JUDGMENT

INTERNATIONAL MILITARY TRIBUNAL FOR THE FAR EAST

PART B

CHAPTER IV

THE MILITARY DOMINATION OF JAPAN AND PREPARATION FOR WAR

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1 November 1948

VOLUME I

Pages 83-280

CHAPTER IV

THE MILITARY DOMINATION OF JAPAN AND PREPARATION FOR WAR

INTRODUCTORY

In dealing with the period of Japanese history with which this Indictment is mainly concerned it is necessary to consider in the first place the domestic history of Japan during the same period. In the years from 1928 onwards Japanese armed forces invaded in succession the territories of many of Japan's neighbours. The Tribunal must deal with the history of these attacks and with the exploitation by Japan of the resources of the territories she occupied, but its most important task is to assess the responsibility of individuals for these attacks, in so far as they were illegal. This responsibility cannot be measured simply by studying Japanese activities abroad. Indeed the answers to the questions "Why did these things happen?" and "Who were "responsible for their occurrence?" will often only be found if the contemporaneous history of Japanese domestic politics is known.

Moreover, if we embarked in the first place on a study of Japanese activities abroad, we should find it impossible to comprehend these activities fully, while we were engaged in the study; for the timing of these activities, and the manner and extent of their development were often dictated, not alone by the situation abroad, but by the situation at home. It is for these reasons that we now consider in the first place the political developments in Japan which largely controlled and explain her actions overseas

The outstanding feature of the period under review is the gradual rise of the military and their supporters to such a predominance in the government of Japan that no other organ of government, neither the elected representatives of the people, nor the civilian ministers in the Cabinet, nor the civilian advisers of the Emperor in the Privy Council and in his entourage, latterly imposed any effective check on the ambitions of the military. The supremacy of the influence of the military and their supporters in Japanese civilian administration and foreign affairs as well as in purely military concerns was not achieved at once nor without the occurrence of events which threatened its accomplishment, but it was ultimately achieved. The varying fortunes of the protagonists in the political struggle which culminated in the supremacy of the military will be found to provide the explanation of many of the events abroad. Japanese warlike adventures and the preparations therefor ebbed and flowed with the varying fortunes of the political struggle in the Japanese homeland.

THE "PRINCIPLES" OF KODO AND HAKKO ICHIU

The reputed date of the foundation of the Empire of Japan is 660 B.C. Japanese historians ascribe to that date an Imperial Rescript said to have been issued by the first Emperor, Jimmu Tenno. In this document occur two classic phrases upon which there gradually accumulated a mass of mystical thought and interpretation. The first is "Hakko Ichiu" which meant the bringing together of the corners of the world under one ruler, or the making of the world one family. This was the alleged ideal of the foundation of the Empire; and in its traditional context meant no more than a universal principle of humanity, which was destined ultimately to pervade the whole universe. The second principle of conduct was the principle of "Kodo", a contraction for an ancient phrase which meant literally "The oneness of the "Imperial Way". The way to the realisation of Hakko Ichiu was through the benign rule of the Emperor; and therefore the "way of the Emperor" --the "Imperial" or the "Kingly way" --was a concept of virtue, and a maxim of conduct. Hakko Ichiu was the moral goal; and loyalty to the Emperor was the road which led to it.

These two ideas were again associated with the Imperial dynasty after the Meiji Restoration. That Emperor proclaimed them in an Imperial Rescript issued in 1871. They then represented a constitutional rallying-point, and an appeal to the patriotism of the Japanese people.

THE ADVOCACY OF THESE "PRINCIPLES" BY OKAWA

In the decade before 1930, those Japanese who urged territorial expansion did so in the name of these two ideas. Again and again throughout the years that followed measures of military aggression were advocated in the names of Hakko Ichiu and Kodo which eventually became symbols for world domination through military force.

In 1924 a book was published by a Dr. Okawa who was originally one of the accused but who became mentally unstable in the course of the trial. He stated that, since Japan was the first state to be created, it was therefore Japan's divine mission to rule all nations. He advocated the Japanese occupation of Siberia and the South Sea Islands. In 1925 and thereafter, he predicted a war between East and West, in which Japan would be the champion of the East. He said, in 1926, that Japan should endeavour to fulfil that sublime mission by developing a strong moralistic spirit. He had organised a patriotic society, which advocated the liberation of the coloured races and the moral unification of the world. He had often, at the invitation of the Army General Staff, lectured to them along these lines.

THE RISE OF THE ARMY UNDER THE TANAKA CABINET

In April 1927, when Tanaka took office as Prime Minister, the expansionists gained their first victory.

The new Cabinet was committed to a policy of peaceful penetration into that portion of China called Manchuria. But, whereas Tanaka proposed to establish Japanese hegemony over Manchuria through negotiation with its separatist leaders, elements within the Kwantung Army were impatient of this policy. The Kwantung Army was the Japanese unit maintained in Manchuria under the Portsmouth Treaty for the protection of Japanese interests including the South Manchurian Railway. In June 1928, certain members of the Kwantung Army murdered Marshal Chang Tso-lin, with whom Tanaka was negotiating. Marshal Chang Tso-lin was the Commander-in-Chief of the Chinese Armies in Manchuria.

Tanaka's efforts to discipline the Army officers responsible for this murder were successfully resisted by the Army General Staff, which had the War Minister's support. The Army had defied the government, and resistance among the Chinese had been greatly stimulated. The government had been gravely weakened by the alienation of the Army's supporters.

In April 1929, Okawa launched a public campaign, designed to take the Manchurian question out of the government's hands. The Army General Staff, encouraged by Okawa's success, soon began to cooperate with him. Competent propagandists were sent to ventilate the question in the various parts of Japan.

In the face of this opposition, and of continued disorders in Manchuria, the Tanaka Cabinet resigned on 1 July 1929.

EXPANSIONIST PROPAGANDA
DURING THE PERIOD OF THE HAMAGUCHI CABINET

When Hamaguchi became Prime Minister in succession to Tanaka, Baron Shidehara returned to the Foreign Ministry. In the governments before Tanaka had taken office, Shidehara had been the foremost proponent of the liberal policy of friendly international relationships. His return to power constituted a threat to the Army's programme of Expansion through military force. In the face of this challenge, Okawa continued his propaganda campaign, with the assistance of members of the Army General Staff. He maintained that Manchuria must be separated from China and placed under Japanese control. Thus would be ended the domination of the white races over Asia, and in its place would be created a land founded upon the principle of the "kingly way", Japan would assume the leadership of the peoples of Asia; and would drive out the white races. Thus, as early as the year 1930, Kodo had come to mean Japanese domination of Asia, and a possible war with the West.

The military authorities had not been slow in following Okawa's lead. Military officers had launched a formidable campaign to spread the doctrine that Manchuria was Japan's lifeline; and that Japan should expand into it, develop it economically and industrially, and defend it against the Soviet Union. In June 1930, Colonel ITAGAKI, then a Staff Officer of the Kwantung Army, favoured the establishment, through

military force, of a new state in Manchuria. He repeated after Okawa that such a development would be in accordance with the "kingly way", and would lead to the liberation of the Asiatic peoples.

HASHIMOTO AND THE MARCH INCIDENT OF 1931

Throughout the year 1930, the Hamaguchi Cabinet followed a policy of retrenchment which sharpened the antagonism of the military faction. Smaller budgets were voted for the Army and Navy. The standing Army was reduced in size. The Treaty for Naval Disarmament was ratified in the face of strong opposition. Among young naval officers and in the patriotic societies there was considerable indignation. In November 1930, the Prime Minister was mortally wounded by an assasin; but the Cabinet carried on under the liberal leadership of Baron Shidehara.

Liberalism had therefore become the chief target of the Army's resentment, and in January 1931, a plot was hatched to overthrow it. This was the so-called "March Incident" and was a conspiracy engineered by Okawa and Lieutenant-Colonel HASHIMOTO to create an insurrection which would justify the proclamation of martial law, and would lead to the installation of a military Cabinet. It had the support of the Army General Staff. The Chief of the Military Affairs Bureau, Lieutenant-General KOISO, abetted the conspirators. It failed because Ugaki, who had been selected as

the new Prime Minister, fused to countenance the scheme.

HASHIMOTO had returned to Japan from Turkey in January 1930, imbued with a knowledge of, and enthusiasm for, the methods of European dictatorships. In September 1930, he had formed, among his fellow senior officers of the Army General Staff, a society designed ultimately to achieve a national reorganisation, if necessary, by force. The abortive March Incident of 1931 was the result of this work.

HASHIMOTO's work was complementary to Okawa's. In his hands the "way of the Emperor" became also the way of military dictatorship. He confessed to Okawa that the Diet, which had aroused the Army's indignation, should be crushed. Okawa himself had told Ugaki that the ready-made political parties must be swept away, and the Imperial dignity uplifted under military rule. This would be the work of the "Showa restoration". "Showa" is the name given to the reign of the present Emperor.

Under the Japanese constitution the War and Navy Ministers enjoyed direct access to the Emperor upon a footing of equality with the Premier. The Chiefs of Staff also were directly responsible to the Emperor; so there was historical warrant for the claim that the way of Kodo was the Army's way.

Although the March Incident of 1931 failed, it had set the precedent for later developments. The Army had aroused great public resentment against the advocates of disarmament and liberalism. One such malcontent had assassinated the liberal Premier, Hamaguchi.

In some quarters the naval and military reduction programme was regarded as an unwarranted interference by the Cabinet with the affairs of the armed forces. The militarists had in a measure succeeded in diverting to their own ends the patriotic sentiment of loyalty to the Emperor.

THE WAKATSUKI CABINET AND THE MUKDEN INCIDENT

Under Wakatsuki, who on 14 April 1931, succeeded Hamaguchi as Premier, Cabinet and Army pursued antithetical policies. While Shidehara, who remained Foreign Minister, laboured wholeheartedly to negotiate a peaceful settlement of the Manchurian issue, the Army actively fomented trouble, which culminated in the attack at Mukden on 18 September 1931. This was the beginning of what came to be known as the Mukden Incident which eventually led to the establishment of the separate government of Manchukuo. This will be dealt with at a later point.

During the five intervening months resistance to the Cabinet's policy of armament reduction and budgetary economies increased. HASHIMOTO and his group of Army officers, known as the "Cherry Society" and designed to bring about the national reorganisation, continued to advocate the occupation of Manchuria by force. The Black Dragon Society, pledged to nationalism and an anti-Soviet policy, began to hold mass meetings. Okawa continued his campaign for popular support. The Army, he said, was completely out of control; and it would only be a matter of time before

the Cabinet acquiesced in its wishes. Yosuke Matsuoka, who, like Okawa, was an official of the South Manchurian Railway Company, published a book in support of the familiar theme that Manchuria was, both strategically and economically, the lifeline of Japan.

Okawa, with HASHIMOTO and his Cherry Society, instigated the Mukden Incident. The Army General Staff approved the scheme, which was commended to them by Colonel DOHIHARA. DOHIHARA and Colonel ITAGAKI, both members of the Kwantung Army Staff, each played important parts in the planning and in the execution of the attack.

Lieutenant-General MINAMI, Vice-Chief of the Army Staff under the Tanaka Cabinet had become War Minister in Wakatsuki's Cabinet. Unlike his predecessor, Ugaki, he took the Army's part against that of the liberal Cabinet in which he held office. On 4 August 1931, he talked to his senior officers of the intimate relationship between Japan, Manchuria and Mongolia; spoke disapprovingly of those who advocated measures of disarmament; and urged them to carry out their training conscientiously, so that they might serve to perfection the cause of the Emperor.

Lieutenant-General KOISO, who, as Chief of the Military Affairs Bureau, had been privy to the planning of the March Incident of 1931, was now Vice-Minister of War. War Minister MINAMI, though he took the Army's part, and favored the Army's scheme for the conquest of Manchuria, was disposed to pay some deference to the views of the Cabinet and the Emperor. The Wakatsuki Cabinet had continued the policy of seeking reductions

in the budgets for the armed forces; and, by 4th September, 1931, War Minister MINAMI and Finance Minister Inoue had reached substantial agreement in this regard. MINAMI was immediately subjected to strong criticism by KOISO for agreeing to this step; and, as a result, the agreement reached between MINAMI and Inoue was rendered nugatory.

By 14 September 1931 the Army's schemes in Mongolia and Manchuria were known in Tokyo. On that day MINAMI was warned by the Emperor that these schemes must be stopped. This message he conveyed to a meeting of Army leaders and others in Tokyo. It was thereupon decided to abandon the plot. MINAMI also despatched a letter to the Commander-in-Chief of the Kwantung Army ordering him to abandon the plot. This letter was not delivered until the Incident at Mukden had occurred. The messenger who was despatched to Mukden to deliver this important letter was General Tatekawa; and, as will appear in our discussion of the Mukden Incident, he seems to have intentionally delayed presenting this letter until after the incident had occurred.

On 19 September 1931, the day after the Mukden Incident occurred, it was reported to the Cabinet by MINAMI, who characterised it as an act of righteous self-defence.

CONSOLIDATION OF THE ARMY'S POWER DURING THE PERIOD OF THE WAKATSUKI CABINET

Wakatsuki gave immediate instructions that the situation must not be enlarged; and expressed concern at the Army's failure to carry out thoroughly the policy of the government. Five days later, on

24 September 1931 the Cabinet passed a formal resolution denying that Japan had any territorial aims in Manchuria.

The Army was indignant that the Emperor should have been induced to support the Cabinet's Manchurian policy; and almost daily MINAMI reported Army advances made in violation of his own assurances to the Premier. On 22 September 1931 he proposed a plan to send the Korean Army to Manchuria, but was rebuked by the Premier for the action taken. On 30 September 1931, MINAMI demanded the despatch of further troops, but the Premier again refused. One week after the Cabinet's resolution was passed the Chief of the Army Staff warned Wakatsuki that the Kwantung Army might be compelled to advance further into the Yangtze area; and that it would brook no outside interference with its prerogatives.

During October 1931 a new conspiracy was planned by HASHIMOTO and his Cherry Society. He had confessed his part in the Mukden Incident, which, he said, was aimed, not only at the establishment in Manchuria of a new country founded on "the Kingly Way", but also at resolving the political situation in Japan.

The October plot was designed to accomplish this latter aim. It was planned to destroy the political party system with a military coup d'etat, and to establish a Cabinet in sympathy with Army policy.

The plot was exposed, and the scheme was then abandoned upon MINAMI's orders. But, during October and November 1931, military activity continued in Manchuria in direct violation of Cabinet policy.

Rumors were circulated that, if the Cabinet continued to withhold cooperation, the Kwantung Army would declare its independence; and, in the face of this threat, the resistance of the moderate elements among the liberalists was broken.

On 9 December 1931 the War Minister reported to the Privy Council on the Manchurian situation.

Opposition to the Army's activities was now confined to the deleterious influence which they might exert upon Japanese relations with the Western Powers. MINAMI agreed that the conflict between Japanese official assurances and Army actions was unfortunate; but issued a sharp warning that there must be no interference by outsiders in matters of Army discipline.

Three days later, on 12 December 1931, Wakatsuki resigned, after admitting his Cabinet's inability to control the Army. The Manchurian Incident, he said, had continued to expand and spread in spite of the Cabinet's decision to prevent it. After abandoning the prospect of forming a coalition Cabinet which could control the Army, he had decided reluctantly that Shidehara's policy must be abandoned. As the Foreign Minister would not yield, he had been compelled to tender his Cabinet's resignation.

The Army had achieved its goal of a war of conquest in Manchuria, and had shown itself to be more powerful than the Japanese Cabinet.

THE CONQUEST OF MANCHURIA DURING THE PERIOD OF INUKAI'S CABINET

It was now the turn of the Seiyukai party, which had been in opposition, to attempt to control the Army. When Inukai was given the Imperial Mandate, he was instructed that the Emperor did not desire Japanese politics to be wholly controlled by the Army. His party contained a strong pro-military faction, led by Mori, who became Chief Cabinet Secretary under the new government. But Inukai adopted immediately a policy of curtailing the activities of the Kwantung Army, and of negotiating with Generalissimo Chinag Kai-shek a gradual Army withdrawal

from Manchuria.

General Abe had been nominated for the post of War Minister in the new government; but many young Army officers had opposed this appointment upon the ground that Abe had no knowledge of, or sympathy for, their feelings. At their insistence Inukai had appointed Lieutenant-General ARAKI as War Minister, believing that he would be able to control the Army.

General Honjo, commanding the Kwantung Army, which was already planning to create in Manchuria a new state under Japanese control, despatched Colonel ITAGAKI as his emissary to Tokyo, and received the support of War Minister ARAKI.

Inukai opened secret negotiations with Generalissimo Chiang Kai-shek, which, however, came to the knowledge of Mori and the military faction. Mori warned Inukai's son of the Army's indignation; and the negotiations, though promising well, were perforce abandoned by the Premier. An Imperial Conference was held in late December 1931, two weeks after the Cabinet had taken office; and immediately afterwards a new offensive in Manchuria was planned by ARAKI, the War Ministry and the Army General Staff. Inukai was refused an Imperial Rescript sanctioning the withdrawal from Manchuria; and Colonel ITAGAKI threw out hints of the Kwantung Army's plan to install a puppet ruler and to take over the administration of the new state. The new Premier's plan to control the Army had been frustrated in a matter of weeks.

A new offensive in Manchuria began as the Army had planned, while in Tokyo War Councillor MINAMI advised the Emperor that Manchuria was Japan's lifeline, and that a

new state must be founded there. On 18 February 1932, the independence of Manchukuo was declared; on 9 March 1932, the first organic law was promulgated; and three days later the new state requested international recognition. One month afterwards, on 11 April 1932, the Inukai Cabinet, which had now accepted this fait accompli, discussed plans for the Japanese guidance of Manchukuo.

THE ATTACK ON PARTY GOVERNMENT AND ASSASSINATION OF INUKAI

During the first quarter of 1932 HASHIMOTO and Okawa were each preparing the way for the national reorganisation or renovation which would rid Japan of democratic politics. On 17 January 1932, HASHIMOTO had published a newspaper article advocating the reform of the Japanese parliamentary system. He propounded the theme that democratic government was incompatible with the principles upon which the Empire was founded. It was, he said, necessary to make a scapegoat of the existing political parties, and to destroy them for the sake of constructing a cheerful new Japan.

Okawa was forming a new society, named after Jimmu Tenno, the legendary founder of the Empire and the legendary enunciator of "Kodo" and "Hakko Ichiu". The objects of the new society were to further the spirit of the Empire, to develop nationalism, and to inspire the Japanese to the leadership of East Asia; to crush the existing political parties and to achieve the realisation of a government constructed on nationalist lines; and so to plan the control of Japanese industrial development as to encourage expansion of the national power abroad.

Though the Inukai Cabinet had yielded on the question of Manchuria, the liberal elements within it still resisted the type of national renovation which Okawa and HASHIMOTO advocated. Inukai favoured a reduction in the Army budget, and was opposed to the recognition of Manchukuo by Japan. Through his son he received repeated warnings from Mori that his opposition to the military faction was endangering his life. The cleavage between the militarists and those who still believed in Cabinet control affected both the Cabinet and the Army itself. The pro-military group was led by War Minister ARAKI and had become known as the "Kodo faction" --the supporters of the "principle" of "the Imperial Way".

On May 1932 Inukai delivered a speech in which he extolled democracy and condemned fascism. A week later he was assassinated in his official residence. HASHIMOTO was a party to the plot, which was carried out by naval officers.

Prince Konoye, Baron Harada and others discussed the situation which had arisen. KIDO, Chief Secretary to the Lord Privy Seal, Lieutenant-General KOISO, Vice-Minister of War, and Lieutenant-Colonel SUZUKI of the Military Affairs Bureau were present. It was agreed that Inukai's assassination was directly attributable to his championship of party government. SUZUKI considered that similar acts of violence would occur if new Cabinets were organised under political leadership, and he therefore favoured the formation of a coalition government.

PREPARATIONS FOR WAR DURING THE PERIOD OF THE SAITO CABINET.

The Saito Cabinet, which took office on 26 May 1932, attempted to achieve a compromise in the conflict between Cabinet and army. The Cabinet would control the military; and would effect general economies, including a reduction in the army budget. On the other hand, the Cabinet accepted the Army policy in Manchukuo; and determined upon the promotion, under Japanese domination, of the economic and industrial development of that country. Lieutenant-General ARAKI was still War Minister; and Lieutenant-General KOISO, who had become War Vice-Minister in February 1932, retained that position.

It was inevitable that the new Cabinet policy in regard to Manchukuo should cause a deterioration in Japanese relations with the Western Powers. But the Army, unfettered by opposition within the Cabinet, was also preparing for war with the U.S.S.R., and for a further struggle with the central government of China.

As early as December 1931 it had been planned to include in the new state the Chinese province of Jehol; and in August 1932 it was declared that this area formed part of Manchukuo. In the same month KOISO vacated his post in Tokyo to become Chief-of-Staff of the Kwantung Army.

A month earlier, in July 1932, the Japanese Military Attache in Moscow had reported that the greatest stress must be laid upon preparation for war with the Soviet Union, as such a war was inevitable. He saw in the restraints of the League, in Chinese resistance, and in the attitude of the United States, further obstacles to the accomplishment of Japan's great task in Asia. War with China and with the U.S.S.R. he believed to be a

foregone conclusion, and with the United States a possibility for which Japan must be ready.

Recognition of Manchukuo by Japan had been withheld for six months; but in September 1932 it was decided by the Privy Council that the international repercussions which this step would cause need not be feared. With the Council's approval, an agreement was concluded between Japan and the puppet regime which the Kwantung army had installed. It was considered to be an appropriate measure in ensuring the extension of Japanese interests on the Continent. Under its provisions the new state guaranteed all Japanese rights and interests, and undertook to provide every possible establishment which the Kwantung army might require. Japan undertook, at Manchukuoan expense, the defence of, and maintenance of order in, that country. The key positions in both central and local governments were reserved for Japanese; and all appointments were made subject to the approval of the Commander of the Kwantung army.

In pursuance of this agreement, KOISO, as Chief-of-Staff of the Kwantung army, drew up a plan for the economic "co-existence and co-prosperity" of Japan and Manchukuo. The two countries would form one economic bloc, and industries would be developed in the most suitable places. The Army would control ideological movements, and would not in the meantime permit political parties to exist. It would not hesitate to wield military power when necessary.

Soon after the Saito Cabinet had taken office, War Minister ARAKI had announced that, in view of the establishment of Manchukuo, the resolutions of the League of Nations and statements previously made by

Japan could no longer be considered binding upon her. The League of Nations in 1931 appointed the Lytton Commission to investigate the circumstances of Japan's intervention in Manchuria. After the report of the Lytton Commission had been received, the League had voiced strong disapprobation of Japanese activities in Manchuria, and in fostering new incidents elsewhere in China. In view of this opposition to her plans, the Saito Cabinet decided, on 17 March 1933, to give notice of Japan's intention to withdraw from the League of Nations; and, ten days later, that action was taken. Simultaneously steps were taken to exclude foreigners from Japan's mandated Pacific islands. Preparations for war in the Pacific could therefore be made in breach of treaty obligations, and freed from foreign surveillance.

Meanwhile military preparations upon the continent were aimed directly at the Soviet Union. In April 1933, Lieutenant-Colonel SUZUKI of the Military Affairs Bureau characterised the U. S. S. R. as the absolute enemy, because, as he said, she aimed to destroy the national structure of Japan.

THE PREPARATION OF PUBLIC OPINION FOR WAR:
ARAKI DISCLOSES THE ARMY'S PLANS

The publicists heralded the events of this period as the foundation of Japan's "new order". HASHIMOTO took some of the credit, both for the conquest of Manchuria, and for secession from the League. It was, he said, in part the result of the schemes which he had devised upon his return from Europe in January 1930.

Okawa said that the Japanese-Manchukuoan Agreement had laid the legal foundation for the co-existence and co-prosperity of the two countries. The spirit of patriotism, he said, had been suddenly awakened in the hearts of the Japanese people. Democracy and Communism had been swept away, and in Japan the nationalistic tendency had reached an unprecedented climax.

Okawa also welcomed Japan's withdrawal from the League of Nations, which, in his view represented the old order of Anglo-Saxon supremacy. Japan, he said, had at one stroke overcome her dependence upon Britain and America; and had succeeded in exhibiting a new spirit in her diplomacy.

In June 1933 War Minister ARAKI made a speech of the utmost significance. In form it was an emotional appeal to the patriotism of the Japanese people, exhorting them to support the Army in a time of crisis. But in it was clearly revealed a settled intention to achieve the armed conquest of East Asia, which ARAKI identified with the traditional goal of Hakko Ichiu.

In fostering a sentiment for war, he drew liberally upon the political philosophy which Okawa and HASHIMOTO had popularised. Japan, said ARAKI, was eternal, and was destined to expand. The true spirit of the Japanese race lay in finding order amid chaos, and in realising an ideal world, a paradise in East Asia.

Herein lay the distinction between the new order and the old; for, said ARAKI, under the leadership of the League of Nations, the whole world had opposed the fulfillment of Japan's holy mission. This, therefore, was the critical period for Japan. Recent events had shown that it was necessary to prepare for a nation-wide general mobilisation.

Upon this interpretation of the international situation ARAKI based his appeal for popular support. He told his audience that the foundation of Manchukuo

was a revelation from heaven, which had re-awakened the national spirit of the Japanese people. If the zeal which the Mukden Incident had engendered was sustained, the new order would be achieved. A revival of the national spirit would resolve the international difficulties which beset Japan; for the issue of wars depended ultimately upon the spiritual power of the people.

The path for the people to follow, said ARAKI, was the "way of the Emperor", and the Army of Japan was the Emperor's Army. It would therefore fight against anyone who opposed it in its task of spreading the "Imperial Way".

ARAKI also discussed the term "national defence", which was later to become the basic principle of Japanese preparations for war. It was, he said, not limited to the defence of Japan itself, but included also the defence of the "way of the country", which was Kodo. He therefore showed clearly that by "national defence" was meant the conquest of other countries through force of arms. In his writings of the same period ARAKI disclosed the Army's designs upon Mongolia, and reaffirmed once more his country's determination to crush any country which turned against the "Imperial "Way".

PREPARATIONS FOR WAR DURING THE PERIOD OF THE SAITO CABINET: AND THE AMAU STATEMENT

In the months which followed, ARAKI's policy gained both popular support and Cabinet recognition. By September 1933 an intense antipathy for the arms limitation treaties had been built

up through the efforts of the military leaders. There was a universal demand for the revision, in Japan's favour, of existing naval ratios; and any Cabinet which resisted this popular clamour would have had to face an outraged public. Notice was given of Japan's intention to abrogate the Washington Treaty for the Limitation of Naval Armaments.

Meanwhile the Saito Cabinet had made ARAKI's principle of national defence the over-riding consideration in its Manchukuoan policy. By December 1933 this policy was settled. The economies of the two countries would be integrated, and their military expenses would be shared. Manchukuoan foreign policy would be modelled upon that of Japan. The "national defence power" of the two countries would be increased to overcome the international crisis which before long Japan might encounter. The "open-door" provisions of the Nine-Power Treaty would be observed only in so far as they did not conflict with the requirements of "national defence."

In December 1933 the Kwantung Army was making operational and other preparations for the day upon which Japan would open hostilities against the Soviet Union. In the space of two years the "friendship" policy of Foreign Minister Shidehara had been completely discarded.

In April 1934 a new policy in respect of East Asia was formulated in the "Amau statement." This unofficial declaration, released to the press by a Foreign Office spokesman, caused international alarm, and was quickly disclaimed by the Saito government. It was however, wholly consistent with the Cabinet decisions of 1933,

and repeated, in less inflammatory language, much the same policy which War Minister ARAKI had enunciated ten months earlier.

It was stated that, as Japan had a special position in China, her views might not agree on all points with those of other nations. It was this divergence of opinion which had necessitated Japan's withdrawal from the League of Nations. Although she desired friendly relations with other countries, Japan would act on her own responsibility in keeping peace and order in East Asia. This responsibility was one which she could not evade; nor could she share it with countries other than China herself. Therefore any attempt by China to avail herself of foreign support in resisting Japan would be opposed.

THE FOREIGN POLICY OF HIROTA
DURING THE PERIOD OF THE SAITO AND OKADA CABINETS.

On 14 September 1933, in this atmosphere of increasing international tension, HIROTA had become Foreign Minister of Japan. While Cabinet and Army were planning and preparing for the new order, he attempted to allay the misgivings of the Western Powers, and to minimise the aggressive nature of his country's national policy. In February 1934 he assured the United States of his firm belief that no problem existed between that country and Japan which was fundamentally incapable of amicable solution.

On 25 April 1934, one week after the Amau statement had been published, HIROTA sought to discount its significance. He advised Hull, the American Secretary of State, that the declaration had been made without his approval, and that it had created a false impression.

He gave a categorical assurance that Japan had no intention whatever of seeking special privileges in China in derogation of the provisions of the Nine-Power Treaty. Yet his government had already decided to subordinate the "open-door" provisions of that very treaty to the needs of Japanese preparation for war in Manchukuo.

Again in April and May 1934, similar assurances were given by the Japanese Ambassador in Washington. The Ambassador did, however, admit that his government claimed a special interest in preserving peace and order in China; but, in response to Hull's direct questioning, he denied that this phrase signified an overlordship in the Orient, or even an intention to secure preferential trade rights as rapidly as possible.

By July 1934 no assurances could conceal the fact that a petroleum monopoly was being set up in Manchukuo; and Hull protested against the exclusion of American concerns in violation of Japanese treaty obligations. In August 1934, after Okada had succeeded Saito as Premier, Foreign Minister HIROTA advised Hull that Manchukuo was an independent state, and that Japan had no responsibility in the matter. Although Manchukuo was under the control of the Kwantung Army, and although the development of the petroleum monopoly was a direct result of the Saito Cabinet's "national defence" policy, further communications from the United States failed to elicit any acknowledgment of Japanese responsibility.

The disparity between HIROTA's professions and his country's actions was made even more apparent in December 1934, in that month the Manchurian Affairs

Bureau was created as an organ of the Japanese government to coordinate its policy in regard to Manchukuo.

ARMY EXPANSION AND GOVERNMENTAL ECONOMIC PREPARATIONS ON THE CONTINENT IN 1935

While HIROTA denied that Japan's intentions were aggressive, the Army accelerated its preparations for war. In 1935 it took the initiative in preparing for military expansion on the continent of Asia; while the Okada Cabinet, which had taken office on 8 July 1934, gave its support to the Army's economic planning in Manchukuo.

Simultaneously with the creation of the Manchurian Affairs Bureau in December 1934, General MINAMI was appointed Commander of the Kwantung Army and Ambassador to Manchukuo. Major-General ITAGAKI became his Vice-Chief-of-Staff.

With ITAGAKI's support, MINAMI made plans to foster the establishment of autonomous governments in Inner Mongolia and in the five provinces of North China. This would inflict a serious loss upon the national government of China, and would at the same time create buffer states between Manchukuo on the one hand and China and the Soviet Union on the other.

During May 1935 the North China Army under Lieutenant-General UMEZU made a pretext to issue a virtual ultimatum to the Chinese forces in that area; and MINAMI mobilised the Kwantung Army to back up UMEZU's demands. Some units moved into the demilitarised zone

of North China; and in June 1935 the Chinese capitulated, moving their armies and administration from the Tientsin area. As KIDO observed in Tokyo, this step against China was based upon the plans of ITAGAKI and others that the military, not the diplomats, should take the lead in dealing with China, as they had done in the case of Manchukuo.

During the same period the Kwantung Army manufactured an incident at Changpeh and Major-General DOHIHARA took charge of the intrigue with prospective puppet rulers, the aim being the formation of new autonomous governments. The Foreign Ministry took no hand in these developments, but HIROTA received full advice of their progress from the Peking Embassy. On 2 October 1935, he was told that the Army intended to establish a virtually autonomous state for the sake of including North China in the Japanese-Manchukuoan economic bloc, and of promoting national defence. He was also told that the Army's Inner Mongolian scheme was making steady progress, and that DOHIHARA was no doubt engaged in promoting it.

According to defence witness Kawabe the Changpeh Incident was settled on 27 June 1935, by the conclusion of the Ching-DOHIHARA agreement. The Army was now in control of local regimes in half of Inner Mongolia, and in substantial portions of the five provinces of North China.

Meanwhile, on 3 July 1935, the Privy Council, in the presence of Foreign Minister HIROTA, had met to consider closer economic cooperation with Manchukuo. The Investigation Committee of the Privy Council reported

that, while measures of military diplomacy in Manchukuo were well advanced no system had yet been devised to coordinate measures in the economic field. Therefore they recommended the conclusion of a pact to establish a Joint Economic Committee, which would provide the necessary machinery. The Privy Council approved the measure, after HIROTA had given an assurance that Japan would always be able to rely upon a preponderance of votes in the Committee; and the new agreement was signed on 15 July 1935.

THE COORDINATION OF HIROTA'S FOREIGN POLICY WITH ARMY PLANNING

During the last three months before the Okada Cabinet fell, Army policy and foreign policy under HIROTA were completely coordinated. In December 1935 General MINAMI sent troops to aid the local government in Inner Mongolia in taking over from the Chinese the remaining portion of that area. General Tada, who on 1 August 1935, had succeeded UMEZU as Commander of the North China Army, made plans to place the railways in that area under his control, so that he might use them to achieve his military objectives.

During that month also the Kwantung Army communicated to the War Ministry its propaganda plan, which would be carried out in conformity with its military activity in North China. As soon as the advance into China proper should take place, a campaign would be launched to

convince the whole world of the lawfulness of the Japanese cause. An attempt would also be made, by means of anti-Kuomintang and anti-Communist agitation to estrange the inhabitants of North China from the central authorities. This slogan of "anti-Communism" had been chosen by DOHIHARA, ITAGAKI and others, when the autonomous movement was first launched in 1935.

On 21 January 1936 HIROTA despatched to the Japanese Ambassador in China a precis of the plan, which the Army had drawn up for dealing with North China. The Ambassador was instructed that the intention was gradually to build up self-government in the five provinces of North China. The Foreign Ministry was determined to give support and guidance to the new political organisation and thus to expand and strengthen its functions. No measures would be taken which the world might understand as indicating a Japanese intention to set up in North China an independent government similar to that of Manchukuo. The various military organisations would be told to keep closely in touch with the Foreign Office and the Navy in carrying out the plans. A provisional organisation to handle the problems of self-government would be established under the Commander of the North China Army.

With this reconciliation between Foreign Ministry and Army the first period of military preparation was complete. The resources of Manchukuo were in course of development.

The standing strength of the Army had risen from 250,000 men at the beginning of 1930 to 400,000 at the beginning of 1936. In the second period military planning would involve the whole nation in a general mobilisation for war.

THE INCREASING POWER OF THE ARMY
DURING THE PERIOD OF THE OKADA CABINET.

Keisuke Okada, who was Prime Minister of Japan from 8 July 1934 to 8 March 1936, has testified that, during his tenure of office and that of his predecessor Saito, the power of the Army was increasing. Both Cabinets, said Okada, had incurred the Army's resentment because it recognised in them an influence opposed to the Army's policy of using force in connection with the expansion of Japanese influence in Asia.

The power and the ruthlessness of "activist" circles within the Army had been evinced in July 1935, when the Inspector-General of Military Education had been forced to resign. In protest against this action, Lieutenant-General Nagata, Chief of the Military Affairs Bureau, had been assassinated in his office by an Army officer of field grade. Although Okada, as Prime Minister, had felt very strongly about this incident, he had been powerless to investigate the crime. The Army had conducted its own investigation, and had permitted no interference by Premier or Cabinet.

In consequence of this incident, and because he feared further trouble from the militarists, General Hayashi had tendered his resignation as Minister of War; and had been succeeded in that office by General Kawashima, whom all the generals agreed to try to protect. It was realised by the members of the Cabinet that, in accepting the appointment, Kawashima ran a considerable risk.

THE 26 FEBRUARY 1936 INCIDENT, AND THE DOWNFALL OF THE OKADA CABINET

Subsequent events proved that these fears were not without warrant; for, on 26 February 1936, Army resentment against the Okada Cabinet culminated in the attempted assassination of Okada himself by a group of young Army officers. Twenty-two officers and some fourteen hundred men, revolting against the government and seizing its principal administrative offices, terrorised Tokyo for three and a half days. During this period the government was carried on by the Minister of Home Affairs while the Premier was besieged in his residence. The Finance Minister, Takahashi, and Saito, Lord Keeper of the Privy Seal, were assassinated by the terrorists. Ten days later Okada, being unable to control the military, tendered the resignation of his Cabinet.

OKADA'S POLICY AND DOWNFALL SHOW THE EXTREME NATURE OF THE ARMY'S DEMANDS

During Okada's period of office many steps had been taken to place the Japanese nation in a state of preparation for war. HIROTA, as Foreign Minister, and Nagano, as Japanese delegate to the London Naval Conference, played a major part in the policy which led Japan, in December 1934, to declare her intention of abrogating the Washington Treaty for Limitation of Naval Armaments, and to secede from the London Naval Conference in December of the following year. In the Mandated Islands during the same period, air bases and storage facilities were under construction at various points, and elaborate precautions were being taken to prevent foreign travellers from entering the area.

During the year 1935 also, a strict censorship of news had been instituted under the immediate supervision of the Home Ministry; and newspapers had become little more than vehicles for the dissemination of government-approved propaganda. The police had exerted a large measure of censorship and control over all media of expression of public opinion. In August 1935 the War Ministry had issued regulations designed to investigate the conditions of military training in schools and universities, contribute to its developments and to ensure that the potential military value of the qualifications of graduating students was assessed.

Despite repeated protests from the United States, an oil monopoly had been established in Manchuria by the Japanese; and machinery for the exploitation of the natural resources of that country had been provided.

Since October 1935 at the latest the Army had taken an active and independent part in Japanese foreign policy; for in that month the defendant OSHIMA, then Military Attache in Berlin, had begun negotiations for a Japanese-German Pact, and had expressed to von Ribbentrop the desire of the Japanese Army General Staff for a general treaty between the two countries.

Notwithstanding all of these developments, and although the Kwantung Army had proceeded steadily towards the realisation of its aims in Manchuria and North China, the extremists were not satisfied. The Army regarded the Okada Cabinet as one formed by the Navy in an effort to control the militarists. It did not consider that it was receiving proper support for its policies in North China. By means of assassination and insurrection, the extremists within the Army had cleared from their path, first the more moderate influences within the War Ministry itself, and then the Cabinet, which, though it had provided no substantial resistance to pressure from the militarists, still represented a less violent policy. On 27 February 1936, the very day after the Army insurrection had begun in Tokyo, the Japanese consulate in Amoy, China, let it be known that the purpose of the insurrection

was to replace the divided Cabinet by a military Cabinet. They said that the young military group intended to take the whole of China at one stroke and to prepare for an immediate war against the Soviet Union so that Japan might be the only power in Asia.

This was the Army's design; and these were the circumstances in which HIROTA's government took office on 9 March 1936. As SHIRATORI had suggested to a friend in November 1935, if neither diplomats nor political parties could suppress the militarists, it was better to support their policy and to endeavour to carry it out.

HIROTA AND HIS CABINET

When the new Cabinet took office on 9 March 1936, all of Okada's ministers were replaced with the sole significant exception of HIROTA himself. He had become Foreign Minister on 14 September 1933 during Saito's premiership, and had held that office for thirty months. As Japanese encroachment upon the continent of Asia continued, he had been required to deal with an increasing volume of protests from other powers whose interests were effected, and particularly from the United States. Although Japanese usurpation of sovereignty upon the continent and the wide-spread violations of the "open-door" provisions of the Nine-Power Treaty had not been rectified, he had contrived to

retain in a measure the confidence of the Western Powers. Now, in the moment of the Army's ascendency, when other Cabinet Ministers relinquished office, HIROTA became Prime Minister of Japan. Nagano, who had led the Japanese delegation which seceded from the London Naval Conference in December 1935, became his Navy Minister. Lieutenant-General UMEZU, who had commanded the North China Army until 1 August 1935, became Vice-Minister of War. Vice-Admiral SHIMADA remained Vice-Chief of the Naval General Staff.. Arita replaced HIROTA at the Foreign Ministry; and Baron HIRANUMA, Vice-President of the Privy Council since October 1926, attained the Presidency of that institution.

Under this Cabinet the Army's scheme for a new order in East Asia became the settled policy of the Japanese government.

THE ORDINANCE REQUIRING SERVICE MINISTERS TO BE CHOSEN FROM GENERAL OFFICERS UPON THE ACTIVE LIST

Two months after the formation of the new Cabinet, a measure was taken which established more securely the power of the Army over successive governments. On 18 May 1936 the new government promulgated an ordinance reviving an old rule that the Navy and War Ministers must be officers on the active list of the rank of Lieutenant General or above. As events were soon to prove, this placed in the hands of the military authorities a weapon which could make or break governments

without recourse to the methods of intimidation which had led Okada to resign.

THE BASIS OF JAPAN'S NATIONAL POLICY WAS DECIDED ON 11 AUGUST 1936

On 11 August 1936, at a conference of Five Ministers attended by Prime Minister HIROTA, Foreign Minister Arita, War Minister Terauchi, Navy Minister Nagano, and Finance Minister Baba, the fundamentals of Japan's national policy were decided. In this statement were set out in the utmost clarity the principles which were to guide Japan, both in her relationships with other nations and in completing her internal preparations for war. We may consider first the contents of the decision itself, and then the process which led to its adoption.

THE PRINCIPLES DECIDED UPON

The fundamental principle of national policy was to be the strengthening of Japan, both internally and externally, so that the Japanese Empire would "develop "into the stabilisation power, nominal and virtual, in "East Asia, secure peace in the Orient and contribute "to the peace and welfare of mankind throughout the "world". The next sentence left no room for doubt as to the nature of the development contemplated. The establishment of the national policy would consist "in securing a steady footing of (the Japanese) empire in

"the Eastern Continent as well as developing in the "South Seas, under the joint efforts of diplomatic skill "and national defence".

The second part of the statement was devoted to considering the situations which this policy would entail, and the steps which would be taken to meet them.

In the first place, it was realised that the policy would lead to difficulties with other powers having interests in the Orient. Therefore, Japan would "exclude the Military Rule Policy of the Powers" and would follow her own policy based on the "co-existence "and co-prosperity" principles. This policy was to find more concrete definition a year later in the Five-year Programme of Important Industries. It was then said that industries requisite for national defence would be pushed forward to the Continent as much as possible "according to the principle of right work in the right "place", and that Japan "should pick out the most im-"portant resources, should ingeniously take the initia-"tive in economic exploitation of North China, and "should make efforts to secure its natural resources". Such a policy was in open conflict with the provisions of the Nine-Power Treaty of 1922.

The second principle laid down in August, 1936, was implicit in the first. "In order to secure the "stability of our Empire and to safe-guard its develop-"ment so as to acquire the position of the real stabili-"sation power in East Asia, nominally and virtually,

"we are to complete our defensive armament". This statement also was to receive concrete definition in the Army's plans of 1937.

The third principle made clear the relation of the first two to practical policies. Japan "should "strive to eradicate the Russian menace on the North, "in order to realise a steadfast development of Man-"churia, and for the solid defence of both Japan and "Manchuria". Japan "should also be prepared for Britain "and America, attempting at the same time an economic "development by the close cooperation of Japan, China "and Manchuria". Nevertheless, in achieving her objects, Japan "should always be careful to hold most amicable "relations with the Powers".

The same note of caution was sounded in the fourth and final principle. "For the furtherance of our plan "to achieve the social and economic development of our "Empire toward the South Seas, especially in the outer "South Seas Islands Areas, we should take a gradual and "peaceful measure, always avoiding to stimulate other "nations, and try to fulfil our national strength "correlative with the completion of Manchuria".

THE MEASURE OF THE PREPARATIONS FOR WAR DEMANDED BY THE 1936 DECISION

In the final portion of the 1936 policy statement, the balance of military and diplomatic function was worked out. Defence armament would be completed.

The measure of military strength would be that necessary "to counteract all the military forces that Russia "can furnish and employ in the Far East"; and especial attention would be paid to the completion of military strength in Korea and Manchuria so that Japan might "strike a hit at the very outset of the war upon the "Russians". Naval araments would be strengthened to an extent sufficient to secure the command of the Western Pacific against the United States Navy.

Japan's diplomatic policy would be "to try to "prosecute the national scheme in smooth and amicable "manner", and the military authorities were charged with the duty of assisting the activities of the diplomatic organ, so that it might act fully and advantageously.

Lastly, internal policy would be determined in accordance with the basic plan. Steps would be taken to lead and unify public opinion, and to strengthen the people's will to tide over Japan's extraordinary emergency. Measures would be taken to secure their livelihoods, to develop their physical strength, and to "foster sound and healthy minds and ideas". Japanese diplomacy would be revitalised; and her systems of overseas information and publicity would be completed. Drastic progress would be made in air and sea transportation. Administrative and economic agencies would be created to advance and further trade and industry essential to the national policy. The establishment of a programme for self-sufficiency in important resources and materials would be expedited.

THE SIGNIFICANCE OF THE AIMS EXPRESSED IN THE 1936 POLICY DECISION

The statement of basic national policy which the Five Ministers adopted on 11 August 1936 expressed Japan's determination, not only to achieve the domination of East Asia, but also to extend her influence southwards. This expansion to the south would, if possible, be achieved peacefully; but the threat of military strength would be used to ensure diplomatic victories. It was recognised that Japan's designs upon the continent would lead to an almost certain collision with the U.S.S.R., and would also lead inevitably to disputes with other nations having interests in the Orient. Among such powers must be numbered all the signatories to the Nine-Power Treaty of 1922, and most notably Great Britain and the United States. It is apparent that Japan's determination to substitute her own principles of "co-existence and co-prosperity" for the "existing military rule policy of the powers" meant merely that the rulers of Japan were bent upon the economic and industrial exploitation of Manchuria and the rest of China in violation of Japan's obligations as a signatory to the Nine-Power Treaty.

It was frankly acknowledged that this policy could succeed only if backed by a vast plan of mobilisation for war. It was agreed that the goal of naval expansion should be a force large enough to secure to

Japan the command of the Western Pacific against the United States Navy; and that the goal of military expansion must be the creation of a fighting machine strong enough to inflict a crushing blow upon the strongest force which the Soviet Union could deploy upon its Eastern borders. It was recognised that these objectives in turn demanded the institution of a comprehensive programme for industrial development and self-sufficiency; and that every phase of the lives of the Japanese people must be so directed and controlled as best to prepare them to play their parts in a period of expected national emergency.

THE ORIGINS OF THE NATIONAL POLICY DECISION

This basic national policy decision, which proved to be the corner-stone in the whole edifice of Japanese preparations for war, originated not with HIROTA's Cabinet as a whole, but in the War and Navy Ministries. On 30 June 1936, War Minister Terauchi and Navy Minister Nagano agreed in conference upon a draft proposal which corresponded in every material respect with the statement finally adopted by the Conference of Five Ministers on 11 August 1936. There were certain differences in emphasis; and in these cases the blunter wording of the two service ministers served to show more clearly the intentions of the policy-makers. Where the final draft spoke vaguely of securing a steady footing in Asia and developing in the South Seas, the service ministers had stated categorically that Japan's

guiding principle must be to realize the spirit of the "Imperial Way" by following a consistent policy of overseas expansion.

Upon the same day, 30 June 1936, Terauchi and Nagano laid their plan before HIROTA, Arita and Baba, their colleagues in the Five Ministers' Conference. Finance Minister Baba, agreeing that the military rule policy of the Powers should be ousted from the continent of Asia, thought fit to remark that it was essential for Japan herself not to practice a militaristic despotism. Foreign Minister Arita laid stress upon the need, in existing international circumstances, for retaining the goodwill of Great Britain and the United States; but had otherwise no objections to the draft proposal, the sentiment of which he found to be in keeping with his own concept of Japanese foreign policy. Prime Minister HIROTA said that he had no fault to find with the proposal; and the meeting adjourned leaving it to the Army or Navy to draw up a concrete plan.

The Five Ministers met again on 7 August 1936, and approved the plan in its final form. Four days later, on 11 August 1936, these decisions were reiterated and embodied in an official statement signed by each of the five ministers concerned.

THE ANTI-COMINTERN PACT

It may here be noted that, several months before the Five Ministers' Conference of June and August 1936, another Army design of major importance had been adopted by HIROTA's government. In October 1935, informal discussions for a Japanese-German alliance had been instituted by OSHIMA, the Military Attache in Berlin, with the approval of the Army General Staff. In the spring of 1936, after HIROTA had become Prime Minister, Ambassador Mushakoji had returned to Berlin; and thenceforward had himself conducted the negotiations. After protracted discussions between von Ribbentrop and Mushakoji, the Anti-Comintern Pact was initiated by them in Berlin on 23 October 1936. On 25 November 1936 the treaty was ratified by the Japanese Privy Council.

ECONOMIC AND INDUSTRIAL PREPARATIONS FOR WAR UNDER HIROTA

The transactions of the HIROTA Cabinet, both before and after the redefinition of the basic national policy, accorded closely with the principles set out in that decision. Great strides were being made in consolidating Japanese control of Manchuria and North China. While the Kwantung Army exercised control in Manchuria itself, in Japan the civil authorities were working towards the establishment of a nominally independent satellite state whose national policy Japan would dictate and whose natural resources Japan would be free to exploit. The Japanese-Manchukuoan Treaty, signed

on 10 June 1936, marked the virtual attainment of this aim.

Two days later Cordell Hull, the United States Secretary of State, advised a representative of the Japanese Foreign Ministry that the impression had been created that Japan sought absolute economic domination, first of East Asia, and then of such other areas as she thought fit. This, said Hull, would in the end mean political and military domination as well.

On 11 August 1936, at the very conference which settled the fundamentals of Japanese national policy, the "Second Administrative "Policy towards North China" was also approved. Its main purpose was to set up an anti-communistic, pro-Japanese and pro-Manchurian area in which Japan would secure materials necessary for her programme of preparations for war, and in which she would also improve transportation facilities in case of war with the Soviet Union.

While the Army on the Continent was securing new sources of materials and new avenues of industrial expansion, steps were being taken to develop a new war-supporting economy in Japan. The assassination of Finance Minister Takahashi during the February 1936 Army insurrection, and the subsequent formation of HIROTA's Cabinet, marked a turning-point in the financial policy of the Japanese government. The nation now embarked upon a series of financial measures emphasizing state control of the national economy for political purposes.

The new policy was designed to accommodate a sweeping programme of industrial expansion. From this time onwards the government issue of National Loan Bonds was steadily increased to make provision for enormous budget outlays; and little consideration was paid to the principles of sound financing. In January 1937 the transactions involving foreign exchange were made subject to government licence, and expenditure of foreign assets was virtually confined to the purchase of commodities essential to the war-supporting industries.

On 29 May 1936, a law was passed for the express purpose of establishing the production of automobiles "in order to adjust the national "defence and the nation's industry". Prior to this date the automobile industry was virtually non-existent, nor was it an economically sound proposition. Yet its development under strict governmental control was now fostered with the aid of state subsidies and sweeping tax exemptions.

Japan's merchant shipping fleet was also being rapidly increased under government subsidy. The third "scrap and build" programme was inaugurated during HIROTA's term of office. Together with the programme of the previous year, it produced 100,000 new gross tons of shipping, giving Japan at the end of 1936 the most modern merchant fleet, in proportion to size, of any nation in the world.

PLANS FOR CONTROL OF PUBLIC OPINION IN TIME OF WAR

On 20 May 1936, the War Ministry produced that portion of its General Mobilization Plan which dealt with intelligence and propaganda activities before the outbreak of war and during its initial phases. The plan provided that, if war became imminent, an Intelligence Bureau would be created to give effect to the government's policy of publicity and propaganda. The scope of the activities of this bureau, and the methods of its functioning, were set out in minute detail. Its task would be to guide and to control every form of communication to the public, and to utilize every medium of public expression to promote the policy approved by the government.

NAVAL PREPARATIONS

While HIROTA was Prime Minister, the Navy was not less active than the Army in promoting the national mobilisation for war. The two service ministers had acted in conjunction in preparing their statement of basic national policy, and in supporting it before the Conference of Five Ministers. It was, indeed, the Navy Minister, Admiral Nagano, who sponsored the new statement of policy before the conference; and it appears from his remarks that the concrete plan, as finally approved on 11 August 1936, was drafted in the Navy Ministry.

This was the year of the Navy's emancipation from all obligation to limit her naval armaments; for the Washington Treaty expired on 31 December 1936.

With Japan's earlier expansionist schemes the Japanese Navy had had little direct concern. Now for the first time it was assigned a major role, namely that of securing the command of the Western Pacific Ocean against the United States fleet. The policy of naval expansion to which Japan thus committed herself had commanded a growing volume of support since the year 1930. It is therefore appropriate to the topic of preparations for war to review at this point the steps by which Japan had abandoned the system of limitation of naval armaments through international agreement.

JAPAN'S RIGHTS AND OBLIGATIONS UNDER THE TREATIES FOR NAVAL DISARMAMENT

The United States, Great Britain, Japan France and Italy were parties to the Treaty for the Limitation of Naval Armaments signed at Washington on 6 February 1922. Articles IV and VII of that treaty had declared respectively the total tonnage of capital ships and of aircraft carriers which might be maintained by each of the signatory powers, the limitation being based upon the defensive needs of the power concerned. In both cases the upper limit for Japan was 60 per centum of that permitted to the United States or Great Britain. A limitation had also been placed upon the calibre of the guns which might be mounted on these and other classes of vessels -- 16" in the case of capital ships and 8" in the case of aircraft carriers. The treaty was not to expire before 31 December 1936, and was to remain in force until the expiration of two years from the giving of notice by one of the contracting powers of intention to terminate it. All the signatory powers were to meet within one year from the giving of such notice.

The United States, Great Britain and Japan, together with India and the British dominions, were also parties to the Treaty for the Limitation and Reduction of Naval Armament signed at London on 22 April 1930. This treaty had not abrogated the Treaty of Washington, but had provided for a further reduction and limitation within the framework of the older treaty. Provision had

been made for limitation of the permissible displacement of aircraft carriers and submarines, and of the calibre of the weapons carried by them. Detailed tables had also been provided, setting out the total tonnage of surface vessels, other than capital ships and aircraft carriers, which might be maintained by each of the signatory powers—the limit for Japan being approximately 70 per centum of that permitted for the United States or Great Britain. The third important provision had been that each signatory should communicate to the other signatories certain information upon the laying down and upon the completion of each vessel of war. In addition, the agreement had involved the scrapping of certain capital ships, and this provision had been manifestly favourable to Japan. The provisions as to aircraft carriers were to remain in force for the same period as the Treaty of Washington; but in other respects the treaty was definitely to expire on 31 December 1936. A new conference was to be held between the signatory powers during the year 1935.

In evaluating the advantages which the London Treaty offered to Japan, weight must be given to the views of Takarabe, the Navy Minister during 1930. It had, he said, been considered essential for the Navy to have 70 per centum of the strength maintained by the probable potential enemy, and Japan had attempted to maintain this ratio in capital ships at the Washington Conference. Finally this aim had been abandoned, and Japan

had acceded to a ratio of 60 per centum. She had, however, attained her two other major aims, namely 70 per centum in strength of cruisers with 8" guns, and her present strength in submarines. At the London Conference every effort had been made to gain the third major aim, namely 70 per centum in total tonnage; and this aim had succeeded.

While it was indeed true that the ratio of Japanese to United States cruisers with 8" guns would, under the provisions of the London Treaty, fall from 70 per centum to 60 per centum, there were compensations in the increased ratio of less formidable ships allotted in Japan. Above all, said Takarabe, the treaty was a bid for friendly relations with the United States, and had saved Japan the possible predicament of an armament race with that country. The Prime Minister, Hamaguchi, had echoed this sentiment, admitting that some aspects of the agreement were not entirely satisfactory, but pointing out that Japan would in any case be free to build again after 1936.

Although Prime Minister Hamaguchi, his Navy Minister and his Cabinet had championed the treaty, it had not been ratified without considerable opposition. Thirteen stormy sessions of the Investigating Committee of the Privy Council had debated the question between 18 August and 26 September 1930. An open rift had developed between Cabinet and Privy Council; and also, it appeared, between Cabinet and the Naval General Staff, of which Nagano was then Vice-Chief. Hamaguchi, when taxed with disregarding the

advice of his service chiefs, had answered pacifically that the views of the military had been considered, but that the matter of concluding treaties should be decided by the Cabinet. As the discussions had progressed it had become more apparent that there was a line of cleavage between those who placed reliance upon friendly international relations, and those who advocated armaments sufficient to confront the United States or any other power intervening in Sino-Japanese affairs with a Japanese preponderance of strength at the scene of conflict. The latter view had been well represented by one Councillor who had said that the military system was characteristic of Japan; that the United States would attempt to drive Japanese influence out of China and Mongolia; and that military strength must therefore be supplemented. Japan's importance in the world, two Councillors had said, lay in her military power alone.

On 1 October 1930, the London Treaty had been ratified by the Privy Council, Hamaguchi and Takarabe expressing the views attributed to them above. Great public interest, speculation and unrest had been aroused. HIRANUMA, as Vice-President of the Privy Council, had attended every meeting.

THE PERIOD OF GROWING OPPOSITION TO THE NAVAL TREATIES

The minority, which had in 1930 opposed the ratification of the London Treaty, in time became a majority; and under the two "navy" Cabinets of Saito and Okada, opposition to the

treaty restrictions had gathered strength.

On 15 September 1933, while Saito was Premier, Ambassador Grew had reported to Washington a growing dissatisfaction with the restrictions imposed by the London Treaty. Ever since its ratification, he said, and especially during the preceding twelve months, Japanese naval leaders had insisted that Japan must demand parity, or at least a great increase in relative tonnage at the Conference to be held in 1935. They had built up a feeling of resentment and contempt for anything connected with the treaty. The assassinations of Hamaguchi and Inukai and the intimidation of other statesmen were due in part to their defence of it. The retirement of Takarabe and other senior naval officers had been attributed to the support which they had given to the treaty.

Grew emphasized that public opinion in Japan was now bitterly opposed to any form of limitation of armament, and that the new policy of the United States in building towards the treaty limits had served only to incite the feeling aroused. Japanese naval leaders now faced the dilemma of entering with unequal resources upon a naval armament race, or of braving the public opinion which they themselves had fostered.

At this juncture the Saito Cabinet had held office for eighteen months. ARAKI, War Minister in this and the preceding Cabinet, had dealt cautiously with the question, conceding that the

Washington and London Treaties had saved public money, and had prevented competitive rearmament and the development of new weapons. He had, nevertheless, made it clear that Japan considered the provisions of these treaties outmoded, and that she would demand a change in ratios at the next conference.

The day before Grew's report was written, HIROTA became Foreign Minister of Japan, and a Supreme War Councillor. Just over a year later, on 17 September 1934, HIROTA informed Grew that Japan had definitely decided to give notice before 31 December 1934 of her intention to terminate the Washington Treaty. In the interval the Amau statement had been made and Saito's Cabinet had been replaced by that of Okada.

THE POLICY OF THE COMMON UPPER LIMIT, 1934

The London Treaty, 1930, had provided for a meeting of signatories in 1935 to frame a new treaty. In July or August 1933, Vice-Admiral Takahashi, Vice-Chief of the Naval Staff under Prime Minister Saito, had said frankly, "We are "going to the Conference in 1935 with a demand "for parity. If our demand is rejected, we shall "return home".

In October 1934 when Japanese representatives met British and American delegates at London for preliminary discussions, this was the stand they adopted. They were convinced, they said, that a common upper limit, within which all powers might build, but which no power might

exceed, was the only way in which to secure equality of security. They would favour a limit fixed by agreement at as low a level as possible. In particular, they would favour total abolition or a radical reduction in the strength of aircraft carriers, capital ships and cruisers with 8" guns. These vessels they regarded as being peculiarly offensive in nature. Submarines, on the other hand, they regarded as essentially defensive weapons, owing to their comparative unseaworthiness and relatively short range. If the provision of the London Treaty prohibiting their use in attacking merchant vessels could be made universal, the offensive character of submarines would, they thought, be ended.

This proposal was designed to enhance Japan's naval power in comparison with that of the United States. In 1933 the United States had inaugurated a new naval policy, building towards, but still keeping considerably below, the limit prescribed by the Washington and London Treaties. The proposal for a general reduction to a relatively low common upper limit would have required the leading naval powers, having navies larger than the limit fixed, to scrap or sink many ships. Therefore, the practical effect of the Japanese proposal would have been the sacrifice of a portion of the American fleet, and of the whole of the results achieved by its building programme, with no corresponding sacrifice on the part of Japan.

Again, it has already been noted that, under

the provisions of the London Treaty, Japan had successfully claimed an increased ratio in total displacement at some expense to her proportionate strength of cruisers with 8" guns. The provisions of the Washington Treaty still operated to keep her comparative strength in capital ships and aircraft carriers at the lower level. Therefore, the three types of naval vessel, the total abolition of which Japan was disposed to recommend, were those in which she was proportionately weakest.

Finally, it was apparent that since 1930 Japan had revised her views concerning the role of submarines. One Privy Councillor, vehemently opposing the ratification of the treaty, had then said that what the United States feared most was submarines; and that, as long as Japan possessed submarines, she had nothing to fear from the United States. Navy Minister Takarabe had made a special point of his government's success in retaining its submarine strength at the existing level. This had constituted one of the three great principles of Japan's naval policy.

In October 1934, while the London discussions were in progress, the Japanese government had issued an official statement for the guidance of public opinion. It was there stated that Japan's experience with the League had shown

that a just claim was not always recognized at an international conference. As the maintenance of Japan's naval strength was the basis of the peace of East Asia, her future depended upon the fortunes of her navy. Therefore the people must be put upon their guard against foreign propaganda. Even if the Japanese claim should not be accepted, and no agreement should be reached, this would not necessarily mean the beginning of a naval constuction race; and even should such a race ensue, the authorities were confident that Japan's position could be maintained by independent measures.

The preliminary discussions had terminated on 19 December 1934 without achieving any measure of agreement. On the same day the Japanese Privy Council had unanimously approved the government's decision to abrogate the Washington Treaty, and on 29 December 1934 had given to the United States notice of Japan's intention so to do. An unsuccessful attempt had previously been made to persuade Great Britain to join in this step, so that Japan might avoid the embarrassment of unilateral action.

WITHDRAWAL FROM THE LONDON CONFERENCE 1935

On 7 December 1935, a naval conference, called in pursuance of the Washington and London Treaties, and attended by the delegates from the five powers signatory to the Washington Treaty, had opened in London. The United States delegation had proposed an all-round quantitative

reduction of 20 per centum in each category of naval vessels upon the basis of existing ratios, and had also been prepared to discuss qualitative limitations, particularly limitations in the calibre of weapons. The chief Japanese delegate, Nagano, had in reply reiterated that public opinion in Japan no longer supported the Washington Treaty, and had reaffirmed his country's insistence upon the common upper limit. The American delegation had pointed out that over-all parity would mean overwhelming Japanese superiority in the Pacific, while the existing treaty system provided equality of security for all signatory nations. Therefore the Japanese demands, if persisted in, could lead only to competitive naval construction. The Japanese delegation had made no substantial attempt to answer these objections, saying merely that, in their country's view, while the United States Navy was superior in strength, it menaced Japan's very existence.

Despite an American suggestion that the provisions of the Washington Treaty should endure until a new agreement could be reached, and despite British attempts to reach an agreement on qualitative limitations, Japan had insisted that the parity issue must first be determined. Accordingly, on 15 January 1936, the principle of the common upper limit had been discussed in plenary session. As no other delegation had offered any support for the proposal, the Japanese delegation had formally withdrawn from the Conference.

Thus in 1934 and 1935, when Okada was Premier and HIROTA his Foreign Minister, the way had been cleared for naval rearmament. In August 1936, the Conference of Five Ministers had decided upon the creation of a navy sufficiently strong to secure the command of the Western Pacific against the United States fleet; and, in so doing, had confirmed American fears that the abandonment of the existing treaty system could lead only to competitive naval rearmament.

NAVAL EXPANSION UNDER HIROTA

In December 1936, the month of the expiry of the Washington Treaty, the Chief of the Naval Affairs Bureau was able to report--in a speech which was not for publication--that the armaments and materials of the Japanese Navy were making rapid progress from day to day. Vice-Admiral Toyoda warned his audience that the new construction programme would involve heavy capital expenditure. Appropriations for this purpose should not, he said, be grudged, although detailed accounts would not be furnished. It would be unprofitable for Japan to let other powers know too early the future building policy of her Navy.

The new programme, which HIROTA's Cabinet had instituted, bore fruit in the following year;

for in 1937 the increase in Japanese naval construction figures was the greatest for any year between 1931 and 1945.

But, to secure command of the Western Pacific, the Navy needed bases as well as fighting ships. Japan's mandated South Seas Islands--the Marianas, the Marshalls and the Carolines--which covered the whole area of the central western Pacific became, on 20 January 1937, subject to naval administration.

THE HISTORY OF THE MANDATED ISLANDS

Under the provisions of the Treaty of Versailles, Japan received under Mandate from the League of Nations these three widely-scattered island groups, which she administered through the agency of the South Seas government with headquarters at Palau. Under the provisions of the League Covenant there was imposed upon the mandatory the duty of preventing the establishment of fortifications or military and naval bases; and by virtue of a treaty signed at Washington on 11 February 1922 relating to Pacific possessions, Japan had undertaken this same obligation in relation to the United States.

The Japanese Mandated Islands were served by the Nippon Yushen Kaisha Steamship Company, which, from the year 1933 onwards, had followed a policy of excluding foreigners from its service to the islands. On 28 March 1933, when the "navy" Cabinet of Saito was in power, this company had advised its Honolulu office that bookings should be

refused to foreigners, and that persistent applicants would be given passage only after approval had been secured from the proper authorities in Japan.

THE FORTIFICATION OF
MANDATED ISLANDS BEFORE 1936

There are indications that the building of naval installations in the mandated islands area was begun in 1932 or 1933, and that these beginnings were contemporaneous with the new policy of exclusion of foreigners. By 1935 at the latest, an airstrip and a naval air base were under construction upon the island of Saipan in the Marianas. This island, the largest of the Mariana group, is situated approximately 200 miles northward from the American island of Guam.

During the latter half of 1935, steps were taken to intensify the restrictions placed on foreign travel in the South Seas Islands. The Japanese steamship company on 14 October 1935 again advised its Honolulu branch that every effort was being made not to accept passengers for voyages into this area. In any exceptional case full details concerning the intended passenger should be furnished to the South Seas Islands government, which would reach a decision only after consultation with the Foreign and Navy Ministries. Experience had indicated that in most cases the application would be refused.

Twice more in October and November 1935 these instructions were repeated. It was

stipulated that all problems concerning the South Seas line should be handled only by Japanese, and that correspondence should be written only in Japanese. Refusal of bookings would be attributed to poor standards of accommodation and irregularity in sailing times. Approval in any given case would rest with the Navy Minister and with Foreign Minister HIROTA.

SECRECY IN THE MANDATED ISLANDS MAINTAINED DURING THE PERIOD OF THE HIROTA CABINET

In June 1936, when HIROTA's government was three months old, the American Secretary of State advised Grew that grave suspicions were entertained as to harbour developments or fortifications in the Mandated Islands. It was pointed out that Japanese vessels had been permitted to visit closed ports in Alaska; and the American Ambassador was instructed to seek permission for a United States destroyer to visit the Japanese Mandated Islands. Grew made the request, as on his own initiative, to HIROTA himself. The Prime Minister professed to be well-disposed, but to have no knowledge of the question. It was later indicated to Grew that a decision rested with the Overseas Affairs and Navy Ministries. No permission was forthcoming, although Japan and the United States had, in 1922, agreed to extend to each other the usual comity in visiting the harbours and waters of their respective mandated islands.

On 28 July 1936, the Japanese steamship company again advised its Honolulu branch that

passengers should not be accepted for travel on the South Seas line. Further communications dated 8 April 1937 and 13 March 1939 show that the restrictions imposed were not relaxed in subsequent years.

These facts, taken together, show that, both before and after the national policy decision of 11 August 1936, Japan was making preparations for war in the South Seas area, in breach of her obligations as a mandatory. The Foreign and Navy Ministries were throughout concerned to divert attention from these developments; and in these efforts HIROTA had a full share, both as Foreign Minister and as Premier.

NAVAL OFFICERS AS ADMINISTRATORS IN THE MANDATED ISLANDS

On 20 January 1937, while HIROTA's government was still in office, the Privy Council approved a measure permitting naval officers in active service to be appointed as administrative officials of the South Seas government without loss of seniority in the service. HIROTA himself and Navy Minister Nagano were among those who attended the Council meeting over which HIRANUMA presided. In the privacy of the Council meeting the true nature of Japan's interest in the mandated islands was declared. The reasons given for the measure were that the South Seas islands had come to hold an important position in the defence of the Empire; and that, in view of the international situation and of the

many installations in the islands concerned with navigation routes, harbours, roads, aviation and communications, special attention must be paid to the convenience and military circumstances of the Navy.

POSITIONS OF ACCUSED

UNDER HIROTA

It has been seen that the period of HIROTA's premiership, which lasted from 9 March 1936 to 1 February 1937, was one of active planning and preparations for war, which originated with the War and Navy Ministries, and which involved the other principal departments of government in the execution of the long-range planning.

Among the most important office-holders at this time was Lieutenant-General UMEZU, who became, on 23 March 1936, Vice-Minister of War. This office he retained during the Premierships of HIROTA, Hayashi and Konoye until 30 May 1938. Under HIROTA, he held, in addition, many subsidiary appointments, which might serve as an index of the Army's interests at that time. He was a Councillor of the Manchurian Affairs Bureau, of the Cabinet Investigation Bureau, and of the Information Bureau. He was a member of the commission appointed to investigate the affairs of the automobile industry, and a member of the Council for Educational Reform. He was in charge of the War Ministry's affairs in the Imperial Diet.

KIMURA, appointed Major-General on 1 August 1936, was Chief of the Control Section of the Mobilisation Plans Bureau. On 20 May 1936

his Bureau had produced the mobilisation plan for control of public opinion in time of war or emergency. Lieutenant-Colonel MUTO was a staff member of the Military Affairs Bureau until 19 June 1936; and Colonel SUZUKI was attached to that office until 1 August 1936.

ITAGAKI, who was appointed Lieutenant-General on 28 April 1936, had been Vice-Chief-of-Staff of the Kwantung Army since 10 December 1934. From 23 March 1936 to 1 March 1937, he was that Army's Chief-of-Staff, and, in addition, a Member of the Japanese-Manchukuoan Joint Economic Committee. He was therefore intimately connected withthe progress, during HIROTA's term of office, of Japanese military and economic preparations in Manchuria and in the provinces of North China. HOSHINO, who, since 1 July 1934, had been a section chief in the Finance Ministry of Manchukuo, became, on 9 June 1936, the Vice-Chief of that Ministry.

Vice-Admiral SHIMADA was Vice-Chief of the Naval Staff from 2 December 1935 to 1 December 1937, during which period the Navy had contributed to the national policy decision of August 1936, had achieved control of the mandated islands, and had instituted a new policy of naval expansion. Captain OKA was, until 1 December 1936, a member of the Naval General Staff, and an observer in the Navy Ministry .

During HIROTA's term of office, KAYA was in charge of the affairs of the Finance Ministry in the Diet, and was also a Councillor of the Manchurian Affairs Bureau. On 2 February 1937,

when Hayashi replaced HIROTA, KAYA became Vice-Minister of Finance.

HASHIMOTO AND THE GREATER JAPAN YOUNG MEN'S SOCIETY

In August 1936, a few days after the basis of Japan's national policy had been decided, Colonel HASHIMOTO was placed on the Reserve List. He embarked immediately upon the task of founding a new society, the aims of which he expounded in speeches and in pamphlets during the latter half of 1936.

HASHIMOTO based his doctrines upon the two traditional precepts of Kodo and Hakko Ichiu. For, said HASHIMOTO, the first step in unifying the world was to unify the people of Japan itself directly under the Emperor. To achieve the renovation the blood and enthusiasm of young men were required: and it was the purpose of the Greater Japan Young Men's Society to supply this need. Young men would become the framework of the New Japan, and would unite the entire strength, moral and physical, of the Japanese race in the spirit of Kodo or loyalty to the Emperor.

It has been seen that inthe period under review the history of the Army was one of defiance of the civil power. Statesmen and governments had been removed by intimidation, assassination and insurrection when their policies were in conflict with those of the Army. Now in 1936, with HIROTA as Premier, the Army had established a settled ascendancy over a Cabinet in office. HASHIMOTO had taken this process a further step, building for a day when there would be one party only,

the Army party, and when the rulers of the Army would no longer be encumbered by the forms of democratic government. The immediate goal of totalitarianism was symbolised in the idea of Kodo; the ultimate goal of world domination in the idea of Hakko Ichiu.

And here may be reviewed the steps which had already been taken to prepare the minds of the Japanese people for war and for military rule.

THE HISTORY OF MILITARY TRAINING IN SCHOOLS AND UNIVERSITIES

As early as 1886, military training and lectures had been instituted in the elementary, secondary and normal schools of Japan; and after the Japanese-Chinese War of 1896 regular Army officers had conducted the training. After the 1914-18 War, little attention was paid to the matter for some years; but from 1922 onwards the War Ministry detailed officers to supervise the teaching.

During 1925 and thereafter the War and Education Ministries worked in conjunction to ensure that male students received training. On 23 April 1925, it was ordained that military officers of active service status should be stationed in schools. They would, by agreement between the War and Education Ministries, be posted to teacher's training institutions, to all types of public and governmental schools, and, upon request, to private schools. They would be under the superivision and orders of

the school authorities; but they themselves remained the servants of the War Ministry, which was given the right to inspect the actual conditions of training in the schools. A year later, in September 1926, the War Ministry organised an inspectorate which was required to furnish reports upon the work being carried out.

In April 1926 the Education Ministry created a new teaching organization designed to cater for youths of seventeen to twenty-one years of age, who had received no formal schooling. The course, which was of four years duration, included subjects of general and vocational value; but one half of the total hours of instruction were specifically set aside for military training. In the month of their foundation, provision was made by the War Ministry for inspection of the military drills carried out at these youth schools.

By the year 1927, military training was compulsory throughout the whole school system; and from 1925 to 1930, the amount of school time devoted to this type of instruction was steadily increased.

In the universities, classes in military subjects were obligatory from the year 1925; though the obligation was not, at first, strictly enforced. Actual military training remained upon a voluntary basis; but, as university students who attended both classes and parades were subsequently exempted from two out of three years of compulsory military service, there was a strong inducement to secure attendance.

Shortly before the Mukden Incident occurred students were taught that Manchuria was Japan's lifeline, upon the control of which depended the establishment of a stable economic order. With the outbreak of war in Manchuria lingering opposition to the military training programme was lost in the new spirit of ultra-nationalism which the military teaching inspired. From 1931 onwards the military instructors, though nominally subordinate to the school and university authorities, achieved an increasing measure of independence and domination.

After the military operations in Manchuria had subsided, time devoted to military subjects decreased a little; but it received a new impetus in 1936, when HIROTA's government was in power. The training consisted of drilling, physical culture and war games. The textbooks used in the schools dealt with Japanese military history, and were designed to foster enthusiasm for the fighting services among the students.

THE HISTORY OF CENSORSHIP AND THE DISSEMINATION OF PROPAGANDA

Freedom of the press had always been limited in Japan. The enforcement of censorship under existing laws was a task for the Police Bureau, which was controlled by the Home Ministry. The police enforced the censorship laws in connection with every form of public expression; and they were particularly concerned to control expressions of opinion which were in conflict with governmental policy.

All material for speeches and public entertainment was subject to their approval. Any material which was in their opinion objectionable was suppressed: any individual or society which disobeyed their ruling was punished under the provisions of the Preservation of Peace Law of 1925. There was, in addition, a security police organization, created in 1928 to watch over subversive elements of the extreme right and left. From 1931 onwards these "High Police" kept watch on everybody who opposed the policy of the government in power, and on every public expression of opinion. Enforcement of censorship became accentuated before the outbreak of war in Manchuria, and during the same period government-inspired propaganda was disseminated through the newspapers. Beginning in 1930, authors, speakers, and editorial writers were united in a concerted effort to prepare public opinion for war in Manchuria, and, by the end of that year, steps were being taken to suppress all who opposed this policy.

