nevertheless, not much has been written about the financial recourses that were used for waging the war. At the beginning of the 20th century, Japan was still conducting its modernization under the rule of Emperor Meiji. This modernization was visible in all spheres from daily life, to policy, economy and business. In 1904 Japan was only 36 years after the start of the Meiji Restoration. So, the main aim of this article is to answer this question: how was it possible to gain financial support for the war with Russia, and how did Japanese-American relations help to win the victory in this war?

The aforementioned question of Japanese-American relations is relevant, because they always seemed to be unequal, and emphasized the power of the United States over the other countries, especially those from Asia. Regarding this problem, the next question that arises is: how was it possible to gain American support for Japan's war with Russia? To answer those questions I will analyze the correspondence and private diaries of two people who contributed towards the financial support of the war, namely Jacob Schiff and Takahashi Korekiyo.

Takahashi Korekiyo and Jacob Schiff

The Meiji Restoration in Japan included numerous reforms, including the adoption of the yen as the official currency in 1871, and one year later the introduction of the National

Bank Regulation (*Kokuritsu ginkō jōrei*), which formed the basis for the establishment of the Japanese financial system.¹ In 1880 the Yokohama Specie Bank (*Yokohama Shōkin Ginkō*) was established, and a year later the Bank of Japan (*Nippon Ginkō*) started its activity.² Although the bank was a private venture, it was controlled by the government. In 1883 this institution was given a monopoly on controlling the money supply, and so the other banks were transformed into commercial banks.³ The regulations which controlled the banks' activities were patterned after British models. In 1885 the first emission of the banknotes issued by the Bank of Japan took place. Two years later Japan adopted the gold standard⁴, which allowed financial transactions to be conducted worldwide.

Takahashi Korekiyo became the seventh president of the Bank of Japan, and during his activity as vice-president of this institution, he gained funds for the warfare with Russia.

Takahashi Korekiyo was born on July 27, 1854 in Edo (the former name of Tokyo). From the early years of his life he studied English. In 1866 he gained a job as a dogsbody in the London India and Chain Bank, which won him a scholarship to continue his English studies in the United States of America.⁵ After a two-year stay abroad, he came back to Tokyo, and under the supervision of the politician and minister of education Mori Arinori he continued his studies at the Nankō University (the former name of the University of Tokyo). In 1872 Takahashi started his job as an interpreter in the Ministry of Finance, and one year later he moved to the Ministry of Education. After the establishment of the Institute of Trademark Registration as a part of the Engineering Department in the Ministry of Agriculture and Trade in 1884, it was headed by Takahashi.⁶ This led him on another journey, this time to Europe and the United States, the aim of which was the preparation of a new patent law in Japan. In 1889, Takahashi became the head of the Patent Department, but in the same year he left Japan for Peru to run a silver mine. When this venture fell through, he got a position as the head of the construction office of a new seat of the bank, and then its employee, thanks to Kawada Koichirō, the then President of the Bank of Japan.⁷ During the First Sino-Japanese war (1894–1895) Takahashi was responsible for investing in the bond market of the Bank of Japan, through which the state budget could gain the funds it needed to prosecute the war with China.⁸ After this armed conflict, Takahashi was moved to the Yokohama Specie Bank, which became an important institution in the international business brokerage thanks to his activities. In 1889, Takahashi went on another journey abroad, and one year later he took the position of vice-president of the Bank of Japan.

His main task was to gain financial support for the increased expenditures on armaments, associated with the approaching war with Russia. To acquire foreign capital just after war

¹ Michał Kołodziejski, *Takahashi Korekiyo (1854–1936) a gospodarka międzywojennej Japonii* [Takahashi Korekiyo (1854–1936) and the Japanese Interwar Economy], Warszawa: Trio, 2004, pp. 18–19.

² *Ibid.*, p. 19.

³ http://www.boj.or.jp/about/outline/history/his_1850.htm/ (accessed 20.01.2014).

⁴ The gold standard was the first international monetary system in which the unit of account was based on a given amount of gold.

⁵ Kołodziejski, *Takahashi Korekiyo...*, pp. 26–27.

⁶ *Ibid.*, p. 31.

⁷ *Ibid.*, p. 33.

