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Occupational Advancement of Japanese Immigrants and Its Economic Implications: Experience in the State of Washington, 1903-1925

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I

INTRODUCTION

THE MAJOR influx of Japanese immigrants to the Pacific Northwest began in the late 1880's. The number of Japanese immigrants in the state of Washington increased from less than 400 to about 16,300 during the period from 1890 to 1908. During the 1890's, Japanese settlements were established in major cities in Washington such as Seattle and Tacoma and by 1908 the Japanese population in Seattle exceeded 5,000. However, the Gentlemen's Agreement of 1908 virtually stopped any further immigration and the Japanese population growth in Washington declined accordingly.[1]

Most of the immigrants, who could speak little or no English, were initially engaged in manual, low wage labor in the United States. In the state of Washington, railroad and sawmill work were the two most prevalent types of occupation under non-Japanese employers. There was a high demand for such workers in the region because the immi-

[1] U.S. Bureau of Census, *Population of the United States at the Eleventh Census: 1890* (Washington, DC: Government Printing Office, 1895), I, p. 609; Kojiro Takeuchi, *Beikoku seihokubu Nihon imin-shi* [A History of the Japanese Immigration to the North-Western Region of the U.S.] (Seattle: Taihoku Nipposha, 1929), pp. 803-05.

gration of the Chinese, who had historically supplied this kind of unskilled labor in the Pacific Northwest, was prevented by the Chinese Exclusion Act of 1882, and existing immigrants were driven away from the region by the anti-Chinese riots of the late 1880's. Many Japanese also worked in city businesses and agriculture, mainly under Japanese employers.

As time passed, some of these wage laborers accumulated savings and started to secure their own businesses or farms. This paper examines the degree of this occupational advancement and estimates the income level of five major occupational groups of Japanese immigrant workers. It is unfortunate that quantitative studies on the economic history of Japanese immigrants are scarce compared to studies on the political, legal and social aspects of immigrant life.[2] I will try to fill this gap by providing quantitative analysis of the occupational advancements of Japanese immigrants.

The main conclusions from this analysis are that 1) considerable occupational advancements were already made by Japanese immigrants by 1913, and 2) occupational advancement from the position of wage laborer to the position of independent operator increased the income of those who obtained independent status, thus providing Japanese immigrants with an important upward path of economic advancement. In the last section, the disruption of their economic advancement by the Alien Land Law is to be discussed.

The data used for analysis in this study are taken from the records of Japanese immigrants in the state of Washington during the given period.

II

THE DEGREE OF OCCUPATIONAL ADVANCEMENT

The occupational advancements made by Japanese immigrants can be seen from a survey of the Japanese Association in the state of

[2] There are few studies available on the economic history of Japanese immigrants. See Robert Higgs, "Landless by Law: Japanese Immigrants in California Agriculture to 1941," *Journal of Economic History* Vol. 38 (1978), pp. 205–55; Yuzo Murayama, "Contractors, Collusion, and Competition: Japanese Immigrant Railroad Laborers in the Pacific Northwest, 1898–1911," *Explorations in Economic History*, 21 (1984), pp. 290–305; Ivan H. Light, *Ethnic Enterprise in America: Business and Welfare among Chinese, Japanese, and Blacks* (Berkeley: University of California Press, 1972).

Table 1
Occupational Distribution of Japanese Male Immigrants in the State of Washington in 1903 and 1913

Occupation	1903		1913	
	Number	Percentage	Number	Percentage
Independent Business Operators	432	9%	1,034*	10%
Independent Agricultural Operators	231	5%	956	9%
Employees in Japanese Business Establishments	397	8%	1,965*	18%
Employees in Farms	276	6%	1,193	11%
General Wage Laborers	3,242	67%	4,827	46%
Others	246	5%	590	6%

*Estimated figures.
Source: Takeuchi, *Beikoku Seihokubu*, pp. 789–91 and pp. 806–08.

Washington (Table 1). According to this survey, the number of independent farmers increased from 231 to 956, an increase of more than four times during the period from 1903 to 1913. The number of independent business operators increased from 432 to 1,034 during the same period. In percentage terms, the share of independent farm operators increased by 4 points while the proportional share of general wage laborers decreased by 21 points. The share of business operators, however, only increased slightly.

