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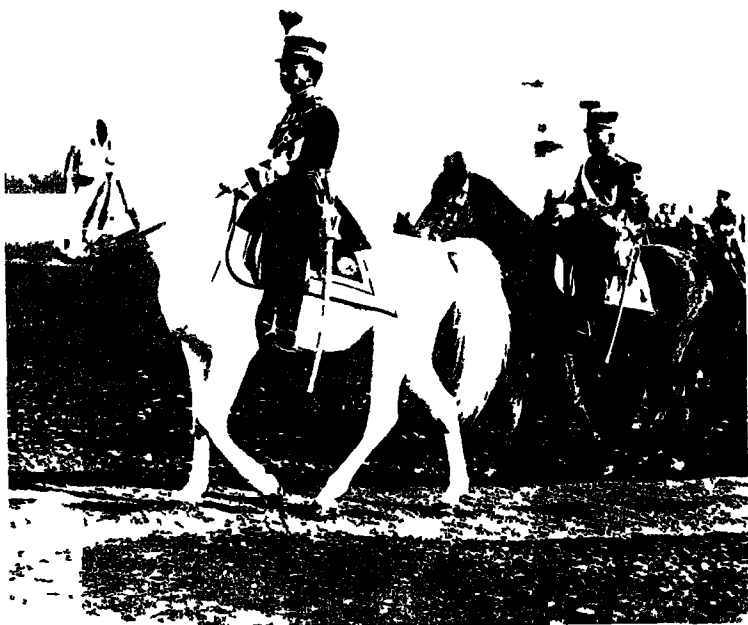
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FAR EAST IN FERMENT

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MADE IN JAPAN



H M THE EMPEROR OF JAPAN REVIEWS A MILITARY PARADE

FAR EAST IN FERMENT

by

GUENTHER STEIN

With 16 Plates



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FAR EAST IN FERMENT

CHAPTER I

IN THE EAST POLE REGION

The Soviet-Japanese Front

Strong little fortress 'points' of concrete dot the virgin forests of North-east Asia. The Russians call them 'tochka'. More and more of them spring up all along the thousands of miles of those hilly, swampy, wooded river banks and along the endless stretches of barren, unpopulated country which form the frontiers between Manchukuo and the Soviet Union.

'Red Armists' build and man these miniature strongholds. Convicts push new railway tracks to the scene over thousands of miles of undeveloped Siberian plains. Workers, on both sides of the far-off Ural mountains, break coal and iron ore out of newly developed mines. Shock brigades, in 'socialistic competition', form steel into tanks and guns, produce rifles and aeroplanes, munitions, gas and cement, and hurry them to the front.

Behind the fortress line, new settlers put virgin land under the plough. Power plants arise along untapped rivers, and modern industries spring up.

Thus, a new country develops at the easternmost fringe of the Soviet Union—all for the sake of the 'Autonomous Far Eastern Red Army'.

It faces the armies of Japan, and again and again the world hears news like this: 'At 8 a.m. on Wednesday, when four officers and non-commissioned men of the Japanese-Manchukuo forces were inspecting the frontier near Changlingtzu, the Soviet border guards suddenly opened fire on them. The Japanese troops replied and the Soviet border guards gradually

retreated. Later, several hundred soldiers were involved on both sides. Nine Japanese and Manchukuo soldiers were wounded.'

The Soviet Ambassador protests in Tokyo, and the Japanese Ambassador protests in Moscow. Both allege that the other side has violated the border.

Clashes such as this might well start a great war some day.

The Mongolian Front

The deserts and rolling, unpopulated steppes of Outer Mongolia are being covered by a network of martial oases, for the use of cavalry troops and motor trucks, and for the refuelling of war-planes and tanks. Mongolian horsemen and camel drivers push materials of modern warfare into the country of Genghis Khan, which has been asleep since, 700 years ago, he returned exhausted from his campaign of conquest.

Soviet assistance is behind the army of the 'People's Republic of Outer Mongolia' that watches an endless desolate border; that learns, trains and prepares in an almost empty country of nomads.

It faces the armies of Japan, and from time to time belated cables like this reach the outside world: 'Three days ago enemy forces illegally crossed the Manchukuo, Outer Mongolian border. A fight ensued, and several were killed and injured.'

Moscow reports from Urga, the old Mongol capital (its new name is Ulan Bator), that it was a Japanese-Manchukuo force that crossed the border, and a protest follows. Tokyo, however, reports from Hsinking, the new Manchurian capital, that it was an Outer Mongolian force that flouted Manchukuo's territorial rights. Protests pile up in dusty files.

Here, too, any day, such a clash might be the beginning of war.

The Chinese 'Reds' Push to the Front

Red Chinese armies—on their year-long march of many thousand miles from South-west China, where they once governed large populous districts, have invaded Shansi, a potentially rich and populous province at the northern fringe of China.

They incite and organize the poor peasantry. With all their primitive skill they prepare for new guerilla warfare, against both the provincial army and the punitive expeditions of the Central Government. They are doing what they have so often done before in so many Chinese provinces: they advance slowly, while fighting with the unenthusiastic regular troops at their back; and, as they pass through, they infect with their communistic ideas territories still in the throes of age-old peasant misery and misrule.

But this time they may eventually have to face the armies of Japan. For Inner Mongolia and North China, where Japan is firmly entrenched, are not so far away.

Occasionally the world hears of allegations that the despised Reds have been wantonly attracted to this scene of twofold Sino-Japanese and Soviet-Japanese conflict—either by Japan, who thus wants, it is said, to weaken China's National Government; or by the latter itself, supposedly in order to provoke a Soviet-Japanese war; or again by the Soviet Union, which is alleged to have enlisted their assistance. These Chinese Red armies are in Shansi to-day—triumphant. They may be somewhere else to-morrow—repulsed. But they may still recover and reappear, as they have done so

often before. Meanwhile, the frequent Japanese demands for co-operation with an 'independent' North China unfailingly start with an offer of 'protective alliance against Communism'.

China Faces Japan

In the crowded plains of Central China, out of eternal chaos and internecine strife, gradually crystallizes a modern national army around Chiang Kai-shek's Government in Nanking.

His gradual reforms are designed first and foremost to strengthen the fighting forces. The most modern equipment is bought from abroad, and the army gets stronger and more efficient every month. It trains and prepares, but no longer for civil strife; for it is obvious that the pick of Chiang Kai-shek's troops are not for use against the domestic Red enemy.

The slow regeneration of the Chinese national spirit is mainly intended, first, to defend the country against further attack from outside, and, second, to recover in due time the territories which China has lost.

From time to time the world hears of a Japanese complaint: Chiang Kai-shek, the Chinese Generalissimo, has broken his word and is preparing to fight against, instead of co-operating with, China's Asiatic brother. He is even concentrating troops against Japan. Meanwhile a demonstration of Chinese students or other enthusiastic patriots is calling on him to 'fight Japan, or quit!'

China looks upon the possibility of war between Japan and the Soviet Union with mixed feelings; with fear, lest China should once more be the battle-ground and be forced to make still further concessions to Japan,

for the sake of her war preparations; with hope, that such a war might provide a chance for her to free herself from Japanese pressure.

The national army of China seems slowly to be getting ready—if for nothing else, at least for the day of Japanese exhaustion from war with the Soviet Union. She is also ready herself to face the armies of Japan, if need arise.

The fortifications behind which this developing Chinese army stands are not of concrete nor yet of steel. They consist mainly of the sheer vastness of the country, which must discourage every invader, and of the 'passive resistance' of its teeming population which in the long run must drive every would-be conqueror to despair. And China tries to strengthen these defences by encouraging the spirit of patriotism.

Japan's Naval Fronts

In Hongkong and Singapore, the strongholds of the British Empire on the South China coast, and on the tip of the Malay Peninsula, increased defences are the one idea of those who follow world events. They clamour for more aeroplanes, more cruisers and more battle-ships, they insist on piling up more and better fortifications, and they are eager to get their good share in Britain's new large defence expenditure.

In the Dutch East Indies, tension is even greater, and armaments and defences are the topics of the day. The guardians of Holland's colonial wealth demand, and get, more warships, aeroplanes and guns from home. They stand together with Britain, ill at ease, in spite of the power of their neighbour and of the comfort afforded by the accumulation of new armaments. They face the navy of Japan.

Small islands, spread far over the Pacific, owned by the United States, islands forgotten in times of security and peace, come back into the news. These are the islands which link up the Philippines with Hawaii or with Alaska—tropical Guam; isolated Wake and Midway Islands; and, in the north, the barren, rocky, fog-enveloped chain of the Aleutians. Strong fortifications are being projected on these specks of land, and expert surveying parties visit them. They are made ready for great dumps of iron and cement, for the construction of military air bases, anti-aircraft emplacements and forts.

Meanwhile, new battleships, destroyers and aeroplane carriers, forming the most powerful American navy that ever existed, are feverishly being built to police the wide stretches of water between these islands.

The American navy trains. The American aeroplane industry works at top speed. The American nation puts up with the biggest armament expenditure it has ever had to face in peace time, and America's West coast watches. It, too, faces the navy of Japan.

America's Aleutian Islands, far up in the north-east, where America and Asia meet, almost touch Siberia, the scene of the Red army's activities.

This circle of armaments around Japan, like a huge magnetic field, attracts more and more iron and steel, metal and concrete, guns and tanks, battleships and aeroplanes, shells and torpedoes, from the mines and workshops back home, from the Soviet Union and China, from Britain, Holland and America. It draws the money to pay for it out of the pockets of peaceful people in far-off places. It directs the brains of inventive and organizing genius of half the world more and more into the channels of war. This circle of armaments indicates the sphere of tension in the East; just

as the frontiers of Germany, Austria, Hungary and Italy mark that of the West. These are the two 'polar regions' of political gravity, around which the present world is moving.

The Inner Ring of Empire

Inside that wide circle of armed, yet by no means combined, powers, which face Japan, is the ring of Empire that Japan has forged around her home islands. It is this ever-widening and strengthening inner ring of the Japanese Empire which has magnetized the outer circle of foreign Powers with more and more armaments.

In Korea, Japan's continental base, new harbours are being built, to multiply and shorten the communications between Japan and the Asiatic mainland; new mines are being sunk and new industries developed, to help the Empire strengthen the economic backbone of its fighting machine; new railways are being constructed to multiply the links with Manchukuo.

Yet the twenty million people of Korea can still not be regarded as sufficiently reliable to serve the Empire as soldiers in its fighting services. In time of war, their doubtful loyalty may even become a matter of concern, if not of danger. Korea, therefore, is no real home base for Japan.

Then there is Manchukuo, Korea's northern neighbour, Japan's newly created *place d'armes*. Here, raw material resources are hurriedly being tapped, to make up, as far as possible, for Japan's deficiencies in iron, coal, oil and aluminium; and railways and roads are being pushed towards the Soviet border. Air bases are being built, and Japanese troops are being trained and hardened in the icy winters and the scorching summers of Manchuria. The number of Japan's

expeditionary force in Manchukuo increases, while their local economic basis grows broader.

The thirty million Chinese of Manchuria, however, and its two million Mongols—of the real 'Manchu' there are no more than a few hundred thousand—cannot be relied upon in time of emergency; hardly, indeed, even in time of peace.

Neither can the Manchurian army, which now, together with the Japanese, has to keep on fighting bandits at home—both bandits who are simply bandits, and 'bandits' who primarily carry on a desperate resistance against the new state and its creator, Japan. In these unending, almost daily, battles hundreds of Japanese soldiers are being killed every year.

In Manchukuo, which is not yet at peace itself, Japan faces the Soviet Union and Outer Mongolia.

Adjoining Manchukuo is North China—with large parts of Inner Mongolia, Japan's newest but still much disputed sphere of influence and discretionary action. Here, developments are mainly in the stage of preparation, planning and discussion. It is probably poverty that prevents Japan from fulfilling all her desires in this huge territory, rather than North China's cunning way of dodging her own unwilling promises of 'co-operation'.

Railways and roads towards the zone of possible war with Outer Mongolia are projected by the Japanese, coal and iron mines are to be opened or extended, Japan's needs in respect of raw cotton are to be filled by the North Chinese peasants, and an 'economic bloc' between North China, Manchukuo, and Japan is to strengthen the armament basis of Japan. Meanwhile, local Chinese troops have had to evacuate a considerable part of the country, and strong reinforcements for the powerful Japanese North China garrison are coming in.

The Japanese in the wide, populous spaces of North China and Inner Mongolia face Outer Mongolia from the south, and Central China from the east. Yet these Northern Chinese, seventy million of them, with very few exceptions silently and stubbornly oppose Japan.

Formosa, Japan's oldest colony and second naval base, lies off the South China coast, facing South China, Hongkong, and the Philippines.

Poor in materials for armament, with a sparse native population, it is a great asset in Japan's chain of Empire on account of its strategic position. Here, too, development is being accelerated; for Formosa is to become the naval centre of Japan's extending southern interests.

There is, finally, a chain of outlying Japanese island possessions spread far over the Pacific: the mandated South Sea Islands, which Japan won, after the World War, from Germany; the isolated Bonin islands far out in the ocean, some 500 miles to the south of Central Japan; the barren Kuriles, up in the north; and half of the large northern island of Sakhalin, rich in oil and wood, which Japan has to share with the Soviet Union.

These are the stepping-stones of Japan's growing naval power, her lines of defence or the spearheads of her advance. Their fortification, the existence of which has been denied up till now, would become a reality in response to any British-American activity at the strategic points that form part of the circle of foreign Powers around the Japanese Empire. For as soon as the Washington Treaties lapse, all Powers are free once more to increase the fortification of their Pacific possessions.

The Japanese navy has made this line of islands already one of the strongest links in the circle of

Empire. For Japan's navy will be, at least for some time to come, the most powerful in the Pacific, as well as the newest and the nearest to its home bases.

These islands, and the battle fleets that link them, face the South Seas; they face the Pacific dominions and colonies of the British Empire and the United States with her island possessions.

So the ring of Empire around Japan is almost closed; for the Kuriles and South Sakhalin are not far distant from the north-eastern tip of Korea and the south-eastern corner of Manchukuo.

Only Vladivostok, 'the dagger at the heart of Japan', lies between them, opposite the coast of Japan proper. Many in Japan believe that their country can never be secure as long as this strategic harbour city is in the hands of such a strong military nation as the Soviet Union. Practically all the big cities of Japan are now [within flying range of Vladivostok.

This is the ever-widening circle of armed Empire power which Japan has created around herself, in order to control and reshape the Eastern sphere of political tension, and to fix the magnetic East Pole of world politics in Tokyo. And thus all the problems of the Far East and of the Pacific are focused to-day on the Japanese capital.

CHAPTER II

JAPAN COMES NEAR THE GOAL

Desires Fulfilled

A young Japanese general, broad, forceful and almost passionate about the mission of Japan, explained to me the next practical goal of his country.

During four hours of lively conversation which we held across a low Japanese dinner-table, squatting on the matted floor of an exquisite restaurant in Tokyo, he developed a complete outline of the situation in Japan as it then was, in the summer of 1932; of what had to be done in order to raise Japan to a still higher plane of power; and of how, from that point, Japan would be able to push forward to its final aim—the creation of a peaceful, progressive and prosperous ‘Asia for the Asiatics’.

At that time, the Japanese army had just occupied Manchuria, the Japanese navy had just bombarded the Chinese quarters of Shanghai, and the Asiatic Utopia of eastern nations co-operating on terms of mutual help and brotherly love—not necessarily against, but certainly without the interfering Western Powers—seemed inconceivable, even in the harmonious atmosphere of that beautiful Japanese room with its reminiscences of the age-old symbiosis of Chinese and Japanese culture, and with its wide and peaceful view over wooded hills and modern, busy Tokyo in the background.

But to the soldier, only the next goal was important. He formulated it clearly and categorically, to this effect:

‘We must greatly strengthen our fighting services, in order to back up and make even more effective our strong and peaceful diplomatic policy.

'We must enlarge and diversify our industrial capacity and develop the raw materials of Manchukuo, in order to strengthen the technical and economic backbone of our fighting services.

'And we must foster the spirit of patriotism and sacrifice in our people, in order to be stronger than ever, morally as well as physically.'

Even this 'immediate goal' seemed rather remote in those critical summer days of 1932. For the Lytton Commission was still in the Far East, gathering evidence and working out arguments for a sweeping League verdict against Japan's recent actions in China. The Western Powers might still have devised some action against Japan. At least, Tokyo did not hide such fears when it saw the unwelcome guests from Geneva.

Japanese State finance was in a critical condition. I had just asked the views of Mr. Korekiyo Takahashi, the Grand Old Man in the Ministry of Finance.

'We don't need much stronger fighting forces than we have,' he said, slowly running his slim energetic fingers through his white beard in a characteristic manner. He looked cheerfully at me with his clever, malicious eyes, while he said:

'Anyway, in my opinion, we cannot pay for them, nor for any really large investments in Manchukuo, without endangering our financial future.'

He was no less enthusiastic about the great future of his country, perhaps no less expansionist in his ideas than the general. After all, it had been this much-scolded 'Liberal' who had done as much, perhaps, as any individual general or admiral, to win the Russo-Japanese war in 1905, by cleverly extorting from reluctant bankers in London and New York large sterling and dollar loans for Japan's armies and navies.

JAPAN COMES NEAR THE GOAL

Japanese industry and agriculture were in the depth of depression. There was no initiative for new enterprise, and most of the bankers and industrialists with I met regarded the prospective economic development of Manchukuo more as a burden and a source of competition than as a means of assistance for Japan. The bankers and business-men seemed to be frankly against the new military aims.

Moreover, the social condition of Japan was worse than ever, and patriotism in the active sense was at a comparatively low ebb. The apparent popular sympathy, at least with the motives behind the recent assassinations of Prime Minister Inukai, of the former finance minister, Mr. Inouye, and of the 'big capitalist' Baron Dan, seemed to be based on feelings of social dissatisfaction rather than on patriotic and expansionist impatience with dilatory leaders.

All this I mentioned to the general, stressing the importance of the financial problem in Japan's future policy.

'Finance does not exist when the country is at stake. Finance must adapt itself to Japan's needs. It cannot be the other way round.' This was the general's reply. And when I broached this point with some suave officers of the navy, in their comfortable club in Tokyo, I found that their views were much the same.

Four years have passed since then. The fighting forces have got their way. They have almost reached their immediate goal. Japan, in these four years, seems to have risen to a much higher plane of power than ever before—if power be measured in terms of armaments; a much higher plane of industrial capacity and technical skill; and increased military and naval efficiency due to lack of effective opposition.

The Victory of the Fighting Forces

First of all, the army and navy finally won their fight against finance. They were allowed to spend on the average more than twice as much money in the years 1933 to 1936, as in the years before the 'Manchurian Incident'. Their bill grew larger with every Budget. With roughly equal shares, the army and navy between them were to obtain—before the February rising in 1936 upset the Budget—eleven hundred million yen for 1936-7; almost two and a half times the total of 1931-2.

This amounts to nearly half the total Budget of the State. It represents roughly nine-tenths of the State's ordinary revenue from taxes, duties and State monopolies, as civilian administration and debt services have mainly to be paid out of new borrowing.

This sum, at the current rate of exchange, is about £65,000,000. It must, however, be much more than that in actual fighting value; even more, perhaps, than wealthy Britain's defence expenditure was before 1936-7.

For it must be remembered that Japan's army and navy pay very low salaries to their officers, and very low wages to their soldiers and sailors. Army lieutenants, for example, get £4 to £5 a month, captains from £7 to £9, without free board or lodging, while privates are paid less than 6s. a month. As producers and purchasers of armaments, again, the army and navy have in many cases the same advantages over foreign countries as the exporters of Japanese goods. These, as the world knows well enough, mostly vary from one-half to only one-fifth of the price of similar goods abroad.

The army's vastly increased expenditure was not

employed on any addition to the number of troops, for it still consists of seventeen divisions, about 230,000 men, who are conscripted for roughly two years of service. Till recently, at least, there did not seem to be any demand for additional units; even though there had been reductions by altogether four divisions in those unique years 1922 and 1924, when the army's prestige was at its lowest ebb and the ideas of pacifism and parliamentarianism were at high tide.

Trained men there are in their hundreds of thousands in Japan, available for service at a moment's notice. Of semi-trained men there are literally millions, as every able-bodied male, during or after his school years, gets some kind of practical military training.

The army seems to have spent a very large part of the huge increase in its Budget appropriations on its feverish activities in Manchukuo; the rest for general purposes, for mechanization, modernization, and probably multiplication, of its armaments.

There is no means of estimating the efficiency of the large investments the army has made, both in Manchukuo and in order to overcome that technical backwardness in armament of which there has been so much talk, almost ever since an army in the modern sense superseded the traditional, highly skilled, individual, feudal warrior clans. But, judging from the huge amounts of money spent during recent years, a great deal must have been done to supplement the proverbially high fighting qualities of the Japanese soldier by a sufficiency of modern equipment.

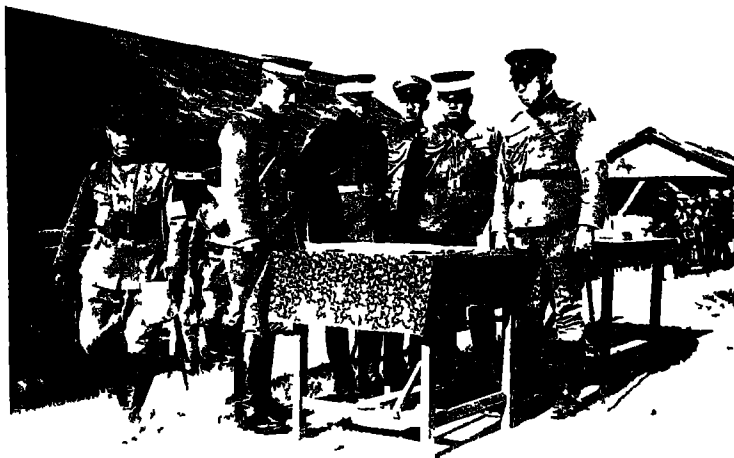
The navy, being free from responsibilities in Manchukuo, has no doubt made even greater progress. It has built up to the limits that were provided by the now defunct Washington and London Naval Limitation Treaties. As Britain and the United States, however,

lagged far behind with the building of ships to which they were entitled, the actual ratio of strength at present is much more favourable to Japan than the prescribed proportion of 3 : 5 : 5. The average age of Japan's warships is by far lower than that of other Powers. Auxiliary craft, which were not restricted by these disarmament treaties, have been developed much more in Japan than in other countries.

Thus, the Japanese navy, which finds itself in such an admirable strategic position, can be supposed to have benefited greatly from the huge amounts of money put at its disposal.

The air services of both army and navy seem to have got a large share of the total expenditure. There is no reliable information about the number of planes, nor about their quality. 'The army has roughly a thousand planes,' an army spokesman told me in April 1936. The navy is credited with a somewhat smaller number of planes that are fit for war service. But here, too, progress must have been great, and wherever one goes in Japan to-day, there seem to be warplanes droning overhead, though perhaps not yet to the same extent as in some Western countries.

True, with infallible regularity, there are a number of fatal crashes of either army or navy planes, or both, every week. But this is taken rather as an indication that training is tremendously severe than that the air forces of Japan are really suffering from any specific or mysterious shortcomings; though it is true, of course, that a country with almost nothing but swampy rice-fields in between its mountains and hills, and with such rapid changes in its weather, provides adverse conditions for flying; also that the mechanical mind does not seem yet to have developed quite as much in Japan as it has in advanced Western countries.



THE PRINCE KAYA (right) AND GENERAL SADAO ARAKI (left end of table) AT THE
GRAND MILITARY MANOEUVRES, 1934

(Below) A CLOSE COMBAT AT THE MANOEUVRES



The Triumph of Industry

Japanese industry has adapted modern technique to the needs of its old allies, the army and navy, and the country's economic advance in general has further strengthened the position of the fighting services. The progress of Japanese industry since the 'Manchurian Incident' has been brilliant. Both the qualitative and quantitative capacities of industrial production have developed to an undreamed-of extent.

Whether the army and navy ask for high-quality steel, for complicated metal alloys, or for precision tools; whether they demand the most modern motors, chemical or optical specialities; whether they want to improve their aeroplanes, their wireless, or their guns—industry has almost always been able to respond.

Original inventions of Japanese factories and laboratories have not become too frequent yet, it is true, though they are by no means entirely absent; and products, which have only recently appeared on the markets marked 'Made in Japan' are still very often unsatisfactory. There is hardly anything, however, given a licence purchased from abroad that Japanese factories cannot produce to-day. If only given a little time, there are few processes which will not be somewhat improved by them; there seem to be few tasks that Japanese scientists, technicians, and workers will not dare to approach with their proverbial tenacity and stubbornness, if granted the opportunity.

It is true, also, that in spite of all this there is still a wide margin between the capabilities of Japanese and Western industries in many lines outside the textile, ceramic, and other traditional trades. But this margin, it must be admitted, has now narrowed down very much, and Japan to-day is, technically at least, though

not for raw materials, much less dependent on foreign assistance than it has ever been heretofore.

And while its products have improved, Japan has developed a large industrial machine of big, medium and innumerable small factory units. They are supplied with power from an ever-widening net-work of electric power cables. They are provided with motors, down to many small home workshops in farmers' cottages. At present this huge industrial machine may work mainly for peace-time needs, for home and export markets, but much of it can be switched over to the manufacture of munitions and other necessities of war at comparatively short notice, and preparations in that direction are apparently being made at present.

Last but not least, the peasants once more have contributed their share to strengthening the economic backbone of the country. In their production of foodstuffs from a small acreage of fertile land they have kept up with the allegedly alarming increase in the country's population. Industrial raw materials may be deficient; but as far as foodstuffs are concerned, the country, with some help from its colonies, can supply all present-day demands itself. From this point of view it need not fear blockade. Recently Japan has even exported rather more in foodstuffs than she buys from foreign countries.

The peasants supply the growing cities with these foodstuffs cheaply enough to allow for the lowest industrial wages that are paid in any large-scale manufacturing country.

State Initiative

The State, and behind it the services, are mainly responsible for all these achievements which will be of

such importance in the case of war. To outsiders the working of their policy may often be invisible. Nevertheless, with all its shortcomings, it does work, and here are some examples.

The peasant tries hard to get more and more out of his little bit of land. He tries hard to sell as much of his produce to the city as he can.

He may look for the causes of his toil and trouble in the village itself. There is the landlord who demands the rent; the tax collector who asks for the village taxes; the fertilizer merchant who wants payment, and interest on old debts; and there is the growing family that has to be fed. All these causes of his drudgery are categorical enough. Yet behind them stands the power of the State. The State could try to lighten the farmer's burdens, allow him to consume more himself, enable him to give up some hardly productive margin land—and, on the other hand, the State could do much more than it is doing at present to increase the supply of colonial foodstuffs to the towns. Or it could raise the prices of the farmer's products, allowing him to get a better wage for his labour. Again, the State could concentrate all the technical and financial energies of the country towards a large-scale reform of agriculture which would increase production, raise the farmer's income, and yet provide sufficient foodstuffs for the towns, at least not more expensively than at present.

But, as armaments come first, the State can do none of these things. The State simply must have cheap foodstuffs, produced at home, and plenty of them, for the towns. The financial as well as the technical energies of the country are, at present, monopolized by the defence demands of the army and navy. Thus, adopting a policy combined of *laissez-faire* and active measures, the State simply has to go on asking the

All the profit-making lines of business could have been taxed much more severely; they could have been made to contribute a larger financial share than they do to the growing armament expenditure. Thus the State could be at least partly freed from the unpleasant necessity of financing, during all these years of outward progress, a full third of the total Budget expenditure. But such a financial policy would have interfered with the accumulation of capital, with the expansion of industry and with the growth of the export trade. Borrowing was preferred. Profits had to be treated leniently. Growing financial dangers and social discrepancies had to be accepted and put up with as inevitable.

Yet, with all the financial and social drawbacks of a four-year armament and export boom, the net result has been highly satisfactory to the fighting forces. For they have definitely been strengthened by the technical and industrial developments that they did so much to foster.

The People Behind the Fighting Forces

On the 'front of thought' the army and navy have also been successful. The army has been given a free hand by the Government to issue patriotic pamphlets for the 'spiritual guidance' of the people. 'Red' movements of any kind have been either uprooted, or, in their apparently small dimensions, driven underground. Political Liberalism has fallen into deeper disrepute than ever, and its frequent demonstrations of corruption, of impotence and lack of self-sacrificing enthusiasm have done more to make it lose adherents among a people that fancies heroism, whatever its creed, than did the military clique's condemnation of all Liberal thought.

An old-established liberal theory about the role of the Emperor under the Constitution was denounced by the services as incompatible with the 'national polity'. This led to a long and painful controversy and gave many opportunities for the propagation of the army's ideas about the State. Finally, this so-called 'Emperor Organ Theory' was scrapped. It was banned from the universities, where at least one generation of government officials, politicians and teachers had been brought up in its atmosphere.

Public contributions to the army alone, since the 'Manchurian Incident', have totalled more than one million pounds. More than 120 'patriotic planes' have been given to the services by public subscription. In the offices of a number of big industrial firms I have found large framed photographs of such planes, presented to the services out of the contributions of the management and the workers. A special trade union is said to have been organized recently with the idea of pledging a day's wage every month as a contribution towards fighting planes.

All the wishes of the fighting forces seemed to have been fulfilled as far as humanly possible. Armaments have been strengthened in an imposing way, as well as the capacity of actual and potential war industries; vigorous patriotism has become the only articulate political opinion; and once more the voices of the army and navy alone seem to command attention in the country.

In the arena of foreign politics, Japan certainly has not made new friends, but she was undeterred in the promotion of her Manchurian exploits and in the extension of her sphere of influence far into North China and Inner Mongolia.

Japan has denounced the Naval Treaty of Washington

and has abolished the 'disgraceful disparity' of her navy with those of the Anglo-Saxon Powers, yet she has not incurred one iota of the long-foreshadowed 'untoward consequences'.

Japan has had a unique success in the extension of her export trade despite numerous threats of trade restriction on the part of many foreign countries, and thus has been able to afford to purchase abroad whatever the services needed.

Even the most impatient patriots in the fighting services should have had every reason for satisfaction, one might think. Yet such was not the case.

The Tokyo Incident of February 1936

In the early morning of February 26th 1936 twenty army officers with more than fourteen hundred men—belonging to one of the best disciplined and most patriotic armies in the world—staged an insurrection in Tokyo. It was not in order to further personal ends, but to promote what they regarded as the imperative, yet wantonly neglected, needs of the Japanese fighting forces. As assassins they stood alone, but their motives seem to have found sympathy with many people.

At first they aimed at the lives of those whom they regarded as their outstanding domestic enemies. Korekiyo Takahashi, for the seventh time Minister of Finance, once Prime Minister, and one of the most prominent statesmen of Japan, was first on their list. The eighty-two-year-old man was asleep in his home; at five o'clock in the morning the front gate of the house was broken down and people were heard rushing in. The old man was well aware of the fate which awaited him, for he had often been threatened before. Calm, as he always was, he said to the frightened maids who

MR TAKAHASHI, MINISTER
OF FINANCE, KILLED BY
MILITARY REBELS, 26TH
FEBRUARY 1936, with his
grand-daughters



MRS SHINAKO TAKAHASHI
at her husband's funeral

He, too, was killed in his bedroom, a gun in his hand. Watanabe was regarded by the assassins as one of the members of a 'military clique' which had tried to suppress the patriotic movement of some of the young army officers, and as one of those who permitted 'insufficient appropriations for armament purposes'. At the same time, the rebels took possession of the Prime Minister's residence. Colonel Denzo Matsuo, the heroic brother-in-law of Admiral Keisuke Okada, the Premier, deliberately posed as the man they wanted and was killed. Okada escaped the next day among a group of mourners who had assembled around 'his' coffin. Okada was regarded as responsible for the 'weak policy' of the Government at home and abroad, for the power that Takahashi wielded, and for not sufficiently fostering the patriotic spirit of the nation.

The rebels, who had not been able to deal with all the 'traitors' on their lists, held out for eighty-four hours. They were entrenched in the Premier's official residence, in the new Diet building, in the Metropolitan Police Board and in other places. Refusing to surrender, they waited apparently for the formation of the really strong Government which they desired. Meanwhile, their action was to serve them as a demonstration to the nation of what they regarded as their just motives. For 'direct action' in Japan is always to a large extent designed for demonstration purposes.

'Their aim, according to their declaration,' said an official War Office statement, 'was to exterminate, at this moment of great crisis at home and abroad, the arch-traitors who were destroying the national polity; such as statesmen close to the Throne, financial magnates, military cliques, bureaucrats and members of political parties.'

In their speeches to people who lived near their

VISCOUNTESS SAITO, who put her hand on the mouth of a machine-gun to protect her husband on 26th February 1936

COFFIN OF GENERAL WATANABE, Inspector-General of Military Education, killed 26th February 1936 Typical Shinto rites



'fortresses', the rebels are reported to have said, among other things: 'We have done this for Patriotism. The wealthy people should give back their power to the Emperor, in order to make the Nation strong and powerful, just as the Tokugawa Regents had to do with their political power at the time of the Restoration.'

One of the leaders, Captain Shiro Nonaka, committed suicide, and his wife through the Press gave this written apology to the nation: 'I am Mioko, Shiro's wife. I am writing this apology before my dead husband, tormented by a strong sense of regret. I am sure that my husband, whose cold corpse now lies before me, is also tendering his heart-felt apology. As the wife of an officer of the Imperial Army, I trusted my husband. I had such confidence in him that I believed whatever he did was right. I have not the slightest doubt, however, that my husband was ever mindful of the welfare of the State, and that, when he killed himself, this thought was present in his mind. Please forgive him, every one with superhuman magnanimity. As Shiro's widow, I pray you, with my head upon the ground.'

The other rebels, with one further exception, rejected this traditional atonement. One young army lieutenant, however, though completely unconnected with the insurrection, committed suicide, together with his youthful wife, in the traditional way of *hara-kiri*, in order to show his comrades how to bear responsibility. A major who had been unsuccessful in his attempt to make the insurgent officers surrender shot himself.

It was only after a special Imperial Order was transmitted to them that the young officers who had led the uprising surrendered to martial law. The soldiers whom they had led had surrendered shortly before, also following a special Imperial demand.

Scrutiny Before a New Start

When the incident was over, Japan began to try and establish its causes, to examine her present position, domestic and foreign, and—as it has been termed in that strange ‘Japanese English’ of the Tokyo translation services, which has at least the merit of being literal—to ‘re-evaluate’ herself.

Still under the strict censorship of the martial law authorities, the Press gave its opinion roughly to this effect: ‘The disgraceful incident was not merely caused by the imprudence of some young officers. Its real causes lie much deeper. While Japan was engrossed in establishing her future on the Asiatic continent, she neglected her domestic policies. The external and internal programmes have come to contradict one another. In this light, we believe that the event is rather attributable to the social contradictions themselves than to the shortcomings of military discipline.’

This is a typical example from the *Tokyo Nichi Nichi*. And the following quotation from the *Asahi* gives the second, much-discussed consideration—that of relations with the Soviet Union—which caused Japan to examine her position before she made a new start: ‘The Army is greatly concerned over the trend towards expansion of armaments, especially of the Soviet Union, in the Far East. Unless Japan does something about this matter, it cannot protect its national policies. The prerequisite for doing anything, however, is complete renovation of national administration. National conditions, moreover, make it essential that such changes be effected immediately.’

In these days, the eyes of the people of Japan are once more directed to the Soviet Union. What progress has that country made? And what are its objects in the Far East?

CHAPTER III

THE SOVIETS TURN THE CORNER

The 'Autonomous Far Eastern Red Army'

While Japan has been exerting all her energies to put herself into harness, the Soviet Union has built up a big fighting force in her own Far Eastern territories—the 'Autonomous Far Eastern Red Army'.

It has grown and improved from year to year. When Japan occupied Manchuria in 1931-2, the Red army along Manchuria's 3,000 miles of borderline and in the rest of Eastern Siberia was not more than six divisions strong. It had 60,000 or 80,000 men, few aeroplanes, still fewer tanks and hardly any fortifications. By 1934 there were already 130,000 Soviet troops in the Far East, with 300 tanks and about the same number of aeroplanes.

At present, in 1936, there are 230,000 or 250,000 'Red Armists' in the Far East with, apparently, more to come. According to Japanese reports, which have not been challenged by Moscow or by neutral military experts, the following is part of their equipment: 800, 900, or even 1,000 war-planes, including some eighty fast, heavy bombers with a cruising range long enough to threaten, at least theoretically, Tokyo and Tokyoama, Osaka and Kobe, that is, the biggest cities of Japan and the most important parts of the country in between; 900 tanks, 500 armoured cars and some forty 'river submarines', for scouting purposes along the Manchurian border streams, Amur and Ussuri; several thousands of 'tochka', i.e. underground pill-boxes (each for ten or more soldiers, equipped with heavy machine-guns and light artillery) and a number

of major forts, all supposed to be built of a secret kind of ferro-concrete, along the border-lines. The Soviet navy, though its few surface vessels are no match for the powerful Japanese fleet, is said to have at least fifty submarines, stationed at Vladivostok. Their number is expected to increase.

This formidable 'autonomous' Soviet outpost in the Far East is under the command of 'Marshal'—until recently plain 'Comrade'—Bluecher of Civil War fame, an almost legendary figure of whom not even the original nationality nor the real name is known to the outside world. From Marshal Bluecher's headquarters in Habarovsk, on the Manchurian border, and from his second base in Chita, in the Baikal region of Eastern Siberia, the huge, almost unexploited territory of the Soviet Union that stretches many thousand square miles east of Lake Baikal, is gradually being transformed into an 'autonomous' economic basis for his army.