⁸ *Ibid.*, p. 33–34.

broke out, in 1904 Takahashi and his secretary went to the United States, and then to Great Britain. The person who acceded to Takahashi's requests and partially financed the Japanese war was Jacob Schiff, the president of the Kuhn, Loeb & Co. Bank, who became an ally of the Japanese side in the Russo-Japanese War, mainly because of his suspicion of Tsarist Russia, which was conducting an anti-Jewish policy.

The Kishinev pogrom⁹ in 1903, as well as those which took place two years later in Bialystok and Odessa, caused an influx of Jews community to the United States from areas under the control of the Tsarist authorities. Emigrations of similar intensity occurred in the 1890s, and caused the creation of a special commission by the then President Benjamin Harrison, the aim of which was to examine this case. Among the members of this commission, and one of its initiators, was Jacob Schiff. The anti-Jewish activities in Russia were a reason why Schiff became a supporter of Japan in the war, which started in 1904.

Jacob Schiff was born on January 10, 1847 in Frankfurt am Main, as the son of a rabbi. When he turned eighteen he moved to the US, when he started his job as a banker. He eventually became president of Kuhn, Loeb & Co. bank, thanks to which he could financially support the victims of Russian riots who came to the US, as well as Orthodox and Reform Jewish institutions.¹⁰

Takahashi and Schiff met for the first time in April 1904 in London¹¹, where Takahashi as vice president of the Bank of Japan had been trying to gain a loan for the ongoing war. Before returning to Japan, Takahashi took part in an official dinner, where he told Schiff about his fears that the loan would be refused.¹² Schiff listened carefully to the story about the successes of Emperor Nicholas II. Schiff privately abhorred the Tsar, because of the Kishinev pogrom. Despite this conversation, Takahashi forgot about the meeting with the banker, and so when he received a message that Schiff wanted to meet him, he did not remember who he was. When he wanted to find out something about this person, he was told: "A member of the American bank Kyhl, Loeb. A powerful force on the world money market, a main element of international capital. A Jew".¹³ Their next meeting resulted in a long lasting friendship between Schiff and Takahashi. At first, the banker proposed a loan of 5 million pounds¹⁴, but finally the sum was increased to 200 million dollars.¹⁵ Schiff not only supported the Japanese side with his own capital, but also encouraged members of the First National Bank and the National City Bank to support Japan.¹⁶

In 1906, Jacob Schiff visited Japan for the first time. He was received by the Meiji Emperor and was the first foreigner in history to be awarded the Order of the Rising Sun.¹⁷ During the ceremony, Schiff broke the imperial palace rules and raised a glass to the

⁹ This had been provoked by rumors about the ritual murder of a Christian peasant.

¹⁰ Naomi Cohen, *Encounter with Emancipation. The German Jews in the United States 1830–1914*, Philadelphia: Jewish Publication Society of America, 1984, p. 234.

¹¹ Marvin Tokayer, Mary Swartz, *The Fugu Plan. The Untold Story of the Japanese and the Jews during The World War II*, London, New York: Paddington Press Ltd., 1979, p. 45.

¹² *Ibid.*, p. 46.

¹³ *Ibidem.*

¹⁴ *Ibidem.*

¹⁵ Ben-Ami Shillony, *The Jewish Role in the Russo-Japanese War*, in *Collected Writings of Ben-Ami Shillony*, Tōkyō: Japan Library and Edition Synapse, 2000, p. 318.

¹⁶ *Ibidem.*

Emperor, comparing him with the American president George Washington: “first in war, first in peace, first in the hearts of his countrymen”.¹⁸ Schiff was also invited to private dinners at the houses of the former prime minister of Japan, Okuma Shigenobu, the President of Daiichi Bank, Shibusawa Eiichi, and the mayor of Tokyo, Ozaki Yukio.¹⁹ During his stay in Japan, Schiff contributed 9000 yen (equivalent to 4500 US dollars) to the Japanese Red Cross.²⁰ Banker came back to the US with Takahashi’s fifteen-year-old daughter, who spent three years at his place.

Jacob Schiff described his stay in Japan in a letter to his family:

“Everybody from the Mikado down does his utmost to be kind to us, and we have therefore been given an opportunity to study every phase of life in Japan. The day after our arrival in Tokio, the Emperor received me in special audience, bestowed upon me the Order of the Rising Sun, and gave a luncheon in my honor for about fifteen people. (...) After this a succession of dinners and garden festivals followed, on the part of the American Chargé d’Affaires, the Minister of Finance, the directors of the Bank of Japan, etc. (...)