This, however, shows that an increase in the scale rather than the number of establishments was an important factor in the growth of business operation as a whole, judging from the fact that employees in business operations increased dramatically, from 8 to 18 percent. Some of these employees were not mere unskilled laborers but held high positions and commanded relatively high wages.[3]

Table 2 shows the kinds and the number of establishments operated

[3] For instance, the M. Furuya Company, one of the biggest Japanese business enterprises in Seattle, had 120 employees when it went bankrupt in 1931. Judging from the fact that the company greatly expanded during the 1900's, it must already have had a considerable number of employees in 1913. This kind of large business establishment probably inflated the number of employees in business, thus understating the actual advancement. Kazuo Ito, *Issei: A History of Japanese Immigrants in North America* (Seattle: Japanese Community Service, 1973), p. 703; Takeuchi, *Beikoku seihokubu*, pp. 288–90.

Table 2

Distribution of Japanese Business Establishments in the State of Washington 1903–1914

Occupation	Number of Establishments (Seattle)			Number of Establishments (Tacoma)			Number of Establishments (Other Areas Wash. State)		
	1903	1908	1913	1903	1908	1914	1903	1908	1914
Banks (Japanese co.)	2	7(0)	3(5)	0(0)	0(0)	0(9)	0(0)	0(0)	0(4)
Church	4	5	6	0	1	2	0	2	1
Newspapers, magazines (printing shops)	4(0)	6(5)	6(3)	0(0)	0(0)	3(0)	0(0)	0(0)	5(0)
Physicians (drug stores or pharmacists)	8(1)	12(3)	12(4)	0(0)	3(0)	3(0)	0(0)	1(0)	1(0)
Midwives (massage parlors)	0(0)	4(4)	4(3)	0(0)	0(0)	0(0)	0(0)	0(0)	8(0)
Translators (employment agencies)	3(9)	5(12)	4(8)	0(2)	0(0)	3(1)	1(2)	0(4)	2(3)
Hotels, boarding houses	35	59	55	3	8	14	9	32	59
Grocery, general merchandise	20	30	48	3	9	7	4	9	8
Watch, jewelry	5	7	8	0	1	1	1	0	2
Furnishing, second hand stores	0	8	16	0	0	0	0	2	1
Tailors	11	33	23	1	3	7	1	7	2
Dye work	3	0	19	0	0	3	0	0	1
Plumber, carpenter, sign making	0	10	9	0	0	1	0	0	8
Shipping Co.	6	10*	5	0	2*	2	0	2*	2
Billiard parlors, shooting galleries	0	25	17	0	4	9	2	13	16
Bath houses	19	17	28	1	4	3	1	9	7
Barber shops	18	23	51	2	7	14	4	14	23
Laundries	19	28	29	3	7	8	12	22	20
Restaurants	43	61	53	5	10	11	32	63	55
Misc. producers	8	12	12	0	0	1	2	1	0
Others	5	45	79	0	6	6	4	22	30
TOTAL	223	431	510	20	61	108	75	203	258

*includes fuel stores

Source: Takeuchi, *Beikoku Seihokubu*, pp. 789–808.

by Japanese from 1903 to 1914. As this table shows, the movement from unskilled work to independent business operations brought the number of Japanese establishments in the state of Washington from 318 in 1903 to 695 in 1908 and 876 in 1913–14.

The quality as well as the number of Japanese businesses changed over time. Since the origin of Japanese business lay in the needs of immigrant laborers, Japanese businesses initially supplied Japanese immigrants with goods and services which could not be supplied by American stores, either because of discrimination or differences in taste. Physicians, barber shops, and laundries in particular were necessary because Japanese immigrants were very likely to be discriminated against in these establishments. Grocery and general merchandise stores, bathhouses and restaurants were necessary for satisfying the different tastes of Japanese immigrants. Translators and employment agencies were needed to enable Japanese immigrants to work efficiently under white employers. Hotels and boarding houses provided the necessary lodging for seasonal immigrant laborers and also functioned as employment agencies.