From 1931 onwards the Army had exercised an unofficial censorship of its own. Any writer or publisher, whose work was deemed by the Army to be unsatisfactory, received personal visits from Army representatives, who advised him that he had incurred the Army's disfavour. Such threats and warnings were also issued by the various patriotic societies, whose activities have been mentioned in connection with the war in Manchuria.

After the Manchurian war, the government and the Army launched an organised campaign to justify Japan's position on the continent, and to stifle criticism at home. Material dealing with military matters could be printed only after it had been app. approved by the Police Bureau of the Home Ministry. From 1935 onwards the press was completely under the domination of that Ministry.

At the instigation of the Army, and in contemplation of the outbreak of war, the Information Bureau was established by the HIROTA government during 1936. Its task was to coordinate, on behalf of all Ministries, the control of information and the dissemination of propaganda. It provided the government with a ready means for carrying out the 11 August 1936 national policy decision to lead and unify public opinion, and to strengthen the people's determination to tide over "Japan's extraordinary "emergency."

HASHIMOTO'S POLICY IN 1936

HASHIMOTO, while engaged in founding his Greater Japan Young Men's Society, was, in all his writings and utterances, preparing Japanese public opinion for war. He advocated, in terms less guarded than those the Five Ministers had used, expansion in the south, and especially in the Netherlands East Indies. He recognized in the British Navy the chief obstacle to his plan; and warned Japan that great resolution would be needed. He extolled the superior

qualities of the Japanese race, whose mission it would be to end the tyrannical rule and the oppression of the white race.

Later in 1936, HASHIMOTO published the declaration, which embodied the aims of his new society. In this document, he said that Japan should increase her armaments to the amount absolutely necessary for conquering other countries of different principles that tried to hinder her from achieving the "Imperial Way." The essence of rearmament, he added, should be the realisation of an invincible air force.

THE POLITICAL CRISIS OF JANUARY 1937

Meanwhile the programme of economic and military expansion to which the HIROTA government was now committed, had met with a mixed reception; and a struggle had developed between the militarists and their remaining opponents. The Cabinet had incurred, on the one hand, the opposition of the Seiyukai party, which accused it of bureaucratic tendencies, and of undue pandering to the military; and, on the other hand, that of the Army faction, which would now tolerate the expression of no viewpoint other than its own.

On 20 January 1937, a mass meeting of the Seiyukai party published a declaration criticising the diplomatic and administrative policies of the HIROTA government. They expressed their intention of strengthening parliamentary institutions, and of subjecting

all government measures to careful scrutiny. In particular they attacked the militarists, in whom they recognised the qualities of self-complacency and of a superiority complex. They declared that the military wished to interfere in every sphere of state function; and said, that if this evil were permitted to grow, the people's will would be thwarted, constitutional government would become nominal, and the tyranny of a small group would be introduced.

This challenge the Army authorities took up immediately in a statement no less extravagant in its terms than those which HASHIMOTO had used. The twin themes of Kodo and Hakko Ichiu formed the basis of their reply.

The political parties were accused of making it their sole business to attack the military authorities, without reflecting upon their own conduct. It was said that their policy could not satisfy the Japanese people, since it would confine them to the islands of Japan. It would mean that Japan could not become the stabilizing force in East Asia. It would be the end of the programme of wholesale administrative reform. The statement recommended the abolition of the present state of Parliament, and a return to a form of constitutional government which would clarify the national polity, develop industry, complete national defence, stabilise living conditions, and steadily dispose of important questions.

In short, the Army recognised that everything it had achieved under HIROTA was now at stake.

THE DOWNFALL OF THE HIROTA CABINET AND THE FAILURE OF UGAKI TO FORM ONE

Two days later, on 22 January 1937, the War Minister, Terauchi, resigned from the HIROTA Cabinet, saying that the views of some Cabinet members differed fundamentally from those of the Army. In the circumstances he believed it to be absolutely impossible to enforce military discipline, the completion of national defence, and the all-out administrative reform to which he had devoted his utmost efforts since taking office.

The terms of the War Minister's resignation implied clearly that no other general would accept that portfolio in the HIROTA Cabinet; and no time was spent in looking for one. On 24 January 1937, the Imperial Mandate to form a new Cabinet was offered to General Ugaki, who was ultimately forced to decline it. Before doing so he spent at least four days in a determined, but fruitless, attempt to find a War Minister.

By long-established practice the nomination of a new War Minister rested with a triumvirate composed of the outgoing War Minister, the Chief of the Army General Staff, and the Inspector-General of Military Education. On 25 January 1937, Ugaki called upon General Terauchi, the outgoing War Minister, to

nominate his successor. Terauchi told Ugaki that the Army would not dare to prevent the formation of a Cabinet by him; but asked him to reconsider his own position in relation to the maintenance and control of the Army. The next day General Sugiyama, Inspector-General of Military Education, called upon Ugaki, and, after outlining the position in the Army, again tried to dissuade him from attempting the formation of a Cabinet. That afternoon the Triumvirate met, and submitted the names of three generals, each of whom declined appointment as War Minister. The Triumvirate thereupon decided that the other eligible generals would also refuse the position, and Terauchi advised Ugaki accordingly. All this was reported to ex-soldiers' associations by Lieutenant-General UMEZU, Vice-Minister of War, who explained that, as General Ugaki did not command the Army's confidence, it was considered that no one was able, as War Minister in an Ugaki Cabinet, to bear the heavy responsibility of controlling the Army.

Two days later Ugaki had still not given up hope. On 27 January 1937, UMEZU gave a talk commenting upon the deadlock, and expressing the hope that Ugaki would decline the Mandate peacefully. This, of necessity, Ugaki did; and the Imperial Mandate was thereupon given to General Hayashi. The HIROTA Cabinet resigned on 1 February 1937, and Hayashi took office the following day.

The protest of the Seiyukai party on 20 January 1937 against the increasing control of the military men over aspects of the government of Japan was almost the last serious attempt made by a political party in Japan to arrest this pernicious process. It had done no good. It had merely formed the occasion for a demonstration by the military of the fact that without their willing cooperation a cabinet could not continue to exist, nor could a new cabinet be formed. It had demonstrated also that the military now felt strong enough to refuse to cooperate in the government of Japan except with a cabinet which was agreeable to them.

THE COMPOSITION OF THE HAYASHI AND FIRST KONOYE CABINETS

After emerging victoriously from this trial of strength, the Army proceeded steadily with its industrial planning. Hayashi's term of four months as Prime Minister is remarkable for nothing but the steady fruition of the plans the Army had made in 1936. HIROTA himself went out of office; but Lieutenant-General UMEZU, who had upheld the Army's standpoint during the Ugaki crisis, remained Vice-Minister of War, KAYA, who, under HIROTA, had been in charge of the affairs of the Finance Ministry in the Diet, now became Vice-Minister of Finance. Vice-Admiral SHIMADA remained as Vice-Chief of the Naval Staff.

Some remnants of the liberalist faction must have remained in positions of influence; for, on 17 March 1937, HASHIMOTO returned to his attack upon politicians. There were in

the Imperial Diet, he said, liberalists who stood for the maintenance of the status quo, and who were busily denouncing the military for mixing in politics. This he characterised as a subtle trick to spread anti-military thought among the people, and to obstruct the military movement for political renovation. From the point of view of national defence, it was, he said the duty of the military to mix in politics.

Prime Minister Hayashi had, in June 1937, himself been out of favour with the Army; and had then felt obliged to tender his resignation as War Minister. Four months after the crisis which had brought his Cabinet to power, he relinquished office and was succeeded as Prime Minister by Prince Konoye. Again there was no perceptible pause or change in the progress of the Army's planning. UMEZU and SHIMADA again retained their offices. HIROTA returned to power as Foreign Minister, the position he had held under Saito and Okada until he himself had become Prime Minister. KAYA became Finance Minister, and thus achieved the topmost position of all in the busy field of economic and industrial planning, and of financial controls. Baron HIRANUMA, under both Hayashi and Konoye, continued to preside over the Privy Council.

NEW ECONOMIC POLICIES FOR NORTH CHINA UNDER HAYASHI

On 20 February 1937, three weeks after taking office, the Hayashi Cabinet approved a new basic policy for North China, which reiterated and supplemented the Five Ministers' decision of 11 August 1936. It was now declared that Japan's principal aims in administering North China were to establish it as an anti-Soviet buffer state, and to provide a source of materials, particularly for munition industries.

Again during the Hayashi Cabinet's tenure of office, on 16 April 1937, Japanese policy in North China was restated. The new plan, which merely added emphasis to the old, declared that economic infiltration would be achieved by encouraging the investment of both Japanese and Chinese private capital. The availability of such vital mineral resources as iron and coal would thereby be secured. The establishment of communications, sources of electricity, and other industrial aids would speedily be completed. Strict precautions would, however, be taken not to arouse unnecessarily the suspicions of foreign powers.

THE ARMY'S PART IN THE ECONOMIC AND INDUSTRIAL DEVELOPMENT OF MANCHURIA UNDER HIROTA AND HAYASHI

In January 1937 the Kwantung Army drew up a five-year plan for the economic and industrial development of Manchukuo. Ever since the beginning of the war in Manchuria, this Army had steadily been taking control of the public utilities and the financial organs of that country. During the five years from 1931 to 1936, the work of prospecting for raw materials, creating industrial plants, and improving the communications system, had gone ahead hand in hand with purely military measures. During 1935 the Japanese-Manchukuoan Joint Economic Committee had been established; and in November of that year the integration of the currencies of the two countries had been achieved through the establishment of the yen bloc. On 10 June 1936, a new treaty had been signed which gave to Japanese subjects all the rights of native citizens in Manchukuo. Special laws were to be passed for their protection. They were given immunity from the local jurisdiction and certain taxation exemptions.

The number of Japanese settlers, many of whom were also potential soldiers, increased rapidly, and was then in excess of 390,000. Natives were dispossessed of their holdings to provide good land for the newcomers at nominal purchase prices. In December 1936 the Industrial Bank of Manchukuo had been

created to provide easy financing for preferred industries in accordance with Japanese Cabinet policy.

Over all of these developments the military authorities in Japan had exercised control through the agency of the Kwantung Army. Under the terms of the treaty of 10 June 1936, all legislation affecting Japanese subjects required the Kwantung Army Commander's approval; and, in addition, he exercised through his subordinates complete control over the internal administration of the country.

From 23 March 1936 to 1 March 1937, Lieutenant-General ITAGAKI was Chief of Staff of the Kwantung Army; and, as the occupant of that position, he was also a member of the Joint Economic Committee. It was his avowed policy to realise in Manchukuo the political and economic conditions required by Japan, to integrate the military planning and preparations of the two countries, and at the same time to promote the prosperity of Manchukuo itself. He exercised in the name of General Ueda, the Kwantung Army Commander, full powers over the country's internal affairs.

The position of Director of the Board of General Affairs of Manchukuo was also held by a Japanese. His was the key position in the shaping of internal policies. All appointments were made by his direction, subject to the approval of ITAGAKI as Army Chief of Staff. HOSHINO, who had then had six months experience as Manchukuoan Vice-Minister of Finance, became

Chief of the General Affairs Section of the National Affairs Board on 16 December 1936. He was regarded in Japan as an economic expert, and it was his task to promote the economic development of Manchukuo. In carrying out this duty he maintained a constant liaison with the Commander of the Kwantung Army.

THE FIVE-YEAR PLAN FOR MANCHUKUO

Army planning in 1936 and 1937 was aimed directly at securing and developing the fruits of the Manchurian Incident. The five-year plan was designed to replace haphazard development with a concrete coordinated programme. HOSHINO took part in its formulation, working with the representatives of the Finance and other Ministries of Manchukuo. ITAGAKI also took part in the work; and the right of final decision rested with General Ueda, the Commander of the Kwantung Army. On 17 February 1937, the Manchukuoan government issued an official report, announcing that, with the inauguration of the new programme, that country was entering upon a period of epoch-making constructive activity.

So closely did the Manchukuoan plan resemble those which the Army was preparing for Japan itself, that both may be considered as a single programme of industrial and economic development.

THE FIVE-YEAR PLAN
FOR IMPORTANT INDUSTRIES
29 MAY 1937

On 29 May 1937, while the Hayashi government was in power, the first major step was taken

towards the achievement of the goals set in the basic policy decision of 11 August 1936. On that date the Army issued a document entitled "The Essentials of a Five-Year Programme of "Important Industries". This plan was designed systematically to promote the activities of important industries generally by 1941, so that by that year Japan, Manchukuo and North China might constitute a single sphere, self-sufficient in important materials. Thus would Japan's position of leadership in East Asia be secured.

Thirteen industries were selected for priority during this five-year period--munitions, aircraft, automobiles, engineering machinery, iron and steel, liquid fuel, coal, general machinery, aluminium, magnesium, electric power and railway rolling-stock. The basis of their selection was their importance in time of war. Separate plans were to be prepared by the Army for the aircraft and munitions industries within the framework of this general programme. No radical change would be made in the existing capitalistic system of production; but the progress of the scheme would be secured by financial and price controls, direction of labour at the expense of less important industries, and control of foreign purchases. At the end of the five-year period, progress would be reviewed.

THE DECISION TO EXPLOIT THE RESOURCES OF THE CONTINENT

The Five-Year Plan for Important Industries stated specifically that the industries selected for expansion would be located both in Japan itself and in Manchukuo, which would be regarded for that purpose as a single sphere. Furthermore, Japan would "ingeniously" (as it was translated) take the initiative in North China, and would make efforts to exploit its natural resources.

The five-year plan for Manchukuo had already shown the use which was to be made of the resources of that country. Munitions industries for the production of weapons of war, aircraft, automobiles and rolling-stock would be firmly established. Basic major industries, including those of iron, coal, liquid fuel and electric power would be developed. Efforts would be made to increase the quantities of those agricultural products needed as military stores. Railways and harbours would be provided with the facilities necessary for the industrial developments contemplated.

The object of the whole plan would be to open up those Manchurian resources which might be required in time of war; to establish a firm foundation for that country's industrial development; and so to order that development as to create self-sufficiency in Manchukuo, while supplying to Japan those materials which she lacked.

THE DETAILED PLANS FOR THE WAR-SUPPORTING INDUSTRIES AND FOR THE PRODUCTION OF WAR MATERIALS

When, on 4 June 1937, Konoye replaced Hayashi as Prime Minister, there was no break in the continuity of Army planning.

On 10 June 1937, the Army produced a tentative draft of its programme for putting into operation the Five-Year Plan for Important Industries. This programme followed faithfully the aim of securing self-sufficiency in important material resources by 1941. Each of the thirteen nominated industries was separately considered; but certain basic principles were common to the plan for each. Rigorous measures would be adopted to place each industry under the control and constant supervision of the government. Special juridical persons would be created, and systems of licensing would be adopted, as aids to the enforcement of governmental control. Production would be ensured through tax exemptions, through subsidies, and through governmental guarantees of operating losses.

Three weeks later, on 23 June 1937, the War Office produced a third plan entitled "Outline of the Five-Year Plan for Production "of War Materials." Whereas the first two plans had dealt generally with the development of the war-supporting industries, the third was concerned with the Army's own role in this programme of large-scale expansion. It was de-

signed to coordinate military expansion and control with the achievement of self-sufficiency in the industries necessary to war potential. Certain industries, such as the munitions industry, fell primarily within the orbit of this plan. Others, more remotely connected with the Army's immediate needs, such as the supply of electric power, belonged more appropriately to the sphere of the major industries plan. Yet others, such as the automobile, aircraft and machine tool industries, were equally within the orbit of each plan. But all phases of the planning were indissoverably connected.

THE CONNECTION BETWEEN THE 1936 DECISIONS AND THE 1937 PLANS

In these three plans, produced by the Army in May and June 1937, were embodied the principles which the Five Ministers had laid down in the basic national policy decision of 11 August 1936. The fundamental aim was, in each case, the establishment of a steady footing on the Asiatic continent, and the domination of East Asia through military power.

The Plan for Important Industries, issued on 29 May 1937, and designed to achieve economic self-sufficiency, had as its object a "long-"stride development, ensuring the actual power "of leadership in East Asia". The more detailed programme, which the Army issued on 10 June 1937, had the same end in view. Self-sufficiency was to be achieved by 1941 "in order to be prepared "for the epochal development" of Japan's destiny,

which would "be attained in spite of all diffi-
"culties". In the third plan, which dealt with war materials, these aims were reiterated and amplified. Not only would there be a "speedy "epoch-making expansion of war industries" by 1941, but also the operation of Japan's economy "would be made to develop rationally by unifying "the handling of affairs by military administra-
"tion". Special attention would be paid to a speedy conversion from a peacetime to a wartime basis.

During the period in which these War Ministry plans were prepared and published, Lieutenant-General UMEZU was Vice-Minister of War. He had taken office on 23 March 1936, two weeks after HIROTA had become Premier, and three months before the important Five Ministers' conferences of that year. He had played an important part in the Army's refusal to countenance Ugaki as HIROTA's successor. He remained as War Vice-Minister under both Hayashi and Konoye until 30 May 1938.

THE PLANS SIGNIFIED THE ARMY'S INTENTION TO ATTACK THE SOVIET UNION

The Army's 1937 planning was not directed wholly or principally towards the conquest of China. The defence witness Okada maintained that the plans were drawn up in emulation of the Soviet Five-Year plans, and were intended to ensure that Japan's strength compared favourably with that of the Soviet Union. He said that Japan's position was such that she had to take measure

to cope with the phenomenal expansion of that country's national and military power.

Nevertheless, the planning was not, as Okada maintained, defensive in nature. Both in the plans relating to major industries and in that dealing with the production of war materials, the goal set was the achievement of "national defence power"; and this was to be accompanied by the perfection of Japanese armaments. Ever since June 1933, when War Minister ARAKI had defined the term, "national defence" had signified expansion on the Asiatic continent through force of arms; and in the 1937 plans themselves, was expressed unequivocally the Army's intention to achieve that result.

There is, however, no doubt that the Army regarded the Soviet Union as the inevitable enemy of her Asiatic policy. The Military Attache in Moscow had said so in July 1932: Lieutenant-Colonel SUZUKI of the Army General Staff had repeated it in April 1933. The Kwantung Army had carried out consistently preparations for such a war, and had tested its strength against the Russians in border engagements. "Anti-Communism" had been the slogan of Japanese encroachment upon North China and Inner Mongolia. In the basic policy decision of 11 August 1936, the Five Ministers had determined that the measure of military expansion would be that necessary to deal with all the forces which the Soviet Union could mobilise upon her Eastern borders. The Anti-Comintern Pact of October 1936 had paved the way for such a conflict.

On 9 June 1937, before the last of the three Army plans had been produced, there was new proof that the Army intended to initiate a war against the Soviet Union. Lieutenant-General TOJO, who had, on 1 March 1937, succeeded ITAGAKI as Chief-of-Staff of the Kwantung Army, considered that this aim should be deferred, and advised the Army General Staff accordingly. Taking into consideration the prevailing situation in China and the state of military preparations against the Soviet Union, he was convinced that Japan should first, if her military power permitted it, attack the Chinese national government's forces, which the Japanese regarded as a menace to the Kwantung Army's rear. A month later, when the Lukouchiao Incident had occurred, it became apparent that the Army did consider her military power sufficient to permit the taking of such a step.

THE ARMY'S PLANS WERE DIRECTED ALSO AGAINST THE WESTERN POWERS

But the Army's 1937 planning was not exclusively directed against the Soviet Union; for it had long been recognised that, in achieving the conquest of East Asia, Japan would earn the enmity of the Western Powers. Nor were her interests confined to the continent of Asia. In 1924 and 1925 Okawa had advocated the occupation of the islands of the East Indies, and had predicted a war between East and West, in which Japan would emerge as the champion of the East. In July 1929 he had looked forward to the liberation of the Asiatic peoples, through the

expulsion of the white races. Japan's withdrawal from the League of Nations in March 1933 had been heralded by Okawa as emancipation from Anglo-Saxon supremacy; and, in June 1933, ARAKI had told the Japanese people that the whole world, under League leadership, was opposed to the fulfilment of their country's destiny. He had spoken of the critical period ahead, and ever afterwards this had been a theme of the publicists and planners.

By September 1933 Japanese public opinion was bitterly opposed to any form of limitation of armaments through international agreement. In December of the same year the Saito Cabinet had decided that Japan's obligations under the Nine-Power Treaty would not be permitted to stand in the way of her aims upon the Continent. In 1934 and 1935, Foreign Minister HIROTA had set the precedent for mollifying Western resentment with reassuring statements, while proceeding steadily to encroach upon established Western interests in Manchukuo.

This was the policy adopted by the Five Ministers on 11 August 1936. The military rule of the Western Powers would be excluded from the continent; Japan would develop in the South Seas by gradual and peaceful measures, but would at the same time strive to maintain amicable relations with the powers.

Nevertheless, it had not been assumed that the policy of soft replies could do more than delay an open breach with the Western Powers. The Five Ministers had decided that naval arma-

ment must be strengthened sufficiently to secure command of the Western Pacific Ocean against the United States. During the same period HASHIMOTO had openly advocated expansion to the south, and especially into the Netherlands East Indies. He had seen in the British Navy the chief obstacle to this scheme; and had called for further rearmament, the essence of which would be the creation of an invincible air force.

This aim received Army recognition in the War Materials plan of 23 June 1937, which provided for huge increases in the numbers of military and naval aircraft, and designated 1942 as the first year in which required wartime capacity would be achieved.

A week later, on 1 July 1937, HASHIMOTO published another article, in which he warned the Japanese people that the powers were making desperate efforts to enlarge their air forces. He once more extolled the need for an invincible air force, which might not only be used against the U.S.S.R., but which would also serve as the mainstay of Japanese armaments.

The Army plans of May and June 1937 were similar to the national policy decision of 1936; and the keynote of the planning was that the goal of overseas expansion would be attained in spite of all difficulties. While it was not intended prematurely to provoke the Western Powers to war, it was clearly recognised that they constituted such a difficulty. The Army, in its five-year plans, was making timely pro-

vision for the day when such difficulties could be resolved only by resort to war.

Meanwhile the Navy, unencumbered either by treaty restrictions or by participation in the Army's continental schemes, was assiduously preparing for war in the Pacific.

NAVAL PREPARATIONS AND PREPARATIONS IN THE MANDATED ISLANDS DURING 1937

The year 1937 saw a large and abrupt increase in every aspect of Japanese naval strength and naval construction figures. Three heavy cruisers and one new aircraft carrier were commissioned -- the first new cruisers since 1932 and the first new carrier since 1933. The strength of naval manning rose during the year by more than 25 per centum. Construction was begun upon a new capital ship of unprecedented dimensions and firepower. The total displacement of heavy cruisers, after being for some years relatively static, rose by 25,500 tons. Apart from destroyer strength, which had also been greatly augmented, the most marked increases were in those very classes of vessels which the Japanese delegates to the London Naval Conference had labelled as peculiarly offensive weapons.

Throughout this period Vice-Admiral SHIMADA was Vice-Chief of the Naval Staff. He had taken office under the Okada Cabinet on 2 December 1935, a few days before the London Naval Conference had opened. He held office continuously under three Navy Ministers during the premierships of

HIROTA, Hayashi and Konoye until 30 November 1937. During this period Japan had withdrawn from the international agreements for naval disarmament; had planned to create a Navy which would rival the United States Pacific fleet; and had embarked upon a rapid, but extensive, programme of naval construction.

During this period also the Navy had been given charge of Japan's mandated South Seas islands; and had, under cover of secrecy and in breach of treaty obligations, set about their fortification and equipment as naval bases. Construction of a naval air base on Saipan in the Marianas had been in progress at least since 1935. During 1937 ten-inch guns were imported and stored; and work was commenced, under naval direction, upon the installation of underground fuel tanks. In 1937 or earlier the work was extended to the Carolines, for in this year an airstrip was being made on Peleliu in the Palau group; and, a thousand miles to the eastward, military installations were in the course of construction upon the islands of the Truk atoll.

THE REFUSAL TO AGREE TO AN INTERNATIONAL LIMITATION OF NAVAL GUN CALIBRE

Even after Japan's withdrawal from the London Naval Conference on 15 January 1936, the Western Powers had not abandoned hope of mitigating the evils of a naval rearmament race.

The United States, Great Britain, France

and Italy had, on 25 March 1936, concluded a new treaty which renewed, or preserved in modified form, certain of the provisions of the two expiring treaties. The limitation of the calibre of guns mounted on capital ships was, under the provisions of the new treaty, to be reduced from 16" to 14", provided that a general agreement to this effect was reached with non-signatory powers before 1 April 1937. Although it was within Japan's power to make this provision effective, a British request that she do so drew a specific refusal from Hayashi's Foreign Minister.

On 4 June 1937, the day of the formation of Konoye's first Cabinet, the United States, expressing her earnest desire that the limitation should be carried into effect, made a direct appeal to Japan to give the requisite undertaking. It was explained that Japan's answer would determine whether 14" or 16" guns would be mounted upon United States capital ships then under construction. Two weeks later, on 18 June 1937, Foreign Minister HIROTA conveyed Japan's refusal to Ambassador Grew, and reiterated his country's adherence to the views which the Japanese delegation had expressed in London.

Thus, during the very months in which the Army was producing its large-scale plans for military preparation, new proof was given of Japan's intention to proceed steadily with those warlike preparations, which were directed primarily against the Western Powers.

SATO ON THE PURPOSE OF THE ARMY'S 1937 PLANS

The evidence thus far considered establishes clearly the purposes towards which Japanese preparations for war and Japanese Army planning were directed in 1937. Striking corroboration is afforded by a very full newspaper report of a public address made on 11 March 1942 by Major-General SATO, then Chief of a Section of the Military Affairs Bureau, as an Army Day Commemoration Lecture. Although characterised by the defence as mere war-time propaganda the accuracy of the report was not contested.

"In 1936", said SATO, "our army formulated "a national defence plan, for the army felt keenly "the necessity of expanding armaments and produc-"tive power in order to secure and develop the "results of the Manchurian Incident. As the "expansion of armaments and rearmament by the "European powers were to be completed by 1941 or "1942, we anticipated an international crisis at "about that time. Therefore, considering it "necessary to complete by every means possible "the expansion of our armaments and productive "power by 1942, we decided to effect a great "expansion by means of a six-year armament plan "for the period 1937 to 1942, and a five-year "production expansion plan for the period 1937 to "1941."

There will be occasion again to refer to this speech; for in it SATO reviewed the constancy with which the Army's ultimate purpose

was kept in view, and the measure in which its efforts were attended by success. But first must be considered the new machinery which was provided to coordinate and direct Japanese governmental policy and planning during the expected period of economic and industrial expansion.

THE EFFECT OF THE 1937 PLANS UPON THE INDUSTRIALISATION PROGRAMME OF JAPAN

The Army, in its 1937 five-year plans, subordinated all other considerations to that of attaining "national defence power". A rapid expansion of the war-supporting industries would be achieved; and that expansion would be so planned and guided that the utmost attention would be paid to ease of conversion from a peacetime to a wartime basis. These aims in turn demanded a unification of industrial control under military supervision; but it was recognized that, without the cooperation of the industrialists, such a system would be fruitless.

Accordingly, the Army, in its War Materials Plan of 23 June 1937, aimed to combine the establishment of a new industrial hierarchy, responsive to governmental and Army control, with the maintenance of good conditions for both the industrialist and his employees. Hours of work would not be lengthened. New machinery and technique would replace outmoded methods of production. Due regard would be paid to the danger of permitting the industrialist to sustain capital or operating losses.

These precautions being taken, an increased measure of control would facilitate the achievement of the military goals of expansion and convertibility.

The specific measures by which it was planned to increase control over industry were all devoted to creating larger industrial units. Guidance would be given to industrial mergers and to the incorporation of enterprises; and a special institution to exercise general control over them would gradually be established. Organic production blocs would be formed linking together groups of inter-dependent producers. Unions of small manufacturers would be organized from a military point of view, so that their full productive capacities might be harnessed for wartime purposes.

The 1937 plans did not constitute an altogether new departure in industrial policy, for the first steps had long before been taken. In 1929 a rationalisation committee of the Ministry of Commerce and Industry had been formed; and in the following year there was created a bureau, which took normal steps to simplify production processes and to eliminate waste. The Major Industries Control Law, passed in 1931, had been the first step towards a planned and controlled economy. Its effect was to increase the power of the great manufacturing interests, compelling smaller operators to group themselves together for self-protection. This tendency of small operators to form guilds or

in 1931, and again in 1932.

In 1936 more sweeping measures had been taken. An amendment to the Major Industries Control Law had enforced the formation of cartels in heavily capitalised industries. By legalising agreements, made between producer and manufacturer, the formation of monopolies was encouraged. At the same time a similar development had been instituted among small manufacturers by granting increased banking facilities to guilds.

The 1937 plans were, nevertheless, a landmark. For the first time the planning was on a comprehensive, long-term scale; and for the first time its objects were directly related and subordinated to the requirements of the Army.

THE CABINET PLANNING BOARD

On 14 May 1937, during Hayashi's Premiership and immediately prior to the production of the Army's five-year plans, the Cabinet Planning Board was established. It replaced the Investigation Bureau, which had in the past examined matters of national policy. The new board, like its predecessor, was a subdivision of the Cabinet itself, charged with the primary task of facilitating decisions on matters of national policy. Its staff of a hundred and fifty included technical experts, and senior cabinet officials were appointed as its Councillors. The Imperial Ordinance creating the Board provided that it should, under the Premier's direction, make recommendations and give pertinent advice in regard to important

national policies and their application. Its regular function would be to advise the Prime Minister, so that adjustments might be made and conflicts avoided between the various ministries.

The other duties of the Board, which are listed in the Ordinance, indicate the major role it was to play during the period of economic and industrial expansion. It would investigate the policies proposed to the Cabinet by its members, and would make appropriate recommendations concerning them. It would evaluate the relative importance of the plans proposed by individual departments of government, with a view to their integration and coordination. Its decisions upon these matters would not be made public, but would be tendered in the form of advice to the Prime Minister. It would also make recommendations concerning budget estimates.

A description of the manner of its functioning was given by the defendant HOSHINO, who, in July 1940, became President of the Board. It made its plans in collaboration with the other government departments, which submitted estimates of their requirements for the coming year. Its major task was to plan the economy of Japan proper; but this necessarily entailed a knowledge of industrial development in those parts of the Continent which were under Japanese control, and particularly in Manchukuo. Hence, in the Board's estimates, plans for Manchukuo were included by agreement with

the responsible Japanese officials in that country. Above all, it was the Board's duty to see that each Ministry should get, as nearly as possible, what it wanted.

On 10 June 1937, a few days after the first Konoye Cabinet had taken office, Foreign Minister HIROTA received the additional appointment of President of the Planning Board.

THE EFFECT OF THE CHINA WAR UPON THE FIVE-YEAR PLANS

While Hayashi's government was in power, and before the Army's five-year plans had even been completed, major steps had been taken towards putting into practice the new policy of industrial expansion. During March 1937 a five-year plan was inaugurated to increase the indigenous production of finished steel.

In April 1937 the fourth period of Japan's "scrap and build" shipping replacement programme came into force. Since 1932, Japan had, by provision of subsidies, built approximately forty-eight fast cargo ships, giving her the highest proportion of tonnage, less than five years old, in the world. The new programme provided for subsidised construction of passenger and passenger-cargo liners with minimum specifications for tonnage and speed. The subsidy rate amounted in some cases to one-half of the building cost.

On 1 May 1937 legislative authority had been obtained for the Army's plans in Manchukuo. On that date there was enacted a Manchukuoan

law, which gave to the state complete control of all industries. the products of which were deemed to be vital to preparation for war.

The planning for Japan itself was not so far advanced. When, on 7 July 1937, the incident at Lukouchiao occurred, consideration of the five-year plans was for a time deferred. In the months which followed the immediate requirements of the war in China absorbed the attention of the Japanese government.

The Army's first plan, outlining the programme for important industries, had been submitted for approval to the first Konoye Cabinet. A brief summary of the Army's detailed programme for putting that plan into action reached President HIROTA of the Planning Board on 13 July 1937, six days after the fighting had begun. The third plan, dealing with the production of munitions, aircraft and other war materials, was produced only two weeks before the war commenced.

This third plan was temporarily abandoned because it was inadequate to meet the Army's needs: and the plans for important industries were altered to ensure production of the greatest possible amount of supplies for military consumption. Under the stimulus of a national emergency, industrial expansion was, between July 1937 and December 1938, developed piecemeal in greater measure than had been planned.

But, although during this period the Planning Board was required to deal with first

things first, the original aim of large-scale planning for war was never lost to sight. Early in 1938 the mobilisation plan was reinstated as an annual measure limited to that year only. The National General Mobilisation Law, passed in February of that year, made it possible for the Japanese government to take far-reaching steps in preparation for war, without first submitting them to the Diet for approval. In June 1938 concern was expressed in governmental circles lest Japan's financial difficulties should imperil the success of the five-year plans.

In January 1939 the Planning Board issued a new and comprehensive programme based upon the experience gained in the intervening eighteen months of war, and setting new targets for the coming years. Basically, this plan, which received the approval of the HIRANUMA Cabinet, was the original programme propounded by the War Ministry in its 1937 planning.

THE LUKOUCHIAO INCIDENT WAS INSTIGATED BY THE ARMY

The incident at Lukouchiao, was the culmination of the Army's scheme for bringing North China under Japanese rule. In May 1935 KIDO had noted the determination of elements within the Kwantung Army that the military should take the lead in dealing with North China, as they had done in the case of Manchukuo. In December of that year the Kwantung Army had despatched to

the War Ministry a propaganda plan made in contemplation of that Army's advance into China proper. In the following month HIROTA, as Foreign Minister in the Okada Cabinet, had established the policy of diplomatic cooperation with the soldiery in carrying out the Army's plans for North China. The opening battle of this phase of the war in China, like the Mukden Incident, which had led to the conquest of Manchuria, was planned, instigated and carried out upon the initiative of the Army itself.

Less than a month before the fighting began, Lieutenant-General TOJO had placed the issue of peace or war squarely before the Army General Staff. As Chief-of-Staff of the Kwantung, he believed that the moment was propitious for an offensive against the Chinese government's forces; and that such a campaign should precede the initiation of a war with the Soviet Union. Whether or not Japanese military strength warranted the taking of such a step was a question of larger strategy to be decided by the General Staff.

The decision was a momentous one, for the long-range economic and military planning, upon which the War Ministry was even then engaged, took no account of an immediate embroilment in China. All the factors in this complex situation must have been known to Lieutenant-General UMEZU, who had for the fifteen previous months occupied the position of Vice-Minister of War. The manner in which the first outbreak of fighting was permitted to assume the proportions

of a full-scale offensive shows that the Army General Staff had made its election in favour of a war with China.

On the night of 7 July 1937, Japanese garrison troops at Lukouchiao held an unusual manoeuvre; and, alleging that a Japanese soldier was missing, demanded entry into the City of Wanping to conduct a search. Fighting broke out while the Japanese complaint was still under negotiation; and, on the afternoon of 8 July 1937, the Japanese issued an ultimatum for the surrender of the City. In the battle which ensued, the Japanese forces sustained substantial casualties; and, on 10 July 1937, a truce was agreed to upon the proposal of the Japanese commander.

The incident might then have been regarded as closed; but that was not the Japanese intention. Within twenty-four hours of the initial conflict, large units of the Kwantung Army began to converge upon the scene of the fighting. Reinforcements having reached North China, new demands were made for the withdrawal of Chinese forces. On 13 July 1937, the Army General Staff decided that, if Chinese troops were sent to North China, resolute steps would be taken to meet the situation. In default of compliance with the new Japanese demands, fighting was resumed at Lukouchiao upon the following day.

THE FIRST KONOYE CABINET ADOPTS THE ARMY POLICY OF WAR WITH CHINA

Although the Army had chosen the time and place for the attack, war with China was a foreseen consequence of Japanese national policy. In February 1936, while Hayashi was Prime Minister, it had been decided to establish North China as an anti-Soviet buffer state, and to include it in the Japanese-Manchukuoan economic bloc. Now, in the months which followed the first onset at Lukouchiao, government and Army worked together, in the words approved by the Five Ministers on 11 August 1936, to achieve "a "steady footing on the Asiatic continent", and "to "become the stabilization power in East Asia".

When the first news of fighting was received, the Cabinet had resolved to seek a local settlement of the matter; but had not countermanded orders for the movement of further troops to the area. Two days later, on 11 July 1937, the Cabinet, of which HIROTA and KAYA were merbers, reconsidered the situation which had arisen. Afterwards there was issued an official statement to the effect that the Japanese government, though anxious to maintain peace and order in North China, intended to take all necessary measures for despatching troops to that region. Mobilisation within Japan itself was postponed; but units of the Kwantung Army were permitted to continue

their advance. Simultaneously steps were taken to send to North China new diplomats and consular officials, who now once more came under the control of Foreign Minister HIROTA.. A new Chinese offer to submit the quarrel to negotiation and an American tender of good offices, both of which followed the resumption of fighting, were alike unheeded. Although direct negotiation continued, preparations for an Army mobilisation within Japan went forward uninterruptedly after 17 July 1937, and received specific governmental sanction.

On 26 July 1937, a new Japanese ultimatum led to fighting at Peking; and on the following day Prime Minister Konoye revealed in the Diet his government's determination to achieve the "new order" in Asia. He protested, as other government spokesmen had protested before the conquest of Manchuria, that Japan did not covet Chinese territory. He said, in the language of the advocates of the Greater East Asia Sphere, that all Japan looked for was cooperation and mutual assistance -- a contribution from China to Far Eastern culture and prosperity. He added, more significantly, that he did not consider it sufficient to settle locally existing problems with China. Japan, he declared, must go a step further, and obtain a fundamental solution of Sino-Japanese relations.

It was then clear that the Cabinet had reached the same conclusion as the Army General Staff; and that Japan was irrevocably committed to the conquest of China.

THE RELATIONSHIP BETWEEN PREPARATIONS FOR WAR AND THE CONQUEST OF CHINA

It is important to note that this decision was not merely in furtherance of the basic national policy; but that it also added an element which was lacking in the decision of the previous year. The Five Ministers, with HIROTA at their head, had decided that Japan would at all costs expand upon the Asiatic continent. They had realised that this process of expansion would make enemies of the Western Powers, and would render war with the Soviet Union almost inescapable. They had recognised that nothing short of mobilisation for war on a national scale over a period of years would enable Japan to meet the consequences of her expansionist programme. But they had not determined at what stage in the programme of preparations it would be expedient to make a new major onslaught upon Chinese territory.

TOJO had assumed the conquest of China would be a minor affair, incidental to the coming trial of strength with the Soviet Union; and later events showed that the Japanese cabinet also had underrated Chinese powers of resistance. In September 1937, Foreign Minister HIROTA was still speaking in terms of a quick punitive blow against the nationalist armies. Furthermore, the whole area of North China was included in the plans for war-supporting economic and industrial development, and was therefore necessary to the success of the national mobilisation itself.

The essence of the decision which Konoye's government made was that the dangers of prematurely intensified international hostility did not outweigh the advantages already enumerated. The very circumstances in which this fighting in China broke out show that the conquest of China was regarded as ancillary to the programme of preparation for a greater struggle.

THE RELATION OF THE FIGHTING IN CHINA TO THE "PRINCIPLES" OF KODÔ AND HAKKO ICHIU

This was, in later years, the view taken by the foremost Japanese publicists, who related the progress made upon the Asiatic continent to the earlier planning of the "new order", and to the principles of Kodo and Hakko Ichiu.

SHIRATORI, in a book published in December 1940, said that the classic phrase of Hakko Ichiu had been adopted as a national slogan to represent this movement, the ultimate object of which would be the establishment of a "new order" in East Asia. The conflict, both in Manchuria and in China, had represented the spirit of the "Imperial Way", and was directed against the democratic viewpoint. He added that the war between Germany and the Western Powers might be said to have arisen from essentially the same conflict.

Yosuke Matsuoka, when Foreign Minister in 1941, gave a similar description of his country's

development. He denied, as Konoye and other statesmen had consistently denied, that Japan had desired to acquire new territories or to exploit other countries. He said that the Manchurian Incident was an exultation of the national spirit, which had, in a way, been caused through the oppression of Japan's peaceful development by America and the European Powers.

He told his audience that Japanese diplomacy must play an important part in spreading the great spirit of Hakko Ichiu throughout the world. In executing her national policy, Japan would need to remember that she was a divine country which must go forward in accordance with the divine will. This, and no material constraint, had been the reason for the "China Incident".

HASHIMOTO, who published a new book in the same month as SHIRATORI, was even more explicit. He said that the "China Incident" might well be called the opening battle for the construction of a "new world "order"; and that the achievement of that order was incompatible with any compromise with Great Britain and the United States. The China War he described as "a grand revelation of national polity".

He urged then, in December 1940, as he had urged in August 1936, that the whole force of the nation should be united in the principle of Kodo, which would make possible the achievement of the goal of world domination or Hakko Ichiu. The crisis of the European War would, he said, be turned into a golden opportunity, enabling Japan to lead the world to a "new world order".

HIROTA'S FOREIGN POLICY AFTER THE LUKOUCHIAO INCIDENT

During the latter months of 1937 the war in China increased steadily both in scale and in intensity. Foreign policy statements were made in accordance with the Kwantung Army's plan for conducting, simultaneously with the advance into China, a propaganda campaign to convince the whole world of the lawfulness of Japan's actions.

On 1 September 1937, Horinouchi, the Vice-Minister of Foreign Affairs, gave a radio address, in which he insisted that Japan had no wish to acquire Chinese territory; and that she desired merely the realisation of conditions permitting genuine cooperation between the two countries.

Four days later, on 5 September 1937, Foreign Minister HIROTA developed the same theme in reviewing foreign policy in the Diet. He said that the basic policy of the Japanese government was aimed at stabilising relations between Japan, China and Manchukuo for their common prosperity and well-being. China, ignoring Japan's true motives, had mobilised vast armies, which Japan could not do otherwise than counter by force of arms. In self-defence and in the cause of righteousness, Japan was determined to deal a decisive blow to China, so that that country might reflect upon the error of its ways, and so that the Chinese armies might lose their will to fight.

A month later, however, on 6 October 1937, the League of Nations decided that Japan's military operations against China were out of all proportion to the incident which had occasioned the conflict; and could be justified, neither under existing treaty rights, nor upon the ground of self-defence.

Meanwhile HIROTA followed the principle laid down in the national policy decision, which stipulated that Japan, while attempting to maintain amicable relations with the Western Powers, would let nothing stand in the way of her schemes for expansion upon the Asiatic continent. On 29 July 1937, two days after Konoye had stated his cabinet's policy towards China, HIROTA advised the budget committee that he did not expect interference from third powers in regard to the China dispute. He assured the committee that, if any such proposal should emanate from a third power, the government would not hesitate to give a firm refusal.

On 10 August 1937, Ambassador Grew conveyed to HIROTA a new tender of good offices by the United States; and only then did HIROTA acknowledge Secretary Hull's first pronouncement of 16 July 1937. In the reply, delivered to Hull on 13 August 1937, it was stated that, while the Japanese cabinet concurred in the principles which Hull had enunciated, for the maintenance of world peace, it believed that the object of those principles could be obtained in the Far East only by giving consideration to the particular circumstances of that region.

On 25 September 1937, HIROTA replied in similar terms to an invitation to participate in the work of the League of Nations Advisory Committee, which was then investigating the situation in China. He said that the Japanese Cabinet was convinced that an equitable and practical solution of their difficulties could be found only by China and Japan themselves.

The resolution of the League Assembly on 6 October 1937, showed the extent of the international resentment which Japanese activities in China had aroused. It was then resolved that the member states would refrain from taking any action which might weaken China's position, and that each should consider what steps it might take to offer her positive aid.

It was also agreed that, pursuant to the provisions of the Nine-Power Treaty of 1922, a conference of the powers signatory to that treaty should be held to consider the situation of difficulty which had arisen in China. The United States expressed general concurrence in these findings and resolutions.

THE BRUSSELS CONFERENCE AND VIOLATION OF TREATY OBLIGATIONS AS PART OF THE PATTERN OF PREPARATIONS FOR WAR

During October 1937, the Cabinet, of which HIROTA, KAYA, and KIDO were now members, refused an invitation to attend the Nine-Power Conference, which was to be held in Brussels. The Cabinet, in conveying this decision, alleged that Japanese action in China was of a defensive nature, and expressed great resent-

ment at the unfriendly findings and resolutions of the League Assembly. In the cabinet's view, the solution of the conflict lay in Chinese realisation of the need for cooperation with Japan; and only by comprehending this need could other nations contribute effectively towards the stabilisation of the Far East.

Whatever justification Japan might plead for her actions in China, her refusal frankly to discuss the situation was inconsistent with her obligations as a signatory to the Nine-Power Treaty. It was, however, wholly consistent with earlier pronouncements; for violation and repudiation of treaty obligations had long formed part of the general scheme of preparations for war.

Japan's withdrawal from the League in 1933 had been precipitated by just such an adverse finding -- on that occasion in relation to the Manchurian Incident. In giving notice to the League of her intention to withdraw, Japan had charged that body with failure to grasp the realities of the Far Eastern situation, thus detracting from the stabilisation of East Asia. Her spokesmen had said that Japan could no longer cooperate with an organisation, the majority of the members of which "had attached greater importance to "upholding inapplicable formulae than to the real task "of ensuring peace".

During the same year, the Navy Minister in the Saito Cabinet had been invited to expound the Japanese attitude toward the naval limitation treaties.

In doing so, he stressed Japan's dissatisfaction with the existing ratios, and said that, if changes in the international situation should occur, "there "is no reason why a nation should remain forever con- "tent with a treaty which it had once signed. Only "out of regard for the welfare of humanity, we signed "the London Naval Treaty, but we did not do it "unconditionally. As regards the Washington Agreement, "it was signed twelve years ago and in our opinion is "no longer adequate to guarantee the security of this "empire, as the international situation has thoroughly "altered in that period of time".

When preliminary discussions for a naval disarmament conference were held in London in 1934, the Okada Cabinet issued a statement for the guidance of public opinion at home. "Japan", they said, "who "resigned from the League of Nations with regard to the "Manchurian Incident, experienced the fact that a "just claim is not always recognised at an international "conference". Japan, it was added, would have nothing to fear, even though the agreement should not be concluded. In the following year, 1935, non-recognition of her "just claims" caused Japan to abandon the system of limitation of armament by international agreement. In 1937, the first year after the treaties expired, the Japanese programme of naval preparations for war took definite shape.

During December 1934, Sir John Simon had pointed out to Matsudaira, the Japanese delegate to the preliminary naval conference, that Great Britain, as a party to the Nine-Power Treaty, had rights and obligations in respect of China; and had asked what the Japanese policy was to be in regard to the independence of that country. No satisfactory or clear-cut reply was received. But in the 1936 policy decision and in the Army's 1937 five-year planning, the position was clarified. Japan would secure a steady footing of her Empire on the continent, and would "ingeniously" exploit the resources of North China. The war in China was a consequence of that policy.

INDUSTRIAL PLANNING IN MANCHUKUO
AFTER THE LUKOUCHIAO INCIDENT

During the latter half of 1937, many facets of Japanese policy and planning were exemplified in the measures concerning Manchukuo. Steps were taken to develop the resources of that country and to promote the establishment of heavy industries. These measures were in general accordance with the Army's five-year planning, and involved the creation of larger industrial units, responsive to governmental control.

This policy in turn gave rise to further violations of the rights of the Western Powers under the provisions of the Nine-Power Treaty. While Japan exercised complete control over the development of Manchukuoan industry, some deference

was still paid to the fiction that the two countries were entirely independent of each other; for, by this device, Japan might disclaim responsibility for the broken treaty obligations of which the Western Powers complained.

On 3 August 1937, the two governments concluded an agreement to establish, under their duel control, a joint stock company. Its objects were to promote Japanese immigration into Manchukuo, and to develop the lands of that country.

On 22 October 1937, three days before Foreign Minister HIROTA ceased to hold the additional appointment of President of the Planning Board, the Cabinet met to consider new industrial measures for Manchukuo. Finance Minister KAYA and Education Minister KIDO were then among its members. The Cabinet was agreed that the situation in which Japan found herself demanded, in particular, the urgent expansion of heavy industries; and that, to achieve this result in Manchukuo, new measures of industrial control were necessary. It was decided that the two governments, acting in conjunction, should promote a new national policy company, which would establish and develop heavy industry in Manchukuo. Special attention would be given to the use of substitutes as raw materials. The Manchukuoan government would supply half the capital required; and the remainder would be subscribed privately. The management of the new venture would be

entrusted to the most suitable Japanese civilian; and the products of the new enterprise would be treated in Japan as though they were not of foreign origin.

In Manchukuo itself, HOSHINO, who had held in succession the positions of Vice-Minister of Finance and Chief of the General Affairs Section of the National Affairs Board, became, on 1 July 1937, the head of that board. As Chief of General Affairs of Manchukuo, all industries were under his control; and, as a Manchukuoan member of the Joint Economic Committee, his was the vote which enabled Japan to carry all decisions. HOSHINO used these large powers to place Japanese in charge of all industries, and to exclude the people of Manchuria from business enterprises.

On 1 December 1937, pursuant to an agreement made in the previous month, Japan released her extraterritorial rights in Manchukuo. This measure, which had been contemplated in the Japanese-Manchukuoan Treaty of 10 June 1936, was used by the Japanese-dominated Manchukuoan government as a device for insisting that all foreign firms in that country be subjected to its jurisdiction. An immediate protest was made to Japan by the United States concerning this action, which constituted a violation of the rights secured by the "open door" provisions of the Nine-Power Treaty.

DEVELOPMENT OF THE WAR-SUPPORTING INDUSTRIES AFTER THE LUKOUCHIAO INCIDENT

On 25 October 1937, the Planning Board was reorganized; and thereafter, HIROTA, whose office as President was abolished, was free to devote his whole attention to the conduct of foreign affairs. But, prior to that date and immediately following the outbreak of war in China, measures were taken to promote within Japan itself the development of the war-supporting industries, and to make the Japanese economy subservient to the needs of war. Though the war in China undoubtedly prompted the measures taken, and determined their relative priorities, they were of that long-range character which the Army had planned.

An assured supply of oil and petroleum was the most crucial need of all, for Japan was itself able to supply only 10 per centum of normal civilian needs. By building up a steadily increasing reserve of oil and oil products substantial provision had been made for such a contingency as a short war in China; but the Army, in its 1937 planning, had decided, in the interests of self-sufficiency, to develop a synthetic industry under government subsidy. New national policy companies were to be created to promote the production of synthetic petroleum.

During August 1937, the month after hostilities were renewed in China, legislation was passed giving effect to these long-range plans. It was decided to advance the production of

synthetic petroleum, using coal as the raw material. New national policy companies, under governmental guidance and control, were established to develop and finance the industry; and provision was made for a system of licensing, tax exemptions and governmental subsidies.

Japan was also poor in indigenous supplies of iron, and was therefore deficient in iron and steel industries. Since 1933, the industry had been under governmental control, and in the decade before 1937, local production had been trebled, but, in March 1937, while Hayashi's Cabinet was in office, new plans had been made setting increased production goals. On 12 August 1937, a new law was passed, giving effect to the Army's plans for the iron and steel industries, and designed to double local production within a five-year period. To encourage the production of these and other strategic materials, large subsidies were paid; and special encouragement was given to those industrialists who manufactured parts essential to the growing shipbuilding industry.

In its detailed plan of 10 June 1937, the Army had also stipulated that the government should strive completely to equip all railways, harbours and roads. On 1 October 1937, legislation was passed for the creation of a new and heavily capitalised national policy company, which would develop and control all transportation facilities within Japan.

But, even at this stage in the China War, long-range industrial preparations

were not confined to measures affecting the specific industries and utilities most vital to the war effort. As in Manchukuo, so in Japan itself, effect was given to the Army's plan for regimenting heavy industry into larger units, more susceptible of governmental control. The Major Industries Control Law, passed in August 1937, encouraged the formation by industrial groups of new associations or cartels, which were given wide powers of self-government.

THE ESTABLISHMENT OF
A CONTROLLED ECONOMY

The Army, which had planned these things in its detailed programme of 10 June 1937, had also foreseen that they must be achieved in conjunction with a planned and regulated economy, which would require far-reaching measures of trade and financial control. The measures requisite to achieve this end had been set out at length and in detail; and had ended with this exordium: - "The success or failure of this programme "is doubtless solely dependent upon the government's "consistent and firm guidance under the national policy. "The government should support various industries with "all possible means from the standpoint of strengthen-"ing the nations's power, and it is especially of "vital necessity that measures for financial aid should "be taken by the government". The estimated amount of government assistance required for the war-supporting industries rose from 57 million yen in the

remaining months of 1937 to 338 million yen in 1941. Much of the responsibility for the success of economic and industrial preparations for war therefore rested with Finance Minister KAYA.

In August 1937, the month most productive of industrial legislation, special measures were passed to stimulate the production of gold as a means of acquiring foreign exchange; and the government took power to control the disposition of all gold reserves.

In this same month a first measure of import licensing was taken; and in the following month a more comprehensive measure was passed to adjust the balance of trade. Under this law of September 1937, passed as a temporary expedient but never repealed, the government assumed complete control of imports, their selection, distribution and utilisation. These powers the Planning Board exercised through government-controlled export and import associations, one to each essential industry.

Restrictive legislation of this type was not entirely new, for Japan's exports had seldom been sufficient to pay for her imports; and on these she was dependent for her economic livelihood and position as an industrial nation. The rising tide of her programme of industrialisation, and the virtual extinction of her foreign credit since the time of the Manchurian Incident, had led to the adoption of a succession of measures for trade and financial control. Laws relating to foreign exchange control were

passed in 1932 and 1933. The Foreign Exchange Control Law, passed in March 1933, had given the cabinet wide powers to control and canalise all foreign exchange transactions.

These powers, however, had not been completely invoked until January 1937, when all exchange transactions involving more than thirty thousand yen per month were made subject to government license. By December 1937, the position had so far deteriorated that the exemption level stood at one hundred yen per month.

Under the Temporary Fund Adjustment Law of 19 September 1937, complete authority over Japan's finances was centralised in the Bank of Japan, and made subject to the overriding discretion of Finance Minister KAYA.

ARMY PREPARATIONS AGAINST THE USSR
AFTER THE LUKOUCHIAO INCIDENT

Although the drastic financial controls imposed in 1937 were occasioned in part by the large subsidies paid in that year to encourage the development of the war-supporting industries, these were small in comparison with the demands made upon the national exchequer by appropriations for the Army and Navy. Ordinarily the budget of each Ministry was comprised of a general account and a special account; but in 1937 a third account was set up to meet expenditure directly entailed by the war in China. This "War Ex-"penditure Account", although originally a temporary measure occasioned by

the emergency in China, was never closed. Total expenditure upon the Army alone rose from rather more than 500 million yen in 1936 to nearly 2,750 million yen in 1937.

This large expenditure had made possible an enormous increase in Japanese military strength. The League's Advisory Committee, in its report of 6 October 1937, found that Japan had not ceased to intensify her action; and that she was employing larger and larger forces, and more and more powerful armaments. The standing strength of the Army rose from 450,000 men on 1 January 1937, to 950,000 men on 1 January 1938.

The Army, which had initiated the hostilities in North China, in part, upon Lieutenant-General TOJO's advice, still regarded them as a preliminary to the coming struggle with the U.S.S.R. While the fighting raged in China, TOJO, as Chief of Staff of the Kwantung Army, made other plans in preparation for an attack upon the Soviet Union; and, in December 1937, he transmitted them to Lieutenant-General UMEZU, Vice-Minister of War. In the following month TOJO suggested to UMEZU, and obtained, the passage of a regulation which increased the strength of the Kwantung Army; and, on 24 January 1938, General Ueda, then in command of that army, advised War Minister Sugiyama of the contribution which North China should make to the preparation for "the fast approaching war with Soviet Russia".

THE CHINA WAR LED JAPAN TO ADOPT THE ARMY'S SCHEME FOR A NATION-WIDE MOBILISATION

More important than the purely military preparations of 1937, was the degree in which the Army had achieved the realisation of its broader scheme to mobilise the entire strength of the Japanese nation for war. By electing to renew the war in China the Army had undertaken a new commitment, the magnitude of which it had not fully realised. It had thereby interrupted the smooth progress of its long-range planning for the Japanese nation. But, on the other hand, in the first six months of war, the Army had seen its major schemes adopted by government and nation with a readiness scarcely possible of attainment in time of peace.

Already the basic steps to secure a planned and regimented war-supporting economy had been taken both in Manchukuo and in Japan itself. Even the Navy, whose armaments were steadily increasing, had been brought to play an active part in the Army's all-embracing purpose.

In August 1937, when the Army attacked Shanghai, it was supported by a force of some thirty naval vessels, despatched to the scene by order of the Cabinet. Later in the same month, the Navy proclaimed a blockade of the China coast, with the object of preventing supplies from reaching Chinese troops.

In December 1937, a new step was taken to bring Chinese territory within the "co-prosperity sphere".

In that month the Japanese established at Peking, a new provisional Chinese government, one of the avowed purposes of which was to exploit the industries of the area it governed. A publicity organisation, created for the purpose of bolstering the new regime, was placed under the control of the Japanese military forces in North China. The Kwantung Army expected from this subjugated area a contribution towards its preparations for war with the Soviet Union.

SATO ON NATIONAL PREPARATIONS
FOR WAR AFTER THE LUKOUCHIAO INCIDENT

Major-General SATO, when Chief of a Section of the Military Affairs Bureau in March 1942, had occasion to survey broadly the developments with which we had been dealing. In a speech, to which reference has already been made, he corroborated the conclusions which other evidence has established.

SATO pointed out that the Lukouchiao Incident, which revived the war in China, occurred during the first year of the Five-Year Plan for the Expansion of Productive Power. "What worried us most", he said, "was the fear that this incident might cause the "breakdown of our Armament Expansion Plan and the "Five-Year Production Expansion Plan. So we decided "to see that the Chinese Incident would not end in "a war of attrition on our side. Accordingly, general-"ly speaking, we spent 40% of our budget on the Chinese "Incident and 60% on armament expansion. In respect

"to iron and other important materials allotted to the "army, we spent 20% on the Chinese Incident and 80% "on the expansion of armaments. As a result, the air "force and mechanised units have been greatly expanded "and the fighting power of the whole Japanese Army has "been increased to more than three times what it was "before the Chinese Incident. I believe that our Navy, "which suffered very little attrition in the China "Affair, must have perfected and expanded its fighting "power. Of course, productive power of the munition "industry has been expanded seven or eight fold at "a rough estimate."

This was a topic on which SATO could claim to speak with some authority, for from 24 June 1937 to 29 July 1938, he had been first an investigator, and then Secretary, of the Planning Board. During the same period he had served as a special member of the China Affair General Mobilisation Business Affairs Committee, and as a section staff member of the War Ministry's Bureau of Military Affairs. He had been released from his staff appointments in December 1938. In March 1941, he had assumed such important posts as Commissioner dealing with the affairs of the War Ministry in the Diet; secretary of the Liaison committee of the Asia Development Board; and Secretary of the Manchurian Affairs Board. These and similar appointments he still held at the time he made this speech.

THE CABINET ADVISORY COUNCIL, IMPERIAL GENERAL HEADQUARTERS, AND THE WAR EXPENDITURE ACCOUNT

During this same period steps were taken which tended to increase the Army's influence over the cabinet, and to make effective its long-range planning. On 15 October 1937, there was created, as a temporary measure, a Cabinet Advisory Council, whose task it was to render expert advice upon matters arising out of the "China Incident". The twelve members of this body, who were each accorded the privileges of a Minister of State, would represent the three principal aspects of the national mobilisation for war. Businessmen would join with military men and politicians in advising the cabinet, and in participating in the Cabinet's deliberations. MATSUOKA and General ARAKI were appointed as Cabinet Councillors on the day of the Council's inception.

As Japan became more deeply embroiled in the war with China, members of Konoye's Cabinet discussed the setting up of Imperial General Headquarters. This was an organisation which functioned only in time of war or serious incident; and there was some debate as to whether the undeclared and unacknowledged war then being fought in China warranted its institution. On 3 November 1937, War Minister Sugiyama and Education Minister KIDO discussed the question in relation to the saving of the situation which then existed. On

19 November 1937, the Cabinet, of which HIROTA, KAYA, and KIDO were then members gave consideration to the matter; and, on the following day, Imperial General Headquarters was established.

It was a composite body, representative of the Army and Navy Ministries and General Staffs, The Army and Navy Sections met separately in their own General Staff Offices; but, once or twice a week, joint sessions were held at the Imperial Palace. These joint meetings were concerned with questions of tactics and strategy. Questions of administrative policy were matters for the Cabinet to decide with the assistance of its Advisory Council; but Imperial General Headquarters was charged with the direction of military operations.

This was a sphere in which secrecy was held to be essential and in which the Cabinet was to have no part. Imperial General Headquarters was responsible only to the Emperor; and its staff members, while acting in that capacity, were under the direct control, not of the War and Navy Ministers, but of the Army and Navy Chiefs of Staff.

There is little evidence to indicate the importance of the part played by Imperial General Headquarters in the events of subsequent years. It was a poorly coordinated body, which tended to resolve itself into the Army and Navy Sections of which it was composed. But, by its very establishment, the

armed forces were given power to make important decisions on military matters without the approval, or even the knowledge, of the Cabinet of the day.

More important still was the power over Japan's finances which the Army gained through the institution of the War Expenditure Account. Disbursements from that account might be made upon the authorisation of the War, Navy, or Finance Minister; and , in the years which followed, such disbursements were made, not only upon the authorisation of KAYA and his successors in the Finance Ministry, but also upon those of War Ministers ITAGAKI, HATA, and TOJO, and of Navy Minister SHIMADA.

THE CONTROL OF PROPAGANDA
AND THE USE OF CENSORSHIP
AFTER THE LUKOUCHIAO INCIDENT

As the Five Ministers had acknowledged in their national policy decision of 11 August 1936, their plans depended, in the last resort, upon the Japanese people's will to achieve its "destiny". They had then decided that internal policies must be made to subserve the national plan of expansion; and that, therefore, steps would be taken "to lead and unify "public opinion at home, and to strengthen the will of "the people to tide over the extraordinary emergency "of our country". On 20 May 1936, before that decision was made, the Army had issued a mobilisation plan which described in detail the measures required to

direct and control public opinion at the outbreak of war. Each ministry would establish its own intelligence and propaganda organs in every part of Japan. In the same year, a Bureau of Information had been created to centralise and coordinate the dissemination of propaganda by the various departments of government.

In September 1937, two months after the Lukouchiao Incident had occurred, this body was reconstituted as a bureau of the Cabinet itself. Lieutenant-General UMEZU, Vice-Minister of War, became, on 25 September 1937, a member of the new Cabinet Information Bureau, upon which devolved the task of carrying out the Army's mobilisation plan for information and propaganda.

A more immediate result of the outbreak of war was the intensification of existing measures of censorship. The High Police, who watched over the activities of all who criticised the policy of the Japanese government, now permitted no one to express opposition to the war in China. It became one of the principal functions of the Home Ministry to suppress such criticism; and the regular police force, which was under that ministry's control, saw that this policy was enforced. Anyone who spoke publicly and in a critical vein of the Cabinet's policy was detained and interrogated. Persons found to have opposed it were arrested and imprisoned.

Nowhere was the control of public opinion

better exemplified than in the schools and universities of Japan. Professors and teachers were expected to cooperate whole-heartedly in propagating the policy of the cabinet. Expressions of thought in favour of the ideals of peace, or in opposition to the policy of preparations for war, were rigorously suppressed.

When, on 22 October 1937, KIDO became Minister of Education, he lent himself immediately to the enforcement of these measures of control. Teachers, whose attitude towards the national policy appeared to be critical, were either dismissed or forced to resign. Often they were arrested and charged under the Public Peace Law upon suspicion of being opposed to the political structure of the Empire of Japan.

The facility with which these oppressive measures were carried out affords an indication of the success which had attended the efforts of soldiers, statesmen and publicists to prepare Japanese public opinion for war. The dismissal or forced resignation of these teachers raised no domestic issue at the time, for the general public looked upon them as isolated sympathisers with liberalism.

THE USE MADE OF EDUCATION TO PREPARE PUBLIC OPINION FOR WAR AFTER THE LUKOUCHIAO INCIDENT

Even before the Lukouchiao Incident had occurred, the Army, through its military instructors, had

taken control of military teaching and training in the schools; and, after the fighting began in China, this control became so absolute that the military instructors dictated the manner in which the schools should be conducted. The Education Ministry well understood that teaching must subserve the government's aims; for, in May 1937, it issued to teachers, students and the public at large, a book entitled "The "Fundamentals of the National Polity".

In this year also the Educational Council was established to study and investigate the Japanese school system. It was to pursue its studies without regard to changes of Cabinet, and to consider the manner in which the national qualities of the Japanese people might be enhanced. Although it was not created for the specific purpose of promoting military training and teaching in schools, that became its task when the China War broke out.

The Educational Council's recommendations for comprehensive changes in school curricula and in teaching methods did not become effective until 1940; but in 1937 the Council adopted as its fundamental aim the promotion of the cause of service to the country.

With KIDO's appointment as Education Minister on 22 October 1937, the reorganisation of the Japanese school system began to take effect. After 1937, teaching was designed to promote the warlike feeling of the nation. In the subjects of the ordinary school course, as well as in those periods set

aside for purely military training, the spirit of Kodo or ultra-nationalism was instilled into school-children. They were taught that Japan was strong, and that she must show to the world her special characteristics. In universities as well as in schools, military training and academic teaching were both used to inculcate a spirit of militarism, until the idea of regarding Japan as supreme had permeated the whole nation. War was represented as glorious, productive, and necessary to Japan's future.

KIDO AVERTS A CABINET CRISIS IN NOVEMBER 1937

During the latter half of 1937, Foreign Minister HIROTA had striven unsuccessfully to gain German support for the conquest of China, representing that conflict, both to his own people and to the Germans, as a struggle against Communism. Although, on 6 November 1937, the Privy Council had ratified a new treaty admitting Italy as a third partner in the Anti-Comintern alliance, German disapproval of Japan's activities in China remained undiminished. Germany had important interests in China, and considered the Kuomintang as a potential ally in her anti-Soviet policy. She had therefore elected to ignore the existence of hostilities and to regard herself as not bound by the rules of strict neutrality because neither China nor Japan had declared war.

In November 1937, the Konoye Cabinet was oppressed by problems arising out of the lengthening war in China. In spite of huge expenditure in materials

and manpower, the war continued to assume greater proportions, and there was now no prospect of a speedy victory. The acute strain placed upon the nation's economy was giving rise to grave financial difficulties. The Nine-Power Conference, then meeting at Brussels, served only as a reminder that Japan was friendless among the nations. On 3 November 1937, War Minister Sugiyama and Education Minister KIDO discussed the manner in which the situation might be saved.

The Japanese Army was, like the Germans, preoccupied with the coming war against the Soviet Union. So great did the embarrassment of the China War become, that the Army General Staff sought German intervention to bring the fighting to a close. Major-General OSHIMA, military Attache in Berlin, was instructed to use his influence to this end.

When, on 15 November 1937, Prime Minister Konoye told KIDO that he was thinking of tendering his Cabinet's resignation, KIDO was quick to see the repercussions which this development might entail. He thought that it would affect adversely financial and other circles, and that the rate of exchange would fall. This, in turn, would prejudice the outcome of the war in China. KIDO considered that an unsettled political situation at home and the changing of the war in China into a defensive operation were each possible results of a Cabinet resignation. He saw that, in either

event, the unfriendly attitude of foreign countries, which, he acknowledged, "had finally turned serious", would be strengthened. Such a development should be avoided at all costs.

On 16 November 1937, KIDO urged these views upon Konoye, and asked him to retain his office; and this for the present Konoye agreed to do. Four days later, by establishing Imperial General Headquarters, the Cabinet displayed a new resolution in the prosecution of the China War.

HIROTA STRENGTHENS THE CABINET'S RESOLVE TO ACHIEVE THE CONQUEST OF CHINA

But, in this same month of November 1937, there was an opportunity, had the Cabinet so desired, of bringing the war in China to an end. So unsatisfactory had Japan's position become, that even the Army General Staff had abandoned hope of a speedy victory. Under pressure of German disapproval, and through German intermediaries, Foreign Minister HIROTA presented, on 5 November 1937, the first of three peace offers to the Chinese. The negotiations thus begun continued through December 1937 and into January 1938; but HIROTA's vague and changing demands provided no basis for a concrete agreement. While the negotiations were proceeding, the Japanese continued their offensive in China with vigour.

By January the Cabinet had strenghthened its opposition to any compromise peace. On 11 January 1938, an Imperial Conference, called to determine the disposition of the "China Incident", decided

that, if the Kuomintang would not yield to Japan's demands, it must be crushed, or merged into a new central regime.

To the last of Japan's three peace offers the Chinese returned a conciliatory answer, asking that the Japanese proposal be stated more specifically. HIROTA, at whose instigation the proposals had been put forward in a very indefinite form, and who now feared that the Chinese might gain support from Great Britain and the United States, reacted angrily. On 14 January 1938, he told the German intermediaries that China was beaten, and must give a speedy reply. He emphasized that Japan would not permit the matter to become the subject of international discussion or mediation. The Germans, in reporting to their own government, made it clear that, in their opinion, Japan was not acting with candour.

On this same day, 14 January 1938, it was decided at a Cabinet Conference, which Konoye, HIROTA and KIDO attended, that Japan would have no further dealings with the Kuomintang, and would negotiate only with a new Chinese Government, the establishment of which was expected. This was not an empty expectation, for already, on 1 January 1938, the Japanese had inaugurated with some ceremony a new local government at Nanking. In an official statement, issued on 16 January 1938, the Japanese Cabinet reiterated its respect for the sovereignty and territorial integrity of China, but this, now, had reference to a Chinese Government of Japan's creating. The

same statement promised respect for the rights and interests of other powers in that country.

On 22 January 1938, both Konoye and HIROTA echoed these assurances in the Diet, while reaffirming once more that the Japanese Cabinet held fast to the principles set forth in the 1936 national policy decision. "It is scarcely necessary for me to say", said Prime Minister Konoye on this occasion, "that Japan's "immutable national policy aims at building the edifice "of permanent peace for East Asia on the unshakable "foundation of close cooperation between Japan, Man-"chukuo and China, and to contribute thereby to the "cause of world peace". He added that the end of the conflict was still far ahead; and that Japan's mission as the stabilising force of East Asia was greater than ever.

Five days later the real design of exploitation and armed domination was once more revealed. On 27 January 1938, the Cabinet decided that the Japanese-sponsored Nanking regime should form the nucleus of a Central China Provisional Government. It was to be "a highly pro-Japanese regime", which would gradually free itself from dependence upon Great Britain and the United States. Its naval and air forces would be included in Japan's defence plan. It would "smoothly "amalgamate" with the existing puppet government of North China.

On 26 January 1938, the German Ambassador in Tokyo, being now convinced that Japan would conquer China, urged his Cabinet to accept the fait accompli.

Ambassador TOGO in Berlin had offered to the Germans the additional allurement of economic participation in the new China which Japan was building. After this date Germany withdrew her support of China, and her opposition to Japan's designs upon that country. On 20 February 1938, Chancellor Hitler took the long-delayed steps of announcing German recognition of the state of Manchukuo, and his own preference for a Japanese victory in China.

In the space of two months, and in the face of the Premier's despondency, KIDO and HIROTA had succeeded in committing Japan once more to the pursuit of that "steady footing in the Eastern continent", which was to be achieved in spite of all difficulties.

THE ARMY CONTINUES TO PLAN AND PREPARE FOR THE EXPECTED WAR WITH THE SOVIET UNION.

In the opening months of 1938, while the Cabinet formed a new resolve to complete the conquest of China, the Army continued to make preparations for war with the Soviet Union. In December 1937, Lieutenant-General TOJO, as Chief of Staff of the Kwantung Army, had communicated to UMEZU, the War Vice-Minister, a plan for meteorological installations in Inner Mongolia in preparation for a war with the U.S.S.R. On 12 January 1938, TOJO urged upon Lieutenant-General UMEZU the need for the speedy completion of this work,

which he considered to be of vital importance in regard both to the "China Incident" and to anti-Soviet strategy. At the same time he referred to UMEZU, for decision, the question of extending the enlistment of soldiers serving with units in Manchukuo; and, on 29 January 1938, UMEZU informed him that such action would be taken. On 11 February 1938, TOJO sent to UMEZU the Kwantung Army's plan for the erection of anti-Soviet fortifications during the years 1938 and 1939.

The Army did not, however, confine its attention to purely military planning and preparation. The leaders of the Kwantung Army, standing upon the fringe of the fighting in China, regarded that conflict, and every other aspect of Japan's domestic and foreign policies, as so many factors to be considered in relation to the approaching struggle with the Soviet Union.

While TOJO and UMEZU settled the detailed military planning, General Ueda, then in command of the Kwantung Army, addressed his attention to a question of broader strategy. On 24 January 1938, he communicated to War Minister Sugiyama, his views upon the manner in which North China should be developed, so that its people might best be made "to contribute "to the preparation for the fast approaching war "with Soviet Russia".

Measures taken during the same period for the economic and industrial development of Manchukuo and of the occupied provinces of North China were closely related to the Kwantung Army's planning. Until 20

December 1937, the promotion of all heavy industries in Manchukuo had been governed by the South Manchurian Railway Company--the first of the great "national "policy" companies. Under MATSUOKA, it continued after that date to play an important part in the Kwantung Army's preparations for war, cooperating not only in the enforcement of domestic policies, but also in the Army's operational and other preparations for war with the Soviet Union.

But the South Manchurian Railway Company could not meet the additional strain of financing strategic developments in North China; and, on 20 December 1937, a new holding company was created by Manchukuoan Ordinance. In this new "Manchurian Industry Development Corporation", set up pursuant to an agreement between the Japanese and Manchukuoan governments, was centered the control of industries in Manchukuo. The Manchukuoan General Affairs Board, under HOSHINO, assisted in drafting the laws which governed it, and which placed it under governmental supervision. The new corporation was established early in 1938.

After February 1938, when Manchukuo was accorded German recognition, the Army made plans to foster closer relations between that state and Germany. Diplomatic relations were established between the two countries, and a treaty of amity was signed. On 15 May 1938, TOJO expressed to the Army General Staff the Kwantung Army's wish that Manchukuo should,

as soon as possible, become a party to the Anti-Comintern Pact. On 24 May 1938, UMEZU replied that the Japanese Cabinet would offer no objection, but desired to preserve the fiction of Manchukuoan independence. It was thought best that the Manchukuoan government should take the first step, acting as if of its own volition,and requesting Japanese assistance.

THE CONSOLIDATION OF JAPANESE POWER,
AND THE DEVELOPMENT OF
WAR-SUPPORTING INDUSTRIES, IN CHINA

Meanwhile, in the areas of China which the Japanese had subdued, Japan's "new order" was in process of building. After the fall of Nanking in December 1937, various Japanese-controlled local governments were set.up; and, on 28 March 1938, a new government for Central China was established upon the Manchukuoan pattern. The nominally independent "Renovation Government of the Republic of China" was bound by its constitution to exploit the resources of the areas it governed, and to promote their industrial development. It would also take anti-Communist measures, but would strive to maintain friendly foreign relations. As in the case of North China, a new propaganda society was formed to support the puppet government.

The official "Tokyo Gazette" proclaimed the inauguration of a new phase in Japanese relations with China, significant because it marked the progress

made towards the goal of Hakko Ichiu. It was declared that the ideal of "the whole world as one family" had always constituted the basis of Japan's domestic and foreign policies; and that it explained the policy now adopted towards China.

The article followed closely the tenor of the policy statements which Konoye and HIROTA had made before the Diet. Japan's first aim had been to deal China "a punishing blow", in the hope that she would abandon her anti-Japanese attitude. In January 1938, the Japanese Cabinet had expressed its irrevocable determination to have no further dealings with the Kuomintang, and to assist in developing new governments in North and Central China. The ultimate purpose of Japan's present action, the article continued, was to eliminate all those causes of friction which imperilled the peace and security of East Asia. Thus would the countries of the Far East be enabled to enjoy among themselves "the ideals of co-existence and common "prosperity".

In this manner Japan acquired a new field for the production of war materials and the expansion of war-supporting industries. On 8 April 1938, a new Japanese-financed company was promoted to develop and exploit the iron ore deposits of the Yangtse Valley.