The Government [of Japan – author’s note] appears to be perfectly organized, to be proceeding conscientiously in all departments, and not to be greatly influenced by public opinion. (...) It rather seems to me that the chief strength of the country must be sought in the continued development of industry.”²¹

Schiff appeared in Japan once again in 1917, as the president of the American Hebrew Immigrant Aid Society, to ask for approval to make Kobe and Yokohama the transit centers for Jewish immigrants.²² AHIAS had one temporary seat in Yokohama, but also another in Harbin, where residents were Jews with Russian roots. Schiff died two years later in New York.

In 1911, Takahashi Korekiyo became President of the Bank of Japan. Two years later, for the first time, he became the Minister of Finance, a position which he held six times. In 1921 he was elected Prime Minister of Japan. He played this role for less than a year, from November until July 1922.²³ Takahashi was murdered in 1936 during the February 26 Incident²⁴.

Cooperation in supporting the Japanese government during the Russo-Japanese War

A very important source of information about Schiff’s attitude toward the Japanese matter is his collected letters²⁵; on the basis of Jacob Schiff’s correspondence and Takashi

¹⁷ Cyrus Adler, Mortimer L. Schiff, *Jacob H. Schiff: His Life and Letters Part 1*, New York: Doubleday, Doran: Garden City, 1928, p. 228.

¹⁸ Ibidem.

¹⁹ Shillony, *The Jewish...*

²⁰ Ibidem.

²¹ Adler, Schiff, *Jacob H. Schiff...*, pp. 235–236.

²² David Kranzler, *Japan before and during the Holocaust*, in *The World Reacts to Holocaust*, David S. Wyman (ed.), Baltimore and London: The Johns Hopkins University Press, 1995, p. 555.

²³ Ewa Pałasz-Rutkowska, *Polityka Japonii wobec Polski 1918–1941* [Japanese Policy toward Poland 1918–1941], Warszawa: Nozomi, 1998, p. 57.

²⁴ Attacks organized by nationalists, who blamed liberals for the destruction of the national character of Japan. 1400 soldiers took part in those attacks. Besides Takahashi, the PM Saitō and PM Okada’s brother-in-law were also killed.

²⁵ Adler, Schiff, *Jacob H. Schiff...*

Korekiyo's diaries, the cooperation between the American banker and the Japanese government will be analyzed.

Schiff became seriously interested in the Japanese case in 1904. Information regarding this matter can be found in Takahashi's his notes, in which he described Schiff and their cooperation in detail.²⁶

"It was one evening toward the end of April, 1904, that I met Mr. Schiff for the first time. I had then just arrived in London as Special Financial Commissioner of the Imperial Japanese Government. The Russo-Japanese War having broken out in February of that year, I had been despatched there with the mission of watching the financial interests of my country and negotiating loans for our Government according to needs and opportunities (...).

I crossed the Atlantic with the hope that conditions in London would be comparatively favourable to the prosecution of my task. (...)

It was at the juncture that I happened to sit by the side of Mr. Schiff at a dinner given by my personal friend, Mr. Arthur Hill. Mr. Schiff was introduced to me simply as an American financier on his way home from a visit to the Continent. I had not then a clear notion of this position and personality; but finding him uncommonly interested in the war as well as in the affairs of Japan, I naturally did my best to explain to him the situation of my country. (...) On the following day I received from Mr. A.A. Shand of Parr's Bank the intimation that an American banker was inclined to take up the issue of the remaining portion of our loan then under negotiation, and I learned that the banker was no other person than Mr. Schiff, of Messrs. Kuhl, Loeb & Co, of New York (...). It must be remembered that all this came to pass before Japan won the battle of the Yalu, which was ended on the 1st of May. Mr. Schiff's move to throw in his lot with Japan was taken before her first decisive victory. (...) Within a few days of the memorable battle, the necessary agreements and arrangements between the Japanese Government, the British issuing banks, and Messrs. Kuhl, Loeb & Co. were concluded. (...) The result was the issue on the 11th of May of the Imperial Government's 6 per cent. Sterling Loan for £10,000,000²⁷. The American portion of £5,000,000 was purchased from the British group by Messrs. Kuhl, Loeb & Co., and was issued in New York on the same Day as in London by the group consisting of Mr. Schiff's firm, the National City Bank, and the National Bank of Commerce. (...)