Through trial and error, some establishments became efficient and were able to compete with those operated by whites. This tendency was probably augmented by the Gentlemen's Agreement, under which new immigration of Japanese males virtually stopped. According to the reports of the Immigration Commission, Japanese tailors, curio dealers, watchmakers, dyers, shoe repairers, fish markets, restaurants serving American meals, barber shops, and laundries had a very large percentage of white customers.[4] And judging from the fact that after the Gentlemen's Agreement there was an increasing number of hotels and groceries, these must have served non-Japanese customers to a large extent. According to H.A. Millis,[5] who made an extensive study of Japanese immigrants in the early 1910's:

> In recent years [early 1910's] the Japanese have entered the generally competitive field in the grocery trade and now have upwards of twenty groceries outside of the "Japanese quarter" bounded by Yesler Way. These are scat-

[4] U.S. Immigration Commission, *Reports of the Immigration Commission: Japanese and Other Immigrant Groups in the Pacific Coast and Rocky Mountain States* (Washington, DC: Government Printing Office, 1911), Reports 23, p. 277.

[5] H. A. Millis, *The Japanese Problem in the United States* (New York: Macmillan, 1915), p. 77. For the same kind of observation, see also Takeuchi, *Beikoku seihokubu*, p. 336. For evidence that shows Japanese hotels had non-Japanese customers, see Ito, *Issei*, pp. 516–36.

> tered throughout the city and are designed for the American trade. The white grocers have complained of the cutting of prices. . . . Whatever the reason for the difficulty experienced may have been, it is true that there has been competition for white trade by newly opened stores and some cutting of prices, and that the Retail Grocers' Association began active opposition to the Japanese.

The majority of Japanese immigrants who operated these independent businesses started initially as unskilled wage laborers, as was mentioned before. According to a survey conducted by the Immigration Commission in 1908–1909, 86 out of 108 persons who operated business establishments in Seattle at that time had started as unskilled laborers, such as railroad laborers and domestic servants, and had subsequently obtained independent status (Table 3).

The number of farms also increased dramatically over time. According to statistics compiled by J. A. Rademaker in 1939 (Table 4), the number of Japanese farms existing in 1900 was only 6, but it increased to 316 in 1910 and to 586 in 1914. The total acreage leased, rented or managed by Japanese farmers reached more than 16,000 acres by 1914.[6] In the state of Washington, land ownership by foreigners was

Table 3

First Occupations of Japanese Who Later Operated Independent Businesses in Seattle, circa 1908–1909

Occupation	Number
In Business for Self	22
Farm Hand	7
Railroad Laborer	20
Sawmill Laborer	6
Cannery Hand	1
Store Help	7
Restaurant Help	8
In Domestic Service	30
Tailor and Dyer	1
Wage Earner in City	6
TOTAL	108

Source:Immigration Commission, *Reports* 23, p. 386.

[6] After 1920, the number of farms and total acreage decreased due to the Alien Land Law enacted in 1921. For details, see the latter part of this paper.

Table 4
Land Tenure of Japanese in the State of Washington—Number and Acreage of Farms, 1900–1930

Year	Number of Farms	Total Acres	Acres Owned	Acres Leased, Rented and Managed
1900	6	n.a.	n.a.	n.a.
1910	316	11,439	n.a.	n.a.
1914	586	16,123	0	16,123
1920	699	25,340	927.5	24,412.5
1922	585	20,314	927.5	19,386.5
1923	665	13,635	927.5	12,707.5
1925	246	7,030	885.5	6,142.5
1930	523	12,636	1902.0	10,735

Source: John Adrian Rademaker, "The Ecological Position of the Japanese Farmers in the State of Washington." Unpublished Ph.D. dissertation, University of Washington, 1939, p. 36.

prohibited due to a possibility that Canadians would control a large portion of land in the state. Due to this prohibition, Japanese had to start independent farming through leasing. Although American-born Nisei (citizens) were able to purchase land, these cases were exceptional since a majority of Nisei were still minors in the early 1910s. Japanese farmers started farming by making three to five year leasing contracts with landowners and continued farming by renewing the same contracts or making new leasing contracts with other landowners.