On 30 April 1938, two new "national policy" companies were created to serve the same purpose in China as similar companies had done in Manchukuo.

The North China Development Company and the Central China Promotion Company were established to promote the development of heavy industries in the subjugated areas of China. Half the capital of each company was subscribed by the Japanese government; and Lieutenant-General UMEZU, Vice-Minister of War, was appointed as a member of the organising committee of each. Konoye considered that the work of these two companies was vital, both to Japan's military operations, and to her political activities, upon the continent.

HIROTA'S FOREIGN POLICY IN 1938
WAS FOUNDED ON THE
FIVE MINISTERS' DECISION OF AUGUST 1936

These developments in China reflected the policy of Foreign Minister HIROTA, who adhered steadfastly to the goal of the basic national policy decision of 11 August 1936. While the Army was obsessed with the prospect of a coming war with the Soviet Union, and looked to Germany as an ally, HIROTA took a broader and more cautious view. He aimed only at the achievement of expansion on the continent, and, at the same time at the completion of Japan's preparations for whatever conflicts that expansion might ultimately entail.

On 29 May 1938, HIROTA left the Foreign Ministry; but at some earlier date he laid down the principle which would govern German and Italian participation in the economic development of North China. The prime and unchanging goal was the establishment of Japan's

"new order" in East Asia; and relations, both with the Axis and with the Western Powers, would be governed, not by professions made or pledges given, but solely by the criterion of expediency.

Ambassador TOGO in Berlin was instructed to solicit German assistance. He would propose that, in return for German recognition of Japan's special position in East Asia, Japan would endeavour to place Germany in a position not inferior to that occupied by other countries. Where possible, German interests would be preferred to those of other powers. In principle, Germany and Japan would occupy equal positions in the Chinese market--though, in certain respects, a special position might accrue to Japan as the power actually responsible for the maintenance of the Chinese currency system. Nevertheless, in setting up any import and export control system, Germany's interests would certainly be preferred to those of any third power.

HIROTA, therefore did not intend to respect the treaty rights of the Western Powers, or to honour his assurances that they would be preserved.. He was, however, careful to warn his subordinates that Germany and Italy could not be allowed a preferred position, equal, or even inferior, to that occupied by Japan, if the preference given should threaten to cut off entirely the future participation of Great Britain and the United States in the economic development of China. Therefore the modes prescribed for German participation

were virtually limited to those most advantageous to Japan herself--namely, the supply of capital, and of machinery upon credit, with provision for a sharing in the management of particular enterprises.

DETERIORATION OF JAPANESE RELATIONS
WITH THE WESTERN POWERS
AFTER THE LUKOUCHIAO INCIDENT

Despite this policy of duplicity, Foreign Minister HIROTA did not achieve the secondary aim of maintaining amicable relations with the Western Powers. In the latter months of 1937, Japanese statesmen had continued to deny that their country harboured any designs upon Chinese territory. The Cabinet had given repeated assurances that foreigners and foreign property would be protected, and that foreign treaty rights would be preserved. But, so great had been the discrepancy between these professions and the nature of Japan's activities upon the Asiatic continent, that the rift between Japan and the Western Powers had become perceptibly greater.

Nevertheless, efforts had still been made to allay Western suspicion and resentment; and to discount the significance of Japan's association with the Axis. In December 1937, it was proclaimed in the "Tokyo "Gazette" that the Anti-Comintern Pact was not directed against any particular nation. The Cabinet complained that the pact had been misconstrued and subjected to unfair criticism.

During this period the conduct of the Japanese armies in China had served only to magnify Japan's estrangement from the West. In spite of frequent protests and renewed assurances, attacks continued to be made upon British and American citizens and property in China. So little did the Army value friendship with the Western Powers that, in December 1937, an unprovoked attack was made upon their naval forces. A United States gunboat upon the River Yangtse was fired upon and sunk. Attacks were made upon a British gunboat, and on British merchant ships. These acts of provocation were carried out by local military commanders, and notably by Colonel HASHIMOTO, in pursuance of definite orders to attack all vessels proceeding in the vicinity of Nanking, regardless of their nationality.

In their policy speeches, made before the Diet on 22 January 1938, both Konoye and HIROTA again stressed Japan's desire to cultivate friendly relations with the Western Powers; and HIROTA gave yet another categorical assurance that the rights and interests of those powers in China would be respected to the fullest extent. Yet, during the first six months of 1938, in spite of continued representations made to HIROTA by the United States Ambassador in Tokyo, units of the Japanese Army committed frequent and wanton violations of American rights and interests in China.

This display of hostility cost Japan heavily; for, on 11 June 1938, the United States placed a

moral embargo upon the export to Japan of aircraft and other weapons of war.

HIROTA had been more astute than the military leaders. He had seen the value of Western assistance during the period of Japan's preparation for war; and he had therefore striven to gain it through false assurances and false professions of friendship. But, at the same time, Japan was making ready for war in the Pacific; and in the promotion of this aspect of his country's warlike preparations, HIROTA was playing a prominent part.

NAVAL PREPARATIONS AND PREPARATIONS IN THE MANDATED ISLANDS DURING 1938

Under the veil of secrecy maintained by the Foreign and Navy Ministries, Japan continued during 1938 to prepare for war in the Pacific, by fortifying and provisioning as air and naval bases her mandated South Seas Islands. Until 1937, these preparations had been virtually confined to the islands of the Marianas and western Carolines; but in that year, under naval supervision, construction activity was extended eastward across the Pacific to the Truk atoll. In 1938, work began among the islands of the Marshall group, which, lying in mid-Pacific, constituted Japan's most advanced base for war with the Western Powers. From this time onward the task of constructing and fortifying airstrips in the Marshalls was pushed ahead with considerable urgency. The work, now pro-

ceeding secretly, and in breach of treaty obligation, throughout the whole of the widely-scattered mandated islands area, was consistent with no other purpose than preparation for a war in the Pacific, waged against some or all of the Western Powers.

In view of Japan's withdrawal from international agreements for naval disarmament, the United States had, in 1936, embarked upon an extensive programme of naval construction. Although in 1938 Japan maintained her own huge programme launched in the previous year, her naval construction rate was soon out-matched by that of the United States. From 1939 onwards, American construction figures were substantially greater than those of the Japanese.

This naval rearmament race was not of America's choosing. United States delegates to the London Naval Conference of 1935 had warned the Japanese that it would be the outcome of a failure to agree. The new treaty signed in 1936 between the United States, Great Britain, France and Italy had left the way open for Japanese participation; but again, in 1937, Japan had refused to agree to any terms except those which would give her a preponderance of naval power in the Pacific. In February 1938 the Konoye Cabinet declined a last American invitation to forestall competitive naval rearmament.

HIROTA REFUSES TO EXCHANGE NAVAL INFORMATION

One result of the 1936 Treaty, in which Japan did not participate, had been the renewal of those provisions of the Washington Treaty which determined maximum permitted displacements for capital ships and cruisers, and limited the calibre of the guns which might be mounted upon each. This provision was, however, made subject to a right of escalation in the face of uncontrolled building by a non-signatory power. On 4 November 1937, the Japanese had laid the keel of the "Yamato," a 64,000 ton capital ship designed to mount 18" guns.

In February 1938 persistent rumours of building by Japan, in excess of the 1936 Treaty limits, were causing concern in the United States. That country therefore brought the question to Japan's notice, explaining that, if satisfactory evidence of Japanese adherence to the treaty limits were not forthcoming, she must exercise the right of escalation which the treaty gave her. If, however, Japan had elected to exceed the limits set by other naval powers in 1936, the United States would, upon receipt of information as to the Japanese construction programme, be prepared to discuss a new limitation as between herself and Japan.

This overture was met by a point-blank refusal either to negotiate or to give information. On 12 February 1938, Foreign Minister

HIROTA made the government's reply. Japan, he said, had no intention of possessing an armament which would menace other countries. Although his government was unable to comply with the American request for information, it saw no reason why the United States should conclude that Japan contemplated a naval construction programme in excess of the limits prescribed by the 1936 Treaty. Within two weeks of this communication being sent, the keel of a second 64,000 ton capital ship was laid in Japan.

HIROTA'S POLICY IS EXPLAINED IN THE WORDS OF THE BASIC NATIONAL POLICY DECISION

In this dealing with the United States, HIROTA's policy as Foreign Minister is plainly revealed. The national policy decision of 11 August 1936, had decreed that Japan "should "also be prepared for Britain and America"; and that her naval armaments would be strengthened to an extent sufficient to secure the command of the Western Pacific against the United States Navy. To that decision, in which he had participated as Premier, HIROTA was, as ever, faithful. As in regard to Japanese aims in China, so in regard to Japan's naval construction programme, he did not scruple to resort to deception in order to achieve his purpose. It was a cardinal principle of his policy to have Japan's preparations for war completed behind the facade of friendly foreign relationships.

Each essential feature of HIROTA's foreign policy is to be found in that basic national policy decision, the text of which the Army and Navy had prepared. It was therein declared that Japan, while consolidating her position in Manchukuo, should strive to complete her national strength. It would be her aim to exclude from the continent "the Military "Rule Policy of the Powers", and to establish her own order based "on the co-existence and co-"prosperity principle." Yet Japan "would try to "prosecute the national scheme in smooth and "amicable manner", and "would always be careful to "hold most amicable relations with the Powers".

Above all, HIROTA had been true to the basic aim of "securing a steady footing in the Eastern "Continent as well as developing in the South Seas, "under the joint efforts of diplomatic skill and "national defence". When Prime Minister Konoye had wavered in his resolution to complete the conquest of China, HIROTA had rallied the Cabinet to the pursuit of that unchanging goal.

JAPAN'S ECONOMIC DOMINATION AND EXPLOITATION OF HER SUBJECT TERRITORIES

The month of January 1938 had marked the reinstatement of the Army's long-range economic and industrial planning; for in that month the Planning Board produced, and secured Cabinet acceptance of a new programme of industrial development and economic control, limited in duration to the year 1938.

After its reorganisation in October 1937, the Cabinet Planning Board's close association with the Army had been maintained. On 26 November 1937, Lieutenant-General UMEZU, Vice-Minister of War, was appointed a Councillor of the Board; and Lieutenant-Colonel SATO, then a section staff member of the Military Affairs Bureau, became its Secretary. The Board's plan for 1938 related both to the development of the war-supporting industries and to the regulation of the supply and demand of essential materials.

In January 1938, the Konoye Cabinet's new-found resolve to complete the conquest of China, while continuing to make preparations for other wars, placed an additional strain upon Finance Minister KAYA. The Army's demand for manpower and materials was absorbing both the products of Japanese industry and the men who produced them. Expenditure entailed by war, and by war-supporting industrial development, was rapidly increasing. In the result, Japan was experiencing great difficulty in acquiring foreign exchange with which to finance the imports that she needed.

The progress being made in securing and developing the natural resources of Manchukuo and of the occupied areas of China would serve in some degree to alleviate dependence upon importation from other countries. The development of synthetic industries was a second partial remedy. But these projects in turn demanded increased expenditure, and continued reliance upon

importation during the period of their development. The Planning Board's programme, which the Cabinet adopted on 18 January 1938, curtailed drastically Japan's import quota for the year. It made necessary a reduction in the importation, not only of normal domestic supplies, but even of those commodities considered requisite to preparations for war. New measures of economic and financial control were therefore demanded.

The remedy which the Cabinet adopted was designed to lessen the financial burdens of the Japanese people at the expense of those subject peoples whose territories Japan was exploiting. It was not a new development. Japan had long dominated the economies of Formosa and Korea through the Banks of Taiwan and Chosen respectively through the ownership of the vast majority of the companies doing business in those countries and through political control. The same methods had been used in Manchukuo. The Industrial Bank of Manchuria, established in December 1936 to secure funds for industrial development, had been authorised to issue debentures up to fifteen times its paid up capital. The facilities afforded by this Japanese-controlled bank had provided easy financing for the development of war-supporting industries in Manchukuo.

Now the Konoye Cabinet planned a similar development in China. In February 1938, the "Federal Reserve Bank of China" was estab-

lished upon the same pattern as the Manchurian Bank. The Governor and Vice-Governor of the new bank were nominated by the Japanese government, and the directorate was predominantly Japanese. The sphere of operation was North China, and in that area the currency, which the new bank issued, became the only legal tender. The Federal Reserve Bank of China was designed to stablize the currency system, and to control the money market. Through such devices as the extension of preferred credits and the manipulation of foreign exchange, it greatly facilitated the economic and industrial exploitation of North China, and provided an instrument for carrying out the Japanese government's industrial planning in that area.

These industrial plans were already being put into effect; and the new war-supporting industries, which the Japanese promoted, were themselves of importance in establishing Japan's control of the North Chinese economy. In Manchukuo, industrial domination had been achieved through the device of the "national policy company", created by special legislation. Now, in the first six months of 1938, Japan was, by the same device, steadily acquiring control of the industries of occupied China.

The Federal Reserve Bank of China began to do business in March 1938. In the same month the "yen bloc", which, since November 1935 had included Japan and Manchukuo, was

extended to include North China. By this means the way was paved for Japanese investment, and for the exploitation of Chinese industries.

To maintain the value of Japanese currency, the practice of using Bank of Japan notes in occupied territories was discontinued. While the Federal Reserve Bank of China provided a new currency for North China, in Central and in South China worthless military script became the only permitted legal tender. Thus did Japan, while garnering the resources of the continent, bolster her own war-supporting economy at the expense of the peoples whose territories she had occupied. By September 1938, the practice of using Bank of Japan notes, backed by specie, had been discontinued in all the continental territories under Japanese domination.

Thus, also, was Finance Minister KAYA's control over the Japanese economy consolidated. Since September 1937, he had exercised, through the Bank of Japan, complete control over Japan's finances. The funds of that bank were now no longer liable to uncontrolled dissipation in Japanese ventures on the continent of Asia. Thus protected, they were available to support new measures, taken in the first four months of 1938, to develop, under government subsidies and control, the war-supporting industries of Japan itself.

INDUSTRIAL PREPARATIONS:

THE SYNTHETIC OIL AND PETROLEUM INDUSTRY

Notwithstanding its financial embarrassments, the Konoye Cabinet was determined to secure Japan's self-sufficiency in the materials of war, at whatever cost that process might entail. The Planning Board's interim programme for 1938 had included a plan for the mobilisation of commodities; and in the first four months of that year new measures were taken to promote and develop the war-supporting industries within Japan. Each such new measure had the effect of increasing the government's control over industrial development; and each had its counterpart in the Army's five-year plans of 1937. In every case, the government, by assuming an increased financial burden, planned to secure a rapid expansion of one or more of those industries which the Army had designated as vital to preparations for war.

The first steps taken were designed to safeguard and develop the synthetic petroleum industry, which had been created in the latter half of 1937. The Army, in its five-year planning, had decided to enforce a decisive subsidising policy for this industry, so that Japan might reduce her dependence upon importation. A special company would ensure the manufacture of the machinery which the new industry required; and in the meantime, industrial plants would be imported from Germany. Great emphasis would be placed upon the pro-

duction of Diesel oil and aviation spirit. Manchukuoan coal resources would be used in the development of the artificial industry. The search for substitute fuels would be stimulated, and the country would be prospected for further hidden resources. A new company would be established to secure an ample supply of funds, and to foster the development of the uneconomic infant industry.

After the outbreak of the China war, no time had been lost in giving effect to these plans; and in January 1938, a new and heavily capitalised company was created by legislation to control the production of synthetic petroleum, and to provide a vehicle for government financing. It was just such a company as the Army had planned.

In March 1938, under a law designed to promote the exploitation of all mineral deposits, the government took power to control prospecting, to stimulate it by subsidies, and even to enter into the prospecting business on its own account.

In the same month, upon the Planning Board's advice, a system of rationing was introduced to limit the amount of petroleum made available for civilian use; and, subsequently, a new national policy company was created to stimulate the production of substitute fuels. So great was the importance attached to the maintenance of oil and petroleum reserves, that the government subsidised, through this new company, experimentation in the production and use of less efficient

substitute fuels.

Although the quantity imported was smaller than in 1937, and despite the demands of the war in China, Japan's reserves of oil and petroleum continued to increase throughout the year 1938.

OTHER INDUSTRIAL PREPARATIONS FOR WAR

March and April 1938 were months of industrial legislation, through which the Army's plans were realised. The new industrial hierarchy, dependent upon state support and responsive to Cabinet control, became an established feature of the Japanese system of government. The Cabinet by placing each industry under the ultimate control of one or other of its Ministers, assumed an increased measure of responsibility for the guidance of the nation's mobilisation for war.

The electric power industry was among the first to be affected. This industry was vital to Japan's preparations for war, because upon its expansion and coordination depended the development of other war-supporting industries. The Army had therefore singled it out for inclusion in its 1937 plans, and had accorded it a special priority in its programme for the industrialisation of Manchukuo. The Army had envisaged a new national policy company, which would, under governmental supervision, control the production of electic power in Japan; and would promote its development in the manner needed to meet military

requirements. To this plan effect was given in the Electric Power Control Law of March 1938.

Until this time the production and supply of electric power had been in the hands of numerous undertakings; but, under the new law, all major companies were required to transfer control of their plant to one newly-constituted national policy company. The new company was placed under the government's direct control, and was accorded all the usual privileges of tax exemptions, subsidies and governmental guarantees.

In March 1938, also, legislation was passed to direct and stimulate production of aircraft, which the Army had placed first in importance among the materials of war. Under the new law, some aircraft production plants were placed under the direct control of the government, and all were required to be licensed by the state. The usual steps were taken to relieve the industry of financial worries, and so to ensure its rapid expansion.

But the development of the aircraft industry was in turn dependent upon an increased supply of aluminium; for over 70 per centum of Japanese aircraft and aircraft parts were made of that metal. The 1937 five-year plans had therefore placed stress upon the development of the light metal industries. They were to be encouraged by the cheap supply of electric power, and by increasing the scope

of public demand for their product. The new industries were to be capable of quick conversion in time of war to the production of aircraft and aircraft parts.

Until 1932 there had been no aluminium industry in Japan; but its output, appreciable in 1936, had been doubled in the following year. On 28 April 1938, a new light metal manufacturing law was passed with the avowed object of contributing "towards the adjustment of national defence". It instituted the now familiar system of taxation and import duty exemptions, subsidies, and guarantees. All persons engaged in the industry were required to be licensed; and the government assumed control both of the technique of production, and of the selection of the commodities to be produced. Thus the goal of wartime convertibility was kept in view.

During March 1938, there was one other new law of major importance; and this has already been mentioned in connection with the petroleum industry. The Act for the Promotion of Production of Important Minerals, passed in that month, placed nearly all mining operations under the direct control of the government. Production was demanded under threat of expropriation, and subsidies were provided to sustain the losses incurred through uneconomic industrial development. This law, which affected the iron, steel, coal, petroleum and light metal industries, brought many submarginal producers into

the field, and involved heavy governmental expenditure. That Japan, at a moment of economic crisis, should embark upon such a measure, affords the clearest proof that the Cabinet was determined to subordinate every other consideration to that of achieving national preparedness for war.

THE ARMY PREPARES

THE NATIONAL GENERAL MOBILISATION LAW

This flood of new legislation had not been enacted without political incident. In February 1938, the Konoye Cabinet, strengthened in its resolve both to subdue China and to complete Japan's preparations for other wars, faced renewed opposition in the legislature. One group within the Diet was calling for the Cabinet's enforced resignation. Another group had focused upon the electric power bill their opposition to the Cabinet's programme of industrial legislation. This faction commanded the support of the industrialists themselves, who, believing that Japan would not be long at war, were concerned lest the Cabinet's projected measures of uneconomic industrial expansion should involve them in ultimate loss. A third group within the Diet accused the Cabinet of half-heartedness in carrying out the Army's plans.

In these circumstances, the whole programme of mobilisation for war was placed in jeopardy. Enormous quantities of materials were being used, and there was no immediate prospect of their replacement. The Army, at this very moment, was settling its plans and

completing its military preparations for an early war with the Soviet Union. Well-knowing that the period of war would be a long one, the leaders of the Army were resolute in their determination that further stocks of war materials should be accumulated, even while the fighting in China continued.

During the period of nearly two years since HIROTA's Cabinet had taken office, the Army had planned and promoted every aspect of the national mobilisation for war. Lieutenant-General UMEZU, who, throughout this time, had occupied the position of War Vice-Minister, was now in even closer touch with the progress of the Army's plans for the expansion and regimentation of the war-supporting industries. In addition to the numerous subsidiary appointments which his office entailed he had become, on 26 November 1937, a Councillor of the Planning Board. The Secretary of that board, Lieutenant-Colonel SATO, was a section staff member of the War Ministry's Military Affairs Bureau.

The plan which the Army now produced reflected the whole of its scheming and achievement during the two preceding years. On 20 May 1936, shortly after UMEZU had taken office as War Vice-Minister, the Mobilisation Plans Bureau of the War Ministry had produced its programme for the control of information and propaganda in time of war. Now in early 1938, that

Bureau produced a new plan which would bestow upon the Cabinet, once and for all, the powers needed to carry out every phase of the national mobilisation for war. This Army plan was in the form of a draft "National General Mobilisation Law", through the enactment of which the Diet would surrender any authority it had to control the Cabinet. Under this law the Cabinet would legislate by Imperial Ordinance. Once enacted, the provisions of the new law could be made operative at any moment which the Cabinet might choose.

The mobilisation law was a necessity, not only for the success of the Army's military preparations, but also to ensure that the industrialists should receive an adequate inducement to cooperate, and security from ultimate loss. Each of these considerations was well-known to SATO.

THE POLITICAL CRISIS OF FEBRUARY 1938; AND THE ENACTMENT OF THE MOBILISATION LAW

The situation which had arisen in the Diet provided a close parallel to that which had occurred in January 1937, when Hayashi succeeded HIROTA as Prime Minister. In each case the Cabinet, pursuant to the Army's planning, was engaged in putting into operation large-scale measures of industrial expansion and control. In each case the legislation necessary to achieve this purpose had met with strenuous opposition in the Diet. In each case the supporters of the Army,

believing that the changes contemplated were not of a sufficiently radical nature had concentrated their attacks upon political parties and upon the existing parliamentary system.

This impatience with political parties was not a new development; for it had been expressed by the advocates of military supremacy, whenever they had encountered opposition to their schemes. As early as March 1931, HASHIMOTO had stated his belief that the Diet, which had then aroused the Army's indignation, should be crushed. In January 1932, he had advocated the immediate abolition of political parties, characterising the party system as a dangerous anti-national structure, which must be destroyed "for the sake of the con-"struction of a cheerful new Japan." In December 1936, the same sentiment had been voiced by the military faction when the Seiyukai party had criticised the HIROTA Cabinet's first measures of industrial mobilisation. Now, in February 1938, Konoye, confronted with a Diet united only in its opposition to his Cabinet, was threatened with the same downfall which had overtaken HIROTA in January 1937.

The Cabinet, in this dilemma, adopted the Army's plan. On 24 February 1938, Prime Minister Konoye presented to the Diet for enactment the National General Mobilisation Bill; and called upon SATO to speak in its support. SATO has himself ex-

plained the difficulty and the delicacy of the situation in which he was placed. Upon the acceptance or rejection of this measure depended the goodwill of the industrialists, without whose assistance the plans for a national mobilisation were impossible of achievement. SATO had earnestly desired the task of championing this bill; and, of those persons present before the Diet, he alone was capable of explaining its implications. He sincerely believed that his was the most powerful explanation given. In the result, opposition within the Diet was surmounted and the bill became law.

By adopting the Army's measure as his own Konoye had silenced the criticism of that faction which had accused him of insufficient diligence in prosecuting the Army's schemes. The Cabinet's position had been consolidated and the acceptance of its industrial programme was assured. The Army had gained the support of the industrialists, and had eliminated a new threat to the progress of the nation-wide mobilisation for war.

Furthermore, the Army had moved one step nearer to the achievement of complete political supremacy in Japan. The Diet, in which the military faction had always seen a potential danger to the attainment of its aspirations, was now fettered. By passing this law, the legislature had thus deprived itself of any control over Cabinet measures relating to war and to preparations for war. From this time onward,

the Cabinet might, without recourse to the Diet, exercise the wide legislative and administrative powers which the new law gave.

THE NATIONAL GENERAL MOBILISATION LAW AND ITS RELATIONSHIP TO THE BASIC NATIONAL POLICY DECISION

The National General Mobilisation Law, which was made operative by Imperial Ordinance on 5 May 1938, followed the pattern of war emergency legislation in all countries. Although ostensibly intended solely to facilitate the prosecution of the war in China, it was utilised to the full in giving legal sanction to Cabinet measures in futherance of the general plans for economic and industrial development.

The law could be extended to cover any and every type of product, raw material and enterprise. It gave the Cabinet virtually unlimited powers to conscript materials, and to control industry and companies. Under its provisions the government might expropriate lands and buildings; authorise the payment of subsidies and compensation; enforce stabilisation measures; prevent the publication of information; and direct the occupational training and education of the Japanese people. Above all, it might direct and conscript the manpower of the nation. At the time the law was enacted Konoye's Cabinet contained HIROTA as Foreign Minister, KAYA as Finance

Minister, and KIDO as Education and as Welfare Minister.

The provisions of the mobilisation law serve to emphasize the many-sidedness and all-embracing nature of Japanese preparations for war. It was not merely a matter of military or naval or economic preparedness. Every aspect of the national life was to be so ordered and controlled as to produce the maximum pitch of warlike efficiency. The entire strength of the Japanese nation was to be harnessed and developed with this single end in view. The National General Mobilisation Law provided the instrument through which that goal might be achieved.

The measure now taken had its counterpart in the national policy decision of 11 August 1936. It had then been determined that Japan's internal policies would be shaped in accordance with the basic plan; and this--in the words approved by the Five Ministers--consisted in "strengthening the foundation "of our country both internally and externally." For that reason, measures would be taken to safeguard the people's livelihoods, to develop their physical strength, and to direct their thinking. The people's will would be strengthened "to tide over the extraordinary emergency", which schemes of expansion and aggrandisement were certain to precipitate.

THE ARMY EXPLAINS THE PURPOSE OF THE MOBILISATION LAW

On 19 May 1938, two weeks after the National General Mobilisation Law had been put into operation, the Army published in the Japanese press a commentary upon its purposes. It was explained that, although the full story could not yet be told, an attempt would be made to interpret the spirit and substance of the Law as a whole, so that the public might understand its relationship to national defence. Japan, they said, was a country small in area and lacking in natural resources. She faced not only the determined resistance of Generalissimo Chiang Kai-shek in China, but also Soviet armies, fully mobilised and bent upon aggression, in the north. Moreover, she was surrounded by the powerful navies of the United States and of Great Britain. For these reasons great difficulties were entailed in planning Japan's defence, which was now based, not on her own shores, but upon the boundaries of Manchukuo, and of North and Central China.

The people of Japan were warned that the maintenance of these boundaries would call for great determination and very strenuous efforts for many years to come. Nothing less than complete mobilisation of all resources of material and manpower would suffice. Military success would depend chiefly upon the systematic and effective mobilisation of the "synthetic national strength". This

the National General Mobilisation Law was designed to achieve.

The remainder of the statement was devoted to telling the people of Japan what the realisation of the "synthetic national strength" would entail. The first requirement was spiritual power, since the people themselves were the source of fighting strength. By mobilising educational institutions and propaganda organs for a unified campaign, all possible efforts would be made to intensify the fighting spirit of the people, which would enable them to endure any amount of hardship and difficulties.

Manpower would be mobilised in order to adjust the demand and supply of labour; so that, as young men were called to the colours, their places in industry would be filled. This transition to a wartime economy would entail government plans for occupational training and direction of labour.

The plans for mobilisation of material resources other than manpower accurately forecast developments, the early progress of which has already been noted. While there was still time, vast quantities of materials for the Army and Navy would be acquired abroad. Production of war materials at home would be increased at the expense of peacetime industries. Therefore, all producing enterprises, as well as import and export businesses, would be unified under government direction.

The government would also take control of all financial credits. It would unify and develop all transportation facilities. It would mobilise science so that the pitch of efficiency might be raised. It would assume responsibility for the collection of information and the dissemination of propaganda at home and abroad, seeking to foster morale and to unify opinion in Japan, while creating a favourable impression in other countries.

The government would also equip itself with long-range flexible plans to meet the varying needs of a general mobilisation, so that the Army and Navy would always be adequately supplied with the muniments of war. Private enterprises would be required to conform to the plans prepared. Control would, as a matter of convenience, be exercised by Imperial Ordinances, without recourse to the Diet. A National General Mobilisation Research Commission and various semi-official bodies would be created to administer the law. These, and some self-governing bodies, would assist the government both in the formulation and in the execution of Cabinet policy.

THE ARMY HAD NOW SUCCEEDED
IN COMMITTING JAPAN TO
NATIONAL MOBILISATION FOR WAR

In the period which was now ending the Army had made itself the master of Japan's destiny; and, at the Army's instigation, the nation had embarked upon a programme of aggrandisement through expansion of military power.

Foreign Minister HIROTA, in whose term as Premier the Army's schemes had first been formulated as the national policy, left the Cabinet at the end of May 1938; and at this time also Lieutenant-General UMEZU, whose work had for so long been complementary to HIROTA's, resigned his office. UMEZU had become War Vice-Minister on 23 March 1936, while HIROTA was Premier, and prior to the important Five Ministers' conferences which settled the basis of the national policy. He had remained in that position during the premierships of Hayashi and Konoye.

HIROTA and UMEZU had provided the most important links between Konoye's Cabinet and that of his predecessors, for each had occupied a key position during a period that was remarkable for the steady development and fruition of the Army's planning. One by one the Army's detailed plans had gained acceptance, until at length all opposition within Japan had been overridden.

Japan's military and naval forces were

undergoing continuous expansion. Her growing military strength was still engaged upon the conquest of China. On 19 May 1938 the Japanese forces in Central China captured the town of Hsuchow, thus removing an island of Chinese resistance in an area which had been brought under Japanese control. Although the battle for Hsuchow was not a decisive one, it stimulated Japan's long-deferred hope of crushing all resistance in China.

Meanwhile the Kwantung Army in Manchukuo, in collaboration with the Army General Staff, was making its preparations for war with the Soviet Union. In Japan itself a new fleet was in course of construction; and in the Mandated Islands, naval bases were being established in preparation for a Pacific War.

Great efforts had been made to achieve the goal of economic and industrial self-sufficiency, which alone would enable Japan to sustain the burden of the wars which the Army had planned. In Japan itself, in Manchukuo, and in the subjugated areas of North and Central China, new sources of vital raw materials were being developed, and new war-supporting industries were being established. The Cabinet had equipped itself with the legal powers required to mobilise for war the entire strength of the Japanese nation. Through regimentation and through propaganda the people of Japan had been made to identify their country's destiny with the schemes of aggrandisement which the Army had propounded.

THE MANCHUKUOAN LONG-RANGE INDUSTRIAL PROGRAMME OF MAY 1938

The fulfilment of the Army's five-year planning demanded that the maximum use should be made of the natural resources and industrial potential of the continental areas which Japan had occupied. In North and Central China the groundwork of such a development was already being laid; but as yet Japan could expect no substantial contribution from those areas.

In Manchukuo the situation was otherwise; for in February 1937 the Manchukuoan government had embarked upon a second five-year programme of industrial expansion. HOSHINO had shared in the formulation and in the execution of this programme, which formed an integral part of the Japanese Army's 1937 economic and industrial planning.

Even after the Lukuochiao Incident, which revived the China war, no pains had been spared in maintaining the objects of the planning. In November 1937 the Konoye Cabinet had resolved that the promotion of heavy industry in Manchukuo was essential to Japan's purpose; and the Manchurian Heavy Industry Corporation, a new national policy company, had been created to give effect to the Cabinet's decision.

In May 1938 the Japanese-dominated Manchukuoan government drew up an even more extensive programme of war-supporting industrial development. It was then decided to utilise the Manchurian Heavy Industrial Corporation in

achieving this new project. HOSHINO, as Chief of General Affairs of Manchukuo, had a decisive voice in the inception of the new scheme, which was the outcome of the Konoye Cabinet's resolution of November 1937.

The new plan laid great stress upon the cultivation of even closer ties between Japan and Manchukuo. In the light of experience already gained, the original 1937 programme was radically revised, so that Manchukuo might bear an increased share in the burden of Japanese preparations for war. The need for revision was attributed to changes in the international situation.

The whole purpose of the new plan was to increase the output of those industries in which Japan was deficient, and which the Japanese Army had singled out as essential to the needs of war. The production of iron and steel would be greatly expanded for the express purpose of meeting Japan's increasing requirements. Mining operations would be extended to ensure Japan of coal supplies. Electric power facilities would be increased and production of machine-tools would be promoted with the object of encouraging further industrial development. New chemical industries, ancillary to the production of aircraft and munitions, would be established. New aircraft manufacturing plants would be built in widely separated areas. Manchukuo would aim at the production of five thousand aircraft and thirty thousand automobiles

each year. Systematic efforts would also be made to increase the production of gold, for upon that commodity Japan's foreign purchasing power was in part dependent.

The revised plan required an estimated capital expenditure of nearly five thousand million yen, which was little less than twice the figure budgeted for in 1937. Rather less than half of the required amount was to be raised in Japan.

The Manchukuoan government would set up an Economic Planning Commission to superintend the execution of the scheme. This new body was to carry out in Manchukuo much the same functions which the Planning Board exercised in Japan. Under its auspices a new and complete survey of the country's natural resources would be made. Trade schools for training skilled labour would be established, and plans would be prepared for carrying out the economic and administrative readjustment which the revised programme demanded.

THE ECONOMIC CRISIS OF MAY 1938 THREATENED THE ARMY'S LONG-RANGE PLANNING

The measures which had already been taken to give effect to the Army's planning had placed a steadily increasing burden upon the Japanese economy. Despite military victories and advances, the war in China was still a constant drain upon Japanese resources of material and manpower. Furthermore, the Army had counted upon China as a vital source

of raw materials, and as an area in which the war-supporting industries might be developed.

The Army, in disclosing the purposes of the Mobilisation Law, warned the Japanese people once again that the continuation of the war in China must not be permitted to obscure the basic objects of the national policy. North and Central China, together with Manchukuo and Japan itself, were represented as constituting a single sphere, the integrity of which must be maintained, not only against local resistance, but also against both the Soviet Union and the Western Powers. The principal object of the Army's planning, now as at all other times, was the accretion of armaments and of other war potential upon a scale sufficient to ensure victory over each of these formidable adversaries. The Army was at this time gravely concerned lest the struggle in China might cause the breakdown of its long-range planning.

Since the resumption of fighting at Lukouchiao, Japan had always been faced with the danger of economic collapse. Far-reaching measures of industrial, commercial and financial control had been taken in an attempt to avert this threat. The revised programme for industrial expansion in Manchukuo showed again the manner in which Japan was exploiting those continental areas which she already controlled. The people of these territories had been made to bear an increasing share in the expansion of the industries of war, and in supporting the over-taxed economy of Japan.

Nevertheless, it became apparent during May and June 1938 that Japan was beset by a severe economic and financial crisis. The Army, having won control of the Japanese government and people, faced a new challenge to the achievement of its ambitions. The adoption of its mobilisation programme had been secured. The question now was whether the Japanese nation could withstand the rigours which the Army's policy entailed.

It was in these circumstances that, on 5 May 1938, the Cabinet had invoked the powers bestowed upon it by the National General Mobilisation Law. In its commentary upon the purposes of that law, the Army reaffirmed its determination to proceed with the national mobilisation for war, whatever difficulties might stand in the way of its achievement.

THE CABINET REORGANISATION OF MAY 1938

Ten days later the Cabinet was reorganised to meet the situation which had arisen. HIROTA left the Foreign Ministry; and KAYA, who, as Finance Minister, had guided and controlled the subordination of the Japanese economy to the requirements of the Army's mobilisation plans, also resigned his post.

To meet the threatened breakdown of the Army's plans, the Cabinet was strengthened by the addition of two military men. Lieutenant-General ITAGAKI succeeded Sugiyama as Minister of War. Since the Mukden Incident ITAGAKI

had been prominently associated with the Army's schemes of expansion and aggrandisement through military power. From 23 March 1936 to 1 March 1937 he had served as Chief of Staff of the Kwantung Army, and since then he had taken part as a Divisional Commander in the conquest of China.

General ARAKI, who now became Education Minister, had been a leader of the military faction during the early years in the development of the Army's schemes. In July 1931, two months before the Mukden Incident occurred, he was recognised as a prominent member of the Kokuhonsha, a secret society designed to foster the spirit of nationalism. In December of the same year, when the Inukai Cabinet took office, ARAKI was appointed War Minister at the instance of the younger Army officers. This position he retained under Inukai's successor, Saito.

As War Minister during 1932 and 1933 ARAKI advocated the adoption of an emergency policy, which would enable Japan to perfect her preparations for war. He was acknowledged as a leading representative of the powerful militarists. In his radio speech of June 1933 he was the first to reveal the full extent of the Army's long-range planning, and to exhort the Japanese people to cooperate in its fulfilment.

ARAKI's conduct during 1933 caused dissension within the Saito Cabinet; for it was realised that the policy which he represented was isolating Japan from the rest of the world. In December 1933 Finance Minister Takahashi

attributed to the militarists of the Army and Navy the deteroriation which had taken place in Japan's foreign relations; and in the following month ARAKI left the Cabinet. He continued, however, to lead the faction which had demanded the conquest of Manchuria, and which advocated further schemes of expansion through military power. Since 23 January 1934 ARAKI had held office as a Supreme War Councillor; and, since the institution of the Cabinet Advisory Council on 15 October 1937, he had been in addition a member of that body.

KIDO, under whose guidance the education system of Japan had been made to serve the purposes of the national mobilisation for war, remained in the Cabinet as Welfare Minister. He realised that it was essential to the achievement of the Army's planning that the war in China should be ended. He did not over-estimate the importance of the victory at Hsuchow; but he did believe that already there was talk of peace among the Chinese. He considered, therefore, that Japan should now plan a new military offensive in the form of an advance upon the city of Hankow.

THE KONOYE CABINET TAKES NEW STEPS TO ACHIEVE THE GENERAL MOBILISATION FOR WAR

The economic and financial crisis was accentuated on 11 June 1938, when the United States, in view of Japan's repeated violations of treaty obligations in the conduct of the China war, placed a moral embargo on the sending of aircraft, armaments, engine parts, aerial bombs and torpedoes to Japan.

On 23 June 1938 the reconstituted Cabinet, of which ITAGAKI, ARAKI and KIDO were now members, met to decide what measures should be taken to maintain the goal of national preparedness for war. The decision made was a vindication of the forecast contained in the Army's commentary upon the purposes of the Mobilisation Law. Great emphasis was laid upon the Cabinet's determination to subordinate all other considerations to that of fulfilling the aims of the basic national policy. Measures vital to the national mobilisation for war would be enforced immediately.

The Cabinet's examination of the national economy disclosed that during the current year Japan's exports had fallen off by one-third. For this and for other reasons her foreign trade balance was extremely precarious. If the situation should become worse, it would be very difficult, in case of emergency, to procure arms and other supplies, because

of lack of foreign exchange with which to procure them. Even as the position now stood, it would be difficult to achieve the targets set in the 1938 plan for the mobilisation of commodities. The success of the five-year planning was already endangered.

The situation was, in the Cabinet's opinion, too grave to be met by day to day expedients. Such an approach to the problem would gravely hinder the efforts being made to meet immediate military requirements, while attaining the expansion of productive power which Japan's present situation demanded.

The drastic measures decided upon involved a further curtailment in non-military supplies. Even within the field of war-supporting industrial development there would be economies. In pursuance of this policy of retrenchment, measures would be taken to maintain the stability of the exchange rate, to keep up the supply of munitions, to promote exports, and to safeguard the people's livelihood.

The wide powers given by the National General Mobilisation Law would be utilised to this end. Prices would be fixed, and commodities would be rationed. Savings would be encouraged, war profits would be restricted, and waste materials would be salvaged. Funds in foreign countries would be conserved, and Japan would retaliate against boycotts of her foreign trade. The administration of foreign trade control would be unified in order to stimulate exportation. The production of munitions would be increased.

In particular, drastic steps would be taken to conserve essential materials through the regulation of supply and demand. By linking exports of finished products with imports of materials therefor, the government would ensure that commodities destined for ultimate export did not become absorbed in the home market. The minimum quantity of imports necessary to maintain the nation's livelihood, its exports and its barter trade, would be permitted. With this exception only those imports which were needed to meet military demands and to ensure the production of munitions would be allowed.

Each Ministry concerned was instructed to take its own steps to carry out the policy upon which the Cabinet had decided, and to treat the achievement of the national mobilisation as a matter of urgency.

ITAGAKI AND ARAKI ON THE NATIONAL MOBILISATION FOR WAR

The two new members of the Cabinet were quick to lend their support to the programme of national mobilisation. On 26 June 1938, three days after the Cabinet had met, War Minister ITAGAKI, in an interview with the press, reflected the Cabinet's recognition of the economic difficulties which beset Japan, and his own determination that those difficulties should not stand in the way of the conquest of China. He said that Generalissimo Chiang Kai-shek did not count upon

victories in the first line of battle, but hoped to overcome Japan by imposing a burden upon the country's resources over a lengthy period.

ITAGAKI urged upon his readers the necessity of a long preparedness for war, expressing his own conviction that Japan was able to withstand future hostilities over an indefinite period. He exhorted the Japanese people to enter into the spirit of the Cabinet's programme for the conservation of national reserves; and to extend unstinting cooperation towards the authorities.

In commenting upon the international situation, ITAGAKI said, "It is natural that "third powers are resorting to various "manoeuvres, for the sake of protecting their "interests in China. It should suffice for "Japan to follow its own policy without fear "or hesitation".

On 7 July 1938, the first anniversary of the Lukouchiao Incident, Education Minister ARAKI made a speech in which he expressed the same views as ITAGAKI. In its general tenor this address differed little from the one which he had given as War Minister in June 1933; for, on each occasion, ARAKI looked forward from the difficulties of the moment to the attainment of the Army's ultimate goal of world domination.

"We must be prepared", he said on this occasion, "for the aggrandisement of national "strength required to wage long-period war.

"With deep understanding of the national thought, "we should clarify the absolute superiority of "our national constitution, and the thought of "Hakko Ichiu or the unification of the world "under one roof should be pervaded to the "whole world."

"National Mobilisation must be achieved "both in the material and in the spiritual "sense, which will promote the conspicuous "ever-progressing prosperity of the nation, "who must not be left as a power in East Asia "only, but must be promoted to the world's "Japan as the leader of the new era; and the "proper magnanimity and full vigour of her "people should be cultivated so that the "mission given to her may be thoroughly ful-"filled."

Despite the confident and aggressive tone which ITAGAKI and ARAKI had adopted, there was clearly discernible in the statements of each an undercurrent of deep anxiety concerning the outcome of the campaign in China. While that issue remained unsettled the Army's long-range planning was in jeopardy.

CHANGES IN THE ARMY STAFF ACCOMPANIED THE CABINET REORGANISATION OF MAY 1938

When the Cabinet reorganisation of May 1938 took place, changes were also made in Army Staff appointments. Lieutenant-General TOJO was recalled from service in the field to replace UMEZU as Vice-Minister of War. As Chief-of-Staff

of the Kwantung Army since 1 March 1937, TOJO had been intimately connected with the Army's planning and preparations for war with the Soviet Union. It was he who had advised the Army General Staff to strike a blow at China before attacking the U.S.S.R. After the fighting in China had begun, military preparations for war against the Soviet Union had continued to absorb his attention; and, in carrying out that work, he had been in close touch with UMEZU.

On 18 June 1938 Lieutenant-General DOHIHARA, who had commanded a division in the Japanese advance southward from Peiping, was recalled from China and attached to the Army General Staff. DOHIHARA, like ITAGAKI, had taken a prominent part in the planning and execution of the Mukden Incident, and in the subsequent development of the Army's plans. He brought to Tokyo first-hand knowledge of the situation in China.

War Vice-Minister TOJO received during June 1938 many other appointments, each connected with some aspect of the national mobilisation for war. Not even his predecessor UMEZU had held positions so numerous or so diversified. TOJO became a Councillor of the Planning Board, of the Manchurian Affairs Bureau, and of the Information Bureau. He was appointed also to the new National General Mobilisation Council set up pursuant to the provisions of the Mobilisation Law. He became Chief of Army Air Headquarters, and a member of the Air Enterprise Investigation Committee. He

joined committees concerned with the automobile, ship-building, electric power and iron industries; and became a member of the Scientific Council. The affairs of the Navy did not escape his notice, for he became also a member of the Naval Council.

Lieutenant-Colonel SATO continued to provide a second link between military preparations and other aspects of the general mobilisation for war. He had, since 26 November 1937, combined the functions of Secretary of the Planning Board with those of a section staff member of the War Ministry's Military Affairs Bureau.

A NEW OFFENSIVE IN CENTRAL CHINA: JULY 1938

While the Cabinet took steps to maintain the supply of war materials, the Army General Staff was engaged upon the scheme which KIDO had favoured. During June 1938 they drew up operational plans for a new major offensive in Central China. Approximately four hundred thousand experienced troops were to take part in this advance under General HATA's command. The city of Hankow was their objective. The campaign, if successful, would close the breach which separated the existing puppet regimes in the north and in the south.

The reconstituted Cabinet was determined that a supreme effort should be made to end Chinese resistance, so that the programme of mobilisation for war should no longer be imperilled. "We will not lay down arms", said

General ARAKI in his speech of 7 July 1938, "until anti-Japanese China is completely "crushed to the extent that she cannot stand up "again".

In July 1938 the offensive began, and during July and August minor victories were gained as more Chinese towns and villages were enveloped in the tide of the Japanese advance. There was, however, still no indication which would justify the hope of a Chinese capitulation.

CONTINUED PREPARATIONS FOR WAR WITH THE SOVIET UNION: THE ARMY BEGINS NEGOTIATIONS FOR A MILITARY ALLIANCE WITH GERMANY

While the new offensive in China was being launched, the Army continued to make ready for the expected war with the Soviet Union. On 19 June 1938, TOJO, the new War Vice-Minister, received an official communication concerning those military preparations with which he had been so closely concerned as Chief of Staff of the Kwantung Army. The Japanese Army in Inner Mongolia was making a study of the strategic areas bordering upon the U.S.S.R. The Chief of Staff of that army also reported that the natural resources of Mongolia were under survey, and that the materials which had already been acquired were being examined.

While the Cabinet struggled to achieve the national mobilisation for war in the face of economic difficulties, an attack upon the Soviet Union was still the project uppermost

in the minds of the military faction. Both War Minister ITAGAKI and Education Minister ARAKI laid enormous stress upon the need for preparation for a long war. "Japan's deter-"mination to fight to a finish with China and "Russia", said General ARAKI on 11 July 1938, "is sufficient to carry it on for more than a "decade".

With this determination in mind the Army took, upon its own initiative, a new and important step towards the attainment of its goals of military conquest. The programme of national mobilisation for war being now accepted and in course of achievement, the Army's attention was directed towards negotiating with Germany a closer alliance, which would reinforce Japan's own military strength. At the instigation of the Army General Staff Major-General OSHIMA, the Japanese Military Attache in Berlin, opened negotiations with the German government for a military alliance between the two countries. Such a conjunction of forces would complete the Army's preparations for war with the Soviet Union.

From this time onwards Japan's relations with Germany are of significance, not merely as one aspect of Japanese preparation for war, but as an essential factor in determining the course of events within Japan itself. The new Germany, which had arisen under Hitler since the year 1933, was, like Japan, engaged in preparing for wars of conquest and territorial expansion. The two nations, each intent upon

the realisation of its own schemes, entertained little regard for each other, but harboured common designs upon the Soviet Union. These had found expression in the Anti-Comintern Pact, concluded in November 1936.

A military alliance with Germany had long held a place of importance in the Japanese Army's planning. The need for it became more urgent as the time for attacking the Soviet Union appeared to draw near. In order that the origins and development of this phase in the scheming of the military faction may be understood, it is first necessary to survey broadly the progress of the Army's plan for making war on the Soviet Union.

THE ARMY'S INTENTION TO ATTACK THE SOVIET UNION HAD ITS ORIGINS IN THE CONQUEST OF MANCHURIA

Japan's antipathy towards the U.S.S.R., which led her to make common cause with Germany in the Anti-Comintern Pact, was inherent in the very nature of the Army's ambitions. When, in 1924, Okawa first proposed schemes of territorial expansion, he had advocated the occupation of Siberia. HIROTA, as Ambassador in Moscow in 1931, was also of that opinion. He then expressed the view that, whether or not Japan intended to attack the U.S.S.R., she must have strong policies towards that country, being ready for war at any time. The main object of such preparedness was,

in his opinion, not so much as a defence against Communism, but rather as a means of conquering Eastern Siberia.

Already there was a second reason for regarding the U.S.S.R. as an enemy. In 1930 military spokesmen, who were then campaigning for popular approval of the Army's plan to conquer Manchuria, had stressed that Japan must defend that territory against the Soviet Union. In April 1932, when the new state of Manchukuo had been established, the U.S.S.R. and the Western Powers were each acknowledged as enemies. Colonel ITAGAKI, then a member of the Kwantung Army Staff, received appointment to a new committee which would promote the interests of "the allied and friendly Nippon in her struggle "against the Anglo-Saxon world, as well as "against Comintern aggression".

Some three months later the Japanese Military Attache in Moscow reported to his government that a Russo-Japanese war was in the future unavoidable. He urged a non-committal attitude in regard to the proposal for a non-aggression pact made to Japan some six months earlier by the Soviet Foreign Commissar. On 13 December 1932, after five further months of delay, Japan rejected this proposal upon the ground that differences outstanding between the two countries had rendered negotiations for such an agreement untimely. In February 1933 Japan again refused a renewed offer to discuss such an agreement. Two months later, Lieutenant-Colonel SUZUKI of the Army General Staff said that any such

proposal must be denounced, since the Soviet Union was the absolute enemy, which aimed to destroy the national structure of Japan. The Soviet Union was thus recognized by the military faction as the power which, above all others, stood between Japan and the achievement of the goal of supremacy in East Asia.

The steady progress made in military planning and preparation for war with the U.S.S.R. has been mentioned frequently in the course of this narrative. By December 1933 the Japanese Army in Korea was already making preparations "in consideration of the time "when we open hostilities against Soviet Russia". General ARAKI even then had designs upon Mongolia as a stepping-stone for such an attack.

In November 1935 SHIRATORI, then Minister in Sweden, told Arita that the time was ripe for an attack. He believed that Japan should immediately, by force or by threat of force, shut out the Soviet Union from East Asia.

On 23 March 1936, after HIROTA's Cabinet had taken office, ITAGAKI, as Chief of Staff of the Kwantung Army, had taken measures to bring Outer Mongolia within the orbit of Japan's "new order". After 11 August 1936, when the basis of Japan's national policy was decided, preparations directed against the Soviet Union were intensified to enable Japan "to cope with

"any force which the U.S.S.R. can mobilise in "the Far East".

It has been seen that the revival of the war in China was a part of the Army's plan of expansion which included an eventual attack upon the U.S.S.R. Before and after the fighting began at Lukouchiao, military preparations for war with the U.S.S.R. had been maintained and accelerated. The Kwantung Army in close collaboration with the Army General Staff, had made its dispositions for an immediate enslaught, to be launched at the earliest possible moment.

If the attack were left for ten years, SHIRATORI had said in November 1935, the Soviet Union might become too powerful to touch; but the chances of immediate success were good. There was at that time, he added, no other country on earth which could become a real menace to Japan. The cession of Sakhalin and of the Maritime Province of Siberia should be demanded at a reasonable price. The Soviet Union should be reduced to a "powerless capitalistic "republic", the natural resources of which would be rigidly controlled.

THE ARMY DEFERS ITS PLANS FOR AN ATTACK ON THE SOVIET UNION: AUGUST 1938

With this compelling sense of urgency, the Army had fretted at Japan's increasing commitments in China, and at the precarious position

into which her economy had lapsed. Military leaders had resolutely maintained their programme of preparations for war with the U.S.S.R. and had turned to Nazi Germany for support. In July 1938, after ITAGAKI and TOJO had been installed in the War Ministry, the Army's impatience to launch an attack upon the Soviet Union found an immediate outlet.

At the beginning of July 1938 Japanese guards on the Soviet border in the region of Lake Khassan were strengthened; and in mid-July SHIGEMITSU was despatched to Moscow to secure acceptance of Japanese demands for certain territory in that area. The ground in dispute was an eminence of strategic value.

SHIGEMITSU adopted a peremptory attitude throughout these negotiations; and made, on 20 July 1938, a formal demand for the withdrawal of Soviet troops, upon the pretext of Japan's obligations to Manchukuo.

On the following day War Minister ITAGAKI, together with the Chief of the Army General Staff, attempted to obtain the Emperor's sanction to launch an attack at Lake Khassan, so that Japan's demands might be enforced. It was falsely represented to the Emperor that the Army's policy in this matter was supported by the Foreign and Navy Ministries. On the next day, 22 July 1938, the scheme was disclosed to, and approved by, the Five Ministers' Conference.

On 29 July 1938 the Japanese forces at Lake Khassan attacked the Soviet border guards. The fighting thus began continued until

11 August 1938, by which time the Japanese forces employed in the operation had been routed. Thereafter Japan negotiated terms of peace, leaving the Soviet Union in possession of the disputed area.

The fighting at Lake Khassan will be discussed fully in a later section of this judgment; but the circumstances in which the attack occurred are of importance in the present narrative. The scheme was promoted and put into effect upon the initiative of the Army. War Minister ITAGAKI had long believed that war with the Soviet Union was inevitable. His Vice-Minister, TOJO, had supervised the detailed planning and preparation for such a war. The attack occurred at a time when the Army was negotiating with Germany for a new military alliance, directed principally at the U.S.S.R. It was a product of the Army's planning to crush the influence of the Soviet Union in the Far East.

Japan's defeat at Lake Khassan caused an abrupt revision of the Army's plans. On 25 August 1938 Colonel SATO, as a spokesman of the War Ministry, expounded the Army's policy to the assembled Chiefs of the Police Bureau. In a speech which discussed the Army's resolves and the nation's difficulties, he revealed a new attitude towards the projected war with the Soviet Union. He warned his audience that military preparations must be continued, for such a war might break out at any time; but he said emphatically that it would be disadvantageous for Japan to provoke such a war at the present time. "If, however, a war

"with Russia is unavoidable", he added, "it will "be necessary for Japan to seek a proper chance "after her armament and production shall have "been expanded--this should be after 1942."

A curb had been imposed upon the impetuousness of the Army and its supporters. The leaders of the Army had resolved once more to follow the principles laid down in the basic national policy decision, which demanded, first and foremost, the establishment of Japan's "new order" in China, and the completion of preparations for war.

The U.S.S.R. was, however, still regarded as a principal enemy; for that country stood between Japan and the attainment of the goal of supremacy in East Asia. SATO made it clear that Japan had not abandoned its ultimate goal of forcing war on the Soviet Union. He urged that objective as a primary reason for completing the national mobilisation. He reaffirmed the Army's belief that the Anti-Comintern Pact with Germany and Italy should be strengthened. But his speech disclosed that, as a result of its discomfiture at Lake Khassan, the Army was determined to achieve in greater measure the repletion of the national strength, before voluntarily undertaking any further liabilities.

DESIGNS UPON THE SOVIET UNION LED THE ARMY TO SEEK A GERMAN ALLIANCE

Hitler came to power in Germany in 1933; and the Japanese Army, being then intent upon preparing for war with the Soviet Union, took an immediate interest in the new regime. In

March 1934, while the Okada government was in office, Colonel OSHIMA was appointed Military Attache in Berlin.

Upon the instructions of the Chief of the Army General Staff, OSHIMA was ordered to watch and investigate the stability of the Nazi regime, the future of the German Army, the state of relations between Germany and the Soviet Union, and, in particular, the relations between the armies of those two countries. OSHIMA would also collect and report information relating to the Soviet Union. He would try to discover what would be the German attitude, in case the U.S.S.R. should become involved in war.

OSHIMA took up his new appointment in May 1934, and in the spring of 1935 he learnt from von Ribbentrop of German willingness to conclude an alliance with Japan. This information he conveyed to the Army General Staff. Lieutenant-Colonel Wakamatsu, who was sent to Germany to investigate the proposal, arrived in Berlin in December 1935.

Already some, at least, of the military faction were confident of German support in case of war with the Soviet Union. "Since the relation-"ship of Germany and Poland with Russia are in a "same position as ours", wrote SHIRATORI to Arita in his letter of 4 November 1935, "there "is no need for us to try to specifically weave "understanding with them. Once the war breaks "out they will surely rise on our side. The "only trouble is England".

In Berlin Wakamatsu and OSHIMA held discussions with the German authorities, and

advised them that the Army General Staff was in favour of a general alliance between the two countries. This stage in the negotiations having been reached, the proposal was referred by the Army to the Cabinet. Meanwhile HIROTA, who had five years earlier advocated the seizure of Soviet territory, had become Premier; and Arita, the recipient of SHIRATORI's confidences, was his Foreign Minister.

In the spring of 1936, several months before the basis of the national policy was finally decided, HIROTA's Cabinet took up the Army's proposal. Ambassador Mushakoji, newly arrived in Berlin, was able to confirm that Germany eagerly desired cooperation with Japan. Protracted negotiations resulted in the signing of the Anti-Comintern Pact and a secret military agreement, both of which were ratified by the Japanese Privy Council on 25 November 1936.

THE RELATIONSHIP BETWEEN JAPAN AND GERMANY AFTER THE CONCLUSION OF THE ANTI-COMINTERN PACT

The Anti-Comintern Pact was not the general military alliance which the Germans had proposed, and which the Army General Staff had favoured. Although the August Conference of Five Ministers had already committed Japan to a forthright anti-Soviet policy, the pact was framed as a purely defensive measure, designed to prevent advance of the Soviet Union into East Asia. Foreign Minister Arita explained it in this light to the Privy Councillors, and was careful to disavow approval of German domestic policies.

Public opinion in Japan was not yet prepared for an alliance with the Germans, and this fact had imposed a limitation upon the Cabinet's contractual powers.

Yet, in effect, this agreement furthered Japan's aggressive policy against the U.S.S.R. HIROTA had obtained assurances from the Germans that the spirit of the secret

agreement would alone be decisive in determining their attitude towards the Soviet Union. If occasion should arise, that agreement was to provide a basis for a further development of the relationship between the two countries.

Furthermore Arita himself belied the contention that the pact was defensive in nature, for he assured the Privy Councillors that the Soviet Union was behaving reasonably in all of its transactions with Japan. He did not himself believe that the U.S.S.R. would initiate any affair, even though Japan's preparations for war should not be adequate. Arita hoped also that the pact would strengthen Japan's position in her dealings with China.

In reality the Anti-Comintern Pact was concluded in an attempt to obtain the advantage of German support against the Soviet Union and in China, without alienating public opinion in Japan, and with the minimum possible degree of commitment on Japan's part.

These same considerations governed the subsequent development of Japan's relationship with Germany. After the fighting had begun at Lukouchiao, Japan attempted unsuccessfully to justify her actions in China as a struggle against Communism, carried out in pursuance of the objects of the Anti-Comintern Pact.

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PART B

CHAPTER IV

THE MILITARY DOMINATION OF JAPAN AND PREPARATION FOR WAR

1 November 1948

VOLUME II
Pages 281-520

THE FAILURE OF HIROTA'S POLICY IN REGARD TO GERMAN ECONOMIC COOPERATION IN CHINA

On 27 October 1937 TOGO was sent to Berlin to replace Mushakoji as Ambassador. Some days later, on 6 November 1937, the Japanese Privy Council ratified a new treaty with Germany and Italy, by virtue of which each of the three signatories exchanged the undertakings contained in the Anti-Comintern Pact. HIRANUMA, the President, Foreign Minister HIROTA and Finance Minister KAYA attended the meeting.

It was TOGO's task to convince Germany that Japan would certainly succeed in the conquest of China; and that, by supporting Japan, Germany might assure herself of a preferred position in the new China which Japan would create. This view the Germans accepted with reluctance in January 1938.

Nevertheless HIROTA had realised that Japan was dependent upon Great Britain and the United States for assistance in the economic development of China. He did not mean to offer to Germany more than the shadow of a special advantage. He intended in return to obtain from the Germans supplies and technical assistance which were needed in China. Therefore HIROTA had closely circumscribed the limits within which TOGO might make promises to the Germans.

During May, June and July 1938, while the economic crisis deepened in Japan, Ambassador

TOGO wrestled with this difficult task in the face of growing German dissatisfaction. The fact that the German government, in July and August 1938, negotiated with OSHIMA, the Military Attache, to the Ambassador's complete exclusion, provides an indication of the measure of TOGO's failure.

During May and June 1938 there had been repeated discussions between Foreign Minister von Ribbentrop and TOGO concerning German economic participation in the reconstruction of China. Von Ribbentrop had claimed, in return for Germany's recognition and assistance, especially generous treatment in regard to her own foreign trade in China. TOGO had replied, cordially but guardedly, within the narrow limits HIROTA had allowed him. Pressed by von Ribbentrop, TOGO had explained that Japan could not assure Germany in treaty form of better treatment than other third powers. The German Foreign Minister, though he expressed dissatisfaction, had concluded that Japan was prepared to offer in practice what she would not concede in categorical treaty form.

At length von Ribbentrop was disillusioned; for, on 24 July 1938, the German Foreign Ministry received from its representative in China a detailed report upon conditions in the subjugated areas of that country. It was therein disclosed that the Japanese authorities in China were practising systematic discrimination against German interests. Established German concerns were suffering serious injury

through the preferences given to Japanese firms.

The receipt of this information intensified the dissatisfaction felt in Germany. On 27 July 1938 TOGO was advised that reports from China had confirmed von Ribbentrop in his earlier decision. The vaguely-formulated Japanese offer of "especially favourable "treatment" was regarded as inadequate; for it appeared to the German government that Japan had embarked upon a ruthless suppression of foreign trade--including German trade--in China. Disagreement between the two countries as to the terms of economic cooperation in China remained as wide as ever. Nor had any change in the situation occurred when, on 8 September 1938, TOGO was replaced as Ambassador in Berlin by his Military Attache, Major-General OSHIMA.

THE ARMY MAINTAINS JAPAN'S RELATIONSHIP WITH GERMANY

The revival of the war in China at Lukouchiao had at first incurred severe censure from Germany. Despite this estrangement, the Army, ever mindful of the coming struggle with the Soviet Union, had turned to Germany for assistance. In the latter months of 1937 the Army General Staff, already apprehensive of Japan's increasing commitments in China, had sought German intervention to negotiate a settlement with the Chinese authorities.

The German Foreign Minister, being then dissatisfied with the state of his country's

relations with Japan, had approached, not the Japanese Ambassador, but his Military Attache. In January 1938 von Ribbentrop conveyed to OSHIMA his belief that Japan and Germany should collaborate more closely. OSHIMA passed this information on to the Army General Staff, which agreed in principle, provided that the U.S.S.R. was made the primary object of the new alliance.

In the same month Germany, for reasons of expediency, had acquiesced in Japan's attempted conquest of China; and in the following month German recognition was accorded to the state of Manchukuo. The Army used this event to strengthen the ties between Germany on the one hand and Japan and Manchukuo upon the other. Diplomatic relations were established between Manchukuo and Germany; and a treaty of amity between the two countries was signed. Lieutenant-General TOJO had then expressed the Kwantung Army's wish that Manchukuo become a party to the Anti-Comintern Pact; and UMEZU had conveyed the Army General Staff's ready acceptance of this suggestion. Those transactions had taken place at a time when the Japanese Army in occupation of Manchukuo was making its dispositions for the "fast ap- "proaching war with the Soviet Russia".

THE ARMY INITIATES A PROPOSAL FOR A MILITARY ALLIANCE AMONG THE AXIS POWERS

In early July 1938, shortly after ITAGAKI and TOJO had become respectively Minister and

Vice-Minister of War, the Army had for the second time taken steps to promote a military alliance with Germany. OSHIMA made the proposal to Foreign Minister von Ribbentrop in a general form, stating that, in the Japanese Army's opinion, the time had come for Japan to conclude a general defensive alliance with Germany and Italy.

The Army sought an agreement directed principally, if not wholly, against the Soviet Union; but von Ribbentrop, stressing the need for a strong alliance, refused to consider a mere agreement for consultation in the event of an attack by the U.S.S.R.. OSHIMA, acting upon the German view, himself outlined the terms of the proposed pact, which was in form a mutual agreement to provide military assistance in case of any unprovoked attack upon a signatory power. It made provision also for consultation, and for mutual economic and political support.

OSHIMA settled with von Ribbentrop the text of the proposed agreement, and dispatched the draft by special emissary to the Army General Staff. The draft agreement, accompanied by a note of von Ribbentrop's views upon the international situation, was treated in Tokyo as a proposal of German origin. The military leaders signified their general approval of OSHIMA's work by conveying the draft to Foreign Minister Ugaki, who immediately summoned a conference of Five Ministers to consider the new German proposal.

On 9 August 1938 Prime Minister Konoye reported the proposal to the Cabinet as a whole. The Navy, in particular, was opposed to an agreement which definitely committed Japan to rendering military assistance; and KIDO also regarded it as a serious matter. But, after the proposal had been discussed, the Chief of the General Staff advised OSHIMA that Cabinet and Army favoured the proposed alliance. Japan was willing to conclude a pact in which military aid was promised in case of unprovoked aggression; but it was desired that the agreement should be directed primarily against the Soviet Union, and secondarily against other powers.

So secretly had the negotiations been conducted that Ambassador TOGO knew nothing of them, until after they had reached Konoye's hands. Ambassador Ott in Tokyo was not informed until eight further months had elapsed. Konoye received the draft proposal, believing that it had originated with von Ribbentrop, though, in substance at least, it contained the provisions which OSHIMA had first suggested to the Germans.

Although the Konoye Cabinet took no new step during its five remaining months of office towards the conclusion of the proposed alliance, during that period relations within the Axis were strengthened; the first indications of a Japanese advance southward arose out of circumstances connected with the China War; and Japan's relations with the Western Powers continued to

deteriorate.

THE ARMY RENEWS ITS DETERMINATION TO ACHIEVE THE CONQUEST OF CHINA: AUGUST 1938

The revision of Army policy which followed the fighting at Lake Khassan was disclosed in two speeches made by SATO in August 1938. During the preceding month SATO had been promoted to the rank of Colonel, and had become a member of the Cabinet Information Bureau. In that month also he was relieved of his additional post as Secretary of the Planning Board. He retained his principal appointment as a member of the Military Affairs Bureau and assumed the duties of Chief of the War Ministry's Press Section.

On 25 and 29 August 1938 SATO expounded the Army's policy for dealing with the China

war to a conference of the Chiefs of the Home Ministry's Police Bureau. These speeches, made to a group of responsible government officials by the War Ministry's spokesman, constitute an authoritative expression of Army policy at this time.

The main theme which ran throughout SATO's discursive address was that the Army was determined upon crushing the resistance of the Chinese National Government's forces, while at the same time completing the national mobilisation for war. The Cabinet was still uncertain in its policy for dealing with the war in China; but the Army, having sacrificed its long-cherished plan for an immediate attack upon the Soviet Union, was the more determined that the main goals of the basic national policy decision should be achieved.

SATO considered the possible outcome of the present drive towards Hankow, and showed that the Army was itself doubtful whether the capture of that city would put an end to Chinese resistance. Whatever might transpire, the Army was resolved that the fall of Hankow should be the occasion for establishing a new pro-Japanese central government of China.

In the new China, said SATO, Japan would do her utmost in the role of leadership; but unlike the case of Manchukuo, no government office would be held by a Japanese. North China and Inner Mongolia would form two areas each similar in status to Manchukuo. While the chief reason for securing Inner Mongolia was

its value in preparing for war with the Soviet Union, North China would form an area in which economic and industrial expansion could be pushed ahead. Its resources would be developed to meet the needs of "national defence"; and Central China also would form a base for the expansion of Japan's economic power.

In justifying the Army's attitude towards China, SATO employed all the arguments which Konoye and HIROTA had advanced. He attempted to imbue his audience with the Army's enthusiasm for completing the conquest of China and for achieving the national mobilisation. Japan, he said, must surmount her difficulties, not sue for peace. The Army was determined that lack of resolution within the Cabinet must be overcome; and that foreign mediation in China should not be permitted.

SATO expressed confidence that the Cabinet would not entertain the peace proposals which an emissary of Generalissimo Chiang Kai-shek was now reported to be making. He was himself convinced, said SATO, that the establishment of a new regime in China was a condition which could not be modified.

THE ATTEMPT TO FORM A PRO-JAPANESE CENTRAL GOVERNMENT OF CHINA

General Ugaki, who had succeeded HIROTA as Foreign Minister, was himself of the view that immediate steps must be taken to link together the two pro-Japanese regimes already established in the north and in the south.

In August 1938 Lieutenant-General DOHIHARA recently attached to the Army General Staff, was sent to China to see what could be done to settle the war. Being firmly committed to the view that there should be no compromise with Generalissimo Chiang Kai-shek, DOHIHARA set about to find other leaders who would collaborate with the Japanese. During September 1938, the work of establishing a new central government, with which Japan could make peace upon her own terms, proceeded.

On 11 September 1938, the Chinese National Government, in face of this new development, appealed once more to the League of Nations, Japan was invited by the League to join the committee which was set up immediately to investigate the dispute.

On 22 September 1938 Foreign Minister Ugaki conveyed to the League the Cabinet's refusal so to do. The Japanese government, he said, was convinced that such a proceeding could not "provide a just and adequate solution "of the present conflict". On the same day a

committee of Chinese, formed under Japanese auspices to facilitate the creation of a new central government, was established at Peiping.

THE MILITARY FACTION OPPOSES COMPROMISES IN CHINA

The need for reaching a speedy conclusion to the war in China was a matter upon which all were now agreed. Cabinet and Army were equally resolved that China should constitute an area which would bolster Japan's precarious economy, and which would contribute to the achievement of the national mobilisation for war.

But SATO had made it clear that there was within the Cabinet a difference of opinion whether compromise would be effective in attaining the main result. Foreign Minister Ugaki and some other members of the Cabinet had inclined to the view that the Army's goal of military conquest should be abandoned, and that direct negotiations for peace should be reopened.

Nor was this disagreement confined to the Cabinet. By September 1938 there was a strong feeling in Japan that peace in China should be brought about, even if it should prove necessary to reopen negotiations with Generalissimo Chiang Kai-shek. Among the members of the Army General Staff this was the prevailing opinion.

But, as SATO had shown, there was an influential faction within the Army which took the opposite view, and was determined to resist any attempt to compromise the war in China.

Lieutenant-General TOJO, Vice-Minister of War, was the champion of this standpoint; and War Minister ITAGAKI shared TOJO's views. ITAGAKI and TOJO were the arbiters of Army policy, and Colonel SATO was their spokesman. In his speeches of August 1938, SATO had launched an attack upon those who did not share the uncompromising views which he attributed to the Army as a whole.

There were, said SATO, many doubtful points in the Cabinet's policy towards the war in China. The highest authorities were themselves not very clear what measures should be taken. He contrasted the indecision of the Cabinet with the firm determination of the military leaders; and charged those who supported Ugaki with hampering the execution of the Army's policy.

As always when the Army encountered opposition to its schemes, there came from the military faction a prompt demand for the revision of the organs of government, and for the abolition of political parties. SATO spoke of the need for "renovation" within the government itself, so that the Army's policy in China might be carried out. He hinted also at new measures for dealing with "political party problems". There was a movement afoot to promote the formation of a "One Party System" of government which could deal resolutely with Japan's difficulties at home and abroad.

THE CABINET CRISIS OF SEPTEMBER 1938 LEADS TO THE RESIGNATION OF FOREIGN MINISTER UGAKI

Prime Minister Konoye, fortified by knowledge of the German proposal for a general military alliance, was of the opinion which admitted no compromise in China. On 7 September 1938 he discussed with Welfare Minister KIDO and others the situation which would arise upon the capture of Hankow. KIDO, himself a staunch supporter of Japanese domination in China expressed the view that, if indications of a Chinese capitulation did not eventuate, it might be necessary to reopen negotiations with Generalissimo Chiang Kai-shek. Konoye then replied that, if he should be forced to take that step, he would resign, for the responsibility would be too great for him to bear. He spoke bitterly of the criticism to which he had been subjected by Foreign Minister Ugaki; and expressed his belief that the faction which had gathered round Ugaki would attempt to force the resignation of his Cabinet.

KIDO, as he had done in the political crisis of November 1937, immediately took the side of Konoye and the military faction. He said that, if the political situation should be dealt with according to Ugaki's policies, there might be disturbances within Japan, which would lead to defeat at the hands of the Chinese. He therefore urged Konoye to muster up

his courage and remain in office. KIDO's remarks on this occasion reveal his knowledge of the public approval which Ugaki's policy commanded.

Konoye, being now assured of KIDO's support, disclosed that he was privy to the Army's plot for establishing a dictatorship. He said he thought it possible that the proposed merger of political parties might place him at the head of a determined "one party system", so that the national policy might be pursued without further opposition in Japan. Konoye had not committed himself to any view upon this question; but he remained in office to see what would transpire.

The forces of the military faction, ranged behind ITAGAKI, KIDO and Konoye, proved too strong for the Ugaki group. In this same month of September 1938 Ugaki left the Cabinet and Konoye himself assumed the duties of the Foreign Minister. The government of Japan was once more committed to the steady pursuit of the aims set out in the national policy decision.

CHANGES IN ARMY POLICY: JULY 1937 - SEPTEMBER 1938

At this point it is appropriate to review and analyse the changes in Army policy which had occurred since the attack at Lukouchiao. The war in China had been revived upon the initiative of the Army General Staff, acting on TOJO's advice. It was the first step towards the achievement of the Army's plans for making

war on the Soviet Union. In the last quarter of 1937 the Army General Staff became increasingly concerned lest the growing war in China should frustrate the major aims of the Army's planning. So alarmed did the military leaders become that, again acting upon their own initiative, they sought German mediation of the dispute.

In the result Chinese peace offers had been submitted through German agency in November and December 1937. They failed because Foreign Minister HIROTA was determined that there should be no compromise in dealing with China. Prime Minister Konoye, supported by KIDO and HIROTA, remained in office, and pledged his Cabinet to have no further dealings with Generalissimo Chiang Kai-shek. This decision was taken at an Imperial Conference held on 11 January 1938.

Even at that late date General Tada, the Vice-Chief and virtual head of the Army General Staff, was strongly in favour of seeking an immediate settlement of the China war. On 15 January 1938 a Liaison Conference, lasting eleven hours, was held to consider what new action should be taken against China. So vehemently did the Army General Staff oppose the Cabinet's China policy that Tada attempted to have the decision of the Imperial Conference recalled. The Army was prepared to make any sacrifice which would end the fighting more quickly, so that preparations for war with the Soviet Union should no longer be impeded.

Konoye and KIDO resolutely opposed the Army's view, and HIROTA's policy prevailed.

By May 1938 the economic and financial crisis which had threatened Japan since November 1937 had become more acute. Nor had Chinese resistance weakened. Although the Army had in the meantime secured the passage of the Mobilisation Law, the long-range programme of preparations for war and the plans for an immediate attack upon the Soviet Union were both gravely imperilled. Foreign Minister HIROTA, the man most responsible for this development, resigned his office, as did Finance Minister KAYA, who had not succeeded in averting an economic crisis. ITAGAKI and ARAKI, both leaders of the military faction, became members of the Cabinet. TOJO, well versed in Japanese preparations for war against the U.S.S.R., succeeded UMEZU as War Vice-Minister.

At this time also General Ugaki joined the Cabinet as HIROTA's successor in the Foreign Ministry. Ugaki had for many years held views which were in marked contrast to those of the military faction. So little did he enjoy their confidence that, in January 1937, the leaders of the Army had foiled his attempt to form a Cabinet. Nevertheless, on one particular matter, Ugaki's views accorded with those of the military leaders. He was known to favour the early settlement of the China war, even if that settlement could be obtained only by negotiation with the Chinese National Government.

TOJO, the new Vice-Minister of War, although

he supported the Army's plans for an early attack upon the Soviet Union, maintained the view that the Army's aims in China must not be sacrificed through compromise. Prime Minister Konoye and Welfare Minister KIDO, though they also desired an early settlement of the war in China, were committed to the view that Chinese resistance must first be crushed.