How Mr. Schiff became interested in Japan I did not know fully at the time. He left London soon after the conclusion of the negotiations. (...)

Shortly after the flotation of our second 6 per cent. loan, I returned home with the object of verbally reporting to the Government on various aspects of our financial operations abroad. Stopping on the way in New York, I was able to exchange views with Mr. Schiff in a mutually frank and whole-hearted manner. (...) His initial move in taking the side of Japan was avowedly actuated by his ideas about Russia. (...) I saw in him a true friend of my country, and my personal friendship with him may also be said to date from that time. (...)

²⁶ Ibid., p. 213.

²⁷ The unit with the highest face value was the British pound sterling. It was equal to the amount of 4.50 Portuguese escudos; 4.87 US (and Canadian) dollars; 9.40 Russian roubles; 9.76 Japanese yen; 12.10 Dutch guilders; 18.16 Scandinavian (Swedish, Danish and Norwegian) crowns; 20.43 German marks; 24.01 Austrian crowns. Source: http://www.gazetabankowa.pl/pl/dokumenty/Historia1900_1909 (accessed 24.05.2008).

Mr. Schiff was joyous over the substantial success of our arms [in 1905 – author’s note]. It was a source of great satisfaction to him that what he expected of Japan at the outset was being fulfilled. Discussing the prospect of the loan under consideration, Mr. Schiff assured me that he would concur in any terms that might be argued upon between the Japanese Government and the London group. With this *carte blanche* from him, I went over to England (...) The result was the issue on March 28th of the Imperial Japanese Government 4,5 per cent. Sterling Loan of £30,000,000 (...) All the arrangements were completed in a few days and the Imperial Japanese Government 4,5 per cent. Sterling Loan (second series) for £30,000,000 was issued on the 11th of the month [July – author’s note], the amount being equally divided among the three countries. The German group consisted of the Deutsch – Asiatische Bank, with whom eleven leading banks were associated, and Messrs. M.M. Wartburg & Co.”²⁸

Regarding Jacob Schiff’s remarks, it is worth mentioning that he had referred to Japan in his correspondence a long time before the Russo-Japanese War started, namely in 1891, when in a letter addressed to General James Wilson he wrote:

“Did you read of the death of Koyinira Yoshida²⁹? I was indeed sorry to learn that so brilliant and comparatively young a man, who I believe has done more than many others of his countrymen to spread civilization in Japan, has been taken away”.³⁰

Details of the first negotiations held by Schiff and Takahashi, about which Takahashi wrote in his diary, are confirmed by the letter sent by Lord Revel Stoke of Baring Bros. & Co. on May 10th, 1904, which remarked his gratitude for the cooperation with regard to the loan granted to the Japanese government. Meanwhile, the consul-general of Japan in New York and Count Cassini, the ambassador at Washington, received checks for \$10,000, with an annotation that these were anonymous contributions to the war with Russia.

On August 25, 1905, before the peace settlement between Japan and Russia in Portsmouth, New Hampshire, Schiff sent the following letter to Takahira Kogorō:

“Bar Harbor, August 25, 1905.
His Excellency, K. Takahira,
Minister of Japan and Envoy Plenipotentiary,
Portsmouth, N. H.

Dear Mr. Minister:

I have greatly hesitated whether I should address you, and I earnestly beg of you in advance that you do not misunderstand the purpose and spirit of this letter. I know Japan needs the advice of no one, and that those who at this crucial moment have the responsibility to decide whether the war shall be continued or not must best know what the interest of their country demands. I have thought, however, that an expression of my part as to the effect of a continuation of the war upon the borrowing powers of Japan in foreign markets might not be unwelcome to Baron Komura and you, and it is upon this I have concluded to write you.

²⁸ Adler, Schiff, *Jacob H. Schiff...*, pp. 213–226.

²⁹ Schiff was thinking about Yoshida Kiyonari, the student of Mori Arinori, the Japanese politician and businessman who was also active in the US and Great Britain.

³⁰ Adler, Schiff, *Jacob H. Schiff...*, p. 212.