Progress in the Soviet Far East

During the First Five-Year Plan, according to Marshal Bluecher, the Soviets invested more money in this territory than the Tsars ever did since they acquired it—even though the Tsarist régime spent tremendous sums in building one of the world's longest railways, the Trans-Siberian, through the virgin forests of this region. During the last few years developments have been going on at an ever-quickenning pace, and in 1936 alone capital investments in this region are to be three times as large again as they were during the whole of the Five-Year Plan.

The population of the sparsely settled Far Eastern district increases from month to month. Most of the

new-comers are 'reliable' people, picked all over the Soviet Union for the special task of building up the economic basis of the new stronghold of national defence. Many of the Far Eastern Red Army's reservists seem to be settled in that district. Big munitions and other factories, mines and electricity works are growing up in the potentially wealthy country. All details about them, however, are kept secret. Farms are being developed, while whole new towns and villages are being built and old ones enlarged and improved, to fulfil the promise that one of the Party leaders, M. M. Kaganovitch, made in 1934: 'We shall not yield in the Far East to the Imperialism of Asiatic ideologists (he referred to the Japanese General Araki), but we shall create there the biggest industrial base in the Soviet Union and fight for every foot of the Far Eastern territory.'

Full economic independence of the 'Autonomous Far Eastern Red Army' is still a long way off. Close connexions with the home bases in European Russia and Western Siberia, therefore, become even more important the more the Far Eastern fighting forces grow, and the more the development of the country at their back is accelerated. Such communications, too, have been, and are being, much improved.

The Trans-Siberian Railway, which links up European Russia, through Western Siberia and Eastern Siberia, with the territories of the Far East, has been double-tracked. A new signalling system has been installed and, with modern locomotives, the line is said to have now five times the capacity it had during the Russo-Japanese War in 1904-5. Another 2,000-mile trans-continental trunk-line (the Baikal-Amur-Magistrale, or 'B.A.M.') is being pushed across Siberia to the Far Eastern coast, 300 miles north of the old

one. One hundred thousand political prisoners are said to be working feverishly on this new railway, which will soon be opened.

A trans-Siberian motor road is being constructed. A 450-mile highway from Habarovsk to Vladivostok has recently been finished. More roads and branch railways are being hurriedly built. The capacity of the air-lines that cross the continent is constantly being increased. Already now more mail and freight is being carried in the Soviet Union's commercial planes than in any other country in the world.

What further help, however, can this Far Eastern outpost get from the centres of the Soviet Union? What is behind it to back it up? What is the whole country's military strength and its economic power? What ideas have developed in the centre during these last four years of a feverish race between the Far Eastern Red Army and Japan?

More Troops in the Rear

Between 1932 and 1936 the total Red army grew from 560,000 to 1,300,000 men. The Japanese even think that its total numbers now are nearer 1,600,000.

The Soviets pride themselves on the fact that their army as a whole is more highly mechanized than any other in the world. Already in 1934 Marshal Voroshilov, Commissar of War and Commander-in-Chief of all the fighting forces in the country, revealed that behind every Red-Armist there was mechanical energy of almost 8 h.p. of war machinery. Since then, military expenditure, mostly for further mechanization, has been increased threefold. All experts seem to agree that the Red army is a well-equipped, highly efficient and formidable force, though, as the French General

Baratier put it in *Le Temps*, 'perhaps less adapted to far-reaching conquest than to the defence of national territory'.

It may be true that in case of war only a few classes of reservists and the very best of volunteers would at first be mobilized. Yet most young men and boys out of the Soviet Union's 170 million people get some kind of military training. With them are a number of those fanatical, ambitious young girl workers to be found everywhere in Soviet factories, who say that they like their rifle as much as their lip-stick, their uniform as much as their newly acquired—or only expected—silk frock, and their work at the machine and their activities in the Communist Party 'cell' and in the military training organizations as much as their private amusements.

By 1936 almost a million civilians of both sexes were said to have passed the test as first-class 'Voro-shilov marksmen'. Yet shooting is only one of the cherished martial sports of the country. 15,000 factory workers, again male and female, were trained as glider pilots. About the same number had practised parachute jumping from aeroplanes, and about a million people had indulged in that new patriotic sport from the platforms of special jumping towers. Together with shooting practice and with the widespread study of foreign languages, parachute-jumping aims at possible military (and revolutionary?) activities behind the enemy's front lines.

The Red army, now eighteen years old, has never been regarded as a bad fighting force. Yet for a very long time it need not have been taken too seriously as an adversary, because it lacked both the broad economic and popular support which a strong army needs. The terrible national strain under which the

Red army vastly increased and improved its equipment seemed to make these two fundamental weaknesses ever more pronounced. Until recently the huge Red army was like a powerful motor car in the ownership of a man who is ill in bed; who is getting from bad to worse, because every penny he ought to spend for his cure goes into further expenses for his car.

Breakdown or Recovery?

In the spring of 1933 it did not seem at all certain that the new economic system of huge manufacturing industries and industrialized agriculture which the First Five-Year Plan had created, would ever work; nor, indeed, that the powerful Red army machine would ever get the strong economic backing without which it could never be of any real value. During the years that led up to the crisis of 1933 I spent more than twelve months in the Soviet Union. I saw much progress, but even more I became aware of a hopeless stalemate in many parts of the country and in such different fields as industry and education, agriculture and art, transport and social work. I talked to enthusiastic and desperate people, and to as many neutrals as I could find, without, however, being able to form a definite opinion as to the future.

I remember one conversation I had, at that time, with a foreign diplomat who knew the country well. A summary of his views amounts to about this: 'It looks as though the breakdown of the economic system were imminent. Last winter's hunger revolts—in the North Caucasus and the Ukraine—will spread as do crop failure and starvation on account of the ruthless "collectivization" of agriculture. Furthermore, there seems to be proof by now that the many so-called

gigantic industrial undertakings which were started under the First Five-Year Plan, are breaking down before they have properly got going. The huge automobile factory in Nishni Novgorod, though finished, does not produce a single motor car that will run, and it will have to be entirely rebuilt. The big new furnaces of several large iron and steel works are themselves nothing but scrap-iron a few months after they have started production. And the masses of the people may not much longer go on living and working on a mixed diet of enthusiasm, submission and black bread'.

All this sounded true. Everywhere I had seen the badly connected or entirely loose ends of a huge new economic and social machinery; one wheel being retarded, instead of accelerated, by the other; with untrained people who acquired experience by breaking whatever was breakable.

The cities did not turn out sufficient products to equip the peasants properly for their agricultural work. And the farmers did not turn out sufficient food for the factory workers to be strong and efficient for the execution of the industrial plan. Yet in agriculture as well as in industry the Red army, once more stricken by that panicky fear of foreign invasion, took away whatever they needed in order to make the defences of the country stronger. Industry and agriculture were handicapped by the shortcomings of transport, and the transport system by the failure of both to supply it with materials for repairs and improvements, with new rails and rolling-stock and with sufficient food for the transport workers. Even so, the Red army clogged the traffic still more, speeding up the worn-out system to breaking-point. Everywhere there was a lack of skilled labour, in spite of

the feverish training of millions of young people. This did not prevent the Red army from taking away many of the best workers, because, politically too, those were the most reliable. While the 'Plan', the first that was ever made anywhere on such a tremendous and comprehensive scale, showed its inevitable mistakes, the Red army increased these mistakes a hundredfold, by speeding up this part, slowing down the other, and cutting many of the connecting links that would have made the whole machine work. The fear of war, the feeling of an urgent need for defence measures and the untimely race for armaments that resulted almost succeeded in killing the results of the First Five-Year Plan. It is true that the Red army grew stronger all the time, but it found itself in a dangerous vacuum.

When I left the Soviet Union, in May 1933, some foreign engineers gave me their opinions. They were technical specialists without any political interest, who regarded the Soviet Union from the same viewpoint as they did the maltreated, foreign machines which they had installed in the country some years before. They said: 'This is the decisive year. Either the whole Bolshevik show will go down with a tremendous crash, both in agriculture and industry, or the wheels will really start turning everywhere in the right direction, in a reversed and no more vicious circle of cause and effect; agriculture will stimulate industry, and vice versa; transport will accelerate production, and the other way round; new millions of trained workers will catch up; experience will grow everywhere; the well-educated reservists who come back from the Red army will do their share in economic life; science will definitely get its chance; new natural resources will join in. If—they get over this year.'

The Advance Begins

The breakdown did not occur. The loose odds and ends of the new machinery were somehow forced together. Slowly, painfully, with much lashing from the party chiefs, it began to move. The vacuum behind the Red army was being filled in with gradually increasing economic strength.

By 1935 collective agriculture had produced its much advertised 'largest crop in the history of the country'. It was one-third greater than in 1932, after two fairly good harvests in the two years in between. Deducting exports, this crop provided roughly three pounds of grain per head per day, which, it is true, is not much more than there was in pre-war days, when the population was so much smaller. But it was just sufficient. It marks, moreover, only the first stage of the new agricultural system which, once started as it has, is regarded by experts as decidedly superior to the old primitive Russian methods of working the land. Bread cards can be abolished, and there is no more rationing of foodstuffs or other goods for consumption. The collective farms could be treated somewhat more leniently, it seems, as far as grain deliveries to the State and prices on the open market for the rest of their surplus were concerned. Those shrewdest and least sentimental of all people, the Russian peasants, may now gradually recognize how much better their lot may become under the new system of production. They may forget their dreams of individual land-ownership, and possibly even reconcile themselves in a passive way to the State that forced this new system on them—that is, if the improvements continue.

Livestock, too, which was so sadly depleted during

the terrors of the prolonged agricultural revolution, is slowly increasing once more. Since 1933 the number of pigs has doubled, thanks partly to the affectionate nursing of their own 'factory pigs' by industrial workers. Cattle have increased by one-fifth, and so on. Meat and butter are already somewhat less rare on the workmen's tables, at least in the cities, though they are still expensive. The cotton and other industrial crops are getting bigger. Now that the tractor factories produce already 150,000 tractors in a single year—more than one-third of the total number that helped the peasants produce the crop of 1935; now that the agricultural machine industry is extending as well as improving quickly; now that years of technical and general education make themselves felt in the villages as well as in the cities—there seems to be little doubt that agriculture will by slow but sure degrees produce increasing crops, using more and more of those tremendous spaces of fertile land at its disposal, even though it has still to be scolded from time to time by Stalin for the tardiness of its advance.

Industrial goods for consumption, too, are being produced in slowly growing quantities—each year about 15 per cent more than the year before. During the first four months of 1936 production was higher by 29 per cent than in the same period of 1935. The retail stores in the big cities, however, find it desirable to speed up their sales by advertisements. They still lack many goods that are regarded as indispensable in the West. But the choice of goods increases slowly; at least it does so for those workers who have distinguished themselves by good results and who get comparatively high wages.

The heavy industries, however, were the real

beneficiaries of the new economic start. They had to be preferred, the Soviets thought, because of the persistent fear of war, and under the constant pressure of the Red army for more steel and armaments. Their pressure still restricts the comforts of the people very much indeed; yet it does not threaten to hold up the whole economic machine any more. On the contrary, it now seems to stimulate it, for now the Red army no longer grabs for its own use what ought to go into civilian channels. Part of its interest is concentrated on the mere capacity for the production of iron, steel and other goods necessary in the case of actual war. In the meantime, purely civilian branches of economy may benefit much more than they used to, from the 108 million tons of coal that were produced in 1935, as against 62 million tons in 1932; from the 12.5 million tons of steel, as against 6 million tons in 1932; and from the 153 and 17 million tons, respectively, that are demanded by the 'Plan' for 1937 and may even be achieved earlier.

Finance, too, has improved, both internally and externally. Mr. Grinko, the former village teacher who has been Minister of Finance for many years—a quiet, clever specialist in plain khaki uniform—can pride himself upon administering the largest State Budget in the world. In a country where production is nationalized, many items of industrial income and expenditure go through the books of the Treasury and naturally swell the figures tremendously. This gives him an opportunity for his favourite propaganda argument; to compare the expenditures of the Red fighting forces with that of the whole of the State, and to show that the percentage is very much smaller in the Soviet Union than it is in any 'capitalistic' country—where, of course, only State administration, defence,

debt service, etc., are matters of Treasury expenditure, while industry is private enterprise.

The cost of the Red army and navy has risen from about five billion roubles in 1932, to almost fifteen billion roubles in 1936. It is 18 per cent of the total Budget which, also, has increased enormously. But if all the industrial expenditure could be deducted from the Budget, in order to make it comparable with Budgets of capitalistic States, the share of defence expenditure appears to be at least 36 per cent. The process of inflation, however, seems to have virtually stopped. The swelling rouble figures of the Budget may be largely justified by the increased production and turnover in the country's economy. And, as a whole, the domestic value of the rouble seems to be gradually appreciating a little since the rearrangement of the country's price-system after the abolition of rationing.

The changed financial standing of the Soviet Union abroad can be judged from the fact that, in the City of London, Soviet commercial bills have recently been discounted at 6 or 7 per cent, as against 30 per cent or more in 1933. Three years of a favourable trade balance—achieved in spite of diminishing exports of goods for popular consumption—have practically extinguished the foreign indebtedness of £140 millions, which had to be incurred for the sake of the First Five-Year Plan, and which was one of the factors of crisis in 1933. The quickly rising gold production of the country—its total now is about £12 million (gold) a year—serves to pile up the country's gold reserve.

The new economic machine of the Soviet Union has had a first measure of success. The process by which the great potential wealth of the huge country

is to be exploited, has at last begun to work. Even though the Soviet system still seems to be more wasteful than the capitalistic system of production, and even though it may not improve as quickly as the Bolshevist leaders want to make us believe—it cannot help but produce more and more as time goes on, and thus increase the economic power behind the Red army, both at home and in the fast developing outpost of the huge Soviet Union in the Far East.

CHAPTER IV

WHAT IS THE SOVIETS' OBJECT?

The Nightmare of Bolshevism

The Japanese army looks with apprehension at the growing military and economic strength of the Soviet Union. The Far Eastern Red army is already as large as Japan's total standing army—behind which, of course, there are huge reserves available at shortest notice—and Moscow seems to be prepared to counter every further increase in Japan's armaments at least with corresponding measures on the Soviet side.

The vast Far Eastern Soviet territory, now that its economic exploitation has commenced in earnest, will not stop developing further, even if the local armament race should cease some day. A new and allegedly promising country seems to be put on the map of the Far East to stay—as the first powerful immediate neighbour Japan has ever had. But behind all this is Bolshevism. . . .

Does Bolshevism still mean the same as it did in 1927, when it attempted to draw China into its orbit? Is world revolution still its aim? Or has the Bolshevik mind changed, together with the other changes that have taken place in the Soviet Union? These are the questions that Japan asks herself to-day.

No doubt, there have been many general changes in the Soviet Union since it has turned the economic corner—superficial, or perhaps imaginary, changes in the Communist system; and more substantial ones, it seems, in the Bolshevik mind. For the alleged changes in the Soviet system—back towards some kind of 'capitalism', many people think—there are a

number of indications in the social field. They have had a great share in the country's recent advance. I shall try to give some examples of them.

A Changing 'System'?

Some years ago the 'shock workers', who distinguished themselves by special efforts at increased production and efficiency, found their rewards mainly in a note of praise on the notice-boards in their factories or offices. If their deeds were regarded as very remarkable indeed, they might see a flimsy life-size model of themselves, erected for some months in one of the crowded 'Parks of Culture and Recreation'. It is true, they often got slightly higher wages and slightly better food and clothes than the others, in special shops; but honour was their main reward, and materially their life was not much less miserable than that of the masses. For there was nothing much available for distribution to even the most honoured consumers.

Now, however, these best workers are a big and growing group all over the country; their wages are far higher and represent a decidedly greater purchasing power than those of the ordinary run of labourers. The special shops are gone, but in the ordinary stores money can buy quite a number of attractive things. While the standard of living of the workers as a whole has been improved, this large group of the best workers stands out well ahead of them all. The State has got more goods for distribution, and it uses part of them for inciting competition among the workers, undismayed by the growing differences in individual incomes.

Formerly membership in the Communist Party,

with its numbers restricted to a few million men and women, was regarded as the proof of reliability and personal worth. In all walks of life there seemed to be a great difference between a Party member and everybody else. Their time of membership, their alibi for the years of civil war, their number of convictions, confinements in prison and sentences to banishment under the old régime—all these factors provided the further keys to a very intricate system of tabulating the values, rights and possibilities of any person.

Now things seem to have changed somewhat, even in this matter. Party membership no longer means everything. Personal qualities, given loyalty to the State, seem to rank higher than before. The distinguished Society of Old Bolsheviks has been dissolved as out of date. And Stalin speaks openly of 'Bolsheviks outside the Party' as being just as respectable as those within. Even the question of descent—whether 'really proletarian', 'intellectual', or 'bourgeois'—does not seem to matter quite so much as formerly. The Bolshevik State has become somewhat more liberal. Recently it even gave its citizens some kind of a 'democratic' constitution.

Some time ago education was frankly experimental, one single noisy reaction against the 'old' forms of learning, training, and instilling discipline. The children were the real masters in school, 'revolutionized' as they systematically were by their Young Communist Organizations. The teacher was not much more than a kind of 'comrade specialist' who would, or would not, be respected for the interest in some important subject-matter he might or might not arouse in their little class soviets. 'Revolutionary spirit' meant everything, knowledge not much, both to pupils and teachers.

Now, after many gradual changes, and with all the remaining shortcomings of educational practice, the schools aim more at a sound study of useful subjects, at orderliness and respect for knowledge and achievement. At least a serious attempt at improvement is being made in this direction. Teachers are asked to take real charge of their classes, as in the old days. School curricula have become more orthodox and have come more and more to resemble those of capitalist countries. Special stress is laid on the intellectual development of the children and their critical faculties are encouraged—within the ruling doctrine of the country—by whatever practice of Marxist thought the teacher may be able to give them.

In former years the theatre and the cinema, like all kinds of public and private amusements, were mainly judged by the quality and the correctness of the 'revolutionary' ideas they propagated. Good performances were not regarded as being of value in themselves—that would have been 'bourgeois'—but as useful only if they went together with the right kind of tendency. Jazz was abhorred. The dramas of Shakespeare were remodelled, and the novels of Dostoevski dramatized in a peculiar way in order to show the process of Historical Materialism at work. All that remained unchanged was classical opera and the good old circus, which for some mysterious reason kept their places in the Red sun of a new culture.

But now amusement has come to be regarded as amusement for its own sake, judged by its quality as such and fostered as much as possible. Revolutionary propaganda everywhere is less conspicuous, though, of course, still in existence. The ban on jazz has been lifted; dancing is actually fashionable and

pleasure in general less cramped. These changes, and many others in the same direction, have gradually come over the Soviet Union. But do they mean real changes in the fundamental 'System'?

The main principle of Bolshevik society, that of State ownership of all means of production, remains in full force. The private ownership by the peasant of a strip of garden around his house, a cow and some pigs and chickens, infringes that principle as little as the worker's possession of better clothes and furniture, and in rare cases, of a gramophone and a camera or even a small bank account. The ruler of the system, the Communist Party, headed by Stalin, remains in full power. To have lowered the wall between its members and the other 'loyal' citizens, meant to broaden the basis of the Party and gradually to gain more indirect adherents for it. Already half of the Soviet Union's present population was born under the new régime, grew up under it, and cannot naturally have much loyalty for, or knowledge of, what went before. The fundamental ideas of the State, again, those of 'Historical Materialism', or 'Marxism and Leninism', are still being enforced as the only proper view, though, perhaps, in a less dramatic and more matter-of-fact way than it used to be.

We should be deceiving ourselves if we were to take surface changes in the methods of inciting initiative, or in the restoring of discipline in school, or in the dwindling tendentiousness of amusement in the theatres and cinemas, and many other developments towards what we may regard as the normal, as hopeful signs of a gradual change of the system into something like capitalism.

The ideas which created the Soviet State, and the old hatred underlying them, are still being taught and

propagated everywhere, though in a less clumsy and probably less aggressive way. No other ideas, nor even indifference to the 'proper' ones, are tolerated. The Soviet public and the Soviet children are still being continuously taught that method of Marxism which, on its doubtful premises, is in itself so 'seemingly perfect in its system of theorizing', so 'practical though not idealistic', as it was characterized in 1932 by a Special Commission of the Japanese Education Department, which made an inquiry into the many different reasons for the spread of Marxist ideas among Japanese students.

From the point of view of a communist who compares the present Soviet State with his Utopia of a communistic society, the Bolshevik State may seem to be developing in the wrong direction—for reality, in comparison with dreams, always seems wrong. But from the point of view of the capitalist world the Soviet system has remained fundamentally the same, opposed to ours on grounds of principle and as different from ours as it ever was; even though in its first stages of transitional development it borrowed from us some methods of social policy, just as it did so many methods of industrial technique.

The Bolshevik system should be judged, not by the methods that it adopts and by the ways it treads—short-cuts at one time, detours at another—but by the aims for which those methods are being used. These aims are as 'communistic' as they ever have been. And all the economic changes, or rather improvements, that have been brought about during these last few years are still being used to further the old aim, however one may define it. The Japanese army, for one, is very well aware of this fact.

A Changing Mind

Even though a political system, in spite of its natural developments, will remain fundamentally the same, the mind of a people may undergo considerable changes. It is exactly this that seems to have happened with regard to many of the enemies, and to most of the active supporters, of Sovietism within the country.

While terror keeps on suppressing the activities of the new State's enemies, the improvements in the country's economic life, and still more the well-founded hopes for further progress, seem to have diminished their numbers. More of the antagonists have at least become 'neutrals', more of the indifferent people have turned active. Patriotism has grown once more on a new basis, and the popular support of the Soviet State seems even to extend to many of those who dislike some of its peculiar aspects. (An interesting illustration of this fact is a similar change of mind which seems to be taking place even among a number of 'white' Russian emigrants abroad, in the West as well as in the Far East.)

Those who regard themselves as Bolsheviks, both within the Party and without, have similarly been undergoing psychological changes. Their aggressiveness seems to have been toned down somewhat by the gradual abatement of the 'class struggle' at home. And since they have acquired a stake in the approaching Soviet prosperity, their outlook on life in general seems to have been not a little modified. I saw the beginnings of this change of mind, both in the individual Bolsheviks' ideas about their material wishes, and in their relations with the outside world.

There was, first of all, a healthy desire for a better and more comfortable life. In those who had lived for so long more or less in misery, it was not surprising.

Yet in those enthusiasts who had deemed superfluous everything that went beyond satisfying the most elementary needs of a human being, and who wanted to carry on a 'heroic life', it was a revelation.

This desire for a better life was supported by a quickly developing conception of what such improvements should be. Among the more primitive people this conception comprised that type of comfort which, till recently, used to be criticized as 'bourgeois', and there it stuck. Others developed the most alluring vision of a future 'super-bourgeois' life that would not only be better, but also different from that in capitalistic countries. This vision includes not only plenty of good food, but an ideal, scientifically balanced way of living; not only comfortable lodging, but ideal dwellings that will allow for a new and happy combination of community and family life; not only much leisure and entertainment, but, in a form accessible and intelligible to everybody, the best of music and drama, literature and art. It dreams of travel over the wide and beautiful country-side and into the outside world, if possible by air; of much more leisure for the serious study of science, history or other subjects; or even of a change from the routine of one profession into the diversion of two that may be followed alternately, preferably in the different fields of intellectual and physical labour, and in different parts of the fascinating Soviet country.

The people who show such ambition have only just managed to add meat, fat, sugar and fruit to their diet of black bread and potatoes. They are only just emerging from the rags that have clad them for such a long time into the most modest kind of decent clothing. And most of them are still waiting for some better sort of housing while they have to stay on in rooms that are overcrowded beyond imagination. They have a

long way to go and a lot of work to do, before they feel once more inclined to mix in other nations' affairs—if ever they will. Yet their desire for a much better life has got such a firm grip of them, now that fulfilment seems possible some day, that it seems to shape most of their ideas about the mission of Sovietism in general.

There is another prominent ambition to be observed—the wish 'to show the world what the Soviet Union can do'. In former days the Soviet had tried to convince the world by theoretical argument, or by incitement to revolt, that political life was moving according to the laws of Marxist historical materialism, that Capitalism was doomed, and that only the proletariat could bring about further, and real, progress. They still use this argument, but hope to make Russia a practical proof of their doctrine. This spirit has something in common with the enthusiasm and even with the harmless proselytism by which the United States, during the years of prosperity, wanted to show the world that 'efficiency' and 'rationalization' was the only method that could save the world from its economic and social dilemma.

The pride of a people which has so far played a secondary role in the modern world's achievements, has been awakened, and fortunately it finds sufficient objects to conquer in its own huge domain.

What are the Soviet Leaders' Aims?

What is at the back of the Soviet leaders' minds? For what final purpose do they want to use the achievements of that apparently peaceful constructive enthusiasm of their people?

It seems that, at least for some time to come, they must follow the desires of the masses. Not only

because what they need most at present is a consolidation of their increasing popular support and a further development of the country's economic strength, but also because they, too, have a case to prove. It is the case of 'Stalinism' against that of 'Trotskyism'. Stalin alleged that Socialism could be built in one single country and cited Marx and Lenin as his witnesses; while the thesis of Trotsky was that, in order to achieve Socialism, the fight for world-revolution, and the joining of the Soviet Union by other countries was essential. The failure of Bolshevik interference in the Chinese revolution of 1927 had marked the final victory of 'Stalinism' over 'Trotskyism', as far as power in the Kremlin was concerned.

True, the Communist International still has its seat in Moscow. It still has ambitions of its own which the Soviet Government does not, or cannot, disavow to the extent it might sometimes like to do. The Comintern, certainly, is not as harmless in its propaganda activities abroad as its Soviet friends are accustomed to maintain. Yet in spite of all this, it seems that the Soviets at present are no more than 'sympathizers' with that future world-revolution in which, as good disciples of Marx, they believe as a natural development. They would say that, knowing the world-revolution must prepare its way for itself, unaided, by the mere working of the capitalist system, they need only wait for it in patience and welcome its results. For a long time to come the Soviet Union will not be able to afford any attempts at world-revolution; neither domestic nor external circumstances will allow it. One must remember, on the other hand, that even sympathizers may become active revolutionaries who would try to speed up what they regard as a natural process—if they felt that such a necessity arose.

At the time that Trotsky was still a leader of Bolshevism, he thought that the hopelessness of the Soviet experiment in one single, undeveloped country showed the need for a spread of world-revolution. But now that the experiment of Stalin's so-called 'socialism in one country' is proving successful enough to arouse hope of further advance; now that so many have a personal stake in Soviet prosperity, it seems that the only occasion for the Communists of the Soviet Union once more to take a really active part in a movement for revolution abroad would be if they were involved in war. In such a case, revolutionary activity abroad would probably be taken up by them as one of their most desperate weapons; though, even then, its use might be restricted or postponed, until all other means of defending the country had been exhausted. For such practice might easily make them lose whatever chances for support, or at least for strict neutrality, they have among third nations in the capitalistic world.

The Far Eastern Aspect

For a full five years, ever since Japan laid her hands on Manchuria, the Russo-Japanese armament race has been going on, with ever-increasing speed. It seems to have created the growing conviction on both sides that, at least in the long run, the ulterior motives of the other side are aggressive. Both countries—or at least both of their armies—entertain a fatalistic expectation that some day in the near future war will actually occur.

It is not only the armies of two different States that face each other in an atmosphere of growing tension, but two different systems of economy as well as of principle. This is an aspect to which Japan gives much thought, and the Japanese War Office stressed

it when it said, in one of its pamphlets addressed to the public in October 1934: 'The future conflicts between nations may be summed up as brain versus brain, and system versus system. The victory will go to those possessing the superior creative brain and system.'

Whatever the ulterior motives of the Soviet leaders may turn out to be—the building of Socialism in their own huge country, or a crusade for world-revolution—the Japanese army feels apprehensive of Moscow's designs, less for the present, probably, than for the future.

Japan, as a country that is bent on an ambitious career and wants to be the 'only stabilizing factor in the Far East', regards the Soviet Union at least as a dangerous competitor. And at a time of increasing domestic difficulties Japan's apprehensions naturally grow.

China may have her own opinions about the motives of the Soviet Union's present activities in the Far East. China may regard them as purely defensive measures. With all her susceptibilities to, and actual experiences of, Bolshevist revolutionary influences, China may now regard such dangers as a matter of the past and, possibly, of a rather remote future. Japan, however, cannot find any comfort in this judgment. The Japanese army does regard the Soviet Union as dangerous, in every respect; not least because of this very attitude on the part of China which might, according to Japanese fears, even bring about some kind of Sino-Soviet co-operation—thus challenging Japan's claim to undisputed leadership in the Far East.

No other single motive behind Japan's exertions after the Tokyo military rising of February 1936 seems to be as powerful as her apprehension of the Soviet's recent and future progress.

CHAPTER V

JAPAN MAKES A NEW START

An Old Gentleman Comes to Tokyo

Slowly groping her way into an embarrassing future, Japan has once more made a new start. This new start has been neither smooth nor unswerving. For it was only after a week of grim battle between the contending groups of political power that it eventually took place—under great difficulties. Even though the outcome of that new major battle in a never-ending domestic struggle was nothing but a truce—marked by the formation of the Hirota Cabinet—it has launched the country on a new attempt to solve its problems, both at home and abroad. That week of political battle in March 1936 clearly revealed the present balance of power in Japan, and the trend of political changes that are at work. It is for these reasons, and not because it gave birth to the Hirota Government—which will be followed by another one sooner or later—that this dramatic week was of historical importance.

It began with the arrival at Tokyo Station of a tired-looking octogenarian gentleman. Leaning heavily upon his tall stick, in simple kimono and wooden clogs, a coarse woollen shawl around his neck, the old man was assisted into the Imperial automobile that was waiting for him.

Hundreds of policemen were on guard, for the visitor had just escaped assassination. On the morning of the Tokyo rising, early warning had been sent to his country village, and he had spent the last days in the safe refuge of a provincial Governor's residence.

Then His Imperial Majesty had summoned him to

Tokyo. The Emperor and his late father had always asked Prince Kimmochi Saionji to nominate a new Premier whenever a cabinet had resigned. Mostly he had given his laconic advice from his country place which, with its library of French, Chinese and Japanese books, he is loth to leave. Or if his personal presence in Tokyo was urgently required and if he was well enough to travel, he would come for a few days to his old city mansion, do his work in silence and retire again as soon as possible.

But this time he drove right to the compound of the Imperial Palace, which lies deeply secluded in a huge park in a little city of its own, behind old moats and walls, isolated in the very heart of buzzing, modern Tokyo. This time Prince Saionji was the guest of the Emperor. The liberal-minded in the country—and they are many—were relieved: Saionji-sama is still alive and active, in spite of his eighty-six years. The last surviving Elder Statesmen is in the Palace. He will once more save the situation. Will it be the last time?

The Gap in the Constitution

To the Japanese public the old court noble and parliamentarian, Prince Kimmochi Saionji is just Saionji-sama, the gentleman Saionji, who has been near the Throne almost as long as they can remember. The public never wonder why this has always been the case, and why he is the last of those 'Elder Statesmen' who, for half a century, have governed the country from behind the scenes. They feel that he wields his great influence just because he is wise and more experienced and inspires more personal respect than any other subject of the Throne.

It is a curious fact that the 'Elder Statesman', the most conscientious upholder of Japan's modern Constitution, has no place of his own in the Constitution itself. He just conventionally fills that broad gap in it which has been left open between the Emperor—who is sacrosanct, can do no wrong and can therefore take no responsibility—and the Cabinet which, though it is expressly charged with responsibility, neither owes it to the Houses of Parliament, nor to any institution that is mentioned in the Constitution. Thus, there is no provision for any body to take responsibility for either the nomination, the dismissal, or the activities of the Cabinet.

The first 'Elder Statesman', Prince Ito, as the moulder of the Constitution, had left that gap open for his own powerful personality to fill; for other 'bureaucratic' statesmen to follow him and probably for the newly created Parliament to grow into the gap by degrees, if it could prove successful enough to do so. Yet Parliamentarianism neither seemed to grow in power nor to command sufficient respect. Other ex-Premiers after their retirement received the Imperial command 'to hold themselves prepared for further services to the State', an order which had the tacit meaning that they thus became members of the small, conventional council of Elder Statesmen, as Prince Ito had been.

Among them had been military men who used their position to strengthen the influence of the services. Field-Marshal Prince Yamagata was the last, and one of the most powerful and energetic of them all. But when the Marshal brought about the downfall of the parliamentarian Premier, Prince Saionji, in 1912, because the latter had refused the War Minister two more divisions for Korea, Saionji himself was made an

Elder Statesman in order to provide a counterbalance to the military influence. His was the last appointment that took place. Since then the balance of power between the military and civilian groups has prevented any more being made, and for a long time Prince Saionji has remained the only survivor of that council of Japan's most prominent Empire-builders.

The services became determined to cause that institution to die out, and to prevent even quasi-Elder Statesmen, like Mr. Takahashi and Viscount Saito, from taking up Saionji's role in an unofficial way after his death. Probably with this aim in mind, they recently launched a campaign to defy all liberal interpretations of the Constitution that dealt with such hair-splitting questions as responsibility for the Cabinet, and that might still give Parliament chance for a rise to real power.

With the pronounced intention of upholding the unique Japanese polity and maintaining the true spirit of the country in a time of emergency, their campaign—hardly understandable to the public, which had never wavered in its loyalty to the Emperor—became finally successful in 1935. It gave official sanction to the interpretation of the Constitution which regards the Emperor as absolute. There is no longer to be any 'gap'. The services, on account of their own constitutional prerogatives, are near enough to the Throne to advise it on all important questions.

This was one of the outstanding motives of that long and exciting campaign, in 1935, against the old University professor, Dr. Minobe, whose books of liberal comment on the Constitution were finally banned, after having held the field for more than thirty years. Their author who had often lectured to the Emperor himself, and had been made a member of the House of

Peers for his distinguished services, had to give up all his offices, because, as the Procurator-General said, changing circumstances had made his constitutional theories untenable.

Yet in that critical week in March 1936, when a new and really strong Government was to be appointed, mainly, as the public was told, for the purpose of definitely 'vindicating the National Polity' in the sense of the services' campaign against all liberalism—Prince Saionji reappeared in Tokyo once more and took charge as usual. . . .

Go-betweens in Politics

At once a busy coming and going started round the quiet old man. Prince Saionji was at his work once more. He sent his emissaries to this group and to that and to many of the leading personalities in the capital, in order to find out which way the wind was blowing. These were great days for the political go-betweens of all camps. In Japan, just as marriages and many important business transactions are always arranged, and even differences of opinion are settled, by go-betweens, they are also the country's favourite instruments in the field of politics. Whether co-operation is to be attempted, divergence of opinion to be ascertained, a demand to be presented, or hostility to be threatened, more often than not it is the go-between who has to do it, and a go-between from the other party will often be the man he meets. Thus, rudeness or loss of face on either side can be made less offensive, ambiguity or plain speaking according to circumstances can be indulged in to the utmost extent, and time can be gained, while commitment is never too definite.

For Prince Saionji's particular task this practice of indirect contact is very useful. For his main duty is to sense and grasp and weigh the actual situation, to know what every group wants and how it can back its respective demands. The Elder Statesman talks very rarely himself, it is said, but he never gets tired of putting together the pieces of his political puzzle. When he has obtained all the information he wants, he will ponder on it for some time and find the limit to which he can go without offending the strongest group. Then he will try to find a man who can be trusted, not simply to respect that limit, but also to lean as much as possible towards the other side—which, in Prince Saionji's two decades of Elder Statesmanship has almost always been the non-military side. His nominee will unfailingly be charged by the Emperor to form a Cabinet, and he may finally get some general advice from the Elder Statesman as to which course he should follow.

This time the old man's task was more difficult than ever. The opinions he heard through his emissaries must have been more divergent, more outspoken, and must have threatened more danger of real strife than at any time before. For everybody felt that the country was getting near the cross-roads. Even on this occasion Prince Saionji may not have seen any actual shaking of fists, nor any bouncing of tables, which practices are against the rules of Japanese politics, violent though their methods may often be. But at least a very distinct ripple of the unusual excitement outside must have come to his ear. To give in too much to the tide of radicalism must have seemed just as dangerous as to give in too little.

Among the Elder Statesman's personal callers, as usual, high court officials of moderate leanings were

first. He assisted them as much as he could to consolidate their own position next to the Throne, bringing in, as the new Minister of the Imperial Household, the former Ambassador to the Court of St. James, Mr. Tsuneo Matsudaira, who is the father-in-law of the Emperor's second brother.

These court circles and the old statesmen who had either been killed in the February uprising or had barely escaped with their lives used to be regarded by their enemies as 'Saionji-men', as 'the one half of the clique that draws a cloud in front of the Throne'. The other half of the 'Saionji-clique', that is, certain business leaders, are said not to have seen him personally this time. Many of them were still out of town, after the stormy February events, and their star seemed to be sinking.

When Prince Saionji had finished his task, but wanted to watch events still further from the background, he changed his Imperial quarters for the Tokyo mansion of his close relative, the plutocratic Baron Sumitomo, one of the wealthiest men in Japan. Prince Saionji is not afraid of his opponents' wrath about his alleged affiliations.

Enter the Fighting Services

Meanwhile, the army and navy had got busy. There were long conferences, behind closed doors, in the supreme War Council, and in the Army Club. Generals came and went: those supposed to be 'non-political', and those who had a reputation for political ambition, either with regard to the maintenance of the *status quo*, or as radicals.

Staff officers arrived with reports about the general situation outside. And while practically all the

well-known old generals were preparing their resignations—taking moral responsibility for the February insurrection of their subordinates—they had to provide for a better future. Fundamentally, opinions do not seem to differ as much in the army as one might suppose. For with regard to political strategy the army may be regarded as well united against all civilians who do not co-operate with the services to the fullest possible extent.

As to political tactics, necessities as well as possibilities, the army held widely different opinions. They must have complicated those internal discussions, although unison was somehow or other brought about in these dramatic days. The newly united army front soon put forward their demands on the following lines:

Army needs have to be given much more weight than before in what is expected to become a renovation of the State once and for all. A recurrence of such an insurrection as that in February must be prevented by the legal fulfilment of the justifiable demands, not only of the young officers, but of the army as a whole. A strong Government, thoroughly reformed in the military sense, was to be created.