In July and August 1938 Japanese troops attacked the Soviet forces at Lake Khassan, and were repulsed. After this experience, the Army postponed its plans for forcing immediate war upon the Soviet Union.

In view of the intended delay, prompt settlement of the China war became less imperative. Although most members of the Army General Staff still favoured a negotiated peace in China, War Minister ITAGAKI agreed with TOJO that there should be no compromise with the Chinese National Government. Prime Minister Konoye adhered steadfastly to that opinion, and found support in KIDO.

Once more the views of Foreign Minister Ugaki were in direct opposition to those of the military faction, whose confidence was increased by the prospect of a closer military alliance with Germany and Italy. Ugaki left the Cabinet, and the Army's policy was again unchallenged.

The Army, by reconciling itself to the postponement of the attack on the Soviet Union, had secured the retention of the major aims of the 1936 national policy decision. The war in

China would be ended only with the establishment of a new pro-Japanese central government, with which Japan could arrange peace upon her own terms. The new China would make a major contribution to the Japanese national mobilization programme. In the meantime Japan would negotiate a military alliance with Germany, and would hasten the completion of her internal preparations for war.

THE ARMY'S PART IN THE MOBILISATION OF PUBLIC OPINION

On 19 May 1938 the Army, in its commentary upon the purposes of the National General Mobilisation Law, had announced that the first requirement of the mobilisation was that of "spiritual" power, since the people themselves were the source of the nation's fighting strength. With this end in view educational institutions and propaganda organs would be mobilised for a unified campaign. In the Cabinet reorganisation which took place a week later General ARAKI, a soldier and a leader of the military faction, became the new Education Minister.

The very substantial measures of censorship and propaganda which had already been taken to prepare public opinion for war had been instituted by the Army in the years following the conquest of Manchuria; and for that development ARAKI was in large measure responsible. He became War Minister in December 1931, and held that appointment in the Inukai and Saito Cabinets until January 1934. During that period the Army's control over the expression of public opinion became firmly entrenched. Newspapers published the views which were acceptable to the military faction, and any adverse comment upon the Army's policy was met with threats or reprisals. Statesmen, who ventured upon any criticism of the Army and its supporters were also threatened. Political leaders, and even members of the Cabinet, were constantly shadowed by the police, who, though responsible to the Home Minister,

ected in this matter upon the direction of War Minister ARAKI.

This close association between the Army and the police was maintained in subsequent years. From 1935 onwards the press was completely subject to police domination. When HIROTA's Cabinet took office in 1936 the police permitted no-one to criticise the policy of the government; and after the Lukouchiao Incident all opposition to the war in China was rigorously suppressed. It is indicative of the close liaison which existed between Army and police that when, in August 1938, the Army's planning was revised, the new policy was at once expounded by SATO, the War Ministry's spokesman, to the assembled Chiefs of the Home Ministry's Police Bureau.

In the field of education the influence of ARAKI and the military faction had been no less great. Even before he became War Minister ARAKI had attempted to introduce in the universities the system of military training and instruction already established in Japanese schools. As War Minister in 1932 and 1933 he encouraged the extension of such training. The military instructors, supplied by the War Ministry, gained an increased measure of control over the school authorities, and students were taught to support the Army's expansionist aims.

The pressure exerted by the military faction during 1932 and 1933, and the constant intervention of the Army in matters of domestic and foreign policy, caused dissension within the Saito Cabinet. In January 1934 ARAKI left the War Ministry. Thereafter rather less importance

was attached to military training and instruction in schools until, in March 1936, HIROTA's Cabinet came to power.

After the revival of the war in China on 7 July 1937 all forms of control over public opinion were strengthened. The military instructors in schools acquired complete independence from the school authorities. Five months later, in November 1937, it was decided that the fundamental aim of all education should be that of promoting the cause of service to Japan. In the same month KIDO became Education Minister, and a start was made in converting the educational system to the task of fostering the warlike spirit of the Japanese nation. The police and Education Ministry authorities worked together to ensure that all university teachers should actively cooperate in preparing the minds of their students for war.

The Army's commentary upon the purposes of the Mobilisation Law stress the need for the intensification of this work; and ARAKI, being appointed Education Minister, was on 26 May 1938 given charge of it.

ARAKI'S INFLUENCE ON THE JAPANESE EDUCATIONAL SYSTEM

On 29 June 1938, one month after ARAKI's appointment as Education Minister, a new instruction was issued to school and local government authorities. This new Education Ministry Ordinance reflected the wishes expressed by the Army on 19 May 1938. By mobilising educational institutions for a unified campaign, all possible efforts would be made to intensify the fighting

spirit of the Japanese people.

"It is the students and pupils", the Ordinance proclaimed, "which are the source of "energy for national activities as well as the "backbone of the nation. They must realise how "great and important are their duties to the "state". It should therefore, the Ordinance continued, be the primary aim of the whole educational system to foster and develop the spirit of the nation. "Every effort should be made to "lay into the minds of youths the true signifi- "cance of loyalty and patriotism, as well as to "establish a spirit of self-sacrifice and public "service". Students should be given a clear understanding of Japan's "national structure", and of the "special characteristics" of her "national culture".

Training of a purely military nature was to be given a place of prominence. It would be used not only to develop the military abilities of the student, "so that he might do his part as a "subject of the Imperial Empire", but also to instil the spirit of patriotism and implicit obedience to authority.

ARAKI continued the work which KIDO had begun. He held office as Education Minister from 26 May 1938 to 29 August 1939, when the HIRANUMA Cabinet resigned. During this period the Japanese school system came completely under the domination of the military instructors whom the War Ministry had provided. Military training, as well as lectures, became compulsory in Japanese universities; and in both schools and universities all teaching was made to further

the fundamental aim of cultivating a warlike spirit in the Japanese nation.

THE GENERAL PROGRESS OF THE ECONOMIC AND INDUSTRIAL MOBILISATION FOR WAR

In September 1938 the Cabinet set out with renewed determination to achieve the objects of the Army's long-range economic

and industrial planning. Already the programme of industrial regimentation within Japan was well advanced. In large measure it had been achieved through the device of national policy companies, organised under special legislation for a specific governmental purpose. These companies were directly managed and controlled by the government, and had very broad powers within their respective fields of enterprise. Approximately half of their capital was provided by the government, which also subsidised them and exempted them from taxation. KAYA, who as Finance Minister from 4 June 1937 to 26 May 1938, had superintended the creation of the new industrial hierarchy, was on 1 July 1938 appointed as adviser to the Finance Ministry.

In his August speeches SATO had warned the Chiefs of the Police Bureau that this process must go on. "When we put into consideration the possible war with "Russia", he had said, "our war production at the "present is very inadequate". Therefore the Army was insistent that the change from free to controlled industrial management should be permanent, and should be obtained through the enforcement of the National General Mobilisation Law.' In particular, SATO had indicated, this process would be used to meet the related problems of Japan's dependence upon importation, and of her precarious foreign exchange position.

Notwithstanding the exploitation of her subject territories, and the drastic measures taken to repair the Japanese economy and to

adjust her trade balance, subsidies upon a steeply increasing scale were being paid to the war-supporting industries within Japan itself. The Cabinet's determination to pursue the objects of the national mobilisation for war is well illustrated by the new measures taken at a time of grave financial embarrassment. On 16 September 1938 a new national policy company with a capital of fifty million yen was formed to exploit the gold resources of Japan and of the continental areas under her control.

New steps were also taken to conserve those war materials the supply of which depended upon importation. On 21 November 1938 regulations were made for the collection and utilisation of scrap iron and steel. A control company, having a monopoly over the distribution and sale of scrap, was established and placed under governmental control.

In the latter half of 1938, however, the main expenditure was upon the development of China into an economic and industrial asset, as well as upon military operations in that country. The budget for the War Ministry alone increased from 2,750,000,000 yen in 1937 to 4,250,000,000 yen in 1938. The 1938 budget for the armed forces as a whole was three quarters of the total national budget for that year. The object of this vast expenditure was to complete the national mobilisation for war and, by subduing Chinese resistance, to open up new fields of natural resources and war-supporting industrial potential. It was an Army policy which had found its latest expression in the speeches of Colonel SATO.

THE EXTENSION OF JAPAN'S "NEW ORDER"
TO THE OCCUPIED AREAS OF CHINA

On 29 July 1938 Ambassador TOGO, making his last bid for German economic assistance, had admitted to von Ribbentrop that Japan proposed to extend her dominion until it embraced the whole of China. This aim, which was again stressed in SATO's August speeches, became the cardinal feature of Japanese policy during the last four months of 1938. In Central and in South China the Army gained victories, which placed the Japanese in control of substantially larger portions of Chinese territory. In North and Central China the Japanese system of political control and economic domination was strengthened and extended. Although Chinese resistance was not ended, Japan achieved in a considerable degree that "steady footing in the Eastern continent" which the 1936 national policy decision had demanded.

After Foreign Minister Ugaki's resignation in September 1938, the Army's goal of conquest in China received unqualified support from the Konoye Cabinet, of which ITAGAKI, ARAKI and KIDO were members. Since 20 July 1938 General MATSUI had been a member of the Cabinet Advisory Council. Earlier in the China war, from 30 October 1937 to 5 March 1938, he had commanded the Japanese Expeditionary Force in Central China. The military offensives, which began in July 1938, after the Cabinet reorganisation had taken place, were continued during

September and October 1938.

On 20 October 1938, Canton, the principal city of Southern China, was captured by the Japanese. Five days later, on 25 October 1938, the Japanese forces in Central China attained their objective by taking the city of Hankow. This success they exploited by advancing further into Central China.

In South China, where Japanese influence was smallest, a start was to be made in aiding the reconstruction and development of the territory subdued. The Planning Board announced that immediate action was necessary to consolidate the achievements of Japan's military triumph in that area. In North and in Central China a Japanese-controlled political and administrative system had already been established. The Army's planning for those areas called for reconstruction, economic exploitation and the expansion of the war-supporting industries.

On 3 November 1938 Prime Minister Konoye made a radio speech, in which he heralded the advent of a new phase in Japanese policy towards China. He spoke of "economic collaboration", which would be achieved through the development of China's natural resources. This, said Konoye, was the basic step in achieving Japan's purpose of a "new, ideal order" in East Asia. Reconstruction measures were as vital and urgent as military operations and political activities. Through these measures the Kuomintang government would be

crushed, and the new pro-Japanese China would be consolidated.

THE ASIA DEVELOPMENT BOARD

On 16 December 1938 permanent machinery was established to secure Japan's political and administrative control of China; for on that date a new bureau of the Cabinet was created to deal with all matters affecting the internal administration of that country. The Asia Development Board (Ko-A-In) would have a permanent staff of one hundred and fifty persons, but this number might be increased at the Prime Minister's pleasure. The Premier himself would be its President by virtue of his office. Similarly the War, Navy, Finance and Foreign Ministers would be its Vice-Presidents. The permanent secretariat would be headed by a Director-General and four section chiefs.

The new board would guide the political, economic and cultural development of China. It would also coordinate all those aspects of Chinese administration which were to be conducted by departments of the Japanese government.

The significance of the Asia Development Board is twofold. In the first place it provided a means of bringing the affairs of subjugated China within the immediate purview of those five Cabinet Ministers whose offices were most vital to the conduct of the national mobilisation for war. It was the conference of Five Ministers which had, in 1936, settled the basis of the national policy. It was this

same group to which the German proposal for a military alliance had first been referred by Foreign Minister Ugaki in August 1938. It was this "inner Cabinet" which was now to control the development of China, both as an integral portion of Japan's "new order", and as a contributory to her preparations for further armed expansion.

In the second place there was provided a permanent secretariat, whose exclusive function it was to watch over developments in China, to regulate and administer Japan's conduct of Chinese affairs, and to ensure that no matter of importance affecting China escaped the attention of the Japanese Cabinet.

On the day of its inception, Major-General SUZUKI, then attached to the Army's Central Ordnance Depot, became one of the four section chiefs of the Asia Development Board.

MEASURES TAKEN TO PROMOTE THE ECONOMIC AND INDUSTRIAL EXPLOITATION OF CHINA

As SATO had pointed out, military successes in China were merely the stepping-stones to the achievement of political and economic aims. After the victories of October 1938 had been gained, the Konoye Cabinet devoted its attention to achieving in China those economic and industrial developments which had been foreshadowed in the Army's 1937 planning. The new programme was to follow the same pattern of regimentation which had been adopted in Manchukuo and in Japan itself.

In his radio speech of 3 November 1938 Prime Minister Konoye had described the manner in which this result would be obtained. The chief agencies for the economic development of North and Central China would be the two great national policy companies which had been created on 30 April 1938. The North China Development Company and the Central China Promotion Company, said Konoye, had been established to carry out Japan's policy. He explained that these two holding corporations would finance the subsidiary companies directly engaged in particular aspects of reconstruction and industrial development. The Central China company would undertake the re-establishment of an area which had been ravaged by warfare; but the North China company would make an immediate contribution to the needs of Japan's preparations for war. For in North China the destruction caused by fighting had not been so great; and in that area was an abundance of iron, coal and other natural resources, the development of which would be exploited.

The political and economic, as well as the military, measures carried out in China were the product of the Army's planning. Lieutenant-General TOJO's determination to conquer China and to exploit its resources was in a great degree responsible for what had been achieved. When War Minister ITAGAKI was irresolute, TOJO had been firm; and ultimately ITAGAKI had come to share his views.

As Vice-Minister of War since 30 May 1938,

TOJO had held appointments which brought him into intimate contact with each major aspect of the mobilisation for war. He had been, in addition, a member of the organising committee of the two national policy companies which were to control and dominate the economies of North and Central China. On 10 December 1938, when the Army's plans for China were already in course of achievement, TOJO resigned his principal office and became Inspector-General of the Army Air Forces.

THE MANNER IN WHICH THE ARMY USED ITS ASSOCIATION WITH GERMANY TO EXERCISE CONTROL OVER JAPANESE FOREIGN POLICY

After the meeting on 9 August 1938, at which the German proposal for a general military alliance had been considered, the Cabinet was content to leave the matter in the hands of the military. OSHIMA was advised by the Army General Staff that both Cabinet and Army were in favour of the proposal which von Ribbentrop had made. It was desired, however, that the new alliance should be directed primarily against the Soviet Union.

The Cabinet's acquiescence in this proposal shows the extent of the influence which the Army had gained over Japanese foreign policy. The relationship which had grown up between Japan and Germany had been developed and maintained by the Army through the agency of Major-General OSHIMA.

OSHIMA had first taken up his post as Military Attache in Berlin in May 1934. His instructions

then were to appraise the stability of the Nazi regime, the potential worth of the German Army, and the attitude which would be taken in Germany, should the Soviet Union become involved in war. OSHIMA had become a confidant of Foreign Minister von Ribbentrop, and through this association the Army had contrived to maintain its relationship with Germany. This connection the Army had used as an indirect means of influencing Japanese foreign policy.

The Anti-Comintern Pact, concluded in Berlin in November 1936, had arisen out of discussions held between von Ribbentrop and OSHIMA with the approval of the Army General Staff. In November 1937 the Army General Staff resorted to the same method in an attempt to change the Konoye Cabinet's policy towards China. Foreign Minister HIROTA reluctantly accepted a German tender of "good "offices" in settlement of the China war, which had caused an estrangement between the Anti-Comintern partners. This attempt at mediation, which appeared to be made upon German initiative, was also prompted by OSHIMA at the instance of the Japanese Army General Staff. Finally, the German proposal for a general military alliance, conveyed to the Konoye Cabinet on 9 August 1938, was itself the outcome of an undisclosed arrangement between the German authorities and members of the Army General Staff.

In the formulation of this last proposal OSHIMA had himself taken the initiative. In the early months of 1938 he had received advice from the division of the Army General Staff directly concerned with such matters that, in their opinion,

the time was opportune for a general military alliance between Japan and Germany. Although his informants had made it clear that they did not speak for the Army General Staff as a whole, OSHIMA had advised the Germans that the Japanese Army desired to conclude such an alliance. OSHIMA himself had outlined its contents, and, together with von Ribbentrop, had settled the text of the draft proposal. Only then had the Army General Staff approved it, and handed it to Foreign Minister Ugaki as a proposal made upon German initiative. The negotiation between von Ribbentrop and OSHIMA had been carried on without TOGO's knowledge during the very months in which the Ambassador was discussing, on his government's behalf, the terms of German economic participation in the subjugated areas of China.

CHANGES IN DIPLOMATIC REPRESENTATION REVEAL THE CABINET'S DESIRE TO STRENGTHEN RELATIONS WITH GERMANY AND ITALY

In September and October 1938, following Foreign Minister Ugaki's resignation, changes in diplomatic representation were made. These changes revealed that the Cabinet, though yet unwilling to make a positive commitment, shared the Army's eagerness for a closer alliance with Germany.

Since immediate war with the Soviet Union was not now contemplated, there was need for a more conciliatory attitude towards that country. During August 1938 Japan's defeat at Lake Khassan had caused the abandonment of Ambassador SHIGEMITSU's bluntly worded demands for the cession of Soviet territory on the Manchukuoan border. On 22 September 1938 SHIGEMITSU was relieved of his appointment as Ambassador in Moscow, and was sent to London in a similar capacity. He was succeeded in Moscow by TOGO, whose experience as Ambassador in Berlin fitted him to carry out a less aggressive policy. During the preceding year he had laboured to convince the Germans of the sincerity of promises which Japan did not intend to keep.

TOGO's removal to Moscow served a double purpose, for he was now discredited with the Germans. On 8 October 1938 he was succeeded as Ambassador in Berlin by OSHIMA, his Military Attache.

Already OSHIMA's activities had in large measure usurped TOGO's diplomatic functions and undermined his authority. In 1937, while TOGO was giving assurances of Japan's determination to complete the conquest of China, von Ribbentrop had learnt from OSHIMA of the Japanese Army's desire to negotiate a settlement of the China war. In 1938 TOGO, in pursuance of HIROTA's policy, had offered Germany a preferred position in the subjugated areas of China, while OSHIMA's advice had raised German hopes of concluding a military alliance among the three Axis powers. In August 1938 the emptiness of TOGO's promises had been fully revealed, and in the same month OSHIMA's

work had received the Konoye Cabinet's general approval.

OSHIMA's appointment as Ambassador was therefore an event of great significance. It set the seal of the Cabinet's approval upon negotiations for a military alliance made in contemplation of war with the Soviet Union. It placed a soldier, who enjoyed the complete confidence of the Army, in a position until then occupied by a professional diplomat. It was a triumph for the Army in the field of Japanese foreign policy, and a step forward in the Army's preparations for war.

OSHIMA's preferment was an assurance to the Germans that Japan now genuinely desired to act in concert with Germany and Italy. OSHIMA himself, with enhanced status and prestige, was free to work with von Ribbentrop for the conclusion of a tripartite military alliance.

This work was also to be carried out in Italy. On 22 September 1938, two weeks before OSHIMA's appointment as Ambassador in Berlin, SHIRATORI, who had long desired war with the Soviet Union, was appointed Ambassador in Rome. He himself regarded it as his principal task to achieve the conclusion of a military alliance among the three Axis powers.

SHIRATORI's appointment provides another important illustration of the triumph of the Army's policy in foreign affairs. His association with the military faction had been a long one. From 31 October 1930 to 2 June 1933 he was Chief of the Foreign Ministry's Information Department; and during this period he showed

himself to be a strong supporter of the Army's programme of conquest and expansion. In May 1932, a few weeks before the assassination of Prime Minister Inukai, there was a cleavage within the Cabinet and civil service between those who supported the liberal policy of the Premier, and those who adhered to the "Kodo" or military faction which was led by War Minister ARAKI. SHIRATORI was at this time prominent among the group of Foreign Ministry officials who joined the Army in clamouring for Japan's withdrawal from the League of Nations. In his view, membership of that body was inconsistent with Japan's position following the conquest of Manchuria.

Four months later, when the Saito Cabinet was in office, SHIRATORI again voiced the views of the military faction. He maintained that Japan's difficulties were due to the lack of a strong government. He therefore urged the appointment of War Minister ARAKI as Premier, saying that ARAKI, as a "representative of the "powerful militarists", would proceed with an unwavering policy for the next five or six years.

SHIRATORI regarded his own presence in Tokyo as important to the maintenance of the views he advocated, and was therefore unwilling to accept an overseas appointment. Nevertheless, on 2 June 1933, he became Minister to the countries of Scandinavia, and, during his term of office abroad, supported the Army view that Japan should launch an attack upon the Soviet Union at the earliest possible moment.

On 28 April 1937, three months before the Lukouchiao Incident occurred, SHIRATORI was

recalled to Tokyo and assigned to temporary duty with the Foreign Ministry.

During the early months of 1938 he toured North and Central China, and found that his views upon foreign policy accorded well with those of Lieutenant-General ITAGAKI.

In June 1938, within two weeks of his appointment as War Minister, ITAGAKI urged Konoye to appoint SHIRATORI as Vice-Minister of Foreign Affairs. This request was soon afterwards supported by the younger Foreign Ministry officials in a petition presented by Okawa to Foreign Minister Ugaki. Konoye considered the proposal to be politically expedient, but Ugaki and senior Foreign Ministry officials were opposed to it, and the appointment was not made.

In August 1938 the Cabinet accepted the proposal for a military alliance with Germany and Italy, while the Army revised its plans for war with the U.S.S.R. Ugaki's resignation in September 1938 represented a triumph for the Army and its supporters, both in domestic and in foreign policy. In that month OSHIMA became Ambassador in Berlin and SHIRATORI was sent as Ambassador to Rome.

THE ARMY CONTINUES TO NEGOTIATE FOR A MILITARY ALLIANCE WITH THE AXIS POWERS

With this assistance from the Cabinet, the Army made new efforts to consolidate its friendship with the Germans. On 2 October 1938 War Minister ITAGAKI sent to Hitler a telegram expressing the Army's deep admiration for Germany's successful conduct of the Sudeten issue in Czechoslovakia. He prayed that Germany's national fortunes might continue to rise, and that "the friendship of the German "and Japanese Armies, united on the anti-Comintern "front", would "be strengthened more than ever".

In Berlin Ambassador OSHIMA was furthering the aim of closer cooperation between the German and Japanese Armies. In September or October 1938 he sent out espionage agents across the Soviet frontier, and negotiated with German military leaders for the exchange of information relating to the Soviet forces.

Meanwhile the scheme for a tripartite alliance was receiving attention both in Rome and in Berlin. The Germans had discussed the plan with Mussolini and his Foreign Minister, Ciano. Mussolini, though not yet ready to conclude an alliance, had expressed fundamental agreement with the scheme.

The text of the proposed alliance was worked out by OSHIMA, von Ribbentrop and Ciano as a result of direct consultation. The period

of its duration was set at ten years. A new provision, in the form of a "no separate peace" pact, was added; and a draft protocol, providing for immediate consultation when the obligation to furnish assistance arose, was also prepared.

In December 1938 OSHIMA, with permission from Japan, visited Rome, but found that Mussolini was still not ready to consider the immediate conclusion of the alliance.

THE CULTURAL TREATY WITH GERMANY, AND THE KONOYE CABINET'S POLICY TOWARDS THAT COUNTRY

In November 1936, when the Anti-Comintern Pact was concluded, a secret military agreement was made between Japan and Germany. The Germans had then declared that the spirit of this latter agreement would alone be decisive in determining their attitude towards the Soviet Union; and that that agreement would also, if occasion should arise, form the basis of a further development in German-Japanese relations. It was this development upon which the Army was now engaged.

During October 1938 Arita became Foreign Minister, taking over an appointment which Prime Minister Konoye had himself assumed after Ugaki's resignation in the previous month. No-one was better acquainted than Arita with the Army's plans; for he had held office as Foreign Minister in the HIROTA Cabinet. In that capacity he had attended the important series of Five Ministers'

conferences at which the basis of the national policy was decided. As Foreign Minister during that period Arita had directed the negotiations which led to the conclusion of the Anti-Comintern Pact and the secret military agreement between Germany and Japan. When, in November 1936, that pact had come before the Privy Council for ratification, Arita had acted as the Cabinet's spokesman.

On 22 November 1938 an agreement for cultural cooperation between Japan and Germany was ratified by the Privy Council. HIRANUMA presided at the Council meeting; and ITAGAKI and ARAKI, Ministers of War and Education respectively, were in attendance. Once more Arita was the spokesman for a measure designed to strengthen the relationship between Japan and Germany.

The agreement, which recited that cultural relations between the two countrie should be based upon their respective national spirits, had been approved by the Council's Investigating Committee. This body reported that the agreement might strengthen ties of friendship and the "promotion of the cause", as well as contributing to the attainment of the general aims of Japanese diplomacy.

As had been the case when the Anti-Comintern Pact was ratified, some Councillors were still apprehensive of the real significance of the Cabinet's pro-German policy. Arita gave assurances that the new agreement had no political implications; but these did not satisfy

one Councillor, who remarked that "the tendency "to go with the German stream is not at all deni- "able in this country of late. In view of this "fact", he added,"I repeat and hope that there "should be some means to guard against all possible "mistakes on the part of our nation before the "agreement is ratified".

The considerations which, two years earlier, had governed the Cabinet's policy towards Germany, still obtained. The record of this Privy Council meeting makes it clear that public opinion in Japan did not yet contemplate a close alliance with Germany and Italy. Arita had discounted the significance of the cultural treaty, because the Cabinet was not ready to admit that such an alliance was intended. Furthermore, KIDO and others had expressed the fear that the form of alliance which Germany had proposed might prove an onerous commitment. Subject to these two limiting factors, the Konoye Cabinet had done everything possible to hasten the time when Japan's internal preparations for war would be reinforced by a tripartite military alliance of the three Axis powers.

THE GENERAL DETERIORATION IN JAPANESE RELATIONS WITH THE WESTERN POWERS DURING 1938.

Although the proposed military alliance with Germany and Italy was, at Japan's insistance, to be directed primarily against the Soviet Union, it was inevitable that the new proposal should affect adversely Japan's

relations with the Western Powers. When, in August 1938, Prime Minister Konoye first received the German proposal for a general military alliance, he was advised also of Germany's views upon the international situation. Foreign Minister von Ribbentrop considered that war with the Soviet Union was inevitable; that Hungary and Czechoslovakia were potential allies, and that Roumania would remain neutral. It would not, he thought, be possible to separate France and Great Britain; and he implied that these countries were potential enemies by remarking that the United States would aid them financially, but not militarily. It was known to the Japanese that von Ribbentrop had discussed the proposed alliance at length with Hitler himself, before submitting it for their approval.

It was therefore apparent to the Cabinet and Army that Germany contemplated an alliance directed in part against the Western Powers. The Cabinet had acquiesced in that proposal by agreeing to the negotiation of a treaty which would be directed, not only against the U.S.S.R., but also against all other countries.

In this same month of August 1938 the Army had reviewed its plans for launching an immediate attack upon the Soviet Union, and had concentrated its efforts upon establishing Japan's "new order" in China. By December 1938 the expansionist aims of the 1936 national policy decision had in large measure been at-

tained. The existence of the "Greater East "Asia Sphere" was openly proclaimed; and Japan's position in that area demanded, in the words of the national policy decision, that she should "exclude the Military Rule Policy of "the Powers". "Britain and Russia", said Colonel SATO on 25 August 1938, "are in the "back of China, aiding her directly and indi- "rectly, greatly hampering our field of "operations".

There occurred during these latter months of 1938 a pronounced deterioration in Japan's already strained relations with the Western Powers. The execution of the Army's long-range planning had reached a stage at which protestations of friendship and respect for treaties were no longer plausible. Although the leaders of Japan were not yet ready for war, they were prepared to speak and act more boldly. The mobilisation was partially achieved, and there was now the promise of German assistance. The occupation of China appeared to be making steady progress, and the existence of Japan's new empire could no longer be denied.

These developments, which have now to be examined in more detail, did not indicate any change in policy. Japan, while completing her preparations for war, would still "strive "to maintain amicable relations with the Powers"; but the aims of the national policy decision were to "be attained in spite of all diffi- "culties". The new attitude towards the

Western Powers is indicated by SATO in his August speeches to the Police Chiefs. "We "shall recognise the rights and interest of "Britain to a limited degree", he said, "and have them cut all relations with Chiang "Kai-shek".

JAPANESE VIOLATIONS OF THE RIGHTS OF THE WESTERN POWERS IN CHINA, JULY 1937 - SEPTEMBER 1938

Since the revival of the China war at Lukouchiao on 7 July 1937 there had been a steadily lengthening list of Japanese violations of the rights and interests of the Western Powers in China. Frequent attacks had been made upon British and American citizens and property in China, and these had formed the subject of repeated diplomatic protests.

Equally damaging to Japan's relations with the Western Powers had been the systematic violation of her treaty obligation to maintain the "open door", or equality of commerical opportunity, in China. The clearest substantiation of these practices came from German sources. On 24 July 1938 the German representatives in China advised their government that the Japanese military authorities were striving to subjugate the economies of China and Inner Mongolia. Japan, they said, intended that the economies of these countries should benefit her exclusively, and that all foreign interests should be eliminated.

In response to foreign protests the Japanese authorities had professed a regard for treaty obligations; expressing regret for incidents which had occurred and pleading the exigencies of war. But in June 1938, when ITAGAKI and ARAKI had joined KIDO as members of the Konoye Cabinet, there appeared gradually a new spirit of assertiveness.

At the end of July 1938 the British Ambassador in Tokyo presented a summary of his country's outstanding grievances. Foreign Minister Ugaki, while expressing his willingness to settle these claims, told the Ambassador that a settlement would be reached more easily if Great Britain would be more friendly towards Japan, and would cease to support Generalissimo Chiang Kai-shek.

As Japan had made no declaration of war upon China, there was no justification for complaint that other countries should offer assistance to the Chinese Nationalist Government's forces. Furthermore, Great Britain and other countries which were members of the League of Nations, were pledged to support the resolution passed by the League on 6 October 1937. It had then been resolved that, in view of the aggressive nature of Japanese activities in China, all member states should refrain from taking any action which might weaken Chinese resistance, and that each state should consider what steps it might take to offer China positive aid.

The real significance of Ugaki's statement is the implication that Japan was determined to exert pressure in order to gain the acquiescence of the Western Powers in the subjugation of China.

This policy was made clear in the following month.

In August 1938 the Japanese demanded that Great Britain and France should suppress pro-Chinese activities within their respective concessions at Tientsin. These activities afforded Japan no ground for complaint in international law; nor would their suppression have been in keeping with the tenor of the League's resolution. Yet the British and French authorities were threatened with the evacuation of areas which their countries rightfully occupied, should they fail to comply with Japanese demands.

After Ugaki's resignation in September 1938 the new spirit of defiance became more pronounced. During the last quarter of 1938 after Arita had taken office as Foreign Minister, there was for the first time an open acknowledgment of Japan's intention to violate her treaty obligations. It is therefore necessary to examine with some particularity the frequent interchange of diplomatic communications which occurred during this period.

CONTINUED VIOLATIONS OF THE RIGHTS OF THE WESTERN POWERS IN CHINA AND THE EMERGENCE OF THE "GREATER EAST ASIA" DOCTRINE, OCTOBER - DECEMBER 1938

On 3 October 1938, Joseph C. Grew, the United States Ambassador in Tokyo, presented a summary of his country's complaints. He said that assurances as to the observance of the "open door" principle and the protection of United States interests in China had not been kept. He emphasized that there could be no "open door" as long as the ultimate authority to regulate, tax and prohibit trade was in Japanese hands.

Three days later Grew supported this protest in a detailed communication, which pointed out that Japanese companies in Manchukuo had been placed in a specially favoured position; that restrictions upon the movement of goods had imposed upon foreign traders a handicap not shared by their Japanese competitors; and that already there was evidence that these measures would be applied in the rest of China also. In that country United States citizens were being kept away from their properties upon the pretext of military necessity. American ships had been denied passage on the lower reaches of the Yangtse, although Japanese merchant vessels continued to use them. The port at Tsingtao was in Japanese hands.

At first these complaints evoked only a conciliatory answer from a Foreign Office

spokesman, who said that such conditions were due to the exigencies of the war situation, and that other nations should understand Japan's position. But gradually there emerged the doctrine of the "new order" in East Asia. On 3 November 1938, Premier Konoye announced that Japan would cooperate with any Third Power which appreciated her real intentions, and adopted a policy that conformed to the new state of affairs.

On 18 November 1938 Arita made a general reply to these complaints, pointing again to the exigencies of the war situation, and stating that the principles of the pre-incident regime could not be applied now that Japan was striving for her "New Order in East Asia". The United States representative told Arita that this reply represented a wholesale denial of American demands; and the Foreign Minister responded that it was extremely illogical to apply the principle of the "open door" to China only. Ambassador Grew again emphasized the adherence of the United States to treaty obligations and to the "open door" principles; and, by so doing, he elicited from Arita a more explicit reply. It was difficult, said Arita, for Japan to recognise the unconditional application of the "open door" principle at the present time, though she wished to cooperate with Third Powers. Measures necessary for fostering the closer relations of China and Japan might at times necessitate the elimination of the practice of such principles,

but there would still be considerable room left for the economic activities of other countries. He could give no assurance upon the Yangtse question.

Two days later after this exchange of views was completed, Ambassador Grew complained that earlier in November 1938 the Maritime Customs at Canton had been taken over by Japanese consular and military authorities, constituting yet another violation of the "open door" principle. This time Arita made the Japanese standpoint quite clear. He said that the application, in their original form, of the various treaties for preventing international disputes in the Orient "rather "hampered the bringing about of Peace and "Universal Prosperity". Japan, he said, agreed in principle with the "open door" policy, but must be allowed "most favoured "relations" with China and Manchukuo, as was the case within the British Empire. Monopolies would be sanctioned to attend to vital defence needs, but in general no special discrimination would be practised against Third Powers.

Grew stated that his government could not recognise any unilateral alteration in a treaty obligation; and on 30 December 1938 presented a further reply to Arita, insisting that any alteration in the status quo should be effected at a Conference of the Powers. Thereafter conversations were suspended for a considerable period.

THE DECISION TO CAPTURE HAINAN AND TO BRING PRESSURE TO BEAR UPON FRENCH INDO-CHINA

During the last quarter of 1938 there was a further development in Japanese policy alculated to intensify difficulty with the Western Powers. On 17 July 1937, ten days after the revival of the China war at Lukouchiao, France had contracted to supply through Indo-China arms and munitions for the Chinese National Government's forces. This contract constituted no breach of the law of neutrality, for Japan at no time made a declaration of war upon China. Nevertheless Japan had lodged repeated protests with the French authorities; and, as a result of this pressure, France had undertaken, in October 1937, to cease the delivery of war supplies upon the completion of the existing contract.

On 26 October 1938, after Arita's assumption of office as Foreign Minister, Japan complained that weapons were still being transported through French Indo-China to the Kuomintang forces. The French authorities denied that the Yunnan railway was being used for this purpose, and refused to adopt the measures demanded by the Japanese.

Nevertheless, Japan continued to maintain that the Yunnan railway was being used to transport military supplies to China. On 9 December 1938 the Japanese Naval General Staff was, with Arita's approval, advised that the Foreign Ministry saw no objection to the

bombing of the railway within Chinese territory, in so far as operational circumstances might require it. It had previously been decided that the operational and political effects of this action would be very great; but that it would not cause "too much" alarm in France, Great Britain or the United States.

In keeping with this policy was a decision taken two weeks earlier at a conference of Five Ministers. On 25 November 1938 it was resolved by this body, of which War Minister ITAGAKI was a member, that the island of Hainan would, in case of necessity, be captured by military action. This Chinese island lay opposite to, and dominated, the coast of northern French Indo-China.

THE SEVERANCE OF JAPAN'S RELATIONS WITH THE LEAGUE OF NATIONS, AND ITS SIGNIFICANCE

During this same period Japan severed her remaining connections with the League of Nations. On 22 September 1938 Foreign Minister Ugaki had conveyed Japan's refusal to join the League committee set up to investigate the situation in China. A week after receipt of this reply the League had resolved that individual nations should apply sanctions against Japan and should give all possible assistance to China.

On 2 November 1938, immediately following the announcement of the League resolution to apply sanctions, a Privy Council meeting was held. Among those in attendance were HIRANUMA, President of the Privy Council, Prime Minister

Konoye, Education Minister ARAKI, Welfare Minister KIDO and War Minister ITAGAKI.

The Investigating Committee reported that, since Japan's withdrawal from the League, she had voluntarily continued to participate in various subsidiary organisations and activities. However the League had championed China's cause, and had now resolved to apply sanctions against Japan. Although no concrete action had yet been taken, Japan and the League would be in complete opposition, as long as the resolution stood. Therefore Japan must sever all relations with the League; but would continue to rule the South Sea Islands in conformity with the provisions of the League Covenant, and the Mandatory Rules. She would as before furnish an annual report of her administration as a mandatory power. The Privy Council adopted the Investigating Committee's report, resolving unanimously that relations with the League of Nations be severed.

This decision coincided with the first acknowledgments of Japan's intention to dominate East Asia. The Army's programme of expansion through military power was by its very nature a denial of the rights of the community of nations; and, as the scheme progressed, this fact was inevitably becoming more apparent. In the year 1933 the League's condemnation of the conquest of Manchuria had prompted Japan to renounce her membership of that body. In subsequent years the leaders of Japan had consistently avoided any international commitment which was incompatible with

the execution of the Army's plans. Now that the objects of that planning had been in part attained, the leaders of Japan took the final step of withdrawal from the international community.

Nevertheless, the Nine-Power Treaty relating to China, and the provisions of the League Covenant relating to the islands of the South Seas, constituted two substantial commitments which were still binding upon Japan. These obligations Japanese spokesmen had professed to respect; for it was a principle of the national policy decision that Japan, while preparing for war, should "strive to maintain "amicable relations with the Powers". The events of recent months in China had compelled Foreign Minister Arita to admit that his country no longer intended to observe the strict letter of treaties relating to the Orient. This new declaration of policy was attributed to the changed situation in the Far East, although Japanese aggression was responsible for the changes which had occurred.

Under the League Covenant, from which Japan derived her authority as a mandatory, the erection of military fortifications was forbidden in the South Seas area. The work of fortification, started three or more years earlier, was now proceeding at increased speed throughout the Japanese Mandated Islands. It was, however, still a closely guarded secret; and, where deceit was still practicable, the leaders of Japan resorted to it. The Privy Council reaffirmed Japan's intention to administer

these islands in accordance with the provisions of the League Covenant.

PREPARATIONS FOR A SOUTHWARD ADVANCE, AND ARAKI UPON JAPAN'S ULTIMATE AIMS

On 3 November 1938 the Konoye Cabinet issued an official policy statement concerning the future of "Greater East Asia". This declaration, made upon the day following the decision to sever relations with the League of Nations, described the advent of Japan's "new order" in the vague and grandiose terms which Okawa and other publicists had popularised.

It was inevitable, as those who framed the basic national policy decision had realised, that these developments would incur the enmity of the Western Powers. Already Japan was mobilising her entire resources for the time when further expansion could be achieved only by recourse to war with these countries. Under cover of secrecy a new navy was being built and naval bases were being prepared, for war in the Pacific.

Nor was this preparation a mere defensive precaution against foreign intervention in the new empire which Japan was building upon the continent of Asia; for Japan had designs upon the territories of countries other than China and the Soviet Union. The basic national policy decision had set a second goal - that of "developing in the South Seas, under the joint "efforts of diplomatic skill and national defence".

Already Japan was making preparations for a southward advance. Between May and December 1938 officials of the Japanese government were preparing to conduct a propaganda campaign in the Netherlands East Indies. It was planned to publish a newspaper in the Malay language with the avowed intention of preparing for Japan's "march to the south".

These ultimate aims of Japanese policy are reflected in a speech made at this time by Education Minister ARAKI. On 7 November 1938, four days after the Cabinet had issued its proclamation upon the future of "Greater East Asia", ARAKI gave a radio address, which marked the fifteenth anniversary of an Imperial Rescript upon the "Awakening of the National Spirit". ARAKI reviewed Japanese successes in China, which he characterised as one phase in the fulfilment of this Rescript; but he warned his audience that the fundamental question did not lie in the China Incident, which was merely a sign of the "new world peace". He expressed his belief that Japan was in a position to play an important role in the coming new world; and that she must therefore be prepared for any emergency. "Whatever "Chiang Kai-shek or the world may say about us", he continued, "we must push forward, slowly but steadily, "towards the construction of a new world, ever storing up "the national strength, ever reflecting upon "our own essence and ever eradicating the "roots of evils, as the subjects of a glorious

"country who is holding a heavy responsibility "upon themselves at this dawn of a new world".

JAPAN'S IMMEDIATE AIMS: THE ESTABLISHMENT OF THE NEW ORDER IN EAST ASIA AND PREPAREDNESS FOR WAR WITH THE SOVIET UNION

The achievement of these ultimate aims demanded that Japan should consolidate her hold upon China, and redouble her efforts to achieve the national mobilisation for war. In the pronouncements of November and December 1938 these immediate tasks were emphasized. The Konoye Cabinet, in its proclamation of 3 November 1938, announced that the National Government of China had been reduced to a local regime. As long as that government retained its pro-Communist anti-Japanese policy, the statement continued, Japan would not lay down her arms until it had been utterly destroyed; for Japan intended to establish her "new order" through collaboration with Manchukuo and the new China. On 29 November 1938 Foreign Minister Arita, in making a review of Japanese policy towards China, repeated these aims and intentions.

From these declarations it is apparent that the Cabinet still regarded the Soviet Union as the most immediate obstacle to the achievement of her ambitions. War with the Western Powers was now an ultimate probability; but the U.S.S.R. was the proximate enemy,

whose growing strength was a constant challenge to the Japanese goal of supremacy in East Asia.

On 22 December 1938, six days after the Asia Development Board had been established, Prime Minister Konoye issued an official statement which made the Cabinet's policy even more explicit. He reiterated once again his Cabinet's firm resolve "to carry on the military operations "for the complete extermination of the anti-"Japanese Kuomintang government", while "proceeding with the work of establishing a "new order in East Asia". Konoye went on to say that the existence of the Comintern influence in East Asia could not be tolerated; and that an agreement, in the spirit of the Anti-Comintern Pact, must be concluded with the new China and with Manchukuo. Japan, he said, would demand the right to station troops in the new China, in Manchukuo, and in Inner Mongolia, as an anti-Communist measure. China would also be expected to extend to Japan facilities for the development of her natural resources, particularly those in the areas of North China and Inner Mongolia.

THE RESIGNATION OF THE FIRST KONOYE CABINET 4 JANUARY 1939; AND THE COMPOSITION OF THE HIRANUMA CABINET

There was nothing of irresolution in the tenor of Konoye's speech. Yet, two days later, on 24 December 1938, the Prime Minister was once more talking of tendering his Cabinet's

resignation. His period of office since 4 June 1937 had been marked by recurrent political crises, which had on several occasions prompted him to threaten to resign. Each threat had served only as a stimulus to the military faction, which had prevailed upon him to remain in office. On each occasion opposition to the development of the Army's plans had been overridden. While Konoye was Premier those plans had come to fruition. Japan had founded her "new order" on the Asiatic continent, and the national general mobilisation for war had been undertaken whole-heartedly.

Konoye, himself a consistent supporter of the Army's programme of conquest and preparation for war, had encountered little opposition to the execution of the general scheme; but the detailed measures taken to achieve the Army's aims had been subjected to recurrent criticism from within the Cabinet and without. In August 1938 Konoye had hoped to be placed at the head of a one-party system of government, in which the military faction would speak with one unchallenged voice. That hope, however, had not been realised.

It would seem that discontentment must again have been voiced by those who doubted the wisdom of some aspect of the Cabinet's present policies. As before, Konoye was urged to retain the premiership. HIRANUMA, the President of the Privy Council, advised him that in view of the existing situation in China, he should remain in office.

Welfare Minister KIDO and War Minister ITAGAKI met the Premier to discuss "the development "of the scheme". Major-General SUZUKI, the newly appointed head of the Political Affairs Section of the Asia Development Board, believed that Konoye should carry on. This time, however, their solicitations were of no avail. On 4 January 1939 Konoye tendered the resignation of his Cabinet.

The ensuing change was a change in leadership only. The coterie of important political leaders, who had worked with Konoye to accomplish the aims of the basic national policy decisions, without exception remained in office. Konoye became President of the Privy Council; and HIRANUMA, whom he succeeded in that office, became the new Prime Minister.

War Minister ITAGAKI, Foreign Minister Arita, and Education Minister ARAKI retained their respective offices. KIDO became Home Minister in the new Cabinet, and SUZUKI retained his recently acquired positions as a member of the Information Bureau and as a section chief of the Asia Development Board.

Prime Minister HIRANUMA had held the presidency of the Privy Council from 13 March 1936, during the whole period since HIROTA's Cabinet first embarked upon the development of the Army's schemes. On 25 November 1936 he had attended the Council meeting, held in the Emperor's presence, at which the ratification of the Anti-Comintern Pact was unanimously approved. On 6 November 1937 he had presided over the Privy Council meeting which admitted Italy to

participation in that treaty. On 20 January 1937 HIRANUMA had presided over the meeting which resolved that the Japanese Mandated Islands might be placed under naval administration, because they had come to hold an important place in the defence of the Empire.

In January 1938 HIRANUMA expressed his approval of the long-range foreign policy formulated by Foreign Minister HIROTA, and supported HIROTA's view that the war in China must be fought to a finish. On 29 November 1938, little more than a month before HIRANUMA accepted the premiership, Foreign Minister Arita had explained in detail to the Privy Councillors his policy towards China, which, in all essential respects, embodied HIROTA's planning and the principles of the basic national policy decision.

On 2 November 1938 HIRANUMA, as President, presided over the Privy Council meeting which resolved unanimously to sever Japan's remaining connections with the League of Nations; and on 22 November 1938 he attended the Council meeting in the Emperor's presence at which the agreement for cultural cooperation between Japan and Germany was approved.

Even before the conquest of Manchuria HIRANUMA had achieved a position of pre-eminence among the leaders of the military faction. During the decade before HIROTA's Cabinet came to power, he had held office as a Vice-President of the Privy Council. In July 1931 he was also the President of the Kokuhonsha, a secret society pledged to foster and exalt the spirit of the Japanese nation. Among the directors of this

organisation was Lieutenant-General KOISO, Chief of the Military Affairs Bureau, who three months earlier had been a party to an Army plot to overthrow the liberal Wakatsuki Cabinet.

This month of July 1931 was a critical time in the development of the Army's schemes. Already there was a sharp cleavage between the advocates of Army leadership and those who supported the Wakatsuki Cabinet. Two months later the Mukden Incident occurred. In December 1931, ARAKI became, as War Minister, the active leader of the movement for military supremacy in Japan, and military domination in Manchuria.

In July 1931 ARAKI was recognised by the liberals as a man whose presence near the Emperor was dangerous. He also was a director of the Kokuhonsha, over which HIRANUMA presided. It is indicative of HIRANUMA's importance as a leader of the military faction that, at the very outset of Japan's career of conquest and expansion, the most prominent members of that faction should look to him for leadership. Among the liberals, and even within the ranks of the Army, ARAKI was then regarded as a follower of HIRANUMA.

THE BASIC CAUSES OF THE PACIFIC WAR ARE TO BE FOUND IN THE CONQUEST OF CHINA

On 5 January 1939, when HIRANUMA became Prime Minister, Japan had embarked upon a programme of conquest and territorial expansion which could not readily be halted. The basic national policy decision required that the goal of self-sufficiency should be attained

and that the entire strength of the nation should be mobilized for war. The resentment and apprehension which Japanese aggression in China had aroused in other nations made the completion of preparations for war more imperative then ever before; and this, in turn, called for the perfection of a war-supporting economy, freed from reliance upon foreign sources of materials. The vital need for self-sufficiency demanded the fulfillment of the second stage in the Army's planning, an advance to the south. The national policy decision had decreed that this step would be taken "under the joint efforts of diplomatic "skill and national defence".

The growing impetus of the events which led, on 7 December 1941, to war between Japan and the Western Powers have yet to be considered. But the origins and pre-disposing causes of Japan's embroilment in the Second World War are to be found in the sequence of events which ended with the establishment of Japan's "new order" in the occupied areas of China.

On 29 November 1938, in the month in which the existence of the "Greater East Asia "Sphere" was officially proclaimed, Foreign Minister Arita explained to the Privy Council Japan's policy towards China. There would, he said, be no peace with the Kuomintang, unless it should abandon its resistance and merge itself with the "New Central Government "of China". No proposal for mediation would be

accepted. When the time came, the settlement with the government of the "new China" would be based upon three principles which Prime Minister Konoye had enunciated.

These principles of "neighbourly friend-"ship", of "joint defence against the Comintern" and of "economic cooperation", were derived from Konoye's earlier statements in justification of the action which Japan had taken in China. The consequences which flowed from them became basic issues in the 1941 diplomatic discussions between Japan and the United States. During these negotiations, which ended with the outbreak of the Pacific War, the three principles were never satisfactorily explained; yet Arita, in November 1938, was able to define with some degree of clarity the significance of each.

Using Arita's exposition as a basis, there may be traced the consistent development of the policy which guided Japan during the period which began before the conquest of Manchuria and which ended in war with the Western Powers.

THE SIGNIFICANCE OF JAPANESE POLICY TOWARDS CHINA: THE PRINCIPLE OF "NEIGHBOURLY FRIENDSHIP"

By the first principle of "neighbourly "friendship" was meant simply the mutual recognition of Japan, Manchukuo and the "new China", stress being laid upon positive cooperation and the removal of all causes of friction among the three countries. This

principle was, in short, merely the familiar concept of the "new order in East Asia". There was implicit in this statement the fundamental assumption of Japan's superior role in East Asia and of her special rights and responsibilities in that area. This principle had formed the basis of every important Japanese policy declaration since the "Amau statement" of 17 April 1934. The failure of the United States to recognize the "reality of this situation" was, on the day the Pacific War began, alleged by the Japanese Government as the fundamental cause of hostilities between the two countries.

Arita cited as a corollary to this principle Japan's refusal to permit foreign mediation of the war in China, and her withdrawal from international obligations. It has been seen that this long-standing policy had found expression only three weeks earlier, when Japan had severed her remaining connections with the League of Nations.

Arita now advised the Privy Council that, in view of the attitude of Great Britain, the United States and France "in interfering "with Japan's policy towards China", Japan would endeavour to reject the idea of disposing of "the Chinese problem by the Nine "Power Treaty and other collective machinery". The powers mentioned would, he said, be forced "individually to understand the facts "of Japan's policy towards China, and either "voluntarily to support our country's attitude

"or at least to stand by idly", while relations between the Axis powers were strengthened and the China war disposed of rapidly.

THE SIGNIFICANCE OF JAPANESE POLICY TOWARDS CHINA: THE PRINCIPLE OF "JOINT DEFENCE AGAINST THE COMINTERN"

The second of the Konoye Principles was that of "joint defence against the Comintern". It involved, said Arita, the cooperation of Japan , Manchukuo and the "new China" which Japan had created. They would conclude a military alliance and take measures for "joint defence". The needs of "joint defence" demanded the retention of Japanese military and supervisory rights over all transport and communication facilities, and the stationing of Japanese troops in North China and Mongolia. Other Japanese troops would be withdrawn, but a garrison force would be kept in specified areas of South China, for the purpose of maintaining public peace and order. China would be required to contribute to their financial support.

Here was the first formulation of a claim which, in substantially the form in which Arita now presented it, became one of the three fundamental sources of disagreement in the 1941 discussions between Japan and the United States.

Arita cited an obvious corollary to the principle of "joint defence against the

"Comintern". He said that "every possible "measure" would be taken "for making the "Soviet Union refrain from actively parti-"cipating in the present affair". This consideration again served to emphasize the need for strengthened relations among the Axis powers.

Although the Tripartite Pact, which was to provide the second major source of disagreement in the 1941 discussions between Japan and the United States, was not concluded until 27 September 1940, the broad principles of such a treaty had already received the general approval of the Konoye Cabinet.

During the negotiations of 1941 Japan declined to indicate the nature or extent of her obligations as a signatory to the Tripartite Pact. Japanese leaders maintained, however, that their alliance with Germany and Italy was a defensive one. Yet, in this policy speech, made on 29 November 1938, Foreign Minister Arita spoke of the conclusion of a closer alliance among the three Axis powers as being one of the "great diplomatic "measures" which Japan would take against Great Britain, the United States and France. By such measures these countries would be made to acquiesce in the establishment of Japan's "new order" upon the Asiatic continent.

THE SIGNIFICANCE OF JAPANESE POLICY TOWARDS CHINA: THE PRINCIPLE OF "ECONOMIC COOPERATION"

"Economic cooperation" was the third of Konoye's principles. Arita explained it as meaning reciprocity between Japan, Manchukuo, and the "new China" in making good deficiencies in the natural resources of each country. Special emphasis would be placed upon securing from North China those resources, especially mineral, in which Japan and Manchukuo were lacking; and for this purpose the Chinese were to offer every facility. Japan would assist China in her programme of industrialisation, in establishing economic and financial policies, and in adopting a uniform system of customs. This policy, already in operation, had been clearly expressed in the Army's Plan for the Expansion of Important Industries, issued on 29 May 1937. Japan, it had then been stated, "should pick out "the most important resources, should take "the initiative in the exploitation of "North China, and should make efforts to "secure its natural resources".

Arita now proceeded to define, in substantially the same terms which HIROTA had used six months earlier, Japan's policy towards third powers in carrying out the principles of "economic cooperation". Some restrictions in the operation of the "open "door" principle had, he said, been imposed by military necessity. The guiding principles

would now be substantial control by Japan of the natural resources of North China and Mongolia; and the establishment, through control of China's currency and customs system, of a Japanese-Chinese-Manchukuoan bloc. "So long as the powers rights and "interests in China do not conflict with the "foregoing two objects", he added, "we will "not purposely exclude and restrict them." Further than that, Japan would settle "harmless individual cases" not affecting the superior position which she occupied in East Asia. It was Japan's policy, Arita said, to influence the Western Powers, not by unnecessary frictions, but by the "great "diplomatic measures" already outlined. Moreover, Japan would welcome the participation of powers which, like Germany and Italy, showed a friendly attitude towards her. The guarantee of rights and interests in China would provide a second means of influencing the Western Powers. Here, in fully-developed form, was the last of the three great obstacles to an agreement between Japan and the United States in 1941.

THE CONTINUITY OF JAPAN'S ECONOMIC AND INDUSTRIAL PREPARATIONS FOR WAR DURING 1937 AND 1938

The basic national policy decision of 11 August 1936 had demanded, first and foremost, the achievement of two related aims. Japan, being already in possession of Manchukuo, would extend her dominion upon the Asiatic continent. Secondly, by using the resources of China to supplement her own, Japan would make ready for war by augmenting her military strength, by expanding the production of war-supporting industries, and by eliminating reliance upon foreign sources of supply.

The military successes gained in China during the latter half of 1938 had brought about the substantial achievement of the aim of territorial expansion in China. By providing a new field for economic exploitation and industrial development, and by reducing Japan's immediate military commitments, they had also enabled Japan to concentrate once more upon the attainment of the national mobilisation for war.

In 1936 the Army, had planned that this mobilisation should be completed by 1941. With that purpose in view the Army had made elaborate plans for the expansion of armaments and of war-supporting industries during the ensuing five-year period.

In February 1937 a five-year plan for Manchukuo was adopted and put into operation. In May and June 1937 the Army produced similar programmes for the repletion of armaments and

for the development of war-supporting industries within Japan itself. It was then planned that the whole economy and industry of Japan should be subjected to governmental control in order to achieve the complete mobilisation of Japan's resources in preparation for war. The Cabinet Planning Board, created in May 1937, had been charged with the supervision of this development.

With the revival of the China war at Lukouchiao on 7 July 1937, adoption of the Army's long-range mobilisation plans for Japan had been deferred. Under the Planning Board's supervision, production was developed piecemeal to meet the immediate demands of the Japanese armies in China. But the Army had adhered to its determination that the aims of the mobilisation programme should not be sacrificed. Of the vital materials which the Army controlled, only one-fifth were allocated to the prosecution of the war in China.

During 1937 and 1938, in spite of the increasing scale and intensity of military operations in China, the aims of the Army's long-range plans were steadily pursued. In January 1938 the Planning Board reinstated the five-year programme by producing an interim plan for that year only. In the following month the Army secured the passage of the National General Mobilisation Law, which equipped the Cabinet with power to direct the entire resources and energies of the Japanese people to the achievement of preparedness for war.

When, in May 1938, a severe financial crisis

endangered the success of the mobilisation programme for Japan itself, the five-year plan for Manchukuo was revised, and its production goals were increased. The powers conferred by the Mobilisation Law were invoked, and the Army, in commenting upon the purposes of the law, reaffirmed its determination to proceed at all costs with the mobilisation programme.

Nevertheless, in July 1938, the objects of that programme were once more deferred to the need for consolidating Japan's position in China. The less urgent measures of war-supporting industrial expansion were postponed in order to ensure the supply of munitions and other materials vital to the success of a new military offensive. In October 1938, when Japanese control over the greater part of North and Central China was consolidated, the Konoye Cabinet had again given its full attention to the programme of economic self-sufficiency and the expansion of the industries of war. In the subjugated areas of China there was instituted a programme of economic exploitation and industrial development similar to that which was already in operation in Manchukuo.

The speeches made by Konoye, Arita and ARAKI during November and December 1938 reflected the Cabinet's determination to devote every effort to achieving the completion of the national general mobilisation.

The way was thus prepared for the reinstatement of the Army's five-year programmes of war-supporting industrial expansion. They had never been abandoned. In spite of the

demands made upon the Japanese economy by the war in China, the production goals established in the Army's 1937 planning had been exceeded. In January 1939, the month in which the HIRANUMA Cabinet succeeded that of Konoye, the Planning Board produced a new plan which embodied and brought up to date the aims of the Army's 1937 planning.

THE PLAN FOR WAR-SUPPORTING INDUSTRIAL EXPANSION APPROVED BY THE HIRANUMA CABINET IN JANUARY 1939

In January 1939 the HIRANUMA Cabinet, of which Arita, ITAGAKI, ARAKI and KIDO were also members, approved the plan for the expansion of productive power which the Planning Board had prepared. Thus, for the first time, the aims and principles of the Army's 1937 economic and industrial planning received specific sanction from the Cabinet.

The new programme was designed expressly to secure the repletion of the national power of Japan. It demanded the continued exploitation of Japan's subject territories through the establishment of an integrated production expansion plan for Japan, Manchukuo and the rest of China. Like the 1937 plans it aimed at the achievement within the area under Japanese domination of self-sufficiency in natural resources, so that Japan might, as far as possible, avoid dependence upon third powers in time of emergency.

As in the Army's 1937 planning, the greatest importance was attached to achieving self-sufficiency in materials and repletion of armaments by the year 1941, so that Japan might be prepared for the "epochal development" of her destiny in the future.

In the plan which the Army had produced on 29 May 1937 certain industries, considered essential to the requirements of war, had been selected for rapid expansion under governmental subsidy and control.

The 1939 programme, which was also restricted to those vital industries deemed to require rapid expansion under a unified plan, increased the production goals set in the earlier long-range programmes.

The ship-building industry, essential to lines of communication in time of war, had already undergone enormous expansion through the provision of subsidies ranging up to one-half of the building cost; but the new programme called for a further increase of more than 50% in gross tonnage by the year 1941. The infant light metal industries, vital to aircraft production, were singled out for further rapid and uneconomic expansion. The production of machine tools, for which Japan had depended largely upon importation from the United States, was to be more than doubled.

The five-year programme for Manchukuo had already placed great emphasis upon the exploitation of that area's coal resources; but the new programme demanded a further substantial increase, which could be achieved only by the payment of huge subsidies to submarginal producers. In the quest for iron and steel Japan had already resorted to submarginal production. Nevertheless the Planning Board's programme of January 1939 aimed at total increases in indigenous production of over 50% in the case of steel and over 100% in the case of iron ore. The automobile indus-

try, already producing uneconomically 15,700 units a year, was required to increase that figure to 80,000 units annually by the year 1941.

Special attention was paid to the production of oil and petroleum, for which Japan was almost wholly reliant upon importation. A synthetic petroleum industry had already been established, and had proved very costly. Nevertheless the new plan provided for increases of more than 600% in the production of aviation spirit, 900% in artificial heavy oil, and 2900% in the case of artificial motor spirit.

ECONOMIC AND INDUSTRIAL MOBILISATION FOR WAR DURING THE PERIOD OF THE HIRANUMA CABINET

The "Plan for the Expansion of Productive "Power" which the HIRANUMA Cabinet approved in January 1939 gave effect to measures which the Army had demanded on 19 May 1938 in its commentary upon the purposes of the National General Mobilisation Law. The Army had then proclaimed that the government should be equipped with long-range plans to meet the varying needs of the national mobilisation, so that the Army and Navy should always be adequately equipped with the munitions of war.

Industrial and military preparations were inter-related; and military successes would depend chiefly upon the systematic and effective mobilisation of the entire strength of the nation.

For this reason production of war materials within Japan was to be increased at the expense of other industries, and all essential industries were to be unified under governmental direction. A National General Mobilisation Commission would administer the Mobilisation Law, and would assist the government in the formulation and execution of its plans.

The method of execution which the 1939 production expansion plan prescribed reflected the Army's planning. Circumstances, it was stated, demanded that the future expansion of productive power should be both rapid and intensive.

Therefore the government would make effective use of the measures already taken for the promotion and control of essential industries; and would devise new measures for those industries selected for rapid expansion. It would supply skilled and unskilled labour, funds and raw materials, as they were required. For these purposes the Cabinet would, when necessary, utilise the powers conferred by the National General Mobilisation Law, or enact new legislation. The new plan was therefore a very important step towards the mobilisation of the Japanese nation in preparation for future wars.

During the first eight months of 1939 the HIRANUMA Cabinet gave effect to the measures which it had approved. On 25 March 1939 an effort was made to ensure the secrecy of the programme of war-supporting industrial expansion upon which Japan was then engaged. A law was passed which aimed "at the prevention of leakage "of information to foreign nations concerning "matters respecting the manpower and material "resources which are to be employed for military "purposes". Three days later, on 28 March 1939, Education Minister ARAKI became the President of the National General Mobilisation Commission.

In April 1939 there was passed a new law which provided further subsidies and exemptions for losses sustained in shipbuilding. New measures were taken to increase governmental control over this industry, and to standardise its products. The production and distribution of electric-power was made completely subject to governmental control and direction.

Control over the iron and steel industry was increased, and the flow of production was directed to especially favoured industries. All bulk sales of coal were made subject to government licence. The subsidies paid for the production of petroleum products and to other artificially created industries were increased.

In June 1939 it was reported in the official "Tokyo Gazette" that the five year programme for Manchukuo had yielded excellent results in the increased production of the iron and steel, coal and other war-supporting industries. In the same month a new national policy company was created to exploit the magnesite resources of Korea.

While production for war purposes was expanded, the strength of the Army was increased. On 8 March 1939 the Military Service Law was amended, lengthening the period of supplementary service required of both Army and Navy reservists. The Army and Navy were also given a further measure of control over war-supporting industry, as the Army's rearmament programme of 23 June 1937 had demanded. In July 1939 an Ordinance was promulgated empowering the War and Navy Ministers, each acting upon his own initiative, to commandeer selected types of business enterprise, which were vital to production for war. Through these and other measures effect was given to the Army's plans for mobilising the manpower and resources of Japan in preparation for war.

THE HIRANUMA CABINET'S POLICY TOWARDS CHINA, AND THE OCCUPATION OF HAINAN AND THE SPRATLEY ISLANDS

The programme of economic and industrial preparation for war demanded above all other things the consolidation of Japan's dominion over China. In the speeches made by Foreign Minister Arita and other members of the first Konoye Cabinet during November and December 1938, the greatest emphasis had been placed upon Japan's determination to complete the conquest of China and to promote the development of the Japanese-dominated "Greater East Asia Sphere". The success of the programme for the expansion of war-supporting industries, approved by the HIRANUMA Cabinet in January 1939, called for the complete integration of Japan, Manchukuo and the rest of China.

The pursuit of this design, while the first Konoye Cabinet was still in power, had brought about a marked deterioration in Japan's relations with the Western Powers. The provisions of the Nine-Power Treaty had consistently been flouted and measures had been adopted to bring pressure to bear upon French Indo-China.

When, on 5 January 1939, the HIRANUMA Cabinet took office, these policies were maintained. On 21 January 1939 the new Prime Minister explained his Cabinet's policy before the Diet. HIRANUMA said that his Cabinet was determined at all costs to proceed to the achievement of Japan's final purpose in China

Japan, Manchukuo and the rest of China must, he said, be speedily united, so that a "new order" might replace the old. These Chinese who persisted in their opposition to Japan would be exterminated. The new Cabinet, said HIRANUMA, had taken the various measures necessary to ensure the achievement of this aim.

Thus under the new Cabinet the policies which had deepened the estrangement between Japan and the Western Powers were maintained. The continuation of the war in China during the first six months of 1939 was accompanied by further instances of violence directed against the persons and properties of United States subjects.

Within the regions of China which had been subjugated, Japan continued to practice discrimination against the rights and interests of the Western Powers in violation of her obligations as a signatory to the Nine-Power Treaty.

On 10 February 1939 Japanese naval forces surprised and seized the Chinese island of Hainan. This abrupt action, which had been approved by the Five Ministers' Conference on 25 November 1938, caused representations to be made immediately by France, Great Britain and the United States. It constituted a threat to French Indo-China, a country which the Japanese had repeatedly accused of offering assistance to the forces of Generalissimo Chiang Kai-shek. Nevertheless, the Japanese forces completed their occupation of the island; and, six weeks later Japan moved further southward.

On 31 March 1939 the Japanese Foreign Ministry proclaimed the annexation of the Spratley Islands, a group of small reefs in the South China Sea. These islands, seven hundred miles to the south of Hainan, were far removed from the sphere of Japanese activity in China. They were, however, situated within four hundred miles of Saigon, in French Indo-China.

THE GROWING DEMAND FOR AN UNCONDITIONAL AXIS ALLIANCE WHILE THE FIRST KONOYE CABINET WAS IN POWER.

Since 1934, when OSHIMA was first sent to Berlin as Military Attache, the Army regarded collaboration with Germany as essential. The policy of the military at this time was that an early attack on the U.S.S.R. was essential before the military power of the U.S.S.R., which was rapidly increasing under her successive Five-Year Plans, became too great. For the purposes of such an attack an alliance with Germany against the U.S.S.R. was obviously desirable.

After the reorganisation of the first Konoye Cabinet, which occurred in May and June 1938, the Army controlled Cabinet policy, which was now directed towards completing the conquest of China, launching an attack on the U.S.S.R. before she became too strong, and hastening the completion of the national mobilisation for war. These were foremost aims of the basic national policy decisions. After the Japanese defeat at Lake Khassan in August 1938, War Minister ITAGAKI and other Army leaders decided that the projected war against the U.S.S.R. must be postponed. The Army's efforts were then centred for a time upon the conquest of China, on which in turn depended the fulfilment of the programme of economic and industrial preparations for war.

During the latter months of 1938 the work of conquering Chinese resistance and of developing China into an economic asset was

attended by a considerable measure of success. This was achieved at the expense of a pronounced deterioration in Japanese relations with Western Powers which was inevitable.

The fixed determination of Cabinet and Army to violate the rights and interests of the Western Powers in China could no longer be concealed or excused. Japan's remaining connections with the League of Nations were severed. The establishment of the Greater East Asia Sphere was announced.

Japan was inciting the opposition of the Western Powers and a section of the military faction became more than ever insistent on a general military alliance with Germany and Italy.

In July 1938 OSHIMA, then Military Attache in Berlin, proposed a new alliance between Germany and Japan. Foreign Minister von Ribbentrop at once made it clear that Germany desired a general military alliance, not an alliance directed solely or mainly against the U.S.S.R. Ribbentrop accompanied his statement with a note of his views on foreign policy which made it clear that Germany contemplated the likelihood of war between Great Britain and France and herself. OSHIMA, accepting Ribbentrop's view of the scope of the proposed alliance, himself outlined the provisions of the proposed alliance, which he thereupon transmitted to the Army General Staff. At the end of August 1938 OSHIMA was advised that both the Army and the Navy were in substantial agreement with the terms proposed. They wished, however, to make changes which would limit Japan's liability

under the proposed treaty, which would be regarded as an extension of the Anti-Comintern Pact, and would be directed chiefly against the Soviet Union. OSHIMA was warned that care should be taken to avoid giving the impression that the Western Powers were the principal enemies, and that Japan would not undertake an obligation to provide instantaneous or unconditional military aid. This would safeguard Japan from becoming automatically embroiled in a European War.

OSHIMA, however, interpreted this instruction by declaring to the Germans that Japan was ready to conclude a general military alliance. He ignored the instructions he had received that the proposed treaty should be regarded as an extension of the Anti-Comintern Pact and should be directed principally against the U.S.S.R., and gave the Germans to understand that the Japanese military leaders were in full accord with the proposal which Germany had made. The draft of the proposed military alliance which was settled by agreement between Ciano, the Italian Foreign Minister, von Ribbentrop and OSHIMA, was directed impartially against all third powers. Late in October 1938, OSHIMA who had recently been appointed Ambassador in Berlin, conveyed this draft to the Japanese Foreign Ministry, of which Arita had recently assumed control. The Cabinet, without making a definite commitment, expressed general approval of the proposal but stated Japan's desire that the new treaty should be directed principally against the U.S.S.R.

The Konoye Cabinet took no further positive steps to bring about the conclusion of

such a treaty.

In September and October 1938 SHIRATORI and OSHIMA were appointed Ambassadors in Rome and Berlin respectively. These two were in favour of a general military alliance with Germany and Italy.

Foreign Minister Arita desired a strengthened military relationship with Germany and Italy, but he wished also to maintain the semblance of friendly relations with the Western Powers. The Foreign Ministry advised OSHIMA that the proposed treaty would facilitate a settlement of the China war, would reinforce Japan's position against the U.S.S.R. thereby releasing troops for use elsewhere, and would strengthen Japan's position internationally. Arita did not, however, signify his acceptance of the German draft. He advised OSHIMA that Japan would submit a counter-proposal.

On 25 November 1938 Arita told the Privy Council that it was Japan's policy to take every possible measure to make the U.S.S.R. refrain from intervening in Japan's activities in China. For this reason primarily Japan desired to strengthen her relationship with Germany and Italy.

On 29 November 1938 the Konoye Cabinet's policy was clearly set forth by Arita. Japan would consolidate her position in China proper and Mongolia. Within the area she dominated Japan would take all necessary steps to create a state of military preparedness for war with the Soviet Union. It was not, however, intended to seek to initiate an early war with the Soviet Union. Arita thus adhered to the position set forth in the basic national policy decision - namely, that the Soviet Union was

the foremost enemy of Japan's schemes upon the Asiatic continent, which would almost inevitably lead in the end to war.

But Arita had also been obliged to take a stronger stand against the Western Powers. He said that, since Great Britain, the United States and France had interfered with Japan's policy towards China, Japan would avoid the use of international agencies in settling the dispute in China. Treaty obligations would be observed only in so far as they did not conflict with Japan's policy in China. The Western Powers would be made to acquiesce in and voluntarily to support Japan's policy in China, or at least to stand by idly while that policy was carried out.

For this reason, as well as in preparation for war with the U.S.S.R., relations between the Axis powers would be strengthened. It would mean, on the one hand, that the U.S.S.R. would be faced with the prospect of war on two fronts; and on the other hand, it would be a great diplomatic measure which would avert the risk of interference from the Western Powers in China. Arita did not, however, want an alliance which would embroil Japan in war with Great Britain and France at Germany's election. Such a war might also involve Japan in a Pacific War with the United States. Throughout the period in which the HIRANUMA Cabinet held office, the Navy strongly supported Arita, for the Navy was not ready for a Pacific War.

Therefore Arita formulated the policy of closer relations with the Axis, which the Cabinet

desired, as a strengthening of the Anti-Comintern Pact, not as a general military alliance which was unnecessary for his limited purposes. Between November 1938 and March 1939 he made efforts to strengthen the substance of that pact, and to make other countries party to its provisions.

FURTHER DETERIORATION OF RELATIONS WITH THE WESTERN POWERS AS AN ADDED REASON FOR STRENGTHENING AXIS RELATIONS

During the first four months of 1939 the gulf between Japan and the Western Powers was widening. Foreign Minister Arita himself had sanctioned the bombing of the Yunnan railway. Hainan and the Spratley Islands were occupied by Japanese forces. Preparations for the domination of the Netherlands East Indies and New Guinea were being made. The need for oil and other raw materials indigenous in these areas was increasing. The interference with the treaty rights of the Western Powers in China was also growing. To make matters worse the actions of the Army in China were deliberately aggravating the tension which existed with the Western Powers. For all of these reasons the members of the HIRANUMA Cabinet now became anxious to conclude some sort of military alliance with Germany and Italy, and Arita by April 1939 dropped his limited plan for a mere strengthening of the Anti-Comintern Pact. But the Cabinet still wished the alliance to forestall a war with the Western Powers, not to precipitate one.

DEVELOPMENT OF DIFFERENCE IN THE CABINET

The issue which divided the HIRANUMA Cabinet was the degree of commitment which Japan should undertake in order to secure the conclusion of an alliance which all members of the Cabinet latterly came to desire.

During November and December 1938 OSHIMA continued to work for the conclusion of a general military alliance, to be directed against the U.S.S.R. and the Western Powers alike. SHIRATORI likewise worked for the conclusion of such an alliance. In Japan Arita's policy of strengthening the Anti-Comintern Pact was followed.

In December 1938 Arita advised OSHIMA that the Foreign Ministry still desired the proposed alliance to be directed principally against the Soviet Union. A commission headed by Ito, a Foreign Ministry representative, was despatched to Italy and Germany for the express purpose of seeing that Japan should not be irrevocably committed to participation, should Germany become involved in war with the Western Powers. Both OSHIMA and SHIRATORI protested because this policy was contrary to the commitment which OSHIMA had already made to Germany. On 7 February 1939, after the Ito Commission had visited Rome, SHIRATORI warned the Italians that Japan would submit a new proposal - presumably in line with Arita's policy - which Italy should reject.

When the HIRANUMA Cabinet took office on 5 January 1939, it soon became apparent that ITAGAKI, who remained War Minister, supported SHIRATORI and OSHIMA in their demands for the conclusion of the general military alliance which Germany desired.

On 7 February 1939 Foreign Minister Arita reported to the Emperor that the Army General Staff had warned OSHIMA not to exceed his prerogative in dealing with the Germans; but, on the same day, the Army showed its unwillingness to submit to the Emperor's suggestion that the treaty be directed solely against the Soviet Union. This was a reversal of the attitude of the Army as set forth in the instructions to OSHIMA in August 1938. It had then been stated that both the Army and the Navy wished the proposed treaty to be regarded as an extension of the Anti-Comintern Pact and to be directed against the Soviet Union. Now the Army declared itself in favour of a general military alliance.

Both SHIRATORI and OSHIMA refused to communicate officially the proposals of the Ito Commission, which arrived in Berlin during February 1939. The two Ambassadors did, however, convey the Commission's instructions confidentially to Foreign Ministers Ciano and von Ribbentrop, and threatened to resign unless the German proposal was accepted by Japan.

Foreign Minister Arita was now acutely anxious as to the outcome of SHIRATORI's and OSHIMA's activities. On 13 February 1939 he complained indignantly that Ambassador OSHIMA had reported directly to the Army concerning the

proposed alliance, and that the Foreign Ministry had not even been notified. Arita said that, if he did not succeed in the strong stand which he had been driven to take against the Army, Japan's foreign policy would be a total failure.

At the Privy Council meeting of 22nd February 1939, which Prime Minister HIRANUMA and War Minister ITAGAKI attended, Foreign Minister Arita made clear his adherence to the policy that strengthened relations among the Axis Powers should be directed primarily against the Soviet Union. Arita said that, not only would the Anti-Comintern Pact be strengthened quantitatively by increasing the numbers of participating countries, but also it would be strengthened qualitatively by changes in the substance of the Pact, made by agreement among the three Axis Powers.

Arita's statement shows why neither the first Konoye nor the HIRANUMA Cabinet up to this point had taken any positive step to conclude the general military alliance which the Germans had proposed in August 1938. Germany desired a general military alliance directed against both the Soviet Union and the Western Powers. The official policy of Japan at this time was an alliance directed principally, if not exclusively, against the U. S. S. R., and for this purpose no new alliance was required. It was sufficient for Arita's purpose that the provisions of the Anti-Comintern Pact should be strengthened.