Japanese farms were concentrated in the suburbs of Seattle and Tacoma, the White River Valley, and the Yakima areas. The main crops grown by Japanese farmers were potatoes, berries, and vegetables near cities and hay, wheat, and melons in the outlying Yakima area. In addition, some of the Japanese farmers engaged in dairy and poultry farming and hog raising.[7]

III

ESTIMATION OF PER WORKER INCOME IN MAJOR OCCUPATIONAL GROUPS

In order to evaluate the economic meanings of the occupational ad-

[7] Hokubei Jiji-sha, *Hokubei Nenkan* 1 (Seattle: Hokubei Jiji-sha, 1910) pp. 21–28.

vancements, estimation of income per Japanese worker in major occupational groups are calculated in this section. The estimate is made for the state of Washington in 1913 using the following procedures:[8] the occupations of Japanese immigrants are divided into five groups, and the income per worker is estimated for each group. These five groups are: (1) independent business operators; (2) independent farmers; (3) employees of business establishments; (4) employees in agriculture; and (5) wage laborers under non-Japanese employers.

The average incomes of independent business operators, independent farmers, employees of business establishments and employees in agriculture are estimated from the business survey conducted by the Japanese Association in 1913.[9] The survey asked each Japanese independent operator the number of employees, the amount of wages paid and amount of income earned by the operator. Of course, these figures involve some inaccuracy, but because the Japanese Association was in the best position to know the situation of Japanese immigrants, these figures are considered to be the best approximations one can obtain. The report of the Immigration Commission also said that "The figures [the profit realized from the business transacted] are necessarily in some cases approximations of the true amounts. On the whole, however, they are regarded as fairly accurate."[10] The business survey by the Japanese Association covered Seattle, Tacoma, Spokane, Yakima, Pasco and Bellingham and covered about 75 to 80 percent of Japanese independent business operators and employees in the state of Washington, but only 3 to 4 percent of the farmers and farm laborers. In estimating the average income of the above four categories, adjustment was made for the value of room and board provided by employers, to which was added the estimated income of the employees, and was deducted from the estimated income of the operators. Room

[8] For details, see Yuzo Murayama, "The Economic History of Japanese Immigration to the Pacific Northwest: 1890–1920," unpublished Ph. D. dissertation, University of Washington, 1982, Appendix B, pp. 325–31.

[9] Hokubei Jiji-sha, *Hokubei Nenkan* 5 (Seattle: Hokubei Jiji-sha, 1914), pp. 88–95. There are a few Japanese immigrants who worked at city business establishments and farms operated by whites. Incomes for these immigrants have not been estimated separately here, but it is supposed that their incomes were not much different from those who worked for Japanese employers, due to the disappearance of wage discrimination. See Murayama, "Economic History of Japanese Immigration," pp. 240–44.

[10] Immigration Commission, Report 23, p. 112.

and board were valued as $8 per month ($4 for room and $4 for board), using the Immigration Commission estimate.[11]

In estimating the average income of wage laborers under white employers, figures in the survey of the Immigration Commission, circa 1908, were used, since appropriate income data are not available for 1913.[12] Therefore, estimated income for this category is probably underestimated. This category was divided into four sub-categories and obtained separate income figures. These sub-categories are (1) railroad, (2) sawmill, (3) cannery, and (4) domestic service and others. For categories (1) to (3), the Immigration Commission asked the yearly earnings of laborers; thus, the figures simply show the yearly earnings of laborers who were in a certain job at the time of the survey and might include earnings from other jobs done at other time of the year. This fact should not diminish the quality of the estimate, however. In total, the Immigration Commission surveyed the incomes of 211 laborers, about 6 percent of the total laborers in these categories. Although the sample size is rather small, the variation of earnings would have been small in unskilled work, so that the figures obtained are probably close to the true figures. Since the Commission's report did not enumerate yearly earnings for category (4), domestic service and others, in the state of Washington, the income figure for this category was computed from weekly and monthly wage rates listed in the Commission's report. Domestic service and other types of work were divided into five groups and estimated separately, and then added, weighted according to each group's proportion. When there was a range of wage rates, the lowest rate was taken in order to obtain a conservative estimate of income. Wages of laborers who worked for non-Japanese employers were also adjusted for the value of room and board, and final estimates of yearly income per employee by major occupational groups were obtained.