Prince Saionji was informed about the army's demands. He had to take them into account, as he always used to do in his realistic policy of following those who were strong just as far as necessary. There were conferences, too, in the Admiralty, probably on similar lines. Yet the first task of both services, together with the Imperial princes who are their chiefs-of-staff, was to nominate their own new ministers, who could present those demands. In other words, the services had to form that martial Cabinet-within-the-Cabinet which is their guarantee

for political power. Whoever may be Premier, he can take his war and navy ministers only from among the generals and admirals. The conventional practice, up till now was that they could only be selected from the active lists, and, after the February uprising, this rule was definitely fixed by law. No general or admiral may accept the Premier's offer unless the army and the navy give their permission. No Cabinet, moreover, can function without the positions of the army and navy ministers being filled. Thus, the services are not really subordinate to the Premier nor to the Cabinet majority, for they can prevent any Cabinet that they dislike from remaining in power, or even from being formed.

This time, the services were resolved to use their full rights, from the very beginning of the Cabinet formation. Creating a new precedent, Prince Saionji has to receive the army and navy spokesmen personally, instead of merely getting their opinions indirectly.

But army and navy have still another legal prerogative, which so far has made them use the form sparingly: their Cabinet Ministers have access to the Emperor without the permission and even without the knowledge of the Premier, in order to advise His Majesty on every matter pertaining to the services' interests. Thus, even without threatening its existence, they can continually influence the policy of the Government.

In that exciting week, many keen observers abroad were expecting a military dictatorship to be set up. They overlooked not only the traditional trait of all those groups or persons who have ever been powerful in Japan—not openly to display their power, but if possible to exert it from behind the scenes; and they

forgot that, in public affairs as in private controversy, the Japanese always display a singular genius for compromise. More important even, they failed to pay attention to the navy.

The Navy's Attitude

Army and navy—like all the other groups in that ever quarrelsome, yet ever united family of leading political forces in Japan—are not real adversaries; but each has its own peculiar interests, demands and taboos.

The navy, generally, seems to be less interested in domestic politics than the army and therefore less willing to take a hand in them if the goal lies, as it does at present, beyond the mere maintenance of the *status quo*. Having a smaller number of recruits, who anyhow are being trained for a longer period of time than those of the army; mostly keeping its officers and men in remote seas, far from civilian contacts; relying, even more than the land forces do, on the efficiency of machinery rather than on mere 'spirit'—it is natural that social questions concerning the masses of the country are traditionally regarded as of somewhat less importance to the navy than to the army. Furthermore, the navy's interest in the foreign policy of the country—though just as enthusiastic and just as general among the naval officers as among their brothers-in-arms—lies in a decidedly different geographical direction. It naturally lies in the south and to the east, instead of northward and westward to the continent of Asia, as the army's interest does.

These two fundamental differences have always held the two services apart as far as the use of their respective political power at home was concerned.

The navy mostly tended to retard the political step of the army, thus giving a greater chance to the 'bureaucrats', and occasionally even to Parliament to influence the country's political life, than these two groups might otherwise have had.

During the crisis of the cabinet formation, however, the services seem to have drawn nearer together, presenting an unusually united front to Prince Saionji. For, with the increasing force of the domestic crisis, at least the young officers in the navy became more interested in the social and economic problems of the nation, while the more moderate senior officers, in army and navy alike, realized that the restoration, or the maintenance, of military discipline demands political action providing at least a compromise with the radical aims of young idealists. As breakers of discipline the latter have to be prosecuted, but as far as their motives are concerned, the services feel that the problems involved must be solved by energetic action. An increase of armament expenditure to the utmost limit that the finances of the country permit is also an aim they have in common; and the same applies to the necessity for further development of all industries that are of importance in case of war. In all these ways the army and navy pulled together more energetically than ever.

In foreign policy, however, the army and navy still stand apart, and must for some time to come. It is true that concerted and complementary action on the parts of both forces in the respective directions of their main foreign goals may be envisaged as an eventual necessity for the days of the country's supreme test of strength. Yet Japan is still too weak for such an ideal strategem to be feasible.

In the meantime army and navy are competitors,

both for their Budget appropriations and for the moulding of the country's foreign policy; and it seems that their natural rivalry is to play an even more important role in the future, as practically the only stabilizing factor in Japan's domestic politics.

The Cabinet and the Voters

Finally, the Premier-elect set to work, choosing his ministers. Faithful to the old Saionji principle, he followed the pull of the strongest power—that of the services—but, at the same time, he tried to retain some freedom of movement by leaning a little to the other side. With this aim in view, he selected his ministers almost independently and published the list a few hours after he had received the Imperial command to form a Cabinet. Almost immediately, he received visits from his would-be war and navy ministers. . . .

A crisis ensued. The services protested against four of Mr. Hirota's candidates. Further, they demanded certain guarantees with regard to the future defence, financial and general policy of the Cabinet, before they would agree to join it. Once more Prince Saionji, in the person of his nominee, had to yield in many directions. Hirota had to change his personnel, though he finally succeeded in convincing the services that two ministers each from the two big political parties—these, of course, would have to be personally satisfactory—would not stress the parliamentary factor too much in a Cabinet of a dozen ministers.

Two formal visits of the Premier to the party presidents secured the desired nominations without any difficulty. The Cabinet was then formed. The new ministers worked out their plans of action, and one

after the other travelled to the Grand Shrines of Ise 'to report their appointments to the spirits of the Imperial ancestors' and to vow that they would do their duty to the Emperor and to the country.

A few weeks before, there had been an election, the fourth after the grant of universal male suffrage in 1928. It had been carried out with a large propaganda campaign on the part of the Government, for 'clean electioneering'. Yet 10,000 voters were arrested, mainly for accepting 6*d.* to 1*s.* each for their vote from some candidates. Many of them could not even have been expected to understand the very complicated language and regulations which the new Election Law is said to have, in common with most Japanese laws. They just followed time-honoured precedents. More than thirty new members of the Lower House lost their seats on account of irregularities. Abstention from voting was greater than before. In Tokyo it rose to 27·4 per cent, in Kyoto to 40·1 per cent, in Osaka, Japan's biggest industrial city, even to 41·1 per cent of the electorate. Only the farmers—hundreds of thousands of whom had vouched before the village shrines, by signing their names, that they would not be corrupted—went to the polls in larger numbers.

The election addresses as usual consisted of beautiful and ambiguous phrases, with little material difference between those of the various parties.

During election day, the streets were quiet and the people obviously apathetic; for they realized how little change their polling would bring about in the country's policy, whatever the result. Even the newspapers which are in favour of Parliamentaryism confessed that voting, this time, had mostly been done against the 'other' party rather than in favour of the



MR EIJI AMAU, 'SPOKESMAN' OF THE JAPANESE FOREIGN OFFICE, holds regular press conferences for foreign correspondents

(Below) VOTERS IN THE ELECTIONS of 20th February 1936



one to which a man gave his vote. Among the 'non-sense slips' handed in there were reported to have been two which read: 'Out of the fourteen candidates all would cause harm, and none any good', and 'I find it impossible to name any candidate'. These confirm the indifferent answers of people I had asked to what party they would give their votes.

However, the election result, which was published a few days before the February rising, brought two significant surprises—apart from the usual absolute victory of the one big party which, at the time, happened to follow the Government, and of the no less usual second place for the other of the two big parties which between themselves always share some eighty per cent of the seats in the Lower House.

Every single frankly reactionary candidate had failed, including some well-known leaders of patriotic associations. Moreover, the 'Social Mass Party', though it had hardly any election funds, succeeded in having eighteen members elected, instead of five in 1932 and one in 1928. Not that this party, which calls itself 'proletarian', is revolutionary—one of its leaders had just resigned before the election because another one had acclaimed one of the famous radical army pamphlets—but it enjoys a 'leftist' reputation, and its members and voters regard themselves as social democrats.

After the publication of these results, almost immediately before the February uprising, the interest of the electorate suddenly increased; these two surprises were very much applauded, and it seemed as though Parliament might, once more, bring hope to the people. Their hopes were betrayed very soon. The two big parties quietly resigned themselves to utter unimportance in the new Government that was formed

not on account of the new situation in the Diet, but because of the rising. Discredited as the political parties are among the public by their inglorious history of weakness, incapacity and frequent corruption, not even their own electors seemed to have much sympathy for their unenviable position in the new Cabinet.

The Re-grouping of Powers

A great reshuffle began all over the country. The army put an unprecedented number of leaders on the retired list and shifted an equally unprecedented number of officers to new positions. This was done in order to repress radicalism in their own ranks, to improve discipline, and to start co-operation once more with the other groups in power. The army, however, garrisoned the newly gained political territory with leaders who were at least a shade less moderate than most of the predecessors, without, however, being exactly 'radical'. A process of rejuvenation in the highest positions, designed to appease and impress the younger officers, took place; just as the determination of the new leaders to achieve the desired political changes was unequivocally stressed.

The navy, on somewhat similar lines, adapted itself to the new circumstances, and began to make use of them for more categorical demands, even though it had not been involved in the February affair.

Court circles had to suffer the promotion of Baron Hiranuma—still the hope of many people in Japan who are looking out for a Fascist leader—to the presidency of the Privy Council, for which he and his friends had fought in vain for many years. The inactive House of Peers started to work on its own reform; its

aims were to rejuvenate itself, and to become more useful in the new situation. The 'bureaucrats', too, experienced reshuffle, rejuvenation and reorganization on a large scale in order to become fit once more for co-operation with the services. Here, however, it seems to have been mainly the liberal element which had to leave and make room for those who were more radical and more enthusiastic for a 'thorough renovation' of the State. Others may have taken the chance to adapt their opinions to the new situation.

Big business, the enigma behind the scenes, went through a similar process and made itself more eligible for the renewal of an alliance with the other political powers; and more able—by a shift of emphasis on patriotic aims, by large changes in managing personnel, and also by rejuvenation—to restrain in a friendly way those new military and other leaders who might become too enthusiastic about reforms. The premier of the Mitsui cabinet, for example—i.e. the general manager of Japan's mammoth trust in finance, industry and trade—was changed and his directorate reformed, while a strict age-limit for the management was enforced, in order to conform with the times. Similar changes of front took place in other concerns.

The political parties—in spite of the courageous criticism that individual Diet members directed against the services—adapted themselves even more rapidly and thoroughly to the new situation, competing with one another in the propagation of new slogans regarding the renovation and the strengthening of the State in the military sense. And so did many of Japan's big newspapers—though by no means all of them—aware that they can always afford some courageous-sounding criticism to impress their readers, so long as they over-emphasize the catchwords, the

nations'. For internal reasons, too, the isolation of the country could not be kept up much longer, as its stagnant feudal economy had been gradually developing into a modern money economy. The regency of the Tokugawa Shoguns, which had ruled the country for two and a half centuries, was slowly breaking down before the clamouring of patriotic warrior clans for an imperial restoration. In that year, sixteen 'Ronin' (lordless knights) killed the regent's powerful minister, Lord Ii Kamon-no-kami, who had concluded Japan's first treaties with the 'Western barbarians', who had opposed the Restoration movement and suppressed its idealistic vanguard. Later, Ii's merits were honoured by a big monument in Tokyo. But history never dies, nor do its Japanese readers ever forgive; as late as 1935 some modern 'Ronin' made an attempt to destroy Lord Ii's monument.

Then in 1868 there came the imperial restoration in which the young court noble Prince Saionji fought in the field of battle for the Emperor's cause against the regent. Gradually Japan adopted what it needed from Western civilization. For such treason to the traditions of Japan, however, one Japanese statesman after another, and many a foreigner, was killed by patriots; among the former was one of the first reorganizers of Japan's military system.

In 1877 there was the big military rebellion of the Imperial army leader Saigo—a sincere patriot, whose honour, after his death during this civil war, was restored by Imperial grace, and who to-day is one of the officially acknowledged heroes of Japan. He wanted the Government to conquer Korea before it thought fit to do so, and it was mainly with that aim in view that he rose against the Government. The impatient enthusiasm of many young Samurai

(knights) in his following drove the loyal general to open insurrection. A contemporary newspaper, quoted in the Transactions of the Royal Asiatic Society, commented: 'Would that this man with his devoted followers . . . had been used in an expedition to Korea. There at the most we might have challenged the adverse criticism of the world, but we should have been spared the groans of a suffering country, distracted with domestic strife.'

From that time on, the social motive, too, played a role, at least as an outward justification, in the patriotic plots. What follows is a sentence from a strange pamphlet, written by Saigo's sympathizers shortly after the rising, in which the dead general is pictured as laying bare his motives before God in heaven. It well might have been written by present-day patriotic rebels:

'The Emperor is able, wise, and worthy to fill the throne of his illustrious predecessors, but his council is not all pure. . . . I saw the peasantry subjected to constant toil, oppressed by a heavy burden, called the land tax. . . . On the other hand, I saw the ministry living in luxury, as indifferent to the wants of the people as to the honour of the country, concluding an infamous treaty of peace and commerce with Korea, thus evading the difficulties of the moment, but not considering those of the future.'

One year later there was a riot, on account of dissatisfaction, in the Imperial Guards. Fifty-three soldiers were shot, 210 exiled, and 29 officers punished. Then, after some further attempts by patriots, on the very day of the promulgation of Japan's Constitution in 1889, the progressive education minister Mori was killed by a reactionary, 'in order to awaken the people of God's islands from decadent sleep'. Mori was

alleged to have lifted the curtain in front of an Imperial Shrine with his walking stick. Foreign Minister Okuma was seriously wounded in the same year, for not succeeding in the abolition of the Western Powers' right of territoriality in Japan (which was, however, achieved some years later). The visiting Russian Crown Prince was shot at and wounded in 1891. It was he who was Tsar during the Russo-Japanese war of 1904-5.

At the Peace Conference in Shimonoseki, after the victorious Japanese war against China in 1895, in which the terms were unfavourable to Japan, a young Japanese patriot made things worse for his country by severely wounding the great Chinese statesman, Li Hung Chang, who was China's chief delegate.

During the years when Prince Saionji was in the front line of politics, there were fewer plots. The quieter and more prosperous times after Japan's second victorious war—against Russia in 1904-5—seemed to have rooted the spirit of liberalism more firmly in the minds of the people.

The Murder of Prime Ministers

When the exceptional prosperity induced by the World War gave way to depression, plot after plot occurred in succession. In 1921 there were three. The first commoner to become Premier, the parliamentarian Kei Hara, was killed. So was one of the wealthiest men of Japan, the eighty-four year old banker Yasuda. An attempt was made on Prince Saionji's adopted son. He was to accompany the Crown Prince on the 'unsafe venture' of a trip to Europe, against which a young patriot wanted to give him a 'warning from heaven'.

In 1923, during the excitement of the Great Earthquake, a Socialist leader was murdered, together with his wife and little nephew. Again quiet set in during the time of reconstruction, which put a heavy task on the country.

In 1928 there was an attempt on Premier General Tanaka, on a charge of the Cabinet's 'corruption'. In 1929 another Socialist leader was killed. In 1930 a second Premier, Hamaguchi, was seriously wounded by a young patriot mainly because of his policy of retrenchment in armament expenditure, and died of his wounds some time later.

In 1932 patriotic plots were very frequent, with assassinations being planned on the largest scale so far. Mr. Inouye, an ex-Minister of Finance responsible for the policy of retrenchment, was killed first, and this was followed by the assassination of Baron Dan, general manager of the Mitsui concern. The victim of the great 'May 15th Incident' of that year was a third Premier, Mr. Inukai. The rising itself, in which young naval and army officers took part for the first time—but only on their own account, without any troops being involved—proved abortive.

Similar attempts were planned in 1933, but were discovered in time by the police. The so-called 'God-sent troops' then planned to stage a big plot in which the bombing of the Premier's residence and other public buildings from a naval aeroplane was to play an important part. Prince Saionji was listed among the victims.

In 1934 and 1935 the presidents of both the *Yomi-uri* and *Fiji* newspapers were attacked. One was killed, the other injured. Another plot, this time hatched by the 'Patriotic Iron Blood Brotherhood', to kill Prince Saionji, was discovered in 1934.

In 1935 Lieutenant-Colonel Aizawa killed Major-General Nagata—the first case of this kind in modern Japanese history—for his alleged ‘conspiracy with the Saionji-clique’, for suppressing the politically minded young army officers, and for having been instrumental in the dismissal of their idol, the Inspector-General of Military Education, General Mazaki. Five days before the greatest and most serious of all ‘incidents’, that of February 26, 1936, Professor Minobe, the much-criticized liberal commentator of the Japanese Constitution, was shot and slightly wounded by a young man who was said to be insane.

Until 1921, almost all assassins, even the unsuccessful ones, had been condemned to capital punishment, unless they chose—as they usually did—to commit suicide. The first murderer of a Japanese Prime Minister, that is, of Mr. Hara, was also the first political assassin to get away with life imprisonment. The murderers of socialist leaders got only a few years in prison. And the plotters of 1932 were treated very leniently indeed, on account of much pressure from the ultra-patriotic section of the public. Most of them have in the meantime been pardoned and are now free.

Fascism in Japan?

The determination of the military to stop ‘direct action’ in its own ranks became evident in the death sentence imposed on Lieutenant-Colonel Aizawa, who was executed at the beginning of July 1936, almost one year after he had killed General Nagata. In mid-July fifteen of the leaders of the February revolt faced the firing squad.

Behind many of these plots have been various

patriotic societies, some secret and some legitimate; they are so numerous and have such a large following in Japan that foreign observers are inclined to exaggerate their political importance. These societies are mostly groups based on a semi-feudal kind of personal loyalty to some leader who directs and assists them in their political ventures, provided he has both the opportunity and the means to do so, just as a 'samurai' of old did with his faithful retainers. Otherwise these societies are often almost dormant; though always ready to be revived for any important task. Their inter-relations seem to be quite casual, and it would be entirely unjustified to regard these decidedly Oriental and semi-mystical forces as anything comparable to the highly centralized Fascist movements of the modern West. Just as it would be beside the point to ask, 'Who is the Japanese Hitler?', or 'What coloured shirts do the Japanese Fascists wear?' In Japan, the ideas which have come to be called Fascist are much too old and much too deeply implanted in the State and in some of its legal organizations to make the growth of such movements outside their pale either possible or likely. Neither does it seem that the Fascist-like elements in the State need to enlist the permanent assistance of that strange mixture of idealists and 'patrioteers', would-be heroes and primitive bullies, reactionaries and anarchists, which form the active germ of such associations in the West.

All the same, their plots have had a decided influence on the development of the policies, both domestic and foreign, of modern Japan. More often than not, their deeds have served to drive the country into new patriotic exertions and to revive the struggle of reaction against liberalism.

Now that for the first time in sixty years army officers



OPENING OF THE DIET MAY 4, 1936
 (Left to right seated) Ogata (Commercial and Industrial Minister) Ushio (Home Minister) Nagano (Navy) Baba (Finance)
 Hirota (Prime Minister) Terachi (War) Tanomogi (Communications) Maeda (Railways) (Standing) Fujimima (Chief Secretary of
 Cabinet) Hirao (Education) Shimada (Agriculture and Forestry) Hayashi (Justice), Negata (Overseas) Irita (Foreign)

have not only taken part in such plots but also used their subordinates for their own aims—allegedly with some hundred and fifty members of patriotic societies in the background—the indirect influence of their action on Japan's future policies is bound to be very great indeed. Many people in Tokyo seem to feel, as several newspapers expressed it, that it may prove impossible 'to turn this unprecedented misfortune into the very motive power which will build up a far stronger Japan.'

The New Aims

Such, at least, has been set as the task of the new government, or rather the new type of government which during the time of its organization it was expected to represent. Its statement of policy, from which I shall quote some parts that are of more than momentary importance, shows the character of this task quite clearly. The vague terms in which it has been couched, after prolonged internal discussions and much interference from the different groups of political power, indicate the very great difficulties that still exist on the way to the demanded 'total renovation of the State':

'Reform is Necessary.

'Unworthy though it be, the present Cabinet has been formed by Imperial command to adjust the situation created by the February 26 incident. The task is great, and the Cabinet is struck with awe in realizing its responsibilities to the Emperor.

'The times are troubled, and the country is beset with many difficulties at home and abroad.

The roots of those difficulties, moreover, lie deep. The Government seeks, therefore, to bring about administrative reforms in its firm determination to cope with them.'

'Upholding the National Spirit.

'The first administrative principle is to emphasize the ideals on which our nation was founded and to bring about national unity with all the people co-operating as one man under their sovereign, the Emperor. To make manifest an unshakable conception of the basic principle of the State is thus the main objective of the Government. . . .

'Particularly is it incumbent on the present Government under existing circumstances to renovate education and culture, uphold the national spirit, eliminate ideas incompatible with national principles and at all times to preserve the integrity of the Constitution and the laws of the land.'

'Fulfilment of Japan's Mission.

'It is the fixed policy of Japan to promote friendship with foreign powers from the standpoint of international faith and fulfilment of its mission as the stabilizing power in the Far East, based on co-existence and co-prosperity among the nations of Asia and particularly on the inseparable relations between Japan and Manchukuo, and ultimately to contribute thereby to world peace and the happiness of mankind. In both diplomacy and national defence, the Government means to apply this policy.

'At the same time, in view of the prevailing international situation, the Government will

endeavour to provide adequate means of national defence, regulating and expanding all facilities required for this purpose, and to establish a unified diplomatic policy controlled by and based on Japan's own needs and aims.'

'Developing the Economic Foundations.'

'In order to comply with the advance of the national fortunes, efforts will be made to reform the system of taxation, improve financing, effect other necessary financial and economic renovations and bring about developments and expansion of industry and trade. It is very important to cultivate in this manner the foundations of national strength.'

'Solving the social problem.'

'In all walks of life of late, the accumulation of traditional evils has gradually weighed down upon the people, and conflicting interests are in evidence everywhere. Such a state of affairs militates against our morals and the great spirit in which the nation was founded. For the welfare of the country nothing could be more unfortunate. The Government thus intends to pursue measures designed to stabilize and improve national life in all its aspects, enabling the subjects of the Emperor to enjoy safety of life and property.'

Will it be possible for any Cabinet during the next years really to solve the fundamental problems at which this statement of the Hirota Cabinet hints? Or will the enthusiasm for reform suffer, as so often before, under the intricacies involved in the task,

making action once more lag behind words and achievements behind intentions? The difficulties, as I shall try to show in the following chapters, are as great with regard to 'spiritual' as to social problems, as embarrassing in the economic sphere as in that of foreign policy. Even a few months after the military uprising in February 1936, which had been a protest against the former Government's alleged inactivity, similar criticism gradually rose against the new Cabinet and against the slowness of its 'new start'.

CHAPTER VI

MOULDING THE JAPANESE MIND

What the 'Family System' means

'Hear Ye, Non-Commissioned Officers and Soldiers!

'Those who lay down their arms and return to the barracks will be forgiven.

'Those who resist will be considered enemies of the Emperor and therefore will be shot.

'Your parents, brothers and sisters are weeping lest you become national traitors.'

This is the text of the handbills which were distributed from the air to the soldiers who revolted under the young insurgent officers in Tokyo in February 1936. General Kashii, the Martial Law Commander, composed it, and has become famous for this pertinent appeal to the soldiers' two outstanding loyalties—to the Emperor and to the Family.

Again, when the soldiers were still hesitating, the general gave additional weight to his announcement of a special Imperial Order to the revolting soldiers, by reference to their fathers and brothers, who 'are praying that you will return to the army'. Not only for internal peace, but also for their strength in war, the Japanese fighting forces rely, first on the people's loyalty to the Imperial house, and second upon 'a pulsating and vigorous family system'. Education, on which the Japanese State in all its present difficulties stakes such great hopes, is based on the fostering of these two loyalties. 'Loyalty to the Emperor is at the same time loyalty to your family; and loyalty to the family is at the same time loyalty to His Majesty', says a Japanese proverb.

This education begins from earliest childhood. In many Japanese houses there is a little shrine dedicated to the Sun Goddess, the Emperor, the Imperial House and its Ancestors; it is provided with flowers, fruit and rice as offerings; and in every house there is another shrine, with the same gifts, devoted to the ancestors of the family itself. At these shrines everybody is supposed to worship and to cleanse their minds, to declare their desires and to show their gratitude for whatever may become their lot. The more regularly and the more devoutly this service is observed, the less, it is considered, has the 'Japanese Spirit' of a family yielded to the onrush of modernism.

Family life teaches the little boy the special rights of the male and the little girl the special duties of the female. It makes them understand also the importance of seniority, the second scale of social standing in Japanese life. The eldest son at an amazingly early age is sure to understand his own importance as the heir of the family—as the one on whom the spirits of the ancestors have especially to rely for their eternal happiness. The children notice the grandfather's authority over their father, the influence of the uncle and the grandmother's position, which with increasing age almost grows into that of a male member of the family.

They learn to be obedient or to command, to make or to ask for sacrifices; while still in their formative age they learn to think in terms of 'family' and to suppress their individuality—as far at least as their position in the family demands. Not that these rules are always as harsh in practice as they sound. Love of children, so great in every Japanese, tones them down; though real love between parents seems to be rare and the accidental consequence of a marriage



FAMILY OF ADMIRAL NUGANO (MRS NUGANO IN CENTRE), and (below) REAR-ADMIRAL IWASHITA AND HIS FAMILY AT HOME



which, though concluded solely on the basis of family considerations, may chance to turn out harmonious. These rules are occasionally broken, for personality and circumstances have their changing influences and often the wife may be the real master in a family. Yet the formalities of the patriarchy are being strictly maintained, even in families decidedly 'modern' in outlook. The lower status of women is a matter of principle. Obedience and family unity are at least the professed ideals which, though they may be violated or deteriorate to mere formality, may never be denounced, for the sake of appearances, which are so intensely important in Japanese social life.

Will the Family System Survive?

Gradually the Japanese family system—which substantially was our own as well, not so very long ago—is losing its material foundations. In towns and cities, at least, the family is no longer the only, or even the main, unit of production. More and more individuals have to share their loyalty to the family with that to their employers, their colleagues or their duties and interests in public life. The woman who advertises in a Japanese newspaper: 'Woman doctor, 25, pure blood, good looks, obedient, wants husband', may soon experience a conflict between her loyalties as an 'obedient' wife and those as a devoted doctor.

The family with more than two generations under one roof is slowly getting less prevalent even in the villages where the number of 'households' grows; the total rural population is stationary and is quickly disappearing into the towns.

What are the concrete characteristics of the family system of Japan? A young psychologist, Kazuya

Matsumiya, went out on behalf of the Institute of Pacific Relations to see to what degree the system is still maintained. Some of the questions he put to more than ten thousand 'heads of households' and women and students in different ways of life illustrate some aspects of the system.

'While the husband is at home, does the wife never leave the house? Does she stay voluntarily? Sometimes? Or does she do as she likes? When the husband returns home late, does she wait up for him?' (most of the following questions are carefully graded from the orthodox to the ultra-modern attitude).

'Does the wife always rise earlier than the husband in the morning? When the wife wants to buy things for her personal use, does she seek her husband's permission without fail?

'Is it absolutely wrong to divorce a wife because she has no child? Must the wife obey her husband under any circumstance?

'Should the motive for marriage be the rearing of children, or love? Should parents arrange it, as their children are young and inexperienced? Should one marry for the sake of one's family, even if one does not wish it? Is the approval of all relatives necessary for a marriage? Is free association of men and women apt to corrupt society? Should the parents make the newly-weds live with them?

'Do you gather together for ancestor worship every morning? When misfortune overcomes the house, does help always come from the relatives?

'Should children chose their own occupation or carry on that of the family? Must children obey their parents' orders under all circumstances?' (The term children, in Japan, applies to every person whose parents are still alive.)

Only half of the answers, by the way, seemed to favour the persistence of an 'orthodox' family system, and it is not known whether those that did mainly originated from 'heads of households' or not.

From time to time, a Japanese newspaper voices some criticism of the family system as it is. The *Fiji* for instance, wrote in January 1936: 'It may be commendable for the Education Minister to encourage filial piety, but he would do better to give attention to a revision of the mistaken notion entertained by Japanese parents regarding their children. Many deplore what they call the decadence of national morals in recent years, and usually they blame the spread of Western moral notions. Yet it is the vagueness in Oriental morals on the duties of parents to their children that often causes selfish parents to sacrifice their sons and daughters. We must attribute this to the imperfect development of Japanese conceptions of character and the rights of men.' Another newspaper reports that 'those who ran away from their homes' in Tokyo Prefecture during 1935, not including cases of families failing to report to the police, were 15,373 males, and 8,786 females, at ages from 10 to 60.'

This is why so much emphasis recently has been laid on the maintenance of the family system by the government, why, for instance, a book of touching stories about the deeds of dutiful children is being widely circulated by the government printing office, and why family loyalty is so much stressed in school education.

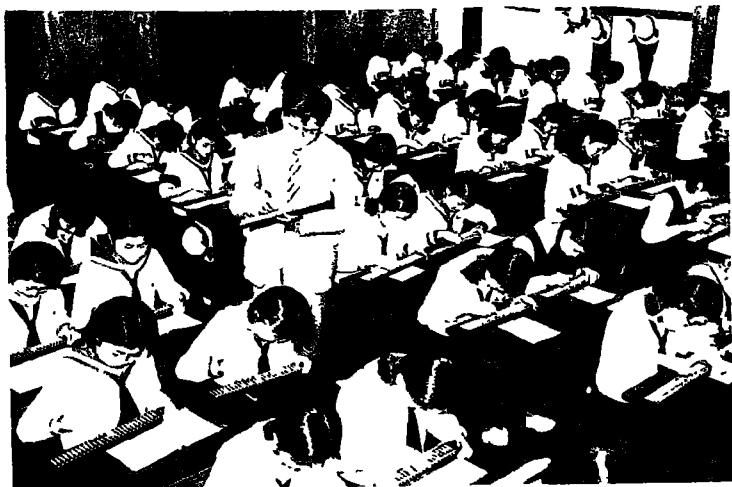
Moral Education

I visited a number of schools in different parts of Japan and started to learn the language from the

Primary School Readers. I had all the moral text-books and most of the history text-books (they are all standardized for the whole country) translated for me. And it was only then that I realized to what extent school education really is a political matter in Japan; and how much it is directly responsible for the moral and intellectual peculiarities of the Japanese that disappear so quickly in their 'second generation' brothers and sisters, who are brought up less influenced by tradition—though still in a Japanese 'Ghetto'—in North America and Hawaii.

School education is not political in the sense that children are being trained in an anti-foreign way; special care is even taken in the moral text-books to encourage them to treat foreigners politely, to respect foreign flags, to offer their seats to foreigners in trains and buses, and neither to laugh at nor follow them with curiosity wherever they go. But education is political in the sense that the fostering of the national spirit seems to be the main subject of teaching, just as the building-up of a special outlook or moral character, in order to produce 'good people', is its foremost consideration. 'It depends, indeed, upon Primary School Education whether we can make national morals prevail so as to bring our nation prosperity', says an Imperial Ordinance of April 1934. And the famous Imperial Rescript on Education, granted by the Emperor Meiji in 1890 is the Catechism of the Japanese people.

School-houses are mostly large wooden structures, together with the temples the best buildings in the village. The equipment is almost entirely in the Western style. In the cities a growing number of them, inside and out, do not differ in the least from the most modern school buildings in the West. In every school, veiled



HIGH SCHOOL GIRLS *counting with the abacus* and (below) PRIMARY SCHOOL CHILDREN *learning to write*



on ordinary days, there is an Imperial portrait before which the pupils bow every day from a distance. On special holidays when the Imperial Rescript on Education is solemnly being read to the assembled school, the picture will be unveiled, while teachers and pupils bow in deep respect.

The children, just like university students, are mostly in dark-blue school-uniforms of Western style, the teachers in Western clothes. The spirit in the school, however, is entirely different from ours. Discipline is very strict, and I remember watching a class of tidy little youngsters, happy and orderly, goose-stepping out of their classroom. They had just had a lesson on 'morals', which is officially declared to be the most important subject in all grades of Primary School as also in Middle School education. There they had sat, helpless it is true, yet as quiet and patient as could be. The teacher had asked them to give an example from their daily experience which would show the same virtue as that of a young girl about whom he had just read a lesson to them: the girl had never failed to offer some of the fruit she got as presents from kind people, to the spirits of her ancestors, before their shrine.

The heroes from whose virtuous deeds the children learn are all Japanese, with the exception of Socrates, Benjamin Franklin, and Florence Nightingale, who are praised respectively for their patriotism, hardworking study and love for animals.

These are some examples:

'Keep your promise. Commander Hirose (who later died a heroic death in the Russo-Japanese War) lived for a long time in Russia. Before leaving Japan he promised to send foreign stamps to a child. On his way back to Japan, he had to travel on a sleigh.

It would be a dangerous trip. He thought of his promise. "If I should die on the way, I couldn't fulfil it." Therefore, before he started on that trip, he wrote a letter to the child, enclosing some stamps, and sent the letter to his brother, saying: "If I should die, please send this to the boy." When he had come back he said: "Before I had fulfilled the promise, I could not have died peacefully."'

'Form good habits. The wife of a famous Japanese in the Tokugawa times tried to form good habits by self-examination. She kept two balls in her kimono sleeves, one white and one red. When she did wrong she wound red thread around the red ball. When she did good, she wound white thread around the white ball. She was always trying to make her white ball larger than the red one.'

'Loyalty. Otsume, when 15 years old, carried her master's baby. A mad dog jumped at her and bit her. She could not escape. So she covered the baby with her own body and did not move. Then some people came and drove away the dog. The baby was safe, but Otsume died.' (Note in the teacher's book of instructions: 'Instruct the children that a master must always be sympathetic with his servants, and warn against mad dogs.')

'Friends. Two boys who had been class-mates worked in the same factory. One was dismissed because he had made a mistake. Tomozo asked the master to forgive his friend. In vain. One day, Tomozo invented a new machine. The master praised him and said: "I'll do whatever you like for you." Tomozo said: "Please take back my friend." The master agreed and said: "And I shall build a house for yourself." But Tomozo refused, saying: "As you have forgiven my friend, I have nothing more to ask from you."'

What follows here is the last lesson in the moral textbook for third-term (nine-year-old) children; a typical summary of the year's many and ever-repeated tasks:

'The good Japanese. In order to be a good Japanese, you must always worship the virtues of their Majesties, and respect Amaterasu-o-mikami (the Sun Goddess, who is regarded as the direct ancestress of the Imperial House). Be loyal to the Emperor and love your country. You must be filial to your parents, respectful to your teachers, kind to your friends and helpful to your neighbours. You must be honest, broad-minded, charitable, grateful, co-operative in spirit, obedient to the laws; you must draw a line between your things and those of others, and do something good for the public. In addition, you must behave yourself politely, be tidy, work hard, study hard, take good care of your health, cultivate your courage, be forbearing, not be easily embarrassed, and be frugal. It is important to behave yourself prudently and to do good to others. In order to be a good Japanese, you must do these things from the bottom of your heart.'

And this is the end of the First History Reader:

'... the Sun Goddess granted a Divine Rescript founding the basis of the country . . . Jimmu Tenno (her grandson) first ascended to the Imperial Throne. Since then, the successive Emperors of one single dynasty have been ruling the country . . . with the tenderness of a mother. . . . Our people beholding their August Virtues have ever served the Throne, disregarding their own family and self. In this way the nation has come down to the present day as one big family. . . . By the illustrious virtue of the Emperor Taisho and our present Emperor, the glory of our country is ever increasing. We are now solely responsible for the peace of the Pacific Ocean, and,

together with Britain and America, are holding one of the most important positions in the world. Therefore, the people must understand the value of our national polity, and be loyal to the Throne; and by following the examples of great personalities, they must endeavour to become worthy people themselves . . . striving in unison for the enlargement of the wealth and power of the Nation. Furthermore, they must work for the peace of the world at large, to augment the glory of the ever-illustrious history of our country.'

The Strait-jacket of Japan's Script

Whatever grade of Primary School, Middle School or higher educational institution one may visit, for a great part of their time the pupils are busy learning and practising the thousands and thousands of involved Chinese ideograms into which, unfortunately, the Japanese language was forced in early times. Organic in Chinese, the characters are utterly alien to the Japanese and even more cumbersome to those who have adopted them than to those who created the script. To read and write Japanese well, one must know all the different Chinese pronunciations of every character as well as their more familiar Japanese equivalents.

In trains and trams I am always meeting school-children, students and grown-ups jotting ideographs in the air with their slender fingers. They are eternally memorizing these elusive word-pictures. They are trying to remember the meaning of some mysterious character they came across in a book or a newspaper. Or, again, they want to conjure up the association of some beautiful word with the special atmosphere that

畜留畔畏申甲由嘗甘瓶瓦瓜環瑳琶琵琶琴球班珍玩
碗碓碎碇碁硬硫硝破砲砂石短矢矛瞭睦腎眼眺眠
端童峻章竟窺窮窪窓窈突穿空穴穩穩穗積稿稽稼
累紬紫索紡素紛級紙紗純紐納紋紅紀利系紉襦糧
翁羽義群美羊羅罹罷罵罰置罪缺纏纂繼繰繭繫繪
臬臨臥巨臟膽膨膜膚腹腸腰腦腕腐腎脹脫脚脊脇
蓄蒼蒲蒸蒙蒐葺葬葡葛著葉萩萎苟菱華榮菓茵菊
襟褰複裾裸裳裡裝裕裏袞裂袴袖袂袷衣衾衿衛
謹謬謠謝謙瞻謁謀諾諮諭諒謂諏請談誰誤誠語誘
跨跡距足趨趣越超起赴走救赤臍臍贈購賴賭質賦
遇遂逼逸週逮逢逮這逝逞途逆退追迷迷迭迫返
鎮鎌鍋錮錦錄鋼銳銚銘銓銅銃鉢鉛鈴鈍針釜量里
袍鞞鞞鞋靴革靜靖靈霧霞霜震需雷零雲雪雨離雌
鯉鮮鮭鮪鮎魯魚魘魘魂鬼鬘髮髓骸骨騰騰囑囑囑

ONE-TENTH OF THE CHARACTERS USED IN A POPULAR DAILY NEWSPAPER
(By courtesy of the 'Yiji' Newspaper, Tokyo)

its ideograph conveys. For aestheticism is one of the greatest appeals of this system of writing.