There now developed a struggle within

the HIRANUMA Cabinet. Foreign Minister Arita maintained the policy of the first Konoye Cabinet, and, while welcoming a treaty with the Axis directed against the Soviet Union, opposed the attempt being made to commit Japan to participation in a war between Germany and the Western Powers. War Minister ITAGAKI, on the other hand, championed the view that Japan should conclude the general military alliance which the Germans had proposed. It had now become clear that there was among the military a faction which placed the conclusion of a general military alliance with Germany above all other considerations, and that OSHIMA and SHIRATORI were acting with the knowledge and support of War Minister ITAGAKI in the interests of this faction.

On 10 March 1939 Arita expressed his willingness to accept the proferred resignations of Ambassadors OSHIMA and SHIRATORI, who had shown that their allegiance was to the Army, rather than to the Foreign Minister. Arita believed that Prime Minister HIRANUMA would support him in so doing; but no such decision was made.

On 17 March 1939, ITAGAKI and Yonai, though completely at variance over the question of the proposed general military alliance with Germany and Italy, had made a joint declaration of Japanese policy before the Diet. The War and Navy Ministers were agreed that Japanese policy for the new period in Asia would undoubtedly cause friction with third powers. They resented the attitude of Great Britain, the Soviet Union

and France towards the China war, and stated that, unless these powers were ejected from China, settlement of that conflict would be impossible.

It was about this time, April 1939, that even Arita, under the stress of the deterioration of Japan's relations with the Western Powers, dropped his proposal that nothing but an agreement extending the Anti-Comintern Pact should be concluded.

During April 1939, Japan made a new counter-proposal to Germany and Italy which contained concessions to the view which the military faction advocated. The German draft was in part accepted, but it was stipulated that it should be given a limited interpretation, so that the suspicions of the Western Powers should not be unduly aroused.

OSHIMA and SHIRATORI again refused to communicate this proposal officially, though once more they advised the Germans and Italians that, if those countries should wage war against Britain and France, Japan would join in the war against the Western Powers.

Germany and Italy rejected the limited Japanese proposal above noted.

THE MILITARY FACTION RESISTS A CABINET ATTEMPT TO REACH A COMPROMISE AGREEMENT WITH GERMANY: APRIL 1939.

During this period the members of the HIRANUMA Cabinet continued to hold many conferences in an attempt to settle their policy. OSHIMA's

and SHIRATORI's declaration that Japan would join Germany and Italy in war against the Western Powers intensified the opposition of Foreign Minister Arita, who reported to the Emperor that the two Ambassadors should be made to recant this assurance. The Emperor, agreeing with Arita, reprimanded War Minister ITAGAKI, who was resentful that the Emperor had been advised of his attitude.

HIRANUMA was placed in a dilemma between the views of the military faction, led by War Minister ITAGAKI, and those of Foreign Minister Arita, who was supported by the Emperor's advisers. HIRANUMA himself inclined to the Army's view, and wished to support it. Home Minister KIDO had advised him that it was desirable that the Emperor's views should correspond more closely with those of the Army. The whole Cabinet, desiring to strengthen Japan's relationship with Germany, was dispose to make concessions within the bounds which prudence dictated. The Army maintained that it did not desire Japan to become involved in an European War; but there was evidently no sincerity in this contention, for the Army wished to abrogate the secret agreement annexed to the Anti-Comintern Pact. It was this agreement which limited Japan's obligation to render military assistance to the event of war against the Soviet Union.

The deadlock within the Five Ministers' conference continued, Finance Minister Ishiwata supporting War Minister ITAGAKI, and Navy Minister Yonai supporting Foreign Minister Arita.

In these circumstances it was resolved, on 22 April 1939, that the Cabinet would adhere to the stand taken in its latest proposal. OSHIMA would continue to be used as the channel of communication with the Germans; and, if the negotiations should end unsatisfactorily, the Cabinet would resign.

Meanwhile Germany and Italy had reached an agreement to wage war in Europe. On 16 April 1939 Goering and Mussolini had met in Rome. They had then decided that their two countries would await a favourable opportunity for initiating war against Great Britain and France. In the meantime each nation would arm itself to the utmost extent, and would maintain a state of mobilisation for war. In the same month von Ribbentrop warned both OSHIMA and SHIRATORI that, if the discussions for a pact between Germany and Japan were too prolonged, Germany might be forced to effect some sort of rapprochement with the Soviet Union. As it turned out the HIRANUMA Cabinet continued to be unable to agree on the conclusion of a general military alliance with the Axis Powers and Germany concluded a Non-Aggression Pact with the U.S.S.R. in August 1939.

After it became known that SHIRATORI and OSHIMA had refused to present the Japanese counter-proposal of April 1939, Home Minister KIDO's attitude had changed. Although he had previously advised HIRANUMA that every effort should be made to conclude an alliance with Germany, by 24 April 1939 KIDO considered that

there was no alternative but to recall the two Ambassadors, because of their continued support of a general military alliance and their disregard of contrary instructions from the Japanese Foreign Office. On the following day urgent requests were received from OSHIMA and SHIRATORI themselves, demanding that they be recalled.

The situation was now critical. If the Cabinet did not succeed in strengthening Japan's relations with Germany and Italy, it would have failed in its purpose. If, on the other hand, the Cabinet acceded to Germany's demands, Japan would be committed to participation in any war which might eventuate between Germany and the Western Powers which some members of the Cabinet did not at this time desire.

In these circumstances the Cabinet decided to make a supreme effort to obtain an acceptable agreement with Germany and Italy. On 26 April 1939 it was decided that, in view of the insubordination of OSHIMA and SHIRATORI, HIRANUMA should make a direct approach to Hitler and Mussolini through the medium of the German and Italian Ambassadors in Tokyo. Prime Minister HIRANUMA would make a general appeal for collaboration among the Axis Powers. Foreign Minister Arita would explain to the Ambassadors the particular problems with which Japan was faced.

THE "HIRANUMA DECLARATION" OF 4 MAY 1939.

This personal message, which became known as the "HIRANUMA declaration", was delivered by Arita with obvious reluctance to the German Ambassador in Tokyo on 4 May 1939.

In this declaration HIRANUMA expressed his admiration for Hitler's work in Germany, and advised that he was similarly engaged in the work of maintaining Japan's "New Order in East Asia". HIRANUMA expressed his satisfaction with the effect of the Anti-Comintern Pact in making possible the execution of the tasks which Germany and Japan had before them. He said that he now had in view the conclusion of an agreement which would strengthen the Anti-Comintern Pact, and make closer the cooperation of Germany, Italy and Japan. "As far as the strengthening of our re-"lations is concerned", he continued, "I can affirm "that Japan is firmly and steadfastly resolved to "stand at the side of Germany and Italy even if one "of those two powers were attacked by one or several "powers without the participation of the Soviet Union, "and to afford them political and economic aid and, "to the extent possible to her power, military "assistance".

HIRANUMA then added the saving clause which represented Arita's policy. "Japan is ready", he said, "in accordance with the provisions of such an "agreement, to take up the military support of "Germany and Italy;

"however, Japan is, in view of the situation in which "it now finds itself, neither presently nor in the near "future able to extend to them in a practical manner any "effective military aid. However it goes without saying "that Japan would gladly grant this support if it should "become possible through a change of circumstances".

HIRANUMA asked for express confirmation that this reservation was acceptable, and asked also for caution in explaining the objects of the proposed alliance.

The HIRANUMA declaration conceded something to Germany and the military faction in Japan, but the provision that Japan should not be bound to give immediate military aid to Germany if she became engaged in war against the Western Powers was important. The declaration was ignored, not only by the Germans and Italians, but also by Ambassadors OSHIMA and SHIRATORI.

The situation within the Cabinet was one of unresolved conflict. Foreign Minister Arita and Navy Minister Yonai were vehemently opposed to the conclusion of an alliance which would commit Japan to fighting the Western Powers, whenever Germany might elect to initiate such a war. War Minister ITAGAKI and Finance Minister Ishiwata wanted complete solidarity with the Axis. Among the other members of the Cabinet there were all shades of opinion. Home Minister KIDO sympathised with the Army's whole-hearted attempt to conclude a tripartite military alliance, but saw the dangers into which such an alliance might lead Japan. Overseas Minister KOISO, although a staunch supporter of the Army's

schemes of aggrandisement, inclined to Arita's view, believing that, when Japan's relationship with Germany had been strengthened in a limited manner, Great Britain could be induced to arrange a satisfactory settlement of the China war.

The decisive voice was that of Prime Minister HIRANUMA, who was disposed to favour the Army's policy, and to excuse the disobedience of OSHIMA and SHIRATORI. His declaration of 4 May 1939 revealed his Cabinet's eagerness to conclude an alliance which would supplement Japan's own preparations for war, and make possible the achievement of the goal of expansion through military power.

But the formula which HIRANUMA adopted revealed also a continuing fundamental difference of opinion as to the form which the proposed alliance should take, and the purposes which it might be expected to fulfil.

THE DEADLOCK CONTINUES

In the Japanese proposal of April 1939, and again in the HIRANUMA declaration of 4 May 1939, the Cabinet made new concessions to the German demand for a general military alliance. But the military faction continued to support Germany in demanding nothing less than full Japanese participation in an alliance which was now known to be directed in the first instance against the Western Powers.

The HIRANUMA declaration had not eliminated the essential difference between Arita's policy and that of War Minister ITAGAKI

and the military faction. Both factions within the Cabinet acknowledged that the national policy of domination in China, and penetration into the countries of South-East Asia, would stiffen the opposition of the Western Powers. Arita, still regarding the Soviet Union as the principal enemy of Japan's "new order" in East Asia, desired an alliance directed primarily against that country, believing that such an alliance among the Axis Powers would also deter the Western Powers from interfering with the execution of the above-mentioned national policy.

But the military faction, no longer obsessed with the prospect of immediate war with the U.S.S.R., had come to believe that the success of all the Army's expansionist aims depended, not only upon the mobilisation of Japan for war, but also upon complete unity of purpose among the Axis Powers. The Western Powers stood between Japan and the goal of expansion southwards. They were relentlessly opposed to the aggressive war in China which the Army had waged. They controlled the vital raw materials upon which the success of the mobilisation for war depended. They must, in the view of the military faction, be restrained from opposing Japan's national policy of expansion by the threat which a general alliance among Japan, Germany and Italy would constitute.

Von Ribbentrop had pointed out the advantages which Japan would gain, if the Western Powers should be defeated by Germany and Italy in the coming year. It had therefore become the

cardinal feature of Army policy to demand a complete and unconditional military alliance. Since German policy had changed, and an attack on the Western Powers had now been determined on, the military faction was content that such an a' iance should in the first instance be directed, t against the Soviet Union, but against the Western Powers.

HIRANUMA SUPPORTS A MILITARY CONSPIRACY TO CONCLUDE AN UNCONDITIONAL AXIS ALLIANCE

During the month of May 1939, immediately after the HIRANUMA declaration had been made, the Army faction renewed its efforts to achieve the conclusion of a general military alliance. Ott, the German Ambassador in Tokyo, reported that HIRANUMA had made his declaration in an attempt to counteract any doubts which might have arisen in Rome and in Berlin concerning Japan's readiness to go as far as possible in reaching a satisfactory compromise. He undertook to attempt to ascertain the Army's attitude towards the declaration.

Two days later, on 6 May 1939, Ott was able to report the view of Army General Staff officers who were acting in direct accordance with the policy of War Minister ITAGAKI. The Army considered that HIRANUMA's declaration represented the best offer that could be hoped for in prevailing circumstances. Nevertheless, the Army intended that the wording of the declaration, which made effective Japanese military aid against the Western Powers conditional upon an unspecified "change in circum-"stances", should be clarified and strengthened.

The War Vice-Minister had told Ott that the treaty would definitely bind Japan to the Axis powers, though Japan's relative isolation would place her at a disadvantage in offering direct cooperation. The Navy, however, had maintained its opposition to the policy expressed in the HIRANUMA declaration, and throughout the entire government a deep cleft had formed

between friends and enemies of the alliance.

Von Ribbentrop said that, although Japanese procrastination had made necessary a separate agreement between Germany and Italy, negotiations for a tripartite alliance would be in no way prejudiced. He also made it clear to OSHIMA that the immediate use of the new alliance would be against the Western Powers, saying that Germany and Italy had been compelled to act because they were directly face to face with France and Great Britain.

On 6 May 1939, the day after the HIRANUMA declaration reached Germany, OSHIMA again defied Foreign Minister Arita's instructions. Von Ribbentrop, then on his way to Italy to discuss the bi-lateral alliance, had asked whether, in the event of Germany or Italy going to war with a third nation, it would be permissible to regard Japan also as being in a state of war, even if no military aid should be forthcoming from that country. OSHIMA, without referring to the terms of the HIRANUMA declaration, informed Arita that he had replied affirmatively. Arita was exceedingly indignant that such an assurance should have been given without authority, and was the more distressed because he realised that Prime Minister HIRANUMA was disposed to support the Army, rather than to assume a neutral attitude.

On the following day, 7 May 1939, the Five Ministers' conference, now almost continuously in session, met to consider OSHIMA's report. As expected, Prime Minister HIRANUMA supported War Minister ITAGAKI and upheld OSHIMA's answer to von Ribbentrop.

Meanwhile, on 6 May 1939, an official of the German Foreign Ministry had made a new unofficial proposal, containing the demands which Japan had previously rejected, and making no reference at all to the HIRANUMA declaration. Foreign Minister Arita found, upon investigation, that the draft of this proposal had been submitted by the Japanese Army to the German Foreign Ministry. Arita disclaimed responsibility for the consequences of this military conspiracy, but Prime Minister HIRANUMA persisted in his support for the military faction.

On 9 May 1939, two days after the meeting at which HIRANUMA had upheld OSHIMA's assurance of Japanese participation in any war in which Germany or Italy was engaged, the Five Ministers' Conference met to consider the unofficial German Foreign Ministry proposal, which was known to have been instigated by the military faction in Japan.

Navy Minister Yonai strenuously objected to this proposal, saying that it had not been made officially, and that no reply to the HIRANUMA declaration had been received. HIRANUMA waived this objection, and maintained that the German attitude was sufficiently explained by the report of OSHIMA's assurance that Japan would participate, though perhaps not actively, in any war involving Germany and Italy.

HASHIMOTO SUPPORTS THE AIMS OF THE MILITARY FACTION

HASHIMOTO was the first to expound these aims publicly. While the conflict within the Cabinet continued, he wrote a series of newspaper articles, designed to rally public support for the Army's policy. In these articles, six of which were published between 1 May 1939 and 20 July 1939, HASHIMOTO revealed the changed policy of the military faction. Although he regarded both the Soviet Union and the Western Powers as the enemies of Japanese policy in China, it was his constant theme that Great Britain was Japan's foremost enemy.

HASHIMOTO said that the China war would not be ended until Great Britain and the U.S.S.R., the countries which supported Generalissimo Chiang Kai-shek, had been destroyed. He regarded Great Britain as the chief opponent of Japanese aims in China, and advocated an attack on that country, saying that when Britain was overthrown, the Soviet Union would be left isolated.

Therefore HASHIMOTO insisted that Japan must defend herself against the Soviet Union, while advancing southward against the Western Powers. He insisted that Japan's destiny lay in the south, and that there as in China, it was Great Britain which blocked the progress of Japanese expansion. Again and again HASHIMOTO exhorted Japan to attack Great Britain, saying that in the existing circumstances it would be easy for Japan to vanquish that country. He advocated the capture of Hongkong, and the seizure of the British concessions at Shanghai

and Tientsin. He expressed his belief that the Japanese Air Force could annihilate the British fleet before it was able to reach Singapore. In the last of this series of articles, published on 20 July 1939, HASHIMOTO observed with satisfaction that public opinion in Japan had at length taken an anti-British turn.

For the reasons he had given HASHIMOTO demanded the conclusion of the tripartite alliance which the military faction had demanded. He said that, although HIRANUMA and Arita desired to strengthen relations with Germany and Italy, they had through fear of Great Britain hesitated to conclude a general military alliance. He therefore urged the formation of a strong wartime Cabinet which would not hesitate to act.

HASHIMOTO believed that Japan's schemes of aggrandisement through military power should be achieved by acting in concert with Germany and Italy. He said that, since it was the policy of those countries to destroy Great Britain, the interests of the Axis Powers were identical. Therefore he demanded that Japan should immediately expand and strengthen her relations with Germany and Italy, so that democracy as well as communism would be included as an object of attack. If we strengthen our collaboration, he said, it will be easy to put an end to Great Britain and France. In Europe Germany and Italy would destroy both democracy and communism; and in the East, extended at least as far as India, Japan would destroy the countries which were founded on these principles.

HIRANUMA CONTINUES TO SUPPORT THE DEMANDS OF THE MILITARY FACTION

Japan's failure to agree to the German proposal for a general military alliance gave rise to grave dissatisfaction in Germany and Italy.

On 15 May 1939 von Ribbentrop cabled Ambassador Ott in Tokyo, instructing him to bring the need for a quick decision to the Ambassador's confidants in the War Ministry; and, if possible, to War Minister ITAGAKI himself. Ott was to say that the conclusion of the alliance which Germany and Italy desired would be the best way to keep the United States from making war on the side of Great Britain and France. He would also point out that it must be understood by Japan that her supremacy in East Asia, and particularly in China, depended first on the superiority of the Axis powers over the Western Powers.

Von Ribbentrop told OSHIMA that, although Germany and Italy would conclude a bi-lateral agreement, the way would still be open for Japanese participation. He impressed upon OSHIMA the desirability of formulating secretly an agreed version of the proposed tripartite alliance simultaneously with the conclusion of the agreement between Germany and Italy.

War Minister ITAGAKI was determined that the alliance should be concluded immediately in the manner which OSHIMA and the Germans desired. On 20 May 1939 he promised von Ribbentrop, through OSHIMA, that Germany should have a positive new decision from the Japanese Cabinet by the following day at the latest.

On 20 May 1939 the Five Ministers' Conference again met, after War Minister ITAGAKI and Navy Minister Yonai had made separate reports to Premier HIRANUMA. Foreign Minister Arita proposed that OSHIMA should be made to retract his affirmative declaration that Japan would participate in any Axis war. HIRANUMA, however, was evasive and declined to make him retract it. Although the Prime Minister was asked repeatedly to rescind Ambassador OSHIMA's words, he maintained the attitude that OSHIMA's statement of the position was satisfactory. When the conference adjourned, matters stood as they had before. The difference of opinion was unresolved. ITAGAKI's undertaking to reach a positive new decision had not been fulfilled. Two days later, on 22 May 1939, the German-Italian alliance was concluded.

After the conference on 20 May 1939, Foreign Minister Arita sent specific instructions to OSHIMA that the Japanese government wished to reserve its right of entrance into a state of war in case of a European conflict. OSHIMA refused to communicate this information and told Arita so in a bluntly-worded telegram. SHIRATORI, in Rome, pursued the same course as OSHIMA. The dispute now hinged upon the real meaning of the HIRANUMA declaration. The Army said that it included participation in war; Foreign Minister Arita and the Navy said it did not. The Emperor supported Arita and protested against the Army's policy. But on 22 May 1939 Prime Minister HIRANUMA again supported the Army's interpreta-

tion, saying that the matter should be conducted in the way the Army wanted it done.

ITAGAKI ATTEMPTS TO FORCE THE CONCLUSION OF AN ALLIANCE WITH GERMANY AND ITALY

War Minister ITAGAKI was now firmly resolved to fight the matter out quickly even at the risk of a Cabinet overthrow. Although OSHIMA, as Japanese Ambassador in Berlin, was responsible to the Foreign Ministry, ITAGAKI instructed OSHIMA to send no further communications to Foreign Minister Arita. ITAGAKI desired that the factions within the Cabinet should be left to settle among themselves the question of the proposed military alliance. These developments OSHIMA explained confidentially to von Ribbentrop.

On 28 May 1939 von Ribbentrop passed this information on to Ambassador Ott in Tokyo, instructing him to treat OSHIMA'S information as confidential. Ott was required to bring further pressure to bear in order to secure a quick decision. He was instructed to convey to the appropriate authorities Germany's and Italy's dismay that ITAGAKI's promise of a definite reply by 21 May 1939 had not been kept. On 5 June 1939 Ott reported to von Ribbentrop information which he had received from Foreign and War Ministry officials. The Army and Navy were said to have come to an understanding, the Army having prevailed upon all issues. HIRANUMA and Arita were stated to have acquiesced in this understanding which was shortly to be communi-

cated to Berlin and Rome through diplomatic channels. According to Ott's informants, Japan had agreed to participate in the war against Great Britain and France, though she wished to reserve the right to enter the war at a favourable time.

The communication which Ott had heralded was not forthcoming, because the agreement, which the Army's supporters claimed had been reached, was not a real one. Whatever concessions the Navy had made, it remained opposed to the essentials of the Army's plan. The alleged agreement had been obtained with the support of HIRANUMA in part through the forcefulness and in part through the duplicity of War Minister ITAGAKI.

The Emperor had continued to support the policy of Foreign Minister Arita. ITAGAKI had attempted to overcome that obstacle in the same manner in which, in July 1938, he had attempted to obtain the Emperor's consent to the use of force at Lake Khassan. He had falsely represented to the Emperor that Foreign Minister Arita had come to favour the alliance which the Army desired. The Emperor, however, had discovered that he had been tricked, and on 7 July 1939 he taxed ITAGAKI with deliberate falsehood and severely rebuked him.

Throughout June and July 1939 no new Japanese communication reached Germany. The alliance which the military faction desired could not be concluded as long as the Emperor, the Navy and the Foreign Minister maintained their opposition to it. ITAGAKI recognised this, for on 23 July 1939 he enquired of Konoye,

the President of the Privy Council, whether the Imperor's mind could not be changed. Konoye replied that he considered that it would be very difficult to accomplish this.

ITAGAKI did not, however, relinquish his aim. On 4 August 1939 he advised Home Minister KIDO that he would resign, if the Cabinet did not agree to the conclusion of a tripartite military alliance.

THE CABINET'S DIFFICULTIES WERE INCREASED BY THE ARMY'S ACTIVITIES IN CHINA, AND BY THE ATTACK ON THE SOVIET UNION AT NOMONHAN

Meanwhile the Army's activities in China and upon the Manchukuoan border had increased the Cabinet's difficulties. Both factions within the Cabinet had maintained their determination to consolidate Japan's position in China, and to resist any country which opposed that aim. On 6 July 1939 War Minister ITAGAKI and Navy Minister Yonai once more expressed their firm determination to put an end to Chinese resistance. The two service Ministers said that the interference of third powers, which supported the forces of Generalissimo Chiang Kai-shek, must be crushed, and exhorted the Japanese people to spare no pains in striving for the attainment of Japan's "new "order" in East Asia.

An attempt was being made to establish a new puppet government for the whole of occupied China, and the Army, in carrying out

this policy, had abandoned all pretence in its attacks upon the rights and interests of the Western Powers.

Furthermore, the Army, in accordance with plans made in the latter half of 1938, was endeavouring to include Outer Mongolia within the sphere of Japanese domination. Since January 1939, when the HIRANUMA Cabinet had taken office, Japanese armed detachments had on several occasions carried out skirmishing raids across the Outer Mongolian border.

More important than these border raids was the action which began at Nomonhan during May 1939. While the leaders of the military faction were striving for the conclusion of a general military alliance with Germany and Italy, units of the Kwantung Army once more attacked the Soviet forces stationed upon the Manchukuoan border. This action, which will be described more fully in a later section of this judgment, developed into a campaign of considerable magnitude, and ended during September 1939 in the defeat of the Japanese forces engaged.

There is no evidence before this Tribunal to show whether the attack at Nomonhan was made upon the instructions or with the connivance of the Army General Staff, or whether, as on earlier occasions, the initiative was taken by the Kwantung Army itself. The Cabinet, pre-occupied with the question of the proposed military alliance with Germany and already hopelessly divided, appears to have regarded the campaign as an Army matter, and to have made no attempt at intervention.

It is, however, certain that this conflict with the Soviet Union brought about no change in the views of either faction within the HIRANUMA Cabinet. During the whole period that the fighting continued, War Minister ITAGAKI and the military faction strove to conclude an alliance with Germany, aimed primarily against Great Britain and France. Foreign Minister Arita, Navy Minister Yonai and their supporters struggled with equal determination to avoid the conclusion of an alliance which would commit Japan to immediate participation in war against the Western Powers.

These military activities increased the sense of urgency which attended the Cabinet's deliberations. The whole situation was summed up in the words used by the Lord Keeper of the Privy Seal on 7 July 1939, on the occasion when the Emperor reprimanded ITAGAKI. The Lord Keeper then said, "The Army is confused and "everything is lost". He regarded the position as tragic and lamented that the Army was going to destroy the nation. The members of the Cabinet were still agreed that the situation demanded some kind of an alliance with Germany and Italy.

THE OPPOSING POLICIES OF ARITA AND THE MILITARY FACTION PREVENTED ANY NEW STEP BEING TAKEN DURING JUNE AND JULY 1939

Nevertheless, throughout June and July 1939, the continued disagreement between the military faction and those who supported Foreign Minister Arita prevented any new step being taken, and

from June to August 1939 there was no new development in the negotiations with Germany, or in the unresolved conflict within the HIRANUMA Cabinet.

In August 1939 ITAGAKI knew that war in Europe was imminent. He was also apprehensive lest Arita's policy should gain a measure of success which would preclude any possibility of obtaining the HIRANUMA Cabinet's agreement to an unconditional tripartite alliance of the Axis Powers.

Arita, fearful of the consequences of such an alliance, attached great importance to concluding with Great Britain an arrangement which would secure Japan's position in China. He was making overtures to the British Ambassador, Craigie, with that end in view. ITAGAKI knew that the suggestion that Japan might conclude a tripartite alliance was being used by Arita as an inducement to secure British cooperation in his alternative policy.

THE HIRANUMA CABINET
ATTEMPTS TO DECIDE ITS POLICY
REGARDING AN ALLIANCE WITH GERMANY
8 AUGUST 1939

To counteract this effort ITAGAKI made a further attempt to secure the Cabinet's agreement to the German proposal for an unconditional military alliance. He recognized the danger of a popular reaction in Japan in favour of an economi-

cally tempting settlement with Great Britain. On 4 August 1939 ITAGAKI discussed the position with Home Minister KIDO, who, while disapproving the open manner in which OSHIMA and SHIRATORI had subordinated Japan's interests to those of Germany and Italy, had consistently favoured the Army's viewpoint, and had attempted to induce the Navy to abandon its opposition.

ITAGAKI told KIDO that he would resign if the Cabinet did not agree to the conclusion of the military alliance with Germany and Italy. This would inevitably result in the downfall of the Cabinet. KIDO was apprehensive of any Cabinet change in the existing circumstances, and convinced ITAGAKI that any attempt to form a military administration should be resisted. ITAGAKI agreed that a solution to the deadlock between Army and Navy should once more be sought.

Accordingly, on 8 August 1939, after the Five Ministers had again discussed the question, the Cabinet met to consider what action should be taken. Prime Minister HIRANUMA had withdrawn somewhat from his position of complete acquiescence in the Army's plans. He pointed out that his Cabinet had all along been making efforts to conclude an alliance among the Axis Powers. He said that War Minister ITAGAKI had the day before claimed that the Army too had merely been making efforts to bring to fruition the prearranged plan; but HIRANUMA, for his part, could not think that that was the case. The Premier then invited other Cabinet members to speak.

The consensus of opinion within the Cabinet was that changes in the situation necessitated an alliance which was both offensive and defensive.

Although Japan would first try to conclude a defensive alliance, as had originally been planned, if that could not be done, an offensive and defensive alliance would be concluded. No attempt was made to define what limitations would be placed upon the offensive and defensive alliance; but Foreign Minister Arita considered that the Cabinet's agreement fell short of the unconditional alliance which ITAGAKI had demanded. Either the War Minister would have to resign, or the Cabinet would have to reach a further agreement.

ITAGAKI, for his part, made, at this moment of general anxiety and disillusionment, a confession of the role which he himself had played. He said that he was both War Minister and a member of the Cabinet. In the latter role he had concurred in the plan which the whole Cabinet approved; but as War Minister he had acted independently in accordance with the consensus of opinion within the Army.

THE GERMAN-SOVIET NEUTRALITY PACT OF 23 AUGUST 1939 CAUSED THE DOWNFALL OF THE HIRANUMA CABINET

The Cabinet meeting of 8 August 1939 did not produce the positive decision which War Minister ITAGAKI and the military faction desired. The Cabinet, while recognising the need for an offensive and defensive alliance, declined to make any greater commitment than that made by ITAGAKI on 5 June 1939, that Japan would reserve the right to enter any war between Germany and the Western Powers at a favourable time, nor indeed did the Cabinet specifically endorse this previous offer.

ITAGAKI thereupon determined to attempt

once more a tour de force. He told Ott the position, and said that circumstances were so compelling that he had resolved as a last resort to risk his resignation. This would almost certainly entail also the resignations of OSHIMA and SHIRATORI. It was hoped that these resignations would in the long run produce the alliance which Germany and the Japanese Army wanted, but it was recognised that their immediate result would be a violent setback to those plans.

On 10 August 1939 ITAGAKI asked Ott to advise Germany and Italy of the serious state of tension which prevailed, and to ask them to help by making concessions. Specifically, ITAGAKI proposed that Germany and Italy accept the proposal of 5 June 1939 together with a guarantee that there were no mental reservations behind the condition made by Japan as to choosing her moment of entry into the war. ITAGAKI would then obtain express confirmation of the guarantee given. The agreement would be reached without advising the Foreign Ministry. OSHIMA and SHIRATORI would act upon ITAGAKI's instructions, and the Cabinet would be confronted with an arrangement which fell within the decision tentatively reached on 8 August 1939.

Ott transmitted all the foregoing information to Germany, and urged his government to accede to ITAGAKI's request. Ott pointed out that it was of prime importance to Germany to buttress the Army's domestic political position, since the Army was the foremost advocate of the alliance which Germany desired. Furthermore, Ott felt that such a concession would restore the whole government to its decision to seek a

German alliance, and would avoid the Cabinet's overthrow. On 18 August 1939 Ott reported that the conflict between ITAGAKI and Arita was still raging. ITAGAKI's position was reinforced by the pressure of junior military officers who were demanding an unconditional military alliance, but the Five Ministers' Conference would go no further than the offer transmitted unofficially to Germany on 5 June 1939. The Army was pursuing its alliance policy independently of the outcome of Arita's negotiation with Great Britain.

Five days later, on 23 August 1939, the German-Soviet Neutrality Pact was signed. On 1 September 1939, Germany invaded Poland; and on 3 September 1939, in consequence of this action, Great Britain and France declared war on Germany. Germany had not made the concessions which ITAGAKI had asked, and the opportunity for the War Minister's attempted tour de force had failed. But the occasion called for more than the resignation of the War Minister. The Cabinet's policy also had been completely discredited. Cabinet and nation had looked to Germany as an ally against the U.S.S.R. The Cabinet had from its very inception been pledged to achieving a more intimate relationship between Japan and the Axis powers. After meeting on 28 August 1939 and acknowledging the failure of their policy, the HIRANUMA Cabinet resigned en bloc. The collapse of the Cabinet's pro-German policy made possible the pursuit of a modus vivendi with the Western Powers--the policy which ITAGAKI had feared.

THE ABE CABINET

TAKES OFFICE 30 AUGUST 1939

The Emperor summoned General Abe to form a new Cabinet, and gave him certain instructions. Either HATA or UMEZU was to be the new War Minister. Discretion was to be used in appointing Home and Justice Ministers, as the maintenance of public order was of supreme importance. The foreign policy of the new Cabinet was to be that of cooperation with Great Britain and the United States.

Obedience to this last instruction demanded the reversal of the foreign policy pursued by the first Konoye and HIRANUMA Cabinets; and this fact explains the necessity for the other instructions which the Emperor gave. The new War Minister would need to be someone who enjoyed the confidence of and was able to control the Army, and the success of the new policy would depend primarily on the ability of the Home and Justice Ministers to control the confused reactions of the Japanese public to the sudden reversal of their country's foreign policy.

Abe in some perplexity reported the Emperor's instructions to Konoye, then President of the Privy Council, who in turn informed KIDO, the outgoing Home Minister. KIDO advised Konoye, who agreed, that if Abe were to follow the Emperor's choice as to the selection of a War Minister, there was danger of a clash with the military. The Emperor should therefore convey this instruction to the Army itself or to the outgoing War Minister, and should allow the three Army Chiefs to select the new War

Minister in the accustomed manner. As to the other Imperial instructions, KIDO considered that Abe might use his own discretion. These opinions KIDO asked Konoye to convey to Abe.

The Abe Cabinet, which was formed on 30 August 1939, contained no member of the out-going administration. HATA became the new War Minister. SHIRATORI was, at his own request recalled from Rome. On 5 September 1939 the Kwantung Army announced the termination and failure of the frontier war against the U.S.S.R. at Nomonhan. Two days later UMEZU, the Emperor's other candidate for the post of War Minister, became Commander-in-Chief of the Kwantung Army. The conduct of foreign affairs, at first assumed by Abe himself, was assigned to Admiral Nomura.

Under Nomura's direction, the Cabinet's foreign policy attempted to improve Japan's relations with the Western Powers. No effort was made to seek a rapprochement with Germany and Italy. No steps were taken for a Japanese incursion into South-East Asia. A bombing incident in French Indo-China, which had occurred during the last days of HIRANUMA's premiership, was settled and an indemnity paid by Japan.

But the desire for better relations with the Western Powers implied no abandonment of the goal of Japanese domination of China. This was the basic tenet of Japanese national policy. The Abe Cabinet desired the acceptance by the Western Powers of the "new order" in East Asia which Japan had created.

This policy is illustrated by the conversation held between Foreign Minister Nomura and the French Ambassador on 30 November 1939. Nomura told Ambassador Henri that Japan shared France's desire to restore friendly relations between the two countries. He expressed appreciation for the concessions which France had recently made. Nomura pointed out, however, that, while Japan was straining every effort to overthrow Generalissimo Chiang Kai-shek's regime, France was continuing to support Chinese resistance. Furthermore, French territories in the Pacific, and particularly French Indo-China, were maintaining economic barriers against Japan. If France really desired a rapprochement with Japan, she should, said Nomura, abandon equivocal action, sever relations with Generalissimo Chiang Kai-shek's regime, and adopt an attitude in sympathy with Japan's attempt to settle the "China Incident".

Nomura told Henri that large quantities of ammunition were still reaching the Chinese National Government's forces through French Indo-China, and that that French colony had become a base of pro-Chinese and anti-Japanese activities, and for the provisioning of the Chinese forces. Nomura desired to dispatch to Hanoi in Northern Indo-China a Foreign Ministry official accompanied by a military expert to explain on the spot the reasons for Japanese military activity in China close to the border of French Indo-China which was arousing French suspicions. Nomura suggested that in this manner French suspicions might be allayed, and the way be paved for an agreement.

On 12 December 1939 Ambassador Henri presented a French reply which denied the transportation of munitions through French Indo-China, and expressed regret that Japan should have renewed this complaint. Henri said that France could see no justification for the despatch of a mission to Hanoi, since a Japanese Consul-General was stationed in that city. He expressed France's willingness to confer on all other differences outstanding between the two countries, and desired an explanation of Japanese military activities upon the border between China and French Indo-China.

Nomura replied that the continued transportation of munitions was a plain fact which could not be contested. He acknowledged that France was under no legal obligation to suspend supplies to Generalissimo Chiang-Kai-shek's forces since war between Japan and China had not been openly declared, but he expressed his Cabinet's hope that France would take steps to suspend traffic which tended to help the forces of Chinese resistance.

The Abe Cabinet's policy is also well emexplified in the approach made to the U.S.S.R. immediately after the Cabinet came to power. The Japanese Ambassador in Moscow, TOGO, had been instructed to propose a settlement of the war at Nomonhan; and within a few days such a settlement had been reached. TOGO was also instructed propose the establishment of a general commission for settling border disputes, and the conclusion of a trede treaty with the Soviet Union. If the U.S.S.R. should propose

a non-aggression pact between the two countries, TOGO would ask first whether the Soviet Union was prepared to deny help to Generalissimo Chiang Kai-shek.

THE MILITARY FACTION
CONTINUES TO WORK FOR
COMPLETE SOLIDARITY WITH THE AXIS POWERS

Despite the Cabinet's new policy of seeking a modus vivendi with the Western powers, the military faction maintained the policy of seeking complete solidarity with Germany and Italy. The German-Soviet Pact had come as a severe blow to the HIRANUMA Cabinet and to public opinion in Japan. Even OSHIMA had been surprised and resentful that such an agreement had finally been reached. Yet OSHIMA and SHIRATORI had had ample warning of Germany's intentions.

OSHIMA enjoyed the complete confidence of Hitler and the German Army. During the year preceding the conclusion of the Neutrality Pact, he had been kept fully advised of German policy by von Ribbentrop. For a long time von Ribbentrop had been convinced that both Germany and Japan must reach an understanding with the Soviet Union. He now said that he would have striven for this result even if a tripartite alliance had been concluded. This policy von Ribbentrop had disclosed to OSHIMA more than a year before. On 16 June 1939 he had given OSHIMA and SHIRATORI a specific warning that, since Japan had not agreed to Germany's proposals, Germany would herself conclude a pact with the Soviet Union. SHIRATORI had realised that this was the German intention, but OSHIMA, believing such a

rapprochement to be out of the question, had regarded the warning as a spur to induce Japan to conclude the German alliance.

After the conclusion of the Soviet-German Neutrality Pact on 23 August 1939, SHIRATORI and the pro-German group to which he belonged had laboured to counteract the reaction which that event had produced in Japan. Since that aim had not been attained, he had insisted upon being recalled to Japan, where he could work more effectively for a rapprochement among the Axis Powers.

The HIRANUMA Cabinet had made a protest to the Germans concerning the conclusion of the Soviet-German Neutrality Pact, which was regarded in Japan as a breach of the secret agreement annexed to the Anti-Comintern Pact; but Ambassador OSHIMA was dissuaded from presenting this protest by the German Foreign Ministry official to whom he sought to deliver it. SHIRATORI, too, had advised him that the protest should not be delivered. OSHIMA nevertheless reported that he had complied with the Cabinet's instructions; but not until 18 September 1939, when the German invasion of Poland was completed, did he deliver the HIRANUMA Cabinet's protest. This OSHIMA did apologetically, and was satisfied that the German Foreign Ministry should accept the document unofficially and for their own information.

Meanwhile SHIRATORI in Rome had made it clear that he did not share the indignation felt in Japan concerning the conclusion of the German-Soviet Neutrality Pact. On 4 September 1939 he spoke to the German Ambassador in Rome

of the effect of the secret agreement annexed to the Anti-Comintern Pact. That agreement was intended to prevent either country from concluding a non-aggression pact with the Soviet Union, which at the time the Pact was concluded appeared to be the chief enemy of both Germany and Japan. Since that time, said SHIRATORI, circumstances had entirely changed, and it would be unreasonable to expect any country to encompass its own downfall for a treaty's sake. Great Britain had now become the chief enemy of both countries, and simply had to be beaten. In short, SHIRATORI recognized the German-Russian Non-Aggression Pact for what it really was--a device on the part of Germany to avoid having to fight a war on her Eastern and Western frontiers simultaneously.

On 2 September 1939 SHIRATORI had received official notification of his recall to Japan. He particularly desired an opportunity to urge his own pro-German views upon von Ribbentrop, and when it proved impossible for him to go to Berlin, he arranged to convey his sentiments through OSHIMA.

In Tokyo, ITAGAKI, the outgoing War Minister, expressed his continued belief in Axis solidarity. On 6 September 1939, at a reception given to the German Army and Air Attaches, both ITAGAKI and HATA, the new War Minister, made speeches which were markedly cordial to Germany. ITAGAKI pointed out to Ambassador Ott his most sincere efforts to strengthen the bonds between Japan and Germany. These, he said, had failed because of developments in Europe. ITAGAKI

emphasized, however, that his successor HATA completely shared his views. HATA referred to the Abe's Cabinet's declaration on non-intervention in the European War, but assured Ott that, as a soldier, he fully understood the action which Germany had taken.

THE MILITARY FACTION CONSPIRES TO ALLY JAPAN WITH GERMANY AGAINST THE WESTERN POWERS

Other members of the military faction made efforts to secure the continuation of close relationships between Japan and Germany; and these efforts the Germans encouraged and reciprocated. General Terauchi, War Minister in the HIROTA Cabinet and one of the men most responsible for the basic national policy decision of August 1936, arrived in Germany upon a goodwill mission shortly after the downfall of the HIRANUMA Cabinet. He had been sent to attend the Nazi Party Conference at War Minister ITAGAKI's instigation. The Navy had opposed this mission, but ITAGAKI had advised the Emperor that Terauchi must be sent in order to strengthen the bond created by the Anti-Comintern Pact.

On 2 September 1939 SHIRATORI had told the German Ambassador in Rome that he believed there was a good chance of continuing with success the thwarted rapprochement with the Axis Powers. He said that public opinion in Japan in favour of a settlement with the U.S.S.R. was growing, and might lead to the conclusion of a non-aggression pact. Japan, freed from a Soviet threat, would be able to minimise the possi-

bility of United States intervention in the European War.

On 4 September 1939 SHIRATORI advised the German Ambassador that in his opinion the only way to conclude a Japanese-Soviet Pact was through German mediation. SHIRATORI had therefore urged OSHIMA to request German "good offices" with the U.S.S.R., without awaiting any instructions from Tokyo. He believed that the Axis powers should unite against Great Britain, and hoped that a world war might be averted by reaching an acceptable armistice with France and Great Britain, after the Polish campaign had been completed.

The views which von Ribbentrop urged upon OSHIMA two days later corresponded closely with those expressed by SHIRATORI. Von Ribbentrop told OSHIMA that Japan's fate was as ever linked with Germany's. Should Germany be defeated a coalition of the Western Powers would prevent further Japanese expansion and would take away Japan's position in China; but should Japan maintain and enhance her relationship with Germany, Japan's position would ultimately be secured by German victories.

The idea of close cooperation between the three Axis powers was, he added, not in the least dead. The three countries, having an understanding with the U.S.S.R., would, in accordance with the world situation, direct their activities directly against Great Britain. This was in the real interest of all parties concerned. Von Ribbentrop would himself, above all else, work for an understanding between the

U.S.S.R. and Japan; and he trusted that the same policy would prevail in Tokyo. The understanding between the U.S.S.R. and Japan would require to be achieved quickly, for Germany's conflict with Great Britain would be decisive for all world politics in the future.

With all these statements OSHIMA expressed agreement. He said that the Japanese Army would doubtless appreciate the need for an understanding with the Soviet Union, and that there was certainly a prospect that these ideas would be embodied in Japanese foreign policy in the near future. SHIRATORI also would work for this result.

Both von Ribbentrop and Hitler lost no opportunity of impressing these views upon OSHIMA and upon Terauchi. Ambassador Ott was instructed to talk quite openly with Kanin, the Chief of the Japanese Army General Staff, upon the same lines. He was also to intimate the importance of OSHIMA's remaining in Berlin as Ambassador, for OSHIMA commanded the complete confidence of the German government and Army.

OSHIMA, however, decided that he could work more effectively in Tokyo than in Berlin. On 27 October 1939, von Ribbentrop advised Ott that OSHIMA, upon his projected return to Tokyo, would work for German-Japanese friendship. Ott was instructed to provide OSHIMA with a special channel of communication through the German Embassy to Berlin.

OSHIMA, WITH GERMAN ENCOURAGEMENT, PLANS FOR A JAPANESE ATTACK UPON THE PACIFIC POSSESSIONS OF THE WESTERN POWERS

Von Ribbentrop, in urging Axis solidarity, sought to encourage Japan to move to the south. He impressed upon both OSHIMA and Terauchi that Japan's vital interests lay in that direction. If an understanding between Japan and the Soviet Union was reached through German mediation, Japan might freely extend her power in East Asia towards the south, and penetrate further than had been planned. Terauchi agreed, and said that it was in Japan's best interests to bring the China war to an end by a tolerable compromise, and to utilize the strength of the Japanese Army and Navy in the south, where greater economic successes were to be gained.

OSHIMA not only agreed, but was enthusiastic. He said that Japan would be perfectly ready for an advance in South-East Asia, which would include the capture of Hongkong. This he had already proposed by telegraph. In OSHIMA's opinion Japan should penetrate deeply into South-East Asia. She needed tin, rubber and oil from the Netherlands East Indies, cotton from British India, and wool from Australia. If all of these requirements were obtained, Japan would be very strong.

He thought at this time that Japan should make a non-aggression pact with the Netherlands East Indies, at the same time reaching an agreement which would enable Japan to exploit the

raw materials of the Indies in accordance with the agreement obtained. By the same device the Netherlands would be estranged from Great Britain.

THE REASONS FOR THE DOWNFALL OF THE ABE CABINET, AND THE RESUMPTION OF A PRO-GERMAN FOREIGN POLICY BY THE YONAI CABINET

During Abe's tenure of office as Premier, neither War Minister HATA nor other members of the military faction are shown to have made any overt attempt to secure the adoption of their views. As SHIRATORI had pointed out, the accession to power of the Abe Cabinet promised certain advantages. The goal of Japanese policy was, as before, the establishment of a "new order' in China. As a result of the Cabinet change the public ill-feeling engendered by the conclusion of the German-Soviet Pact had been considerably mitigated. There was in Japan a growing desire for a settlement with the U.S.S.R. which, if carried through in stages, might lead to the conclusion of a non-aggression pact. With a new Cabinet in power, SHIRATORI considered that there was a well-founded opportunity for continuing the repair of German-Japanese relations. Both SHIRATORI and OSHIMA returned to Tokyo to make the most of this opportunity.

The policy of the Abe Cabinet and the circumstances in which it was formed, themselves provide the reasons for its downfall. No Cabinet which renounced the aim of establishing Japan's "new order" in China could hope to remain in power. Yet the maintenance of that aim

was incompatible with the re-establishment of friendly relations with the Western Powers. This was the foreign policy which the Abe Cabinet had been formed to promote. The impossibility of carrying out that policy was, however, soon recognised.

Members of the military faction regained positions of influence. On 28 September 1939 DOHIHARA became a Supreme War Councillor. On 1 December 1939 ARAKI became again a member of the Cabinet Advisory Council.

Foreign Minister Nomura's negotiations in regard to French Indo-China did not lead to friendship with France; nor did Japan obtain the concessions for which Nomura had striven. On 5 December 1939 the United States lodged new complaints concerning damage done to United States property in China by the Japanese forces; and, ten days later, the United States extended the list of materials upon the export of which to Japan a moral embargo had been placed. Supplies of raw materials, which Japan had to import, would be withheld.

On 12 January 1940 Japan advised the Netherlands of her intention to abrogate the arbitration treaty between that country and Japan. That treaty would thus expire in August 1940. Three days later the Abe Cabinet resigned, and, with its resignation, the policy of fostering more friendly relations with the Western Powers was abandoned.

On the following day Yonai, who, as Navy Minister in the HIRANUMA Cabinet, had supported Arita's efforts to avoid a definite commitment that Japan would enter a war between Germany and the Western Powers,

became the new Premier. HATA remained War Minister. KOISO, who, as Overseas Minister in the HIRANUMA Cabinet, had lent general support to Arita's policy, resumed his previous post. Arita, who had been Foreign Minister in the HIROTA Cabinet when the basis of the national policy was decided, and who had held that office again in the first Konoye and HIRANUMA Cabinets became once again Foreign Minister. With the outbreak of the European War circumstances had changed, but Arita's policy had not. He has himself testified before this Tribunal that the foreign policy of the Yonai Cabinet was to maintain good relations with Germany, in so far as that aim was not seriously harmful to Japan's major interests.

THE YONAI CABINET
ADHERES TO THE PRINCIPLES OF
THE BASIC NATIONAL POLICY DECISION

Arita was influential during the term of office of the Yonai Cabinet in maintaining Japan's adherence to the principle of the national policy decision. To the primary goal of securing Japan's domination of China, each succeeding Cabinet had remained faithful. It was the corner-stone of Japanese policy.

During 1939, while HIRANUMA was Premier, preparations had been made for establishing a puppet government for the whole of occupied China, excluding Manchukuo, under the leadership of the renegade Wang Ching-wei. This man had visited Tokyo in June 1939, and in the following month, on 7 July 1939, War Minister

ITAGAKI and Navy Minister Yonai had made a joint statement to the Diet regarding China, and had expressed Japan's determination to resist any interference, either from the Western Powers or from the Soviet Union, with the attainment of Japan's ambitions in that country. It had been the vain hope of the leaders of the Abe Cabinet that they could win the acquiescence of the Western Powers in Japan's established position in China, and upon that basis restore good relationships with Great Britain, France and the United States.

Before the HIRANUMA Cabinet resigned, Wang Ching-wei, with the assistance of Japanese Army leaders in China, had begun to organise a Central Political Council, from which would be developed the new pro-Japanese Central Government of China. On 12 September 1939, twelve days after the downfall of the HIRANUMA Cabinet in which he served as War Minister, ITAGAKI had become Chief of Staff of the Chinese Expeditionary Forces in China. After Abe's accession to power, Japanese military operations in China were continued. On 30 November 1939, in pursuance of Japanese aims in China, Foreign Minister Nomura had renewed pressure upon the French to cease forwarding supplies to the National Government of China.

When, on 16 January 1940, Yonai became Prime Minister and Arita returned to the Foreign Ministry, plans for the establishment of the Wang Ching-wei government were well advanced. During that month a meeting was held at Tsingtao for the purpose of amalgamating the existing puppet regimes in the occupied areas of China.

The second principal goal of the national policy decision was that of achieving the mobilisation of the Japanese nation in preparations for war. In November 1938, shortly after he became Foreign Minister in the first Konoye Cabinet, Arita had laid stress upon the fact that this goal and that of achieving a position of supremacy on the Asiatic continent were interdependent. In January 1939, when HIRANUMA was Premier and Arita his Foreign Minister, the Cabinet had approved a new Planning Board programme for economic and industrial expansion. The objectives of the Army's long-range economic and industrial planning, settled in the first half of 1937 before the revival of the war in China at Lukouchiao, then received for the first time specific Cabinet approval. In the light of the experience already gained, higher levels of production were demanded, so that the repletion of Japanese armaments might be completed by 1941. This was the year originally planned, but the war in China after 1937 had created a drain on Japan's military resources which for a time threatened to postpone the date of completion of armament.

The basic national policy decision, of 11 August 1936, which declared the consolidation of Japanese power in China and the mobilisation of the Japanese nation for war to be two principal aims of Japanese policy, declared also that in the pursuit of these aims, Japan should strive to maintain amicable relations with the Western Powers. Arita and Yonai, as members of the HIRANUMA Cabinet, had resisted steadfastly

the attempt of the military faction to embroil Japan in the European War. The outbreak of that war in September 1939 had imposed upon Japan no new obligation, and had rendered less probable any intervention from the Western Powers in Japanese activities in China.

Therefore the Yonai Cabinet was united in maintaining the Abe Cabinet's policy of non-intervention in the European War. It was this principle which constituted the factor limiting Foreign Minister Arita's desire to maintain good relations with Germany.

Nevertheless it was also a goal of the national basic policy decision that Japan should strive to develop her interests in the South Seas, under the "joint efforts of national defence and "diplomatic skill". The first major development in Japanese foreign policy after the Yonai Cabinet had taken office shows that in this regard also Arita adhered to the principles set out in the national policy decision.

The continuation of the war in China and the increased demands made upon the Japanese economy by the programme of economic and industrial preparations for repletion of armaments had increased Japan's reliance upon foreign sources of supply for vital raw materials. In December 1939 Foreign Minister Nomura's attempt to obtain by agreement increased supplies from French Indo-China had, in the absence of a general understanding, come to nothing. On 12 January 1940, three days before the downfall of the Abe Cabinet, Japan had advised the Netherlands of her intention to abrogate the

Arbitration Treaty between that country and Japan.

JAPAN ATTEMPTS TO OBTAIN A FAVOURED ECONOMIC POSITION IN THE NETHERLAND EAST INDIES.

On 2 February 1940 a new proposal was made through the Japanese Minister at the Hague to the Foreign Minister of the Netherlands. In form it was a reciprocal agreement which would govern Japan's relations with the Netherlands East Indies. Japan would undertake not to adopt restrictive measures in regard to the entry into that country of the employees of Netherlands firms, and the Netherlands would undertake to abolish or modify their existing restrictions upon employment of foreign labour in the Netherlands East Indies. There would be granted to Japan facilities for new enterprises and extended facilities for existing enterprises in the Netherlands East Indies. In return for this concession, there would be afforded opportunities for new Netherlands investments in Japan, and the grant of similar facilities by the governments of Manchukuo and China would be "recommended" by Japan.

The Netherlands, furthermore, would undertake to abolish or modify existing restrictive measures affecting the importation of Japanese goods into the Netherlands East Indies; and would take the necessary steps to render easier the flow of goods between the two countries. Japan, for her part, would take appropriate steps to increase her importation from the East Indies,

and would, subject to her own economic difficulties and as far as circumstances permitted, refrain from restricting or prohibiting the exportation to the Netherlands East Indies of the principal commodities required by that country.

Finally, the press of each country would, by strict measures of control, be made to refrain from comment unfriendly to the other.

Japan, more than a year earlier, had made plans to secure the resources of these important Netherlands possessions. During the latter half of 1938, while the first Konoye Cabinet was in power, officials of the Japanese government were engaged in conducting a propaganda campaign in the Netherlands East Indies, in preparation for Japan's "march to the south".

The new proposal followed closely upon the abrogation by Japan of the existing treaty regulating her relationship with the Netherlands. Although it purported to be made upon a basis of reciprocity, it is apparent that the advantages offered by Japan to the Netherlands East Indies were nugatory. Japan, upon the other hand, stood to gain unrestricted access to the vital war-supporting raw materials produced in the East Indies. A suitable reply to this Japanese proposal was still under consideration by the Netherlands when, on 10 May 1940, that country was attacked by Germany.

THE YONAI CABINET'S POLICY OF NON-INTERVENTION IN THE EUROPEAN WAR AROUSES STRONG OPPOSITION IN JAPAN

During the first half of 1940 the Yonai Cabinet adhered to the policy of non-intervention in the European War, so that the full strength of the nation might be directed to the task of securing Japan's position in China, and of completing Japan's measures for war. This policy was maintained in the face of considerable opposition within Japan itself.

On 23 February 1940 Stahmer, newly arrived from Germany upon a special mission, reported to von Ribbentrop that in Japan domestic problems were paramount. He found that the attitude of OSHIMA, SHIRATORI, Terauchi and other members of the military faction which had supported an unconditional alliance with Germany was unchanged; and that they were ready to give every support. The Cabinet, he said, was trying to prevent Japan from being drawn into the European War, and to maintain a friendly relationship with Great Britain and the United States; but public opinion was definitely pro-German and anti-British. The influence of the Army, which had been gravely weakened while Abe was in power, was steadily increasing. Under Abe well-known pro-German officials of the Foreign and War Ministries had been systematically transferred to overseas posts; but now the contrary policy was being pursued. A further increase in Army influence might be counted upon.

Japan's economic difficulties and shortages of essential materials had been increased and prolonged by the continuation of the war in China. Resentment against the opposition of the Western Powers to Japan's aims in China caused some Diet members openly to advocate the repudiation of the Nine Power Treaty, and Japanese participation in the European War. During March 1940 Arita's policy of non-intervention was assailed in the Diet. The Foreign Minister was urged to strengthen Japan's relations with the Axis. Arita in reply emphasized the friendly relationship which existed between Japan and the other Axis powers, but maintained that the settlement of the war in China precluded Japan from intervening in the European War.

On 7 February 1940, at a meeting of the Diet Budget Committee attended by Yonai and Arita, one committee member advocated the repudiation of the Nine Power Treaty, which he characterised as a scheme devised by Great Britain and the United States to restrain the continental policy of Japan. It was, he said, a serious obstacle to the achievement of the "new order", and it would cause great difficulties in the settlement of the China war, after the Wang regime had been established.

At another meeting of this committee, held on 28 March 1940, one member mentioned reports that Hitler and Mussolini had met to consolidate their alliance against England and France, and inferred that Japan should not refuse an invitation to join such an alliance. Foreign Minister Arita in reply reaffirmed his conviction that

the Cabinet's firm policy of non-intervention in European affairs was in the existing circumstances the most prudent one. He emphasized his adherence to the principles set out in the national policy decision by saying that, as long as Japan acted according to her own just policies with Japan itself as the focal point, the fear that she might have to stand alone was unnecessary. War Minister HATA supported Arita.

The Foreign Minister's reply prompted another committee member to raise the main question whether it was desirable that Japan should make a complete change in her foreign policy. He visualised the situation which might arise should the European War end sooner than was expected. He said that Great Britain and France would never cease to aid the forces of Chinese resistance. He feared that, if Japan maintained her present policy, even Germany and Italy, who now took the lead in supporting Japan's position in China, might turn against her. He pointed out that, when the Abe Cabinet was formed, the outcome of the war in Europe could not be foreseen; but he believed that now the situation had changed. He stressed the fact that the Cabinet's tendency to show partiality towards Great Britain and the United States was inviting the strong displeasure of the Japanese people, as well as German dissatisfaction. He therefore urged the Cabinet to abandon completely the policy of non-participation in the European War, and to enter into an alliance with the other Axis powers. He suggested that the establishment of the Wang regime would provide a suitable occasion for such a change in policy.

THE ARMY SUPPORTS THE NON-INTERVENTION POLICY IN ORDER TO COMPLETE THE CONQUEST OF CHINA AND THE NATIONAL MOBILISATION FOR WAR

War Minister HATA's statements at the Budget Committee meeting of 28 March 1940 show that the Army was determined to uphold the policy of non-intervention in Europe, until Japan's own position had been consolidated. He said that Japan was concentrating upon the settlement of the war in China, and that therefore it was necessary to harmonize skilfully her politics and tactics in order to meet changes in the international situation. In order that the war in China might be settled there would be no change in Japan's policy, which was to concentrate her whole strength upon excluding any third power which interfered persistently with the establishment of Japan's "new order" in East Asia.

HATA also made it clear that the Army regarded the policy of non-intervention purely as a matter of expediency. He stated that the Army regarded the policy which Yonai and Arita had so often expounded as one which preserved Japan's complete freedom of action.

Two days later, on 30 March 1940, the new puppet government for the whole of China, established under the leadership of Wang Ching-wei, was formally inaugurated. At the Budget Committee meeting of 28 March 1940, War Minister HATA had said that this event would utterly ruin Generalissimo Chiang Kai-shek's position. The Army, said HATA, would give as much help as possible to the new regime and would continue the fight against the Chinese National Govern-

ment's forces. HATA repeated that the object of the China war was to crush thoroughly the forces of Chinese resistance. The establishment of the Wang regime, he added, was therefore only a stage in the disposition of the China War.

HATA's statements on this occasion showed also that the Army hoped, by exploiting the resources of China, to relieve the pressure of Japan's economic difficulties and to provide new sources of raw materials. He told the Budget Committee that the Army was making the maximum use of commodities obtained in the occupied areas of China; and that it was expected in the future to do this in greater degree. Self-sufficiency in vital materials was to be obtained simultaneously with the execution of the Army's pacification activities.

DEPENDENCE ON FOREIGN SOURCES OF RAW MATERIALS PREVENTED JAPAN FROM OPENLY REPUDIATING THE NINE-POWER TREATY

In striving to attain the goal of self-sufficiency in war-supporting raw materials, Japan was placed in a dilemma. The exploitation of the resources of China, now to be undertaken in greater measure than ever before, was being carried out in violation of Japan's obligations as a signatory to the Nine-Power Treaty. The very reasons which led Japan to seek new sources of essential raw materials restrained her from provoking an immediate breach with the Western Powers from whose territories she was deriving important supplies of these materials. It was admitted in an official document, prepared on

3 March 1940, that Japan was intensely reliant upon the United States as a source of materials vital to her preparations for war. For this reason, it was stated, Japan could not assume a resolute attitude towards that country.

Ever since the outbreak of the war in China, the United States and other Western Powers had condemned Japanese aggression in that country, and had demanded the observance of the Nine-Power Treaty. Persistent violations of that treaty had caused the United States, on 11 June 1938, to place a moral embargo upon the export of certain war materials to Japan. During the last months of 1938, while Arita was Foreign Minister, Japan had at last admitted that she did not intend to observe treaty obligations when they conflicted with her own vital interests.

During 1939, following further complaints concerning the misconduct of the Japanese forces and the violation of Japanese treaty obligations in China, the United States had taken new measures to restrict the flow of supplies to Japan. On 26 July 1939, she had notified Japan of her intention to terminate the Treaty of Commerce and Navigation which, since 1911, had governed trade relations between the two countries. It had latterly proved inadequate to procure Japanese respect for American interests in China; and American fidelity to its provisions prevented the United States from taking economic measures which might induce Japan to desist from her policy of aggression. On 15 December 1939 molybdenum and aluminium

were added to the moral embargo list.

On 26 January 1940, pursuant to the notification already given, the Treaty of Commerce and Navigation expired. In March 1940 legislation to prohibit the supply of war materials to Japan was under consideration in the United States.

These events caused the question of repudiating the Nine-Power Treaty to become a vital issue in the Diet Budget Committee's discussions of February and March 1940. At the meeting of 7 February 1940 one committee member drew attention to the restrictive measures imposed by the United States, and urged Arita to renounce the Nine-Power Treaty, pointing out that it would be a great obstacle to the achievement of Japan's further aims in China, after the Wang regime had been established. Arita agreed that the basic principle of that treaty was not applicable to the new situation in the Far East. On the one hand, he said, its repudiation was favourable to the establishment of Japan's "new order", and to the amelioration of conditions in Japan. On the other hand, however, there was the possibility that its renunciation would cause international repercussions. Therefore the problem required careful consideration. After the Wang regime had been set up, consultations would be held over this question.

At the Budget Committee meeting of 28 March 1940, Arita reiterated that the repudiation of the Nine-Power Treaty might produce good results or bad results. He did not deny that such a step was desirable, but emphasized

that the time for repudiation and the means to be employed required to be studied carefully.

War Minister HATA, who had pointed out that the establishment of the Wang government was only one step towards the realisation of Japan's aims in China, said that the Army would follow the Cabinet's policy in dealing with the Nine-Power Treaty. HATA gave it as his own view that the question was purely one of expediency. He considered that the existing situation in China was quite beyond the scope of the Nine-Power Treaty, and that that treaty should not be permitted to hamper the carrying out of Japanese military operations. The Army, he added, had decided for the moment to reopen the Yangtse River; but this, he said, was a question to be decided purely in a voluntary manner.

JAPAN MAKES NEW PLANS FOR INDUSTRIAL SELF-SUFFICIENCY, IN ORDER TO ELIMINATE DEPENDENCE UPON THE UNITED STATES

On 3 March 1940 there was formulated a policy which, taking cognisance of Japan's dependence upon the United States, set out measures through which Japan could eliminate her reliance upon that country, particularly in regard to the supply of materials essential for carrying out what the document calls "The Divine War". This secret Foreign Ministry document discloses an intention to revise the whole programme of economic and industrial expansion in order to achieve self-sufficiency in the essential materials of war and in ord r to

establish an economic system which would make Japan independent of the goodwill of the United States. The new plan called for a vast expansion in the manufacture of machine tools, for experimentation with substitute materials for the production of "special steel", and for alternative sources for the supply of scrap iron, petroleum and other war materials. Facilities for manufacturing finished steel and electrolytic copper, for refining crude oil, and for producing petroleum synthetically, were to be rapidly expanded.

This costly and uneconomic policy would be financed by the temporary diversion of military funds to meet industrial needs. Greater emphasis was to be placed upon the nationalisation of industry, and upon the integration of the economies of Manchukuo and of the rest of China with that of Japan. So imperative was the new plan considered that funds allocated to the war in China and to military preparations for war with the Soviet Union were to be diverted to the realisation of the aims of this plan. For this reason Japan would endeavour to achieve a temporary adjustment of her relations with the U.S.S.R.

It was intended that, as a result of the measures already described, Japan would be enabled to adopt a firm attitude towards the United States; and it was expected that that country, confronted by the threat of war and under the pressure of the public opinion of its own people, would acquiesce in Japanese actions

and remove embargoes upon the supply of raw materials.

THE YONAI CABINET MAKES PLANS AND PREPARATIONS FOR A SOUTHWARD ADVANCE

The same considerations which restrained the Yonai Cabinet from openly repudiating the Nine-Power Treaty led Japan to disguise her aggressive intentions in the south; but plans for a move southward were prepared and developed during the first half of the year 1940.

On 17 March 1940 the Budget Committee met to consider the huge estimated expenditure of the Overseas Ministry for that financial year. One committee member, seeking to discover the purposes of this expenditure, urged the view that Japan could obtain greater rewards by expanding southward than by concentrating upon the development of Manchukuo and the rest of China. He pointed out that Japan could find a treasure-chest of raw materials in the south, and took as instances the island of Mindanao in the Philippines and Celebes in the Netherlands East Indies. He advocated the seizure of these areas, though recognizing that this step could not at present be taken. Nevertheless he urged a fundamental change in national policy, saying that Japan must have both the North and the South as her objectives, and that her greatest exertions should be directed towards the south.

In the present circumstances he believed that Japan should formulate a twofold plan, one phase being for defence and one for attack. He expressed the Committee's pleasure that Overseas Minister KOISO had stated similar opinions at several recent Cabinet meetings.

KOISO in reply fully endorsed the opinion that Japan must regard both the North and the South as her objectives, and advised the Committee that this was the policy of the Overseas Ministry. In planning the future development of Manchukuo and the rest of China the movement of population was the primary task, and economic development the subsidiary goal. But in planning Japanese expansion to the south economic exploitation was the principal aim, and colonisation a means to that end.

In conformity with the principles of the basic national policy decision, and within the limits which the Cabinet's desire to avoid an open breach with the Western Powers imposed, Foreign Minister Arita supported the development of Japan's southward policy.

At a press conference held on 15 April 1940 he made a statement concerning Japanese policy towards the Netherlands East Indies. There had in the meantime been no reply from the Netherlands to the Japanese proposal for a trade agreement, which had been delivered on 10 February 1940.

Arita said on this occasion that Japan, in common with the other countries of East Asia, was intimately related with the regions of the South Seas, and especially with the Netherlands

East Indies. The economic bonds between these countries were such that the prosperity of East Asia depended upon their mutual aid and interdependence.

Arita said in response to questions that, if the war in Europe should affect the Netherlands East Indies, not only would these economic relationships be interfered with, but also there would arise a situation which threatened the peace and stability of East Asia. For these reasons, Arita added, Japan would be deeply concerned over any development arising out of the war in Europe which might affect the status quo of the Netherlands East Indies. On the following day, 16 April 1940, this statement was published by the Japanese Embassy in Washington.

IN VIEW OF GERMAN SUCCESSES IN EUROPE, AND CONTINUED OPPOSITION FROM THE WESTERN POWERS, THE PRO-GERMAN FACTION GAINS STRENGTH

During the first five months of the year 1940 the measures taken by the Yonai Cabinet produced no settlement of the China conflict. Within Japan itself distress and discontentment were wide-spread; and the pro-German sympathies of the Japanese public, already well-defined in February 1940, were strengthened.

On 3 April 1940, in the presence of the Japanese Ambassador, a German-Japanese Cultural Committee was established in Berlin. Minister Director Weiszsaecker of the German Foreign Ministry referred in his welcoming speech to the gratifying manner in which relations between Japan and various Nazi Party societies had

developed during the preceding years. He described the new committee as an effective instrument for strengthening the traditionally close spiritual bonds between Germany and Japan, and expressed his conviction that the political friendship which united the two countries would be increased.

As the tide of German victories in Europe rose those who advocated the repudiation of the Nine-Power Treaty became more outspoken. This view was urged, not only at the meetings of the Diet Budget Committee, but openly in the Diet itself.

On 23 March 1940 Ambassador Ott reported to von Ribbentrop that political events in Japan indicated a further deterioration in relations between that country and the Western Powers. The United States and Great Britain had maintained their opposition to the establishment of the Wang regime in China. The British Ambassador had lodged a protest against the formation of the new puppet government. The United States Ambassador, had presented two further complaints concerning violations of the "open door" policy in China.

Diet members of several parties had simultaneously urged the Foreign Minister to strengthen Japan's connection with Germany and Italy, the countries friendly to her policy. At the Budget Committee meeting of 28 March 1940, one committee member regarded Germany's victory as certain, and advocated Japan's participation in the European War.

Arita's declaration of 15 April 1940 concerning the Netherlands East Indies produced an immediate reply from the United States. On 17 April 1940 the State Department issued a press release in which it was declared that any interference with the status quo of the Netherlands East Indies would prejudice the peace and stability of the whole Pacific area.

On 9 May 1940 Germany invaded the Netherlands; and on the following day Stahmer, the German Foreign Ministry's special emissary, who had recently returned to Tokyo from the United States, reported to von Ribbentrop upon the situation in Japan. He said that recent German successes had created a deep impression in Japan, and had diminished the importance of Great Britain in the Far East. Within the Army and among the people of Japan, anti-British sentiment was markedly stronger. In view of the attitude which the United States had adopted, Stahmer was confident that the Yonai Cabinet's attempt to reach an understanding with that country and with Great Britain would be unsuccessful.

Stahmer said that the difficulties of the Yonai Cabinet, the economic policies of which were inadequate, had again increased. He considered that the unrest and discontent which these policies had engendered would lead eventually to the formation of a new Cabinet favourable to Germany; and hoped that, when the time came, Konoye might be the new Premier.

In any case, he added, the tension between Japan on the one hand and the United States and Great Britain on the other was bound to increase or at least to continue undiminished. He warned von Ribbentrop, however, that until the China war had been settled, and until urgent measures of domestic relief had been taken, Japan would be unable to change her policy.

SHIGEMITSU COUNSELS ARITA TO CONCILIATE WESTERN POWERS

In spite of the increasing clamour for closer relations with Germany, and for Japanese participation in the European War, Foreign Minister Arita had maintained his policy of non-intervention in the European War, and of seeking to avoid a definite cleavage in Japanese relations with the United States. In his despatch of 10 May 1940 Stahmer reported that the Yonai Cabinet was still striving to obtain a further measure of agreement with Great Britain and the United States. One Foreign Ministry official who had consistently urged this policy upon Arita was SHIGEMITSU, the Japanese Ambassador in London.

During July and August 1939, prior to the downfall of the HIRANUMA Cabinet, Foreign Minister Arita had explored the possibilities of obtaining Great Britain's acquiescence in Japan's position in China. During the latter months of 1939, while the Abe Cabinet was in office, this had been the aim of Japanese foreign policy. After Yonai had become Premier and Arita his Foreign Minister, Ambassador SHIGEMITSU had striven to secure the maintenance of that aim. It was his contention that the objects of Japanese national policy should be pursued through establishing in China a government to which the Western Powers would not take exception.

On 13 March 1940, less than three weeks before the Wang Ching-wei regime was established in China, SHIGEMITSU reported to Arita the efforts he had recently made to remove Great Britain's

objections to Japan's provisions for the settlement of the conflict in China. He had spoken to Mr. R. A. Butler, the British Under-Secretary of State for Foreign Affairs, of Japan's intention to set up the Wang Ching-wei regime as the new central government of China. Using the "Konoye principles" and other declarations of Japanese policy as the basis of his explanation, he had described Japan's intentions towards China in the most favourable light. He had said that it was Japan's policy to establish peace and order in China, and also cooperation between the new Chinese government and foreign countries. Under the new regime, he had added, only those elements which plotted civil strife would be excluded. He hoped that, upon this basis, an opportunity for compromise with the National Government of China would be found.

SHIGEMITSU strove to impress upon Arita that, if this policy were followed, there was the opportunity of reaching an agreement with Great Britain which would be advantageous to both countries. Butler, said SHIGEMITSU, had stated that, although Great Britain could not immediately change her policy of recognising only the National Government of China, he hoped that SHIGEMITSU's forecast of the situation would prove correct. As an earnest of Great Britain's willingness to make concessions which involved no sacrifice of principle, the British government had taken steps to resolve the dispute with Japan over the British concession at Tientsin.

SHIGEMITSU told Arita that Great Britain's apprehension concerning the actions of the

U.S.S.R. provided the basis for a more fundamental agreement with Japan.. Butler had agreed that there were reasons for a better understanding between their two countries both in regard to China, and, more generally, in regard to the world situation.

SHIGEMITSU had assured Butler that Japan was determined to maintain a position of strict neutrality in regard to the European war, and had expressed the hope that barriers to trade between the two countries might be removed. Butler had replied that Great Britain was ready to make every effort to reach that result.

On 13 May 1940, four days after Germany had invaded the Netherlands and Belgium, SHIGEMITSU again reported to Arita. He said that it was evident that Hitler had resolved to stake everything upon this campaign, but he stressed the fact that Germany had by no means beaten France and Great Britain. He emphasized that Japan must be ready for every contingency, and that therefore it should be the guiding principle of her national policy to achieve a situation of stability in East Asia.

SHIGEMITSU attempted to provide Arita with a formula which, falling within the principles of the basic national policy decision of 1936, would yet involve no resort to further measures of aggression.

He said that, in view of the international situation, it was a matter of great urgency that Japan's position of leadership in East Asia should be established firmly. Regardless of the outcome of the European War, Japan

would be placed at a disadvantage, if the conflict in China were not first settled. He therefore stressed the need for conciliatory measures, suggesting that, whatever the sacrifices entailed, Japan should attempt to bring about a reconciliation with Generalissimo Chiang Kai-shek, either directly or through the Wang regime.

SHIGEMITSU urged Arita that Japan's policy towards the whole of the South Seas area should be based upon that already adopted towards the Netherlands East Indies. Japan, he said, should declare that she had no intention of changing the status quo of the South Seas area; that neither belligerents nor neutral powers should intervene in that area; and that the interests of the native peoples of the South Seas should be the first consideration.

JAPAN STRESSES HER SPECIAL INTERESTS IN THE NETHERLANDS EAST INDIES: MAY 1940

Foreign Minister Arita's policy towards the Netherlands East Indies was governed in part by his desire to avoid an open breach with the Western Powers and in part by the wish to take advantage of German victories in Europe to achieve Japan's ambitions of expansion in the south. Arita's statement of 15 April 1940, expressing Japan's especial interest in the maintenance of the status quo in the Netherlands East Indies, had brought a prompt reassurance from the Netherlands. On 16 April 1940, the day after the statement was made, the

Netherlands Foreign Minister had informed the Japanese Minister at the Hague that the Netherlands had not sought and would not seek any power's protection over or intervention in the Netherlands East Indies. Two days later, on 18 April 1940, this statement was confirmed by the Netherlands Minister in Tokyo.

Nevertheless, on 11 May 1940, two days after Germany had attacked the Netherlands, Arita once more drew the attention of the Soviet Union, the United States, Italy and all belligerant countries to Japan's especial concern in the maintenance of the status quo in the Netherlands East Indies. On the same day the United States Department of State announced that a number of governments had already made clear their intention of maintaining the status quo in the Netherlands East Indies. In the State Department's opinion such declarations could not be too frequently reiterated. Great Britain advised Japan that she did not intend to intervene in the Netherlands East Indies, and France gave a similar assurance. On 15 May 1940 the Netherlands Minister in Tokyo informed Arita that his government believed that neither Great Britain, France nor the United States would intervene.

Despite these assurances, the controversy was kept alive in Japan. On 16 May 1940 Cordell Hull, the United States Secretary of State, expressed his concern to the Japanese Ambassador, saying that every day or two new aspects of the situation were being discussed in Japan, as though no pledges to preserve the

status quo had been given by other nations. In view of such pledges, said Hull, it was difficult to understand Japan's insistence upon the existence of some supposed special Japanese interests in the Netherlands East Indies. He suggested that Japan, having made clear her intention to dominate the vast area of China, and to eliminate equality of trade with that country, might have similar designs upon the Netherlands East Indies. This the Ambassador denied, and expressed Japan's satisfaction with the position, provided that Great Britain and France did not attempt to land troops there.