The results of estimates are shown in Table 5. According to this table, average income for independent operators are $1,457 for business operators and $1,243 for farmers, while average income for wage laborers vary from $444 to $642. Therefore, average income for in-

[11] *Ibid.*, p. 120. The Immigration Commission estimated the value for room and board in the range of $8 to $10. In order to obtain a conservative estimate, the $8 figure is used here.

[12] *Ibid.*, pp. 42, 46, 48, 274–76.

Table 5
Estimate of Average Income Per Operator or Employee in Each Job Category in 1913 in the State of Washington

Category	Income
Independent Business Operator	$1,457
Independent Farmer	$1,243
Employee of Business Establishment	$543
Employee in Agriculture	$642
General Wage Laborer	$444
Weighted Average	$668

Source: See text.

dependent operators are from two to three times greater than those for wage laborers, thus suggesting that there were strong pecuniary incentives for becoming independent operators.[13] It could also be said that independent status provided an important upward path of economic advancement due to the greater income incentive.

It is interesting to compare the average yearly income per Japanese worker with the state average. The average yearly income per Japanese worker is estimated as $668, which is a weighted sum of income for each occupational group. On the other hand, based on per capita income estimates for the state of Washington by R. A. Easterlin, the average income per worker in the state of Washington in 1913 is estimated as $930.[14] This means that Japanese immigrants already were

[13] Since the estimate of the average income of wage laborers under white employers was based on the figure in 1908, rather than in 1913, this figure is probably underestimated as previously mentioned. However, the difference in income between independent and wage labor employment is large enough to support the conclusion here.

[14] R. A. Easterlin estimated per capita income for each state in 1900 and 1919–1921. The estimate for the state of Washington was $296 in 1900 and an average of $770 for the years 1919 to 1921 in current dollars, these figures are first changed into constant dollars and the growth rate of per capita income during this period is calculated. Using this growth rate (0.7 percent per year), the per capita income in 1913 in constant dollars is obtained by extrapolation, and then it is converted to current dollars. Then, multiplying this per capita income figure ($403) by the number of persons in the state of Washington, and then dividing by the number of males of working age, the income figure of $930 per worker in the state of Washington in 1913 is obtained. Simon Kuznets and Dorothy Swaine Thomas, *Population Redistribution and Economic Growth: United States 1870–1950* (Philadelphia: The American Philosophical Society, 1957), Vol. 1, p. 753; U.S. Bureau of Census, *Thirteenth Census of the United States*, Vol. 3, Population 1910 (Washington, DC: Government Printing Office, 1913), p. 990.

earning about 70 percent of the state-average per-worker income. Considering that Japanese immigrants had not begun to come to the Pacific Northwest until the late 1890s, it is surprising that they were earning so much as early as 1913.

IV

THE ALIEN LAND LAW—"COERCED OCCUPATIONAL CHANGE"

One unique aspect of the economic history of Japanese immigrants is that movement toward independent occupational status was disrupted by successive acts of legal discrimination. In the state of Washington, the Alien Land Law was enacted and put into effect in 1921. Since this law prohibited aliens from owning or leasing land, the path toward becoming an independent farmer was considerably narrowed: even though some immigrants managed to evade the law (e.g. purchasing land in the names of native-born sons and daughters and by choosing legal guardians for their native-born children who were, in most cases, still minors), the law nevertheless greatly reduced the number of Japanese farmers in the state.[15]

Table 4 shows the number and total acreage of Japanese farms in Washington during the period from 1900 to 1930. The number and acreage grew very rapidly until 1920; however, these figures drastically decreased during the next five years. In terms of the number of Japanese farms, the number decreased from 699 in 1920 to 246 in 1925, a decrease of 65 percent. This was partially due to the collapse of farm prices in 1921;[16] when farm prices rose again after 1922, however, the acreage of Japanese farms still continued to decline, indicating that a major factor in this decline was the Alien Land Law.

There were two kinds of economic cost incurred by Japanese immigrants due to the Alien Land Law. The first was the loss of property; when land leases expired and farming could no longer be continued, farmers had to sell their farming tools and livestock. Since the bargaining power of Japanese farmers was weak due to the fact that buyers

[15] John I. Nishinoiri, "Japanese Farms in Washington," unpublished master's thesis, University of Washington, 1926, p. 63. The Alien Land Law of Washington was stricter and better enforced than that of California. See E.G. Mears, *Resident Orientals on the American Pacific Coast* (Chicago: University of Chicago Press, 1927), p. 257.