The intellectual education of Japan, already definitely secondary to moral training in importance, is further restricted, not only by the loss of time involved in the learning of thousands of ideographs, with several different meanings each, but still more by the strait-jacket which this script puts on the intellect. The unending practice of reading and writing from earliest childhood forces the mind into uncritical and mechanized channels in which it is also being kept by the teaching methods in almost all other subjects. (Not even the chances of training the mind by means of a free practice of arithmetic are being made use of in school. For every Japanese is dependent on the help of an abacus for every simple addition or subtraction, multiplication or division; from early childhood until the mature age when he or she has to serve the public in railway ticket-offices, shops or post-offices).

The script presses all thought into thousands and thousands of watertight little compartments, from which escape into some special virtuosity seems to be very rare indeed.

In spite of all its specialization this script allows for the greatest possible amount of ambiguity—which is an outstanding characteristic of the spoken language, and therefore, necessarily, of all Japanese expression of thought and intention as well.

This antique, scholarly method of writing is no absolute impediment to the promotion of general literacy, which, as a matter of fact, has been achieved by modern Japan against such heavy odds. Yet the cost is high, involving as it does a good part of that lack of originality, critical capacity and inventive

which many foreigners—and even the Japanese who recognize the existence of these shortcomings—wrongly ascribe to peculiarities of the ‘race’.

The degree of actual literacy, furthermore, differs much more widely among the Japanese than a Westerner can easily imagine. In the masses of the people it is just sufficient for the execution of their professional and social duties. For these men and women, the contents of the newspapers, outside daily news, gossip columns and other entertaining features, seem to be a matter for more or less vague conjecture. To the better educated middle classes newspaper-reading presents no difficulties, neither does the general run of books. Yet one of my Japanese teachers, a university man, was utterly at a loss when I innocently confronted him with a simple government publication on agriculture. He could not even pronounce the characters for some of the most important crops, let alone the terms for land-holding, production methods, and so on. We had to give it up. ‘You know, I have been trained in literature’, he said. And another acquaintance, who holds several university degrees and is a highly intelligent and educated man, had to consult the dictionary again and again for the proper writing of characters connected with some simple phrases describing the system of government.

From the house-servant to the university professor, everybody seems to have a dictionary at his fingertips. I even met a number of young Japanese people once who spoke English not too well, who had never been abroad, yet who found their way more easily through an English book on a difficult subject than through its Japanese equivalent. More than a million Japanese, to-day, read foreign languages sufficiently to follow Western developments. Yet I think that

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there are hardly a hundred foreigners all over the world, mostly literary men and missionaries, who read Japanese as well, or better, than a Japanese college boy, and could follow at first hand the trend of thought in this still very much secluded country with its tremendous production of printed matter.

There seem to be possibilities for reform in the system of writing. A 'romanization' movement was started a long time ago, and romanization of the Japanese language, though difficult on account of its many synonyms, and almost revolutionary in its aspects, seems to be possible according to many authorities. The learned Western missionaries of Japan once, in the liberal 'eighties, postponed a costly new transcription of the Bible into Japanese, because the whole assembly were firmly convinced that the romanization of the Japanese script would be carried out by the Government in the immediate future.

Yet nationalism and aestheticism have taken up a strong position behind the technical difficulties involved, from which fortress they fight if necessary with the powerful weapons of philology.

The romanization movement, on the other hand, has almost given up its propaganda attack against conservatism, because it split into two opposing sections, and these, characteristically, for the last thirty years were too busy fighting each other for the 'proper' transcription of certain consonants to do anything for the promotion of their common ideas.

Those who can read the Chinese script proficiently are proud of their accomplishment, and neither want to soften the duties of the young generation nor to inflate the numbers of people to whom all written thought is accessible. Most important, however, is the political

trend against any 'over-emphasis' of intellectual education and against any further Westernization, as well as against a further 'opening' of the country to the outside world. These ideas definitely hold the fort in the state at present. There will be no 'romanization' for some time to come.

Educating the Adult

Education never really ceases for anybody in Japan, and the Japanese people as a whole are among the most eager pupils in the world, always keen to add to their knowledge. The majority leave school at an early age to take up their respective professions, but they go on with years of training in evening schools—where, however, 'morals' are still as important as vocational education—in military training classes and in Young Men's and Young Women's organizations, where moral development, again, is regarded as at least as important as physical exercise. For of all countries Japan is most aware of what help education can give in governing the people.

Then again, they continue to be guided by the state-influenced 'education' of the press, the radio and the cinema, coupled with that of religion and tradition. Finally the family system once more takes fuller charge than ever of those who have left school. As time goes on, it gives more attractive privileges and more inescapable duties to its individual members than they used to have in their childhood.

The channels which direct the thought of the Japanese people were originally dug in the primary school, and all their later education does little more than dig those same channels deeper and repair them whenever and wherever atmospheric dangers threaten

to break them. On an adult basis primary school education, with its emphasis on morals and sentiment, and with a certain bias against intellect, reason and criticism, is being repeated over and over again.

It is here, in the sphere of press and cinema, radio and theatre, family and religion, that the morals and traditions of 'Bushido', the 'Way of the Warrior', perfect their influence even on many people who were frankly bored, in school, by the bloody battles, the supreme swordsmanship and the knightly deeds of the two-sworded 'Samurai'. The old-style theatre produces these endless stories on the stage in splendid performances. The cinema shows them on the screen; where even 'Mickey Mouse', that humanitarian little lover of a 'happy ending' takes on, in its Japanese version, the grim and merciless features of a feudal enemy, multiplying torture and horror by the special facilities of its superhuman body and wits.

The newspapers, which depend mainly on big circulations, as advertising has not much developed in Japan, have at least one permanent serial story on 'Samurai' deeds and loyalty; the other serial story is modern and sentimental. This sentimental character in a modern cloak also predominates the 'other' category of Japanese plays and films, books and magazine stories.

The radio, too, broadcasts these feudal dramas throughout every home, barber's shop and café in the land. It is here, too, that the cult of the Tea-Ceremony comes in with its soothing influence; now that the cinema—accessible at the price of a short bus-fare—makes even the poor able to attend this traditional ceremony of refined homes. It is here that the beautiful art of traditional Flower Arrangement—still very much alive—is being further cultivated, to fill the leisure time of women in a harmless way.



VILLAGE CHILDREN *listen*
to professional story-
teller



STAGE REPRESENTATION OF
OLD FEUDAL WARRIOR
(*Samurai*) in a Tokyo
theatre

Cherry Blossom Parties with much drinking and frolicking; Temple Festivals of a similar character; visits to places like the tombs of the 'forty-seven faithful retainers' who killed for the sake of loyalty and then committed suicide; and the elaborate New Year's Ceremonies—all amusements of family units in their greatest possible numbers—complete that mixture of traditional and educational influences which perpetuates the 'Primary School mind' of the people.

It is true that many of the older pupils miss their 'classes' of unobtrusive adult education and absorb no more influences from public moral lessons; but comparatively few of them seem to try to break away from the ideas so deeply ingrained in them, nor do those who make the attempt ever seem to come very near success. Silent, half-conscious doubts, indifferences and melancholy are their reactions.

When the necessity for a general reform of the State was discussed, after the military rising in February 1936, it appeared that the leaders of the State were not satisfied with the moral and political results of education. There was much talk about 'the establishment of unswerving ideas in respect to the State and to moral principles', about 'the greater stress that has to be laid on spiritual training', about 'means for the raising of the moral life of the nation', and about 'measures to make the people better realize the meaning of the national polity of Japan'. School text-books are to be revised with these aims in mind and moral education is to be further intensified; for, as the *Tokyo Nichi Nichi* puts it: 'The theories of, and the faith in, our national morality are inculcated into the nation in the schools, but their actual effect upon the nation is surprisingly weak.'

Modern Japan seems to notice the shortcomings of its educational system, and yet it pushes on in the old way.

CHAPTER VII

JAPAN STIRS UP HER NATIONAL SPIRIT

The Parting of the Ways

The guidance of the popular mind is not the only educational problem which Japan feels it has to face, once more, to-day. The development of her future intellectual leaders, who are passing through the many institutions of higher learning, seems to be an even greater problem.

In high schools, colleges, and universities, too, 'primary school education' is being repeated and intensified on a higher plane, and outside influences assist its never-ending work. Yet higher training necessarily brings with it more intellectual subject-matter; more demand for a development of the individual brain; more occasion for the questions of a young and wondering mind; and, last but not least, more contact with that different world of Western civilization, against the influence of which reaction has set in recently again in nationalist circles.

This is the side of Japanese education which particularly suffers from difficulties of political 'thought', and to which most of the recent demands for the strengthening of the 'Japanese spirit' and for the 'clarification of the national polity' refer. This is the standard to which young primary school teachers are being educated, some of whom several years ago showed infection with 'dangerous thought' and tried to interpret the moral text-books in a subversive way; while, after the February rising several primary school teachers were said to have confessed to not knowing what to answer, when asked by their pupils whether the rebels or the victims had been in the wrong.

This is also the point of view inculcated into future officials and members of the liberal professions. Many young people who go through the higher grades of education preserve an attitude towards life in general decidedly different from that of the other group, which remains in the atmosphere of primary and middle school education. Such past experiences, of course, leave a very distinct mark even on developing 'intellectuals'; but there is a fair amount of indifference, melancholy and sentimentalism among them—often, too, a lively idealism, though, on the other hand, not much really 'dangerous thought' apparent to the outside world at present. And, of course, there are those who pass through this stage unaffected, strong, unquestioningly patriotic in the military sense and a source of pride to the most exacting nationalist. Yet altogether there are many indications that a parting of the ways is taking place between the two groups of Japanese at the entrance doors of high schools and universities.

English Homework

I had a chance to see the English homework of different classes of Japanese high school boys, aged from eighteen to twenty, and I think nothing could characterize this stage of education and many of the lovable traits of the Japanese people better than these few quotations, uncorrected as they are. Their achievements in the English language, by the way, are quite remarkable.

There was one set of tasks on the subject 'Who is your hero, and why?' Out of forty-four only ten chose martial figures from ancient and modern Japanese history for their heroes; and even if one adds the single boy who chose Hitler ('for his adventure'), martial heroes are only adored by a mere quarter of the pupils.

This is one example: 'The hero whom I adore is Shideyoshi Toyotomi. . . . I cannot but be touched with his loyal and honest loyalty to the Imperial House . . . his great ambition was to conquer Korea and China. It, moreover, was not for his own interests, but for the sake of our country. Even if it had been his individual ambition, it ought to be called a very manly one. . . . Finally, what is most important, his spirit was humanitarian. He practised the instruction of Christ, "Love your enemy". Modern Japan in the great crisis seeks the great hero like him.'

Japanese scholars, poets and other outstanding civilians number thirteen adherents. Among them is one for Toyoshiko Kagawa, the Christian social reformer, who works in modern Japan's slum quarters: 'He is a true man, doing everything for the good of the people and society . . . he is trying to give his life and teach people and society, than to conquer or free people in war, like most of our past heroes did. He is waging a war against the dark and dull side of life.'

The greatest individual ballot was for Beethoven! This surprising result was by no means due to chance; a characteristic type of Japanese student is always to be found in those little cafés where up-to-date electric gramophones play an amazingly complete repertoire of classical music. (Japan has a bigger sale of Beethoven, and other records of classical music, expensive as they are, than any European country.) In these cafés even the dainty little waitresses do not interest the students, who push their caps off their foreheads, lean back in their chairs, don't say a word, and lose themselves for hours in abstracted contemplation of their favourite composer's work. There were two more Western musicians among the 'heroes'. One student wrote: 'Beethoven is my father and my only real friend.'

Washington, Lincoln and Franklin got five votes. 'Napoleon and Hannibal, are they true Hero? They are masters of war; and war is an enemy of the human. Therefore they are sham Hero. I will write about the life of Abraham Lincoln. . . . In the civil war he is on the side of mercy and right. . . . Many slaves were saved from misery. . . . Oh, reverend Lincoln: You are true hero.'

Two ultra-modern boys chose Colonel Lindbergh. 'His spirit will be "Bushido" (the traditional "Way of the Warrior") in Japanese, I believe.' One chose Henry Ford. Altogether, the vote for Western 'heroes' numbered almost half. Three disillusioned boys confessed they had no hero 'any more'.

One wrote: 'Even though the public opinion is "Napoleon is a great hero" I advocated "Napoleon is not a hero", because he himself is but a great conqueror—of nothing. I am sorry I cannot find a hero in our long history.'

Another one wrote: 'I have no hero in my heart. But if the meaning of hero is the most honourable man for me then I have one. This is my father and mother. . . . The other day on my way from my brother's, it was a cold evening, there were a father and his child, he was about 5 years old boy and was fell asleep in the car. The father put off his overcoat and put it on his boy, then carried on his back and getting off the car he walked a chilly platform with contentment. I learnt "father" from this, too.'

Japan and Western Culture

Another set of essays dealt with 'The Main Differences between Japanese and Western Culture'. One student wrote: 'The Western people are of individualism

and love liberty and equality, especially the American. On the contrary Japan is of class system, and even if they are overwhelmed by upper class, they can bear. They willingly serve their lord . . . and sacrifice their own lives for the country. . . . The Japanese women are gentle, mild and obedient, but miserable. They can not get married by love . . . they sacrifice themselves for their husbands. . . . The Western women desert their husbands as easily as they do their old stockings.'

An idea that recurred very often, and of which most Japanese are convinced, was expressed by another: 'Though Japanese material civilization inferior somewhat to European (of course, there are two or three exceptions) our moral civilization is far superior to European moral civilization.' Another comparison, on music: 'The man of western country find his enjoyment in music. And Japanese find his home of heart in music.'

The subject 'My Summer Holiday' brought forth many poetic and melancholy reminiscences, typical of the Japanese mind and yet universal in adolescence. The following are touching examples of the writing of five young men, of the kind that often commit suicide, alone or with a girl, in one of Japan's favourite beautiful 'suicide spots'.

'When the sun in midsummer shines proudly, clouds express the manly line in the blue sky.'

'Really to live is a great difficult question. So I always meditate about the way of living when I sit still. Now I am thinking that my only way of life is to try to play the role forced upon me.'

'I am a melancholic man, for I am solitariness. So I always feel lonesome . . . as I had not energy I went nowhere. My summer was gloom. . . . One evening I went downward a little valley near my home city . . .

there was pinewoods a cool breeze was blowing . . . there was a small farm and in that farm a pinetree was taking root. One farmer was standing beside that tree holding a hoe. Oh. His pose reminded me of Johane. And one woman was sitting down on a stump, embracing a baby who was dressed in white. Oh. She liked Madonna. They were defined in golden light. I had never seen such a beautiful and quiet scene. I thought: if there is only twilight in this world, all men and women must be Madonnas and Johaness. The plain layed abroad with silver river. The wind run over innumerable pinetree-tops. At this time I forgot lonesome. . . . At this time my all over the body was wrapping with felicity.'

'When the summer vacation began, I used all my time in study Economics. I have read all these books of Mr. Marshall, Takada, Kawazu, etc. . . . I thought that in Higher School we have other things to do. . . . I had such a mental condition which is buzzing between right and wrong and have no definite principles, say it, mental anarchy condition. To control this I decided to study philosophy and ethics. . . . By philosophy and ethics, I think, I can understand what should I be? What should society may be? . . . Our teacher, if you have the kindness to detect my faults, I would be very happy.'

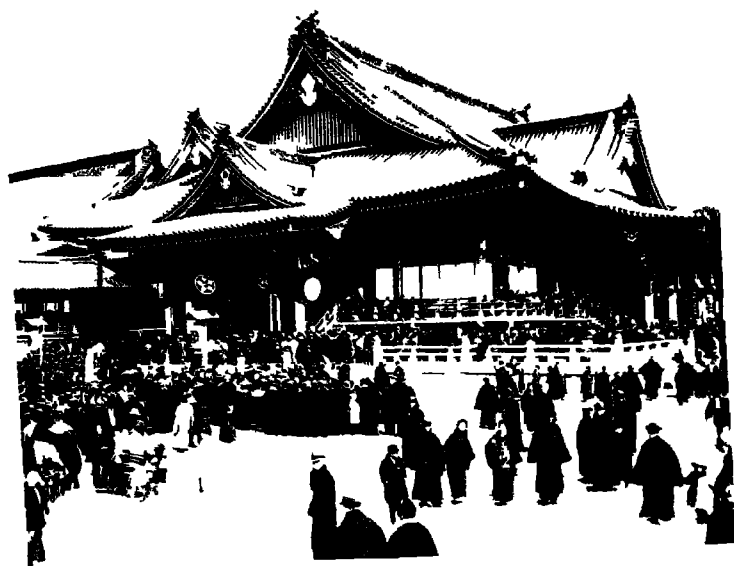
One can easily understand now that the mental development of the country's future intellectuals is a great problem to those who want to uphold the simple heroic spirit, and who see, not without justification, a danger of effeminacy, pessimism and blank scepticism among the best-educated generation of the country; an attitude that may, once more, develop into that positive kind of 'dangerous thought' which is connected with Marxism.

Military training, though a feature in every higher school, college and university, seems to be an ineffective occupation for these boys, a good part of whom, during their military manœuvres at the foot of Mount Fuji, are said to be much more interested in the ever-changing beauties of that cloud-surrounded mountain than in their military exercises. There is something real behind the cry of the army for a reform of education and their desire to strengthen the national spirit.

The Religious Influence

Religions, in Japan, are a peculiar and lively force in the moulding and constant remoulding of the Japanese mind. They are much less dogmatic than any religion of the West. One religious sect does not necessarily demand from its adherents the exclusion of every other. Neither are their rules as to the creed and behaviour of their followers as rigorous and categorical, generally, as a Westerner might expect. Nor are they as unchangeable and fixed in their organizations as religions of such old standing might be supposed to be.

Religions, in Japan, do not have to argue and to convince; they merely appeal to the sentiment and to the artistic craving of an emotional people who are brought up to an uncritical frame of mind. They recommend and advise, rather than command and threaten. The idea of 'sin' seems to be alien to them. They consciously and openly try to help the State to keep up the 'Japanese spirit' in the sense of primary school education. Sometimes they are even ahead of the government in this regard, and many of their most active leaders move with the times, introducing more and more ambitious sects of a political colouring for



HEADQUARTERS OF THE
TENRIKYO SHINTO SECT
AND THE HEAD PRIEST

a people that, with all its apparent conservatism, is always eager for some kind of change.

The native 'Shintoism' is the basis of everything in the country. Its ideals, as they have been revived and remodelled since the political restoration of 1868, have been aptly summarized in these words: 'Follow the impulses of your nature, and obey the Emperor.'

In the form of the so-called State Shinto, which is officially described as no religion, but rather above and beyond religion, it provides the foundations of all 'proper thought' and almost all social ceremonial in the country. As the simple, yet mysteriously adorned creed of many separate sects, however, Shinto spreads out into the realm of religion in the full sense of the word. There it competes in a friendly way with the highly respected sects of more or less Japanized Buddhism, which is as primitive in its appeal to the masses as it is highly philosophical in its appeal to the scholarly mind. And Shintoism competes in a less friendly way with the different denominations of Christianity that have a mere 300,000 Japanese adherents, mostly in educated circles; though they have had a distinct general influence on the ideas of modern Japan.

I went to visit the headquarters of one of the most recent and most successful Shinto sects, Tenrikyo, in the beautiful hills near Nara, Japan's oldest centre of Buddhist culture. Tambaichi, a little old town, resembles all those many shrines in Japan, where on certain holidays families in huge numbers combine religious worship with amusement, and edification with a respite from a monotonous life at home. Souvenir shops and cheap little restaurants, where plenty of rice wine (*sake*) flows on such days, line the brightly beflagged and illuminated streets through which

the crowds stream from the station up to the new temple.

Just recently, when some of the dignitaries of this wealthy sect were arrested for tax evasion, and when it looked as though even trouble on political grounds might endanger the existence of Tenrikyo, the Railway Ministry professed great embarrassment. The forthcoming rush of at least half a million people from many parts of the country to one of Tenrikyo's festivals was expected to bring the State railways an income of several million yen, so that their concern was quite natural.

I was first led into the 'Mission Office', a modern place, efficiently equipped and staffed by a number of university graduates. Tenrikyo, with its eight million members at home, is the first Japanese sect that has ever wanted to convert the world, starting with China.

'To any corner of the earth I reach out to save.

'When Japan will be empowered with Holy Creed,

'She will pacify other peoples as she pleaseth.

'They have been called hitherto Japan and foreign lands;

'But hereafter there shall be naught but Japan.'

This is Tenrikyo's own translation from the *Holy Scripts*, written by Miki Nakayama, a peasant woman who, possessed by some divine spirit—the 'Parent'—became the foundress of Tenrikyo some eighty years ago.

I attended the strangely beautiful service in the huge wooden temple. It had just been built, near the holy spot which the adherents of Tenrikyo regard as the centre of the world. Very vague prayers and simple dances made up the hypnotizing ritual, in which the audience, mostly crowds of women with their children on their backs, fewer men and a very few youths, joined

solemnly with slow movements of their hands, kneeling on a wide space of straw-matted floor.

I was taken to see the all-powerful Head Priest, a direct descendant of the foundress, in his richly furnished modern residence in the huge temple compound which includes many schools for children, priests and priestesses, a private university, an Oriental language school, a famous library and many 'believers' hostels'. He was a young university graduate in Western clothes, ordinary and efficient in appearance, solemn with his secretaries, unceremonial with me. Where could his influence over eight million souls possibly come from? Looking at his broad face, his unanimated, bespectacled eyes, I could not answer my own silent question; neither did he, with his matter-of-fact analysis of the figures that prove the amazing rise of Tenrikyo in recent years. He is the patriarch and absolute. The income of his sect is said to be enormous.

The shepherds of the mass of believers all over the country, ordinary men and women from all walks of life, are trained in Tambaichi for several months in the simplest mythological stories and moral rules, as well as some healing miracles done by the foundress. Then as priests and priestesses they are sent back to their home towns. At present they number 60,000. I saw the novices practising their prayers and dances, old and young people, women and men, with no obvious qualities of fanaticism in their simple peasant faces.

This is only one of many such sects. Misuse of their power is frequent, even in the sphere of politics where the right wing radicalism of the time is being widely exploited; a reason which recently caused the 'Omotokyo' sect to be prohibited for a second time. The charge was *lèse-majesté*. Details were not published,

though stories of the megalomaniac tendencies of the 'leader' were common. The development of this and the Tenrikyo scandal placed the State, which is very tolerant in religious matters, in a rather difficult position. The Education Minister had just recommended the schools (which are, according to the constitution, free from religious education, though State Shinto is their very basis) to foster religious feelings in a general way—and now a measure of State control for the sects became necessary.

There was some Press criticism, on fundamental grounds, among which these remarks of the *Hochi* are characteristic: 'Education Minister Matsuda denounces material civilization and upholds Oriental spiritualism, but the present religious evils do not come from too much materialism but from too much spiritualism. Japan prides herself on being the best educated country on earth, but her statesmen should consider how it is that so many heretical religions come into existence. This is perhaps because the principles of education in this country are unscientific, unreflective and irrational, and too abstract and intense to get the desired effect.'

'Strengthen the Spirit!'

Japan has been stirring up her spirit of loyalty to the Emperor as well as to the Imperial Family again and again. Ever since the modernized State burdened itself with one ambitious task after another, this spirit has been one of the greatest sources of strength to the country. The more difficulties arose on her path—out of the comparative poverty of the country, out of political and social conditions that remained unsettled in many regards, and out of foreign resistance



H I H PRINCE HIGASHIKUNI addressing members of the Youth Associations on protection against air attack, and (below) POLICE OFFICER GIVES AN ADDRESS ON PUBLIC MORALS to salesgirls of Tokyo department store.



against her actions—the more Japan fostered that spirit which is characterized by the peculiarities of her educational system. Once more, Japan's leaders appeal to her strong and specific spirit. It must be strengthened still further, say those who see the necessity to prepare the State for more and heavier tasks, for new and greater dangers.

How is it to be done? According to present indications, mainly on the old lines of moral training, of 'putting moral culture before everything else'. The influences of Western civilization, which are noticeable only in the higher spheres of education, are to be still more restricted, for there is much in them that present-day Japan regards as detrimental to the fullest development of her spiritual reserves of strength. Not only is loyalty to the Emperor to be fostered—undiminished though it is—but all those interpretations of the country's constitution on 'Western lines' which seem to take away from the absolute character of the monarchy, are to be uprooted, and a new vigorous enthusiasm is to be created.

There has been much talk about such reforms for a long time, though with very few concrete explanations. To what extent this talk will now be followed by action, depends on the power and energy of the new system of government that is gradually to evolve from the realization of those dangers at home and abroad which the 'February 26 Incident' has revealed. The fostering of the 'Japanese spirit' has done much for the country in the past, but can it do so very much more to overcome a situation like the present one? Social reform, in connexion with another acceleration of Japan's economic energies, is considered to be necessary as the basis on which the Japanese spirit will be able, once more, to come to the rescue of the country.

CHAPTER VIII

JAPAN'S SOCIAL PROBLEM

'Great Evils in Society'

'Revolution is impossible in Japan, but renovation or reform is indispensable in order to adapt Japan domestically to her present soaring career. Without renovation or reform, that career will plunge Japan into national instability and unrest. . . .

'From the domestic point of view the national life of Japan is wellnigh smothered with accumulated evils, because the privileged class is encrusted in a traditional policy for the maintenance of the *status quo*. . . .

'If matters are left to continue as they are, another deplorable "incident" is likely to break out.'

Thus wrote the newspaper *Hochi*, soon after the young army officers' rising on February 26, 1936, concerning which even the moderate General Minami said that 'there are great evils in society at large which caused the incident to break out.'

Some months later the military loudly voiced their alarm at the deterioration of national health which is one of the most obvious consequences of those 'great evils in society'. They stated that during the last ten years the rate of those examined for military service who were found unfit rose from twenty-five to forty per cent of the total. In some big cities and in several agricultural districts almost every second young man was considered unfit for military service. Fully fifty per cent of those who had to be rejected were found to be suffering from tuberculosis, a percentage which, according to the military, has since the beginning of the

century increased tenfold. At the same time the navy issued a warning of the consequences of the increasingly bad state of health of nursing mothers and pregnant women.

It is true that Japanese youth to-day is taller by two to three inches than were its parents when, twenty-five or thirty years ago, they were the same age; but according to the Ministry of Education, the average individual child has shown a deterioration in weight and chest measurement as well as in eyesight and condition of teeth. Thus, while modern hygiene, increased gymnastics, and some slight improvements in the traditional mode of living have had the amazing effect of perceptibly increasing the stature of the average Japanese, diet, working conditions, housing and clothing have not improved sufficiently to allow the national health to keep pace. And this is only one of the symptoms of the general over-exertion to which an ambitious State has forced its population to submit, for the sake of hasty outward advance.

The Pyramid of Wealth

What is the *status quo* of the national pyramid of wealth that the so-called privileged class is alleged to want to maintain?

The apex of this pyramid now consists of twenty families who—according to the revenue returns for 1934—pay taxes on incomes higher than one million yen a year. (Only fifteen families were so classified in 1933, when armament production and exports were just beginning to swell.) Converted into pounds sterling at the present rate of exchange, these would be incomes of more than £60,000. But considering the much lower tax burden that such large incomes have to carry in

Japan, and the very high domestic purchasing power of the yen, their British equivalent may be regarded as more than double that amount.

Two of these twenty families have even incomes 'above four million yen' each. One of them seems to be the 'main' family of Japan's greatest plutocratic stronghold, the House of Mitsui; and this does not include its eleven branch families, which figure separately in the income-tax accounts. Recently, after the head of this main family, Baron Takakimi Mitsui, retired, his fortune was assessed at Yen 166,400,000, which, even at the current rate of exchange, that probably underrates its real value by half, would amount to ten million pounds. And this is estimated to be less than one-fourth of the wealth of the whole House of Mitsui with its tremendous and often dominating interests in industry, mining, 'shipping, trade, banking, insurance and practically every single branch of business.

The previous record assessment for the purpose of levelling succession tax (which, in this highest sphere of wealth, worked out at no more than roughly 12 per cent) was that for Baron Kichizaemon Sumitomo, another magnate of banking, industry, land-holding and trade, who left a private estate of Yen 160,000,000. The family of Baron Iwasaki (the owners of the Mitsubishi concern) and a few others also belong to this very highest group of plutocrats with their amazingly wide ramifications in business.

The merely 'wealthy' group of families, with incomes from Yen 100,000 to 1,000,000 (six thousand to sixty thousand pounds) numbered 1,334 in 1934, or 40 per cent more than in 1933.

Those who are something more than 'well-to-do', according to Japanese conditions those with incomes from six hundred to six thousand pounds, came to

almost 44,000 in 1934, that is, 13 per cent more than the year before.

Those who can at least be regarded as 'comfortable'—with incomes from three hundred to six hundred pounds (as in all the other cases, one must allow more than twice these English equivalents in actual purchasing power)—were no more than 370,000 families—a small increase of merely 10 per cent on the previous year's numbers. To this category belong the Prime Minister of Japan, whose official income is about 560 pounds a year, full army generals and admirals, with yearly incomes of somewhat less than 400 pounds, and a small number of the highest state officials.

A 'decent' income, from seventy to three hundred pounds a year, was the lot of 462,000 families in 1934, only 9 per cent more than in 1933. High government officials, like chiefs of bureaus in State Departments, with about 240 pounds, and higher ranks of senior army and navy officers are included here. University professors, with 180 pounds, and middle school teachers, with a little above 90 pounds, find themselves at the bottom of this class.

Out of Japan's 12,800,000 households, almost 12,000,000 remain to be accounted for. Their income—for an average of 5.3 persons—is below seventy pounds a year, free from income tax, though by no means free from much heavier indirect tax burdens. These twelve million families have, or are officially estimated to have, on an average a yearly income of roughly thirty-three pounds (555 yen). There is no way, however, of looking behind the veil of this average and finding out about the numbers and categories of families down the different grades of the scale, many of which descend to the depths of sheer misery.

In this group not only the junior and lower senior ranks of army and navy officers, but most State and municipal officials, find themselves with an average income of forty-eight pounds. Here are the 70,000 members of the police force, and the hundreds of thousands of primary school teachers, both on the same average level of pay, i.e. roughly forty pounds a year. Here, too, is the average run of Japan's 170,000 'religionists' with a declared average income of thirty-two pounds to which, however, many perquisites have to be added. Here are even to be found a good number of doctors, lawyers, journalists and artists, and almost all the half-million clerks of the country. Here are most of the small shopkeepers, many of the small 'independent' manufacturers, practically all the industrial workers, and—at the bottom of the scale—the peasants and the fishermen of the country.

The peasants and the fishermen—with the exception of the 'submerged tenth' of the towns and cities—are no doubt those who suffer most from insufficient income. Forming almost half of the country's population, they provide most of the men and many of the officers for Japan's army and navy. Yet agriculture, including the income of the landlords, has only a niggardly 18 per cent share of the country's total 'national income'. Their share is not even equal to that of the commercial group which, representing only 9 per cent of the country's profitably employed population, receives fully 27 per cent of the national income. Rice dealers, for instance, number more than 100,000 in the country, or one for every fifty small farm households, yet not one of them seems to be as badly off as the great majority of farmers are.

How the Farmers Live and Work

Japanese farmers in general are hardworking, kind-hearted, and intelligent. With all the shortcomings of the Japanese school system, they are the best educated farmers in the Orient. Their common sense is conspicuous. They will speak about their age-old troubles, yet will never exaggerate, nor do their complaints easily grow into futile lamentation. Their politeness shows no element of servility; and in their old patriarchal ways they seem to be often more 'democratic' as family heads than many a highly cultured *danna-san* (master of the house) in the cities. Their homes are full of children for whom, when they grow up, they often do more than they can afford.

These farmers live in flimsy, wooden houses, part of the floor of which is straw-matted and saves them chairs and tables. Thatched roofs are still prevalent in most parts of the country, as are the typical Japanese paper-covered sliding doors and windows. Their clothing, still mainly traditional, is mostly of cotton, padded for the winter, with an occasional silk kimono for ceremonial wear. Their foot-gear generally is of the wooden clog or straw sandal variety.

Their food consists of rice, or a mixture of rice and other grain, taken three times a day with some pickled radish, or cabbage, and small quantities of home- or village-made bean products. The latter are found in the form of a strong sauce, *soy*, or a fermented paste, or a cheese-like curd. Where they are near the sea, the farmers may—according to their income—eat some fish from time to time; though I found fishermen who sometimes could not even afford to eat the fish they caught. Peasants and fishermen have little fat and sugar in their diet, and almost no meat, though practically

all of them, feeling quite free from former Buddhist restrictions, like it very much indeed.

Tea, which the farmers often grow themselves, is at the most taken once a day, though they will always be glad to ask a stranger into their house for a cup or two, and for a chat by the primitive fireplace in the centre of the mat floor. Then the father will talk in his slow, matter-of-fact way, the children and neighbours will gather around the guest, and even the wife will occasionally volunteer some answer, or ask a question about the city which they hardly ever have the opportunity of seeing.

The Japanese farmer works no real 'farm', but a number of little strips of land here and there, spread over wide districts. These strips of land are mostly small paddy fields into which the few plains of the country are divided by a narrow network of low earthen walls; or which climb up the many hills and mountainsides as tier upon tier of tiny terraces.

One-third of the farmers have altogether one acre, or less, of land to work on, and to feed their families. If such a farm were put together into a square, it would at the utmost measure seventy yards on each side. Another third of the farmers has up to twice that area of land to work, while only every tenth family has more than five acres at its disposal. Livestock is very rare. Most peasants are their own 'working animals', and modern agricultural machinery is practically unknown. Silk-worm raising, which involves much labour and requires good soil for the mulberry-bushes, is not a satisfactory side-line any more; Japan's own artificial silk industry has stepped in and done even more to spoil the market than did the crisis in the United States.

City versus Village

Even so, most farmers should be able to live a better life than they actually do. And the whole nation could be fed by them—even with the population increase that must be expected for at least the next decade or so, when its growth will be arrested. The reason for this optimistic opinion, with which most experts agree, is the fertility of the soil in most districts, the length of the summer and the abundance of rain. Double cropping is frequent and this practice could be spread farther. Any farmer, nursing as he does his crops as carefully as a gardener, could get out more than he does at present from his restricted fields if only he had better agricultural training and if he could afford more fertilizers and better equipment. Much more waste land could be put under the plough if there was capital to invest in such an enterprise. Furthermore, the North Japanese island Hokkaido could be fully developed and give a living to several million people.

At present, there are many impediments both to the farmer's own well-being and to an increase in the crop results of his toilsome labour. There is first the landlord, who takes at least fifty per cent of the tenant's crop as rent. For almost half of the acreage that the farmers work is not owned by them. Out of every ten farmers only three own all their plot of soil; another three have to rent all of it; four own some and have to rent the remainder of their fields.

The landlord, however, is by no means the proverbial 'wealthy crook'. Land-ownership on a really large scale is rare in Japan, at least as far as cultivated land is concerned, though one landlord on the West coast of Japan has no less than 2,800 tenants. Indeed, only

one-sixth of all the tenant-farmers in the country have their holdings from a landlord who possesses more than a hundred acres. The typical landlords are two: either farmers themselves, who till as much of their own land as they can, and prefer letting the remainder to a poor neighbour to taking him on as a labourer, which would involve greater risk and trouble. Or they are small 'capitalists', rice and fertilizer dealers, money-lenders or non-working descendants of a feudal family, not well-to-do enough to live away from their land. All these people—from whom come a good number of army and navy officers—are burdened by very heavy taxes. Many of them, especially with large families, are suffering almost as much from the increasing agricultural depression as the farmers themselves. And, year after year, a greater part of their land virtually becomes the possession of the banks.

Another burden of the man on the land is the continuous struggle between the village and the city, in which the city comes off victorious every time.

The total direct tax burden on agriculture is much higher, often twice or three times as high, for the same income, as on urban occupations: for village expenditure is comparatively heavy, mainly on account of the local school, and there are no wealthy tax-payers in the community. The city, furthermore, dictates the price policy of the State. On the one side it fixes comparatively low prices for agricultural products, and these, before they fetch even the low market prices, go through an infinite number of greedy dealers', brokers' and wholesalers' hands. On the other, the State will not reduce the unduly high price of fertilizer, which accounts for three-fifths of all the farmer's cash expenditure and keeps up the prices of the few

other industrial products the farmer may be able to buy.

The city banks drain whatever capital may accumulate in the villages into more alluring investments in industry and trade, leaving many of the credit-seeking farmers, who cannot satisfy the conditions of semi-public banks, at the mercy of local usurers, and almost all the necessary rural improvements undone.

The farmers' debts, mostly contracted to cover deficits instead of the necessary investments, grow continually, and they now amount to at least Yen 1,000 (170 pounds) for the average household—the equivalent of two full harvests. The city, by its travelling agents, incites the better-off farmers to speculation in the rice and stock exchanges, and this gambling mostly results in losses. Such losses sometimes even lead the better-off farmers to 'sell' their daughters, i.e. to arrange contracts for them with brothel owners—against some advance payment—to become public prostitutes for a term of years; a last resort, by the way, of the very poorest peasants, especially in the often hunger-stricken districts of north-west Japan.