On the same day, 16 April 1940, the Governor General of the Netherlands East Indies informed Arita that it was intended to maintain existing economic relations with Japan, and that no restrictions would be placed upon the exportation of mineral oil, rubber and other raw materials of vital importance to that country. Arita was, however, still unsatisfied. On 20 May 1940 he informed the Netherlands Minister that there were many other commodities of equal importance to Japan. He required a definite assurance that a stipulated quantity of specified materials would be exported to Japan annually, and demanded written confirmation that these requirements would be met.

JAPAN PREPARES FOR THE ADVANCE TO THE SOUTH: GERMANY DECLARES HER DISINTEREST IN THE NETHERLANDS EAST INDIES

During 1939, while the HIRANUMA Cabinet was in power, Foreign Minister Arita had continued to regard the Soviet Union as Japan's foremost enemy. After the downfall of that Cabinet, which was caused by the conclusion on 23 August 1939 of the German-Soviet Non-aggression Pact, OSHIMA and SHIRATORI had agreed with von Ribbentrop that they would work for reconciliation between Japan and the U.S.S.R. They planned that, once an understanding with the Soviet Union had been reached, the three Axis nations would be free to direct their activities exclusively against the Western Powers. Thus the way would be made clear for Japan's advance to the south. OSHIMA and SHIRATORI returned to Tokyo in order to achieve their purpose.

During the last four months of 1939 the moderate policies of the Abe Cabinet paved the way for a rapprochement with the U.S.S.R. The conflict at Nomonhan was quickly ended, and the antagonism of the Japanese public towards the Soviet Union was in some degree allayed. TOGO, the Japanese Ambassador in Moscow, was instructed to negotiate with the Soviet government a general settlement of border disputes and a new commercial treaty. He was told also that the negotiation of a non-aggression pact between Japan and the U.S.S.R. would depend upon Soviet willingness to abandon the support

of Generalissimo Chiang Kai-shek.

After 5 January 1940, when Arita again took office as Foreign Minister in the new Yonai Cabinet, the fear of Soviet interference with Japan's ambitions in China continued. On 10 May 1940 the Yonai Cabinet was still striving for a greater measure of agreement with Great Britain and the United States. Japan and the U.S.S.R. were mutually distrustful. The German Embassy, assisted by OSHIMA, SHIRATORI and other members of the military faction, was still endeavoring to promote a reconciliation between their two countries.

Nevertheless, under pressure from the military faction and public opinion, the Yonai Cabinet's policy had shown a gradual change. The continued opposition of the Western Powers to Japan's aggressive actions had increased the need for new sources of raw materials. In March 1940 the allocation of funds and materials for military preparations against the U.S.S.R. had been in part diverted to industrial production aimed at eliminating Japanese dependence upon the United States. The Overseas Ministry under KOISO had prepared plans for a Japanese advance into South-East Asia.

German victories in Europe seemed to present the opportunity for carrying out these plans. When, on 9 May 1940, Germany attacked the Netherlands, Foreign Minister Arita invited German support, by intimating that a declaration of Germany's attitude towards the Netherlands East Indies would be welcome in Japan. At the Foreign Minister's press conference and in Japanese newspapers it was noticed that,

while the Western Powers had each expressed their views in regard to the Netherlands East Indies, no word had been received from Germany.

Thus was Germany presented with an opportunity to direct Japan's aggressive aims against the Western Powers. Ambassador Ott was instructed by von Ribbentrop to inform Arita that the German invasion of the Netherlands was concerned only with the prosecution of the European War. Germany had herself no interest in the Netherlands East Indies, but understood thoroughly Japan's anxiety over developments in that area. The activities of the Western Powers, said von Ribbentrop, had provided occasion for such misgivings, but Germany had always followed a policy of friendship towards Japan. Ott was to convey this message verbally to Arita, making it clear that Germany had declared definitely her disinterest in the Netherlands East Indies.

On 22 May 1940 Ott told Arita of Germany's recent military successes, and conveyed to him von Ribbentrop's message, for which Arita expressed gratitude. A communique was issued by the Japanese Foreign Ministry, stating that Germany had declared herself to be disinterested in the Netherlands East Indies. The Japanese press gave great publicity to this announcement, heralding it as complete acquiescence in Japanese policy for that area, and as a promise of future German support. The German attitude was contrasted with that adopted by the Western Powers.

JAPAN CONTINUES TO PREPARE FOR A SOUTHWARD ADVANCE, DISREGARDING SHIGEMITSU'S ADVICE

On 25 May 1940, immediately after Germany's declaration of disinterest in the Netherlands East Indies, Ambassador SHIGEMITSU sent Arita another warning. Once more he stressed that Japan should be prepared for all contingencies because the issue of the European War was still in doubt. He said that, although Germany had won the battle for the low countries, Great Britain and France were still firmly resolved to continue the fight. He urged again that Japan should maintain a policy of strict neutrality, and should end the China conflict by taking conciliatory measures.

SHIGEMITSU pointed out that, as a result of events in Europe, Japan had, willy-nilly, become the stabilisation power in East Asia. Whatever the outcome of the European War, Japan's position would be strengthened by reaching through conciliation a settlement with China. If this were done Japan would be ready to take her place in the international arena. Otherwise the Western Powers, if victorious, would again intervene in the China affair.

SHIGEMITSU's advice involved the abandonment of the plans for a southward advance by military force under cover of German victories in Europe. He urged Arita to declare formally a policy of conciliation in China, at the same time requesting the withdrawal of the forces of the European belligerents from that country.

Japan, said SHIGEMITSU, should also consider the declaration of a zone of neutrality extending three hundred miles seaward from the coastlines of Japan, Manchukuo and the rest of China. Believing that the spread of the European War to the Pacific could in this way be prevented, he urged Arita to act without regard to the pressure of public opinion or of the military faction. There was, however, no change in Japanese policy.

During late May and early June 1940 the British and French armies were driven back by the weight of the German attack. On 9 June 1940 the Soviet Union and Japan settled by agreement the frontier line dividing Mongolia from Manchuria. On 10 June 1940 Italy declared war upon Great Britain and France. On 17 June 1940 France was forced to seek an armistice.

On 10 June 1940 Arita complained of the retention of the bulk of the United States fleet at Hawaii. Although Ambassador Grew assured him that the presence of the fleet at one of its normal stations constituted no threat to Japan, Arita maintained that its continued stay there implied a suspicion as to Japan's intentions in the Netherlands East Indies and elsewhere in the South Seas. He once more assured Grew that Japan had no intention of acquiring new territories.

Meanwhile the German Embassy in Tokyo used its influence with the press and with leading politicians to stir up ill-feeling against the United States.

Ambassador Ott himself suggested to Konoye and to other men prominent in Japanese politics that a conflict between Japan and the United States was in the long run inevitable. OSHIMA, SHIRATORI and other members of the military faction collaborated with the Germans in this agitation.

JAPAN MAKES RENEWED DEMANDS
UPON FRENCH INDO-CHINA: JUNE 1940

As the fall of France impended, French Indo-China replaced the Netherlands East Indies as the next intended victim of Japanese aggression. In March 1940 Japan's demands for the discontinuance of supplies to the forces of Generalissimo Chiang Kai-shek had been permitted to lapse in face of France's rejection of the demands. On 4 June 1940 strong representations were again made to the French Ambassador in Tokyo, and were again refused.

Japanese policy towards French Indo-China was governed by her determination "to wipe out, at "any cost, all obstructions to the building of a "new order" in East Asia. Every avenue through which the forces of Chinese resistance might derive assistance would be closed. For that reason it had been resolved that French Indo-China should be brought under Japanese control.

On 12 June 1940 Japan strengthened her position by concluding a pact of non-aggression and friendship with Thailand, whose territories were adjacent to the eastern frontier of French Indo-China. On the same day the Japanese South China armies, stationed near the northern frontier of Indo-China, announced

that the greater part of the weapons and war materials which China purchased abroad were still being transported to Chunking via the Yunnan railway. The announcement stated that such action, taken by the French Indo-Chinese authorities in aid of Generalissimo Chiang Kai-shek's regime, could not be overlooked. Four days later, on 16 June 1940, Japan demanded that France put an end to the allegedly hostile activities of the colonial authorities in Indo-China. On 17 June 1940, the day on which France sought an armistice from Germany, the Governor-General of French Indo-China capitulated to these demands. He agreed to suspend the supply of all munitions and war materials to China, and consented also to the despatch of a Japanese military mission to northern French Indo-China.

On the following day, 18 June 1940, Prime Minister Yonai, Foreign Minister Arita, War Minister HATA and Navy Minister Yoshida decided in conference to make further demands. Japan would require the French Indo-Chinese authorities to suppress all pro-Chinese activities; and, if that requirement were refused, force would be employed. It was debated whether force should not be used immediately, but the Army advised against this policy, believing that the threat of force might be sufficient.

Japan required and received further undertakings from the government of France, which was now subject to German domination. The prohibition placed upon the supply of certain war materials to China was, at Japanese instigation, extended to

include a wide variety of other commodities. The French authorities undertook to enforce this blockade, by preventing smuggling activities.

On 22 June 1940 France agreed formally to the sending of a Japanese mission. On 29 June 1940 this mission, comprising forty representatives of the Japanese Army, Navy and Foreign Ministry landed in French Indo-China at Hanoi, and found that the blockade had been enforced in accordance with the undertakings given.

THE YONAI CABINET, DESIRING A FREE HAND IN INDO-CHINA, MAKES OVERTURES TO GERMANY FOR COOPERATION AGAINST THE WESTERN POWERS

Furthermore, Germany and Italy were informed that Japan was gravely concerned about the future of French Indo-China, both from the political and from the economical standpoints. It now became clear that the Yonai Cabinet intended to act in concert with Germany against the Western Powers, provided that Germany did not drive too hard a bargain. On 19 June 1940, the day after Japan's policy towards French Indo-China had been decided by the conference of Four Ministers, Ambassador Kurusu broached the subject generally in an interview with an official of the German Foreign Ministry.

Kurusu began by stressing Japan's desire for closer and more cordial relations with Germany. He said that even to those who had previously opposed this policy had now come the knowledge that Japan's future depended, not on the Western

Powers, but upon an approach to Germany. As an indication of Japan's desire for the betterment of her relations with Germany, Kurusu referred to the approaching visit of Sato, Naotake, a former Foreign Minister of Japan.

Kurusu went on to discuss Japan's position, and the Japanese view of the form which cooperation between the two countries should take. He no longer regarded Japan's shortage of raw materials as critical, because, in view of German pressure, the Western Powers were not in a position to impose an effective boycott upon exportation to Japan. The expansion of heavy industry was now, he said, Japan's most important task. If Germany would cooperate in that development, Japan, being no longer dependent upon the United States would gain freedom of action. In view of the unfriendly attitude which the United States had shown, Japanese industrialists would gladly exchange Germany for American sources of supplies.

Japan's hostility towards the U.S.S.R. and Japan's failure to provide substantial economic assistance to Germany were obstacles to close collaboration between the Axis countries. Kurusu indicated that both would be overcome. He said that both Ambassador TOGO in Moscow and he himself were working feverishly for the betterment of relations between Japan and the Soviet Union. He declared that in Japan it was becoming more and more clearly recognised that that country's future lay in the South, and that the enemy in the

North must be made a friend. There were, he admitted, certain military groups which opposed this re-orientation, but OSHIMA, he said, would convince them of the need for it.

Kurusu intimated also that Japan should now be prepared to facilitate the shipment to Germany of raw materials from Japan's own sphere and from other overseas areas. He indicated that, in view of the present situation of the Western Powers, there was no longer need for insistence upon the strict letter of the law of neutrality. He visualised that, after the European War was over, there would remain four spheres of influence, dominated respectively by Germany and Italy, by the Soviet Union, by the United States, and by Japan and China. He considered that the close relationship between the German and Japanese blocs would then be of mutual advantage to the two countries, and suggested that Germany should assign to Japan an ample position in her post-war economic planning.

SHIGEMITSU REMAINS OPPOSED
TO POLICY OF YONAI CABINET

On 19 June 1940 Ambassador SHIGEMITSU, having noted the latest developments in the Yonai Cabinet's policy, sent a specific warning to Arita. He said that, if it were decided to resort to force in French Indo-China or elsewhere, Japan should first consider carefully the attitude of the United States. Full attention should be paid, not only to economic questions, but also to the

naval strengths of the United States and of Great Britain, and to the condition of France. SHIGEMITSU thought that, if the surrender of France was completed, Australia might intervene in French Pacific possessions. In that case he considered that Japan might seize the opportunity to take positive action. He made it clear, however, that he did not share the Cabinet's confidence in the certainty of German victory. He advised Arita that, though France's fall should be complete, Great Britain would continue the fight and would not easily be beaten.

Despite the setbacks which the Western Powers had sustained, SHIGEMITSU urged once more upon Arita the cardinal principles of the policy which he had advocated in earlier despatches. He considered that Japan should take advantage of the situation in Europe to strengthen her own position in East Asia. Japan, he said, should announce her grave concern for the stability of East Asia, including the islands of the South Seas. She should affirm her resolve to prevent the extension of the European War, and her determination that East Asia should no longer constitute a field for European exploitation. Having regard to the possibility of an Axis victory in Europe, Japan should also be ready to forestall a German incursion into South-East Asia, lest such an encroachment should drive Japan to risk war with Germany.

From this and earlier despatches, SHIGEMITSU's policy emerges clearly. He believed that, though

the Western Powers should win the war in Europe, their influence in the Far East would be greatly weakened, and that Japan's position would therefore be enhanced. He pointed out that if, through conciliation, a settlement with China had been reached, there would in the future be no occasion for the Western Powers to intervene. By pursuing a policy of neutrality Japan would have qualified herself to take her place in the international arena.

Furthermore, by opposing Western influence in Asia and in the islands of the East Indies, Japan would gain the favour and support of the peoples of the Orient, and would make reconciliation with China more easy of achievement. Thus by peaceful measures Japan would gain the very objects for which she was now preparing to make war.

Even though the Axis Powers should prove to be victorious in Europe, similar considerations would apply. Japan, with unimpaired strength and with enhanced prestige among the peoples of Asia, would be ready to resist any German attempt to dominate the East.

ARITA REJECTS A PROPOSAL FOR COOPERATION WITH THE UNITED STATES

Japan's policy had, however, been decided on 18 June 1940 at the conference which Yonai, Arita, HATA and Yoshida had attended. The whole question of Germany's willingness to afford cooperation on acceptable terms was being

explored. Japan's especial interest in French Indo-China had been intimated to Germany and to Italy on 19 June 1940. It was resolved that Japan's policy towards the United States and Great Britain would depend upon the replies to this intimation.

While these replies were being awaited the United States made another attempt to reach an understanding with Japan, and to test that country's sincerity. Ambassador Grew was instructed to suggest to Arita that Japan and the United States should exchange notes declaring their common desire to maintain the status quo in regard to the Pacific possessions of the belligerent European Powers, except in as far as that status might be changed by peaceful means. Grew was to suggest also a provision for consultation between the two countries in case there should arise any issue which, in the opinion of either country, rendered consultation desirable.

On 24 June 1940 Grew made this proposal to Arita in strict confidence, making it clear, however, that the United States had not retreated from the stand taken upon other specific issues. The new United States proposal was intended as a means of discovering some method of improving relations between the two countries.

Arita, being uncertain of Germany's attitude towards Japan, regarded this United States proposal as an extremely delicate matter. He saw in the proposal a revival of the Nine-Power Treaty system. Although that treaty was still binding upon Japan,

that country had made every effort to escape and to renounce the obligations it involved. Arita did not wish new restrictions to be placed upon Japan's freedom of action, especially in regard to the Netherlands East Indies.

Arita therefore told Grew that, in view of the many outstanding differences between Japan and the United States, it might be difficult to accept the new proposal, unless these differences were first reconciled. He referred to the pro-German trend of public opinion in Japan, and said that, although he was himself in favour of a rapprochement with the United States, that view had exposed him to severe criticism. Nevertheless he undertook to give the proposal careful consideration.

On 26 June 1940 Foreign Minister Arita made Japan's reply to the United States proposal. He told Ambassador Grew that, in view of the existing international situation, he doubted whether consideration could be given to a formal exchange of notes on the basis which the United States had suggested. Japan, said Arita, was greatly concerned with the effect which the European War would have upon the status of the Pacific possessions of the European belligerents. Japan, therefore, did not consider it desirable to conclude any sort of agreement during the present transitionary period. Arita said that he was himself endeavouring to prevent the extension of the European War to the Far East, and suggested that it might be timely to discuss those problems which affected only Japan and the United States.

ARITA SHOWS THAT JAPAN'S POLICY IS BASED ON COOPERATION WITH GERMANY AGAINST THE WESTERN POWERS

On 29 June 1940, the day after he had rejected the United States proposal, Foreign Minister Arita made a policy speech which gave great prominence to the Yonai Cabinet's desire to act in concert with Germany.

He made it apparent that the two nations shared a common philosophy, saying that Japan's ideal since the founding of the Empire had been that all nations should be able to find their proper places in the world. Japan's foreign policy, said Arita, had been based upon this ideal, for which she had not hesitated to fight, even by staking her national existence. It was therefore a natural step that countries in the same part of the world, being linked also by close racial, economic and cultural ties, should first form a sphere for their own "co-existence and "co-prosperity".

The conflict in Europe, said Arita, had shown that war was usually due to failure to remedy the injustices of the existing order. It was for this reason that Japan had undertaken the task of constructing a "new order" in East Asia. It was, he said, extremely regrettable that, Japan's purpose being misunderstood, it had been obstructed by those who supported the forces of resistance in China. Japan was determined to eradicate all such opposition.

The remainder of Arita's speech amounted to a declaration of Japanese suzerainty over the whole area of East and South-East Asia and the islands of the East Indies. He said that the countries of East Asia constituted a single sphere destined to cooperate with each other and to minister to each other's needs. At the outset of the European War, he continued, Japan had proclaimed a policy of non-intervention in Europe and had stated her desire that the European conflict should not be permitted to extend to East Asia.

Arita concluded his speech by admonishing the Western Powers against interference in his country's schemes. Japan, he said, trusted that the Western Powers would do nothing to extend the war to the Pacific. He stated that Japan, while carrying out the task of constructing a "new order" in East Asia, was paying serious attention to developments in Europe, and to the repercussions of the European War in the various regions of East Asia and the South Seas. The destiny of these regions was, he declared, a matter of grave concern to Japan "in view of her "mission and responsibility as the stabilizing "power in East Asia".

THE PRO-GERMAN FACTION PREPARES FOR THE OVERTHROW OF THE YONAI CABINET AND THE CONCLUSION OF AN AXIS ALLIANCE

In the foreign policy pronouncements and communications of May and June 1940 it had been made clear that Japan, though desiring German

cooperation, did not intend to enter into the European War. Yet since January 1940, when the Yonai Cabinet had taken office, popular clamour for intervention against the Western Powers had grown continuously, and had been cultivated assiduously by the members of the German Embassy, working in collaboration with OSHIMA, SHIRATORI and other leaders of the pro-German group in Japan.

In August 1939, when the Abe Cabinet had replaced that of HIRANUMA, there had been grave obstacles to close cooperation between Japan and Germany. Public resentment against Germany had been aroused by the conclusion of the Soviet-Japanese Non-aggression Pact. Among certain groups within the Army, and among the Japanese public at large, the Soviet Union was still looked upon as Japan's foremost enemy. The Abe Cabinet was pledged to seek a rapprochement with the Western Powers.

When, in January 1940, the Yonai Cabinet took office, public opinion again favoured cooperation with Germany, and hostility towards the U.S.S.R. had in some measure diminished. But the struggle in China had not been ended, and in political circles the principle of non-intervention in the European War was firmly established. The pro-German group in Japan, and even the German Ambassador himself, had recognised that Japan could not intervene in Europe, until the China conflict had been settled and internal political dissension resolved.

The Army had therefore cooperated with the Cabinet. Although War Minister HATA shared ITAGAKI's desire to commit Japan to an unconditional alliance with Germany, he had not opposed the policies of either the Abe or the Yonai Cabinet. Gradually the obstacles to Japan's entry into the European War were overcome. With the stimulus of German victories in Europe and with the promise of rich rewards in the South, the Yonai Cabinet's policy had undergone an opportunist change. The Manchukuoan frontiers on the north had been settled by agreement with the Soviet Union, and plans and preparations for a southward advance had been

made. The Western Powers had replaced the Soviet Union as the first of the intended victims of Japanese aggression. The Army had reopened negotiations for a settlement with Generalissimo Chiang Kai-shek.

Since March 1940 it had been widely contemplated that the Yonai Cabinet would be replaced when a suitable moment occured. In May 1940 the German Ambassador had looked forward to the formation of a new Cabinet of the pro-German group, probably under the leadership of Konoye. Since that time Ambassador Ott, in continued collaboration with OSHIMA, SHIRATORI and other prominent Japanese, had worked to bring about Japanese intervention in the European War--a step to which the Yonai Cabinet was resolutely opposed.

With the fall of France in mid-June 1940, some members of the pro-German group felt that the time was fast approaching when the Yonai Cabinet should be replaced. On 18 June 1940 SHIRATORI, addressed the members of a political society, the objects of which were the readjustment and reinforcement of the Japanese political system, and the establishment of a strong foreign policy. SHIRATORI told the meeting that, although as a civil servant he could not advocate the Cabinet's overthrow, he felt that, in view of Germany's successes, an opportunity had already been missed. He considered that there was no prospect of accord with Germany as long as those who were opposed to a tripartite Axis alliance retained office in the Cabinet.

Germany, having already accorded Japan complete freedom of action in the Netherlands East Indies, did not respond to the new overtures made by the Yonai Cabinet in pursuance of Japan's designs upon French Indo-China. The new concessions asked for gave Germany the opportunity to drive a bargain. One German Foreign Ministry official commented upon the economic sacrifices which Germany had made in deference to Japanese policy towards China, and pointed out that, since the European War had begun, Japan, insisting upon her neutral role, had not even facilitated the repatriation from the United States of German sailors or the despatch through Japan of supplies consigned to Germany.

MEMBERS OF THE PRO-GERMAN FACTION MAKE DIRECT APPROACHES TO THE GERMAN AMBASSADOR

While the Yonai Cabinet waited for Germany's reply to the message about French Indo-China sent on 19 June 1940, members of the pro-German faction took steps to remove two important obstacles to their plans.

Major-General MUTO, who since 26 October 1939 had held office as Chief of the Military Affairs Bureau and Secretary of the National General Mobilisation Committee, approached the German Military Attache. He said that, should occasion arise, the Army would welcome it if Germany would act as mediator in the already extended conciliatory talks between Japan and Generalissimo Chiang Kai-shek, so that the war might be concluded in a manner acceptable to

Japan. MUTO declared also that Japan was very much interested in French Indo-China, because of her desire to settle the China war. In response to the Attache's enquiry, MUTO informed him that the Army believed conciliation with the Soviet Union to be necessary.

On 23 June 1940 SHIRATORI, whose name was being mentioned frequently as Arita's successor in the Foreign Ministry, advocated in a press interview the conclusion of a non-aggression pact between Japan and the Soviet Union.

Overseas Minister KOISO, whose ministry was directly concerned with the planning of Japan's advance to the south, approached Ambassador Ott directly, and asked him what Germany's attitude would be, should Japan take military action in French Indo-China and in parts of the Netherlands East Indies. Ott referred to Germany's declaration of disinterest in the Netherlands East Indies, but indicated that in regard to French Indo-China Germany would make conditions. He said that Germany would probably raise no objection, provided that Japan undertook to tie down the United States in the Pacific area, perhaps by promising to attack the Philippines and Hawaii if the United States should enter the European War.

KOISO said that he would give this proposal further consideration, and went on to discuss the other obstacles to concerted action among the Axis Powers. Referring to the question of a possible Soviet-Japanese non-aggression pact, KOISO thought that the

U.S.S.R. would probably demand certain territorial concessions in Mongolia and in Northwestern China. These, he said, could be discussed. He admitted that, even after the realisation of her colonial aims in French Indo-China and the Netherlands East Indies, Japan would only gradually become economically independent of the United States. He considered, however, that the attainment of Japan's aims in Indo-China and the conclusion of a pact with the Soviet Union would provide the expected Konoye Cabinet with a promising starting-point in reaching a settlement with Generalissimo Chiang Kai-shek.

POLITICAL PREPARATIONS FOR THE EXPECTED KONOYE CABINET AND A ONE-PARTY SYSTEM

The preparation for a change in Cabinet had been long and thorough. Konoye's first Premiership had been marked by frequent political crises arising from differences of opinion among members of his Cabinet, and from conflict between Army policy and Cabinet policy. Then as in earlier years, when the Army encountered opposition to its plans, there had arisen an immediate demand for the abolition of political parties. In the political crises of September 1938 which led to the resignation of Foreign Minister Ugaki, there had been a strong demand for the formation of a one-party system, which would replace the existing political parties, and which would "deal resolutely" with Japan's problems at home and abroad. Konoye, then Prime Minister, had hoped that he might be

placed at the head of such a unified regime. The Army's policy would then be the Cabinet's policy, and no opposition or dissension would be possible.

In 1938 the "one party system" had not been realised; but during 1940, while the Yonai Cabinet was in office, the movement for "reinforcement of the domestic political system" grew simultaneously with the demands for a change in Cabinet, and the adoption of a "strong "foreign policy". On 19 March 1940, after War Minister HATA had parried questions concerning the Army's part in politics, Major-General MUTO, the Chief of the Military Affairs Bureau made a forthright statement. He quoted with approval the dictum that the guiding principle of the Japanese nation "should be totalitarianism com- "pletely nationalist in principle and faith". He added that in this way the full power of the state would be displayed. The Army, said MUTO, favoured the dissolution of political parties if they sought only to further their own interests in the current emergency.

By 10 May 1940 it was settled that there should be a new political party of which Konoye would be President, and KIDO a Vice-President. KIDO gave an assurance that he desired Konoye to be the leader, and would support him as long as Konoye remained in public life.

On 26 May 1940 Konoye and KIDO discussed their plans for the expected change in Cabinet, and for the establishment of their new political party. They agreed that, when the Cabinet change occurred, a few Ministers only

would be chosen. The establishment of the new party would then be announced, and the dissolution of all existing parties would be requested. The few Cabinet members already chosen would be required to join the new party, and the other Cabinet members would be chosen only from among those who had already joined it.

It was intended that the new Cabinet should give special consideration to the desires of the Army and Navy concerning national defence, foreign affairs and finance. For this purpose it was proposed to establish a supreme national defence council of which the Chiefs of the Army and Naval General Staffs as well as the Premier, War Minister and Navy Minister would be members.

THE PRO-GERMAN FACTION PREPARE FOR A CHANGE IN CABINETS, AND PLOT TO ASSASSINATE PRIME MINISTER YONAI AND OTHERS

On 1 June 1940 KIDO was offered the position of Lord Keeper of the Privy Seal. He was urged strongly to refuse the appointment, because of the importance of the part which he was expected to play as a leader of the new Konoye political party. Nevertheless, after consultation with Konoye, who had joined in recommending his appointment, KIDO accepted the post.

It was the duty of the Lord Keeper of the Privy Seal, whose tenure of office was independent of changes in Cabinet, to act as the Emperor's regular adviser upon matters of state, and as the recognised intermediary

between Emperor and Cabinet. The Lord Keeper's position was, therefore, one of great influence.

On 24 June 1940, while the Yonai Cabinet waited for Germany's response to its proposals fpr cooperation among the Axis countries, Konoye resigned the presidency of the Privy Council. Ambassador Ott reported to Germany that this resignation indicated the continued progress of a political scheme which aimed at the formation of a new Cabinet and a new unified party under Konoye's leadership.

Ott advised his government that leading members of the Konoye circle were obviously trying to communicate with him, and asked for authority to discuss with them the ideas which MUTO and KOISO had propounded. In this way he would be able to assess what results might be expected through German cooperation with the Konoye circle.

In these circumstances it was not in Germany's interest to afford any encouragement to the Yonai Cabinet. On 1 July 1940 Ott reported that Foreign Minister Arita's policy speech of 29 June 1940 was an attempt to move in sympathy with internal political developments by announcing the adoption of a more positive foreign policy. Arita had hoped thereby to strengthen the position of the Yonai Cabinet.

In connection with this speech opposition to the Yonai Cabinet became manifest. Arita had planned to declare categorically the Cabinet's determination to consolidate friendship with Germany and Italy, saying that it had never been intended to deviate from the line of Axis policy. The opposition, led by the Army, had protested against this sudden change in policy, upon the ground that Arita's statement of sympathy with the Axis Powers was inconsistent with the policy which the Cabinet had hitherto pursued. The Army, desiring the Yonai Cabinet's downfall, was jealous of Arita's attempt to gain credit for the Cabinet at the expense of the opposition which had collaborated closely with Germany. At the Army's insistence the original text of Arita's speech was substantially modified. Thus his plan had been frustrated.

The Army's influence, which had been reduced before the Yonai Cabinet took office, had once again grown very strong. A threatening military attitude had been adopted towards both French Indo-China and Hongkong. Internal political developments, said Ott, showed typical signs that pressure was being exerted and that a change of Cabinets would soon occur.

On the following day fuel was added to the flames. The Chief of the Foreign Ministry's Press Bureau disclosed the original undelivered text of Arita's speech and the fact that the Army had successfully objected to it. The Press Chief was thereupon arrested and subjected to interrogation by the military police.

After this disclosure a plot against the lives of Prime Minister Yonai and others who had opposed the aims of the military faction was hatched. On 5 July 1940 the conspirators were arrested and later on the same day KIDO, as Lord Keeper of the Privy Seal, reported the circumstances to the Emperor. KIDO told the Emperor that, although the actions of the conspirators were blameworthy, their motives demanded the Cabinet's serious consideration. He then discussed with Konoye their plans for changing the political structure, and the measures to be taken in case a change of Cabinets occurred.

GERMANY, BY REFUSAL TO DECLARE HER POLICY TOWARDS JAPAN UNDERMINES THE YONAI CABINET'S POSITION

Nevertheless the Yonai Cabinet maintained its efforts to conclude with Germany an agreement which would secure the Cabinet's retention of office. Sato, Japan's special envoy to Germany, had reached Berlin. On 8 July 1940 Sato and Ambassador Kurusu explained Japan's position to Foreign Minister von Ribbentrop.

Sato stressed the common interests of Germany and Japan, which, he said, were each engaged in the construction of a "new order" within their respective spheres of influence. He pointed out that, since both countries were for the moment obliged to maintain friendly relations with the Soviet Union, they might cooperate in this regard also. Sato explained that, since the beginning of the war in China,

the task of establishing the "new order" in that country had been Japan's paramount task. This, he said, explained the seemingly perplexing changes in Japanese policy, which had all been dictated by the circumstances of the China war. Japan was now making a determined effort to settle that war, so that she might gain freedom of action.

Sato drew von Ribbentrop's attention to the services which Japan had rendered to Germany. For the three preceding years, he said, Japan had in some measure held the attention of the British, French and United States governments, and had thereby made Germany's task easier. The constant threat of Japanese action now kept the United States fleet from leaving the Pacific. It was, he added, Japan's policy that the United States should not be permitted to intervene in the Far East or elsewhere in the world outside the two American continents.

Sato explained, however, that Japan could not afford to provoke the United States too much, lest that country should impose more severe economic sanctions, which would compel Japan to seek new sources of supply in the South Seas. Thus both Germany and Japan would be exposed to the danger of war with the United States, and this both countries were anxious to avoid.

Sato therefore stressed the need for cooperation between Germany and Japan in economic as in other matters. He assured von Ribbentrop that Japan wished to allow Germany economic opportunities in China, saying that it was

Japan's policy to be the host in China and other countries her guests. It was this policy, he added, which had for years caused Japan to struggle against the influence of such countries as Great Britain, France and the United States. With German economic assistance Japan would succeed in her revolt against the Nine-Power Treaty system, settle the China war, and eliminate her dependence upon the United States. The essence of Sato's argument was that, by strengthening Japan's position in the Far East, Germany would be strengthening her own position in Europe. He therefore invited a declaration of Germany's policy in regard to Japanese aims in French Indo-China and the Netherlands East Indies.

Von Ribbentrop, being aware of political developments within Japan, replied cautiously. He welcomed Japan's desire for cooperation with Germany, but gave the impression that Germany, being now confident of victory in Europe, no longer attached great importance to assistance from Japan. He declared that new opportunities for cooperation would arise in the future, but declined to say anything more definite upon the grounds that he was unfamiliar with Japan's political aims. He asked pointedly whether Japanese offers of cooperation were to be confined to the economic sphere, and gave no new indication of Germany's attitude in regard to French Indo-China or other Pacific areas.

THE EMERGENCE OF THE PLAN FOR
AN AXIS ALLIANCE, WHICH WOULD ENABLE
JAPAN TO DOMINATE EAST ASIA AND THE SOUTH PACIFIC

The reports of this conference increased Foreign Minister Arita's difficulties. On 13 July 1940, three days before the Yonai Cabinet fell, Arita revealed his deep suspicion of German intentions. He enquired of Sato whether it was Germany's aim to force Japan's entry into the European War; and whether Germany did not herself hope to dominate the French and Netherlands colonies in the Far East.

As KOISO and MUTO had ascertained from Ott on 24 June 1940, the very conditions which von Ribbentrop had received with reserve when presented to him by Sato on behalf of the Yonai Cabinet were acceptable to the Germans, who no longer felt the need for Japan's immediate intervention against Great Britain and the countries of the British commonwealth. The greatest obstacle to the conclusion of a tripartite Axis alliance had, therefore, been removed. What Germany most desired was a strong Japanese government, which would align Japan with Germany and Italy against the Western Powers. Germany believed that such a diversion in the Far East would ensure the continued neutrality of the United States.

On 12 July 1940, while Foreign Minister Arita speculated concerning Germany's real intentions, Foreign Ministry officials presented to Army and Navy representatives the first draft of a new plan, the principles of which governed

Japanese policy from that time onward until Japan attacked the Western Powers. In all essentials it was the plan which Sato had revealed to von Ribbentrop four days earlier.

On both occasions it was recognised that, since the occurrence of the Mukden Incident in September 1931, Japan's activities had been continously directed towards the achievement of the same goal of conquest and aggrandisement. Notwithstanding frequent changes in policy and administration, it had throughout been Japan's aim to establish her dominion over the countries and territories of East Asia and the South Seas. It was now intended to utilise the conditions created by the European War in order to accomplish that purpose.

Japan on the one hand and Germany and Italy upon the other would act in concert and in close cooperation within their respective spheres of influence. It would be agreed among the Axis countries that in South East Asia and in the South Pacific area Japan should enjoy the same freedom of action which Germany and Italy had arrogated to themselves in Europe. Japan would undermine British influence and interests in the Far East and would serve as a deterrent to the entry of the United States into the war against Germany. The coalition between the two countries would provide each with added security against Soviet interference with their aggressive schemes. German economic assistance would enable Japan to reduce her dependence upon the United States, and Japan would ensure that Germany received from East Asia those raw materials of which she stood

most urgently in need. For the present, however, any German tendency to importune Japan's entry into the European war would be steadfastly resisted.

THE REASONS FOR WHICH THE ARMY OPPOSED THE YONAI CABINET

The Yonai Cabinet lacked the resolution and singleness of purpose necessary to bring this plan to fruition. The Army demanded the "strong foreign "policy" which Konoye and KIDO had decided that the new Cabinet would offer. During the Yonai Cabinet's tenure of office demands for the adoption of a pro-Axis policy had been persistently resisted. In 1939, while the HIRANUMA Cabinet was in power, Yonai and Arita had been instrumental in frustrating the military faction's schemes for a tripartite military alliance. Now, when the Army had revived its demands for the speedy conclusion of a military alliance with Germany and Italy, Arita was hesitant and Yonai was opposed to it. SHIRATORI had said that, while such people remained in office, there was no prospect of accord between Japan and Germany. The question of the conclusion of a tripartite military alliance had become a fundamental issue between the Cabinet and those who demanded its resignation.

The second fundamental issue concerned the establishment of a new nation-wide political organisation which was named the "Imperial Rule "Assistance Association". In times of political crisis, when the Army's plans were threatened or disputed, the military faction had always demanded the abolition of political parties. In March 1940 Major-General MUTO had revived this demand, saying that Japan needed a totalitarian regime, through which the full power of the state might be displayed. At their meeting of 26 May 1940 Konoye and KIDO had planned to promote a new party which would replace all existing political parties. They had planned also that the Army and Navy would be given a prominent part in determining the foreign and domestic policies of the new Cabinet. There would therefore be no opposition to the policies of the military faction, which Konoye's government would represent.

These were the purposes which the Imperial Rule Assistance Association was designed to achieve. It would give full effect to a principle of the basic national policy decision which had been reiterated in May 1938 in the Army's commentary upon the purposes of the National General Mobilisation Law. By stifling all opposition it would enhance the fighting strength of the nation and regiment the Japanese people in support of the Army's policy.

Prime Minister Yonai realised that this meant in effect the establishment of a dicta-

torship responsive to the wishes of the military faction. He knew that all existing political organisations would be abolished and that the Diet would lose the last vestige of freedom of deliberation. His Cabinet was therefore opposed to the formation of the Imperial Rule Assistance Association.

War Vice-Minister Anami and MUTO, the Chief of the Military Affairs Bureau, took the lead in demanding the Yonai Cabinet's resignation. They informed Chief Cabinet Secretary Ishiwata that, if the Cabinet refused to resign, it would be necessary to force the War Minister's resignation. When questioned by Yonai concerning this threat, War Minister HATA had answered evasively that he thought in the long run it was better that the Cabinet should resign.

THE ARMY BRINGS ABOUT THE DOWNFALL OF THE YONAI CABINET

The officers of the Army General Staff were resolved that, both from the military and from the political standpoints, the Yonai Cabinet was incapable of dealing with the existing world situation. When these views had been expressed, Kanin, the Chief of the Army General Staff, conveyed them to HATA, who was expected to inform Yonai of the Army's attitude. Before doing so, HATA would discuss the position with Konoye.

On 8 July 1940 KIDO was informed of these developments by War Vice-Minister Anami and by the Chief Aide-de-Camp to the Emperor. Anami told KIDO that the Yonai Cabinet was wholly unsuitable to conduct negotiations with Germany and Italy, and that its direction of affairs might even lead to a fatal delay. He said that a change of Cabinet was therefore inevitable, and that it might be expected to take place within the next four or five days. KIDO was given to understand that the Army was waiting to see what action the Yonai Cabinet would take, when confronted with the Army's views.

Anami's interview with KIDO is indicative of the commanding attitude which the Army had assumed. The War Vice-Minister told KIDO that the Army would unaniously support Konoye's candidacy for the premiership. When KIDO pointed out the difficulty of choosing a new Foreign Minister, Anami assured him that the Army was prepared to leave that question entirely to Konoye.

As KIDO had been advised, a memorandum of the Army's opinions was prepared and submitted to Yonai. On 16 July 1940 the Prime Minister summoned HATA, and told him that the Army's opinions were not those of the Cabinet. He asked the War Minister to resign if he disagreed with the Cabinet's policy. HATA thereupon submitted his resignation, and, when asked by Yonai to name a successor undertook to present a reply to this request upon

the same day. After consulting the other two "Chiefs" of the Army, HATA informed Yonai that the Army was unable to make any recommendation.

In this way the Army encompassed the downfall of the Yonai Cabinet. On 16 July 1940, the same day on which the War Minister resigned, the Premier, having no alternative, tendered his Cabinet's resignation to the Emperor.

On the following day, 17 July 1940, Ambassador Ott reported to Berlin, that in view of the Cabinet change which the Army had forced, a speedy transition to a more actively anti-British policy was to be expected. The Army had already mobilised siege guns for an immediate attack on Hongkong, in case that policy should be ordained.

War Minister HATA is not shown to have taken any active part in the plotting which led to the Yonai Cabinet's downfall. He had supported that Cabinet's policy, which was itself an aggressive policy designed to further the national aims of aggrandisement through military power. He had held office because the members of the pro-German faction had realised that Japan's internal differences must be resolved before their own plans could succeed. He had shown that he regarded the Cabinet's cautious attempts to conceal its aggressive aims merely as a question of expediency. When the moment was opportune, he had permitted himself to be used in order to bring about the

Yonai Cabinet's downfall, and the accession to power of a new Cabinet, responsive to the wishes of the military faction.

KIDO'S PART IN THE
DOWNFALL OF THE YONAI CABINET
AND SELECTION OF KONOYE AS PREMIER

After his appointment on 1 June 1940 as Lord Keeper of the Privy Seal, KIDO had maintained his close association with Konoye, and had consistently furthered the aims of those who advocated the replacement of the Yonai Cabinet. On 27 June 1940 he had discussed the procedure which should be adopted at the time of the Cabinet change, and had exchanged views with Finance Minister Sakurauchi on the strengthening of the political structure. When, on 5 July 1940, a plot to assassinate the Premier and other prominent men had been discovered, KIDO, in reporting the matter to the Emperor, had supported the motives of the conspirators. He had thereafter been privy to the Army's scheme to bring about the Yonai Cabinet's downfall and Konoye's accession to power. KIDO knew that, although the Emperor had come to believe Yonai's resignation to be inevitable, he still had faith in Yonai and regretted the necessity for a change of Cabinets. When, on the morning of 16 July 1940, it became apparent that Yonai might be forced to resign immediately, KIDO reported the circum-

stances of HATA's resignation to the Emperor, and explained to him the method of selecting a new Premier.

It had been the practice that certain of Elder Statesmen, known as the "Genro", should advise the Emperor upon the appointment of a new Premier; but only one of them, Prince Saionji, survived. In the past Saionji's influence had been great; and largely through his advice and knowledge of the political situation, the court circle had at times been prompted to impose some restraint upon the activities of the military faction.

Baron Harada, Saionji's secretary and confidant, was, with Yonai, marked down for assassination by the plotters whose motives KIDO upheld.

In November 1939 KIDO had been engaged, at Konoye's request, upon the task of devising a new system of selecting a Premier. He had suggested that the "Genro" should be replaced by a body consisting of the President of the Privy Council, the Lord Keeper of the Privy Seal, and all former Premiers. The opinions of the members of this body of "Senior "Statesmen" would be conveyed to the Emperor.

On 10 November 1939 KIDO had discussed this plan with Konoye, who desired it to be put into effect as soon as possible. Both Konoye and KIDO clearly regarded the new system as a means of eliminating Saionji's influence in political affairs; for KIDO expressed to

Konoye the fear that the plan would be difficult to put into practice while Saionji was living.

When, in January 1940, Yonai replaced Abe as Premier, the plan was not invoked; but, when, in July 1940, the Yonai Cabinet resigned, Saionji was infirm and out of touch with political affairs. KIDO's influence as Lord Keeper of the Privy Seal was therefore greatly enhanced.

The Emperor accepted KIDO's explanation of the new system; and, after the resignation of the Yonai Cabinet had been received, asked KIDO to summon a meeting of the Senior Statesmen. At this meeting Konoye was the only person suggested for the office of Premier. HIRANUMA, ten days earlier, had declared himself to be in favour of Konoye's candidacy. KIDO himself urged Konoye's appointment, saying that the Army was known to favour it, and that he believed some of the Army's recent actions to have been based on the assumption that Konoye would assume office. So the matter was settled. An emissary sent to inform Saionji of this decision reported that the Prince, being sick and unfamiliar with the political situation, had declined to take the responsibility for advising the Emperor.

KIDO then reported the Senior Statesmen's recommendation to the Emperor, who desired that Saionji should once more be consulted, before a final decision was made. KIDO, however,

dissuaded him upon the ground of Saionji's infirmity. Konoye was then summoned, and received the mandate to form a new Cabinet.

THE FORMATION AND POLICY OF THE SECOND KONOYE CABINET

Konoye proceeded to construct his Cabinet in the manner which KIDO and he had planned on 26 May 1940. Konoye, after accepting the mandate to form a new Cabinet, told KIDO that he would ask the outgoing War and Navy Ministers to select successors who would each be willing to cooperate with the other arm of the service. When the War, Navy and Foreign Ministers had been selected, Konoye would discuss fully with them the questions of national defence, diplomacy, cooperation between Army and Navy, and the relation between the Supreme Command and the Cabinet. Not until the Four Minister's Conference had reached agreement on these questions would he begin to select the other Cabinet Ministers. This plan Konoye carried out.

Navy Minister Yoshida retained his office in the new Cabinet. Lieutenant-General TOJO was chosen as War Minister.

After the Yonai Cabinet's downfall, HATA, the outgoing War Minister, had taken the unprecedented step of recommending secretly to the Emperor that TOJO should succeed him. From 30 May 1938 to 10 December 1938 TOJO had held office as Vice-Minister of War, and since that time he had served as Inspector-General of the Army Air Forces. Since 24 February 1940 he had been in addition a Supreme War Councillor.

The choice of a Foreign Minister had been recognised by KIDO as one of difficulty. SHIRATORI, an extremist in his advocacy of complete collaboration between Japan and Germany, had been favoured for the post, but Konoye chose Matsuoka. Even before his appointment had been announced, the new Foreign Minister informed the German Ambassador confidentially of this fact, and expressed his desire for friendly cooperation with Germany.

Throughout this period Germany was kept closely informed of developments in Japanese politics. On 20 July 1940 Ambassador Ott advised his government that Matsuoka's appointment would certainly lead to a reorientation of Japanese foreign policy.

On 19 July 1940 Konoye, Matsuoka, TOJO and Yoshida held a lengthy conference at which the principles of the new Cabinet's policy were settled, and agreement was obtained.

The Japanese Embassy in Berlin informed the German Foreign Ministry that through this unusual procedure the four ministers who would occupy the key positions in the new Cabinet had drawn up an authoritative foreign policy programme which included a rapprochement with Germany and Italy.

These matters of policy being settled, Konoye proceeded with the selection of the other members of his Cabinet. The formation of the new Cabinet was announced on 22 July 1940.

HOSHINO, who had earlier controlled the economic and industrial development of Manchukuo, became a Minister of State and President of the Planning Board. This appointment was an important one, for the new Cabinet placed great stress upon the acceleration of the national mobilisation, and upon the closer integration of the economies of Japan, Manchukuo and the rest of China. Financial controls were to be strengthened, armaments were to be greatly increased, and war-supporting industries were to undergo further rapid expansion.

Major-General MUTO retained his position as Chief of the Military Affairs Bureau, and HATA became a Military Councillor. Ohashi, a recognised leader of the pro-German faction, was appointed Foreign Vice-Minister. SHIRATORI informed Ott in confidence that he had refused this appointment.

It was now expected that he would become permanent adviser to Foreign Minister Matsuoka. SHIRATORI believed that in that position he could exercise a far-reaching influence on Japanese foreign policy. On 28 August 1940 he became a Diplomatic Councillor to the Foreign Ministry.

On 26 July 1940, four days after its formation, the new Cabinet, of which TOJO and HOSHINO were now members, defined its policy. The basic principles of the new declaration were those of the national policy decision of 11 August 1936. It was stated that the world was now on the threshold of an historic change, and that new political, economic and cultural orders were in process of creation. Japan also was faced with an ordeal unparalleled in her history.

It was declared that, if Japan were to act in accordance with the ideal of Hakko Ichiu, the system of government must be fundamentally revised, and the "national defence" structure of the state completed. It was Japan's aim to achieve the construction of a "new order in Greater East Asia". For that purpose she would increase her armaments and would mobilize the entire strength of the nation. Japan would first concentrate upon a successful settlement of the war in China.

By adopting a flexible policy, she would plan and prepare to take advantage of changes in the world situation in order to advance her own national fortunes.

THE SECOND KONOYE CABINET WAS RESOLVED TO COMPLETE THE MILITARY DOMINATION OF JAPAN

It has been seen that, on 26 May 1940, Konoye and KIDO had planned to form a new Cabinet which, by acting in accordance with the wishes of the military and by suppressing all political groups which might oppose its policy, would become the government of a totalitarian state. Thus the leaders of the military faction would be, in fact, the undisputed rulers of Japan.

As early as September 1930, HASHIMOTO had advocated the formation of such a military Cabinet, and from that time onward it had been an ultimate goal of the military faction's planning. The national policy decision of 11 August 1936 had decreed that steps would be taken to lead and unify public opinion, and to strengthen the people's will to carry out the aggressive policy which had been adopted. The enactment, in February 1938, of the National General Mobilisation Law had brought those objects within reach. The Army, in commenting upon the purposes of the law, had indicated that every aspect of the nation's life would be directed to the achievement of the maximum pitch of warlike efficiency.

In the economic and industrial fields these results had in large degree already been obtained. Public opinion also had been

rigidly controlled, and attuned to the desires of the Army and its supporters. When the second Konoye Cabinet came to power the ultimate steps were taken to complete the military domination of Japan.

The new Cabinet owed its existence to Army support. In order that its policy should be founded firmly, Konoye had secured the prior agreement of the new War and Navy Ministers. It remained to carry out the measures necessary to ensure the unification of military policy and Cabinet policy, and to complete the regimentation of the Japanese nation in preparation for future wars. When, on 26 July 1940, the new Cabinet, of which TOJO and HOSHINO were members, met to approve the policy already settled, these aims were given great prominence.

It was then decided that all branches of government would be remodelled in accordance with the fundamental principle of the basic national policy decision. The education system would continue to be used for this purpose, and the Japanese people would be imbued with the idea that service to the state was the paramount consideration.

The Cabinet, by setting up a new national political structure, would strive for a co-ordinated unity of government. The Diet system would be altered to conform to this plan.

The nation would be reorganised upon the basis of service to the state and of cooperation between the people and their autocratic government.

These aims were attained through the collaboration of Army and Cabinet. Of the new means employed the most important were the "liaison Conference" and the Imperial Rule Assistance Association.

THE LIAISON CONFERENCE, AND THE MANNER IN WHICH THE DOMINATION OF THE MILITARY FACTION WAS MADE COMPLETE

The purpose of the Liaison Conference was to ensure the unity of military and Cabinet policy. Its establishment had been foreshadowed by Konoye and KIDO at their meeting of 26 May 1940, when it was decided to set up a supreme national defence council of which the Chiefs of the Army and Naval General Staffs as well as the Premier and the War and Navy Ministers would be members.

The new body was larger than Konoye and KIDO had originally intended. It came to include, not only the members already specified, but also the Foreign and Finance Ministers, the Vice-Chiefs of the Army and Naval General Staffs and the Chiefs of the Military and Naval Affairs Bureaux. Sometimes it was attended also by the President of the Planning Board and the Chief Cabinet Secretary.

The Liaison Conference met on 27 July 1940, the day after the new Konoye Cabinet had agreed upon the principles of its future policy. At this meeting similar decisions were made covering every important aspect of the nation's domestic and foreign policy.

The new conference, which for the first time enabled the leaders of the Army and Navy to take a direct part in the formulation of Cabinet policy, became itself a very important policy-making body. It tended further to diminish the influence of the Court circle by assuming the deliberative functions of the Imperial Conference. This latter body, which was summoned only to decide the gravest matters of state, after this time did little more than accord formal approval to decisions already reached by the Liaison Conference.

The decisions of the new body represented the combined authority of the Army, Navy, and the five most important Cabinet Ministers. They were therefore difficult to change. During the year 1941 Liaison Conferences were held frequently, and came more and more to usurp the functions of the Cabinet meeting.

The Liaison Conference served also to strengthen the position of the Premier. Previous Cabinets had been overthrown through the disaffection of the Army. Frequently decisions of the Four and Five Ministers' Conferences had been nullified because the War Minister, after consultation with other

Army and War Ministry officials, had withdrawn his agreement. Now that the service chiefs had themselves become party to important decisions, the settled policy could not afterwards easily be disrupted.

The Army had planned to use Konoye as a mere instrument of its policy; but, through the careful manner in which he had constructed his Cabinet around a predetermined policy, and through the institution of the Liaison Conference, Konoye had achieved a commanding position as the leader of an authoritarian regime. The Cabinet and Army worked together to complete the military domination of Japan by regulating the political activities of the Japanese people and by eliminating political opposition.

The Imperial Rule Assistance Association, which was formally established on 10 October 1940, is discussed more fully in a later chapter of this judgment. It became a nation-wide organisation heavily subsidised by the Japanese government. After its establishment all other political organisations disappeared. In this manner the revision of the Diet system was achieved, and the idea of service to the state was instilled into the minds of the Japanese people.

The Army had intended through this new association to drive out all existing political parties, and to establish a new "pro-Army" party, subservient to the wishes of its own

leaders. But Konoye, as he had planned with KIDO, had attracted to the new organisation the members of existing parties. He had proclaimed that the military, the government authorities and the people must unite in order to construct a country with powerful "national "defence".

In August 1940 MUTO, Chief of the Military Affairs Bureau and one of the Army's most prominent leaders, conceded that the situation had changed. He pointed out that the Imperial Rule Assistance Association was not a movement to which the people themselves had given rise, but something which had been imposed upon them. He believed that strong political powers should be delegated to the new organisation. He recognised that Army and Cabinet should work together to lead and spread the movement, and so to promote the aggressive national aims which Army and Cabinet now held in common.

THE TENTATIVE PLAN FOR COLLABORATION WITH GERMANY, AND THE EXTENT OF JAPANESE PLANNING FOR THE DOMINATION OF GREATER EAST ASIA

When, on 16 July 1940, Konoye received the mandate to form a Cabinet, a tentative plan of Japan's new foreign policy had already been prepared. The Foreign Ministry had at length determined upon the policy of close collaboration with Germany

and Italy, which the members of the pro-German faction, and most notably SHIRATORI, had urged incessantly during the preceding year. Spurred on by von Ribbentrop's refusal to disclose Germany's intentions until Japan's own aims were clarified, the Foreign Ministry had drafted a proposal designed to secure Germany's cooperation without committing Japan to participation in the European War.

The discussions of this proposal by Army, Navy and Foreign Ministry representatives on 12 July 1940 and again on 16 July 1940 revealed the fear that events were passing Japan by. It was assumed that Germany would conquer Great Britain. It was believed that the European War might be ended in the near future. It was realised that, if Japan were not prepared to act quickly, the opportunity for conquests in the South might vanish.

Japan feared that, once the war in Europe was over, Germany would resist Japan's attempts to extend her own domination throughout East Asia and the South Seas, and that Germany and Italy might then act in conjunction with other nations to frustrate a Japanese advance. On the other hand, as Foreign Minister Matsuoka said later, it was believed that at this time "Japan has such a strength as is "able to tip the balance of the world as she "likes."

Encouraged by Germany's successes in Europe, Japanese leaders no longer spoke merely of the establishment of a "new order in East Asia". The phrase now commonly used was the "Greater East Asia Co-"Prosperity Sphere". At this moment when Great Britain, France and the Netherlands were in eclipse, it was decided that Japan should seize control of all British, French, Netherlands and Portuguese possessions in the areas of East and South-East Asia and of the Pacific Ocean.

On 16 July 1940 Army, Navy and Foreign Ministry representatives agreed that the ultimate goal of Japanese expansion should include all the territory lying between eastern India and Burma on the one hand and Australia and New Zealand on the other. As a more immediate objective Japan would aim at the domination of an area which included Hongkong, French Indo-China, Thailand, Malaya, the Netherlands East Indies, the Philippines and New Guinea.

To achieve these aims it was thought imperative that Japan should make a definite proposal as a basis for her collaboration with Germany and Italy. Japan would not undertake to intervene in the European War, but rather she would declare her intention of undertaking separately a war against Great Britain when it was felt that the opportune moment had arrived. Japan would, however, undertake to assist Germany in conquering Great Britain by all means short of a declaration of war.

Japan would take steps to undermine Great Britain's influence in the Far East, and to foster separatist movements in India and Burma. Japan would offer Germany her support and cooperation in regard both to the United States and to the Soviet Union. Japan would minimise the possibility of United States intervention in the European War, because her actions would constitute a constant threat to American interests in the Pacific and in the Far East. Japan in turn would gain protection against the possibility of United States or Soviet interference with her plans.

Japan would recognise the exclusive rights of Germany and Italy in Europe and in Africa, and would ask in exchange for an acknowledgment of her own right to political supremacy and economic freedom in East Asia and the South Seas. She would ask also for German cooperation in the war against China, and for German economic and technical assistance. She would promise in exchange to supply, both from China and from the South Seas, those raw materials of which Germany stood in need. Japan and Germany would arrange for reciprocity in trade between the two vast spheres of influence which they expected to control when the European War was over.

This plan became the basis of the second Konoye Cabinet's foreign policy.

THE ADOPTION OF THE TENTATIVE PLAN BY THE SECOND KONOYE CABINET

Although Japan had decided upon the conquest of South-East Asia and the East Indies, there was great uncertainty as to the nature and timing of the actual measures to be taken. In part this element of indecision arose from the differing viewpoints of the Army, the Navy and the Foreign Ministry; but the principal reason for it was uncertainty as to Germany's real aims.

There was great apprehension lest Germany herself might have designs upon French Indo-China, the Netherlands East Indies, and other areas in the South Seas. It was felt that Japan must adopt a firm attitude upon this question, and must move quickly while Germany was preoccupied in Europe. On the other hand it was determined to present Japan's exclusive claims in the form most easy of German acceptance. Japan would conceal her aims of conquest, saying only that she desired political leadership and economic opportunity.

Concern was also felt about Germany's relationship with the Soviet Union and with the United States. It was expected that, when the European War was over, these two countries, together with Germany and Japan, would emerge as the four remaining world powers. It was desired that, when this happened, Japan should

continue to cooperate with Germany and Italy; but it was feared lest a change in German policy should leave Japan unsupported. It was agreed that Japan should negotiate with the United States solely for the purpose of furthering the achievement of her own aims in conjunction with these of Germany and Italy. It was recognised that the policy of fostering better relations with the U.S.S.R. should be followed only as long as it suited the plans of Germany and Japan.

Lastly, there was uncertainty lest the degree of cooperation which Japan was prepared to offer should prove unacceptable to Germany. It was debated whether Japan should not immediately take stronger measures against Great Britain, or should promise to attack Singapore when the war in China had been ended; but it was decided to make no definite commitments.

These were uncertainties which it became the task of the new Cabinet to resolve. There was no such doubt about the basic principles of Japanese foreign policy. The Army, Navy and Foreign Ministry representatives were agreed that Japan should, in spite of all difficulties, establish her dominion over the whole of East and South-East Asia and the South Pacific area. For this purpose Japan would, if necessary, make war on any nation which opposed her purpose. Since expediency demanded it, she would first reach agreement with Germany and Italy.

When, on 19 July 1940, Konoye, Matsuoka, TOJO and Yoshida met to formulate the policy of the new Cabinet, they adopted the plans which had already been made. They resolved to strengthen Japan's relationship with Germany and Italy, so that the "new order" might be established quickly. In pursuance of this plan they determined to conclude a non-aggression pact with the Soviet Union, making Manchukuo and Mongolia parties to the new agreement. They decided that British, French, Netherlands and Portuguese territories should be included within the framework of Japan's "new order". If the United States did not interfere with these plans, Japan would not seek to attack her; but if the United States should attempt to intervene, Japan would not hesitate to resort to war.

THE SECOND KONOYE CABINET'S POLICY WAS BASED UPON THE NATIONAL POLICY DECISION OF 11 AUGUST 1936

Although, when the second Konoye Cabinet took office, Arita's conduct of foreign affairs gave place to the "strong" foreign policy of Konoye and the military faction, the central feature of Arita's policy was maintained. The new Cabinet was determined that Japan's long-standing national ambitions, which were again described as the ideal of Hakko Ichiu, should not be subordinated to those of Germany and Italy.

While the terms of Japanese collaboration with Germany and Italy were yet unsettled, the new Cabinet placed renewed emphasis on the unchanging aims of the Army's planning, which had been settled in the basic national policy decision of 11 August 1936. As in 1936, so on 26 July 1940, the foremost goals of Japanese policy were stated to be those of conquering China, and of promoting every aspect of the national mobilisation for war. While these settled aims were being carried out, Japan would adopt flexible policies so that she might take advantage of changes in the international situation to further her own interests.

It was, however, stated clearly in the Cabinet decision of 26 July 1940 that Japan would construct a "new order in Greater East "Asia", of which Japan, Manchukuo and the rest of China would form merely the foundation. On 1 August 1940 this decision was published by the Foreign Ministry as a government announcement.
On this occasion Foreign Minister Matsuoka made a statement in which he referred to Japan's mission as the task of spreading "Kodo" throughout the world. He said that it was the immediate aim of Japanese foreign policy to establish, in accordance with that spirit, a great East Asia chain of common prosperity with Japan, Manchukuo and the rest of China as one of its links. For this purpose

Japan would be prepared to surmount all obstacles, both material and spiritual, lying in her path. In concert with those friendly powers who were prepared to cooperate with her, Japan would strive with courage and determination for the fulfillment of the ideal and the heaven-ordained mission of her country.

Meanwhile, at the Liaison Conference of 27 July 1940, the Army and Navy had signified their acceptance of the Cabinet's policy, and had resolved in the meantime "to settle the "southern problem within limits, so as not to "cause a war against a third power". While Japan sought to arrange the terms of collaboration with Germany and Italy, and to effect a rapprochement with the Soviet Union, Japan would maintain a firm, yet moderate attitude towards the United States. The Liaison Conference resolved that, "although we will "not refrain from boldly carrying out the "policy deemed necessary by the Empire in spite "of the inevitable and natural aggravation which "will accompany it, we will always heed the "actions of the United States. We must plan," the resolution continued, "even by going out of "our way, to avoid the increase of friction".

In this respect also the Cabinet adhered to that principle of the national basic policy decision which stated that Japan should extend her influence "in the South Seas, under the

"joint efforts of diplomatic skill and national "defence", while attempting to avoid the needless aggravation of other nations.

THE POLICY OF
"SETTLING THE SOUTHERN PROBLEM WITHIN LIMITS"

The Liaison Conference, acting in accordance with this principle, decided in detail the measures which should be taken immediately in pursuance of Japan's policy of advancing southward. Already northern French Indo-China was under Japanese control. Japanese forces had been mobilised in preparation for a possible attack on Hongkong. Japan had made demands upon the Netherlands East Indies for a guaranteed supply of raw materials; and, on the day on which the new Cabinet took office, it had been announced that Japan would send an economic commission to the Netherlands East Indies to reach a settlement upon this matter.

The Liaison Conference decided that these policies would be continued, For the time being Japan would attempt to secure the vital resources of the Netherlands East Indies by diplomatic means. She would negotiate for Germany's consent to Japan's occupation of French Pacific possessions, and for the retention of those formerly German islands which Japan now administered under mandate. Japan would also try to foster the support of other countries in the South Seas.

In regard, however, to French Indo-China, Hongkong, Malaya and the settlements of the Western Powers in China Japan would take stronger measures to prevent assistance to the forces of Generalissimo Chiang Kai-shek and to root out the feeling of enmity towards Japan. From French Indo-China Japan would demand the use of airfields, and the right of passage for her troops. She would require French Indo-China to provision her troops, and would also take steps to secure raw materials from that country.

These measures did not satisfy War Minister TOJO. On 31 July 1940 Ambassador Ott reported to Germany that TOJO was bringing about an acute deterioration in Japan's relations with Great Britain. By doing so he hoped further to undermine the influence of the pro-British groups in Japan, and to hasten the time when Japan would take action against British possessions in East Asia.

SHIGEMITSU'S VIEWS ON THE "GREATER EAST ASIA" POLICY

On 5 August 1940, when the second Konoye Cabinet's policies had been decided, Ambassador SHIGEMITSU sent Matsuoka a message in which he congratulated the new Foreign Minister upon his appointment, and upon the establishment and enforcement of the "Greater East Asia policy".

While the Yonai Cabinet was in office SHIGEMITSU had urged Foreign Minister Arita to resist the demands of the Military faction. He had contended that, as a result of the war in Europe, the influence of the Western Powers in East Asia was being steadily diminished. He had believed that the position of Far Eastern supremacy which Japan coveted could best be achieved by maintaining a policy of strict neutrality. The military faction had, however, come to power, and there was no longer any prospect that a policy of strict neutrality would be followed.

SHIGEMITSU now lent his support to the aims of the new Cabinet, saying "In order to establish "our position in Greater East Asia, it would be "necessary to consider measures for gaining the "maximum benefits at the minimum loss by carrying "them out at the direct expense of small nations, "and by avoiding conflict with other countries so as "not to make many enemies at once but to dispose of "them one by one". He instanced France and Portugal as countries at which these measures should be directed, remarking that in this way progress might be made at the indirect expense of Great Britain and the United States.

SHIGEMITSU, however, made it clear that he still believed in the likelihood of the ultimate victory of the Western Powers over Germany and Italy. He showed himself to be opposed to the cardinal principles of the

Konoye Cabinet's policy, which was based upon the assumption that Germany would certainly conquer Great Britain.

The new Cabinet had determined to intensify Japan's campaign to crush the resistance of the forces of Generalissimo Chiang Kai-shek; but SHIGEMITSU, as on earlier occasions, advocated the adoption of a liberal-minded attitude towards the settlement of the war in China.

The Cabinet had also adopted a policy for southward expansion which contemplated attacks upon British possessions in the Far East. The Army and War Minister TOJO were eager to hasten the time when hostilities would begin. The Cabinet had resolved that the advance to the South would be carried out, even if war between Japan and the United States should ensue. SHIGEMITSU emphasized that it was necessary for Japan "to proceed with scrupulous considera-"tion and prudence" in her relations with Great Britain and the United States. He once more pointed out that Great Britain's influence in the Far East was diminishing, and claimed that even the United States was retreating from its position in East Asia. He adhered to the view that, if Japan acted with moderation in carrying out her East Asia policy, it could be expected that British and United States obstructions to that policy would in due course be removed.

The second Konoye Cabinet had decided to foster Japanese collaboration with Germany and Italy. The Army had renewed its demands for the conclusion of a tripartite alliance of the Axis Powers. SHIGEMITSU stressed the dangers entailed in taking any step which bound Germany and Japan to the pursuit of a common policy. He warned Matsuoka that powerful movements were afoot to draw Japan into a Pacific conflict with Great Britain and the United States. He implied that this was Germany's policy; and that among certain circles in Great Britain it was desired that Japanese expansion in East Asia should be prevented by such a war. During the latter months of 1940 SHIGEMITSU, as Ambassador in London, encouraged members of the British government to seek a new basis for resumption of friendly relations with Japan.

In this despatch of 5 August 1940 SHIGEMITSU urged that Japan should push forward with an independent policy, parallel to that of Germany and Italy. He drew attention to the Soviet Union's relationship with Germany as a model for Japan to follow. The U.S.S.R. he said, was maintaining strongly a policy of neutrality which left room for compromise with Great Britain. At the same time, SHIGEMITSU alleged, the Soviet Union was building up her power over small countries unconnected with the European War. This was the policy which SHIGEMITSU considered that Japan should follow in order to attain her main object of establishing "a powerful political "and economic position in East Asia."

MATSUOKA PROPOSES TO GERMANY THE TERMS OF JAPANESE COLLABORATION WITH THE AXIS POWERS

Nevertheless, even before the terms of Japanese collaboration with Germany and Italy had been arranged, an ultimate warlike advance into South-East Asia and the East Indies was already regarded as settled policy. Early in August 1940 Fushimi, the Chief of the Naval General Staff, advised the Emperor that the Navy wished for the present to avoid the use of force against Malaya and the Netherlands East Indies. He said that, after the decision for war was made, a further eight months at least would be required for preparations. He considered, therefore, that the later war came, the better it would be.

Already Foreign Minister Matsuoka had taken the first step towards reaching agreement with Germany and Italy. On 1 August 1940 he informed Ambassador Ott that both the government and people of Japan desired their country's relations with Germany and Italy to be strengthened. He said that he himself had always supported such a policy, but made it clear that the Cabinet's decision would depend upon the terms of cooperation which Germany offered.

At the conferences of July 1940 it had been decided that Japan would not undertake to

intervene in the European War. Instead Matsuoka invited Germany to take a broad view of the world situation. He pointed out that, even after Germany had conquered Great Britain, the destruction of the remaining countries of the British Commonwealth would prove no easy matter. Ott agreed that this was the case. Matsuoka said that Germany would be opposed both by the Soviet Union and by an Anglo-Saxon bloc consisting of the United States and the surviving British countries. Japan would then be in a very strong position.

Japan, said Matsuoka, was determined to continue the war in China until Chinese resistance had been crushed. This could be accomplished without German assistance. Japan, he continued, was also determined to realise her ambitions in the South. In Matsuoka's opinion, Japan would first concerntrate upon the countries not further south than Thailand, but her objectives would change with changing world conditions. In order to secure German cooperation Matsuoka told Ott that Japan intended neither to subjugate nor to exploit the territories over which she would establish her control.

Having thus taken the initiative, Matsuoka desired to know Germany's attitude towards Japan's policy, and what support Germany was prepared to offer. He wished also to find out Germany's policy in regard both to the Soviet Union and the United States, and

what Germany desired of Japan in her relationships with these two countries.

Upon the same day on which this conversation took place Ambassador Kurusu made similar overtures to an official of the German Foreign Ministry. The Germans concluded that, if Kurusu and Matsuoka correctly represented their country's aims in East Asia and the South Seas, it was in Germany's interest to collaborate upon the terms which the Japanese had suggested. Accordingly, on 23 August 1940, Stahmer was despatched by Foreign Minister von Ribbentrop as Germany's special emissary to Japan.

Meanwhile Matsuoka conducted a thorough purge of all diplomats and Foreign Ministry officials who favoured cooperation with the Western Powers. SHIRATORI became the representative for foreign political matters on a commission established to "adjust state affairs "upon an authoritarian model". The new commission demanded constantly a policy of cooperation with the Axis Powers.

THE DETAILED PLAN FOR A TRIPARTITE MILITARY ALLIANCE: FOUR MINISTERS' CONFERENCE, 4 SEPTEMBER 1940

On 4 September 1940 Prime Minister Konoye, Foreign Minister Matsuoka, War Minister TOJO and the Navy Minister met to plan the strategy of Japanese negotiations with Germany. It was felt that this was the opportune moment for initiating conversations with that country. Stahmer, the German special envoy, was on his way to Tokyo, and the desire for strengthening Japanese collaboration with Germany and Italy had become very pronounced.

At this Four Ministers' Conference there was no departure from the policies already decided upon; but the Japanese attitude towards all aspects of the negotiations with Germany and Italy was defined and set out with great particularity. It was decided that Japan, Germany and Italy would reach a fundamental agreement so that the three powers might cooperate by all means, including recourse to war, in establishing their aims of domination in Asia and in Europe respectively. The three countries would agree upon the manner in which they would support each other in achieving these aims, and as to the policies which they would jointly adopt towards Great Britain, the United States and the Soviet Union.

After the shortest possible period spent in negotiations, the agreement reached would be

published in the form of a joint declaration. This would provide the basis for a more detailed military agreement, the terms of which would not necessarily be made public. This latter agreement would define the obligations of each contracting power to furnish military, economic and other kinds of mutual support.

The four Ministers planned in detail the forms which Japan considered this support should take, and settled the principles upon which Japan would negotiate for a tripartite military alliance.

In the first place it was agreed that Japan's sphere of influence should include the Japanese mandated islands of the Pacific, French Indo-China and other French Pacific possessions, Thailand, Malaya, British Borneo, the Netherlands East Indies, Burma, Australia, New Zealand, India and other countries. In conducting negotiations with Germany, however, Japan would speak only of the area from Burma eastward and from New Caledonia northward, including the Netherlands East Indies. If Germany should make reservations, Japan would express her intentions in such a way as to secure German recognition of her aim of predominance in the whole of East Asia, including the South Seas. Japan would maintain that her utlimate goal was to establish the independence of French Indo-China and the Netherlands East Indies, but that she desired first to gain a political and economic ascendancy over those countries.

In the second place the three countries would adopt common policies in regard to the Soviet Union and the United States. It would be their aim to maintain friendly relations with the U.S.S.R., but they would agree also to act in concert in case it became likely that one of the contracting powers would be involved in war with the Soviet Union. Japan would cooperate with Germany and Italy in restraining the U.S.S.R. on the east, west and south, thus endeavouring to induce that country to align itself with the Tripartite Powers.

The contracting powers would also act in conjunction in restraining the United States by measures short of war. In accordance with this policy, the Philippines were not included among the countries which it was Japan's immediate intention to dominate. Their inclusion would depend upon the attitude of the United States. By political and economic collaboration with Germany and Italy pressure would be brought to bear upon the United States, thus enabling the attainment of Japan's ambitions.

In the third place the nature of the economic assistance to be rendered by each contracting power would be made the subject of a separate agreement. Japan would furnish from the areas under her control the raw materials needed by Germany for the prosecution of the war against Great Britain. Germany in turn would cooperate with Japan in facilitating the prosecution of the war in China; and would

furnish technical assistance and materials of war for which Japan had in the past been largely dependent upon the United States.

In the fourth place, Japan would take such steps as the situation might require to eliminate the political and economic interests of Great Britain in the Far East. By means of economic assistance to Germany, by political and economic pressure upon British interests in China, by propaganda and by encouraging independence movements in British territories, Japan would assist Germany and Italy in the war against Great Britian. If Germany desired it, Japan would, as a matter of principle, declare her willingness to afford military cooperation against Great Britain. If not, her chief objective would be the United States.

Nevertheless, concerning the possible use of armed force against Great Britain and the United States, Japan would reserve the right to make her decisions independently. If the war in China should be nearing settlement, Japan would use armed force, choosing as favourable an occasion as possible for this purpose. While the conflict in China continued Japan would not resort to war against the Western Powers, unless the situation should be such as to permit no further delay.

The essence of the proposed alliance was that which Matsuoka had suggested to the Germans. When Germany had emerged victoriously

from the war against Great Britain the world would be divided into four spheres of influence, dominated respectively by Germany and Italy, by Japan, by the Soviet Union and by the United States. Both before and after this situation had come about, Japan would act in conjunction with Germany and Italy so that each might realise fully its aims of conquest and aggrandisement.

THE NEGOTIATION OF THE TRIPARTITE ALLIANCE

9 - 11 SEPTEMBER 1940

Five days later, on 9 September 1940, Foreign Minister Matsuoka met Stahmer and commenced negotiations with Germany. Stahmer, who spoke under the German Foreign Minister's direct instructions, revealed that Germany was no less eager than Japan to conclude the proposed tripartite alliance.
In all material respects Germany's views corresponded closely with those which Matsuoka had expressed to Ambassador Ott on 1 August 1940.

Germany, said Stahmer, desired to end the European War quickly, and did not at the present juncture require Japan's military assistance. Germany particularly wished Japan to restrain and prevent the United States from entering the war. The conclusion of the proposed alliance and the adoption of a strong foreign policy was considered to be the surest way of preventing war between the United States and either Japan or Germany. Germany and Italy,

said Stahmer, would do everything possible to restrain the United States, and would supply Japan with such war equipment as they could reasonably spare.

In other respects also Germany's proposals accorded well with Japanese aims. Germany, declared Stahmer, recognized and respected Japan's political leadership in East Asia. All that Germany required in that area was of an economic nature. She would collaborate with Japan, and would expect Japan to meet her economic needs. Germany would also assist in bringing about a rapprochement between the Soviet Union and Japan, and believed that this would present no insuperable difficulty.

Although Germany for the present desired Japan's neutrality, Stahmer made it clear that Germany regarded Japan as an ally in the coming struggle for world supremacy. The present war, he said, may end quickly, but the great struggle will go on, in one form or another, for decades. In the meantime Germany would do everything possible to prevent war between Japan and the United States, and even, if possible, to improve their relations. Nevertheless, said Stahmer, the tripartite powers must be prepared for the worst contingency. Germany believed that in the long run war between Japan and the United States could scarcely be avoided.

Stahmer told Matsuoka that the war in Europe was destined in the end to develop into a struggle against the whole Anglo-Saxon world.

Germany regarded the proposed alliance as a long-term arrangement for cooperation in this struggle, and therefore desired that Japan should join the Axis quickly before the war with Great Britain was ended.

Stahmer and Matsuoka met on 9, 10 and 11 September 1940. At the third meeting they settled between them the draft of the proposed tripartite alliance. At Germany's express desire, Italy was not invited to participate in these negotiations. Ciano, the Italian Foreign Minister, received his first intimation of the proposed alliance from von Ribbentrop on 19 September 1940. The German Foreign Minister then expressed his belief that the alliance would have a double adge--against the Soviet Union and against the United States.

THE CIRCUMSTANCES SURROUNDING THE CONCLUSION OF THE TRIPARTITE ALLIANCE

After Matsuoka and Stahmer had settled the draft of the proposed tripartite alliance, no time was lost in securing its conclusion. On 16 September 1940 the proposal was first submitted to an Imperial Conference which took the form of a meeting of the Privy Council in the Emperor's presence. Foreign Minister Matsuoka traced the course of the negotiations with Germany, and explained each clause of the proposed draft. The Navy, however, did not agree to the proposal.