It is quite evident, if the reestablishment of peace does not result from the present negotiations, the conclusion will force itself upon the World that the war must be continued *à outrance*, or until either Japan or Russia shall become completely exhausted. It is true, Russia will not be able to find money to any large extent for a continuation of the war, either in Paris or Berlin, but she will at once have recourse to her very considerable gold reserve and will not hesitate to abandon the gold standard for the time being. It will be a terrible blow to her commerce, to her national credit and to her entire future, but she will in the hour of her despair not flinch from inflicting it in order to secure the sinews of war.

As to Japan, there will be an immediate fall in the price of her foreign Loans of from 5 to 10 per cent. This in itself would be nothing. When investors buy bonds at war prices, they must also take the chances which war brings with it. What I do apprehend, however, is that the money markets of the United States, England, and Germany will, with the belief of a war *à l'outrance*, no longer be prepared to finance Japan's requirements to any great extent. It is this I deemed my duty to say to you and Baron Komura, though I shall add the assurance that my own firm will stand by Japan with all the resources and influence at its command, whatever may come of the negotiations at Portsmouth.

With expressions of high esteem, both for you and Baron Komura, I am,
Yours most faithfully,
Jacob H. Schiff³¹.

In 1907, the Japanese government offered to change the war rates from 6 per cent to 5 per cent. This was during the entering the global crisis in 1907, which was the effect of the end of Russo-Japanese war and the earthquake in San Francisco, and was due to the monopolization of a great part of the world economy.

During that time, Schiff wrote to Takahashi:

“Bonds in Paris and London is naturally not as advantageous to your Government as had been moped, yet with the great change which has come over the international money markets, and which for the time being has practically closed the American market not only to foreign, but also to the best Home investment, I think it is an accomplishment that you can be proud of to float £23,000,000 of 5 per cent.”³²

When after the Russo-Japanese War, the specific political, economic and military interests of Japan in Korea were accepted under the Portsmouth Treaty (*Pōtsumasu-jōyaku*), the American legacy was closed and moved to Tokyo.³³ The then American consul, Willard Straight, was delegated to Mukden as a consul general. During that time, the question arose of which power would take control over the Trans-Siberian railway, as part of the plan for a global transport system. Schiff postulated that control should be taken by Japan, which was mentioned in his letters.³⁴

The correspondence of Jacob Schiff depicted above and the parts of Takahashi Korekiyo's diary collected in *Jacob H. Schiff: His Life and Letters*, help us to examine the question of gaining financial support for the war with Russia more closely.

³¹ Ibid., pp. 231–232.

³² Ibid., pp. 239–240.

³³ Ibid., p. 246.

³⁴ Ibid., p. 247.

Jacob Schiff and his interest in Japanese policy

The Japanese case was also the subject of correspondence between Jacob Schiff and leading representatives of the United States government. Privately, remarks and observations regarding the situation in Japan can also be found in the banker's private correspondence.

During his first official visit to Japan, which took place just after the end of the Russo-Japanese War, Schiff assessed the policy of the Japanese government in a letter addressed to his family:

“Japanese Policy is very evidently directing all its attention to the creation of new markets by colonization, especially in Korea and Manchuria. There is no doubt that everything is being done to bring China and her great resources under Japanese influence”.³⁵

Also, in official letters sent by Schiff to the dignitaries, the subject of the Japanese policy was mentioned. In the letter dated November 5, 1908, which was addressed to the President of the United States, the banker describes the situation in the Country of the Rising Sun in the following way:

“The people of Japan, who in recent years have so greatly astonished the World, have, as part of the government, a class called ‘The Elder Statesmen’.³⁶ These are men, generally four or five in number, whose worth has been tried for a long number of years in the service of their country, and who, when their active career ends, are called to the side of the Emperor, as his counselors upon questions of great moment to the Empire. Their advice is considered so potent that neither the Emperor nor the Diet would think of ignoring it. It is given with great deliberation, always prevails, and has saved the nation from many errors which otherwise might have been committed”.³⁷

Jacob Schiff also described his observations of the Japanese in his letters. This correspondence helps us to have a closer look at the life of the Japanese upper classes, forty years after the beginning of the modernization of this country. From part of a letter dated April 8, 1906:

“Mr. Takahashi himself lives according to the Japanese custom, but we got along quite well at a luncheon which we took at his house, sitting and eating in the Japanese custom”.³⁸

In the same letter one can find another reference to the citizens of Japan:

“The impression I have formed of the people [of Japan – author's note] is that they are possessed of great intelligence, industry, and modesty”.³⁹

³⁵ Adler, Schiff, *Jacob H. Schiff...*, p. 236.