Even the attempts at self-help of the farmers by means of buying the industrial products they need and selling their own crops through co-operatives are often counteracted by city organizations, and by occasional large scale demonstrations in Tokyo of the big as well as the small rice, silk and fertilizer dealers. Some half-measures of government assistance to farmers' co-operatives were defeated in 1935 by the close affiliation of those merchants' associations which have influential members in all the political parties. Such merchants, ironically enough, are very often the political party 'bosses' in the villages!

Self-help for the Farmers?

The late Viscount Makoto Saito in 1935 sent to the village Miho, which was then regarded as the poorest in the country, 'a specimen of his calligraphy as a means to stimulate the people to start a prosperity campaign', as the papers reported.

The late Finance Minister, Korekiyo Takahashi, in his last New Year's message to the nation in 1936, addressed the farmers as follows: 'My advice to the farming community as a whole is that it use care, prudence and vigour in meeting the present situation; that it study the methods of community organization which can solve many problems, and that throughout sound moral principles be observed. I shall be gratified to see the farming community rise to prosperity through its own efforts.' There was much excited criticism of this message to the farmers, which meant refusal of any large-scale State assistance.

The former Premier, Admiral Okada, addressing the Diet in 1935 in defence of the Government's insufficient relief measures for the farmers—and for the just as badly suffering fishermen—said: 'Actual relief lies not so much in financial grants from the Treasury, but in the spirit of initiative on the part of the farming and fishing populations'. Some months later a countryman armed with a short sword was reported to have tried to see the Premier in order to present him with a letter, signed in blood, asking the Cabinet to give relief to the impoverished agricultural population. Two of these statesmen who encouraged the farmers to apply self-help were killed in the insurrection of February 26, 1936, and Premier Okada, the third, escaped only by chance. Yet it would be a mistake to think that their advice to the farmers was fundamentally wrong; nor

indeed that this was a main motive for their assassination. Self-help on the part of the farmers is neither superfluous nor impossible, but it cannot achieve everything, and in any case it would seem that it must be based on some material assistance from the State.

I once went to a little village, not far from Tokyo—Iizumi by name—to see what self-help can do, and what it cannot. Some time ago this village was noted for its many violent disputes between tenants and land-owners. These conflicts have recently become more frequent in many parts of the country, necessitating the creation of a special farm police; they numbered altogether 5,500 in 1935, involving 77,000 tenant-farmers, and 20,000 landlords, but they were mostly settled by mediation with the assistance of Government authorities. It must also be mentioned in this connexion that small groups of hardly organized Japanese farmers have often proved themselves quite capable, if their feelings rose to a sufficiently high pitch, of resorting to violent action.

The organization which picked out the village of Iizumi to demonstrate the possibilities of self-help is the 'Association for Harmonious Co-operation', Kyōchōkai, a private endowment of the late Viscount Shibusawa, one of Japan's industrial pioneers. The Government takes a helpful interest in it. 'We want to, and we can, achieve something like the Soviet collective farms, without changing the conditions of land-holding in the villages. By co-operation we can surmount the agricultural crisis'—this was what a young and ardent official of the society told me while we were travelling to Iizumi.

Meeting in a Village Co-operative

It was the day of a general meeting of the village co-operative. On the matted floor of the large school auditorium some fifty men were squatting behind a square of low tables. In front of every one present there were teacups, little heaps of rice biscuits, and a cyclostyled 'plan' for the year 1936. The village master addressed the meeting while I had time to study the faces of the audience.

Japanese of the type we meet in the West numbered but three; they were my young guide, a graduate from some agricultural college; a representative of the prefectural government; and the local chief of police. All the other faces, however, the Westerner at home could only see in old Japanese prints. The 'scholar' of olden times, with the face of a sage, bald-headed, with thin whiskers and quiet, penetrating eyes, did not seem to play the role of the village sage, but was the inspector, or warden, of the district's irrigation system. The man who looked like a typical merchant of the feudal past, one of the few members of the board under fifty years of age, rather tall and stout, probably not very frugal, with soft features and a hard expression around his eyes and mouth, was still a merchant, modern in so far as he owned, among other property, the bus-line that connects the village with the nearest town.

The numerous landlords who were present had, some of them at least, the looks of the aged, retired feudal Samurai though they appeared somewhat less martial in their dark silk kimono. They looked intelligent, alert and patriarchal. The little group of old tenants sitting quietly together in one corner of the square, had exactly those peasant faces one sees in old

Japanese prints; the same dark faces, with deep lines, kind and clever eyes, and quite a trait of shrewdness. The 'owner-farmers' were rather of a modern type. Some of them wore plain Western working clothes—while all the other villagers were in kimono. They looked as though they knew how to handle machines, or would at least like to do so.

The meeting was most dignified, quiet and orderly. The only woman who was present had to see that no teacup was empty and that there was charcoal glowing in the open fire braziers. The atmosphere was very different from that in one of the Soviet 'Kolkoses' I had seen in session when I was in Siberia—and from those collective farmers' meetings in propaganda plays on the Moscow stage, some years ago, where young men and girls talked and shouted at each other in terms of percentages, modern machines, political slogans, and the ever-recurring 'class struggle', with much more enthusiasm than discipline.

The 1936 instalment of Iizumi's 'Recovery Project', which was being read to the meeting, showed clearly how much more every village in Japan, and not only this one with its 630 families, could produce on its restricted soil, after a sound analysis of its special conditions had been made by experts. It showed, too, how all the members of a village community could be fully and usefully employed.

More land was to be prepared for well-chosen second crops, such as oil-plants, barley, sweet potatoes, cucumbers, or at least green manure, after or before the main crop of rice. Specially selected seeds were to increase all the crops. Collectively, the irrigation system and the roads were to be improved. Collectively, waste land was to be reclaimed. Every family must plant some plum and walnut trees in front of its house,

and must raise at least five chickens, two fur-rabbits and one pig. A modern little workshop must be built for the production of *soy* sauce and other bean products that the village needs. Tomato ketchup must be manufactured for the market. And so on. . . .

'Spiritual Improvement' in a Village

The meeting did not discuss the plan that the experts presented to it. It just accepted everything. It also accepted the 'measures for spiritual improvement' of adults as well as children and youths, some of which were:

'Reduction of expenditure on traditional and ceremonial needs, like weddings, funerals and New Year's presents.' (These conventional extravagances, since olden times, are a real curse in every village of Japan as well as China.)

'To break up bad tendencies of individualism, to cultivate the spirit of mutual aid and love of agriculture so that the people may want to stay on in the village, and become conscious of the national crisis.'

'To make the schoolchildren raise the national flag in the school yard once a week, and on all meeting days of the co-operative, and over every farmer's door on national holidays.'—'All villagers to bow, at a distance, before the Imperial portrait in the school.'—'To spread the religious mind and visit the shrines regularly, observing daily ceremonies before the house shrines.'—'To foster the "be punctual" movement and to encourage early rising.'—'The local Union of Housewives, in co-operation with the village doctor, to encourage cleanliness.'—'To encourage saving for a rainy day.'—'To improve village amusements,' and so forth.

Only on one point was there discussion, and even vigorous criticism, and that was on the failure of the co-operative to distribute fertilizer cheaper than the merchants sell it. On the contrary, the co-operative's prices had been even higher than theirs. Some special local problems were involved, and one of the big landlords as well as the merchant bus-owner, who had both acted as the buyers but apparently got bad terms from the big factories, were somehow on the defensive. This crucial criticism, however, went beyond the walls of this school auditorium—towards the city and the policy of the government.

A round-trip through the village made a better impression than many others I had seen. Collectively repaired roads, all sorts of auxiliary community buildings erected with some financial assistance from the 'Society for Harmonious Co-operation', vastly improved field work, inspired and supervised by its highly trained experts—all these clearly showed the limits of co-operation unassisted by the State or by some well-endowed private organization.

Some tenants frankly complained to me about the high land rents. 'It is true, the spirit has improved, but not much else,' said one. The taxes were also criticized as much too high. The unsolved fertilizer problem recurred all the time, while the eternal question of the price of rice was too obvious to be specially mentioned. To an inquiry of the Society about the farmers' ideas of how to get rid of debts, these were among the answers: 'by further sale of land'; 'no hope'; and 'when the children have grown up'. One farmer wrote: 'by the sale of a daughter', while some were staking their hopes on 'the improvement of agricultural methods', and 'further restriction of domestic expenditure'.

I became still more convinced that the State will have to help the farmers somehow; that the criticism of government policy on the part of the fighting forces seems to be fundamentally justified, whatever their armament demands may have done and will do in the future to hinder a reform of, or even sufficient relief for, agriculture.

The Workers' Lot

Against the background of such an agricultural situation it is, of course, difficult for industrial workers in the towns and cities fundamentally to improve their lot.

The farmers' sons and daughters are eager to escape the strict family rules, the hardships and the doubtful future of a dull village life. Two out of every three of them could probably be spared in the primitive work on the family's restricted soil, as long as methods of production are not improved or intensified. And in so far as these 'invisible unemployed' of the villages still found some work in all kinds of rural home industries until recently, the growing competition of the more efficient urban enterprises has gradually made them lose much of it. Even if they do not like to go and try their luck in the cities, their parents must send at least some of them there in order not to have to feed them, and in the hope of an occasional cash remittance from their wages. For every industrial worker in the cities who might refuse the long hours (on an average, they number ten hours of actual labour in medium and large-scale factories, but more than twelve hours in small establishments), and the comparatively low real wages (which on account of a rising cost of living tend to decrease), at least one or two of these young villagers would be willing to take the job under even worse conditions.

Only the highest skilled among the city workers are not directly exposed to this rural competition. Yet with increasing numbers of new workers who are getting practical experience, and vocational training at night, even skilled workers have to put up with fast increasing competition and with comparatively bad wages.

The emphasis which is recently being put here, too, on the 'Japanese spirit' and the 'unique family-like relationship' between employers and employees it entails, makes it almost impossible for the trade unions to stem the tide. They have still to battle for recognition of the principle of free association for the workers; and their endeavours for the enforcement of collective bargaining seem to be gaining less headway than ever.

Those trade unions which still uphold such aims number but 270,000 members, or roughly 5 per cent of all the industrial and 'casual' workers, and they are very much restricted in their activities. The openly nationalistic unions which stand against them count almost half that number. And workers' organizations for the 'promotion of friendship, culture and mutual aid'—two-thirds of which are merely 'company unions', and most of which receive financial support from the employers—amount to almost 650,000 members. Yet, with all these impediments, the social position of the majority of workers is not quite as bad as one might think.¹

Feudalism in Industry

The Japanese workers as a whole to-day do not form a real 'proletariat' in the sense that they are an

¹ For a full and illustrated account of industrial conditions in Japan—and of the reasons for the country's amazing success in export trade—see *Made in Japan* (Methuen & Co., Ltd., London, 1935), by the same author.

isolated class that has to rely on wage-earnings and nothing else. On the one side they are still closely connected with agriculture, and on the other with the 'independent' lower middle classes in towns and cities.

In both cases this means that the workers' families, and often the workers themselves, have still other occupations which supplement their wages. It means that they have a place to go back to in case of unemployment. And, most important, it makes their outlook much more that of lower middle class men, with some tiny capitalist stake, or at least hope, of their own, than that of class-conscious proletarians. Finally, the male workers have the moral right, enforced by State legislation, to be real bosses at home—an important safety valve for any general feeling of dissatisfaction. In addition to this, the unsatisfactory conditions of industrial labourers are still to some extent alleviated by the much-criticized 'feudal' relationship between employers and employees. It persists in many different forms.

First, there are the innumerable small-scale enterprises which are nothing but hard-working families with sons and daughters, nephews and nieces, uncles and aunts, and occasionally some neighbour's children, as workers. They have the longest hours and the lowest wages of all, but every one has the comforting feeling of working for the family.

There are, further, industrial enterprises of a somewhat larger size, which take on strangers as well, often apprentices who have to serve for many years. These young people are treated, though by no means in a sentimental way, as members of a big family. The *entrepreneur* is the father to whose unquestioned authority all the teachings of the Moral School Readers apply. The boys may not get good wages—two pounds

TYPICAL SMALL INDUS-
TRIAL TOWN showing
how closely the houses
are crowded, and (below)
THE BIG FIRE in Hako-
date City, March 1934



a month, without food, for which they have to pay, is a high average—and girl workers mostly earn only one pound or less a month. Yet with much hard work, some of them will get a good chance to learn something, while they are under the patriarchal care of their master.

Again, there are the big cotton, silk, rayon and other factories with their hundreds of thousands of young peasant girls, who work day, or night, shifts and live in mill dormitories. They are treated like school-children who work for the sake of their own moral education. And at the same time they assist their fathers by regular remittances, their future husbands by the accumulation of a small dowry, and the country by making it able to compete successfully in the markets of the world. This moral training by means of work is supplemented in many cases by regular school lessons in family customs, polite ceremonial, flower arrangement, sewing, and so on. Their life, though decidedly frugal and strictly regulated, is often more hygienic than they were used to in their home surroundings. Centralized purchasing and sometimes a semi-scientific preparation of foodstuffs make their upkeep even cheaper for their employers, yet at the same time a little better than it is in their own families. And when they return to the villages they often have a brighter chance for the future than their sisters.

Finally there are the general features of a patriarchal system of industry which persists even in the biggest and most modern plants which have no dormitories. For example, bonuses for good work, depending on good business results, are still the rule and form a good part of the yearly wages. Together with five days of the New Year's holiday—which make up for but two free days that are generally granted during the ordinary

months—these cash bonuses give the workers a good chance thoroughly to enjoy life at least once a year, to spend money, give presents and feel free. Dismissal fees—paid voluntarily according to length of service—are still an almost general custom. Combined with everybody's right to return to the family in case of need, these institutions somewhat alleviate the hardship which arises from the non-existence of unemployment or any other form of comprehensive state insurance. It is characteristic of the gradual change that Japan is experiencing that the dismissal fee is now to be replaced by regular payments of one half per cent of the wages on the parts of both the worker and the employer into a 'dismissal fund', which is practically a form of unemployment insurance, though a very imperfect one.

All these mollifying influences of a 'feudal' system, however, have yet to stand the test of a major industrial crisis, and the same applies to that special spirit of filial contentment that has always been inculcated into the workers' mind. A reaction to the recent two-fold boom in armaments and exports might provide such a test. This boom made it possible for industry to absorb at least half the young people who grew up to working age—about one million and a half out of the full three million that reached that age during the last four years.

If a reaction occurred, then a rush of the unemployed back to their families would ensue, upsetting the precariously balanced family budgets both in farm villages and in the urban lower middle classes. And once more, as in the years of depression and 'dangerous thought' after the World War, a wave of strikes may run over the country—all the elaborate police control notwithstanding.

The Middle Classes and the Intellectuals

Two of the main functions to-day of the millions of lower middle-class families seem to be to supplement the wages of industrial labourers and to make most of the chronic 'invisible' unemployment that exists in the cities.

The lower middle classes are no less overcrowded than the farmers and fishermen. In Tokyo, for example, there is one little retail shop to every seven families. Out of every three of those shops at least two could be spared, to the advantage of the consumers. And out of the number of family members that is somehow being kept busy in every shop, at least half would not be missed if they found other employment. Over-staffing is not so much due to the easy-going habits of all those Japanese who are not forced into working at 'modern' speed, as rather to the necessity for taking care of those family members who—although they do not figure in the country's 350,000 or so of officially acknowledged unemployed—are to all intents and purposes nothing else but that.

Just as the number of small retail stores increases every year—a tremendous rate of bankruptcies notwithstanding—so overcrowding of the lower middle classes grows all the time. For, as stated above, even in the recent years of both an armament and export boom, half of the newly grown-up working population remains incapable of absorption by industry—i.e. in the only economic field in which activity has expanded, and that at an unprecedented rate. It is not surprising, therefore, that these classes are the most ardent opponents of the social *status quo* for the same reason that the young army officers dislike it; obviously more so than the peasants who are less articulate than they, and probably even more so than the workers who, in so

far as they are already somewhat detached from the lower middle classes, may still have a certain vague leaning towards the 'left'.

The intellectuals, too, mainly originate from, and are a constant charge on, the lower middle classes. It is a noteworthy fact that Japan has never very much developed the middle classes, in the proper sense of the word: those strata of society which are firmly anchored on a good level of comfort, culture and sound progressive thought, from which most of the 'intellectuals' and the army and navy officers are drawn in Western countries. This is one of the secondary reasons why parliamentary government has been unable so far to strike any real roots in Japan.

For a lower middle class family in Japan to send a boy to college or university—academic study for girls is still a very rare exception—is mostly a kind of speculation on his supposed special abilities, designed to benefit the family, and more often than not it is achieved at very great sacrifice. Statistics show, however, that at least half of these speculative enterprises go wrong. Of all the 33,000 boys who graduated in March 1933 from Japan's colleges and universities, for example, roughly half had found no positions by May 1935. Some four hundred big banking and commercial enterprises reported that in 1935 24,000 college and university graduates applied for jobs but that only 4,000 could be placed.

Salaries for average university graduates who enter business are very small indeed. In most cases, they start well below the wages of skilled workers, with the promise of a slow rise that, however, rarely increases their earnings much beyond that level. Earnings in the overcrowded liberal professions are just as bad. 'Face,' an all-important item in Japan—in these cases

gained by a successful university career—has to make up for the disappointment of the young graduates and their families; or the chance they get for a somewhat better matrimonial match than a small shopkeeper could normally arrange for his son has to compensate them for the money and energies spent during the years at the university.

It is in this quickly increasing group of young intellectuals that radical ideas with regard to the shortcomings of the social *status quo* are most prevalent. Yet, even here, they always appear hazy and sentimental, and therefore apt to be changed by whatever general currents of opinion may chance to prevail in the country. This blank radicalism—which might be straight liberalism to-day, socialism to-morrow, communism the day after, fascism the next day, and then lose itself for the rest of the week in some kind of bleak mysticism—seems to be mainly due to the education which these boys have received. This indiscriminating type of radicalism does not even seem to disappear as easily as one might expect in many of those who have finally settled down in both professional and family life; though the left extremes of thought gradually tend to give way to either a more reasonable liberal or nationalistic colouring.

To the services, with their deep-rooted convictions regarding practical problems of policy and with no doubts as to what is the right kind of 'thought', such an unreliable attitude on the part of the country's intellectuals is naturally an object of both contempt and uneasiness.

The 'Privileged Class'

The houses of Japanese farmers, labourers and lower middle class families are wide open, giving away

all their secrets to a wide and mostly friendly community life—just as their lack of real walls and doors between the several rooms in a house allow for no individual privacy whatever. The houses and mansions of the well-to-do and wealthy families, however, are hidden in big gardens, behind high walls and forbidding gates. Here individualism may develop, at least to a certain extent. Here, also, foreign influences have been allowed to enter, transforming part of the house into a Western style, changing clothes, diet and even family customs. Here feudal remnants may persist as well, but they are those of the 'Daimyo', or feudal lords, or of the old merchant grandees who by the extent of their wealth and by inter-marriage with the noble clans always overcame those prejudices of the warrior caste against all those who dealt with money and were not entitled to wear 'two swords'. A moderate liberalism, or at least progressive conservatism, together with a refined culture—both Japanese and Western—is by no means rare in such families; unless, of course, they still belong to the newly rich. The 'primary school mind' is often banned at these forbidding gates, and with it the more naïve and almost religious kind of popular patriotism. It is not rare for young boys and girls who have grown up in this atmosphere to react against it with decidedly liberal or even 'leftist' ideas while they are still young. They sometimes seem to feel a certain solidarity of interest with whatever radical movement may be in vogue at the moment or may have been left over from the present general nationalistic trend.

As an outsider, one has no means to judge how far the accusations of their critics against the privileged class as a whole are justified; how far they really live in 'degenerate luxury'; how far they really try, and succeed,

in seducing those on whom the duty of administering the country rests; and how they actually manage always to remain 'the real power behind the scenes'.

That they are disliked in many circles, there is no doubt. Yet it seems to be the political influence they wield, the reforms they are supposed to hinder in their own interest, and the alleged indifference they show to the sufferings of the nation, that excite criticism, rather than any fundamental desire to disown them. Ultra-patriots occasionally demand that the plutocrats should give back their wealth to the Emperor, just as the Regents of the Tokugawa Shogunate had to give back their political power to him, in order to make possible the Restoration of 1868; such enthusiasts also claim that the desired Showa Restoration (Showa is the name of the present Imperial era, just as Meiji was the name of the era during which Japan started on its modern career) must be based on the abolition, or at least the ruthless control by the state, of the great private family fortunes. The young officers who staged the revolt of February 26, 1936, apparently shared that view to a certain extent. Yet the big capitalists seem to know that while they do not choose to yield voluntarily, 'abdication' cannot easily be forced upon them.

Great as their wealth is, even if taxed or otherwise drastically reduced—a measure that by itself would no doubt endanger the economic system as it is to-day and intensify the economic crisis—it would prove a most insufficient source of relief to those who so bitterly need assistance. Social reform, no doubt, is necessary. Yet, in order to achieve it Japan would have to try and enlarge its economic productivity and at the same time, if possible, prevent any extra receipts being again used for the purpose of increasing armaments.

CHAPTER IX

JAPAN'S FINANCIAL STRAIN

The Demands on the Treasury

Japan is relying on the State Treasury to produce ever greater miracles of national strength.

In order to make the country definitely stronger in relation to the Soviet Union and to the great naval powers, the Treasury must find larger armament appropriations than ever before. The army's additional requirements for the contemplated 'Six Year Plan' of re-armament are said to be alone about £120 millions. Those of the navy may even be higher. To make it possible for these new armaments to be manufactured at home, and for the country's munition-making capacity to expand further, it is the Treasury that by its financial policy must encourage further industrial development.

If the suffering farmers were to get relief, it would be the Treasury again which would have to provide it and lighten their tax burdens. To make the 'Japanese spirit' more and more effective, the Treasury would have to take measures, if it can, to improve social conditions and prevent dissatisfaction in the cities, too.

State expenditure, therefore, must rise further to a considerable extent; even though it has already been increased to more than four times the amount of 1913-14; and by about 60 per cent since the 'Manchurian Incident' in 1931-2.

The development of 'ordinary', i.e. non-borrowed, revenue, however, shows no encouraging trend. It has expanded only to two and a half times the amount

of 1913-14, or to little more than 12 per cent above what it was at the time of the 'Manchurian Incident'.

Revenue from direct taxation—on income and capital—always plays a minor role in the Japanese Budget. The poverty of the masses of the people is one reason for this fact; the lenient treatment of the comparatively small number of wealthy families and of prosperous companies is another. Direct taxation, at present, covers but one-fifth of the state's expenditure. Its share has been decreasing recently, in spite of the armaments and exports boom, for state expenditure has always been ahead of the 'natural increase' in tax revenue.

Receipts from indirect taxation and state monopolies that are mainly a burden on the mass of the consumers now provide about two-fifths of the total expenditure. These receipts, too, even though they have been increased, have been unable to keep pace with expenditure, mostly because the armament and export prosperity has been restricted to a comparatively small group of people; while most of the other branches of the country's economic life have continued in the grip of depression. Borrowing, therefore, had to fill the ever-widening gap between a but slowly growing 'ordinary' revenue and a very quickly rising total expenditure. For some years almost two-fifths of all the money that the state needed had to be borrowed. In this way, the indebtedness of the state—traditionally heavy in Japan—has increased four times since 1913-14, and by three-quarters since the 'Manchurian Incident' five years ago. Never, not even during the time of feverish preparation for the Russo-Japanese war, has such a great part of the state's expenditure had to be made up by borrowing.

State Planning and Big Business

How can further revenue be procured?

First and foremost by heavily taxing the rich, say those who have a grudge against them. Yet even among this group of critical-minded people, when it comes to action on a large scale, many get afraid, and not quite without reason. For such a procedure, though logical on grounds of social policy, would be dangerous. It would mean that Japan no longer wishes to keep to the time-honoured rules of its own game of industrial advance. This game was devised as a definitely 'capitalistic' one. Its tacit rules are that the comparatively small group of efficient industrial concerns must continue to get good profits without too much interference by the state. For even though their leaders live well on some fraction of these profits, they will invest the greater part of them in new and progressive enterprises.

It was not on grounds of pure liberalism that the rich were left free to play that role in the economic development of the country. For real liberalism, as in Britain and other Western countries, would have given a better chance to other classes of the population to do their own part of capital accumulation and investment, in competition and co-operation with plutocracy, than has been the case in Japan. It was, rather, the autocratic policy of the Japanese state to entrust the capitalists with this national task, to a somewhat greater extent than 'capitalism' as such would require.

The state even used—and still does—to supplement the profits of important enterprises by subsidies and other measures, if necessary. Comparative freedom from taxes for industrial or banking concerns combined with heavy taxation of both general consumers and

agriculture has been one of the characteristics of that economic policy which, at least from a military viewpoint, has been successful for a long time.

If now the profits of big enterprises and their leaders should be much more ruthlessly taxed by the state in order to improve to an appreciable extent the ordinary Budget revenue, the consequences would no doubt be very harmful to industrial development as a whole. While the state's desire for industrial expansion is even more urgent to-day than ever, the abilities of 'big business' to fulfil this ambition would be diminished; and there is no other large group of potential investors in the country.

While it is more necessary than ever to keep down domestic prices, the new tax burdens would soon be shifted to the shoulders of the consumers. And, while the social position of the country cannot easily stand a further deterioration, workers would probably have to be dismissed on account of a relapse in business activity.

There are those, however, who want to 'change the system' altogether. They desire to give up the old method by which mainly the big capitalistic 'trustees' of the state have charge of the industrial development of the country. They are eager to replace it by state capitalism pure and simple. The time has come, they think, to charge the state with the accumulation and the investment of capital, at least for all enterprises of national importance. The initiative and efficiency of the big private concerns should, in their opinion, be made use of for some kind of all-embracing planning on the part of the government, and strict state control of industry—somewhat on the lines of war-economy—should become the guiding principle.

It is not certain whether the advocates of such a

fundamental change are aware that it would not necessarily benefit the Treasury and solve the financial problem of the state. But as they are less concerned with finance than with the fundamentals of armaments, industrial capacity, and 'state morals'—this consideration does not matter much to them at present.

Anyway, the political upheaval in February 1936 does not seem to have been profound and successful enough to carry through such changes. The vested interests of the capitalistic 'trustees' of the state have still very much to be reckoned with. And it is doubtful whether there is any group among the advocates of state capitalism that has got any concrete ideas even about a rough outline of such a 'renovation'. Whatever the public has been told about these ideas, has always been very vague and ambiguous indeed—a characteristic of most Japanese idealism. These half-baked suggestions are usually accompanied by the solemn dictum that the planned economies of countries like Italy, Germany and the Soviet Union must be thoroughly studied.

In the same way, both the demand for more rigorous taxation of big business, and for some sort of state control is bound to be further propagated. Direct taxation, it seems, will after some time be increased in a small way, with much agitation from both sides that might make it look somewhat larger in the public eye than it can actually be. And some measures of state control over industry, mainly where it is important for military purposes, may not only be discussed but also initiated; though the Japanese, who are past-masters in the art of compromise, may, once more, succeed in making them as innocuous as possible.

For the immediate future at least, big business does not seem to have any acute fears that either their safety

or their privileges or their traditional role in the state are likely to be threatened.

Borrowing—the Way Out

The indirect tax burden of the masses of the people, too, will have to be considerably increased. There may be even some reforms in the system of taxation, in favour not only of certain groups of people but also of the Treasury. But everywhere the practical possibilities are restricted, for the financial resources of the country have already been thoroughly drained in the past, and the new Cabinet, in the spring of 1936, did not follow up its promise of financial reform by immediate action.

The most likely way for the state to find increased revenue therefore seems to be the old one of borrowing. And as it will no doubt be almost impossible, even in this way, to raise sufficient new funds for more armaments and for agricultural relief at the same time, the compromise may once more be sought in preference to the former. Many Western countries nowadays follow the same course.

So far, the inflation of national debts has not had any acutely dangerous consequences. The slogan under which it was carried out, 'beneficial inflation', has to a certain extent justified itself. For it saved at least the armament industry with all its many affiliations from the depression that prevails in most other branches of business. Yet if the borrowing goes on at increasing speed, as seems to be considered necessary, it may finally lead up to the long-dreaded 'malicious' inflation. Japan likes to compare itself with Germany, and the picture of the devastating inflation that country suffered after the World War is often conjured up by those who want to sound a note of warning.

The most serious aspect, however, of Japan's financial position is connected with the possibility that the country may some day in the near future be involved in a major war. Japan has already had experience of a war which she started in a state of utmost financial strain.

A Bitter Experience

Japan had to break off her great war against Russia in 1905 before she had reached her full military and political objectives—the conquest of Vladivostok and Harbin with their surrounding territories, and the final destruction of Russia's position on the Pacific, at least, if not in the Far East as a whole.

Victorious in every single battle, both able and eager to fight on to the bitter end, Japan's army and navy had to surrender before the weakness of Japanese finance.

In the Peace Conference of Portsmouth (N.H.) that followed, Japan had to accept terms that were out of all proportion to her brilliant naval and military victories. She had to forgo the war indemnities which she badly needed. For it was well known to the outside world that for financial reasons Japan could not have gone on with her costly campaign for any length of time. If the war had dragged on for another year or so, Japan might have even lost in the end, from sheer financial exhaustion. And it was mainly the Russian revolutionary movement—the same that rules the present Soviet Union now, facing Japan from Vladivostok with her powerful aeroplanes—that involuntarily came to Japan's rescue. The revolutionary unrest in Russia at that time made it at least undesirable for the Tsar to develop the full military strength of his country so as to proceed with the war and try to

turn initial defeat at least into stalemate, if not into final victory.

Japan had begun the war in a state of the utmost financial strain. 'With regard to finance,' a contemporary observer, Karl Helfferich, later Germany's Minister of Finance during the World War, wrote at that time, 'Japan's war did not begin in February 1904, but several years before. For the sake of both the expansion of her armaments and the development of her domestic industries, her financial and economic strength had for years been strained to an extraordinary extent . . . her indebtedness had risen . . . the stability of her foreign exchange had been put to a severe test.' 'Russia, on the other hand,' he wrote, 'up to the outbreak of the war . . . in spite of industrial crises and occasional crop failures . . . had proceeded with the consolidation of her financial position and had accumulated a huge gold reserve.'

During the war, foreign financial assistance had, again and again, helped Japan to tide over her own fundamental weakness. At first it had been given reluctantly only, in small amounts and on unfavourable terms. But one Japanese victory after another had gradually convinced the money markets of London and New York—which were then in a condition of great liquidity—that loans to Japan might really prove to be sound investments. Yet every bit of news from the theatre of war that even vaguely seemed to threaten a turning of the wheel of fortune against Japan had made the bankers hesitate again. Finally, the stake they had piled up on Japan's future was so big that they had become more or less determined not to increase it any more.

The man who had been negotiating with the bankers at London and New York during those exciting

months, who had been urging them on when they seemed to weaken—one of the few Japanese who fully realized how much in that war turned on the question of finance—was Korekiyo Takahashi, the special financial commissioner of the Japanese Government.

In the later years of his rise to fame he never forgot those anxious days. And during all the seven times that as Minister of Finance he was responsible for the financial condition of his country, he was firmly determined that such a situation as that of 1905 should never arise again.

'Modern wars cannot be fought with armaments alone. . . . The relation between finance and national defence would have an extremely important bearing on the outcome of such a war . . . this country is in no danger of attack from the Soviet Union or the United States, despite the fact that it has been reduced to a position of isolation. . . . The national Budget, at a time when Japan is isolated, must be small, for, if war does break out, Japan would receive no outside help, and the nation's finances must then be in a position to stand the shock.' These were the views which, during the last six months or so of his life, according to the Japanese Press, he used to maintain whenever the fighting services claimed higher and still higher armament expenses.

He had to yield many of his sound principles of finance to his military opponents; he became rather an 'inflationist' himself, and yet he did not hide the fact that Japan was travelling a dangerous path. But he was personally strong and authoritative enough both to refuse the most extravagant demands of the services and to direct the country's foreign policy towards a measure of international understanding.

New Armaments

The inevitable future increase in armament expenditure is likely to have the same general effect on the country that previous outlay for the same purpose has had. It will give additional employment to the industries directly concerned and to some auxiliary ones, and thus it may for the time being prevent the social strain in the cities from becoming any more acute. It will encourage investments in new industrial units, and further expand the productive capacity of the nation, which, however, in a more peaceful future might have difficulty in finding new customers. It will probably go on stimulating the export trade by making the wheels of industry in general turn quicker and produce a given unit of merchandise more cheaply and at lower overhead charges—thus forestalling any possible relapse in exports. On the other hand, it cannot but further weaken the financial structure of the country.

But under present conditions in Japan increasing armaments seem to be a necessity, not only for political reasons but also for economic ones. All the world is discovering now—as a by-product of political unrest—that armament is, though by no means the best, or only, certainly the shortest way out from a common economic crisis. It is a dangerous way, of course, both politically and financially, yet apparently it is the best adapted to the twentieth-century variety of human intelligence.

If Japan however, in her single-minded determination to tread that way, is to be regarded as a special case, it is only for two reasons; one, that she has been doing it already longer and with greater sacrifice than most other countries; and two, that, as a poor nation, she

has put a proportionately larger stake on armaments than have most other countries. Japan is going full steam ahead once more, which means that the armament machine is going at full speed with all the strain put on her financial boiler.

The Quest for Raw Materials

At the same time, Japan works harder and harder at the pumps that have to draw the foreign raw materials which she needs into her busy mills. At home, she does not produce sufficient iron ore and metal, no rubber and hardly any wool, neither cotton nor sufficient oil, etc. Of all the raw materials that are used in Japanese industry about one-third have to be imported from abroad. The only way to make up this deficiency is to sell in exchange the manufactured goods of Japan's own factories and workshops. But as Japan's export goods are to a great extent manufactured from foreign raw materials, she must try to increase the turnover of this exchange all the time.

Viewed superficially, the process works quite well. The values of both Japan's export and import trade have risen from year to year; so much so that Japan's advance in export trade is regarded as one of the miracles—and certainly one of the major troubles—of the present time. Yet values are misleading. It is the quantity of goods behind them that matter. If one looks deeper into the 'miracle', it appears that there must be quite a big national loss involved in this feverish exchange of goods.

Japan's foreign trade started its exciting spurt in 1932. It was by no means unconnected with the ambitious and costly action in Manchuria, and with her quickly growing armaments. Compared with that

year, Japan now imports fifteen per cent more, in volume, of foreign raw materials and semi-manufactured goods—together with a small and almost constant quantity of high-quality finished products from abroad.

To pay for this moderate quantitative increase in her imports, Japan had to raise the volume of her exports by fully fifty per cent. Moreover, her export goods came more and more to consist of those highly finished good-quality manufactured articles which in the meantime she had herself learned to produce. Ever higher quality at ever lower prices had to be put on the world's markets in order to maintain and increase the total value of her sales abroad. Thus the volume of labour involved in Japan's total exports must have increased even more than the mere volume of their quantity.

On the other hand, a growing part of her total imports of foreign goods in recent years was made up by raw materials in their crudest form—relatively more iron ore instead of pig iron, more raw instead of refined oil, and so on. For it is the country's and especially the fighting services' ambition gradually to carry out all the processes of refining the deficient raw materials at home. Thus the volume of labour and the intrinsic value involved in Japan's total imports must have actually increased less even than their mere quantitative volume would indicate. On top of all this, Japan has to keep on paying abroad large sums in cash—which she obtains from her growing shipping activities and partly from old capital reserves—in order to balance these trade accounts which, even in money value, still show an undiminishing deficit against her.

How unfavourably the 'terms of trade' have developed

can easily be gauged from the following examples taken from the official trade returns:

For an average hundred square yards of exported cotton cloth, Japan got 70 lb. of imported raw cotton in 1931; but by 1936 she had to give 168 square yards as the equivalent in value for the same quantity of imported raw cotton.

For an average hundred pounds of exported rayon yarn Japan could exchange 1,675 lb. of imported pulp from which to manufacture rayon, in 1931; but by 1936 220 lb. of rayon yarn were required to cover the cost of the same quantity of the raw material.

For a hundred dozen pairs of rubber shoes and boots Japan received in return 3,100 lb. of crude rubber in 1931; but by 1936 225 dozens of rubber shoes and boots had to be exported in order to cover the cost of the same quantity of imported crude rubber. These examples could easily be multiplied from many branches of Japan's trade. This deterioration in the terms of trade of course far exceeded Japanese savings in the cost of production of export goods, due to rationalization.

Few Japanese realize the national sacrifices the country has thus to pay for the newly acquired fame of goods labelled 'Made in Japan'. They see only the rising profits from exports that accumulate in the big concerns, in a great number of trading firms and in a restricted group of more or less efficient factories; they see also the increased efficiency of many enterprises which, no doubt, has made it possible to reduce prices to some extent. What they do not seem to realize is that if many small-scale enterprises fully estimated the value of the labour of their families, they would discover an actual loss. Nor are they aware that it is partly on the auxiliary services of these small-



INTERIOR OF TOKYO STOCK EXCHANGE
(Below) FESTIVAL OF THE HOONJI TEMPLE, OSAKA



and medium-scale establishments that the success and the profits of many a large-scale factory is based; just as the merchants' profits often originate from the losses that many of the least efficient manufacturers suffer under the disadvantages of overstaffing and price-cutting. Neither do the admirers of a superficial success with exports connect Japan's triumph abroad with the gradual reduction in the workers' real wages.

There seems to be some understanding of these facts, however, among those who clamour for a greater share in the raw material resources of the world; even though the main motive behind these demands for 'an international new deal', or 'redistribution of the world's riches', may be of a military and political nature. It is a great question, however, whether Japan would really be better off with new mandates or colonies, or with new exclusive spheres of economic interest, as, for example, in North China—unless she could first get rid of the burden of her costly armaments. New mandates, colonies and spheres of interest would require huge investments before they could even start to provide Japan with raw materials. Capital, however, as much as Japan can accumulate for a long time to come, is much more urgently needed at this moment for her domestic agriculture, for her old colonies Korea and Formosa and also for her new foster-state, Manchukuo.