Three days later, on 19 September 1940, the question was considered by the Liaison Conference, and, on 24 September 1940, agreement was finally reached. On 26 September 1940 this was reported to the Privy Council which again met in the Emperor's presence. Konoye, Matsuoka, TOJO and Oikawa, who had now replaced Yoshida as Navy Minister, were in attendance. The spokesmen for the alliance included HOSHINO, the President of the Planning Board, MUTO, the Chief of the War Ministry's Military Affairs Bureau, and representatives of the Finance and Navy Ministries.

So great was the need for urgency now considered that the Privy Council departed from the usual practice of deputing an Investigating Committee to consider the draft and to submit a written report. Instead those present at the Privy Council meeting constituted themselves a committee of the whole under the chairmanship of the Council's Vice-President. Konoye and Matsuoka first explained the proposal. The ensuing discussions lasted all day and into the evening. The Investigating Committee of the whole then unanimously recommended the conclusion of the proposed alliance, and added a warning. It was resolved that the government should improve Japan's relations with the Soviet Union, and should avoid any

action which might incite Great Britain and the United States, but it was demanded that the government, while taking these measures, should prepare for the worst.

The conference was then once more convened as a meeting of the Full Privy Council, held in the Emperor's presence. The Chairman of the Investigating Committee reported orally the recommendations decided upon, and, after some further discussions, the conclusion of the alliance was unanimously approved.

On the following day, 27 September 1940, the Tripartite Alliance was concluded. An Imperial Rescript was issued, announcing that the new alliance was an instrument of peace, which enabled each nation "to have its proper place "in the world". Foreign Minister Matsuoka made a speech declaring that Japan's responsibilities as the leader of the "new order" in East Asia had increased. He said that, although Japan intended to fulfill these responsibilities by peaceful means, occasions and circumstances might arise which called for a momentous decision. Japan's future, he added, was beset with countless diffculties which no ordinary effort would be sufficient to surmount.

OSHIMA and SHIRATORI were more explicit. SHIRATORI, writing in December 1940, described the Tripartite Alliance as a means of achieving the "new world order", and as the climax of a

movement which had first found expression in the conquest of Manchuria.

In OSHIMA's view the Konoye Cabinet was at this time certain that the "Greater East "Asia Sphere" could be achieved only through an advance to the south by military force. The only question, he said, was "when things "should start".

KIDO, too, understood clearly the full significance of the Tripartite Alliance. On 21 September 1940 he informed the Emperor of his belief that, if the alliance was concluded, Japan would eventually have to oppose Great Britain and the United States. He therefore considered that the war in China should be settled speedily.

The Emperor had said that he would never give his consent to the proposed alliance. The Elder Statesman, Prince Saionji, upon whose advice the Emperor had greatly relied, was known to oppose it strongly. After the Navy's agreement had been obtained, the Konoye Cabinet had still this difficulty to overcome. It was surmounted through KIDO's connivance.

As Lord Keeper of the Privy Seal it was KIDO's duty to advise the Elder Statesman of the course of the negotiations. Though fully aware of the gravity of the decision which was being made, KIDO left Saionji in complete ignorance of what was afoot. When taxed with this failure of duty he replied only that it

was due to consideration for the Elder Statesman's ill-health. Saionji, upon learning that the alliance had been concluded, was greatly aggrieved, and felt that the Emperor had been deserted.

THE TERMS OF THE TRIPARTITE ALLIANCE AND ASSURANCES EXCHANGED BETWEEN JAPAN AND GERMANY 27 SEPTEMBER 1940

The preamble to the Tripartite Alliance recited the resolve of the contracting powers to establish "new orders" in Europe and in Asia respectively; and their determination to assist one another in so doing. The instrument provided that Germany and Italy would respect Japanese leadership in Asia, and that Japan would respect German and Italian leadership in Europe. The three countries pledged their mutual cooperation, the details of which were to be settled by a specialized joint commission appointed for the purpose. If any contracting power should be attacked by any country not presently engaged in the European War or in the war in China, the other parties to the alliance would render political, economic and military assistance. Germany and Italy would confirm that the alliance would have no effect upon the present relations between the Soviet Union and any signatory power. The alliance would remain in force for ten years, and provision was made for its renewal.

On 27 September 1940, the day upon which the Tripartite Alliance was concluded, further assurances between Japan and Germany were effected by exchange of letters. It was agreed that Japan should retain those former German Pacific islands which she now administered under mandate from the League of Nations. Other former German colonies in the South Seas, presently under the control of other powers, would automatically return to German ownership when the war against Great Britain was won. Germany, however, pledged her willingness to negotiate for their transfer to Japan.

Matsuoka set out Japan's desires in a letter to the German Ambassador. Japan, he said, shared German and Italian hopes that the European War would remain limited in scope and that it would be ended speedily. Japan would spare no effort to achieve such a result. He added, however, that "the "conditions actually prevailing in Greater "East Asia and elsewhere" were such that there was danger of a war between Great Britain and Japan. His government was confident, Matsuoka declared, that in such an event Germany would aid Japan by all means in her power.

Ott acknowledged receipt of this letter and said that the circumstances in which aid would be given would be determined by consultation among the three powers. Germany pledged her own assistance and her

good offices with the Soviet Union. She undertook also to give Japan such industrial and technical assistance as was possible.

Germany, said Ott, was convinced that the tripartite powers were about to enter into a new and decisive phase of world history, in which it would be their task to assume the roles of leadership in Europe and in "Greater "East Asia" respectively.

THE INTENTIONS OF JAPANESE LEADERS IN CONCLUDING THE TRIPARTITE ALLIANCE

The Tripartite Alliance was concluded as a necessary step in Japanese preparations for a military advance into South-East Asia and the South Seas. At the numerous discussions and conferences of September 1940 it was recognised by all who took part that the conclusion of the alliance would commit Japan to waging war against France, the Netherlands, and the countries of the British Commonwealth; and that it implied also Japan's willingness to wage war against the United States, should that country seek to stand between Japan and the attainment of her aggressive aims. It was acknowledged that Japan was not yet self-sufficient in the materials of war; but it was considered that, when the new alliance had been concluded, the advantage of securing new sources of materials in the south outweighed the dangers of war with the Western Powers.

It was, however, also clearly understood that the alliance had broader aims. As Foreign Minister Matsuoka said at the Privy Council meeting of 26 September 1940, "The Pact now under review forms "forms the basis of the future foreign relations of "the Empire". It was expected that, when Germany had conquered Great Britain, there would remain as world powers the parties to the alliance, the Soviet Union and the United States. The contracting powers agreed that as a matter of expediency, they would in the meantime attempt to avoid war with both the United States and

the U.S.S.R. The terms of the alliance, which were to be published to the world, were in form defensive. The obligations of the contracting powers to support one another were represented as arising only if an attack was made upon one or more of their number. Nevertheless, the whole tenor of the discussions before the Privy Council and elsewhere shows clearly that the three powers were determined to support one another in aggressive action whenever such action was considered necessary to the furtherance of their schemes. Because the United States was recognised as the immediate obstacle to Japanese plans for advancing to the south, Matsuoka said that the alliance was directed principally against that country.

Similarly, because it suited the purposes of the contracting parties, it was agreed that they should make every effort to improve their relations with the Soviet Union. Yet it was recognised that the Tripartite Alliance was directed against that country also. Matsuoka did not contemplate that any improvement in Japan's relations with the Soviet Union would be of a permanent nature. He said that such an improvement could hardly last more than two or three years, and that after that time it would be necessary for the tripartite powers to review the position. In answer to a question put to him at the Privy Council meeting of 26 September 1940, Matsuoka said specifically that, notwithstanding the expressed terms of the alliance and the existence of a non-aggression treaty between Germany and

the Soviet Union, the tripartite powers would aid each other in case one of them should become engaged in war with the U.S.S.R.

In summary, the Tripartite Pact was a compact made between aggressor nations for the furtherance of their aggressive purposes. Its true character was well revealed when one Privy Councillor asked how the statement contained in the Preamble of the Pact that each nation should have its proper place in the world could be reconciled with Hitler's principle that only the strongest should survive. Prime Minister Konoye, Foreign Minister Matsuoka and War Minister TOJO answered jointly that only the strong nations were worthy of survival. If Japan, they said, should fail in her "grand mission of spreading "the Imperial Way", it could not even be helped if Japan herself went out of existence.

The decisions of the leaders of Japan, which followed the downfall of the Yonai Cabinet, are of outstanding importance, and have therefore been set forth in detail. They show that the conspirators were determined to extend the domination of Japan over a huge area and population and to use force, if necessary, to accomplish their aims. They show by plain admission that the purpose of the conspirators in entering into the Tripartite Pact was to secure support for the accomplishment of these illegal aims. They show that notwithstanding the seeming defensive terms of the Tripartite Pact, which were designed for publication, the obligations of the parties to support one another were expected to come into force if one of the parties became engaged in war whether defensive or aggressive. They wholly refute the contention of the defence that the purpose of the Tripartite Pact was to promote the cause of peace.

The conspirators now dominated Japan. They had fixed their policy and resolved to carry it out. While the aggressive war in China was continuing with undiminished vigor, their preparations for further wars of aggression which its execution would almost certainly involve were far on the way to completion. In the Chapter of the Judgment which deals with the Pacific War we shall see these preperations completed and the attacks launched which the conspirators hoped would secure for Japan the domination of the Far East.

JUDGMENT

INTERNATIONAL MILITARY TRIBUNAL FOR THE FAR EAST

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PART B

CHAPTER V

JAPANESE AGGRESSION AGAINST CHINA

SECTION I. INVASION & OCCUPATION OF MANCHURIA

THE CHINA WAR AND ITS PHASES

The war which Japan waged against China, and which the Japanese leaders falsely described as the "China "Incident" or the "China Affair", began on the night of 18 September 1931 and ended with the surrender of Japan in Tokyo Bay on 2 September 1945. The first phase of this war consisted of the invasion, occupation and consolidation by Japan of that part of China known as Manchuria, and of the Province of Jehol. The second phase of this war began on 7 July 1937, when Japanese troops attacked the walled city of Wanping near Peiping following the "Marco Polo Bridge Incident", and consisted of successive advances, each followed by brief periods of consolidation in preparation for further advances into Chinese territory. Some of the Accused were active in this war from the very beginning, some participated as the war progressed. SHIRATORI stated during the course of his lecture, "The Trend of the "Great War", which was published in the Diamond Magazine for June 1940, "It is not too much to say that the fuse of the European War was first attached by the China "Incident."

JAPAN'S FOOTHOLD IN MANCHURIA AT THE BEGINNING OF THE CHINA WAR

The position of Japan in Manchuria as at 18 September 1931 is described by the Lytton Commission in terms with which the Tribunal entirely agrees: "These

"treaties and other agreements gave to Japan an important "and unusual position in Manchuria. She governed the "leased territory with practically full rights of so-"vereignty. Through the South Manchurian Railway, she "administered the railway areas, including several towns "and large sections of such populous cities as Mukden "and Changchun; and in these areas she controlled the "police, taxation, education, and public utilities. She "maintained armed forces in many parts of the country: "the Kwantung Army in the Leased Territory, Railway "Guards in the railway areas, and Consular Police through-"out the various districts. This summary of the long "list of Japan's rights in Manchuria shows clearly the "exceptional character of the political, economic and "legal relations created between that country and China "in Manchuria. There is probably nowhere in the world "an exact parallel to this situation, no example of a "country enjoying in the territory of a neighboring State "such extensive economic and administrative privileges. "A situation of this kind could possibly be maintained "without leading to incessant complications and disputes "if it were freely desired or accepted on both sides, "and if it were the sign and embodiment of a well-"considered policy of close collaboration in the economic "and in the political sphere. But, in the absence of "these conditions, it could only lead to friction and "conflict."

The situation was not "freely desired and "accepted on both sides", and the friction inevitably followed. By the use of force or the threat of force, Japan had secured concessions from China in the days of her weakness; the resurgent nationalism of China

resented the losses which the decadent Empire of China had been unable to avoid. A more powerful factor, and ultimately the decisive factor in producing the friction, began to emerge as Japan, no longer satisfied with the rights she had gained, sought their enlargement on a scale which in the end involved the conquest of Manchuria. This policy on the part of Japan to seek enlargement of her rights and interests in China was first authoritatively announced in the time of the Tanaka Cabinet.

THE TANAKA CABINET AND ITS "POSITIVE POLICY"

The political atmosphere had been tense in Japan before the formation of the Tanaka Cabinet, which came into power in 1927 advocating the so-called "Positive Policy" toward China. The military group attributed what they termed the weakened condition of Japan at that time to the liberal tendencies of the Government as evidenced by the "Friendship Policy" advocated by Foreign Minister Shidehara. The "Friendship "Policy", which was thus displaced, had been in force since the Washington Conference of 1922. The "Positive "Policy", advocated by Premier Tanaka, was to expand and develop the special rights and privileges, which Japan claimed to have acquired in Manchuria, through collaboration with Manchurian authorities, especially Marshal Chang Tso-lin, the Commander-in-Chief of the Chinese North-Eastern Frontier Army and Chief of the Administration of Manchuria and Jehol. Premier Tanaka also declared that although Japan would respect the sovereignty of China over Manchuria and would do everything possible to enforce the "Open Door Policy" in

China, she was fully determined to see that no state of affairs arose in Manchuria which would disturb the local tranquility and put Japan's vital interests in jeopardy. The Tanaka Government placed great emphasis upon the necessity of regarding Manchuria as distinct from the rest of China and declared that, if disturbances spread to Manchuria and Mongolia from other parts of China, Japan would defend her interests in those districts by force. The policy thus involved an expressed intention to secure further rights in a foreign country and an implied claim of right to preserve internal peace and order in that foreign country.

AGITATION IN SUPPORT OF THE "POSITIVE POLICY"

Such organizations as the Kokurtukai (Black Dragon Society) and the Kokuhonsha (Foundation of the State Society) as well as such writers as Dr. Okawa (the former Accused) agitated strongly in Japan for the enforcement of Japan's special rights and privileges in China by force of arms if necessary.

The Black Dragon Society had been formed on 3 February 1901 at Kanda, Japan, to promote nationalism and anti-Russian and anti-Korean sympathies. It had advocated annexation of Korea, and in general supported the expansionist aspirations of Japan.

The Foundation of the State Society had been formed on 20 December 1920 to foster the spirit of nationalism and disseminate propaganda. It kept in close touch with the military and published a magazine to present its ideas to the public. HIRANUMA was President and KOISO and ARAKI were Members of the Society.

Dr. Okawa was a trusted employee of the South

Manchurian Railway Company, and had been a Director of the East Asia Research Institute established by the Railway Company to study the economic situation in Manchuria. He had published several books before the formation of the Tanaka Cabinet. "Sato Shinen's Ideal State", published by him in 1924, stated: that according to Sato, Japan being the first country in the world to be created, it was the foundation of all nations and therefore had the divine mission to rule all nations. The book advocated the occupation of Siberia to prevent the southward advance of Russia, and the occupation of the South Sea Islands to prevent the northward advance of Britain. He published, "Asia, "Europe and Japan", in 1925. In that book, he maintained that the League of Nations was organized to maintain eternally the status quo and further domination of the World by the Anglo-Saxons. He predicted that a war between the East and the West was inevitable. Providence was trying to elect Japan as the champion of Asia, he asserted. Japan should endeavor to fulfill that sublime mission by developing a strong materialistic spirit, he advised. Dr. Okawa had been the organizer of many societies including the Kochisha, one principle of which was the liberation of the colored races and the unification of the World. The political philosophy of Dr. Okawa had appealed to certain of the Military who had adopted him as their spokesman among the civilians and often invited him to deliver lectures at the Army General Staff meetings. Dr. Okawa became intimately acquainted with the Accused KOISO, ITAGAKI, DOHIHARA and other Army leaders.

THE TSINAN INCIDENT

Marshal Chang Tso-lin, having declared Manchuria independent of the Central Government of China at the time of the Washington Conference and made himself master of Manchuria, decided to extend his authority further into China proper and moved his headquarters to Peking. The policy of the Tanaka Cabinet, being based on the plan of collaboration with the Marshal, depended on the success of the Marshal in maintaining his leadership in Manchuria. Premier Tanaka repeatedly advised the Marshal to abandon his ambitions to extend his authority outside Manchuria; but the Marshal resented and refused this advice Civil war between Chang Tso-lin and the Nationalist Government of China followed. In the spring of 1928, when the nationalist armies of Generalissimo Chiang Kai-shek were marching on Peking and Tientsin to drive out the army of Chang Tso-lin, and force it back into Manchuria, Premier Tanaka issued a declaration to the effect that Japan would maintain peace and order in Manchuria and was prepared to prevent a state of affairs which would endanger the interests of Japan in Manchuria. The Premier then sent a message to the Chinese generals in effect telling them that the Japanese would oppose any invasion of Manchuria, including the definite statement that the Japanese would prevent defeated troops or those in pursuit from entering Manchuria. Even before the civil war spread to Manchuria, Japanese troops were sent to Tsinan in Shantung Province. A conflict ensued known as the Tsinan Incident, which aroused public opinion in Japan in favor of protection of Japanese rights in Manchuria. The Black Dragon Society held mass-meetings all over Japan in an effort to fan national resentment against China to the war pitch.

MURDER OF MARSHAL CHANG TSO-LIN

Marshal Chang Tso-lin had not only disregarded the advice of Premier Tanaka in attempting to extend his authority south of the Great Wall, but had shown increasing unwillingness to allow Japan to exploit China by the privileges she derived from various treaties and agreements. This attitude of the Marshal had caused a group of officers in the Kwantung Army to advocate that force should be used to promote the interests of Japan in Manchuria and to maintain that nothing was to be gained by negotiating with the Marshal; however, Premier Tanaka continued to collaborate with the Marshal, relying upon the threat of force rather than its actual use to attain his objectives. This resentment of the Marshal by certain officers of the Kwantung Army became so intense that a senior staff officer of that army, Colonel Kawamoto, planned to murder the Marshal. The purpose of the murder was to remove him as the obstacle to the creation of a new state in Manchuria, dominated by Japan, with the Marshal's son, Chang Hsueh-liang, as its nominal head.

In the latter part of April 1928, the Marshal was defeated by the nationalist armies of Generalissimo Chiang Kai-shek. Premier Tanaka advised him to withdraw into Manchuria behind the Japanese lines before it was too late. The Marshal resented this advice, but was forced to follow it. The Kwantung Army, in accordance with Tanaka's declaration, that Japan would prevent defeated troops from entering Manchuria, was engaged in disarming Chinese troops retreating toward Mukden from Peking. The Marshal, with his bodyguard, boarded a train for Mukden. The Japanese 20th Engineer Regiment, which had arrived at Mukden from Korea, mined the railroad with dynamite and a Japanese Captain placed his

soldiers in position around the mine. On 4 June 1928, when the Marshal's train reached the mine, which was located at the point where the Peking-Mukden Railway passes underneath the South Manchurian Railway, there was an explosion. The Marshal's train was wrecked and Japanese soldiers began firing upon the Marshal's bodyguard. The Marshal was killed as planned. An attempt was made to obtain an order to muster the entire Kwantung Army into action and exploit the incident and attain its original purpose, but the effort was thwarted by a staff officer who apparently did not understand the real purpose of those desiring the issuance of the order.

The Tanaka Cabinet was taken by surprise and greatly embarrassed as it saw its program endangered by this murder of the Marshal. Premier Tanaka made a full report to the Emperor and obtained his permission to court-martial those responsible. Upon his return from the palace, he summoned the Minister of War and other members of his Cabinet and stated that he was determined to discipline the Army. Those present agreed, but when the Minister of War took the matter up with his Ministry, he suggested that strong opposition on the part of the General Staff should be encouraged. Thereafter, the Minister of War reported to the Premier that the opposition of the Army General Staff was based on the idea that to court-martial those responsible would force the Army to make public some of its military secrets. This was the first time, according to the testimony of former Navy Minister Okada, that the Army had projected itself into the formulation of government policy.

It was at this time that DOHIHARA appeared upon a scene in which he was to play an important part. He had

spent approximately eighteen years in China prior to the murder of Marshal Chang Tso-lin as aide to General Benzai, who had acted as advisor to various Chinese leaders. On 17 March 1928, DOHIHARA had requested and received permission from the Emperor to accept an appointment as aide to Matsui, Nanao, who was advisor to the Marshal. DOHIHARA reported for duty under the appointment and was present in Manchuria when the Marshal was killed.

MARSHAL CHANG HSUEH-LIANG, THE YOUNG MARSHAL

The Young Marshal, Chang Hsueh-liang, succeeded his father; but he proved to be a disappointment to the Kwantung Army. He joined the Kuomintang Party in December 1928; and anti-Japanese movements began to be promoted on an organized scale and gained greatly in intensity. The movement for the recovery of Chinese national rights gained strength. There was a demand for the recovery of the South Manchurian Railway and in general for the limitation of the Japanese influence in Manchuria.

In July 1928, soon after the murder of Marhsal Chang Tso-lin Premier Tanaka had sent a personal representative to negotiate with the Young Marshal. The representative had been instructed to inform the Young Marshal that Japan regarded Manchuria as her outpost and that the Japanese Government would like to cooperate with him "behind the scenes" and was prepared to spare no sacrifice under the Cabinet's "Positive Policy" to prevent an invasion of Manchuria by the Chinese Nationalist Armies. The Young Marshal's answer was to join the Kuomintang as related.

JAPANESE-CHINESE RELATIONS STRAINED

Japanese-Chinese relations in Manchuria became extremely aggravated. The Japanese claimed several viola-

tions of the "Trade Treaty" with China. The Chinese proposal to construct a railroad parallel to the South Manchurian Railroad, the claim that there was illegal taxation of Japanese in Manchuria, the claim of oppression of Koreans, and the denial of the right of Japanese subjects to lease land in Manchuria, were all "Manchurian Problems" according to the Japanese agitators. The Military advocated Japanese occupation of Manchuria. They maintained that diplomatic negotiations were useless and that armed force should be used to drive the Chinese from Manchuria and set up a new regime under Japanese control. ITAGAKI, who had been appointed a staff officer of the Kwantung Army in May 1929, was one of those who advocated the use of force. Dr. Okawa, who had visited Marshal Chang Hsueh-liang and attempted to negotiate with him on behalf of the South Manchurian Railway, returned to Japan and engaged in a tour of over fifty prefectures in April 1929 giving lectures and showing pictures. The Army General Staff, of which MINAMI was Vice-Chief, began to cooperate with Dr. Okawa and to aid him in his propaganda program to instigate the people to take action against China. The Army General Staff also began to study plans for operations in Manchuria and to declare that Manchuria was the "lifeline" of Japan.

RESIGNATION OF THE TANAKA CABINET

The efforts of the Tanaka Cabinet to punish those responsible for the murder of Marshal Chang Tso-lin had alienated the Military. This group had joined with Dr. Okawa to create opposition among the civilians to the Cabinet, and had seized upon the signing of the Kellogg-Briand Pact (Annex No. B-15), which they claimed violated the Japanese

Constitution, as well as the terms approved by the Cabinet for the settlement of the Tsinan Incident, which they claimed were a disgrace to Japan, as opportunites to embarrass the Cabinet. The pressure became so great that on 1 July 1929 the Cabinet resigned.

The resignation of the Tanaka Government was a distinct victory for the Military and their civilian spokesmen, Dr. Okawa. From this time on, the influence of this element on government policies was to become stronger, and their insistence that Japan should occupy Manchuria by force and establish a puppet government there was to bear fruit. Dr. Okawa became recognized as a political leader; and the South Manchurian Railway Company officials, realizing his value to them, divorced the East Asia Research Institute from the Company and created a Foundation in July 1929 to assist him in his work of investigating and molding public opinion in support of the Army's plan to occupy Manchuria.

REINSTATEMENT OF THE "FRIENDSHIP POLICY"

The Hamaguchi Cabinet, which followed the Tanaka Cabinet was formed, on 2 July 1929; and Baron Shidehara, who contined to advocate the "Friendship Policy" toward China, was selected by Premier Hamaguchi as his Foreign Minister. The "Friendship Policy" rested upon good will and friendship as distinguished from the "Positive Policy" of the Tanaka Cabinet, which rested upon the threat of military force. As a result of the "Friendship Policy", Chinese boycotts of Japanese trade steadily decreased and normal peaceful relations might have prevailed but for violent agitation on the part of the Military.

HASHIMOTO AND THE CHERRY SOCIETY

In his book, "The Road to the Reconstruction of "the world", HASHIMOTO, in discussing his tour of duty of three years in Istanbul as Military Attache, discussed the political condition of other countries and said: "I was clearly conscious that Japan was the "only country within the whirlpool of world movement "that stood within the bounds of liberalism. I con-"sidered if Japan goes on under the present condition, "she would drop from the ranks in the community of "nations. At this time, fortunately, I was ordered "to go back (to Japan). During my thirty days' voy-"age, I pondered on how to reform Japan and as a "result, I succeeded in drawing a definite plan to "a certain degree. On returning to the Army General "Staff Office, my former haunt, I devised several

"schemes in order to put my ideas into execution." HASHIMOTO was attached to the Army General Staff on 30 January 1930.

Between 1-10 September 1930, a score or more of army captains who had recently graduated from the Army Staff College, met at the Army Club in Tokyo under the sponsorship of Lt. Colonel HASHIMOTO and decided to organize a research organization to study Manchurian and Mongolian questions and the internal reorganization of the country. The Society's ultimate objective was later announced to be national reorganization, by armed force if necessary, in order to settle the so-called "Manchur-"ian Problem" and other pending issues. The name "Sakura-"kai" (Cherry Society) was given to the organization; and its membership was limited to army officers on the active list with rank of Lt. Colonel or under, who were concerned about national reorganization.

MANCHURIA AS JAPAN'S "LIFELINE"

Dr. Okawa, with the aid of the East Asia Research Foundation and the officers of the Army General Staff, had his propaganda campaign in full blast when HASHIMOTO returned to the General Staff Office. Propaganda was being disseminated through the newspapers and other media to establish the idea that Manchuria was Japan's "Lifeline", and that a stronger policy in connection therewith should be adopted. The military leaders issued instructions that all editorial writers, ultra-nationalistic speakers, etc., should unite to establish public opinion for more aggressive action in Manchuria. The Military argued that Manchuria was Japan's

"Lifeline", and that Japan must expand into Manchuria, develop it economically and industrially, set it up as a defence against Russia, and protect the rights of Japan and its nationals there as Japan was entitled to do under existing treaties. An appeal to emotion was made; it being said that Japanese blood had been shed in Manchuria in the Russo-Japanese War, and that by reason of that sacrifice, Japan was entitled to control Manchuria. The railroad question was still a burning issue; and Dr. Okawa insisted that Manchuria should be separated from Nanking and placed under Japanese control to create a land founded on the "Kingly Way".

HASHIMOTO in his book, "The Inevitability of "Renovation", has explained well the meaning of the term "Kingly Way". He said: "It is necessary to have politics, "economics, culture, national defense, and everything else, "all focused on one; the Emperor, and the whole force of "the nation concentrated and displayed from a single point. "Especially the political, economic and cultural lines "which had been organized and conducted by liberalism and "socialism in the past should be reorganized according to "the principle of oneness in the Imperial Way, that is to "say 'Kodo Ittai Shugi'. This system is the strongest and "the grandest of all. There are many countries in the "world, but there is absolutely no nation that can compare "with our national blood solidarity which makes possible "a unification like ours with the Emperor in the center".

It was Okawa's idea that after an independent Manchuria had been established on the "Kingly Way", with an inseparable relation between Manchuria and Japan, Japan could assume the leadership of the peoples of Asia.

A General Investigation Section was created in the General Staff on 1 April 1930, as the Investigation Section of the Kwantung Army was considered insufficient to probe into the resources of Manchuria, the sentiments of the people and other kindred subjects of investigation.

Around the headquarters of the Kwantung Army at Port Arthur, the chief topic of conversation among the staff officers in those days was the "Manchurian Problem". ITAGAKI, who was one of those staff officers, had some definite ideas for solving the problem, which he expressed to a friend during the month of May 1930. ITAGAKI said that there were many unsolved problems between China and Japan, that they were so serious that they could not be solved by diplomatic means, and that there was no alternative but to use force. He expressed the opinion that Marshal Chang Hsueh-liang should be driven from Manchuria so that a new state might be established in accordance with the principles of the "Kingly Way".

ASSASSINATION OF PREMIER HAMAGUCHI

On 4 November 1930, Premier Hamaguchi was on the platform of the Tokyo Railway Station when, in the words of Foreign Minister Shidehara, "He was shot by a "silly young man." The Premier was not killed instantly; but his wound was such that it was necessary for Foreign Minister Shidehara to act as Prime Minister until the Hamaguchi Cabinet resigned on 13 April 1931. The Premier succumbed to his wounds and died on 26 August 1931. Acting Prime Minister Shidehara caused an investigation to be made and determined that the assassination of Premier Hamaguchi was caused by dissatisfaction with the Premier's

Naval Disarmament Policy.

The London Naval Limitations Treaty had been signed on 22 April 1930. This treaty was in line with the policy of national economy and reduction of armaments which accompanied the Premier's "Friendship Policy". Also in line with this policy was the reduction of the Army from 21 divisions to 17 divisions. The signing of the London Treaty made the young navy officers indignant. The Black Dragon Society began to hold mass-meetings in protest. The Privy Council, of which HIRANUMA was Vice-President was strongly against the Treaty and was taking the attitude that the Cabinet had usurped the powers and prerogatives of the Military in concluding the Treaty. It was in the midst of this violent political argument that the assassination had occurred.

THE MARCH INCIDENT

A military coup d'etat was planned to occur on 20 March 1931. The affair came to be known as the "March Incident". The continual agitation and dissemination of propaganda by the Army General Staff had its effect; and as testified by Baron Okada, who was a member of the Supreme War Council at that time, it was generally understood that it was only a question of time until the Army would undertake the occupation of Manchuria. Before the Army could move into Manchuria, it was thought necessary to place in power a Government favorable to such action. At the time, the Hamaguchi Cabinet was in power; and due to the attempted assassination of the Premier, the chief exponent of the "Friendship Policy", namely Foreign Minister Shidehara, was acting as Premier.

HASHIMOTO's plan, which was approved by his superior officers of the Army General Staff including Ninomiya, who was Vice-Chief of the Staff, and Tatekawa, who was Chief of the Second Division of the Staff, was to start a demonstration as an expression of disapproval of the Diet. It was expected that a clash would occur with the Police during the demonstration and that this clash could be expanded until the disorder would justify the Army in establishing martial law, dissolving the Diet and seizing the Government. KOISO, Ninomiya, Tatekawa and others called upon War Minister Ugaki at his Official Residence and discussed their plans with him, leaving with the impression that he was a ready tool for their scheme. Dr. Okawa was instructed to proceed with the mass demonstration; and HASHIMOTO delivered to him 300 practice bombs, which KOISO had secured for use on that occasion. They were to be used to spread alarm and confusion in the crowd and increase the appearance of riot. However, Dr. Okawa in his enthusiasm addressed a letter to War Minister Ugaki in which he stated that the time was just ahead for a great mission to descend upon Minister Ugaki; the War Minister now realized the full import of the plot. He immediately called in KOISO and HASHIMOTO and instructed them to stop all further plans to use the Army to carry out this revolution against the Government. The projected coup d'etat was averted. KIDO, who was then the Chief Secretary to the Lord Keeper of the Privy Seal, was fully informed of the plot beforehand by a friend, who suggested that the Imperial Household should be advised.

THE WAKATSUKI CABINET CONTINUED THE "FRIENDSHIP POLICY"

Although the "March Incident" hastened the fall of the Hamaguchi Cabinet, which was followed on 14 April 1931 by the formation of the Wakatsuki Cabinet, it did not succeed in displacing the "Friendship Policy" fostered by Baron Shidehara for he was retained as Foreign Minister by Premier Wakatsuki. General MINAMI, who had been a War Councillor since his relief as Commander of the Korean Army, was selected as War Minister. He replaced General Ugaki, who was in disgrace with the Army for having reduced the size of the Army and for having refused to take part in the "March Incident". Ugaki resigned from the Army and went into retirement..

THE WANPAOSHAN INCIDENT

The "Friendship Policy" was destined to be put to further tests, by two "Incidents", which had far-reaching effect upon opinion in Japan. The first of these "Incidents" occurred at Wanpaoshan, a small village located some 18 miles north of Changchun, in Manchuria. The village is located in a low marshy area alongside the Itung River. A group of Koreans leased a large tract of land near Wanpaoshan and prepared to irrigate the land by digging a ditch several miles long, extending from the Itung River across a tract of land, not included in their lease, and occupied by Chinese farmers. After a considerable length of the ditch had been constructed, the Chinese farmers arose en masse and protested to the Wanpaoshan authorities, who dispatched police and ordered the Koreans to cease construction at once and leave the area occupied by the Chinese. The Japanese Consul at Changchun also sent police to protect the Koreans. On 1 July 1931 after

negotiations had produced no results, the Chinese farmers took matters into their own hands and drove the Koreans from their lands and filled the ditch. During this operation, Japanese Consular Police opened fire on the Chinese farmers and drove them away, while the Koreans returned and completed their irrigation project under the protection of the Japanese police. No casualties resulted from this "Incident", but the sensational accounts of it printed in the Japanese and Korean Press cause a series of anti-Chinese riots in Korea in which Chinese were massacred and their property destroyed, which in turn caused a revival of the anti-Japanese boycott in China.

About this time, the War Ministry invited officials of the South Manchurian Railway Company to discuss "Manchurian Problems". At the discussions, MINAMI represented the Army and stated that he had long recognized the necessity of increasing the number of divisions in Korea.

THE NAKAMURA INCIDENT

The killing of a Japanese army captain by the name of Nakamura, Shintaro, on 27 June 1931 by soldiers under the command of Kuan Yuheng, Commander of the Third Regiment of the Chinese Reclamation Army in Manchuria, which killing did not become known to the Japanese until about 17 July 1931, gave rise to the second "Incident". Captain Nakamura, a regular Japanese army officer, was on a mission under orders of the Japanese Army. According to the Chinese, he was armed and carried patent medicine, which included narcotic drugs for non-medical purposes. He was accompanied by three interpreters and

assistants and represented himself as an "Agricultural "Expert". When he reached a point near Taonan, he and his assistants were captured and shot; and their bodies were cremated to conceal the evidence of the deed. This "Incident" greatly aggravated the resentment of the Japanese Military against the "Friendship Policy"; and the Japanese Press repeatedly declared that "Solution "of the Manchurian Problem ought to be by force!"

THE ARMY ATTITUDE STIFFENED

The Army stiffened its attitude in regard to reduction of armaments and the plan of the Finance Department to economize, and threatened to appeal to the Throne. The Foreign Minister was bitterly assailed in the Press and by ultra-nationalists and the militarists for "Shidehara's weak-kneed foreign policy". The Cherry Society continued its agitation for the use of force. The Black Dragon Society held mass-meetings. Dr. Okawa stepped up the tempo of his propaganda. He was conducting a campaign of public speeches and publications to build up sentiment in support of the movement to occupy Manchuria. He made a speech along this line at the Naval Academy. The Army was completely out of control and could not be restrained. The Chiefs of Staff held a conference and decided that since one could not tell what Marshal Chang Hsueh-liang would do, he should be smashed firmly and without hesitation. Dr. Okawa confided in a friend that he and Colonel ITAGAKI and certain other army officers would bring about an "Incident" in Mukden later on that would solve all "Manchurian Prob- "lems". KIDO admits that Baron Harada informed him of a

plot to this end on the part of the military officers in Manchuria as early as 23 June 1931.

On 4 August 1931, MINAMI addressed a conference of Army Commanders and Commanding Generals. He said, "Some observers, without studying the conditions "of neighboring foreign countries, hastily advocate "limitation of armaments and engage in propaganda "unfavorable to the nation and the Army. Manchuria and "Mongolia are very closely related to our country from "the viewpoint of our national defense as well as "politics and economics. It is to be regretted that "the recent situation in that part of China is following "a trend unfavorable to our Empire. In view of the "situation, I hope you will execute your duty in educa-"ting and training the troops with enthusiasm and sin-"cerity so that you may serve the cause of His Majesty "to perfection."

The Citizens' Disarmament League took issue with MINAMI on this speech and addressed a letter to him in which they accused him of spreading propaganda in the Army in violation of the Military Criminal Code.

Lt. Colonel HASHIMOTO and Lt. Colonel Shigeto, who was also a member of the Cherry Society, dined at the home of a friend, Fujita, in Tokyo, during August 1931. During the course of the meal, the "Manchurian "Problem" was discussed and the two Lt. Colonels agreed that positive action should be taken in Manchuria. A few days later, Lt. Colonel Shigeto appeared at the home of Fujita and deposited a large sum of money for safe-keeping. During the following days this fund was drawn upon by Shigeto in varying amounts. After the "Mukden "Incident", Fujita called at the home of Shigeto and exclaimed, "You have accomplished what you were contemp-

lating in Manchuria!" Shigeto replied, "Yes!" and smiled; he then added, "We will expel Chang Hsueh-"liang from Manchuria and bring Pu Yi to Manchuria "and install him as Governor of the Far Eastern "Provinces!" Upon questioning HASHIMOTO, Fujita received the reply, "Yes, things have come to pass "where they should come!"

DOHIHARA INVESTIGATED

Colonel DOHIHARA, who had been attached to the Army General Staff since his return from China in March 1929, was sent by the Chief of the General Staff to investigate the death of Captain Nakamura. Although his mission was ostensibly to investigate Capatin Nakamura's death, his real mission appears to have been to determine the strength, state of training and condition of the Chinese armies and the efficiency of their communication system. He departed from Tokyo in July, 1931 and traveled by way of Shanghai, Hankow, Peiping and Tientsin before reporting to Mukden. He admits that the investigation of the Nakamura Incident was only one of the missions that took him to China. Although the Headquarters of the Kwantung Army was in Port Arthur, the Headquarters of the Special Services Organization of that Army was in Mukden. DOHIHARA arrived at Mukden on 18 August 1931 and took command of the Special Services Organization.

FOREIGN MINISTER SHIDEHARA ALSO INVESTIGATED

Foreign Minister Shidehara, anxious to enforce his "Friendship Policy" in Manchuria and give the Army no occasion to capitalize on the "Nakamura Incident", dispatched Consul-General Hayashi from Tokyo on 17 August 1931 with instructions to investigate and settle the affair. The Consul-General called upon the Chinese Governor of Liaoning Province, who appointed a commission to investigate and report upon the "Incident". This

Commission reported on 3 September 1931; but its report was unsatisfactory to the Chinese authorities. On the 4th of September, Counsul-General Hayashi was informed by General Yung Chen, the Chinese Chief of Staff, that the report of the Commission was indecisive and unsatisfactory and that it would be necessary to conduct a second enquiry. Marshal Chang Hsueh-liang, who was sick in a hospital at Peiping, was advised of the situation; and he immediately ordered a new Commission to be appointed and instructed to investigate the death of Captain Nakamura. At the same time, he sent Major Shibayama to Tokyo to confer with Foreign Minister Shidehara and make it clear that he desired to settle the case amicably. In the meantime he had sent a high official to Tokyo to confer with Baron Shidehara and ascertain what common ground could be found for the settlement of various Sino-Japanese issues then outstanding.

DOHIHARA REPORTED TO THE ARMY GENERAL STAFF

Colonel DOHIHARA returned to Tokyo early in September to report to the Army General Staff. After his return, the Press freely published references to the fact that it had been decided to use force to settle all pending issues in Manchuria as recommended by Colonel DOHIHARA. The Press also stated that conferences were being held between the War Ministry and the Army General Staff to arrange definite instructions to be given to Colonel DOHIHARA. These publications may or may not be factually accurate. They were not officially denied.

They fanned the rising flame of Japanese opinion in favoring the use of force against China. It is established that Colonel DOHIHARA disagreed with Consul-General Hayashi regarding settlement of the Nakamura Incident and continued to question the sincerity of the Chinese efforts to arrive at a satisfactory solution of the case. War Minister MINAMI later confided in a friend that at the time he had advocated decisive settlement of the "Manchurian Problem" in line with Army opinion. KIDO, as Chief Secretary to the Lord Keeper of the Privy Seal, noted in his diary on 10 September 1931 that he agreed with the theory that "self-"defensive" action might be unavoidable in connection with Manchuria according to future developments.

FOREIGN MINISTER SHIDEHARA CONTINUED EFFORTS AT MEDIATION

Rumors were current in Tokyo that the Army was planning an "Incident" in Mukden, and these rumors were heard by Foreign Minister Shidehara. In fact Shidehara stated, "Shortly before the Manchurian Incident, as "Foreign Minister, I received confidential reports and "information that the Kwantung Army was engaged in "amassing troops and bringing up ammunition and material "for some military purpose, and knew from such reports "that action of some kind was contemplated by the Military "Clique".

It now appears from the evidence adduced before this Tribunal - though these facts were not known to Shidehara at the time - that Lieutenant, or Captain,

Kawakami, who was stationed at Fushun in command of a detached company of the second battalion of the Independent Infantry Garrison had received orders from the Commander-in-Chief of the Kwantung Army which involved the absence of himself and his company from Fushun. The remaining companies of this battalion were stationed at Mukden and took part in the attack on the Chinese Barracks at Mukden on the 18th of September. The full content of the orders which Kawakami had received from the Commander-in-Chief is not established, but they involved that Kawakami and his company should entrain and leave Fushun upon the occurrence of a certain emergency. Thereupon Kawakami assembled the Japanese police, ex-servicemen, and civilians at Fushun and asked them what they would do if on 18th September 1931 an event occurred in Mukden which required him and his company to leave Fushun. He is said to have been anxious about defense at Fushun should he and his company leave that city. He also assembled the officials of the Railway at Fushun. He told them that some acute situation might arise after the 17th of September and that arrangements ought to be made about trains at Fushun. It appears that up till that time no arrangement had been made for having a night train standing by at Fushun to move troops in case of emergency, and Kawakami desired that such provision should be made.

The case for the defence in regard to this most significant affair is that Kawakami had no orders which related specifically to the 18th of September; that his orders were general, to take certain action if and when an emergency occurred; that upon a review of the situation Kawakami speculated that the emergency might occur about the 18th of September; and that this guess

of his alone accounts for his mention of that date, when speaking to the people at Fushun. Thus, according to the defence, Kawakami guessed the exact date on which the Chinese would deliver a surprise attack on the Japanese troops at Mukden. Upon a consideration of all the facts relating to the incident of 18th September the Tribunal unhesitatingly rejects this explanation and holds that Kawakami had orders to take certain action in an emergency, which would occur on the night of the 18th of September, and was concerned since there was no provision for leaving a train available at Fushun at night.

Upon receiving the report from Hayashi, Shidehara called upon War Minister MINAMI and strongly protested against the report. In the meantime, SHIGEMITSU was holding conferences with Mr. T. V. Soong, who was Finance Minister of the Republic of China, and they had agreed to meet in Mukden on 20 September 1931 and confer with Marshal Chang Hsueh-liang and Count Uchida, who was President of the South Manchurian Railway Company, in an effort to settle all outstanding differences between Japan and the Marshal.

NIGHT MANEUVERS BY THE KWANTUNG ARMY

The Kwantung Army had begun carrying out night maneuvers on 14 September 1931 in the vicinity of the barracks of the 7th Chinese Brigade. These barracks were located near the tracks of the South Manchurian Railway, a short distance north of Mukden.

The maneuvers involved vigorous rifle and machine-gun fire, and the 10,000 men of the 7th Brigade had been confined to barracks on orders of Marshal Chang Hsueh-liang in order to avoid a clash between them and the Japanese. These maneuvers continued up to and including the night of 18 September 1931.

Mr. Morishima, a member of the staff of the Consulate who had been working with Hayashi in an attempt to settle the Nakamura Incident, learned that the Kwantung Army Units stationed at the important coal mining district of Fushun would execute a maneuver which contemplated the occupation of Mukden, leaving Fushun at about 11:30 p.m. on the night of 18 September 1931.

MARSHAL CHANG HSUEH-LIANG'S COMMISSION RETURNED TO MUKDEN

Marshal Chang Hsueh-liang's Commission, which had been investigating the Nakamura Incident, returned to Mukden on the morning of 16 September 1931. The Japanese-Consul-General called upon General Yung Chen, the Chinese Chief of Staff, on the afternoon of 18 September 1931, and the latter stated that Commander Kuan Yuheng had been brought to Mukden on 16 September 1931 charged with the responsibility for the murder of Captain Nakamura and would be immediately tried by a court-martial. It appeared that the case would be settled. However, the conference between the Consul and General Yung was adjourned at about 8 p.m., because it was felt that since a member of the Military was involved, it would be necessary to confer with appropriate representatives of the Kwantung Army before any further representations could be made to the Chinese officials.

Mr. Morishima, of the Consulate, was detailed to arrange for the attendance of appropriate military representatives at a further conference, which was to be held later in the

evening. He endeavored to contact Colonel DOHIHARA, and Major Hanaya; however, he was unable to locate either of them or any other officer of the Special Service Office, although he sought them at their respective hotels, offices, billets and other places which they frequented. He reported this to the Consulate and retired to his quarters.

MINAMI'S EMISSARY WENT ASTRAY

General Tatekawa of the Army General Staff arrived in Mukden via the Antung-Mukden Railway at 1:00 p.m. on 18 September 1931. He had been sent to Manchuria to make an inspection for the Army General Staff; and War Minister MINAMI, acting on Foreign Minister Shidehara's protest against the rumor that the Army planned an "Incident" at Mukden for the 18th, had instructed Tatekawa to stop that plot. MINAMI's denial that he gave this order to Tatekawa is disproved by the subsequent statements of MINAMI and by other statements of Tatekawa. The Kwantung Army Commander Honjo, who had just completed an inspection of his troops and installations, was delivering an address to the 2nd Division at Liaoyang when he received a telegram from his Chief-of-Staff, Miyake, in Port Arthur, informing him of Tatekawa's visit and suggesting that Staff Officer ITAGAKI or Staff Officer Ishihara be detailed to meet Tatekawa and escort him on his inspection tour.

Colonel ITAGAKI was detailed and proceeded from Liaoyang to Mukden; and upon his arrival went to the Shinyokan Inn. DOHIHARA's assistant, Major Hanaya, of the Special Service Office in Mukden, met General Tatekawa and escorted him to join Colonel ITAGAKI at the Inn, where Colonel ITAGAKI and he dined that evening. According to ITAGAKI, General Tatekawa complained that he had not been able to rest on his trip and

was not inclined to discuss business immediately, but did state that the superiors were worrying about the careless and unscrupulous conduct of the young officers. To this, ITAGAKI replied that there was no need to worry about that, and that he would hear the General at leisure the next day. After dinner, ITAGAKI took his leave of General Tatekawa and went to the Special Service Office, arriving there about 9 p.m. General Tatekawa later told a friend that he had no desire to interfere with any proposed "Incident" and had allowed himself to be decoyed to the Inn, where he was entertained by geisha girls while he listened to the sound of firing in the distance and later retired and slept soundly until called in the morning.

THE MUKDEN INCIDENT

At 9 o'clock in the evening of 18 September 1931, Officer Liu, at the barracks of the 7th Chinese Brigade, reported that a train composed of three or four coaches, but without the usual type of locomotive, had stopped on the South Manchurian Railway opposite the barracks. At 10 p.m. the sound of a loud explosion was heard, immediately followed by rifle fire. The Japanese account is that Lt. Kawamoto, of the Kwantung Army, with six men under his command, was on patrol duty, practising defence exercises along the track near the place where the explosion occurred, that he heard the explosion; that his patrol turned and ran back about 200 yards and found that a portion of one of the rails had been blown out; that while on the site of the explosion, the patrol was fired upon from the fields on the east side of the tracks; that Lt. Kawamoto called for reinforcement; that at that moment, the regular southbound train, due in Mukden at 10:30 p.m., was heard approaching; and that the train

passed over the damaged rail without mishap to arrive in Mukden on time. Captain Kawashima and his company arrived at 10:50 p.m. and the Battalion Commander Lieutenant Colonel Shimamoto commanding the Second Battalion of the Independent Infantry Garrison ordered two more companies to proceed to the spot. They arrived about midnight. Another company at Fushun, which was an hour-and-a-half away, was ordered to proceed to the spot also. This is the Company of Kawakami, who had long ago announced that he and his Company would have to leave Fushun on the night of the 18th. The barracks of the 7th Chinese Brigade were glittering with electric lights, but the Japanese attacked the barracks without hesitation at 11:30 p.m., employing artillery as well as rifles and machine-guns. Most of the Chinese soldiers escaped from the barracks and retreated to Erhtaitze, to the northeast; however, the Japanese claim they buried 320 Chinese soldiers and captured 20 wounded. The loss to the Japanese was two privates killed and 22 wounded. Colonel Hirata commanding the 29th Regiment received a telephone message at 10:40 p.m. from Lt. Colonel Shimamoto informing him of the explosion on the railroad and the plan to attack the barracks.

Colonel Hirata immediately decided to attack the walled city of Mukden. His attack commenced at 11:30 p.m. No resistance was offered, the only fighting that occurred was with the police, of whom approximately 75 were killed. The 2nd Division and part of the 16th Regiment left Liaoyang at 3:30 a.m. of the 19th and arrived at Mukden at 5 a.m. The arsenal and aerodrome were captured at 7:30 a.m. Colonel ITAGAKI later admitted that heavy guns, which had been secretly installed in the Japanese Infantry Compound on the 10th, had proven useful in the bombardment of the airfield after the fighting got under way. After ITAGAKI took leave of General Tatekawa, he went to the Special Service Office. There, according to him, he was informed by Colonel Shimamoto of his decision to attack the barracks of the 7th Chinese Brigade and by Colonel Hirata of his

decision to attack the walled city of Mukden. ITAGAKI says that he accepted their decisions and took steps to report to the Commander-in-Chief at Port Arthur.

ITAGAKI REFUSED TO NEGOTIATE

In the meantime, at 10:30 o'clock in the evening of 18 September 1931, Mr. Morishima of the Japanese Consulate, received a telephone call from the Army Special Service Office in Mukden advising him that an explosion had occurred on the South Manchurian Railway and that he should report to the Special Service Headquarters in Mukden. He arrived at 10:45 and found ITAGAKI and Major Hanaya and some others there. ITAGAKI stated that the Chinese had exploded the railroad, that Japan must take appropriate military action, and that orders had been issued to that effect. Mr. Morishima tried to persuade ITAGAKI that they should rely upon peaceful negotiations to adjust the matter. ITAGAKI then reprimanded him and wanted to know if the office of the Consul-General intended to interfere with the right of military command. Mr. Morishima insisted that he was certain the matter could be adjusted amicably through normal negotiations. At that point, Major Hanaya unsheathed his sword in an angry gesture and stated that if Morishima insisted, he should be prepared to suffer the consequences. Hanaya also stated that he would kill anyone who endeavored to interfere. That broke up the conference.

The Japanese Consulate received many requests during the night from the Supreme Advisor for Marshal Chang Hsueh-liang imploring the office of the Consul-General to persuade the Japanese Army to cease attacks. All these representations were communicated to the military but to no avail and the fighting continued. The Consul-General talked over the

telephone a number of times during the night of the 18th and morning of the 19th with Colonel ITAGAKI in an effort to persuade him to cease the fighting, but Colonel ITAGAKI remained defiant and consistently informed the Consul-General that he should cease interference with the right of military command. Consul-General Hayashi on the morning of 19 September 1931 cabled Foreign Minister Shidehara, "In view of the fact that it was proposed "several times from the Chinese side that this matter be "settled in a peaceful way, I 'phoned to Staff Officer "ITAGAKI and said that since Japan and China had not yet "formally entered into a state of war and that, moreover, "as China had declared that she would act upon the non-"resistance principle absolutely, it was necessary for "us at this time to endeavor to prevent the aggravation "of the 'Incident' unnecessarily, and I urged that the "matter be handled through diplomatic channels, but the "above mentioned Staff Officer answered that since this "matter concerned the prestige of the State and the Army, "it was the Army's intention to see it through thoroughly.'

THE MUKDEN INCIDENT WAS PLANNED

The evidence is abundant and convincing that the "Mukden Incident" was carefully planned beforehand by officers of the Army General Staff, officers of the Kwantung Army, members of the Cherry Society, and others. Several of the Participators in the plan, including HASHIMOTO, have on various occasions admitted their part in the plot and have stated that the object of the "Incident" was to afford an excuse for the occupation of Manchuria by the Kwantung Army, and the establishment of a new State there based on the "Kingly Way" and subservient to Japan. In Japan

General Tatekawa of the Army General Staff was the leader. This was the same Tatekawa whom MINAMI on Shidehara's complaint sent to Mukden to stop the plot, the same Tatekawa who had no desire to interfere with any proposed incident. In Manchuria, ITAGAKI was the principal figure. The case which has been presented to the Tribunal as a general defence of the actions of the Japanese on the night of 18th September and as a particular defence of those who, like ITAGAKI, were in action on that night is this: it is said that previous to that night Chinese troops in Manchuria had increased so that the Japanese troops in Manchuria who numbered only some 10,000 men, then faced a hostile army which numbered some 200,000 men and was superior in equipment to the Japanese; it is said that the disposition of the Chinese troops had recently been changed so that the Japanese troops, widely dispersed in groups along the railway line, faced concentrations which threatened their annihilation; it is said that the behaviour of the Chinese troops towards the Japanese troops was provocative and insulting; it is said that all indications pointed to an unprovoked attack by the Chinese troops upon the Japanese troops, in which the latter would be overwhelmed, unless decisive counter-action was promptly taken. Therefore, it is said, a plan was drawn up whereby, if the Chinese attacked, the Kwantung Army would concentrate its main forces in the vicinity of Mukden and deliver a heavy blow to the nucleus of the Chinese forces in the vicinity of Mukden, and thus by sealing the fate of the enemy would settle the matter within a short period. It was a part of this plan that two heavy guns should be secretly set up in the Mukden Independent Garrison Barracks. Such is the testimony of ITAGAKI. When therefore, says ITAGAKI, he heard on the night of 18th September of

the blowing up of the railway and the fighting outside the Chinese Barracks, it was apparent that this was a planned challenge on the part of the Chinese Regular Army against the Japanese Army and he approved of the decisions to attack the Chinese Barracks and the walled city of Mukden, because it was absolutely necessary and in line with the plan of operations of the Army drawn up in case of emergency.

The picture thus painted is that of a planned attack by the Chinese Army, overwhelmingly superior in numbers, upon some 1500 Japanese troops in the vicinity of Mukden; of a surprise attack upon an unanticipated occasion; and of a swift counter-attack by the Japanese troops at the nucleus of the superior forces whereby they were routed. The picture is false save in the one particular, that Mukden was captured and the Chinese troops driven away.

The Chinese troops had no plan to attack the Japanese. They were caught unprepared. In the attack on the Barracks, where there were thousands of Chinese troops, the Japanese fired from the darkness upon the brightly lit Barracks and met with trifling resistance, mainly from some Chinese troops who were cut off in their attempt to escape. In their capture of the city of Mukden, they met only negligible resistance on the part of some police.

There is no question of the Japanese being surprised by the events of that night. For some time before 18 September 1931, rumors were current in Japan that the Army was planning an "Incident" in Mukden. Lieutenant Kawakami at Fushun had revealed that an "event" might occur in Mukden on 18 September 1931. Consul-General Hayashi had telegraphed to the Foreign Minister the news that the Company Commander of a Japanese Unit at Fushun had said that within a week a big "Incident" would break out. Morishima, a member of the staff of the Japanese Consulate at Mukden, had learned that

Kwantung Army units stationed at Fushun would execute a manoeuvre which contemplated the occupation of Mukden, leaving Fushun about 11:30 on the night of 18 September 1931. The Foreign Minister attached so much credence to the information he had that he complained to the War Minister and persuaded the latter to dispatch General Tatekawa to Manchuria to "stop the plot", a General who, having no desire to interfere with any proposed "Incident" failed to fulfill his mission. And when, as the Japanese allege, a patrol of a Lieutenant and six men was fired on in the dark of the night of 18 September 1931, all the Japanese forces in Manchuria were brought into action almost simultaneously on that night over the whole area of the South Manchuria Railway from Changchun to Port Arthur, a distance of approximately 400 miles. The Chinese troops at Antung, Yingkow, Liaoyang and other smaller towns were overcome and disarmed without resistance. The Japanese Railway Guards and Gendarmerie remained in these places and the units of the 2nd Division at once concentrated at Mukden to take part in the more serious operations. ITAGAKI was at the Special Service Office at Mukden to approve the initial attacks by the Japanese and to resist all efforts by the Japanese Consul-General Hayashi and the Japanese Consul Morishima to persuade him to stop the fighting, notwithstanding that the Cousul-General informed him that China had declared that she would act on the principle of non-resistance. Even among the Japanese there were those who believed that the "Incident" was planned by the Japanese. A year after it happened, we find the Emperor inquiring if the "Incident" was the result of a Japanese plot, as rumored. The Tribunal rejects the Japanese contention and holds that the so-called "Incident" of 18 September 1931 was planned and executed by the Japanese.

Preparation for war in China was not confined to the Kwantung Army. In Japan an unusual shift of personnel occurred on 1 August 1931 as if in anticipation of coming events. Such trusted officers as OSHIMA, KOISO, MUTO, UMEZU, HATA and ARAKI, were included in this personnel shift. OSHIMA was appointed a Chief of Section in the Army General Staff, a Member of the Military Technical Council, and Liaison Officer to the Navy General Staff; KOISO was appointed a Lt. General; MUTO was relieved as an Instructor in Strategy at the Military Staff College and made available to the Army General Staff; UMEZU was made Chief of the General Affairs Department of the Army General Staff Office; HATA was promoted to Lt. General and assigned as Inspector of Artillery and Commander of the 14th Division; and ARAKI was appointed Chief of the General Affairs Department of the Office of the Inspector-General of Military Education.

GENERAL HONJO ASSUMED COMMAND AT MUKDEN

Colonel ITAGAKI, who, as senior staff officer on the spot had been in active command at Mukden during the "Incident", was relieved by General Honjo, who arrived at Mukden at noon on 19 September 1931 and rapidly expanded the "Mukden Incident" into what came to be known as the "Manchurian Incident".

Honjo had returned to Port Arthur, after delivering his address to the 2nd Division, the Division which attacked Mukden, arriving at Port Arthur about 9 p.m. on 18 September 1931. Honjo had received the first news of the fighting at Mukden at about 11 p.m. from a newspaper agency. He immediately went to Kwantung Army Headquarters in Port Arthur, where he issued orders that action should follow the operational plans already established. It is

stated in evidence that a few minutes after midnight on the 18th a second telegram from the Special Service Office at Mukden was received at the Kwantung Army Headquarters reporting that the fighting had become more widespread and that the Chinese forces were bringing up reinforcements. If a telegram to this effect was received, there was no basis in fact for the statement that the Chinese forces were bringing up reinforcements. They were in full retreat from the Japanese attack. Honjo's staff advised that he should "mobilize the whole of the Japanese mili-"tary might to seal the fate of the enemy in the shortest "possible time." Honjo replied, "Yes, let it be done." Orders were immediately issued bringing into action all Japanese forces in Manchuria; the Japanese Garrison Army in Korea was asked to send reinforcements in accordance with the pre-arranged plan; and the Second Overseas Fleet was requested to sail for Yingkow. Under these orders, all the Japanese forces in Manchuria, and some of those in Korea, were brought into action almost simultaneously on the night of 18 September 1931 over the whole area of the South Manchurian Railway from Changchun to Port Arthur.

Upon arriving at Mukden, General Honjo set up a command post at the railway station and declared to the world his intention to wage a punitive war.

MINAMI SANCTIONED THE KWANTUNG ARMY ACTION

War Minister MINAMI sanctioned the action of the Kwantung Army and acted as a buffer between that Army and the Cabinet to prevent effective interference by the Government. He received information of the situation at Mukden in a telegram from the Special Service Office there at about 3 a.m. on 19 September 1931. Premier Wakatsuki first heard of the fighting when he received a telephone

call from MINAMI sometime between 6 and 7 o'clock on the morning of 19 September 1931. The Premier called a meeting of the Cabinet for 10 a.m. MINAMI sent Lt. General KOISO, who was Chief of the Military Affairs Bureau of the War Ministry, to act as Liaison Officer between the Army General Staff and the Cabinet. At the Cabinet meeting, MINAMI reported that the Chinese troops had fired on the Japanese troops at Mukden and that their fire had been returned. He characterized the action of the Japanese as "an act of righteous self-defense". The Cabinet expressed a desire that the affair be terminated at once. MINAMI stated that he would investigate and report to the Cabinet. The Cabinet then resolved upon a policy of non-expansion of the "Incident". The Premier called upon the Emperor at 1:30 o'clock that afternoon and informed him of the situation and the decision of the Cabinet. The Emperor agreed that the Army should not try to enlarge the situation but should stop further action as soon as it found itself in an advantageous position. MINAMI dispatched Lt. Colonel HASHIMOTO and two other officers of the Army General Staff to Mukden for the announced purpose of communicating to the Kwantung Army Commander the decision of the Government to prevent the expansion of the "Incident".

The Army was not be controlled; and the Premier cast about desperately, but without success, for assistance in enforcing this policy of non-expansion of the "Incident." In an effort to find a way to control the Army, the Premier held a meeting at 8:30 of the evening of 19 September 1931 at the official residence of the Minister of the Imperial Household; Senior Statesman Prince Saionji's Secretary Baron Harada, Chief Secretary to the Lord Keeper of the Privy Seal KIDO, the Grand Chamberlain, the Vice-Grand Chamberlain, and the Military

Aide-de-Camp to His Majesty, among others, were present. The only suggestion came from KIDO, who proposed daily meetings of the Cabinet. This suggestion proved to be of no effect, since War Minister MINAMI reported at each of these meetings that for "strategic and tactical" considerations it had been necessary for the Japanese forces to pursue the Chinese troops a certain distance further into Chinese territory, but that such action was only "protective" and would in no sense be expanded. However, at this very time, the Chinese had proposed through Minister T. V. Soong that a powerful commission be organized consisting of both Japanese and Chinese in an effort to prevent further expansion of the conflict. SHIGEMITSU, in reporting this proposal to Foreign Minister Shidehara suggested that it be accepted, if for no other reason than to strengthen the position of the Japanese in regard to the "Incident." Although Imperial Sanction was required under existing regulations for the Korean Army to commence operacions outside Korea, the 39th Mixed Brigade of the 20th Division consisting of 4,000 men and artillery which had concentrated at Shingishu on the Korean frontier, crossed the Yalu River into Manchuria on 21 September 1931 and arrived at Mukden around midnight of the same day, without having received the Imperial Sanction; nevertheless, the Cabinet decided on 22 September 1931 that the expenses incurred in this move should be defrayed and later the Imperial Sanction for this move

was obtained. This had not been reported to the Cabinet by MINAMI. At the Cabinet meeting of 22 September 1931, MINAMI made further excuses for allowing the Army to continue its aggression. As Premier Wakatsuki says: "Day after day expansion continued; and I had various "conferences with War Minister MINAMI. I was shown "maps daily on which MINAMI would show by a line a "boundary which the Army would not go beyond, and "almost daily this boundary was ignored and further "expansion reported, but always with assurances that "this was the final move."

KIDO recorded in his diary, that during a discussion by a group at the residence of Baron Harada it was mentioned that although the Emperor had approved the Cabinet's policy of non-expansion, the Army had been indignant that the Emperor had been induced by his personal attendants to form such an opinion. It was decided by this group that the Emperor had better say no more about the Cabinet's policy; and that Elder Statesman Prince Saionji had better remain out of Tokyo to avoid intensifying the antipathy held for him by the Military Clique. In this manner, MINAMI's effective cooperation with the Army General Staff, through his Liaison Officer KOISO, prevented the Government from enforcing its decision to halt further expansion of the "Mukden Incident". This is confirmed by an admission made by MINAMI after the surrender that he had been in favor of the action taken by the Kwantung Army.

COLONEL DOHIHARA RETURNED TO MUKDEN

Colonel DOHIHARA had completed his report to the Army General Staff, recommended the solution of all pending "Manchurian Questions" by the use of force as soon as possible, and was on his way back to his Special Service Office in Mukden to play the principal role in the organization of the new State in Manchuria based on the "Kingly Way", when the "Incident" occurred there. DOHIHARA's extensive knowledge of China and its people, gained over some eighteen years spent in active participation in local politics as a Military Aide under successive Chinese military leaders, qualified him more than any other Japanese Army officer to act as over-all advisor and coordinator in the planning, execution and exploitation of the "Mukden Incident".

There can be no doubt that such was the part played by DOHIHARA. His reconnaissance trip through China, with a brief pause in Mukden before reporting to the Army General Staff, and his return to Mukden on the eve of the "Incident", together with his actions thereafter, leave us with no other conclusion.

COLONEL DOHIHARA AS MAYOR OF MUKDEN

The organization of a provincial government for Liaoning Province had proven to be a difficult one, because Mukden was the center of the Province, and during the fighting, most of the influential Chinese had fled to Chinchow where they were continuing to carry on the provincial administration. Chinese General Tsang Shih-yi, who was Governor of the Province and had remained in Mukden, refused to cooperate with the Japanese in the organization of a new provincial government; for this, he was immediately arrested and confined in prison. Being thus hindered by lack of cooperation from the Chinese, the Japanese Army issued a proclamation on 21 September 1931 installing Colonel DOHIHARA as Mayor of Mukden; he proceeded to rule the city with the aid of a so-called "Emergency Committee" composed mostly of Japanese. By 23 September 1931 DOHIHARA had made himself complete master of the city and was found by visiting journalists in the Japanese Army Headquarters, where he was acting as political representative and spokesman for the Army. From this point on the organization of provisional governments for the three Eastern Provinces made headway. On 23 September 1931, Lt. General Hsi Hsia was invited to form a provisional government for Kirin Province, and the next day, it

was announced that a provisional government had been formed for Liaoning Province with Mr. Yuan Chin-hai as Chairman of the "Committee for the Maintenance of "Peace and Order". The Japanese Press hailed this as the first step in a separatist movement.

SELF-GOVERNMENT GUIDING BOARD

The Self-Government Guiding Board was organized by the Japanese Army in Mukden during the last half of September 1931. The purpose of the Board was to start an independence movement and spread it throughout Manchuria. Colonel ITAGAKI was in charge of the Staff Section having supervision over the Board; and Colonel DOHIHARA, as head of the Special Service Office, supplied the Board with all necessary confidential information regarding the Chinese. Although the Chairman of the Board was Chinese, approximately 90 per cent of the personnel employed by the Board were Japanese residents in Manchuria.

General Hsi Hsia accepted the Japanese invitation, called a meeting of government organization and Japanese advisors and on 30 September issued a proclamation establishing a provisional government for Kirin Province under protection of the Japanese Army.

General Chang Ching-hui, Administrator of the Special District, also called a conference in his office at Harbin on 27 September 1931 to discuss the organization of an "Emergency Committee of the Special District."

General Honjo took advantage of some minor disturbances in the town of Chientao, in Kirin Province, to announce that Japan would no longer recognize the government of Marshal Chang Hsueh-liang and would not cease operations until his power was completely broken.

PROTESTS AND ASSURANCES

China lodged a protest with the League of Nations against the action of Japan in Manchuria. The protest was filed on 23 September 1931. The Council of the League was assured by the Japanese Government that Japan had started withdrawing her troops to the railroad zone and would

continue the withdrawal; upon this assurance, the Council adjourned to meet again on 14 October 1931.

The United States of America also protested against the fighting in Manchuria and on 24 September 1931 called the attention of both Japan and China to the provisions of the existing treaties. After a Cabinet meeting that day, the Japanese Ambassador in Washington delivered to the Secretary of State of the United States a Note in which it was stated among other things, "It may be superfluous to repeat "that the Japanese Government harbors no territorial "designs in Manchuria".

THE OCTOBER INCIDENT

These assurances given to the League and to the United States indicated that the Cabinet and the Army did not agree upon a common policy in Manchuria. It was this disagreement which caused the so-called "October Incident". This was an attempt on the part of certain officers of the Army General Staff and their sympathizers to organize a coup d'etat to overthrow the Government, destroy the political party system, and establish a new Government which would support the Army's plan for the occupation and exploitation of Manchuria. The plot centered around the Cherry Society; and the plan was to "cleanse the ideological and politi-"cal atmosphere" by assassinating the government leaders. HASHIMOTO was the leader of the group and gave the necessary orders for the execution of the scheme. HASHIMOTO admitted that he originated the plot in early October 1931 to bring about a Government headed by ARAKI. KIDO was well informed of the proposed rebellion and his only concern seems to have been to find a way to limit the disorders so as to prevent widespread damage and sacrifices. However, a certain Lt. Colonel Nemoto informed the Police of the plot and War Minister MINAMI ordered the leaders arrested, thereby breaking up the plot. SHIRATORI criticized MINAMI for opposing the coup and declared that it was necessary to take prompt action so as to create a new regime in Manchuria; and that if MINAMI had given his tacit approval to the scheme, it would have facilitated a solution of the "Manchurian Problem".

After the failure of the "October Incident" rumors were heard to the effect that if the Central Authorities in Tokyo did not support the Kwantung Army in the execution of its plan to occupy all Manchuria and establish a puppet State there, that Army would declare itself independent of Japan and proceed with the project. This threat appears to have been effective in producing a change in the Government and its attitude.

The War Ministry began censoring the news; and army officers called upon writers and editors, who wrote or published anything unsatisfactory to the War Ministry, and advised them that such writings were displeasing to the War Ministry. Violent organizations threatened editors and writers when they expressed views contrary to that of the War Ministry.

DECISION TO ENTHRONE PU YI

After this change of attitude by the Japanese Government, Colonel ITAGAKI and Colonel DOHIHARA decided to return Henry Pu Yi, the deposed Emperor of China, and enthrone him as Emperor of Manchuria as an emergency measure to combat the influence of Marshal Chang Hsueh-liang, which was growing progressively stronger with the unity between the Young Marshal and Generalissimo Chiang Kai-shek. The new provisional government operating under the protection of the Japanese Army had succeeded in taking over all tax collection and finance institutions and had further strengthened its position by reorganization, but it was having considerable difficulty due to the Marshal's continued popularity. The Kwantung Army General Staff became fearful that the provisional government set up

by them would conspire with the Marshal; therefore, it was decided by Colonels ITAGAKI and DOHIHARA to proceed at once with the organization of an independent State by uniting the Three Eastern Provinces of Heilungkiang, Kirin and Liaoning under the nominal leadership of Henry Pu Yi, the dethroned Emperor of China.

COLONEL DOHIHARA PROCEEDS TO RETURN PU YI

DOHIHARA was dispatched by ITAGAKI to Tientsin to return Pu Yi to Manchuria. ITAGAKI made all necessary arrangements and gave DOHIHARA definite instructions. The plan was to pretend that Pu Yi had returned to resume his throne in answer to a popular demand of the people of Manchuria and that Japan had nothing to do with his return but would do nothing to oppose the popular demand of the people. In order to carry out this plan, it was necessary to land Pu Yi at Yingkow before that port became frozen; therefore, it was imperative that he arrive there before 16 November 1931.

Foreign Minister Shidehara had learned of the scheme to return Pu Yi to Manchuria and had instructed his Consul-General at Tientsin to oppose the plan. On the afternoon of 1 November 1931, the Consul-General contacted DOHIHARA as instructed and tried every means at his disposal to persuade him to abandon the plan, but DOHIHARA was determined and stated that if the Emperor was willing to risk his life by returning to Manchuria, it would be easy to make the whole affair appear to be instigated by the Chinese, he further stated that he would confer with the Emperor; and if

the Emperor was willing, he would go through with the scheme; but if the Emperor was not willing, then he would leave with a parting remark that there would be no such opportunity in the future for the Emperor, and dispatch a telegram to the military authorities at Mukden to the effect that he would consider an alternative as the present plan was hopeless of success.

During the evening of 2 November 1931, DOHIHARA visited Pu Yi and informed him as follows: Conditions were favorable for Pu Yi's enthronement and the opportunity should not be missed. He should make an appearance in Manchuria by all means before 16 November 1931. If he did so appear, Japan would recognize him as Emperor of an independent State and conclude a secret defensive and offensive alliance with the new State. If the Chinese Nationalist Armies should attack the new State, Japan's armies would crush them. Pu Yi appeared willing to follow DOHIHARA's advice upon being told that the Japanese Imperial Household favored his restoration to the Throne.

The Consul-General continued his efforts to dissuade DOHIHARA but without results. On one occasion, DOHIHARA threatened that it would be outrageous for the Government to take the attitude of preventing Pu Yi's return; and that if this should occur, the Kwantung Army might separate from the Government and no one could say what action it might take.

Some difficulty was encountered by DOHIHARA in arranging the terms upon which Pu Yi was to return; and a Chinese newspaper in Shanghai, under a Tientsin date line for 2 November 1931,

published a complete account of the scheme and alleged that Pu Yi had refused DOHIHARA's offer. To hasten Pu Yi's decision, DOHIHARA resorted to all kinds of schemes and intrigues. Pu Yi received a bomb concealed in a basket of fruit: he also received threatening letters from the "Headquarters of the Iron Blood Group", as well as from others. DOHIHARA finally caused a riot to occur in Tientsin on 8 November 1931 with the assistance of certain underworld characters, secret societies and rogues of the city, whom he supplied with arms furnished by ITAGAKI. The Japanese Consul-General, in a further attempt to carry out Shidehara's orders, warned the Chinese Police of the impending riot; being forewarned, they were able to prevent the riot from being a complete success; but it served to throw Tientsin into disorder.

This disorder continued and during the riot on the night of 10 November 1931, DOHIHARA secretly removed Pu Yi from his residence to the pier in a motor car guarded by a party equipped with machine-guns, entered a small Japanese military launch with a few plain-clothes men and four or five armed Japanese soldiers and headed down the river to Tang-ku. At Tang-ku, the party boarded the ship "Awaji Maru" bound for Yingkow. Pu Yi arrived at Yingkow on 13 November 1931 and on the same day was taken to Tang-kang-tzu where he was held in protective custody in the Hotel Tai Sui Haku by the Japanese Army. An attempt was made to cause it to appear that Pu Yi had fled for his life as a result of threats and the riots in Tientsin. No doubt, these served to hasten Pu Yi's agreement with the terms offered by DOHIHARA.

ENTHRONEMENT OF PU YI DELAYED

In an effort to prevent further aggravation of Japan's position in the League and keep Japan's Representative in a favorable position before the Council during its deliberations, MINAMI advised the Kwantung Army to delay the enthronement of Pu Yi. On 15 November 1931, he sent a telegram to General Honjo in which he said: "Especially, to commit such hasty actions when "we have just begun to see the signs of favorable results "of our efforts to improve the atmosphere of the League "of Nations is by no means a wise policy. Therefore, for "the time being, we would like to have you lead the general "public in such a way so as not have Pu Yi connected in any "way, whether it be active or passive, with political pro-"blems. Naturally, in establishing a new regime, if our "Empire takes the wrong attitude we must expect either an "intervention by the United States based upon the Nine-"Power Treaty or a council of the World Powers. Moreover, "under the present conditions in Manchuria, it is an inter-"nationally recognized fact that an establishment of the "new regime would not be possible without the understanding "and support of the Imperial Army. Therefore, when Pu Yi "unexpectedly enters into the picture of the establishment "of the new regime, and even if it is ostensibly performed "according to the wishes of the people, there would be "fear of arousing world suspicion. It is essential that "our Empire lead world situations so that we can at least "and at any time conduct a legal argument against the "Powers. I would like to have you keep this point in mind."

The Army moved Pu Yi on 20 November 1931 to Port Arthur and installed him in the Yamato Hotel with

explanation that he was receiving too many undesirable visitors at Tang-kang-tzu. DOHIHARA and ITAGAKI arranged secretly for the Emperor's wife to join him at Port Arthur.

THE ADVANCE ON CHINCHOW

An expedition to the Nonni River Bridge, which succeeded in defeating General Ma Chan-shen, the Military Governor of Heilungkiang Province, and driving him toward the northeast upon Hailun during the first half of November 1931, had also resulted in the occupation of Tsitsihar, and the elimination of Marshal Chang Hsueh-liang's authority from all of Manchuria, except for a fragment of Southeast Liaoning Province surrounding the city of Chinchow. The occupation of Chinchow was all that remained to make the subjugation of Manchuria complete.