³⁶ He meant the Japanese oligarchy formed from the most active members of the Meiji reforms, who contributed to overthrow of the Shogunate system, and who descended from the samurai middle class from feudal principalities in the south-west of Japan.

³⁷ Adler, Schiff, *Jacob H. Schiff...*, Part 2, p. 33.

³⁸ C. Adler, M. L. Schiff, *Jacob H. Schiff...*, Part 1, p. 235.

In subsequent years Schiff often examined the topic of Japanese foreign policy, especially towards China. In a letter written on September 3, 1919, addressed to Takahashi, he peremptorily criticized the problem of Shantung:⁴⁰

“As to China, it is very much to be hoped that Japan and China may between themselves find a satisfactory solution, which at present is being used to so unjustifiable an extent for ulterior purposes, to create discord between Japan and the United States, which I am sure, neither in your nor our own country, no honest and patriotic citizen desires”.⁴¹

Schiff intervened especially strongly on American policy toward China. He insisted that the American authorities undertake cooperation with Japan and work together for the development of China. His proposals were shown in a letter written to the Counselor to the Department of State:

“The relations of the United States with China and also with Japan have, for a very long time, occupied my mind to a considerable extent, and as you may perhaps remember my having said to you personally at Bar Harbor, my conviction is that it is better for China that Japan be permitted to play the role of big brother to her than if this be opposed, (...). Japan, because of Her nearness to China, of Her own experience gained since the days of Perry, of the ability and efficiency of Her people and government, and for other reasons, understands better than perhaps China herself, and certainly better than any other nation, the needs of China and the manner in which it will be possible to organize China into a modern state, and should be rather encouraged than discouraged in this task which Japan has set for herself, and in which she has already gone a good ways forward, even if she is doing this, no doubt to a great extent, from selfish motives. The proper remedy appears to me to be that we get alongside Japan in the reorganization of China; that to some extent we join hands with Japan in the labor of modernization which has to be done in China, and for which China needs outside help and cooperation. What will be needed more than anything else by China is Money, and in amounts which Japan cannot possibly furnish, and I believe, because of this, she will welcome our cooperation (...). We could thus not only render a considerable service to China and to the World in general, but our country would gain tremendous advantages, aside from the most important fact that the, to say the least, unpleasant and irritating Japanese question would thus be made possible of entire removal”.⁴²

Conclusion

Basing on the aforementioned portion of the correspondence, we can assume that Japanese problems were never indifferent to Jacob Schiff. In 1920 the banker was still in

³⁹ Ibid., p. 236.

⁴⁰ After a secret agreement with France, Great Britain and Italy in 1917, Japan was to receive former German colonies in the Far East. Therefore, during the Paris Peace Conference, such arrangements were officially confirmed. This resulted in a discontent of China, due to the lack of decision on the transfer of Shandong to the Chinese authorities.

⁴¹ Adler, Schiff, *Jacob H. Schiff...*, Part 2, p. 208.

⁴² Ibid., pp. 261–262.

touch, privately as well as officially, with Takahashi, cooperating with him regarding the Chinese case. Schiff, who always cared about Japanese policy, openly criticized and gave advice regarding the policy of Japan. Moreover, he always supported the Japanese government's decisions, and often acted as a middleman between Japan and the US.

Analyzing the sources which provide us with the private opinions of those two important figures is extremely helpful in discovering the sources of Japanese success in the Russo-Japanese War. It is worth emphasizing that no one can answer whether it would have been possible to win the war without the financial support from the West, something which was possible only because of the private aversions of certain people. Those dislikes helped Japan to gain fellow feelings and support, especially in the US, even if the general attitude of Americans was often very racist.⁴³ They also were helpful in helping Japan 'join the club' of world powers, which came to a head during World War I. The victory in the Russo-Japanese War was certainly the first political milestone in Japan becoming a global power and assuming a leading position in the world.

⁴³ For more details: Walter LaFeber, *The Clash: U.S.–Japanese Relations throughout History*, London and New York: W.W. Norton&Company, 1998.