From an economic point of view Japan has not, so far, benefited much from her acquisitions abroad. Formosa, in its comparatively small way, is the only one which has proved to be profitable. Korea, however, which swallowed so much capital investment and so much military expenditure, still requires financial assistance from Japan, even though it has been

under Japanese rule for more than twenty-five years. Far from having attracted any Japanese immigrants, Korea has sent its own people to Japan. During the last fifteen years alone some four hundred thousand Koreans settled down in the overcrowded cities of Japan where they underbid Japanese workers with their even lower standard of living.

On the other hand, Japan has not been able to develop satisfactorily even the great natural resources of Korea, Formosa and North Sakhalin; mainly for lack of capital, and because Japan is constantly afraid of competition from its own colonies. Furthermore, all kinds of new territories, even if they had not to be acquired by means of costly warfare, would have to be protected and would therefore further increase the need for armaments—a dangerous route along which Japan already finds herself travelling faster and faster ever since it started on its expansionist career. Did not Manchukuo prove this case once more, clearer even than Formosa and Korea had done before?

CHAPTER X

THE DOMAIN OF THE KWANTUNG ARMY

Will Manchukuo Succeed?

It is in Manchukuo that the future of Japan and probably of the Far East as a whole will be decided, and the decision may be drawing near.

Japan has staked a great deal on that huge new outpost on the continent of Asia. Indeed, during the last five years Japan has involved herself in a dangerous armament race, and has suffered isolation in the international field; she has weakened her financial status, left unredeemed the plight of her peasants, allowed her social problems to grow, and done much less in her old colonial possessions than would have been possible—all for the sake of gaining even more strength than she is bound to lose year by year on account of her activities in Manchukuo. A great part of Japan's Manchurian hopes, however, have yet to be fulfilled and here, too, another spurt is necessary to tackle the increasing difficulties, and to overcome the lull which seemed to have set in in Manchukuo-Japanese affairs during the months that preceded the military rising of 1936.

What actually did Japan expect to gain in Manchuria?

During that fateful night of September 18, 1931, when Japanese troops started moving on the old Manchurian capital of Mukden, Japan herself was not aware of the event. Neither the people, nor indeed the Government, nor even the military leaders in Tokyo seem to have known that their vanguard had begun to commit the country to the greatest venture in its modern history. It was only after the military leaders

had tacitly followed the lead of the activists in Manchuria—associating their own vague plans, which were waiting for execution at some future date, with the actual operations that were already sweeping over that country—that the promising operations in Manchuria could be elaborated and made known to the public.

Two things were essential—to create enthusiasm at home and to put up a good defence against criticism abroad. Thus, ideas of a purely strategic character had to be relegated into the background, and the creation of the new state of Manchukuo, which followed quickly, was described as the indispensable panacea for all the economic and social ills and imperfections of both Japan and Manchuria. The backward country with its vast potential wealth was to be made safe for economic development. Fifty thousand bandits were to be wiped out by the Japanese army. A new and efficient administration was to replace the corrupt and impotent rule of Manchuria's war-lord. Thus, Japan would be able to procure the foodstuffs and the industrial raw materials she needed; she would secure a big market for her export goods, and at the same time have a promising outlet for her emigrants. The people of Manchuria, on the other hand, would experience such economic and social progress as they never could have hoped for under the old government. And as both countries would be thus able to solve their problems—those of internal chaos and stagnation in the case of Manchuria, those of overpopulation and insufficiency of domestic resources in the case of Japan—the world must, in the end, benefit from their propitious association.

Last, but not least, the argument ran, the peace of the Far East could only in this way be stabilized.

The new state would bring equality and harmony to the five races that live in Manchuria—Chinese, Mon-golians, Koreans, Japanese and the few surviving descendants of the Manchus. Around that friendly, prosperous community the members of these races in other Far Eastern countries would finally group themselves in peaceful co-operation, the achievement of which Japan regards as her national mission.

It would be unjust to suggest that all these expectations did not really, or do no longer, exist in the minds of Japan's Manchurian enthusiasts. But events turned out otherwise. Pure strategy became in the end the main consideration in the development of Manchukuo, and its main problem.

Army, Railway and Politics

Two Japanese agencies took charge of the 'advisors'hip' to the new state—the Kwantung army, and the South Manchurian Railway Company. Both are controlled from Tokyo, but both have considerable power for action at their own discretion. In both of them the radical and daring pioneer spirit of the military type is deeply ingrained, and since Mr. Yosuke Matsuoka, who had so enthusiastically defended Japan's Manchurian case before the League of Nations, became president of the S.M.R., they are better united in that spirit than ever. They act as one in their opposition to whatever they regard as defeatism, lack of understanding and capitalist egoism on the part of the more conservative elements in Tokyo. The alliance between these two agencies certainly increased the efficiency of Japan's work in Manchukuo. But it also enhanced the influence of the army on the development of the new state, and it served to subordinate

the purely economic and social viewpoints to political and military considerations.

When the Kwantung army had conquered the country for the new government, it moved its headquarters from the Kwantung Leased Territory, on the southern tip of Manchuria, to Hsinking (formerly Changchun), the new capital of Manchukuo. Its commander-in-chief was made conjointly Japan's Ambassador to the Court of the newly created Emperor Kangte of Manchukuo (who, as a small child, had been the last Emperor of China). Thence the army penetrated into every corner of the huge territory, developing it in a military way, wherever necessity arose, and directing its every policy according to military requirements.

The South Manchurian Railway Company spread its influence from its narrow 'Railway Zone', which used to be the second layer of Japan's old-established territorial interests at the southern fringe of Manchuria, all over the new state. The S.M.R., the immense capital of which is owned partly by the Japanese government and partly by private Japanese concerns and individuals, came to control not only the whole traffic system of the country, but practically every branch of Manchukuo's industry.

These levers, too, had to be used mainly to further military ends. Not that the S.M.R. entirely overlooked its money-making function as Japan's biggest single business enterprise, but it executed to the utmost its second function, as Japan's spearhead of political advance over the continent. Especially since Mr. Matsuoka, the nominee of the army, has come into control, the S.M.R. has always followed the lead of the army, even into fields outside Manchukuo, like North China.

During the first five years of Manchukuo's existence, the Kwantung army and the South Manchurian Railway Company have each received appropriations from Japan amounting to roughly one billion yen (i.e. sixty million pounds sterling); the former to spend, the latter to invest either directly or to have invested under its advice and indirect control. These amounts, especially those of military expenditure, were much larger than had at first been estimated for the needs of Manchukuo; even so they still proved insufficient. This capital supply was rather more than Japan could afford, and yet it has resulted in much less progress than had been expected.

First of all, the political results of Manchukuo's progress on which so much hope had been staked, were disappointing. The Soviet Union, far from losing interest in the Far East, professed to take the foundation of Manchukuo and the way in which the two Japanese agencies started to develop it, as a challenge directed against herself, and acted accordingly.

There is no means of knowing whether that would not have been the case even if Japan had accepted the Soviet offer for the conclusion of a non-aggression pact, which was made at first in 1932 and has apparently been left open ever since. Japan did not accept it. After the Soviet Union had acceded in 1935 to Japanese demands that it should sell to Manchukuo its rights in the Russian-built Chinese Eastern Railway which runs across Manchuria, there was another good opportunity to improve Soviet-Manchu-Japanese relations by means of such a pact. No action, however, in this direction was taken by Japan.

As it was, the autonomous Far Eastern Red army took up competition in armaments with the Kwantung army all along the three thousand miles of Manchukuo's

northern and eastern border lines. More and more of the money that flowed from Japan into Manchukuo was used, directly or indirectly, for military purposes; and even so it seems that Japan's continental position *vis-à-vis* the Soviet Union became rather less favourable than it had been five years before.

If, after having taken Manchuria in 1931, the Kwantung army had swept right on into the Soviet territories of Siberia, the Amur and the maritime provinces, there would probably not have been much effective resistance; while now any such attempt would be very risky indeed. All that the Kwantung army has achieved is to make an attack by the Red army from the Soviet side on Manchukuo's northern and eastern border just as dangerous.

Armament competition with the Soviet Union, to-day, is Manchukuo's first and foremost concern.

Russo-Japanese Competition for Mongol Sympathy

Another political and strategic preoccupation of the Kwantung army that has considerable bearing on developments in Manchukuo, is the Mongolian problem. It has already begun to play a major role in Far Eastern politics, and may even become of crucial importance in the near future.

Huge territories sparsely populated by not more than five million Mongol nomads—high mountain ranges, deserts, steppes, forests—are wedged in between China proper and the Soviet Union, stretching due east from Central Asia into Manchuria. These tremendous expanses of mainly uncharted land have, for many centuries, never formed anything like a unified Mongolian Empire. Neither have the independent 'leagues', or tribes, of Mongol herdsmen,

with their traditional princely leaders, felt much racial and political affinity with each other until very recently.

Of the many divisions and cross-divisions that mark their traditional grazing grounds, the main ones are those between Inner Mongolia in the south, adjoining China, Outer Mongolia in the north, bordering on the Transbaikal region of Siberia, and Manchurian Mongolia (which is sometimes regarded as part of Inner Mongolia). These have always been the most definite.

Manchurian Mongolia takes up all the eastern part of the present Manchukuo. Outer Mongolia (under Soviet influence) adjoins the border of the new state for about one-fourth of its total length, and almost all the rest of Manchukuo's western frontier is formed by Inner Mongolia, which nominally still belongs to China.

Hence the great interest of the Kwantung army in the Mongolian problem. To control Mongolia as a whole would mean to cut off China entirely from the Soviet Union; and to put an end to the bogey of direct Soviet assistance to the Red movement in China, or to China's National Government. It would mean enveloping China from the north; and, most important, it would provide a Japanese threat to the Soviet's Trans-Baikal territory together with the Trans-Siberian Railway, thus reversing the present possibility of a Soviet attack on Manchukuo through Outer Mongolia. The latter aspect is especially worthy of consideration because the armament competition on the border between Manchukuo and the Soviet Union proper seems to preclude the possibility of any large-scale strategic movements in case of war, whereas such mobility still seems to be quite possible in Mongolia.

What about the Mongolian attitude? It is China that the Mongols regard as their racial enemy. For China has always claimed suzerainty over all Mongolia, ever since a Mongolian dynasty once ruled over the Celestial Kingdom. China, for once 'imperialistic' herself, has robbed the Mongol herdsmen of all those adjoining grazing grounds which were suitable for the settlement of Chinese farmers. And, if necessary, China has from time to time bribed Mongolian princes into conciliation, at the expense of their own tribes. These and other oppressive practices, which were by no means entirely stopped under the Chinese Republic, have slowly given rise to a dim nationalism among many Mongols, especially since a part of the younger generation, by study and travelling, have come into contact with the outside world. Both the Soviet Union and the Japan-Manchukuo bloc realized the chances which the new Mongolian nationalism might give them. Both have Mongolian populations in their own border territories which they could try to organize as rallying points for the whole Mongolian race, giving them promises of national independence.

The Mongols under Soviet Influence

One of the many national Soviet republics that form the Soviet Union is the 'Buryat-Mongolian Autonomous Socialist Soviet Republic'—a comparatively small territory on the Outer-Mongolian border of Siberia, with little more than half a million people. There the Soviets attempt to practise their ambitious theories of 'national liberation, equality, and autonomy as the true basis of international co-existence in a communistic society'.

The Russification of Tsarist national minorities is

now taboo, and nationalism is said to be encouraged instead of being suppressed, though it must, of course, be nationalism of the revolutionary variety.

This development, which is no doubt still suffering from the many shortcomings of present-day Soviet life, is the more important for the future as the Soviet Union practically controls the adjoining 'independent' People's Republic of Outer Mongolia with its six or seven hundred thousand people. Outer Mongolia has for a long time been under the influence of Tsarist Russia. This fact was recognized by Japan in a secret treaty that the two countries concluded together with their abortive alliance of 1916.

Then came the Russian civil war in which Outer Mongolia had to suffer much from the anti-red campaign of the 'white' Russian General Baron Ungern-Sternberg. When the Red army finally defeated him, the People's Republic was set up. The real character of its relations with the Soviet Union—the only ones that Outer Mongolia maintained—was, however, not made clear to the world until 1936.

While the Far Eastern Red army was still comparatively weak, it seemed as though it would not fight again for the protection of Outer Mongolia, and vagueness about the relations of the two countries was therefore allowed to persist. But in 1936, after there had been many 'incidents' on the Manchukuo-Outer Mongolian border, the Soviet Foreign Office as well as Stalin himself declared that the Soviet Union would definitely assist Outer Mongolia if she was attacked. The Red army had grown strong. Manchukuo thus found herself with a second strategic front against the Soviet forces.

There is no means of knowing how the Outer Mongolian Republic has developed in the long period

that has passed since its creation. This is because it is entirely isolated from the outside world, and no foreigners are admitted into its territory. In Moscow one can occasionally see a motor car with a strange flag that belongs to the Outer Mongolian Legation, an organization which, however, keeps no contact with the diplomatic corps. In the transsiberian express train, one meets Russians or Mongols who are returning from, or on their way to, this closed country but who, apart from some enthusiastic remarks about its progress, will not give any information about it. These are the sole outside manifestations of the existence of the Outer Mongolian state. The huge country with its small population is no doubt both poor and backward. According to rumours, it must have had a prolonged and painful 'class struggle' against the faithful followers of the deposed Princes, who themselves seem to be mainly in Manchukuo territory. Still more vigorous, it seems, must have been the anti-religious fight against the 'Lama' priests, who used to form an exceedingly large part of the population. Many roads are said to have been built, and while the railway from some point on the transsiberian to the Outer Mongolian capital, Ulan-Bator (originally Urga), does not yet seem to be more than a project, there is a regular Soviet air-service with the country.

The Mongols under Japanese Influence

Manchukuo has many more Mongols in its territory than has the Soviet Union. There are about two million of them. When the new state was founded, special treatment was secured for these Mongols, on whom the Kwantung army pinned so many hopes.

Their tribal organizations were respected in the new administrative system. They were given some measure of autonomy. Further inroads of Chinese settlers into their territory were prevented, though there has been some talk about the desirability of settling Koreans and even Japanese in certain Mongolian districts. The highest posts in the provincial and local administrations of Manchurian Mongolia were filled with Mongols, though they got their share of Japanese and Manchukuo advisers.

A Mongol mission of goodwill came to Japan in 1934. Mongol delegates participated in the abortive conference between Outer Mongolia and Manchukuo which took place in the school of the little border village, Manchouli, in 1935, to discuss the frequent border incidents and the possibilities of an improvement of relations.

In spite of all efforts, however, Manchukuo does not seem to have been very fortunate with its Mongolian policy. In 1936 it was announced that one of the leading Mongol officials in Manchukuo, Ling Sheng, the Governor of North Hsingan Province, had been shot by Court Martial because he had been 'involved in collusion with the Soviets and Outer Mongolians, and conspired against the Manchukuo Government in an attempt to declare the independence of Inner Mongolia'. He was the very man who had been prominent in both the goodwill missions to Tokyo and in the Manchukuo delegation at the Manchouli conference. With him the Mongolian chief-of-staff of the First Provincial army, the Mongolian director of the provincial police bureau and a fourth Mongol official were executed, while two more were sentenced to penal servitude.

This disappointment seems to have given rise to

the opinion in Manchukuo and Japan, that the Mongols had been spoilt, and that a change of policy towards them was due.

Meanwhile, the Kwantung army had not solely relied on the goodwill of the Manchurian Mongols, nor on the attraction that the new state of Manchukuo might prove to have for the Mongols outside that country. Soon after the establishment of Manchukuo, the Kwantung army added the Inner Mongolian province of Jehol to the new state. Since then, its influence has gradually extended almost all over the huge Inner Mongolian province of Charar which commands the great caravan route between China and Outer Mongolia, the most important strategic line in all the Mongolian territories. It was garrisoned by an irregular force of Chinese soldiers under a general who is closely affiliated with Manchukuo.

The rest of Inner Mongolia, as far as it is of any military or other value, seems to lie open to them. Mongol leaders there who see the weak Chinese authority in a state of collapse are at a loss where to turn—to Manchukuo and Japan, or to Outer Mongolia and the Soviet Union. Neither bloc would bring the independence they desire. But they are too powerless and too much divided among themselves to withstand pressure, from whatever side it may come. Rumours arise from time to time that independence movements have been started here and there, and that some day the Mongols under Japanese influence might be unified in a special Mongol state, 'Menkokuo'.

Japan's famous continental pioneer General Dohara (who was recalled to Tokyo after the February rising), put the Japanese interest in Mongolia in the following words, at the end of 1935: 'I believe it is our mission to assist the Mongolian race, which has been suffering

a decline, in claiming its right of existence and in extricating itself from the oppression of the Han (Chinese) race.' Whether this will finally happen or not, Manchukuo's second line of defence has extended far into Mongolian territory, putting an additional strain on her resources and on those of Japan. A good part of Manchukuo's construction of costly railways and roads, which are mainly of military value, is due to the increasing attention that is being paid to the problems of Mongolia.

Difficulties and Progress in Manchukuo

The activities of the Kwantung army have not been restricted to the long border-lines of Manchukuo, for there is still a domestic enemy which demands their attention—the bandits. Since the establishment of Manchukuo, during every single month, an average of ninety Japanese officers and soldiers have been killed in the anti-bandit campaigns. Every month some two hundred and thirty have been wounded, and three thousand soldiers and officers sick. These figures are taken from an official announcement of the Japanese War Office. This fighting goes on day after day.

In a special three months' campaign at the end of 1935 the Kwantung army reported 4,400 bandits killed and 4,800 captured. The war against them has continued without respite ever since Manchuria's original 50,000 bandits were joined by more than 200,000 soldiers of the defeated Manchurian armies, who carried on their fight either as patriotic irregulars or as marauders, or as a strange mixture of both. Yet at present the number of bandits still remaining is estimated as between 30,000 and 40,000. The

official report, given out in February 1936 (quoted from the *Japan Times*) says:

'These bandits are, however, spread over vast territories, and, skilfully escaping the eyes of troops and police, threaten the inhabitants and propagate Communist ideas. The attitude of the inhabitants of Manchukuo towards the bandits is very mild and, spiritually speaking, the ideas of many inhabitants are not different from those of the bandits, and thus it may be said that bandits have behind them people many times their own number who might become at any time their moral supporters. Powerful bandits have their respective districts and sometimes levy taxes on inhabitants or adopt their own measures for the relief of the people in their respective territories. Some of these powerful bandits have their own factories for making arms and are self-sufficient in their needs. They wear uniforms which look similar to those of Japanese and Manchukuo troops. Communistic bandits, political bandits and other bandits having outside assistance are maintaining close relations with their associates in China and the Soviet Union, receiving moral and material support. Many of their arms and munitions come from the Soviet Union.'

The Manchukuo army, which is said to consist of about 100,000 men, predominantly of the Chinese race, gives some assistance to the Japanese Kwantung army (the number of which is kept secret), but it seems that it cannot yet be fully relied on. In January 1936, for instance, a considerable troop of Manchukuo frontier guards mutinied and fled into Soviet territory, after having killed their three Japanese officers. It was reported that they had been incited by the Soviets.

There is, of course, no gauge for measuring the reliability of non-Japanese Manchukuo officials and

other circles in the country which profess to be real friends of Japan, nor can the feelings of the Manchurian population as a whole be judged. Conditions do not seem to be entirely satisfactory, however, in this respect. Japan has a difficult task and some of its own nationals in the new country seem to have made it still more onerous.

But it should prove possible at least to bring about improvements on the Japanese side, after the admirably frank warning, early in 1936, of General Minami, who was then still commander-in-chief of the Kwantung army and Japan's ambassador to Manchukuo. The general was quoted to have said: 'It is unfortunate that the Japanese population in Manchukuo lacks a proper understanding of Japan's policy towards the new state and is prone to manifest an erroneous feeling of racial superiority. Such an attitude ignores the fundamental spirit of co-operation among the five races—Japanese, Korean, Manchu, Chinese and Mongolian—on which Manchukuo was founded, and it does great harm to the harmonious relations between the peoples of Japan and Manchukuo.'

Japanese emigration into Manchukuo has brought into the country not a few undesirable elements, who have swelled the numbers of Japanese in the cities, and are mostly engaged in unproductive professions. On the other hand, emigration in the real sense, that is, of settlers from the overcrowded Japanese villages, has been almost negligible; this despite the fact that the Japanese are said to stand the Manchurian climate better than had been expected.

The good type of Japanese is rarely inclined to emigrate. But even if they wanted to do so, the farmers are mostly much too poor and have too little initiative even to settle in the promising open spaces

of Japan's own northern island, the Hokkaido, which is still capable of giving a decent living to several millions of people, under conditions that are much more like those at home. Manchukuo, however, is even less popular than the Hokkaido. Moreover, all the projects of state assistance for large-scale emigration have so far come to nothing. Even the armed reservist settlers of whom there was so much talk have only come in to the extent of a few hundreds. The Kwantung army, which is anxious to get a large and reliable element of Japanese into the new country, has therefore some real cause for dissatisfaction with the policy of the authorities at home.

Nevertheless, it must be admitted that Manchukuo has made some real progress during the five years of its existence. A more efficient system of national as well as local administration has been introduced. The currency has been reformed and stabilized, after many years of inflationary chaos. The cities and some of the towns have been greatly developed, and many new, modern administrative buildings erected. More than 1,400 miles of additional railways and thousands of miles of roads have been built; and even though many of them were constructed mainly for military purposes, the new transport facilities will gradually assist the economic development of the country into which seasonal Chinese labourers and farmers are still streaming in great numbers, as they always have done; though to-day more and more Koreans are taking their places.

Japan's Lack of Enthusiasm

After five years of exertion on behalf of Manchukuo, Japanese enthusiasts still complain of the apathy

with which that great enterprise on the continent is regarded in Japan itself. Japan is, after all, a nation of realists. Since many Japanese feel that Manchukuo will hardly become the panacea for Japan's economic and social ills, they are gradually becoming indifferent to it.

It is true that Japan has gained somewhat more from exports to Manchukuo, until recently, than she has lost in China, but much of her sales to the new state have had, directly or indirectly, to be paid for by the huge amounts of money sent to Manchukuo for military expenditure and for investments, part of which may never become profitable in the commercial sense.

It is also true that Manchukuo has started to develop whatever economic resources have yet been discovered in the country, both agricultural and industrial. There are, for example, plenty of foodstuffs available and much more could be grown. But Japan produces all the foodstuffs she needs herself and must rather take measures to protect her own agriculture by keeping out competitive Manchurian products as she does, to a certain extent, with those of her colonies, Korea and Formosa. Japan to-day even exports large quantities of wheat flour to her 'granary', Manchukuo.

In industrial raw materials, too, Manchukuo has proved to be rather a competitor of Japan in many fields than a supplier of her most urgent deficiencies. The trade balance of the new country is heavily in favour of Japan. The decrease in the sale to Germany and other old customers of soya beans, Manchuria's most important product, has made her trade position even more unsatisfactory. Manchukuo's total exports in 1935 were smaller by 40 per cent than they had been in 1931, before the 'Manchurian Incident.'

Further, industries are gradually developing in the new state, though by no means without certain unexpected hindrances. The following quotation from the Japanese Press will give a recent example of the difficulties which are involved in such ventures: 'Authorities of the Kwantung army, the Manchukuo Government and the South Manchuria Railway Company, have reached an agreement relative to the founding of the Manchuria Soda Industry Company. Salt manufacturers in Japan, however, filed a protest against the plan. Later they withdrew their objections, as the products of the new company will not be sold in Japan because of the opposition of makers here, but only in Manchukuo, China and other Far Eastern markets.'

Under these circumstances, Japan's economic agency for Manchukuo, the South Manchurian Railway Company, has found it difficult recently to obtain in the Japanese money market the hundreds of millions of yen which it needs in order further to strengthen and develop the new country. These difficulties have grown even larger because Japan has to regard investments in Manchukuo as capital export to a foreign country which, in its precarious foreign exchange situation, it cannot afford to an unlimited extent.

A former director of the South Manchurian Railway Company, Baron Kimmochi Okura, in a magazine article summarized the economic problems of Manchukuo as follows: 'It is gratifying to see that many valuable enterprises which have importance for national defence and public welfare have already been established. What is in doubt, however, is whether agriculture, forestry and stockbreeding, on which the life of the masses depends, will be developed and improved as it was planned. . . . The announced

projects of the Manchukuo Government for economic development have failed to make progress, with the exception of traffic facilities. . . . The "Manchurian Boom", widely exaggerated in Japan, is already subsiding. . . . Many Japanese industrialists are contemplating a cut in their capital investments in Manchukuo. . . . The Government of Japan must encourage, even at some sacrifice, the importation of more Manchurian products. . . . The Japan-Manchukuo economic bloc has practically no other objective than to suppress all industrial and agricultural enterprises in Manchukuo which may imperil the existence of similar ones in Japan. In order to relieve Manchukuo of this sorry plight and to brighten her future so that the country will be turned into a real paradise . . . the Government and people of Japan must be ready to make some sacrifice. . . . Failing this, the prosperity of Manchukuo can never be hoped for, and, what is worse still, a maelstrom of dissatisfaction and complaint may arise among the Manchurians. . . .'

Manchukuo Needs North China

Manchukuo is to join Japan in its general new start, by which all difficulties must be overcome.

'Especially the problem of the establishment of peace and order in the new state—an essential preliminary to the settlement of all other problems—must be solved first,' stated General Uyeda, when he left for Manchukuo as Japan's new ambassador and commander-in-chief.

Care is being taken to encourage Japanese capital once more to engage in large-scale investments for the sake of the further development of the new state—especially through the South Manchurian Railway

Company. Huge emigration projects are being elaborated. The Kwantung army will get a larger share in Japan's growing military expenditure on Manchukuo. In addition, the spirit of Japanese co-operation with Manchukuo is being fostered, to stir up a new enthusiasm.

Despite all this, the opinion has firmly taken root that Manchukuo's economic capacity is at once too small and too big for an isolated Japan-Manchukuo economic bloc to be definitely successful. Manchukuo is too small to make good Japan's deficiencies in raw materials like cotton, wool, coking coal, high-grade iron ore and oil; too small also as a permanent export market for Japan's growing surplus of manufactured goods. It is too big, on the other hand, for Japan to absorb completely those agricultural and other commodities, for the production of which Manchukuo is especially suited.

North China, therefore, is to be brought into the 'Economic Bloc', to make it a better balanced entity. For North China is supposed to have at least some of those raw materials which are not to be found in Manchukuo. Furthermore, with its seventy million inhabitants it is a bigger potential export market for Japanese goods than Manchukuo with its population of thirty million. Finally, North China is the old, natural outlet for much of Manchuria's surplus agricultural products. When this outlet was partly closed on account of Manchuria's new Japanese allegiance, the rural situation in Manchukuo became increasingly difficult.

After the 'Manchurian Incident' the League of Nations argued that China and Manchuria must be regarded as inter-dependent and therefore should not be separated. This argument has been vindicated

quickly enough. But Japan draws another conclusion from it now that it cannot fail to recognize its justification: Manchukuo, for her own development, needs at least the North of China, and therefore it must draw North China into its economic orbit, using it as a connecting link with the rest of the country, which is destined to become the hinterland of the Japan-Manchukuo North China Economic Bloc.'

Strategic considerations happened to go in the same direction. The Kwantung army feels that, as long as North China is not on friendly terms with Manchukuo and is not willing to co-operate with her in every respect, the new state of Manchukuo cannot be regarded as safe in the military sense. These are the two reasons why Japan-Manchukuo have been making whatever inroads they could into North China.

Japan's Actions in North China

The so-called Tangku truce of 1933 that ended the hostilities with China on the Manchurian front (the terms of which are kept secret even now) established a demilitarized zone inside the Great Wall, in the North Chinese province of Hopei. It is a district rich in coal and cotton; its great strategic importance lies in the fact that it extends to the very gates of Peking.

Two years later a small, 'independent' state, the 'East Hopei Anti-Communist Autonomous Government' was proclaimed in this demilitarized zone, with the express purpose of 'freeing the district from the tyranny of the Nanking government, and of closely co-operating with Manchukuo'. This, and the disarmament of Chinese customs officials in the demilitarized zone, opened the doors for much smuggling

of Japanese goods into North China, about which the Chinese Government, Great Britain and the United States have been very much embarrassed.

There was a time in 1935 when Japan hoped that all, or most of the five provinces of North China and Inner Mongolia—Hopei, Shantung, Shansi, Charar and Suiyuan—would wish to proclaim their independence from Nanking, and accept help from Tokyo and Hsinking. With all possible arguments of moral suasion and physical pressure they were urged to establish a government of their own on much the same terms as those under which the 'East Hopei Government' was later established.

The Japanese hopes, however, were not fulfilled. It is true that the rest of Hopei and Charar, where Japan was most to be feared, gained a certain amount of autonomy from Nanking; but it soon appeared that the 'pro-Japanese' general who was put in command in Peking in order to fulfil at least some of Japan's desires, played the old Chinese game of promises and delays, of pious vows and clever evasion. Not only the patriotic students, but also other parts of the population of North China were clamouring for resistance against Japan. And at least in a passive way they are doing as much as they can in that direction.

Of course, the Japanese army could have moved into whatever part of North China they wanted. Most of the local Chinese troops had been withdrawn on Japanese demand, the Central army of the Nanking government was far away and it looked as though North China was entirely at Japan's mercy. But Japan did not want new commitments of this kind if it could still achieve its aims by mere manœuvring. The great North China battle of 1935, therefore, was left undecided for the time being. The establishment

of the small new 'independent' state of East Hopei was its only definite result.

However, the more Japan's expectations of a peaceful victory in North China seem to vanish, the more urgent the economic plight of Manchukuo may become; and the more the armament race between Japan and the Soviet Union intensifies the Japanese desire to build up a strong strategic position against Outer Mongolia in the territories not only of Inner Mongolia, but also south of them, in those of North China, the more Japan will be faced with a final decision about North China. It would not be an easy one to take. For 'strong action' in that populous and antagonistic country would involve costly military manœuvres. The economic exploitation of North China would necessitate very large investments indeed, as all the recent Japanese projects in that direction have shown. Last but not least, even in China things have been changing. There seems to be now some possibility that in the future Japan might meet with more than passive resistance from a slowly awakening country.

CHAPTER XI

A NEW 'GREAT WALL' RISES IN CHINA

The Generalissimo is in Command

China's man-power to-day is again being commandeered to build a new 'Great Wall', in order to bring about the country's national independence. It is to be a living wall of defence—formed by well-armed soldiers and by civilians who are to strengthen the economic backbone of the country and be disciplined in patriotic ideas, with the firm determination to battle against any and all foreign intrusion. Four years ago, China was still wailing at the Great Wall which had been built with the forced labour of their forefathers—that endless line of dead brick and rock and earth, incapable of withstanding the advance of Japan's modern armies.

In 1932 China was in despair. She was waiting for the League of Nations to defend her. Now, she is determined to use her own strength, while accepting the small doses of foreign help for which she can pay. This is the change that has come over the country.

The man in charge of the country's renovation is Marshal Chiang Kai-shek, 'the Generalissimo'. It is he who encourages the volunteers in their eagerness to help in the building of the new Great Wall, and it is he who tries to force his will upon the indifferent masses, and crushes his antagonists as far as the armed strength of his followers will allow.

The generalissimo is the Commander-in-Chief of the army. Into this army he drains most of the money that can be found in the territory under his

authority—for purposes of modernization and mechanization, for improved training and for the consolidation of his régime. The generalissimo, furthermore, is the real power in the 'Central Government' in Nanking. It has now extended its sphere, if not of absolute rule, at least of unchallenged sovereignty, over eleven or twelve out of the eighteen provinces of the country (almost twice as many as four years ago). And now the generalissimo is making this government work for whatever economic consolidation it can achieve.

The generalissimo is also the guiding spirit in the Kuomintang, the nationalist party, which takes responsibility for the rule of the country. It is from this position that he tries to infect the nation with a new spirit—a mixture of Confucianism and modern autocratic nationalism—and to suppress all other ideas, old or new. He takes upon himself the role of state moralist and philosophical renovator of the people's spirit, as many of China's conquerors have done in olden times when their military position was firmly established. His ideas are spread by means of the 'New Life Movement', that tries to foster cleanliness and loyalty, good behaviour and patriotism, in a rather naive mixture of old Confucian and modern Y.M.C.A. principles.

Chiang Kai-shek's is now almost the only name the foreign observer of Chinese events needs to remember. All the other embarrassing three-syllables have either disappeared from China's political scene or they have been eclipsed for the time being; or again they are just another incarnation of 'The Generalissimo', 'The Marshal', or 'The General', as he is being called by friend and foe. Few new names, however, have come into the public eye.

A high government official took me to the place

where the generalissimo stays when he is in Nanking. It is the country house of his brother-in-law, the Minister of Finance, Dr. H. H. Kung. This white modern villa with its high walls surrounding a big garden is outside the city gates, among beautiful hills, in sight of the huge memorial to China's great revolutionary leader, Sun Yat-sen. There is no evidence of China's misery within sight. The place is heavily guarded and it is not easy even for a man in a government automobile wearing a special badge to gain admittance.

The generalissimo's ante-room looked like the Western-style lounge of a well-to-do modern Chinese merchant. At the hour appointed for my interview, it was still full of whispering people who waited patiently for a few precious minutes of audience. It is most difficult to get a chance to see Chiang Kai-shek.

There was present a tall, lean divisional commander from the army, young and sporting in appearance and clever-looking, with a spartan cast of countenance. There was also a stout, elderly man, in a long padded Chinese coat, whose face was shrewd and lively—the Secretary-General of the Koumintang. There were some dignified old-style Chinese who looked like business people, and a few of those typical, high-placed government officials who always impress the foreigner as having only just graduated from some American or European university—even though this event has usually occurred at least ten years before.

From the room next door a high staccato voice was faintly audible. When it grew a bit louder, the whispering in the ante-room died down. None of the visitors got more than a few minutes from the generalissimo, who is probably the busiest man in the country and does not like wasting time in discussions.

Meeting Chiang Kai-shek

The generalissimo has a stern and almost motionless face. I did not see him smile even for a moment; only his dark eyes gave any life to his expression. He holds himself very erect, almost unconsciously, I felt, and only his slim and energetic hands are allowed, in a restrained way, to underline his clipped sentences. The questions and answers which he gave through the high official who was kindly interpreting for me sounded like commands. They reflected the habits of one who has been used to giving orders, but not to negotiation, and certainly not to contradiction. The dress of this medium-sized man was plain and stern as possible: a well-cut and well-pressed dark khaki uniform without any mark of rank, and black slippers. He looks exceedingly well-groomed and rather young for his fifty years.

Everything about Chiang Kai-shek impressed me as a conscious protest—now almost a second nature to him—against the characteristics of the average run of Chinese people; a protest against their often soft, undisciplined and slovenly appearance, and their careless and easy-going manners; against the waste of time and gestures and conventional politeness in their speech; against everything that an efficient, modern general and statesman must regard as a shortcoming, even though it sometimes contains so much grace and charm, so much that is human and that helps to make life bearable.

The surroundings of his room did not seem to fit the personality of Chiang Kai-shek at all. It was large and boudoir-like, with deep Chinese carpets and soft velvet easy-chairs in dark colours. There were many flowers all over the room. But there was no

writing-desk, no books, no maps, no papers, nor any other indication of that modern, efficient, administrative machinery, the able use of which has made the Marshal so successful in a completely inefficient and unorganized country.

He asked me about Japan—her financial capabilities, the possibilities of war with the Soviet Union, and so on. I asked him about Sino-Japanese relations, present and future, and about the justification for his confessed optimism with regard to the growing strength and independence of his country.

He did not seem to evade even precarious questions, but I had to pay the penalty for his surprising frankness. I was told that the really interesting answers he gave were not for publication, and that, if printed, they would have to be denied by him. But I found that his opinions confirmed most of the general impressions of the trend of Chinese political developments and the information I got from other persons, which I shall try to describe.

Nanking's Growing Military Strength

Nanking, the new capital, is continually being modernized. Along the broad new high-roads which seem to lead nowhere yet, more large government buildings have grown up during the last four years. Everywhere some construction work or other is in progress. Yet there are still the same surroundings of misery and backwardness, typical of every Chinese town, among which all those modern roads and buildings and buses take on a somewhat unreal appearance. There is still the continuous backwash of ill-clad, semi-starving peasants from the country districts, which, during their recent crop failures and floods,

could get no real aid from the government. And there is still the hushed, martial atmosphere of a sieged fortress. Soldiers patrol everywhere, on the station platforms and in the city. Soldiers open the doors of every motor car that passes the city gates and examine the interior. They stop the passage of strangers into certain villages outside. Aeroplanes drone over the city. Columns of tanks rattle over the modern highroads.

China feels that it may have to fight some day for its independence—primarily against Japan, but, less probably, against the Western Powers as well, if that should be necessary in order to obtain the national freedom which she so ardently desires. The day may not be near when China can afford to fight, yet in the end this seems to be what China is preparing for, and indeed what many of those who profess to be pacifists, and who are anti-Chiang Kai-shek at heart (conservatives as well as liberals and 'leftists') are hoping for.

Under such circumstances Nanking, as the capital of nationalist China, does not even want to hide the fact that it is a martial city. Now that the foreign embassies and legations are moving down to Nanking, from the beautiful, sleepy old capital of Peking, it looks as though Chiang Kai-shek wanted to impress them with his growing military strength, and with the change it may some day mean for China's relations with foreign Powers.