[16] U.S. Department of Commerce, *Historical Statistics of the United States Part I* (Washington, DC: Government Printing Office, 1975), p. 200.

knew Japanese farmers had to sell their personal property, they probably had to sell at prices which were lower than the market price.

The second cost, which was far more important, was the loss incurred because of occupational change. As explained in the previous section of this paper, independent status offered higher income to the immigrants. Since some farmers lost this status because of the law, and since this law also depressed incentives to become farmers, this "coerced occupational change" caused serious economic damage to the Japanese immigrants. The effect of the law was especially hard for those immigrants who intended to have families in the United States to settle there permanently.

The effect of the Alien Land Law on occupational change in the White River Valley area, in which about 65 percent of the Japanese farms were located in 1925, is shown in Table 6. From 1921 to 1925, 103 leasing contracts (44 percent of the total number of farms in the area) expired. Among these farms whose contracts expired, 42 farmers were able to stay in the same farms although their occupational status were downgraded from independent farmers to mere farm wage laborers. 28 farmers moved to other farms in the White River Valley and started as farm wage laborers. In total, about 70 percent of

Table 6

Conditions of Japanese Farmers After the Lease of Their Farms in the White River Valley Was Lost During Five Years, 1921–1925

Conditions	Number	Percentage
Stay on the same farm as wage laborer	42	39.1
Removed to another farm in the same valley	28	26.2
Casual labor on farm	13	12.1
Returned to Japan	13	12.1
Father removed to sawmill, family returned to Japan	3	2.8
Removed to city	3	2.8
Removed to other states	2	1.9
Work in sawmill	1	1.0
Father removed to city, family stay on farm	1	1.0
Father died, family returned to Japan	1	1.0
	107	100.0

Source: Nishinoiri, "Japanese Farms," p. 58.

farmers managed to remain in the White River Valley. However, their occupational status was reduced to that of wage laborers.

The effects of the Alien Land Law were even harder for others. 13 farmers became casual laborers on farms and another 13 farmers left America and went back to Japan. In addition, there were cases of families moving to other states, and fathers starting to work as sawmill laborers while their families returned to Japan. From these cases in the White River Valley, it is clear that the Alien Land Law forced a serious deterioration in the occupational status of Japanese farmers through "coerced occupational change".

Judging from the overall decrease in the number of Japanese farms in Washington, other areas in the state were probably even harder hit by the laws.[17] Japanese farms in Wapato are one example. According to *Yakima Heigen Nihonjin-shi* [The History of the Japanese in the Yakima Valley]:[18]

> Due to the crafty anti-Japanese movement, Japanese suffered fatal damages. The result was turmoil for Japanese farmers. Though the Japanese made all efforts to prevent the movement, they couldn't stem the tide, and so they were caught in a helpless situation.
>
> There was nothing they could do but shed tears of anguish when they saw fellow-Japanese leaving their houses in Wapato, putting up their tools for auction, and slumping off down the road. Their fields were laid waste, the ranks of their friends were decimated. Wapato, which once had been proud of its prosperity as a Japanese settlement, turned into a village so lonely and empty that the Japanese Association had to move to Yakima.

It is essential to undertake more extensive researches to ascertain the extent of economic losses resulting from this "coerced occupational change." Only by such researches one will be able to discuss intelligibly the effect of legal discrimination on the welfare of Japanese immigrants, which is one of the crucial elements in the discussion of the history of Japanese immigrants.

[17] Japanese farmers moved to places where the enforcement of the Alien Land Law was more lenient. For instance, the Puyallup-White River Valley area, which had only 36.3 percent of the farms in 1920, gained a greater share and by 1923 over 80 percent of all acreage held by Japanese in the state of Washington was in this area. John A. Rademaker, "The Ecological Position of the Japanese Farms in the State of Washington," unpublished Ph.D. dissertation, University of Washington, 1939, pp. 190–91.

[18] Ito, *Issei*, p. 184.