The new Chinese army slowly emerges from the two million or so of ill-clad, badly equipped, mostly unpaid and therefore proverbially undisciplined Chinese soldiers of old. More and more of these troops are gradually being improved. Regular payment must have done a lot in this regard. But apart from that, some of them are being put to hard work in

road-building and other public enterprises. At the same time education and better military training are doing their part. And in the last resort the improvement consists of more and better equipment. The continuous importation of modern armaments is an important item in Nanking's military reform, as is the increase in the production of China's own arsenals. German military advisers and instructors are still with the Nanking government, and so are experts from other countries. Recently, a large-scale exchange of German armament goods and machinery for military purposes against certain Chinese raw materials was said to have been concluded, to the great embarrassment of Japan.

The reputation of the Chinese army among those who should be able to judge, is fast improving. Their special pride is the Air Force. This consists of a growing number of up-to-date American, Italian and other foreign-made planes, which, together with the other armament goods that China imports month after month, cost the country a very great deal of money. The Chinese are said to become good pilots after thorough training, and everything possible is being done to make the country 'air-minded'.

The new and efficient land forces have not yet had a chance to prove their worth. The Air Force, however, has already showed its value, if only against domestic enemies. There are many in China who do not hesitate to say that the growing internal strength of the Nanking government, or even its survival for such a comparatively long time, has been due almost entirely to its possession of a steadily increasing number of aeroplanes.

The routing of the strongholds of the Chinese Red armies in several provinces of the south-west had for

years proved impossible. To send a military force—mostly of second-grade quality—against those staunch experts of guerrilla warfare, who often fight with the assistance of the population, usually ended in merely providing the enemy with new rifles, fresh ammunition and even with additional soldiers from among those government troops whom they defeated or persuaded to join the Red movement.

The work could only be done from the air. Aeroplanes smashed the strongholds of the local 'red government' which had held out for years. And thus, together with road-building towards the isolated red centres and land fighting under the protection of aeroplanes, the Nanking government was able to prepare the way for its present attempt to reform these formerly 'red' districts.

Civilian aeroplanes, too, have done a great deal to stabilize Chiang Kai-shek's government. Commercial flying has developed apace and has helped to improve administrative contacts with the outlying parts of his growing domain. It has enabled the generalissimo to be omnipresent wherever and whenever trouble arises.

The Opponents in the South-west

The semi-autonomous group of 'Kwang' provinces, Kwangtung and Kwangsi, with its political centre in Canton, has gradually become apprehensive about Nanking's growing military strength.

For many years this group had resisted all the attempts on the part of Chiang Kai-shek to bring the South-west into the fold of a unified China.

Canton, it is true, had co-operated with Nanking in many ways. It had even joined forces with the Central army in defending Shanghai against the

Japanese attack in 1932. It had worked for the restoration of the south-western provinces fundamentally on the same lines as Nanking had done in her own territories. It had put into force most of Nanking's laws, and friction between the two political centres of China had in recent times been so small that the country as a whole had not suffered much from the co-existence of these two 'governments'. The nationalist movement started in Canton and reached the climax of its success in Nanking; and as the two groups were both offshoots of the Koumintang party and the avowed disciples of its founder, Dr. Sun Yat-sen, they had always a good deal in common.

But when it came to discussions about a permanent reunification under the predominance of Chiang Kai-shek, the South-western faction always resisted. The outward reasons for their refusal fully to join the Central government were two: objection to the arbitrary rule of Chiang Kai-shek, which ignored the fundamentally democratic principles of the Kuo-mintang; and Nanking's weak-kneed policy towards Japan. No doubt, personal considerations on the part of the South-western leaders have in reality been much stronger motives than these. And there is no indication that their own policies in both regards would have been really different from those of Chiang Kai-shek in the event of their old dream of supplanting the 'Nanking clique' materializing.

Meanwhile, Canton succeeded in getting large subsidies from Nanking by means of appeasement. Foreign assistance, too, was forthcoming; even from Japan, whose military advisers and whose deliveries of aeroplanes and other war materials were welcomed by the South-western leaders, in spite of their loudly professed antagonism to Japan. Thus, the South-western leaders

had everything to gain and nothing to lose from perpetuation of the year-old state of suspense.

But suddenly, during the first half of 1936, they felt themselves threatened by Nanking. The only civilian among them, Hu Han-min, the old collaborator of Dr. Sun Yat-sen, and their own popular leader, suddenly died. Nanking used the chance to press the South-western militarists to come into its fold. And a few months later the new Constitution of China, according to which Chiang Kai-shek would virtually become the legal dictator of the country, was to be presented to a popular assembly.

These were the reasons why several years of truce, or even of co-operation, seemed suddenly to give way to open hostilities between Canton and Nanking. On both sides armed forces were set in motion. But at the same time discussions, in which, as usual, money must have played a big part, were begun, broken off, and recommenced. Neither side really wants to fight, nor, if it fights, to fight hard. But both now seem keener than ever to arrive at a fundamental settlement.

In the long run, the odds seem to be in favour of Nanking. The armies of the Central government, like their financial means, are far larger than those of Canton. One could even say that the final reunification of Canton with Nanking under the leadership of the latter was a certainty—if it were not for Japan.

Japan has always taken a great interest in the South-west of China, and has been continuously aware of the chances which definite antagonism between Canton and Nanking would give it. Japan considers the province of Fukien, adjoining Kwangtung and lying half-way between Canton and Shanghai, as a sphere of special Japanese interest; for this province faces Formosa and might, if necessary, become a very

convenient instrument of pressure against Central, as well as South-western, China. It is not surprising, therefore, that, whenever a new independence movement has been started in Fukien, Kwangtung, or Kwangsi, Japanese interests should have been brought into connexion with it; nor is it unlikely that such connexion will really be established in the future. Then, of course, the odds would no longer be so much in favour of Chiang Kai-shek as they are at present.

Another fateful connexion between Japan and the Nanking-Cantonese problem arises from the fact that Canton traditionally bases its propaganda against the Central government on anti-Japanese slogans. When the South-western army was sent against Chiang Kai-shek in June 1936 it was styled the 'Anti-Japanese National Salvation Army'; the probable fight with the Central forces being described as merely an initial stage in the real struggle, an act of preparation by which the 'pro-Japanese' Chiang Kai-shek would have to be brought to heel for the sake of an independent China.

Although it is obvious that such slogans mainly hide the personal and domestic ambitions of the South-western generals, there is no doubt that a strong policy against the continuous demands of Japan on the part of the Nanking government would do much to take the wind out of the sails of the Canton group. For the population of Canton has always been enthusiastically anti-Japanese. And if a formal reunification of Canton and Nanking should finally come about—a development which seems likely to happen in one way or another—firm diplomacy against Japan would certainly prove very helpful in consolidating the two parts of the country.¹

¹ Still more recent developments show that the two states are now definitely uniting.

Resistance against Japan?

The generalissimo may still regard his growing forces, both land and air, as a predominantly domestic instrument, as his enemies at home allege that he does. He may not really intend to use them against Japan, at least as long as he is not satisfied that they are yet strong enough even for the much advocated Chinese 'guerrilla warfare'. Opinions about Chiang Kai-shek's plans differ. He may simply feel that the patriotic desire for a future war against Japan which his armaments arouse in many of the Chinese people will, anyway, be useful for enhancing his prestige at home. Nobody seems to know his real mind. But whatever Chiang Kai-shek's diplomatic and strategic plans may be, these armaments are gradually creating a driving force behind the country's foreign policy that even he may not find easy to control. The mere fact that he spends so much of the country's money and of its awakening energies on the army continually increases the pressure that public opinion is exerting on him—'Our growing-strength must be used for active resistance against Japan!'

Public opinion in China seems to be now a much more real force than one might suppose. Out of the indifferent masses there emerge gradually more and more people who take a real interest in national affairs. The educational efforts of the nationalist movement are now beginning to make themselves felt. The very strict censorship the Nanking government enforces seems to strengthen convictions that are regarded as unfit for print, rather than to obviate them. The people moreover know that at least part of the government's 'thought control' originates from the Japanese demands for ruthless suppression of all 'anti-Japanese'

movements and does not necessarily express the government's own opinions.

The ears of the generalissimo are everywhere, to listen to the voice of public opinion. He seems to realize that he could even increase his civilian following greatly if, in the long run, he accepted the lead of public opinion, but he knows also that he has to rely almost entirely on the mere strength of his army if he does not do so. Social dissatisfaction is still prevalent. Yet it looks as though the growing numbers of patriots would be willing to relegate it to the background, for the time being at least, if only they could be sure that the neglect of social improvements on a large scale was due to nothing else but the government's exertions for the achievement of national freedom. Thus, the spiritual strength behind the new army seems to be growing apace, quicker even than the realistic generalissimo may like.

CHAPTER XII

CAN CHINA BE SAVED?

The Economic Problem

The new Chinese army would not be much use in the long run—for either domestic or external purposes—unless the country's economic strength, too, were growing steadily. Even 'national freedom' to the fullest imaginable extent would not make much difference to China's internal stability, if the achievement of independence were not prepared together with that of economic and social progress.

In a country, however, where eighty per cent of the population are peasants, both economic and social problems are mainly those of agriculture. It is here that progress must be made, and the generalissimo seems to be aware of this. Another of Nanking's intentions, therefore, is to try and lead the country towards agricultural recovery. But even those observers who are optimistic regarding the government's agricultural efforts mostly speak in terms of decades, and stress many conditional 'ifs' when they forecast a brighter future for the hundreds of millions of Chinese farmers.

China need not be semi-starving and desperately 'over-populated'. So much has been established beyond doubt by reliable experts. But for the achievement both of a general rise in the standard of living and of national self-sufficiency as its basis, many conditions would have to be fulfilled beyond the power of the Nanking government: the high charges on the peasantry for taxes, land-rent, and debts must be considerably diminished; the transportation and marketing systems must be extended on a nation-wide basis; and the methods of agricultural

technique must be brought up to date. By the time however, that such improvements had been achieved, the educational standard of the population would have to be sufficiently high to make at least a certain measure of birth-control a matter of self-protective decency on the part of every family, as it has become in a great part of the Western world.

Such sweeping advance is out of the question for some time; especially as long as the Nanking government squanders more than one-third of its revenue and most of its energies on armaments, while it has to spend most of the rest of its income on debt services, both foreign and domestic. It seems even doubtful whether Chiang Kai-shek could withstand the temptation to tax away the results of whatever minor improvements the government's policy may finally bring forth.

The policy they have in view is this. The corruption of local tax-collectors and other officials is to be uprooted, and their efficiency is to be increased. Government experimental farms are to devise better methods of agriculture, to improve seeds, and so on. Roads are to be built, in certain areas even by forced labour which Dr. H. H. Kung, Minister of Finance, wants to make a fundamental feature of national reconstruction. And, finally, education facilities are to be improved.

Yet even near Nanking, where reforms and modern educational facilities should penetrate quicker into the countryside than they do in other parts of China, and where problems of transportation are practically non-existent, village conditions are still beyond description. They are appalling even compared to the worst agricultural districts in Japan.

In a Chinese Village

Not far from one of the government experimental farms I visited the house of a big Chinese peasant family where three or four branch families lived under one roof. Inside a square, high wall—the only solid structure on the premises—there was to one side a longish half-open shed, and on the other a flat one-storied house of the same length with two or three rooms, including a barn-like store-room. In between these two badly dilapidated ‘buildings’ there was a narrow, muddy, stinking strip of ‘courtyard’, where some chickens picked among the dirt.

In the shed the families did their cooking on a primitive hearth, heated with dry grass instead of firewood. By its side lay a small water-buffalo, the possession of which places families almost in the well-to-do class. There was a big primitive grinding-stone, on which they mill their maize and other grain themselves, separately for the requirements of every single meal. And there were, with a number of children playing in between, some of the most primitive agricultural implements I have ever seen.

In the only reasonably decent room some women were spinning silk and a man was weaving on a primitive loom. In the one and only large bed of the whole house there were three or four children, who had for once, during the daytime, plenty of room in it. Two of them looked ill. A baby was in a box-like little stable on the floor. The room was so crowded that one could hardly move, and although it was a bitterly cold winter’s day, there was not even an attempt at heating, and the clothing of the family seemed to be entirely insufficient.

The young man at the loom told us that they raised

their own silk-worms, giving part of their little land to the cultivation of mulberry-trees. Though they carried out all the operations themselves, down to the finished silk cloth, they could hardly cover their costs, he complained, on account of growing Japanese competition. While we talked, some young soldiers looked into the door with an inquisitive and arrogant air and wanted to find out what business the city-man and the foreigner had in this house. The people seemed to be used to that sort of interference, however, and did not bother much about a reply.

There was another small room in which a few boys were making basket-ware for the market. Everybody was busy. Some more members of the family were out, cutting the long dry grass on the waste land outside—against a fee they have to pay the owner of that land—for sale on the fuel market in Nanking.

In this little family-compound there lived about two dozen people, fully aware that they were better off than many other farmers even in districts which had had neither famine nor floods for some years. Their miserable condition was in contrast to the keen, common-sense intelligence they showed in their answers (only the father of the family was literate) and to the friendly, almost embarrassing hospitality they offered us. After a long struggle, we had to carry away as a present six fresh eggs which a woman had boiled for us in the meantime.

When we left, walking on the small partitions between the paddy-fields, I looked back. There were just the bare earthen walls of that little family-fortress, quite windowless and with only one small door, big enough to let in a single person at a time. It was symbolic of the Chinese isolated, self-protective way of

family life, of their fearful, disappointed indifference to the outside world.

How peaceful and co-operative this outer world will have to become, after all the past experiences that made for such family isolation, to break down these walls as well as their psychological equivalent, and make the family the active unit of the nation. Japan cultivates the same family system as China, whence it imported its original ideas. Yet, to her great advantage, Japan has succeeded in using the family system as the basis, instead of suffering it as the enemy, of the state.

In the same village I saw an example of Nanking's educational efforts. A new school had been established. The teacher, a fanatical-looking bright young idealist who belonged to the Kuomintang, seemed to know quite well what China needed. His forceful personality did not seem to be handicapped by any exaggerated sense of discipline. He did not even make an attempt to quieten the crowd of gay youngsters reading aloud from their text-books, talking and even shouting, all at the same time in that primitive classroom. On the contrary, he seemed to be proud of their liveliness and to encourage it. It was quite obvious that eagerness and enthusiasm were the reigning factors in that bedlam of happy noises, rather than 'naughtiness'. I thought of the quiet discipline of Japanese schoolrooms, but also of the impersonal and often cramped young people so often to be found there.

The young teacher, when he heard that I came from Japan, eagerly asked a number of questions. Did not even the peasants of Japan feel friendly towards China? Would Japan try to take still more land away from China? Was Japan aware that China was getting determined to put an end to the present state of affairs? The new school text-books, he said, were giving the

children some ideas about the problems of their country now, including their relations with Japan, and education held out great hope for the country in every respect. His eyes were shining, though he was visibly careful in his expressions, when he talked about the future.

In the little school-house there were all kinds of bright paper decorations, and, as in every other public place in China, there was on the wall a big, primitively adorned picture of the generalissimo. The school could not yet take charge of all the children in the village, and certainly it could not provide them with a very thorough education—but until recently every single generation, with very few exceptions, had been entirely illiterate and almost completely indifferent to national affairs.

Shanghai—the Economic Centre

The Marshal's enemies protest, and his sympathizers mostly confess, that he cannot do much to improve the rural situation—the first say 'ever', the latter 'yet'. Ambitious plans for thorough agricultural reform seem to be all ready; just as China has, on paper, the most modern labour and criminal laws in the world, the greatest industrial, railway and colonization projects imaginable.

Theory and practice lead a peaceful co-existence in China, far though they remain apart. Only when military problems are involved—as in the present efforts to build roads in many parts of the country, or to turn into 'model districts' the former 'red' territories in the south-west—do paper projects achieve actual existence.

The generalissimo's hope for a quick development of

the country's economic strength seems to be centred primarily on the industrial development of the cities. Their manufactures are even more important for army purposes than rice and wheat. If China can extend her industrial production, she might increase her exports and get more foreign exchange for the purchase of aeroplanes, tanks and other high-grade military equipment in foreign countries. Moreover, the Nanking government's revenue comes largely from import duties levied in the big port cities. If they develop further industrially, there will be all the more trade and all the more revenue for the state. The only drawback is this—in the cities Chiang Kai-shek's rule is not as supreme as in the countryside, at least not as unconditional. Shanghai, by far the most important city in China, is a quarrelsome ally of Nanking. From the safe refuge of the foreign, extraterritorial settlements the wealthy Chinese control the country's monetary capital. Among them the Soong family, to which the generalissimo is related by his wife, is the most important single factor. Helpful though this famous plutocratic family of the ingenious Mrs. Chiang Kai-shek has often proved to be to her husband, their unique wealth is a power in itself that the Marshal cannot easily defy. There is her brother, the wealthy, clever banker and former Minister of Finance in the Nanking government, Dr. T. V. Soong—at present in silent opposition in the background as a resident of Shanghai's French Concession. There is the husband of another Soong sister, the probably still wealthier banker, Dr. H. H. Kung, at present co-operating with and advising the Nanking government as its Minister of Finance. (Another Soong sister, the widow of the late revolutionary leader Dr. Sun Yat-sen, a 'leftist' outsider of the family, is without importance in this connexion.)

Finally, there are the numerous non-related members of this so-called 'Chekiang financial clique' which practically monopolizes the liquid capital in the Nanking government's sphere of political power.

The Nanking government is heavily indebted to all these moneyed interests. This is the reason why the involved and ever-oscillating relations between the generalissimo and the bankers can hardly be actually broken off. But they can be, and are at the present time, somewhat strained. The reason is that many of the bankers seem to be in favour of a stronger front against Japan than they suspect Chiang Kai-shek to have really in mind. They dislike, too, his great armament expenditures, mainly because they feel that these may primarily be designed to serve domestic and personal ends and that they stand in the way of national recovery, without creating an instrument that will be used to defend the nation's independence.

It was in this connexion, after a talk about Japan's advance in North China, that a Chinese banker in Shanghai told me quite seriously, and insisted that, if there were no other alternative, he would prefer the country to be ruled by Chinese 'Reds' rather than by the Japanese.

Yet the Nanking government and the Shanghai financiers are in the same boat, after all. And that is why the latter try to do their share in building that new 'Great Wall' which is to protect the country more effectively than the old one could ever have done. By no means without profit to themselves, the banks have helped the government in overcoming the great financial and silver crisis of 1935 by a courageous monetary reform. They may be critical of some minor aspects of the government's policy in this regard, yet even people who are sceptical on principle, confess that

financially, too, China seems to have turned the corner now. Not completely perhaps, for after leaving the silver standard the country's currency now needs sound management, and the question is whether the bankers' ideas on this subject will finally be acted upon by the government. Despite this doubt there is at least a promising chance for a new start.

Such a new start would, among other benefits, bring about a reform of the backward banking system of the country. True, it might concentrate all the liquid capital of the cities even more than now, but, once there, it would permit much larger industrial developments than China has been able to afford so far; without the embarrassing need for the help of foreign, even Japanese, enterprise.

The bankers insist that industrial development must be first, together with the further construction of railways and a general extension and improvement of the whole system of communications. Only thus, they say, can the agricultural and general situation be materially improved. Such developments, however, necessitate capital. And for capital to flow into new industrial enterprise, if possible also from Western countries—on terms, however, that fully respect China's independence—a great improvement in efficiency must be guaranteed. To ensure such efficiency the banks must themselves take charge of the prospective new undertakings, at least for some time to come.

Factory Conditions

The visits I paid to small Chinese factories in Shanghai gave me just as miserable an impression as did my visits to Chinese farm-houses. Sacrifices on the part of the workers are infinitely greater than under

the worst conditions anywhere in Japan. And their productive result is so much out of proportion to these sacrifices that I found hardly a factory in any line of business where the manager did not bitterly complain of the difficulties of competition with Japan, even in the well-protected domestic market.

I saw establishments where some thirty or forty boys at ages from nine or ten to fifteen years were practically the only workers. Crowded in stuffy little rooms with no ventilation, they worked intensely for twelve hours a day. Their payment consisted of two poor meals of rice and cabbage each day, and of a miserable little spot to sleep on at night—in the workshop itself, or in indescribable lofts on top of them. They got no money wages. Their products, small electric bulbs and similar goods, were usable enough. Yet poor management and overcrowding of the supervisory and clerical staffs by members of the employer's family, and probably also by those who have supplied additional working capital, seem to increase the sale price of the goods beyond the point where they are competitive.

I saw weaving mills, run on the labour-contracting system, where country-women worked under similar conditions, twenty or so of them living in dirt and slave-like misery in the contractors' little houses. Everywhere the surplus members of the employer's family who were standing about on the primitive premises told the same tale of managerial inefficiency. It is one of the main curses of Chinese business in general, and a very difficult one to uproot.

Even some larger-scale rubber manufacturing and other plants with more modern equipment hardly made a better impression—a very depressing one indeed from the point of view of social conditions.

It is only in the largest Chinese and in a number of foreign-run plants—among which the clean and well-managed Japanese places stand out favourably—that the Chinese workers get a better deal. There, when the handicap of insufficient education is overcome by rational training and when they can work under fairly normal conditions, though probably still with an unsatisfactory standard of living, they show what degree of efficiency they can attain with their natural abilities and their often denied, yet just as often praised, natural diligence.

China can, and must, develop industrially. There is no doubt about it. She already has done so to some extent and derived a certain amount of additional economic strength from her first painful ventures.

The bankers in Shanghai, with their predominantly financial investments—in government loans, in over-valued real estate, in railways and trade enterprise, or in foreign concerns—find themselves in something of an economic vacuum. With the freedom from state income and capital taxes that the cities enjoy—for the state cannot possibly enforce them while all enterprises and individuals are free to have their domicile in a foreign, extraterritorial settlement—capital in the banks accumulates and looks for profitable investments.

Some of the bankers, therefore, are determined to push ahead with industrial development, and if they can do so, they will not only broaden their own economic basis, but also that of the nation.

China Has Turned the Corner

China is no longer beyond hope. That is the impression one gets to-day, in comparison with the time of the 'Manchurian Incident'. And even the most

cynical 'old-timers' in the foreign community finally agree that the country has turned the corner. Difficulties ahead are still appalling, just as are the conditions not only of the majority, but almost of the whole of the four hundred million, or more, of her people. Apathy is still the rule, enthusiasm the exception. Yet several of the handicaps which, four years ago, seemed to be paralysing the country, have proved blessings in disguise. Japan's attitude has fostered the Chinese people's deficient spirit of patriotism and has brought about a reorganization of the Chinese army.

The loss of Manchuria has abolished the main focus for powerful domestic adversaries of the central government; while the Japanese have taken charge of the development of the territory which China would have been too weak to develop herself for a long time—but which she still hopes to recover some day.

The existence, side by side, of the Nanking and Canton governments has given the country two gradually developing centres of activity. Even though relations between them have lately been so much aggravated, the final unification does not seem to be out of the question, nor even very remote.

The 'red' movement, finally, has enabled the Nanking government to establish its own rule in a far greater number of south-western provinces than Canton, and few local war-lords would have allowed Chiang Kai-shek to enter on grounds other than those of fighting the communist danger. The same process may now go on in the north, where the defeated though still co-operating Chinese Red armies have reached Shansi, a promising province which so far has been semi-independent from the Nanking government.

Yet two dangers persist. The one is the survival of those same mobile and elusive Red armies, which are

apparently under fairly good leadership. They have infected large parts of the country with their ideas. On their tremendous trail from the south-west almost to the north-east of the country they have left behind not only large units, which re-established early in 1936 a kind of government in a corner of the south-western province of Yunnan, but probably also skeleton organizations in other parts of the country for some future use in a rural revolution. To overcome these influences and their further spread practically the only effective method would be thorough rural rehabilitation—a difficult proposition.

The other danger is regarded as much greater—that of further Japanese action in North China. Such an event would possibly prove the first test of China's newly gained strength and of Chiang Kai-shek's present intentions. It might for the first time bring Japan face to face with that new Great Wall which is slowly rising in China. But it might retard once more China's painfully slow progress on the way to consolidation. The Japanese army, so far, is only faintly aware of the possibilities. To them the unyielding attitude of the Western Powers in China—and the assistance they give to the Nanking government—seems to be a problem of a more acute character.

CHAPTER XIII

THE WEST MAY NOT YIELD

The Chinese Bride

'I will repeat to you what I told Sir Frederick Leith-Ross, the economic adviser to the British Government,' said Japan's Consul-General in Nanking, Mr. Suma. A stout and vivacious man, he leant back in his easy-chair and gave me a more vivid account than the many official pronouncements of Tokyo had done of Japan's uneasiness about the undiminished interest the British Government had shown in Chinese affairs, by sending one of its most prominent economic experts on a prolonged investigation trip to the East.

'You see, there is China,' I said, 'a very beautiful girl. And here is Japan—a very strong young man.'

Mr. Suma struck his chest with a smiling and good-natured gesture of strength. 'And the young man is determined to marry that girl. You understand . . . determined . . . to . . . marry her.'

He paused, looking at me intently. And then he added, 'But you, the British, keep on flirting with that girl. You give her gold rings, and diamond rings. But as I said, the young man is determined to marry her, and, therefore, he does not want you to flirt with the girl.'

I suggested that he should take into account the opinions of the 'girl' as we would do, in the Western world, in a case of an intended marriage. The Consul-General, however, was much too enthusiastic, both about the matter itself and about his metaphor, to discuss either the difference of Western and Eastern attitudes regarding marriage and the rights of women

in general, or China's wishes in particular. He only stressed the point as much as he could that Japan and China must save one another by the closest possible co-operation, and that, as long as China saw any hope for assistance from Western countries, she would go on playing off one country against the other, without showing any 'sincerity' to Japan, her only real friend and saviour.

At other times it would be the United States which would have to feel the jealousy of the Japanese would-be bridegroom. Every reiteration of America's traditional demand for an 'open door' in China and every discussion of some kind of a loan to that country will always arouse Japanese protests. Unfailingly, in any such case, Japan will ask to be left alone with China, because for Japan it is 'a matter of life or death' for Sino-Japanese co-operation to be developed to the utmost extent without Western interference. According to Japanese views, Western interests in China are really 'nothing but a matter of profits, not vital in any way'.

What is behind that Western 'flirt with China'? What are the stakes of the two Anglo-Saxon countries in the Far East which urge them again and again to claim their great interest in its future?

British and American Interests in China

There are, first, the stakes they have in China itself. They can be defined by a few figures. Britain has roughly 250 million pounds sterling of capital invested in China. About 12 million pounds' worth of exports go there every year from the British Empire. Some 13,000 British subjects have their domiciles, and more than 1,000 British commercial firms, a number of them very important ones indeed, have their offices or even

their headquarters in China. And every year some 60 million tons of British shipping find their employment in the China trade.

The United States have about 50 million pounds sterling invested in China. They export some 8 million pounds' worth of goods to the country, their residents number 6,000, their commercial firms 500, and they have a share of 5 million tons or so of annual shipping. Other Western countries, too, have investments, trade and residents in China, which makes the total Western stake in the country enormous and adds to the role that the two leading Anglo-Saxon powers are playing in China.

These large vested interests are of a very special character. For they are based on the right of extra-territoriality which gives them a decidedly political flavour. They are concentrated either in the 'treaty ports'—to a large extent in Shanghai, the most important of them all—or in state and railway loans which carry with them certain foreign rights of control over some branches of administration and revenue. All these interests are still guarded more or less by British, American and other warships which come and go as they like in certain Chinese ports and rivers. There are still foreign troops and police in certain cities, and the International Settlement in Shanghai has established, as a new departure, 'emergency squads' with heavily armoured cars, recruited from Russian emigrants.

Western capital and Western political power are firmly entrenched in that strange and complicated muddle of semi-independent, semi-colonial China. In Shanghai, for example, it is not at all clear that Japan has seriously challenged the deep-rooted Western interests. It is true, however, that in the river there

may often be more Japanese warships than British or American, French or Italian ones. On the Bund that faces it, and in the adjoining business centre, there appear more and more big modern Japanese office buildings by the side of Western and the increasing number of Chinese concerns. The Chinese rickshaw coolies in the streets of Shanghai seem to pull at least as many Japanese as they do Westerners. And of all the foreign communities the Japanese is by far the most numerous.

But the modest, even miserable, district in which most of the local Japanese live lies apart from the modern wealthy-looking quarters of the International Settlement and the French Concession, where one finds much of the atmosphere of London, New York or Paris. The Japanese in Shanghai lead an isolated life. In their lower strata they do not seem to be much better off than the bulk of the Russian emigrants in Shanghai's own 'pre-war Moscow' who are the Cinderellas of the cosmopolitan city and often not far above the masses of the Chinese 'natives'. An undemocratic suffrage system, based on material wealth, gives the Japanese a disproportionately small share in the administration of the International Settlement. Japan is not conspicuous in Shanghai. The Western Powers, however, definitely are.

In spite of all this, international Shanghai knows the power of neighbouring Japan well enough. It still remembers the 'Incident' of 1932, when Japanese marines and soldiers were practically the masters of the huge city. There are still those among the Western old-timers of the die-hard type who enjoyed the 'good thrashing' that the Chinese got from the Japanese and who do not dislike the growing strength of Japan, but regard it as the last defence of the cherished principle

of extraterritoriality against Chinese nationalism. Only when the waves of Japanese clamouring for political superiority in China rise too high and when there is a new advance of Japan's power in the north of China, do they also feel a little afraid for the future.

Under these circumstances it seems natural that Britain and the United States should try to strengthen the position they still have, by assisting China in her efforts to overcome her own weaknesses—as far as possible and desirable from the Western point of view. China will not easily get strong enough to live up to her old ambition of chasing out all the vested interests of Japan and the Western Powers together. And in the meantime every step forward on the road of economic progress is bound to benefit not only China herself but all those who have any business interests in the country, and in the stability of its present government.

Whatever Western intention in China may have been at the time when Britain, America and other countries were supreme in the Far East—and they certainly were not beyond reproach—for quite a long while now they have had to take the increasing Japanese interests into full account. All that the Western Powers demanded of Japan in recent years was international co-operation in and with China, in order to help the country recover and develop. It is not easy to see how they could give in to Japan's claim that from now on Japan should be regarded as 'the only stabilizing force in the Far East', to which all projects of co-operation with China should be submitted for approval.

Problems of the South Pacific

But both Britain and the United States have still other vested interests in the Pacific, and these might

well suffer if they were to lose out in China against Japan. There are, first of all, Britain's possessions in the South Pacific, which form the eastern outposts for the protection of India as well as the Empire's links with Australia—the Federated Malay States with Singapore, British Borneo, Hong Kong and the mandated territory of New Guinea. Adjoining that complex of British Empire possessions are the wealthy Dutch East Indies, hardly able to defend themselves. Britain might feel that all these territories would still be safe, even if she withdrew from China—in case China really did become her own master. But matters would necessarily be different if Japan were to gain in China what Britain had to give up. If Japan were either to establish definite control over China or co-operate with her against 'Western Imperialists', in accordance with the ideas of Pan-Asianism.

The United States are probably in a similar position with regard to the Philippines. Their intended complete withdrawal from these islands would not affect America's general trade interests, nor her political and strategic situation in the Pacific, if the real independence of the new Philippine state were a matter of certainty. But it would be an entirely different matter if, after the United States had given up control, it were to slip into the hands of Japan. It need not be outright conquest that would bring about such a change. Misrule in the new independent state, real or imagined discrimination by the Philippine government against Japanese settlers, or against Japanese trade (which even now causes so much trouble) might bring it about in an indirect way.

It seems that Japan has herself to blame if such questions now appear to be of more than academic interest. Not only because she did not see her way

either to prolong the Naval Disarmament Treaties or at least to make a new understanding possible during the London Naval Conference of 1935, but mainly because 'expansion to the South', i.e. into the South Pacific, has been allowed to become one of her major political slogans—a dangerous one too, as it has never been officially defined in concrete terms.

I give a few examples of recent public utterances about the 'necessary push to the South'. Mr. Chuji Machida, when he was Minister of Commerce and Industry in 1935 wrote: 'The Pacific Islands are of the greatest importance to Japan both from the economic and military point of view. Only when Japan has established close economic co-operation with Manchukuo, China and the Pacific Islands will her industries be able to develop without importing raw materials from the West. Then the Japanese nation can pursue a sufficiently powerful trade policy to force all other countries to abandon their present irrational commercial policies. Again, only by pushing southward can Japan claim the prominent place in world trade which is due to her.'

The commander of the Combined Fleet of the Japanese navy, Vice-Admiral Sankichi Hakahashi, was reported by the leading Japanese news agency, Domei, to have spoken as follows before a gathering of three hundred business men in Osaka on January 23rd 1936: 'The Japanese fleet is formed from the standpoint of national defence only, while the American navy is formed with a view to protecting and expanding American trade. In so far as the American navy does not abandon the pursuit of this objective, the Japanese navy will have to make necessary preparations for it. This question is keenly felt when Japan's future trade development after the breakdown of the London

Conference is taken into consideration. Japan's economic advance abroad must be terminated in Manchukuo and must be directed southward with either Formosa or the mandated South Sea Islands as a foothold. In such a case the cruising radius of the Japanese navy will have to be expanded suddenly as far as New Guinea, Borneo and Celebes.'

In recent years the kingdom of Siam has received much friendly attention from Japan. Goodwill missions come and go, Siamese cadets and students are enrolled in Japan and Japanese experts of all kinds are being sent to that South Pacific country. The chairman of the Japanese Society, Mr. Chonosuke Yada, in 1935 wrote the following about Japan's aims in Siam:

'Japan's future national policy is often described by the phrase: defence in the North, advance in the South. Economic development in the North with Manchukuo, and farther afield, Siberia, is of supreme importance. But if she desires true economic maturity, Japan must follow her policy of southward expansion with even greater enthusiasm. In the North, Japan must make a large outlay of capital for many years to come; but development in the South can be immediately productive. . . . It is highly questionable whether Holland can retain much longer her East Indian possessions, which are more than sixty times as large as her home land. It is uncertain, too, how long India will remain a British possession. If these facts are taken into consideration, it will be clear that Japan must make her way southward and make it at once, for there is no time to be lost.'

The Philippines, too, are a favourite topic of discussion in Japan. A Filipino writer, Professor Pio Duran, gets all the publicity he wants in Japan by talking about the forthcoming dilemma of his country, the

only way out of which, in his opinion, is a 'Japan-Philippine Alliance'. And a comparatively liberal paper, the *Osaka Asahi*, wrote on the day of the creation of the Philippine commonwealth, referring to its future independence: 'We deem it our mission to take decisive action against any foreign country which should invade the islands. Such a step would be warranted by the role which this country is destined to play in the Far East, the role of seeing that peace is maintained in this part of the world.'

What Are Japan's Political Aims?

Again and again it is being asked: What really are the ulterior aims of Japan? Where, if anywhere, will she stop?

The temptation to answer them gives a good chance to anti-Japanese as well as pro-Japanese propagandists. Every observer of Japan, however, who tries to be objective must confess that he is at a loss if confronted with these questions. For it is more than likely that there are no definite answers even in the Japanese mind itself, neither among responsible military and naval men nor among Japanese politicians.

There seems, it is true, to be a kind of vision in many Japanese minds with regard to the final aim and destiny of their nation, a vision which no doubt originates in certain educational influences. It may be characterized by the Imperial Rescript of Emperor Jimmu, said to be given at the occasion of the foundation of the Empire, 2,600 years ago: 'We shall build Our Capital all over the world, and make the whole world Our Dominion.' The *Army Reader*, a popular and widely circulated book on military matters, says: 'this rescript has been given to our race and to our troops as an everlasting categorical imperative'.

According to my experience, however, it is a vision that has not much to do with the actions of armies and battle-fleets, with the conquest and subjugation of other nations, nor with any concrete political ideas. It has to do much more with a deep-seated conviction on the part of most Japanese of the moral superiority of their nation. It is concerned with 'the inevitable decline and decadence of Western civilization', a topic of which the Japanese newspapers are very fond. Thus the fulfilment of that dream seems to be regarded rather as a sort of natural development on moral grounds than as a martial aim.

There are of course, as in every big nation, many chauvinists who want to live to see Japan ruling the world—from the noisy, war-like super-patriots of secret organizations to men like the highly educated prophet of Nipponism, Professor Chikao Fujisawa, who writes in his recent book, *Japanese and Oriental Political Philosophy*: 'Only the realization that the one and absolute sovereignty is vested in Heaven, and that, on behalf of Heaven a certain nation shall be entrusted with the performance of this sovereignty for the benefit of all mankind, can pave the way to final world peace and international co-operation.'

The Army's Ideals

The Japanese army often distributes pamphlets, written by its Press section, for the guidance of the public. The following are extracts from one that appeared on the eve of the arrival of Sir Frederick Leith-Ross, the economic adviser to the British Government in Tokyo, when he came through in September 1935 on his way to China, to investigate that country's financial situation. This pamphlet gives at least a vague

definition of what Japan's official aim, to be 'the only stabilizing force in the Far East', might imply.

'The basic principles for the establishment of world peace should be the rational distribution or redistribution of territories, resources and population; the restraint on the part of stronger nations, of their selfish desire for conquest, and equal opportunities for the existence and prosperity of all peoples. The human race, thanks to the fallacies of liberalism, is now paving its way to an all-round stalemate in civilization. And some nations, failing to appreciate this fact, are still bent only on promoting their own selfish ends in pursuance of imperialism and the expansionist policy of bygone days. They are thus the common foe of all mankind.

'To-day Asia, excepting Japan, China and Siam, is divided up into European or American colonies. And Japan is the only country of the three which is strictly independent and in a position of leadership. China, despite her long-continued subjection to the Powers, is not yet aware of her fate, and struggles to keep up her prestige by playing off one nation against another, although she is herself on the verge of being turned into a dependency of other countries or of being placed under international control.

'Asia is the home of the Asiatics, it is the "life-line" of the Asiatic races, but it is not a sphere of life-and-death importance for the European races. It follows, therefore, that there is no reason why we should leave the land to the exploitation of other races at the cost of our own existence. In the light of this consideration, we support the principle of equal opportunity which is applicable to the whole world without exception. But we do not admit the justice of any principle of the "open door" or of equal opportunity as championed by a certain great Power that tries to enforce such a

ARMY OFFICERS



CHILDREN (in old
Samurai and
modern soldiers'
uniforms) ON
EMPIRE DAY

principle only in Asia, but refuses to recognize it when applied to its own continent. If China continues to depend on the European and American Powers to the detriment of Far Eastern peace and her own independence, Japan may be obliged, on broad considerations, to give China a lesson to hasten her awakening.

'All the peoples on earth are brothers. They should love and assist one another, and should not be jealous or antagonistic. They should abandon all ugly ambitions for world hegemony and cease all antagonism and conflicts so that an era of justice and concord may be brought about on earth. To exalt this moral principle and to bring together all the races of the world into one happy accord has been the ideal and the national aspiration of the Japanese since the very foundation of their Empire. We deem this the great mission of the Japanese race in the world. We also aspire to make a clean sweep of injustice and inequity from the earth and to bring about everlasting happiness among mankind. These are the objectives of the Japanese whose racial aspiration is the ultimate establishment of true and lasting peace for the world at large.'

What the West Did to Japan

Such argumentation on moral grounds indicates the peculiar atmosphere that exists in Japan with regard to the Western world. It is somewhat easier to understand if one considers its historical background.

Western civilization has twice come to Japan with a threat. The first time was in the fifteenth century. Western nations then sent their Christian (Roman Catholic) missionaries to Japan. They came in an unholy alliance with the traders of their respective

countries. They were well received by a friendly populace, and by feudal lords and Buddhist priests who expected to do, and did, good business with them. But the Westerners seem to have mixed in the domestic affairs of the country, and 'even the converted native Christians are said to have been shocked and disgusted when they saw that their spiritual instructors were as eager to acquire their property as to save their souls'. (From the account of a member of Commodore Perry's mission to Japan in 1853.) One Western nation trading with Japan denounced the other as having territorial ambitions on the Japanese Islands, which at that time had the reputation of being very rich.

In the seventeenth century all foreigners were expelled from Japan, with the sole exception of a few Dutch traders, who consented for the sake of business to stay on, and continued to send new representatives century after century. They were little better than prisoners of the Japanese and were despised for their willingness to accept such an ignominious status and treatment. But the era of Japan's first free intercourse with the West was only definitely over—with a very great loss of Western prestige—when thousands of Japan's loyal Christians were put to death for their religion by the friendly co-operation with the Japanese authorities of the Christian Dutchmen and their powerful guns, after oppression had driven these devout believers into open rebellion. Japan was shut off entirely, with only the Dutch to give her some knowledge of events in the outside world.

The second time, in the fifties of the last century, the Westerners came in their men-of-war to 'open' the isolated country. Those of the United States were followed by British, Russian and French warships. The demands, the threats and the intrigues of the

American mission were followed by the demands, the threats and the intrigues of other Powers; these were frequently accompanied by renewed mutual denunciations on the part of the competing countries.

All this was concurrent with more or less cruel Western attacks on Japan's venerated cultural elder, China, a fact which deeply impressed Japan. The great China had to submit to the 'Western barbarians'. It was too weak to offer resistance. Japan, too, had to submit for the time being, comforted only by the realization that anyhow the country had outgrown the strait-jacket of its national isolation in a feudal economy and must start on a modern life. She submitted, but only with grim determination to free herself as soon as possible, and with the ardent desire of many a Japanese patriot for later revenge for the country's humiliation.

Nowadays Japan spreads a veil over these disgraceful events which were followed by decades of inferior status to the Western Powers. The country is too strong now and its people are too sensitive still to confess openly to this former 'loss of face'; but the painful memory of that time seems to live on, more so than most Westerners realize.

What Japan Has Learnt from the West

We must remember these facts if we want to understand what has happened in Japan since then and what happens now. We should not be satisfied with pointing to the huge navy and army, to the up-to-date railways, the model factories and all the advanced civilization of Japan and say, with a claim for Japanese gratitude: 'All this they have learned from us.'

It is true, Japan has learned this, and more, from the West. But it is equally true that, at the same time,

the West taught Japan how to deal, even in an age of wisdom and progress, with weaker nations. The advanced Western countries, by what they did to China in the second half of the last century, showed to the newly 'opened' Japan that the ideas and the methods of their old warrior Hideyoshi, who in 1597 had tried to conquer Korea, were still respectable. In the beginning of their relations, at least, the Western Powers frightened and some of them assisted Japan into that mad race for armaments and keen trade competition, which have now become dangerous for the West itself. Furthermore the Western wars and colonial expeditions, since Japan was 'invited into the family of nations', again and again gave indirect moral support to the militarist element in the country and added justification to their demands. The failures of some Western countries in democracy, and of all of them in international co-operation, time and again discouraged the once-promising fight of Japan's liberals against reaction.

More than this, after Japan had proved such a successful pupil of her Western masters that she could deal with Manchuria on her own terms, the League of Nations was content with exciting Japan's wrath by criticism and threats, without being able or willing to uphold its professed ideals by action in favour of the helpless Chinese nation. Never before had the West lost so much 'face' in Japan as well as in China as it did at the time of the Manchurian and Shanghai 'Incidents' of 1931 and 1932. The Abyssinian conflict has, of course, had the same effect on the Far East once more.

It would be beside the point, however, to follow the Japanese army too far into the realm of political morals. For the real issues which are at stake between Japan and the Western Powers are highly materialistic.

Japan's Diplomacy with Western Powers

Japan's own strength was, of course, the vital factor in her rise to power. But in looking back on her modern career, she finds that Western political assistance—direct and indirect, given voluntarily as well as by mere accident, though never for unselfish reasons—has played a very great part in it. At present Japan is anxiously calculating what further Western help of the one kind or the other she may expect for the immediate future.

The first assistance that Japan received was for her early actions in China, leading up to and following her victorious war against that country in 1894-5. Some Western Powers were glad to enlist her co-operation as a kind of policeman on the spot who was both able and willing to help enlarge and protect foreign interests in China, yet who was not formidable enough to take more than a due share of the Chinese spoils.

The second time that Japan was strengthened by a Western Power was when Britain's fear of Russian supremacy in the Far East as well as in Central Asia brought about the Anglo-Japanese alliance. Without this, and without British as well as American financial assistance, Japan could hardly have started and won her war against Russia in 1904-5.

Japan's third stroke of luck—this time entirely involuntary on the part of the Western Powers—was the World War. It gave Japan an absolutely free hand in China, and later in Siberia she had a great chance to expand her industries and to fill her empty coffers with gold; also she seized the opportunity to increase her naval strength enormously.

But in every case at least some of the Western Powers saw fit to cut down some of Japan's gains in

order to prevent her from growing too strong. After her war with China, Japan had to give up part of her conquest owing to Russian, French and German intervention—a humiliation that has never been forgotten. After her war with Russia, too, she had to be satisfied with less than she felt was her due—an offence that has not been condoned to this very day. And after the World War she had to withdraw from the valuable Chinese province of Shantung, from the former German colony of Kiaochow and from Siberia, where her troops had remained long after the allied intervention during the Russian civil war. Finally her naval strength was restricted by the Washington Conference which also bound her by the Nine-Power Pact to respect the inviolability and integrity of China. These rebuttals only added to the anti-Western feelings of many a patriotic Japanese.

Thus every major military success was followed by some kind of diplomatic defeat that brought the power of the West to bear on Japan in order to curb, though never to obviate, her latest advance. All the same she grew continually more powerful, and it became more and more difficult to control and check her expansion.

The 'Manchurian Incident' was the first case in which Japan was really able to get away with her spoils entirely undiminished. But it cost her much of the remaining goodwill of the Western countries, especially of Britain and the United States. The great Japanese export boom, which began at the same time and made Japan a serious competitor of the big industrial countries, aggravated her political isolation; and her quest for raw materials in the Pacific area completed that change in her relations with the Anglo-Saxon countries.

Japan is in a position to-day in which she thinks she has a great deal to demand from the West—a free

hand in China, unrestricted entrance for her export goods into the world's markets, new raw material resources of her own which would make it unnecessary for her to buy many of the raw products from the very countries to which she wants to sell her own manufactures, and, if possible, benevolent neutrality in case of war with the Soviet Union.

On the other hand, Japan has very little to offer—very little indeed that Britain or the United States could regard as compensation for any major concessions. 'Stabilizing China' is of no attraction even to countries that wish for such a development—if it is Japan who performs that task, with her own interests in view. Japanese willingness to split China into separate spheres of Japanese and British interest, even if such could eventually be secured, would seem to give little actual guarantee for the future.

'Checking the Soviets in the Far East,' finally, would hardly be worth a price, as there does not seem to be any serious fear at present that Bolshevist Russia will attempt to expand its territories or to spread its revolutionary theories by force.

As matters stand at present, Japanese diplomacy with the Anglo-Saxon countries is in a state of stalemate, and it is difficult to see how large-scale deals could become possible. For the 'strong and independent foreign policy' that Japan has proclaimed is not easily to be reconciled with that 'international co-operation' which Japan expects from other countries.

British and American counterclaims have piled up. There are the problems of severe trade competition and of the 'open door' in Manchukuo. There is the trouble of Japanese goods being smuggled into North China in large quantities, to the detriment of legitimate trade interests, especially Britain's. There are many

other moot points connected with Japan's advance into China, with her withdrawal from the Naval Conference, and with her avowed intention of advancing to the South.

Most of these problems are at present in a state of suspense. But they would certainly be revived if an improvement in the European situation should enable Britain once more to turn her attention to the Far East, and when the United States have overcome their domestic difficulties. Japan knows that the Anglo-Saxon countries will not voluntarily yield to her much further. But they may have to do so all the same as long as Britain's hands are tied by the European crisis and those of the United States by her own economic problems. Any dilemma in the West has always proved to be Japan's opportunity. And the actions of the 'anti-*status quo* Powers' in Europe, i.e. Germany and Italy, are of great assistance to Japan; just as Japan's actions in recent years have indirectly furthered the ends of those two countries.

A German-Japanese alliance may or may not evolve from the legitimate friendship of these nations; but the far-reaching parallelism of interests that exists between these two, and to a smaller extent also between Japan and Italy, must be regarded as hardly less effective in practice than an actual alliance. Developments in the Far East will depend not a little on the march of events in the West. Japan cannot be blamed for her attempt to use whatever opportunities this may offer her.

CHAPTER XIV

IS WAR INEVITABLE?

Japan's 'Determination'

Japan, to-day, is determined to force her way through the manifold restraints that are piling up around her abroad—in order to break the deadlock that threatens her at home. She seems to be heading for a supreme trial of strength with the world at large. The forces that are driving her to it are derived both from the assurance that increased armaments afford and from the fear that her various weaknesses cause her.

No doubt Japan would much prefer to achieve her ends by peaceful means. Like the fundamental attitude of her population, her diplomacy, too, is pacifist, or as a foreign diplomat in Tokyo put it the other day, 'pacifist, that is to say on Japan's own terms'. These terms are quite clear as far as Western countries are concerned: Japan must be recognized as the only stabilizing force in the Far East; and, in order to make it possible for her to play that role, must be assisted wherever necessary; anyway, she must be allowed to carry out her 'strong and independent foreign policy' in China and elsewhere.

Japan's terms for a settlement with China have recently been formulated in the 'definite Three-Point Programme', concerning which Mr. Koki Hirota, then Foreign Minister, made the following statement in the Imperial Diet in January 1936:

"The first point has to do with the basic readjustment of Sino-Japanese relations, by which we aim at bringing about the cessation by China of all unfriendly

acts and measures, such as have hitherto been adopted. . . . We want China's active and effective collaboration with Japan. Antagonism between Japan and China . . . is intolerable from the larger viewpoint of East Asia. It would be most regrettable should China resort to . . . her habitual policy of playing off a third Power against Japan. . . .

'Secondly, the rehabilitation of Sino-Japanese relations must necessarily be attended by the regularization of relations between Manchukuo and China, because, in North China particularly, the interests of these two countries and of Japan are directly and closely bound up. . . . The Chinese government should recognize Manchukuo. . . .

'The third point is the desire of the Japanese government to co-operate with China in various ways for the eradication of Communism.'

These demands were regarded as vague by the Chinese government who asked for concrete explanations—which have not been forthcoming, at least up till July 1936—and denied Mr. Hirota's statement that they had been accepted in principle. The terms, finally, which might ensure peace with the Soviet Union, are not known. It is even doubtful whether they have been fully elaborated by the Japanese government. Japan's relations with the Soviet Union, however, are the very crux of the dangerous Far Eastern situation, for it is upon them that the question of peace or war in East Asia primarily depends.

The Soviet-Japanese Problem

The difficulties between Japan and the Soviet Union are mainly made up of blank mutual distrust and of

conviction on both sides that the one is preparing for war against the other. The Soviet Union alleges that Japan intends to attack the Soviet Far East at the next opportune moment; while the Japanese army alleges that the Red army plans an attack on it in a somewhat more remote future.

The Soviets suspect two motives behind what they regard as the 'aggressive, imperialistic designs' of Japan: first, the desire to destroy the only other big political and military Power in the Far East, in order to become the unchallenged masters of China, of further parts of Asia and of the Pacific; and second, her intention of conquering the Maritime Provinces and all Eastern Siberia with their potential wealth of mineral, forest, fishery and agricultural resources.

Those Japanese who are convinced of the fundamental aggressiveness of the Soviet's activities in the Far East fear a drive of 'Red Imperialism' over Manchukuo and China which might finally endanger Korea and Japan itself. Yet there are others in Japan who profess to see no such danger. Even Japan's ambassador to Moscow, Mr. Ota, was quoted in June 1935 to have said in a speech before Japanese business men in Osaka that the Soviet Union was 'free from aggressive designs', and that 'it would be a mistake to regard Soviet armaments on the Manchukuo border as evidence of her aggressive intentions.'

At present, the border between Japan's foster-state, Manchukuo, and the Soviet Union is the main material bone of contention between the two countries. The Soviet Union says that this border was definitely fixed by treaties between herself (or Tsarist Russia) and China, to which Manchuria has until recently belonged. Japan, on the other hand, alleges that these demarcations are open to doubt and that the Soviet Union has

in some places changed them to her own advantage. This very long border-line is, for the most part, formed by the rivers Amur and Ussuri. Thus it should be incontestable; but it is not, as these rivers form a big delta and a number of large as well as small islands, some of which have only recently risen to the surface. The ownership of most of this land seems to be in dispute, the more so as the delta and islands are of considerable strategic importance.

The southern part of the frontier between the two countries runs through wooded, barren or swampy hills and plains, down to the narrow strip of land by the coast, where Japan's dependency, Korea, borders on the Soviet Union, not far from Vladivostok. Here, the Japanese say, part of the few frontier demarcations have either disappeared or been removed in recent years, and along this border even larger areas are disputed.

Finally, there is the border between Manchukuo and Outer Mongolia which, Japan alleges, had never been clearly defined at the time that both territories formed part of the Chinese Empire. Frequent border incidents, after which each side regularly accuses the other of unlawful intrusion by the other's troops, have given this problem more than academic importance. Such occasions as these might lead to war any day, one side being made responsible for what might really be an act of aggression on the part of the other.

Occasional attempts have been made to arrive at some kind of settlement of the actual incidents, also to arrange a general delimitation of the disputed areas. But even the preliminary discussions have never developed satisfactorily. Each side constantly accuses the other of evasiveness and insincerity. Japan, it seems, has refused to have the problem solved in its entirety and has insisted that only part of the border

should be surveyed by a mixed commission. Furthermore Japan apparently wanted to link up the settlement of the border problem with some kind of tacit recognition by the Soviet Union of the new state of Manchukuo, demanding that for every Soviet delegate on the commission one delegate each from Japan and Manchukuo be appointed. The Soviets, on the other hand, insisted on the inclusion of neutral members in the commission, but later on gave up this demand as well as that for an entire solution of the border problem, or none at all.

Probably both sides are a little afraid of what would happen if the commission could not agree on the actual measures of delimitation to be taken; a case which might well be expected to arise. Would not then the danger of war become even greater than it was before? It may have been with such an eventuality in mind that the Japanese army voiced the opinion that even a complete solution of the border problem would not bring about real peace—unless the Soviet Union agreed at the same time to the demilitarization of a broad strip of land along the border, and to the withdrawal of a large part of the Red army from the Far East.

These ideas have never been made the object of formal Japanese demands. There has been sufficient discussion of them, however, in the Press of both Japan and the Soviet Union to make it quite clear that the latter would not accept them while she remains unconvinced of Japan's peaceful intentions. The reason seems to be plausible. If there was to be demilitarization of even a narrow strip of land on both sides of the border, the Russians say, it would be almost solely the Soviet Union which would have to make sacrifices. Their main arteries of traffic, the Trans-Siberian and Ussuri Railways, representing thousands of miles from

Manchouli to Vladivostok, would fall into that zone, as would the most important Soviet cities in the Far East, Habarovsk and Blagovestchensk, if not even Vladivostok itself. With them, the Soviet Union would have to give up not only all her fortifications, but most of the country that is already inhabited and economically developed in her Far Eastern territory and they would have to retire into the virgin forests behind such a zone.

Japan-Manchukuo, however, the Soviets say, would hardly have to demilitarize any places which are of importance to them at present. Their main forces are still concentrated in the interior of the country, and their border defences are few. The Japanese armies and their bases of supply would remain within easy striking distance of every vital point in the Soviet Far East.

The same, unfortunately for the cause of peace, applies to the desired withdrawal of parts of the Red army to European Russia. For the Soviets' supplies, in case of war, would be thousands of miles from the front, while the Japanese army, from both its Manchurian and home bases, would be as near to it as ever. Taking all this into consideration, it looks as though nothing short of the disappearance of mutual distrust could secure peace between Japan and the Soviet Union. Meanwhile, war between the two countries is a constant possibility.

How Would a Russo-Japanese War Be Fought?

It does not seem very difficult to imagine at least the initial stages of a possible second Russo-Japanese war. The spring and the autumn are the only seasons that would allow of unrestricted offensive warfare.

The winter is much too cold in Manchuria and Mongolia, especially for the Japanese soldiers, while the summer brings to the plains of Manchukuo disastrous floods which transform large districts of strategic importance into impassable swamps. Of the two suitable seasons, the autumn may be regarded as somewhat more favourable for Japan because of the frequent typhoons at that time which would give the Japanese cities a certain measure of protection from Soviet air attacks.

But even under favourable weather conditions, the topographical character of both Manchuria and Mongolia, with their wide unpopulated forests and steppes, with their broad rivers, their swamps and mountains, their immense distances and insufficient means of communication, would make warfare extremely difficult and involve tremendous sacrifice.

A quick decision, with all the possibilities which modern mobility affords, would no doubt be the aim as much on the Soviet as on the Japanese side. For both have nothing more to fear than a long-drawn-out campaign, than months and months of the costly and depressing stalemate of trench warfare that characterized the World War. The Red army as well as the Imperial Japanese army prepare against such an eventuality by increasing their mechanization as much as they possibly can. Once the war begins, one may well expect vigorous offensive action from both sides.

Where would the decision be sought? The Japanese might try first of all to strike at Vladivostok, using the combined forces of their army and navy; this was what they did during the first Russo-Japanese war against the Russian fortress of Port Arthur. Vladivostok's power of resistance is the first major uncertainty. Its strength must have increased very much indeed since,

some years ago, the Japanese expected to be able to take it almost at the first stroke. In any case, it would occupy a good part of the Japanese army. The aircraft and submarines of Vladivostok, behind its fortifications, would make the Japanese assaults a difficult task.

The first decisive move on the Soviet side might be some radical use of their big air fleet. They would probably try to upset the vulnerable lines of Japanese communications through Korea and Manchuria. The second major uncertainty of the war is, how many Soviet planes would get through to the big populous cities of Japan, and what actual harm they could do to the inflammable Japanese houses. The big Soviet bombers are said to have a long enough range to be able to return to their home bases from trips to Tokyo or Osaka. Air-defence manœuvres in many countries seem to have proved that it is almost impossible to defend big cities against an air attack, and none in the whole world are as vulnerable as those of Japan.

Japanese planes, on the other hand, would have a good chance to dislocate the Soviet communications which are near the border. But they can hardly expect to achieve such decisive results as the Soviet air-fleet. The big political and economic centres of the Soviet Union are far beyond the reach of Japanese planes, many thousands of miles away; while, theoretically at least, Japan lies easily open to Soviet bombers.

Meanwhile the troops on both sides would start moving wherever there was a chance to do so. The Reds, from different points, might try to march on the important city of Harbin in the flat, populated central part of Manchukuo. The Japanese, anxious to carry out decisive flanking movements, might attempt a broad sweep over the difficult terrain of Mongolia, in order to cut off the connexion of the Soviet Far East

with Western Siberia and European Russia, and to capture Chita, the centre of the Transbaikalian regions. Or they might attempt a break-through on the strongly fortified eastern border of Manchukuo so as to penetrate into the area in rear of the defences of Vladivostok. But the Red army has taken precautions everywhere, and stalemate might after all be the result of land fighting.

To break up such a stalemate right from the beginning, the Red army may try to enlist the help of part of the Manchurian population in a kind of guerrilla warfare. They might employ revolutionary tactics, using as their vanguard the many Korean and Chinese Reds who form part of the population of the Soviet Far East; and the trained parachute-jumpers who, in manœuvres at least, come down from army planes completely equipped with machine-guns and ammunition—trying to make trouble for the Japanese army on as many points in their rear as possible. Within the reach of the Soviet air-fleet leaflet bombs might be judged by Moscow at least as helpful as incendiary bombs, and probably even more so than poison-gas.

The Japanese army, on the other hand, might try to make use of the Russian emigrants in Manchukuo who are so eager to come to blows with the Reds and to set up a 'White' Russian state in place of the Soviet Far East. Yet it seems as though the value of such a force is not estimated very highly by the Japanese any more. The Japanese might also attempt to enlist the support of Manchurian Mongols in order to undermine the morale of those Mongols who would be fighting on the Soviet side.

With all this, the regular war might in many parts of the huge front lines take on the character of widespread, desperate partisan warfare, the effects of which

are very difficult to estimate. The Japanese seem to have had some unpleasant experiences with such warfare during the Siberian intervention of 1919-22, when the nucleus of what is now the regular Red army fought them by such methods.

What Would Be the Outcome?

Further uncertainties concern the attitude of the outside world. Nearest to the scene would be China. Would Japan have to make further inroads into Chinese territory in order to try and get into her hands whatever strategic positions against the Soviet troops in Outer Mongolia it may not have been able to occupy in time of peace?

Would Japan think fit to safeguard her Chinese interests and certain important supplies by controlling Chinese ports, thus exciting the people of China against her in some form of active resistance?

What would the Chinese government do if Japan became involved in war, and the Chinese Reds and extreme Chinese nationalists demanded that the chance be used to take up arms against their enemy of more than fifty years' standing?

Would such a Russo-Japanese war be coincident with a Russo-German, or even with a larger-scale European war, for which event the Soviets say they have prepared their defences? Would it, if it lasted long enough, bring in the United States against Japan, as even some sensible people have recently come to think?

Would Japan, in the embarrassment of war, be able to respect the interest and possessions of Western Powers in China and in the Pacific sufficiently to secure at least their benevolent neutrality? The greater part

of her navy being free for action outside the zone of Soviet-Japanese conflict, would Japan seize some of the long-desired raw material resources in the Pacific, to assist her in her continental war?

Would the workers of the Anglo-Saxon and other countries live up to the professed hopes of the Soviet Union and enforce sanctions against Japan, even at the price of strikes, in order to protect the fatherland of the proletariat?

None of this can be foreseen with any degree of accuracy, but one thing is certain: such a war, whatever its outcome, would work terrible havoc with all concerned. Nobody would benefit from it, and it might shake the whole world. For its character and its implications are not to be compared, for example, with those of the recent Italo-Abyssinian war.

For Japan—in case of victory—to be shouldered with the responsibility of a 'White Russian', or another kind of new state in the present Soviet Far East, would be an almost unbearable burden. The more so as she would find herself weakened in relation to China. The gains of tremendous forest areas, of all kinds of ore reserves, of agricultural country, and of an improvement in her strategic position would hardly compensate her for the energies involved in holding what she had conquered.

For the Soviet Union—if she was the victor—to be accountable for a Red, or a semi-Red, Manchukuo also would be extremely irksome. Material advantages would be practically non-existent.

In both cases, the domestic consequences even of a victorious, but still more of an unsuccessful war, would be highly unfavourable. But will Japan and the Soviet Union go to war in spite of such prospects?

Japan Has Never Been Defeated

Since Hideyoshi's armies returned home some three hundred and forty years ago after being utterly beaten in Korea, Japan has never known defeat in a foreign war. Not only in every war and in every campaign she has fought, but practically in every single battle, Japan has been victorious. The only large-scale attempt that was ever made in all her history to invade the shores of Japan—that of the Mongols in the year 1281—was repulsed by a typhoon, 'the divine wind of Ise'. The 100,000 would-be invaders in their invincible 'modern' ships of the Venetian type were smashed and shattered. Otherwise it might have been impossible for feudal Japan to withstand that formidable force.

These two facts, together with the well-deserved consciousness of her brave fighting spirit, have an almost mystical influence on many Japanese. They feel that they cannot be defeated in war, whatever the odds. Their spirit and divine help will protect the 'Land of the Gods'. So far, however, Japan has never had to face an enemy who was anything like her equal. Chinese forces never really counted against her, either in training and morale or in armaments.

But, one may ask, how about the Russians with whom Japan fought in 1904-5? The report of General Kuropatkin, at one time commander-in-chief of the Russian forces that opposed Japan, concerning the reasons of the defeat, is one of the most amazing documents in history. It shows that almost everything was lacking in the Tsarist army to give it a fair chance of victory. All neutral contemporary observers confirmed and even emphasized his statements. I quote a few sentences from this interesting book:

‘The weak points among our senior commanders were their lack of initiative, their ignorance of the method in which attack should be conducted, and their want of determination. There was never any co-ordination in the operation of large units. . . . Indifference to the position of neighbouring forces was the rule, and a tendency to accept defeat before a fight was really lost was painfully evident. . . . Regimental commanders did not possess the power of making the best of a situation and finding their way about . . . the reservists among the rank and file fell out in such numbers that their units became quite immobile, they did not know how to handle their rifles and had forgotten everything they had once learned. . . . Troops in the field received letters apprising them of popular disorders in Russia, and they read in the newspapers articles that undermined their faith in their leaders. . . . We were inferior to the enemy in technical troops and equipment. . . . The army was insufficiently trained tactically. . . . We did not have before us any clear idea of our objective, and consequently did not show sufficient determination in its prosecution.’

At that time the Tsarist régime was breaking down, and the revolutionary movement had started in full force. The well-known courage of the rank and file or the regular Russian soldiers, which even the Japanese fully recognized, was of no avail, with lack of leadership, drunkenness and corruption among the officers, with lack of equipment and with a defeatist atmosphere among all classes of the Russian people, who hated the ‘pointless’ war.

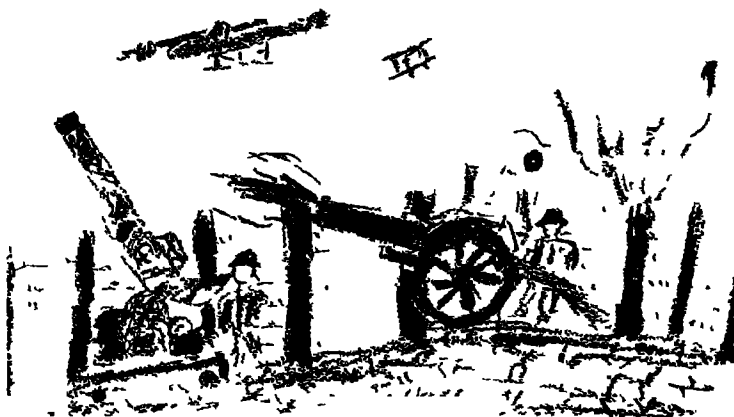
The Japanese Fighting Spirit

The Japanese, on the other hand, had prepared themselves thoroughly for years. The proverbial courage of the troops was assisted by the best equipment and leadership, and was backed by unusual popular enthusiasm. It was the enthusiasm of a newly awakened nation that had unlimited confidence in itself. To give an example of the spirit in the Japanese army which was praised by every neutral observer, I shall quote, in contrast to Kuropatkin's report, a few sentences from a contemporary book written by a Japanese army captain, T. Sakurai, under the title *Human Bullets*:

'Somehow (in an important local fight) we had to destroy the enemy's machine-guns; otherwise all our efforts would end only in adding to our already long list of dead and wounded. This we well understood, but as we could no more utilize our own firearms, our only and last resource was to shoot off human beings, to attack the enemy with bullets of human flesh. With such unique weapons representing the very essence of Yamato Damashi (the Spirit of Japan) how could we fail to rout the enemy?

After this battle, in which a swarm of almost unarmed Japanese troops, suffering terrible losses, successfully stormed the machine-gun position of the enemy, Captain Sakurai reports that his detachment picked up a note written by General Fock, the commander of a Russian division, which read as follows:

'The Japanese army knows how to march, but not how to retreat. Once they begin to attack a position, they continue most fiercely and most obstinately.



A SECOND YEAR SCHOOL CHILD'S IMPRESSION OF WAR and (below) SCHOOL BOYS IN FRONT OF TOKYO MONUMENT commemorating three Japanese soldiers who carried grenades into the enemy's position which meant certain death - Shanghai Incident 1932



That I can approve of, but when circumstances do not permit a forward march a retreat may sometimes be turned to good purpose. But the Japanese always continue to attack irrespective of danger. Probably the Japanese books on tactics make no study at all of retreating. . . .’

According to old Japanese warrior morals, which seem still to be very much alive, it is the greatest shame to show the back to the enemy. I have met neutral experts who, while admiring this obstinate spirit of attack under any circumstances, keep wondering even now whether this same spirit may not make it difficult for Japanese troops to manoeuvre to the best of their advantage if and when retreat might become a strategic necessity. Anyway, in 1905 the extraordinary courage of the Japanese troops had a very great share indeed in Japan’s eventual victory, and the question of its merit under conditions which required retreat never really occurred.

But even with this fanatical fighting spirit, which, according to Kuropatkin, began to wane towards the end of the war (‘a single significant success of our troops was able to cause a reaction among the Japanese troops,’ he wrote), Japan had to try and conclude peace before she had reached her final goal. The famous journalist Tokutomi wrote years later: ‘The Japanese authorities had tried to hide the difficulties of their own country from the people, from both friendly and neutral powers, and also from the enemy. This is the reason why the authorities were later attacked by the people on account of the comparatively unfavourable terms of peace which were obtained. Only the few who understood our military and financial situation knew that Japan had to come to a peaceful agreement at the proper

time, while there were many who still asserted that the territory east of Lake Baikal should be conquered by Japan.'

Japan Will Think Twice

Japan, to-day, would have to face an entirely different enemy. Her army would for the first time meet its equal in battle. It would have to deal with an utterly different kind of warfare. The World War has shown what modern fighting means.

So far, Japan has suffered comparatively small losses in her wars and campaigns. All those killed in war for the sake of the Emperor, in foreign as well as domestic fighting, from 1853 to 1935, are enshrined as 'kami' (godly spirits) in the Yasukuni Shrine in Tokyo, one of Japan's centres of patriotic pilgrimage. They number 129,000. Britain alone, with a considerably smaller population, lost almost one million dead in the World War. Germany, a country equal to Japan in size, had nearly two million men killed in the same conflict. No wonder, then, that Japan does not realize as fully as we of the West think we do, the horrors of a major conflagration to-day.

This time, moreover, Japan's civilian population might be directly involved. Her cities of predominantly wooden houses would be threatened by fire from enemy planes. The terrors of fire Japan knows better than any other country. The fire which took place in Tokyo and Yokohama after the Great Earthquake of 1923 killed considerably more people—the figures are still disputed—than all her modern wars and campaigns put together. And as recently as 1934 Japan saw one of her big towns that sheltered 100,000 people, Hakodate, burn to the ground in almost no time. Japan,

one would suppose, ought to think twice before she goes to war, and she will do so.

Difficult though her domestic position no doubt must be, is it really as desperate as Captain Seiho Arima of the Imperial navy put it in the issue of September 1934, of *Contemporary Japan*? What he said was this: 'The economic future looks dark and hopeless, so that the calamities of war seem no greater than those of peace, and the sacrifices entailed in adequately preparing for war no more arduous than those involved in sitting down to face a hopeless future'.

Is there really no other way out?

The Soviets, China and the West

But what about the Soviet Union? That country should have just as much reason as Japan not to want war in the Far East, especially as it might bring about, at the same time, war with Germany and probably with other states. To the Soviet Union war would mean a very serious setback in its attempt to build up a 'socialist state', to justify the tremendous sacrifices of their prolonged revolution, and to satisfy with sufficient food and clothing, with better dwellings and greater comfort, and with real peace—after twenty years of war and ruthless revolution—a population which yearns above all for those things which make life worth living.

Finally, what about 'third parties' which might have an interest in seeing Japan and the Soviet Union fight each other? China is often alleged by Japan to have such a desire, in order to get rid of Japanese pressure. But China is rightly too much afraid of being made the victim of such a war. Even if that did not turn out to be the case, she would hardly have

a chance to influence either of the two countries in the matter. If the 'secret alliance' between China and the Soviet Union, about which there is so much talk in Japan, should really come about, it would certainly not be concluded under circumstances that might precipitate a war; especially as such a war would place China at the mercy of whatever party might be the victor. China's interest lies in preserving a balance of power in the Far East that will give her the greatest possible promise of increasing freedom.

Britain and the United States, also, are often accused, in the Japanese Press, of trying to bring about war between Japan and the Soviet Union—two of their most formidable rivals. From time to time warnings occur, especially against the 'crafty' diplomacy of Britain, into the traps of which Japan must be careful not to fall. It is true that there are cynics in the West who would say: 'Let the Japs and Bolshies fight each other. That would be the best chance for us to sell our surplus goods, and, at the same time, for two of the most dangerous countries in the world to destroy or at least weaken one another to the state of impotence.'

But is there any logic behind that argument? A Russo-Japanese war would certainly do much more harm than good to the Western world; even if it did not grow into another world war. If it went wrong for Japan, it might involve the Far East in a highly dangerous upheaval, and even paint large parts of it Red—tempting Western Powers with great interests at stake to interfere and become involved. If, however, Japan should win it outright, her unrestricted predominance in Asia and in the Pacific would very soon become a definite fact—bringing about at least the same danger of Western intervention and of a further extension of the war.

And even if the two initial belligerents weakened each other beyond recognition, the West would have to bear the loss. War supplies would not be paid for. Chaos and the possibility of civil war in the Far East would be imminent. Finally, as Germany and Russia showed after the World War, the natural vitality of great nations will quickly find a way to recovery—with a vengeance.

But the greatest danger to the West is that the outbreak of a Russo-Japanese war would most probably be the signal for the beginning of a major conflagration in Europe, even before any decision could be reached in the East. If the Italo-Abyssinian war could almost set the West on fire, a war between Japan and Russia certainly would succeed in doing so.

Western countries, therefore, cannot have any interest in driving Japan and the Soviet Union into war against each other. On the other hand, there seems to be little hope that they can, or even will try to, do much to prevent it from breaking out, after having proved themselves powerless as the protectors of peace in Abyssinia, and in almost every other recent conflict near at hand.

Poles of Reason and of Armament

In the face of recent events one feels almost inclined to close this account of the dangers around the East Pole of world politics on a note of undisguised pessimism. One might be tempted to confess that the time of hope for peaceful and progressive developments in the Far East seems to be over, just as it may be over in the West. The last fifteen years have undoubtedly been retrogressive. We speak now not of 'post-war times' but of 'pre-war times'.

In 1919, a number of somewhat chastized nations resolved to shift the West Pole of world politics to peaceful, co-operative Geneva—away from the magnetic centres of European armament—and to fix that pole firmly to the ideas of the Covenant of the League of Nations. At first, they meant to make the League the one and only gravitation point of the political world; but with the United States remaining outside, with China one of the weakest members, and with Japan dissatisfied with the *status quo*, the Eastern and Pacific regions proved to be rather beyond the reach of Geneva.

Therefore, in 1920, the same nations tried to supplement the League work in the East by special action. They resolved to recognize the persistence of an East Pole of world politics, but to shift it away from the scene of an armament race that was in full swing, and to fix it firmly to the moral principles of the Washington Disarmament Treaties and to those of the Nine Power Pact that was designed to protect China.

Around these two ideological poles, so it was hoped, the political world was to turn in the future—at the gentle speed of political and social readjustment—rotating by the force of brotherly help and mutual understanding.

But, even while all this peace work was being inaugurated, the chastizement of the participating nations proved to be insufficient, their sense of international justice too narrow, and the courage of their professed convictions too feeble to keep the axis of world politics firmly and permanently fixed to its newly created poles. Gradually the poles shifted back to the two great centres of ever-increasing armaments, to Berlin, in the west and to Tokyo, in the east. These two poles of world unrest reappeared exactly in those

two countries which had been the centres of trouble before 1914. Their permanent satisfaction had been completely neglected in the reshaping of a world that was to be made 'safe for democracy', after a 'war to end war'.

Both Germany and Japan could easily have been pacified during the early post-war years when their soil was fertile as never before for the spirit of true international co-operation, and when in both the tide of democratic ideas was rising. Had they been provided at that time with a sufficient economic basis for their future; had they been impressed with a hope for international fair play; had the victors of the World War themselves practised that full extent of disarmament to which they were morally committed—there would probably be no fear of war to-day.

But these chances were missed. The magnetism of solid steel and armour proved a stronger force than that of a half-convinced and half-sincere idealism. And now, once more, the political world spins around its Western and Eastern poles, in that old, mad armaments race, responsibility for which lies equally with every great nation in the world.

Only in one regard are things different to-day from what they were: this time a war that would spread all over the globe might break out in the East just as soon as in the West. This is the new and fateful significance the Far East has gained in recent years.

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