The Chinese Provincial Government, which had fled from Mukden, had established itself in Chinchow soon after the Mukden Incident and Marshal Chang Hsueh-liang had moved his headquarters from Peiping to Chinchow in the early days of October 1931, so that the City had become the center of opposition to the Japanese occupation. Japanese observation planes made frequent flights over the city; and on 8 October 1931, six scouting and five bombing planes flew over the city and dropped some eighty bombs.

The disturbances and riots organized by Colonel DOHIHARA gave the staff officers of the Kwantung Army an excuse to send troops to Tientsin to reinforce the Japanese Garrison and protect the Japanese Concession

there. The first of these riots occurred on 8 November 1931 as heretofore related; but on 26 November 1931, a new series of disorders began. Colonel DOHIHARA had employed Chinese ruffians and Japanese plain-clothes men and formed them into operating gangs within the Japanese Concession in order to start trouble in the Chinese section of Tientsin. On the evening of the 26th, a terrific explosion was heard, immediately followed by firing of cannon, machine-guns and rifles. The electric lights in the Japanese Concession were put out, and plain-clothes men emerged from the Concession firing upon the police stations in the vicinity.

The most practical route for reinforcements to take in moving from Manchuria to Tientsin would have been by sea; but the route by land had distinct strategical advantages as it lay through the city of Chinchow; and any movement through Chinchow would afford an excuse for making an attack upon that city eliminating the concentration of Marshal Chang Hsueh-liang's Army there.

Neutral observers had expected an advance on Chinchow; and on 23 November 1931, during a conference on the subject, Foreign Minister Shidehara assured the American Ambassador in Tokyo that he, the Premier, the Minister of War, MINAMI, and the Chief of the Army General Staff had agreed that there would be no hostile operations toward Chinchow. However, DOHIHARA's riot on the night of the 26th precipitated such an advance on the morning of 27 November 1931; and a troop train and several airplanes crossed the Liao River, ostensibly for the purpose of relieving the Japanese Garrison which was alleged to be beleaguered at Tientsin, but actually intending to drive Marshal Chang Hsueh-liang from Chin-

chow. The Japanese met little or no resistance as Marshal Chang Hsueh-liang had already begun withdrawal of his troops south of the Great Wall in order to remove all excuse for further advances by the Japanese. Nevertheless, the advance proceeded, and Japanese planes repeatedly bombed Chinchow. The American Secretary of State protested the violation of the assurance so recently given the American Ambassador that no hostile action would be taken toward Chinchow; and on 29 November 1931, this assurance was reluctantly and belatedly honored by the Chief of the Army General Staff ordering Honjo to recall his troops to a position in the vicinity of Hsinmin.

THE LEAGUE APPOINTED A COMMISSION OF INQUIRY

The Council of the League of Nations had been in session for approximately four weeks considering the dispute between Japan and China, when it resolved on 10 December 1931 to accept the suggestion of the Japanese Representative and send a Commission of Inquiry to Manchuria to make a study of the situation "on the spot". The Council's resolution provided that the Commission should consist of five members from neutral countries with the right of China and Japan to appoint one "Assessor" each to assist the Commission.

Paragraph 2 of the Resolution was in these terms "(2) Considering that events have assumed an even more "serious aspect since the Council meeting of October 24th, "notes that the two parties undertake to adopt all measures "necessary to avoid any further aggravation of the situ- "ation and to refrain from any initiative which may lead "to further fighting and loss of life."

Japan in accepting the Resolution made a reservation concerning paragraph (2) stating that she accepted it "On the understanding that this paragraph was not intended "to preclude the Japanese forces from taking such action "as might be rendered necessary to provide directly for the "protection of the lives and property of Japanese subjects "against the activities of bandits and lawless elements "rampant in various parts of Manchuria."

China accepted the Resolution with the reservation that China's rights of sovereignty in Manchuria would not be impaired.

With regard to the undertaking and injunction contained in paragraph (2), quoted above, China stated "It must "be clearly pointed out that this injuction should not be "violated under the pretext of the existence of lawlessness "caused by a state of affairs which it is the very purpose

"of the resolution to do away with. It is to be observed "that much of the lawlessness now prevalent in Manchuria "is due to the interruption of normal life caused by the "invasion of the Japanese forces. The only sure way of "restoring the normal peaceful life is to hasten the with-"drawal of the Japanese troops and allow the Chinese author-"ities to assume the responsibility for the maintenance of "peace and order. China cannot tolerate the invasion and "occupation of her territory by the troops of any foreign "country; far less can she permit these troops to usurp "the police functions of the Chinese authorities."

Despite this counter-reservation of China, the Japanese maintained that their reservation gave Japan the right to maintain her troops in Manchuria and made her responsible for the suppression of banditry. Under the pretext of suppressing banditry Japan proceeded to complete the conquest of Manchuria. In the words of the Lytton Commission "The fact remains that, having made their reservation "at Geneva, the Japanese continued to deal with the situa-"tion in Manchuria according to their plans".

The membership of the Commission was not completely made up until 14 January 1932. The Rt. Honorable, the Earl of Lytton (British) was elected Chairman of the Commission; and the Commission has come to be known as the Lytton Commission.

THE WAKATSUKI CABINET WAS FORCED TO RESIGN

The continued efforts of Premier Wakatsuki and his Foreign Minister Shidehara to enforce the "Friendship "Policy" and the "Policy for Non-Expansion" generated so much opposition from the Military and their sympathizers that the Cabinet was forced to resign on 12 December 1931. Premier Wakatsuki testified as follows: "It is true that "in spite of the fact that the Cabinet had decided on the "policy of stopping the 'Manchurian Incident', it continued

"to spread and expand. Various methods were tried, and "one of these was a coalition cabinet, which I hoped might "be able to stop the action of the Kwantung Army. How-"ever, because of certain difficulties, this did not "materialize, and that is why my Cabinet resigned."

THE INUKAI CABINET

The Inukai Cabinet was formed on 13 December 1931 with ARAKI as Minister of War. The three Army Chiefs, that is: the outgoing War Minister, MINAMI, the Chief of the General Staff, and the Inspector General of Military Education, whose duty it was under the Japanese Constitution to select the succeeding War Minister, had selected General Abe to be War Minister; but ARAKI was popular with the radical elements in the Army, and they approached Inukai and demanded his appointment. General ARAKI received the appointment. Although Premier Inukai announced to Elder Statesman Prince Saionji that he intended to carry out the Emperor's wish that Japanese politics should not be controlled solely by the Army and although he adopted a policy to terminate the aggression of the Kwantung Army in Manchuria, War Minister ARAKI was not in accord with this policy. ARAKI favored Commander Honjo's plan that the four Provinces formerly under Marshal Chang Hsueh-liang should be occupied and pacified. He admitted that this was so during an interrogation at Sugamo Prison after the surrender. His first act was to secure approval in the Cabinet and the Privy Council of an appropriation to carry out this scheme,

HONJO AND ITAGAKI MOVED TO EXECUTE HONJO'S PLAN

The formation of the Inukai Cabinet, with ARAKI as War Minister and favorable to the Honjo plan to occupy and pacify the four Provinces, was the signal to the Kwantung Army to execute the plan. ITAGAKI moved quickly to strengthen the provisional government of Liaoning Province; a concentration of troops west of Mukden, poised for a drive on Chinchow and Tientsin, was begun; and ITAGAKI prepared to visit Tokyo to assist ARAKI in making detailed arrangements for carrying out the plan.

General Tsang Shih-yi, who had been incarcerated in prison on 21 September 1931 because of his refusal to cooperate with the invading Japanese Army, was starved into submission and forced to agree to accept the appointment as Governor of the Provincial Government, ad interim, of Liaoning Province. He was released from prison on the night of 13 December 1931; and after an interview with ITAGAKI, he was duly inaugurated as Governor on 15 December 1931. He was in such a nervous, weakened condition as a result of having been starved in prison that he fainted during his inauguration when a photographer exploded a flash bulb in making his picture. The inauguration of General Tsang Shih-yi was in preparation for a conference of all the Manchurian Provincial Governors; and the Kwantung Army was hastening preparations for the meeting.

The concentration of troops for the advance on Chinchow had begun on the 10th; and by 15 December 1931, it was complete. However, the advance could not begin until approval of War Minister ARAKI had been obtained and funds provided.

All preparations being complete, Commander Honjo dispatched ITAGAKI to Tokyo to convey to the Government his opinion that Manchuria should be made independent of China. War Minister ARAKI immediately supported Honjo 's plan and said that complete independence was the only way in which the "Manchurian Incident" could be solved, but considerable opposition to the plan was found to exist and he was not able to obtain approval of the plan without difficulty. The question was finally presented to the Throne at an Imperial Conference on 27 December 1931 and ARAKI states: "We immediately decided "to send the troops to Fengtien Province. The principal "plan was made in the War Ministry's order to General "Headquarters, and they took the procedure of sending "troops for the operation." At least a part of ITAGAKI's mission had been accomplished.

On the very day that this decision to advance against Chinchow was made, the Vice-Minister for Foreign Affairs handed the American Ambassador in Tokyo a memorandum in which it was stated that Japan was determined to remain loyal to the Covenant of the League, the Kellogg-Briand Pact, and other treaties, and would abide by the two resolutions adopted by the Council of the League regarding the Manchurian situation.

MANCHURIA WAS COMPLETELY OCCUPIED AFTER THE CAPTURE OF CHINCHOW

The Kwantung Army pointed to the reservation made at Geneva, as already referred to, and continued to deal with Manchuria according to plan. The Chinese Minister for Foreign Affairs, knowing that the attack on

Chinchow was imminent, had made a last minute appeal to prevent further fighting by offering to remove all remaining Chinese troops south of the Great Wall, but nothing came of this appeal; and the Kwantung Army actually began its movement on 23 December 1931. The Chinese Army was forced to give up its position. From that day, the advance continued with perfect regularity and hardly met any resistance at all as the Chinese General had ordered a retreat. Chinchow was occupied on the morning of 3 January 1932; and the Kwantung Army continued its advance right up to the Great Wall at Shanhaikwan.

ITAGAKI COMPLETED HIS MISSION AND RETURNED TO MUKDEN

KIDO records in his diary for 11 January 1932 that ITAGAKI had obtained approval of the plan to set up a puopet State in Manchuria; the entry is in part as follows: "At 10:30 o'clock this morning in the ante-"chamber connected with the lecture hall of the Imperial "Palace, I, together with persons close to the Emperor, "heard from Colonel ITAGAKI the conditions in Manchuria "and Mongolia. Colonel ITAGAKI first explained the situ-"ation concerning the progress of the campaign against "soldier bandits in Manchuria and Mongolia as well as "the progress in establishing a new State in Manchuria. "Colonel ITAGAKI gave hint that Manchuria would be placed "under a new ruler, and the Japanese Army would take charge "of the national defense of the new Manchurian State. He "further explained that Japanese people would participate "in the management of the new State as high government "officials." It will be noted that ITAGAKI followed the usual practice of referring to all Chinese soldiers as

"bandits". The pretense of invoking the reservation made at Geneva was again employed.

On his way back to Mukden, Colonel ITAGAKI called upon the new ruler mentioned in his conversation with KIDO. During his visit with Pu Yi at Port Arthur, ITAGAKI stated to Pu Yi, "In order to get rid of Chinese "Militarists and secure social welfare for the people of "the Northeastern Provinces, we are willingly prepared "to put up a new political regime in Manchuria." ITAGAKI proposed that Pu Yi should become the head of the new regime; but demanded, that as soon as the Manchurian Regime was set up Japanese should be employed as advisers and officials.

THE INDEPENDENCE MOVEMENT GAINED IN INTENSITY

After the fall of Chinchow, the independence movement made progress, especially in North Manchuria where DOHIHARA was on duty as Chief of the Special Services in Harbin. After the Japanese occupied Tsitsihar on 19 November 1931 and drove the forces of General Ma toward Hailun, a Self-Government Association of the usual type was established in Heilungkiang Province; and General Chang Ching-hui was inaugurated as Governor of the Province on 1 January 1932. General Chang Ching-hui, upon learning of the complete defeat and expulsion of Marshal Chang Hsueh-liang from Chinchow, acceded to the requests of the Self-Government Guiding Board at Mukden and declared the independence of Heilungkiang Province. The declaration was issued on 7 January 1932. On the same day, the Self-Government Guiding Board issued a Proclamation, which it had prepared on 1 January, but had been holding until an opportune time for publication. The Proclamation appealed to the people to overthrow Marshal Chang Hsueh-liang and join the Self-Government Association. The Proclamation ended with these words: "Organizations "of the Northeast, Unite!" Fifty thousand copies were distributed. Mr. Yu Chung-han, the Chief of the Board, and Governor Tsang Shih-yi, of Liaoning Province, were making plans for a new State to be established in February. This idea of independence from China had received no popular support in Manchuria before the "Mukden In- "cident" of 18 September 1931. It is apparent that it was conceived, organized and carried through by a group of Japanese civil and military officials, of whom Colonels

ITAGAKI and DOHIHARA were leaders. The presence of Japanese troops to enforce their authority, the control of the railways by the South Manchurian Railway, the presence of Japanese Consuls in all of the important urban centers, and the coordinating effect of the Japanese controlled Self-Government Guiding Board, afforded the group a means of exercising an irresistible pressure to bring about this so-called independence and later to control the new puppet State. The independence movement and the Chinese collaborators were sustained by Japanese military might alone.

ADDITIONAL ASSURANCES BY JAPAN

On 7 January 1932, the day that General Cheng Ching-hui proclaimed the independence of Heilungkiang Province, the American Secretary of State instructed the American Ambassador in Tokyo to deliver a Note to the Japanese Government. The Secretary of State stated in that Note that the Government of the United States deemed it a duty to notify both Japan and China that it would not admit the legality of any de facto situation nor recognize any treaty or agreement entered into so as to impair the treaty rights of the United States or its citizens in China or violate the conventional policy of the "Open Door" in China, or impair the obligations of the Pact of Paris (Annex No. B-15).

This Note was not answered until 16 January 1932. The Japanese Note stated that Japan was aware that the United States could be relied upon to do everything to support Japan's efforts to secure full and complete fulfilment of the treaties of Washington and the Kellogg-Briand Pact (Annex No. B-15). This Japanese Note went on to say that in

so far as Japan could secure it the policy of the "Open "Door" in China would always be maintained. Having regard to the Japanese military action in Manchuria which we have just described, this Japanese Note is a masterpiece of hypocrisy.

HASHIMOTO OBJECTED TO THIS ASSURANCE

The next day HASHIMOTO published an article in the Taiyo Dai Nippon, apparently in protest against this policy of observing treaties and maintaining the "Open "Door" in China. The title of the article was, "The Reform "of Parliamentary Systems." In the article, HASHIMOTO, said: "Responsible government-Party Cabinet System-runs "absolutely counter to the Constitution. It is the "democratic government which ignores the 'Tenno' govern- "ment, * * * which has been established firmly since the "founding of our Empire, and which remains solemnly un- "shaken in the Constitution granted by the Emperor. When "we consider their dangerous anti-national structure, poli- "tical ideology and their aggressive evils we believe it "most urgently necessary first of all to make a scapegoat "of the existing political parties and destroy them for the "sake of the construction of a cheerful new Japan."

DOHIHARA NEGOTIATED WITH GENERAL MA CHAN-SHAN

After General Ma had been driven from Tsitsihar by the Japanese and had set up his captial at Hailun, from which he was attempting to govern Heilungkiang, Colonel DOHIHARA began carrying on negotiations with the General from his Special Service Office at Harbin. The General's position was somewhat ambiguous; although he continued negotiating with DOHIHARA, he continued to support General Ting Chao. General Ting Chao had never approved of the puppet

government set up in Kirin Province by the Kwantung Army under the nominal leadership of General Hsi Hsia and had organized an army to oppose General Hsi Hsia. Not only did General Ma continue to support General Ting Chao, but these two Generals maintained some contact with Marhsal Chang Hsueh-liang and Generalissimo Chiang Kai-shek, who gave them assistance.

In an effort to force General Ma to terms, Colonel DOHIHARA requested General Hsi Hsia to advance on Harbin and drive in the direction of Hailun. General Hsi Hsia at the beginning of January 1932 prepared an expedition to the North with a view to occupying Harbin. General Ting Chao was between him and Harbin. General Hsi Hsia advanced to Shuangchong on 25 January; but Marshal Chang Hsueh-liang instructed Generals Ma and Ting Chao not to negotiate further; and fighting began on the morning of the 26th. DOHIHARA had failed in his attempt to intimidate Generals Ma and Ting Chao; and what was still worse, his ally, General Hsi Hsia, was meeting serious reverses at the hand of General Ting Chao. Thereupon, DOHIHARA was forced to call upon the Kwantung Army to assist General Hsi Hsia. To justify this, Colonel DOHIHARA created another of his "Incidents" in Harbin-and engineered riot-during which it is said that one Japanese and three Korean subjects of Japan were killed. Most of the Japanese troops had been withdrawn from Northern Manchuria in order to use them in the Chinchow drive; but the 2nd Division had returned to Mukden for a rest. Although the 2nd Division was ordered to go to the rescue of General Hsi Hsia and entrained on 28 January, some delay was experienced because of transportation difficulties. This gave General Ting Chao time to seize the Municipal Administration

in Harbin and arrest General Chang Ching-hui, who had been acting as puppet Governor of Heilungkiang Province.

MINAMI LECTURED

While the reinforcements were entraining to go to the aid of General Hsi Hsia, War Councillor MINAMI was delivering a lecture before the Japanese Emperor in Tokyo. His subject was, "The Latest Situation in Man-"churia". KIDO was present and recorded the lecture. MINAMI's conclusions as expressed to the Emperor were: (1) Japan would take over the national defense of the new state to be created in Manchuria, complete the Kirin-Kwainei Railway, and make the Sea of Japan into a lake to facilitate Japan's advance into North Manchuria, thereby revolutionizing Japan's defense plans. (2) The joint management by Japan and the new State of the economy of the area would make Japan self-sufficient in the World forever. (3) This arrangement would solve Japan's population problem, provided she established a colonial trooping system to the new State. KIDO further recorded that he thought the three or four Japanese organs in Manchuria should be united under one head when the new State was formed. This idea was to be carried out later.

FIRST INVASION OF SHANGHAI

After MINAMI had finished his lecture on the afternoon of 28 January 1932, fighting broke out in a new place in China. At 11:00 p.m. fighting commenced in the first invasion of Shanghai. The commencement of the "Incident" is typical. The anti-Chinese riots in Korea following the "Wanpaoshan Incidont" led to a Chinese boycott of Japanese goods in Shanghai, which had been

intensified after the "Mukden Incident" and increased in intensity as that "Incident" grew into the "Manchurian "Incident". Tension increased so that serious clashes occurred between Chinese and Japanese. Japanese residents of Shanghai requested the dispatch of Japanese troops for their protection. The Japanese Consul-General presented five demands to the Chinese Mayor of Shanghai; and the Admiral in command of Japanese naval forces at Shanghai announced that unless the Mayor's reply was satisfactory he would take action. On 24 January 1932, Japanese naval reinforcements arrived. The Chinese reinforced their garrison in Chapei, which is the native section of Shanghai. On 28 January, the Municipal Council of the International Settlement met and declared a state of emergency as of 4:00 p.m.; at that hour, the Japanese Cousul-General informed the Consular Body that a satisfactory reply had been received from the Chinese Mayor; and that no action would be taken. At 11:00 p.m. on the same day, the Japanese Admiral announced that the Japanese Navy was anxious as to the situation in Chapei where numerous Japanese nationals resided and had decided to send troops to that sector and occupy the Shanghai-Woosung Railway Station and that he hoped the Chinese would speedily withdraw to the west of the railway. These Japanese troops sent to the Chapei sector came into contact with Chinese troops which would not have had time to withdraw even had they wished to do so. This was the beginning of the battle of Shanghai.

CHINA MADE ANOTHER APPEAL TO THE LEAGUE

The next morning, 29 January 1932, the alarming situation caused China to submit a further appeal to the League of Nations under Articles 10, 11 and 15 of the Covenant. The Council of the League was in session when the fighting started at Shanghai and it received the new appeal from China the next day.

GENERAL MA BARGAINED WITH DOHIHARA

In Manchuria, Colonel DOHIHARA was continuing his negotiations in an effort to obtain the support of General Ma in the formation of a new State in Manchuria. Colonel ITAGAKI had recognized General Ma as "a man of "real worth possessing his own troops", and had attempted to arrange a truce with him after the battle of Tsitsihar. General Ma continued to cooperate with General Ting Chao until the latter's defeat by the combined forces of General Hsi Hsia and the Japanese on 5 February 1932. After General Ting Chao's defeat, General Ma resumed negotiations with Colonel DOHIHARA, while his army escaped through Russian territory into China. With his army safe in China proper, General Ma, it is said, accepted the one million dollars in gold offered by DOHIHARA. In any event he now agreed on 14 February 1932 to become Governor of Heilungkiang Province and cooperate with the Japanese.

SUPREME ADMINISTRATIVE COUNCIL

According to ARAKI, General Honjo conceived the idea of having the Governors of the Provinces organize a "Supreme Administrative Council" to make recommendations for the organization of the new State in Manchuria. He forwarded his plan to ARAKI and requested permission to set up a new State for the government of Manchuria with Henry Pu Yi as its head. During his interrogation at Sugamo Prison, ARAKI admitted that since he had no better suggestion and thought the General's plan would solve the "Manchurian Problem", he had approved the plan. ARAKI then sent additional experts into Manchuria to assist the Self-Government Guiding Board in carrying out General Honjo's plan.

General Ma having reached an agreement with DOHIHARA, the Self-Government Guiding Board called a meeting of the Governors of the Three Eastern Provinces and the Special District to meet at Mukden on 16 February 1932 for the announced purpose of "laying the "foundation" for the new State. The meeting was attended in person by General Ma, as Governor of Heilungkiang; General Chang Ching-hui as Governor of the Special District; General Hsi Hsia, as Governor of Kirin; and General Tsang Shihyi, as Governor of Liaoning; but General Tang Ju-lin, the Governor of Jehol, was not present. The legal advisor for the meeting was Dr. Chao Hsin-po, the Tokyo University trained Doctor of Laws, who had relieved Colonel DOHIHARA as Mayor of Mukden.

These five men decided that a new State should be established, that a North-Eastern Supreme Administrative Council should be organized which would exercise tempor-

arily the supreme authority over the Provinces and the Special District, and that this Supreme Council should without delay make all necessary preparations for the founding of the new State.

On the second day of the Conference, the Supreme Administrative Council was duly organized, to consist of seven members, namely: the Governors of Heilungkiang, Kirin, Liaoning, Jehol and the Special District, and the two Mongol Chiefs who had joined the Conference on the morning of the second day. The new Supreme Council immediately proceeded to business, and decided: (1) to adopt the Republican system for the new State; (2) to respect the autonomy of the constituting provinces; (3) to give the title of "Regent" to the Chief Executive; and (4) to issue a Declaration of Independence. That night, General Honjo gave an official dinner in honor of the "Heads of the New State". He congratulated them on their success and assured them of his assistance in case of need.

DECLARATION OF INDEPENDENCE

The next morning after General Honjo's dinner party, that is to say on 18 February 1932, the Declaration of Independence of Manchuria was published by the Supreme Administrative Council. Dr. Okawa in his book, "2600 Years of Japanese History", published in 1939, in commenting on this declaration has this to say: "The Chang Hsueh-liang Regime was swept completely "away from Manchuria in one swoop through the quick and "daring action of the Japanese troops." The Tribunal finds upon the evidence that there was no popular

movement in Manchuria for the establishment of any independent government. This movement was sponsored and inspired by the Kwantung Army and its creature, the Self-Government Guiding Board, with its Japanese Advisors..

ORGANIZATION OF THE NEW STATE

The Declaration of Independence having been issued, Governors Ma and Hsi Hsia returned to their Provincial Capitals, but they designated representatives to meet with Governor Tsang Shih-yi, Governor Chang Ching-hui and Mayor Chao Hsin-Po for the purpose of working out the details of the plan for the new State. On 19 February 1932, this group decided that the form of the new government should be that of a Republic with a constitution drawn on the principle of the separation of powers. The group then agreed upon Changchun as the Capital of the new State, fixed the design of the new national flag, and agreed that Pu Yi should be asked to act as "Regent" of the new State.

The Self-Government Guiding Board immediately began holding mass-meetings and demonstrations in the Provinces at which the Kwantung Army paraded its might and fired artillery salutes to impress the Manchurians with the power of Japan. After the proper foundation had been laid by these demonstrations, the Board took the lead in convening an All-Manchurian Convention, which was held in Mukden on 29 February 1932. At this Convention, speeches were delivered; a declaration denouncing the previous regime of General Chang Hsueh-liang was unanimously adopted; and resolutions welcoming

the new State with Pu Yi as its Chief Executive were approved.

The Supreme Administrative Council met immediately in urgent session and elected six delegates to proceed to Port Arthur to convey their invitation to Pu Yi to head the new government. Pu Yi did not respond to the first invitation from the Supreme Administative Council, so a second delegation was appointed on 4 March 1932 to induce Pu Yi to accept. Upon the advice of Colonel ITAGAKI, Pu Yi accepted the second invitation. After an audience with the Delegates on 5 March, Pu Yi left Port Arthur on the 6th for Tangkang-tze, and after two days began, on the 8th, to receive homage as the "Regent of Manchukuo". Inauguration ceremonies were held at the new capital, Changchun, on 9 March 1932. Pu Yi declared the policy of the new State to be founded upon morality, benevolence and love. The next day he appointed the list of principle officials suggested by the Japanese.

Prior to the arrival of Pu Yi, a number of laws and regulations, on which Dr. Chao Hsin-Po had been working for some time, had been made ready for adoptiong and promulgation. They came into effect on 9 March 1932, simultaneously with the law regulating the organization of the Government of Manchukuo.

Public announcement of the new State of Manchukuo was made on 12 March 1932 in a telegram to the foreign Powers requesting that they recognize the new State. Dr. Okawa stated that Manchukuo was a result of the plan of the Kwantung Army approved by the Japanese Government, and the establishment of the State progressed smoothly, because it had been well planned and prepared

beforehand. Pu Yi says that Manchukuo was under the complete domination of Japan from the beginning.

JAPANESE CABINET APPROVED FAIT ACCOMPLI

ARAKI was right when he said that the Honjo plan was approved by the Cabinet; but it was not so approved until 12 March 1932, after the plan had been executed and after the new State of Manchukuo had come into existence. It was on 12 March 1932, the day that the telegram announcing the formation of Manchukuo to the foreign Powers was sent out, that the Cabinet met and deicded upon an "Outline for the Disposition of "Foreign Relations Accompanying the Establishment of the "New State of Manchukuo". It was decided to render "all "sorts of aid" to the new State, short of recognition under international law, and "lead her to fulfill the "substantial conditions for an independent state step by "step" in the hope that the Powers would ultimately recognize her independence. To avoid intervention of the Signatory Powers of the Nine-Power Pact (Annex No. B-10) it was thought best to have Manchukuo declare a policy consistent with the policy of the "Open Door" and in harmony with the principle of equal opportunity guaranteed by the Treaty. The Cabinet also decided that Manchukuo should seize the custom houses and salt-tax collecting organs; but that this should be done in such a way as not to "bring about troubles in foreign relations". One method agreed upon for doing this was to bribe the customs officials and replace them with Japanese. It was planned to seize military power in Manchukuo under the guise of subjugating banditry in line with the reservation made

at Geneva. In short, the Cabinet fully realized that the occupation of Manchuria and the establishment of an independent State there by Japan was a direct violation of existing treaty obligations; and it was trying to evolve a plan whereby the reality of the breach could be concealed by an appearance of compliance with the obligations.

THE LYTTON COMMISSION ARRIVED IN TOKYO

On the day that the All-Manchurian Convention was being held in Mukden, that is to say on 29 February 1932, the Lytton Commission arrived in Tokyo, where they were received by the Emperor and commenced a series of daily conferences with the Government, including Premier Inukai, War Minister ARAKI, and others. Although these daily conferences continued for eight days, none of these government officials informed the Commission that Japan was forming a new State in Manchuria; and the Commission first learned of this after it had left Tokyo and arrived at Kyoto on its way to China.

On the day that the Commission arrived in Tokyo, KOISO was elevated by ARAKI from Chief of the Military Affairs Bureau of the War Ministry to the high position of Vice-Minister of War.

ARAKI DISPATCHED REINFORCEMENTS TO SHANGHAI

The battle which had started at Shanghai on 28 January 1932 had developed to such an extent that the Navy Minister was forced to call upon War Minister ARAKI for reinforcements. The Chinese 19th Route Army was

giving a good account of its fighting ability. Large numbers of Japanese destroyers were anchored in the Hwangpu and Japanese Airplanes were bombing Chapei. The Japanese Marines were using their permanent garrison in Hungkow as a base of operations; and barricades erected between this garrison and Chapei served as the front line between the ground forces. The Japanese destroyers firing point blank bombarded the forts at Wu-sung; this fire was not returned by the forts, for they had no guns capable of answering. The Japanese Marines had invaded areas adjacent to the International Settlement, disarmed the police and paralysed all city functions; a veritable reign of terror was in full swing when the Navy Minister requested these reinforcements. ARAKI states that he conferred with the Cabinet and it was decided to send supporting forces quickly; 10,000 men were dispatched the following day aboard fast destroyers. These reinforcements landed in the International Settlement fully equipped with tanks and artillery. The Navy drew up heavy ships and began shelling the city. However this attack which began on 20 February 1932 brought no marked success despite the fact that it continued for several days. Following this attack, ARAKI claiming that General Ueda had suffered such great losses that it was necessary to send further reinforcements, sent the 11th and 14th Divisions to oppose the Chinese Army which had been defending the city.

THE LEAGUE TOOK ACTION

The League of Nations was aroused to action. The members of the Council, other than China and Japan, addressed an urgent appeal to the Japanese Government on 19 February 1932 calling attention to Article 10 of the Covenant (Annex No. B-6); and the Assembly was convened to meet on 3 March 1932.

The American Secretary of State advised the American Consul-General at Shanghai that the Secretary's letter to Senator Borah on the China situation was being released to the Press. In this letter, the Secretary stated that the Nine-Power Treaty (Annex No. B-10) formed the legal basis upon which the "Open Door Policy" rested. He set forth a long history of the Treaty. He commented that the Treaty represented a carefully matured international policy designed to assure to all parties their rights in China and to assure the Chinese the fullest opportunity to develop their independence and sovereignty. He recalled that Lord Balfour, Chairman of the British Delegation, had stated that he understood that there was no representative present at the signing of the Treaty, who thought that spheres of interest were advocated or would be tolerated. The Pact of Paris (Annex No. B-15) was intended to reinforce the Nine-Power Treaty. The two Treaties were interdependent, he said, and were intended to align world conscience and public opinion in favor of a system of orderly development through international law, including the settlement of all controversies by peaceful means instead of arbitrary force. He said, that in the past the United States had rested its policy upon the abiding faith in the future of China and upon ultimate success

in dealing with China upon principles of fair play, patience and mutual good will.

The British Admiral, Sir Howard Kelly, as one of the many attempts to secure a cessation of hostilities at Shanghai through the good offices of friendly Powers, held a conference on board his flagship on 28 February 1932. An agreement on the basis of mutual and simultaneous withdrawal was proposed; but the conference was unsuccessful, owing to the differing opinions of the parties. As though in resentment of this interference, the Japanese troops occupied the western part of Kiangwan, which had been evacuated by the Chinese, and the Wu-sung forts and fortifications along the Yangtze were again bombed from the air and shelled from the sea, as bombing-planes operated over the whole front including the Nanking Railway and the airfield at Hungjao.

Before the Assembly of the League could meet, the Council proposed a roundtable conference on 29 February to make local arrangements for a cessation of hostilities at Shanghai; both parties agreed to this conference, but it was not successful because of the conditions imposed by the Japanese.

General Shirakawa, who had been appointed to the Japanese supreme command arrived with reinforcements on 29 February. His first order directed the bombing of the airfield at Hangchow, which was approximately 100 miles away. General Shirakawa gained ground slowly as a result of heavy naval bombardment; and after a flank attack on 1 March, he was able to drive the Chinese beyond the 20 kilometer limit originally demanded by the Japanese as terms for cessation of the hostilities.

This "face-saving" success permitted the

Japanese to accept the request of the Assembly of the League of 4 March 1932 calling upon both Governments to make a cessation of hostilities and recommending negotiations for conclusion of the hostilities and the withdrawal of Japanese troops. The opposing commanders issued appropriate orders and the fighting ceased; negotiations began on 10 March 1932.

The Assembly continued its investigation of the dispute; and on 11 March 1932, it adopted a resolution to the effect that the provisions of the Covenant (Annex No. B-6) were applicable to the dispute, especially the provisions that treaties should be scrupulously respected, that members should respect and preserve the territorial integrity and political independence of all the members of the League against external aggression, and that the members were obligated to submit all disputes between them to procedures for peaceful settlement. The Assembly affirmed that it was contrary to the spirit of the Covenant that the dispute should be settled under stress of military pressure affirmed the resolutions of the Council of 30 September and 10 December 1931 as well as its own resolution of 4 March 1932, and proceeded to set up a "Committee of Nineteen" to settle the dispute at Shanghai.

Contrary to their obligation, the Japanese took advantage of the truce to bring up reinforcements, which were landed at Shanghai on 7 and 17 March 1932. It was not until 5 May 1932 that a complete agreement was ready for signature. SHIGEMITSU signed for the Japanese. The fighting at Shanghai had been characterized by extreme cruelty on the part of the Japanese. The needless bombing of Chapei, the ruthless bombardment

by naval vessels, and the massacre of the helpless Chinese farmers whose bodies were later found with their hands tied behind their backs, are examples of the method of warfare waged at Shanghai.

This Incident furnishes another example of the Japanese determination to use military force against the Chinese and to impress the Chinese with the might of Japan, using any pretext for the purpose. The ostensible reason for the use of force in this case was the request from some Japanese residents of Shanghai for protection. The Tribunal has no hesitation in coming to the conclusion that the force used was out of all proportion to the existing danger to Japanese Nationals and property.

There is no doubt that at the time feeling was running high and the Chinese boycott of Japanese goods induced at least in part by Japanese action in Manchuria, was being felt. In the light of all the facts the Tribunal is of the opinion that the real purpose of the Japanese attack was to alarm the Chinese by indication of what would follow if their attitude toward Japan continued, and thus break down resistence to future operations. The Incident was a part of the general plan.

MANCHUKUO WAS CONSTRUCTED AND OPERATED AS A PUPPET

Manchukuo was definitely a totalitarian State, because of the power vested in the Regent; and those who controlled the Regent controlled the State. Ordinance No. 1, which was promulgated on 9 March 1932, prescribed the organic law for Manchukuo. In formal expression, the position was as follows: the governmental power was divided into four divisions: the Executive, the Legislative, the Judicial and the Supervisory: the Regent as the Chief Executive was the head of the State; all executive power as well as the power to override the Legislative Council was vested in him: the functions of the Executive Department were performed, under the direction of the Regent, by the

Premier and the Minister of State, who formed a State Council or Cabinet: the Premier supervised the work of the Ministries through the powerful General Affairs Board, which had direct charge of their confidential matters, personnel, accounting and supplies; subordinate to the State Council were various bureaux, such as the Legislative Council; but, following the Japanese Constitution, the Regent had authority, when the Legislative Council was not in session to promulgate ordinances upon advice of his Privy Council; and the Supervisory Council supervised the conduct of officials and audited their accounts. The Legislative Council was never organized and legislation was therefore enacted by ordinance of the Regent.

The General Affairs Board, the Legislative Bureau and the Advisory Bureau in practice by way of contrast to form, constituted a Premier's Office. Upon establishment of the State, the Self-Government Guiding Board was abolished and its personnel were transferred to the Advisory Bureau, which continued the work of the Board through the Self-Government Committees previously established in the Provinces and Districts. The General Affairs Board, more than any other, was the agency of the Japanese for effective practical control and domination of every phase of the government and economy of Manchukuo.

The Ministers of State were generally Chinese, but each Minister had a Vice-Minister, who was Japanese. There existed a committee in the Government of Manchukuo not provided for in the Constitution which was known as the "Tuesday Meeting". Each Tuesday, there was a meeting of the various Japanese Vice-Ministrers, presided over by the Japanese Director of the General Affairs Board, and attended by the Chief of a Section of the Kwantung Army General Staff.

At these meetings, all policies were adopted, all rescripts, ordinances and other enactments approved; the decisions of the "Tuesday Meeting" were then passed on to the General Affairs Board to be officially adopted and promulgated as an act of the Government of Manchukuo. It was in this manner that Manchukuo was completely dominated by the Kwantung Army. In a telegram sent by General Honjo to War Minister ARAKI on 3 April 1932, Honjo said: "I believe you have no "objections that the execution of our policies regarding the "whole of Manchukuo should, insofar as it involves negotia- "tions with Manchukuo, be left chiefly to the Kwantung Army. "In view of the recent conduct of the Japanese Government "Offices and various other representing organs in Manchu- "kuo, however, I fear that unless we make it thoroughgoing, "confusion might arise." To this ARAKI replied: "I agree "in principle to your opinion regarding unification in the "execution of our Manchurian policies."

At first Japanese "Advisors" were appointed to advise all the important government officials of Manchukuo; but shortly after the formation of the State, these "Advisors" became full government officials on the same basis as the Chinese. Over 200 Japanese were holding office in the Central Government alone, not including those in the War Ministry and Military Forces, during the month of April 1932--one month after the formation of the State. In most bureaux. there were Japanese advisors, councillors, and secretaries. All important posts in the Supervisory Bureau were held by Japanese. Finally, most of the important officials of the Regency, including the Chief of the Office of Internal Affairs and the Commander of the Regent's Bodyguard, were Japanese. Even the Regent was "supervised" by General Yoshioka, who was appointed by the

Kwantung Army for that purpose. In short as for the Government and public services, although the titular heads were usually Chinese, the main political and administrative power was held by Japanese officials as advisors, councillors, supervisors, secretaries and vice-officials.

The Japanese Cabinet at a meeting on 11 April 1932 considered methods for "guiding" Manchukuo and approved the method outlined above. ARAKI was a member of the Cabinet as War Minister at that time. The decision was: "The new State shall employ authoritative advisors from "our country and make them the highest advisors in con-"nection with financial, economic and general political "problems. The new State shall appoint Japanese nationals "to the leading posts in the Privy Council, the Central "Bank, and other organs of the new State." The Cabinet then listed the offices of the government of Manchukuo which should be filled by Japanese; these included the Chief of the General Affairs Board and the Chief of each of that Board's sections, Councillors and Chief Secretary of the Privy Council, and offices in the Revenue, Police, Banking, Transportation, Justice, Customs, and other Departments. This measure was found to be necessary so that the new State would manifest the "very characteristics "that are important factors for the existence of the Empire "in relation to politics, economy, national defense, trans-"portation, communication and many other fields", and so that "a single self-sufficient economic unit comprising "Japan and Manchukuo will be realized".

THE CONCORDIA SOCIETY AND THE "KINGLY WAY"

The Concordia Society (Kyo-Wa-Kai) was organized b a committee composed of ITAGAKI and others in Mukden

during April 1932. The Kwantung Army Commander was made ex-officio Supreme Advisor of the Society. The special mission of the Concordia Society was to spread the spirit and ideology of the State, the "Kingly Way", and to strengthen Manchukuo so that she could subserve Japan in her struggle against the Anglo-Saxon World and the Comintern. The policy of the Government of Manchukuo was expressed in proclamations issued on 18 February 1932 and 1 March 1932; it was to rule in accordance with the fundamental principle of the "Kingly Way". In this manner, the consolidation of Japan's conquest of Manchuria was accomplished in the sphere of ideological propaganda. No political party other than the Society was allowed in Manchuria. The titular head of the Society was the Prime Minister of Manchukuo; but actually, the leader was a member of the Kwantung Army General Staff.

THE LYTTON COMMISSION VISTED MANCHURIA

The Lytton Commission arrived in Manchuria in April 1932 and began its work of penetrating the veil of secrecy thrown over the situation by the intimidation of the inhabitants and obstruction of the Committee's efforts by the Kwantung Army and Japanese officials of Manchukuo. Under the excuse of offering "protection" to members of the Commission and prospective witnesses, the Army and the Gendarmes "supervised" their activities and movements. Pu Yi testified that, "We were all under the supervision "of the Japanese Military Officers; and wherever Lord "Lytton went, he was under the supervision of Japanese "Gendarmes. When I interviewed Lord Lytton, many of the "Kwantung military officers were beside me supervising. "If I had told him the truth, I would have been murdered

"right after the mission left Manchuria." Pu Yi delivered to Lord Lytton a statement prepared by Colonel ITAGAKI, which Pu Yi now declares did not reflect the true facts. People who spoke Russian or Lnglish were carefully supervised during the Commission's stay in Manchuria; some were arrested.

The Chief of Staff of the Kwantung Army suggested, in a telegram sent to the War Ministry on 4 June 1932, that Japan show her contempt of the Lytton Commission by taking over the customs during the visit of the Commission. He said: "It is rather advantageous to take this action "during the stay of the League's Inquiry Commission in "order to display the independence of Manchukuo, and to "indicate the firm resolution of Japan and Manchukuo in "respect to the 'Manchurian Incident'".

THE ASSASSINATION OF PREMIER INUKAI

The opposition of Premier Inukai to the establishment of Manchukuo as an independent State cost him his life. The Premier had consistently opposed the recognition of Manchukuo by Japan, maintaining that such recognition would be a violation of the sovereign rights of China.

Within a few days after assuming office as Premier, Inukai sent a secret emissary by the name of Kayano to Generalissimo Chiang Kai-shek to arrange terms of peace. Generalissimo Chiang was highly satisifed with Kayano's proposals and negotiations were proceeding satisfactorily when one of Kayano's telegrams to Premier Inukai was intercepted by the War Ministry. The Secretary of the Cabinet informed Inukai's son that, "Your father is carry-"ing on negotiations with Generalissimo Chiang. Concerning

"this, the War Ministry is highly indignant." Although the negotiations were abandoned, the friction continued between the Premier and War Minister ARAKI.

The conflict between Premier Inukai and the "Kodo" or "Imperial Way" faction, of which ARAKI was leader at that time, reached the explosion point on 8 May 1932, when Inukai delivered an anti-militaristic and pro-democratic speech at Yokohoma. On 15 May 1932, the Premier was ill and temporarily alone in his Official Residence, when several naval officers forced their way into his home and assassinated him. Dr. Okawa furnished the pistols for the killing; and HASHIMOTO admitted in his book, "The "Road to the Reconstruction of the World", that he was implicated in the murder.

Lt. Colonel SUZUKI, who was an official in the Military Affairs Bureau of the War Ministry at that time, warned that if a new Cabinet should be organized under the leadership of political parties, a second or third assassination would occur. He made this warning at a dinner attended by KIDO, KOISO and SUZUKI at Baron Harada's house two days after the murder. The opposition to the expansionist policy had come largely from representatives of the political parties in Japan.

RECOGNITION OF MANCHUKUO BY JAPAN

ARAKI and KOISO retained their positions, as War Minister and Vice-War Minister respectively, in the new Cabinet; and under their leadership, Manchukuo was recognized by the Government of Japan as an independent State. In replying on 4 June 1932 to a telegram from the Chief-of-Staff of the Kwantung Army, the War Minister said, regarding the question of recognition: "It has a very

"delicate bearing on various circles at home and abroad, "and therefore we are now determined and ready to effect the "recognition whenever opportunity offers." He also revealed the plan to rule Manchukuo through the Kwantung Army; he said: "As regards unification of various organs in Manchu- "ria, we are planning to establish a coordinating organ with "the Army as its center, among other things aiming at the "industrial development of Manchuria to meet with require- "ments for speedy stabilization of Manchukuo and national "defense. Should such underlying motive by chance leak out "at home or abroad, and especially in foreign countries, it "would be extremely disadvantageous from the point of view "of the direction of Manchukuo. Therefore, we hope that "you will be very circumspect even in the study of the matter "in your own office." About the middle of June 1932, ARAKI stated before the Supreme War Council that the resolutions of the League of Nations and statements made by Japan in regard to Manchuria before the establishment of Manchukuo could no longer be considered binding on Japan.

The Kwantung Army assisted ARAKI in forcing the Government to recognize Manchukuo by sending a so-called "Peace Mission" to Tokyo in June 1932. The purpose of this mission was to urge the immediate recognition of the new State; it worked in conjunction with the Black Dragon Society, which held conferences at Hibiya Toyoken to assist this "Mission".

In view of the change of Cabinets, the Lytton Commission returned to Tokyo on 4 July 1932 and held a series of conferences with the officials of the new Government in an effort to learn the views of the Cabinet regarding the situation in Manchuria. ARAKI was present at these conferences.

After the Commission returned to Peiping, that is to say on or about 8 August 1932, the "coordinating organ with "the Army at its center", mentioned by ARAKI in his telegram to the Chief-of-Staff of the Kwantung Army, was established as planned. The "Four-in-One" system was replaced by the "Three-in-One system; under this new system, the Commander of the Kwantung Army became the Governor of the Kwantung Leased Territory and at the same time Ambassador to Manchukuo. The new system took effect on 20 August 1932. A change of personnel was made to put this system in effect. Muto, Nobuyoshi, replaced Honjo as Commander of the Kwantung Army. ITAGAKI remained on the Staff of the Kwantung Army, and was promoted to the rank of Major General. Vice-Minister of War KOISO was sent to Manchuria as Chief-of-Staff of the Kwantung Army with the concurrent assignment as Chief of the Kwantung Army Special Service Organization, or Intelligence Service.

After the surrender, ARAKI stated: "At the conference "of the Big Three (Foreign, Navy and War Ministers), when "discussing recognition of Manchukuo as an independent state, "I suggested that we exchange Ambassadors since Manchukuo "was an independent state. The question came before the "Cabinet at a meeting in August 1932. The discussion was "as to when Manchukuo should receive recognition - now or "later. The Kwantung Army put in a request that we recog-"nize immediately. I set the date of 15 September 1932 as "the date to formally recognize Manchukuo. At this meeting "we discussed the contents of the Treaty to be entered into "with Manchukuo, and I approved the contents agreed upon."

HIRANUMA, as Vice-President of the Privy Council, called a meeting of the Council on 13 September 1932 to consider the question of "Signing of the Protocol between

"Japan and Manchukuo." HIRANUMA, who had also been appointed a Member of the Investigation Committee of the Privy Council, read the report of the Committee to the full Privy Council. The report stated, among other things, "Our Imperial Government firmly believed "that it would be advisable to recognize that country "without delay. Nevertheless, in order to use prudence "and caution, our Government watched for half a year "the developments in Manchukuo as well as the attitudes "of the League of Nations and other countries. "Indications are that our country's recognition of "that country although it will as may be easily imagined "cause for a time no small shock to the world, it will "not bring about an international crisis. With the "object of co-existence and co-prosperity, our country "intends to take measures for recognizing Manchukuo by "concluding an arrangement through this Protocol and "the Notes exchanged between the two countries".

HIRANUMA was referring to four Notes as follows: (1) The first Note consisted of a letter and the reply thereto. The letter, which was dated 10 March 1932, the day after Pu Yi's inauguration, was addressed by Pu Yi to Honjo. In this letter, Pu Yi stated that he appreciated the efforts and sacrifices of Japan in establishing Manchukuo, but that the development of Manchukuo could not be expected without the support and guidance of Japan. Pu Yi then requested that Japan agree, among other things, to the following: (A) Japan to undertake, at the expense of Manchukuo, the national defence of the new State and the maintenance of order within the country, with the understanding that Manchukuo would furnish all military facilities required by the Kwantung Army; (B) Japan to undertake to control all existing railroads and other transportation

facilities and to construct such new facilities as may be deemed desirable; and (C) Japanese nationals to serve as government officials in all branches of the Government of Manchukuo, subject to appointment, removal and replacement at will by the Commander of the Kwantung Army. Honjo's reply to the letter was simply that Japan had no objection to Pu Yi's proposals. (2) The second Note was an agreement between the Prime Minister of Manchukuo and Honjo dated 7 August 1932 relating to the control of transportation facilities and making the Japanese control more absolute. (3) The third Note was another agreement between the Prime Minister of Manchukuo and Honjo dated 7 August 1932. It related to the establishment of the Japan Air Transportation Company. This Company was authorized by a Cabinet decision of 12 August 1932 to take over the air-routes which had already been established in Manchuria by the Kwantung Army under the pretext of military communications. (4) The fourth Note was an agreement between Commander Muto and the Prime Minister of Manchukuo dated 9 September 1932 relative to mining concessions in Manchuria.

According to the report read by HIRANUMA, these Notes were to be retroactive to the dates of their signing and were to be deemed international agreements, but were to be strictly secret.

The Protocol, which was to be made public, provided that Japan had recognized Manchukuo; that Manchukuo affirmed all rights and interests possessed by Japan and her subjects in Manchuria at the time of the formation of Manchukuo; and that both parties agreed to

cooperate in the maintenance of their national security, recognizing that a threat to either was a threat to both and giving Japan the right to maintain troops in Manchukuo. The Investigation Committee recommended approval of the Protocol and Notes.

The discussion that followed the reading of the report of the Investigation Committee reveals that the members of the Privy Council fully realized that the proposed Protocol and Notes violated the Nine-Power Pact (Annex No. B-10) and other treaty obligations of Japan. Privy Councillor Okada raised the question. The Foreign Minister had explained to the Diet that Japan would not be violating the Nine-Power Pact by recognizing Manchukuo, because Manchukuo had become independent, and Japan had not agreed to prevent the independence of the Chinese people. Okada expressed the opinion that the United States and others would not be satisfied by that explanation. As he explained, "The Americans might say that it "would be all right if Manchukuo had become "independent by the free will of her own "people, but that it was a violation of the Pact "and a disregard of China's sovereignty "for Japan to assist and maintain "that independence." The Foreign

Minister replied: "Of course, in this respect, various views "are held in the United States and other countries, but these "are their own views." ARAKI explained, "The national de- "fense of Manchukuo is at the same time the national defense "of our country". Councillor Ishii stated: "I feel very un- "easy about Japan's contention in regard to the connection "between the 'Manchurian Problem' and the League of Nations", and he further observed: "It was almost an established view "of a large number of the people of the United States and "other countries that our action in Manchukuo violated the "Pact of Paris (Annex No. B-15) and the Nine-Power Pact." However, Councillor Ishii added: "Now that Japan has con- "cluded an alliance with Manchukuo, for joint national de- "fense I believe that there will be no room for opposing the "stationing of Japanese troops in Manchuria, this will make "the League's past resolution a dead letter." He then ob- served: "It was rather strange that the Manchurian and Mon- "golian races had started no independence movement up to now!"

The vote was taken, the Protocol and Notes were approv- ed by unanimous vote and the Emperor withdrew. Ambassador Muto presented the Protocol to the Manchukuoan Prime Minister with the remark, "Here it is. This is the agreement that "you have to sign". Although Pu Yi testified that he did not know of the existence of the Protocol up until the day it was presented for signing, he signed it on 15 September 1932.

PREPARATION FOR THE CONQUEST OF JEHOL

Efforts to persuade General Tang Ju-lin, who was Gover- nor of Jehol Province, to declare his Province independent of China and place it under the jurisdiction of Manchukuo proved to be of no avail; therefore, with the conquest and consolid- ation of the Three Eastern Provinces completed, the Japanese

Army began to prepare for the conquest of Jehol. After the surrender, ARAKI tried to explain the decision to invade Jehol by saying, in speaking of the Privy Council meeting of 17 December 1931 where it was decided - according to him - to appropriate funds for the subjugation of Manchuria, "It had "been decided that the three provinces comprising Chang "Hsueh-liang's territory required pacification; but a state-"ment by Chang to the effect that his jurisdiction extended "over four provinces expanded the scene of activities to "Jehol".

At the organization of the Supreme Administrative Council by the puppet Governors of the provinces on 17 February 1932, it was provided that Jehol should be represented on the Council; however, Governor Tang Ju-lin ignored the invitation and continued to rule the Province, although the Mongols of the various Leagues within the Province attempted to collaborate with the new State and were claimed as subjects by Manchukuo.

The Japanese, having made their reservation at Geneva, needed only to find an excuse to proceed with their plan for the incorporation of Jehol into Manchukuo. The first excuse was presented when an official by the name of Ishimoto, who was attached to the Kwantung Army, staged a "disappearance" while traveling between Peipiao and Chinchow on 17 July 1932. The Japanese immediately claimed that he had been kidnapped by Chinese Volunteers and sent a detachment of the Kwantung Army into Jehol on the pretext of rescuing Ishimoto. Although the detachment was equipped with artillery, it was repulsed and failed in its purpose, after occupying a village on the frontier of the Province. During this encounter, Japanese planes dropped bombs on the town of Chaoyang; and through the month of August 1932, Japanese planes continued to demonstrate over this part of Jehol Province. On 19 Aug-

ust 1932, a Kwantung Army staff officer was sent to Nanling, a small village situated between Peipiao and the boundary of Jehol ostensibly to negotiate for the release of Mr. Ishimoto, He was accompanied by an infantry detachment. He claimed that on his return journey, he was fired upon and in self-defence returned the fire. On the arrival of another infantry detachment, as if by pre-arrangement, Nanling was occupied.

Shortly after the engagement at Nanling, a declaration was issued to the effect that Jehol Province was the territory of Manchukuo, thus laying the foundation for its annexation through the action of the Kwantung Army. Military action continued upon one pretext or another, mostly along the Chinchow-Peipiao branch line of the Peiping-Mukden Railway, which is the only means of access to Jehol from Manchuria by railway. This was to be expected as the main lines of communication at that time between China proper and the Chinese forces remaining in Manchuria ran through Jehol. It was evident to casual observers that an invasion of Jehol was imminent and the Japanese Press freely admitted that fact. In September 1932. the 14th Mixed Brigade arrived in Manchuria with the announced mission of "mopping up" bandits in the Tung Pientao, which is the district on the north side of the Yalu River between Manchuria and Korea. The real mission of this brigade was to prepare for the invasion of Jehol.

THE LYTTON COMMISSION REPORTED

In Geneva, the Council of the League met on 21 November 1932 to consider the report of the Lytton Commission, which had been received on 1 October 1932. During the deliberations the Japanese Delegate, Matsuoka, declared, "We want no "more territory!" However, due to the fact that Matsuoka re-

fused to agree to any basis for settlement of the dispute, the Council was forced on 28 November 1932 to transmit the report of the Lytton Commission to the Assembly for action.

The Lytton Commission in its report stated: "It is a "fact that, without declaration of war, a large area of what "was indisputably the Chinese territory has been forcibly "seized and occupied by the armed forces of Japan and has, "in consequence of this operation, been separated from and "declared independent of the rest of China. The steps by "which this was accomplished are claimed by Japan to have "been consistent with the obligations of the Covenant of the "League of Nations (Annex No. B-6), the Kellogg Pact "(Annex No. B-15) and the Nine-Power Treaty of Washington "(Annex No. B-10), all of which were designed to prevent "action of this kind. The justification in this case has "been that all the military operations have been legitimate "acts of self-defence." However, the Commission further stated in discussing the events at Mukden on the night of 18 September 1931: "The military operations of the Japanese "troops during this night, which have been described above, "cannot be regarded as measures of ligitimate self-defence."

The Assembly of the League met on 6 December 1932; and after a general discussion, adopted a resolution on 9 December 1932 requesting the Committee of Nineteen, which it had appointed on 11 March 1932, to bring about a cessation of hostilities at Shanghai, study the report, draw up proposals for settlement of the dispute, and submit those proposals to the Assembly at the earliest possible moment.

The Committee of Nineteen drew up two draft resolutions and a statement of reasons indicating generally the basis on which it thought it possible to continue its endeavors. On 15 December 1932 the two draft resolutions and the statement of reasons were submitted to the parties. The Chinese and

the Japanese Delegates proposed amendments; and the Committee adjourned on 20 December 1932 to permit discussion of the proposed amendments between the Delegates, the Secretary-General of the League and the President of the Committee.

THE SHANHAIKWAN INCIDENT

Before this discussion proceeded very far, the serious "Shanhaikwan Incident" occurred on 1 January 1933. Situated at the extremity of the Great Wall, halfway between Peiping and Mukden, this city has always been regarded as of great strategic importance. It is on the route followed by invaders, who coming from Manchuria wish to penetrate into what is now the Province of Hopei. Moreover, from Hopei is the easiest route into Jehol.

After Chinchow had been taken, the Japanese had advanced to Shanhaikwan - up to the Great Wall - and taken possession of the Mukden-Shanhaikwan Railway. The railway continues from Shanhaikwan to Peiping, where Marshal Chang-Hsueh-liang was maintaining his headquarters. Although the railway station at Shanhaikwan is just south of the Great Wall, the Japanese trains from Mukden ran to the station; therefore, the Japanese maintained troops at the station under the pretense of guarding the trains. The Chinese trains from Peiping also ran into this station, and the Chinese maintained troops there. The Chinese Commander reported that all had been well at the station until this "Incident" occurred.

The fact that this "Incident" occurred during the discussion of the proposed amendments to the two draft resolutions submitted by the Committee of Nineteen strongly suggests that it was planned in order

to simulate justification of the action of the Japanese Government in rejecting all efforts of the Committee to arrive at a basis of settlement between China and Japan.

On the afternoon of 1 January 1933, the Japanese claimed that some Chinese had thrown a hand grenade. That was the excuse for a forthright assault on the walled city of Shanhaikwan. Smaller towns nearby were machine-gunned, American missionary property was bombed, and the fighting developed into old-fashioned trench warfare so that the North China Plain between Peiping and the Great Wall became criss-crossed by hundreds of miles of trenches. Thousands of peaceful citizens were slaughtered; and the Chinese Government addressed an appeal on 11 January 1933 to the signatories of the 1901 Protocol (Annex No. B-2).

JAPAN DECLINED ALL EFFORTS OF THE COMMITTEE OF NINETEEN

The Committee of Nineteen met pursuant to adjournment on 16 January 1933; and submitted to the parties a number of questions and requests for information in an effort to arrive at a basis of settlement between China and Japan. To all of its requests, the Committee received unsatisfactory replies from Japan; and on 14 February 1933, the Japanese Government informed the Committee that it was convinced that the maintenance and recognition of the independence of Manchukuo were the only guarantees of peace in the Far East, and that the whole question would eventually be solved between Japan and China on that basis. This put an end to the Committee's deliberations and it immediately reported to the Assembly.

THE LEAGUE OF NATIONS CONDEMNED JAPAN

The Assembly of the League of Nations on 24 February 1933 adopted the report prepared for it by the Committee of Nineteen condemning Japan as the aggressor in the war between her and China and making recommendations for termination of that war. The Assembly reported that for more than sixteen months the Council or the Assembly had continuously tried to find a solution for the Sino-Japanese dispute; however, the situation tended constantly to grow worse and the "war in disguise" continued. It declared that "Through all its wars and periods "of 'independence', Manchuria remained an integral part "of China; and that a group of Japanese civil and military "officials conceived, organized, and carried through the "Manchurian independence movement as a solution to the "situation in Manchuria as it existed after the events of "18 September 1931; and, with this object made use of the "names and actions of certain Chinese individuals and took "advantage of certain minorities and native communities "that had grievances against the Chinese administration." The Assembly decided that it could not regard as measures of self-defence the military operations carried out on the night of 18 September 1931 by the Japanese troops at Mukden and other places in Manchuria; and that this applied as well to the military measures of Japan as a whole, developed in the course of the dispute. It also stated that the main political and administrative power in the "Government" of "Manchukuo" rested in the hands of Japanese officials and advisors, who were in a position actually to direct and control the administration. It

found that the vast majority of the population did not support this "Government", but regarded it as an instrument of the Japanese. The Assembly declared that "It is indisputable that, without any declaration of "war, a large part of Chinese territory has been for-"cibly seized and occupied by Japanese troops and that "in consequence of this operation, it has been separated "from and declared independent of the rest of China." The Assembly found as a matter of fact: "While at the "origin of the state of tension that existed before 18 "September 1931, certain responsibilities would appear "to lie on one side and the other, no question of Chinese "responsibility can arise for the development of events "since 18 September 1931." This was a finding of aggression against Japan and a warning that similar conduct would meet similar condemnation in the future. Therefore, no person in Japan could rightly say thereafter that he honestly believed that conduct of this kind would be condoned. This Tribunal finds no basis for disagreement with the report adopted by the Assembly of the League on 24 February 1933.

The Accused SHIRATORI, who in his public announcements was one of the foremost assertors of the legitimacy of Japan's actions in Manchuria, expressed the truth in a private letter to Arita, then Japanese Minister to Belgium. Writing in November 1935, and speaking of Japanese diplomats who favored conciliation in international affairs, he said: "Have they enough "courage to return Manchuria to China, to get reinstated "in the League of Nations, and to apologize to the "world for the crime?"

JAPAN WITHDREW FROM THE LEAGUE OF NATIONS

Rather than fulfill her obligations under the

Covenant (Annex No. B-6), Japan gave notice on 27 March 1933 of her intention to withdraw from the League. The notice stated her reason for withdrawal to be: "That "there exist serious differences of opinion between "Japan and these Powers(The majority of the Members of "the League) concerning the application and even the "interpretation of various international engagements "and obligations including the Covenant of the League "and the principles of international law."

INVASION OF JEHOL

One day after the Assembly adopted its resolution condemning Japan as the aggressor in China, she openly defied the League by invading Jehol Province. Key points along the Great Wall, such as Shanhaikwan and Kiumenkou, fell into the hands of the Japanese as a result of the fighting that followed the "Shanhaikwan Incident", and the strategical situation of Jehol became very critical prior to 22 February 1933. On that date, the Japanese Army, in the name of the puppet State of Manchukuo, sent an ultimatum to China, stating that Jehol was not Chinese territory and demanding that Chinese forces in Jehol Province be withdrawn within 24 hours. The ultimatum was not satisfied and the advance of the Japanese Army began on 25 February 1933. The Japanese advanced in three columns from their bases at Tungliao and Sui-Chung, and did not stop until all the territory north and east of the Great Wall was occupied and all the strategic gates along the Great Wall were captured. ITAGAKI and KOISO as staff officers of the Kwantung Army assisted in the completion of the occupation of all Manchuria by 2 March 1933.

TANGKU TRUCE

As a result of its advance to the Great Wall, the Japanese Army was in a favorable position to invade China proper; but time was needed to consolidate and organize its gains preparatory to the next advance; to gain this time, the Tangku Truce was signed on 31 May 1933. Commander MUTO sent representatives, vested with plenary power and armed with a draft of the Truce, which was prepared by the Kwantung Army, to negotiate with the Chinese representatives at Tangku. The Truce as signed provided for a demilitarized zone south of the Great Wall. The terms were that the Chinese forces would first withdraw to a specified line. The Japanese were authorized to observe by airplane from time to time whether the withdrawal was complete; on being satisfied with the withdrawal, the Japanese Army was to withdraw to the line of the Great Wall; and the Chinese forces were not to again re-enter the demilitarized zone.

ARAKI, A POPULAR FIGURE

The successful conquest of all Manchuria by the Japanese forces made War Minister ARAKI a popular figure among certain groups in Japan; and he was constantly in demand as a writer and public speaker. In a motion-picture adaptation of one of his speeches made in June 1933 and entitled, "The Critical Period of Japan", he stated the ideals of the Military and revealed their plan to wage wars of aggression in order to dominate all of Asia and the islands of the Pacific. Among other things, he said: "Has peace reigned in Asia during the

"last fifty years? What is the situation in Siberia, "Mongolia, Tiber, Singkiang, and China? Are the waves of "the Pacific really calm? Can we expect the waves of the "Pacific of tomorrow to be as calm as they are today? It "is the holy mission of Japan, the Yamato race, to es-"tablish peace in the Orient with its ideals and power. "The League of Nations does not respect this mission of "Japan. The siege of Japan by the whole world under the "leadership of the League was revealed by the 'Manchurian "Incident'. The day will come when we will make the whole "world look up to our national virtues." (On the screen was shown Japan and Manchuria in the center, then China, India, Siberia and the South Seas). "Manchukuo, which "was founded by the revelation of Heaven in the form of "the 'Mukden Incident', and Japan will work together and "will secure permanent peace in Asia." He then defined national defence as follows: "I would not adopt such a "narrow view that defence of the nation may be defined in "terms of geographic position. It is the mission of the "Army to defend the 'Imperial Way', in space, in time, in "enlargement and development, in eternity and continuity. "Our troops have fought with the everlasting spirit of the "song: 'The greatest honor is to die for the Emperor. "Our Country is destined to develop in space. It is of "course expected of the Army to fight against those who "oppose us in spreading the 'Imperial Way'. Compatriots! "Let us look at the situation in Asia. Is it to be left "unamended forever? Our supreme mission is to make a "paradise in Asia. I fervently beseech you to strive "onwards united." (On the screen appeared the words: "Light comes from the East!")

SECTION II. CONSOLIDATION AND EXPLOITATION OF MANCHURIA

REORGANIZATION OF MANCHUKUO

After the signing of the Tangku Truce, Manchukuo was reorganized so as to strengthen Japan's control over that puppet State and to facilitate the economic exploitation of Manchuria in preparation for continuation of the war of aggression against China and the waging of wars of aggression against other Nations, who might oppose her domination of Asia and the Islands of the Pacific.

The Japanese Cabinet decided on 8 August 1933 to "develop Manchuria into an independent Nation possess-"ing indivisible relations with the Japanese Empire." Control of Manchukuo was to be "executed by Japanese "officials under the jurisdiction of the Commander of the "Kwantung Army." The aim of the Manchurian economy was to be "the unification of Japanese and Manchurian "economies in order to establish securely the foundation "for the expansion of the Empire's economic powers to the "whole world." "Co-existence and co-prosperity of Japan "and Manchuria" was to be "restricted by the demands of "the national defense of the Empire." ARAKI, who was a member of the Cabinet at the time this decision was made, had defined national defense in no uncertain terms. The concrete plan for the execution of this policy was to be approved by the Cabinet only after careful investigation, it was decided.

The investigations were not completed until after DOHIHARA had been assigned to the Headquarters of the Kwantung Army on 16 October 1933, and HIROTA had

become Foreign Minister on 14 September 1933.
However, on 22 December 1933, the Cabinet, with ARAKI and HIROTA present, decided that: "It seems that the "Manchurian Government is considering a swift reform-"ation to Monarchy as soon as possible. It must be "made clear that the enforcement of the Monarchy is "not the restoration of the Tsing Dynasty, but the "foundation of a constitutional monarch; and all causes "of hindrances to the development of the national policy "must be nullified, especially to contribute to the "strengthening and expansion of the Japanese and Man-"churian national defense power necessary to overcome "the international crisis which we may encounter before "long." It was decided: that the General Affairs Board of Manchukuo should be strengthened; that basic reform-ation of the internal structure of the Government of Manchukuo should be exercised, especially upon the per-sonnel; and that the "existing conventions and agreements "between Japan and Manchukuo should be acknowledged by "the Monarchy."

This, be it noted, was the Cabinet of Japan formulating its decisions as to the manner in which Man-chukuo would be governed, a country which it was pro-claiming to the World as independent. The astounding thing is that the pretence was still maintained before us and supported by hundreds of pages of evidence and argument.

No better proof that this dependent status of Manchukuo did not change can be found than the telegram from Foreign Minister TOGO to the Commander of the Kwantung Army UMEZU dated 4 December 1941, which was only three days before the attack upon Pearl Harbor. In that telegram, TOGO gave the following instructions: "On the

"fourth, in a Joint Conference with the Government Control
"Board, we decided upon steps which we will have Manchukuo
"take in case the international situation turns critical.
"Differing from what I said in my telegram No. 873, our
"policy was changed as follows: 'When the Japanese Empire
"'commences hostilities, for the time being Manchukuo will
"'not participate. Because Manchukuo is closely bound up
"'with the Japanese Empire and because England and the
"'United States and the Netherlands have not recognized
"'the Government of Manchukuo, as a matter of fact,
"'Changchun will regard those three nations as de facto
"'enemies and treat them accordingly'."

The next step in the reorganization was the enthronement of Pu Yi as Emperor of Manchukuo. After the Cabinet decision of 22 December 1933 General Hishikeri, who had succeeded General MUTO as Commander of the Kwantung Army, called upon Pu Yi and told him that he planned to convert Manchukuo into an Empire. A new set of Organic Laws was promulgated for Manchukuo on 1 March 1934. These laws provided for an Emperor to rule Manchukuo and prescribed his powers, however they did not materially change the general construction of the Government. Japanese continued to hold important positions in the Government; the "Tuesday "Meeting" was retained as the policy making organ; and General Yoshioka continued with his assignment of "super-"vising" the Emperor, even to the day of his capture after the surrender. On the day that the new laws were promulgated, Pu Yi, after paying obeisance to Heaven at a temple in Changchun, was enthroned as Emperor of Manchukuo. However, he had no power. Although he was allowed to give audience to his Ministers once a year, that audience was carefully supervised by the Japanese Director of the General Affairs Board.

Having installed Pu Yi as Emperor of Manchukuo and revised the laws of that State to facilitate its economic exploitation, the Cabinet met on 20 March 1934 to discuss the policy to be followed in carrying out that exploitation. Although ARAKI had resigned as War Minister on 23 January 1934 to become a Supreme War Councillor, Foreign Minister HIROTA was present at this Cabinet meeting. It was decided that fundamental policy would be "based on "developing Manchukuo as an independent Nation possessing "an indivisible relationship with Japan, establishing "securely the base of Japan's world-wide economic expansion, "and strengthening Manchukuo's economic powers." Transportation, communication and other enterprises in Manchukuo

were to be developed by special companies directly or indirectly under the supervision of Japan so as to contribute to the "national defense" of the Empire.

As though to remove all doubt regarding Japan's intentions toward China, HIROTA's Foreign Office issued a statement on 17 April 1934, which has come to be known as the "Hands Off China Statement" or the "Amau Statement"; deriving the first name from its contents and the second name from the official who gave the statement to the Press. Amau was not only an official of the Foreign Office but also its official spokesman. On 25 April 1934, Foreign Minister HIROTA during an interview with the American Ambassador in Japan on his own initiative referred to the "Amau Statement"; he stated that under questioning of newspaper men Amau had given out the statement without his approval or knowledge and that the World had received a wholly false impression of Japanese policy. HIROTA added that the policy of Japan was complete observance and support of the provisions of the Nine-Power Treaty (Annex No. B-10) in every respect. HIROTA's statement to the American Ambassador was a private statement, not a public statement. The "Amau Statement" was never publicly repudiated. Amau was regarded by the expansionists as a hero for having issued the Statement; and Foreign Minister HIROTA never disciplined him for having issued the Statement without authority of the Foreign Ministry. This Statement conforms closely to subsequent developments in Japanese foreign policy; and the Tribunal finds upon the evidence that it was an official declaration by the Foreign Ministry of Japan's policy toward China at the time and was issued for the purpose of warning the Signatory Powers of the Nine-Power Pact that the Japanese Government would not tolerate any interference with her plans in China.

This Statement contained, among other things, the following: "Owing to the special position of Japan in her "relations with China, her views and attitude respecting "matters that concern China, may not agree with those of "foreign Nations; but it must be realized that Japan is "called upon to exert the utmost effort in carrying out her "mission in "fulfilling her special responsibilities in East "Asia. We oppose, therefore, any attempt on the part of "China to avail herself of the influence of any other "country in order to resist Japan. Any joint operations "undertaken by foreign Powers even in the name of techni-"cal of financial assistance at this particular moment after "the 'Manchurian and Shanghai Incidents' are bound to ac-"quire political significance. Japan, therefore, must ob-"ject to such undertakings as a matter of principle."

"TWO-IN-ONE" SYSTEM

The Kwantung Army received a new Commander and a new Vice-Chief-of-Staff on 10 December 1934, namely: MINAMI and ITAGAKI respectively. These appointments heralded the completion of the reorganization of Manchukuo and the machinery for its control by Japan. By Imperial Ordinance the Japanese Government created the Manchurian Affairs Bureau to deal with affairs concerning Manchukuo in all Ministries. The Bureau was organized to correspond to the new "Two-in-One" organization in Manchuria. The Commander of the Kwantung Army became Ambassador to Manchukuo as before, but the office of Governor of the Kwantung Leased Territory was abolished and its duties were taken over by the Director of the newly created Kwantung Bureau, which was placed under the Ambassador. Thus MINAMI became Commander of the Kwantung Army; and at the same time as Ambassador, he controlled the Government of the Leased Territories, the Embassy and the South Manchurian Railway Company. Although the Manchurian Affairs Bureau came under the Premier, the War Minister held the post of

President of the Bureau, so that the effective control of Manchukuo remained with the Kwantung Army and the War Ministry. MINAMI stated on interrogation that as Ambassador his prime duty was "to preserve the independ-"ence of Manchukuo." At that time he advised the Government "on such matters as agriculture, transportation, "education, etc." Upon being asked the question: "In fact, your advice in substance was a direction; "was it not?", he replied: "You might say so--Yes." MINAMI was succeeded as Ambassador and Kwantung Army Commander by General Ueda on 6 March 1936, who served until he was replaced by General UMEZU on 7 September 1939. UMEZU held the post until 18 July 1944.

MANCHURIAN AFFAIRS BUREAU

As mentioned, the Manchurian Affairs Bureau was organized to deal with affairs concerning Manchukuo in all Ministries and set as the connecting link between the Japanese Government and the "Two-in-One" Administrator in Manchuria. It took charge of all matters concerning the Kwantung Bureau, the foreign affairs of Manchukuo, the corporations organized to exploit the economy of Manchuria, the colonization of Manchuria by the Japanese, cultural works for Manchukuo - which probably included the opium trade -, and any other matters concerning Manchuria or the Kwantung Territory. By virtue of their positions as War Minister the following Accused served as President of this Bureau: ITAGAKI, HATA and TOJO. Also OKA and SATO each served as Secretary of this Bureau. The following served as Councillors to the Bureau at one time or another: KAYA, MUTO, SATO, SHIGEMITSU, OKA, UMEZU and TOJO.

CONTROL OF PUBLIC OPINION IN MANCHURIA

In order to control the news coming out of Manchuria and direct propaganda, the Kwantung Army Commander, or "Two-in-One" control organ, organized all the Press and news agencies in Manchuria. All the agencies, which up to that time had been under the Japanese Government, the Manchukuo Government or the Manchurian Railway Company, were organized into an association, which was known as the Koho Association. This association was charged with the duty of rigidly supervising all domestic and foreign news releases, and deciding the policy and means of propaganda as well as enforcing that policy upon its member agencies and those agencies not members.

HOSHINO BECAME DIRECTOR OF THE ECONOMY OF MANCHURIA

Under the new organization of Manchukuo, HOSHINO became the undisputed ruler of the economy of Manchuria. He began his training for this work when he left Japan on 12 July 1932 at the instance of the Japanese Minister of Finance to accept an appointment as a Commissioner in the Finance Ministry of Manchukuo. He was told at that time that he was considered competent for the position as Chief of the General Affairs Board, the all-powerful agency of the Kwantung Army for control of the Manchukuoan Government. He was advanced by successive promotions to the position promised. Just before the completion of the reorganization of Manchukuo, he was appointed on 1 July 1934 as Chief of the General Affairs Bureau in the Finance Ministry of Manchukuo. Then on 9 June 1936, he became Vice-Minister of Finance for Manchukuo. On 16 December 1936, he became Chief of the General Affairs Bureau of the General Affairs Board, where he served until his elevation to the high office of Director of the Board on 1 July 1937. He continued in this office until relieved to become President of the Cabinet Planning Bureau in Tokyo on 21 July 1940. Any exposition of the economic exploitation of Manchuria is essentially a story of HOSHINO. When he left Tokyo in July 1932 to become a Commissioner in the Manchukuoan Finance Ministry, he took with him a trained staff to assist him in his duties; and he soon became recognized in Manchuria as the Japanese official in charge of economic affairs under the authority of the Kwantung Army.

ECONOMY OF MANCHURIA SEIZED

At the very outset of the military occupation, the Japanese seized control of the economy of Manchuria. The first public utility seized was the railroads. All the Chinese-owned railways north of the Great Wall, and the monies standing to their credit in banks in Manchuria, were seized. All railroads were co-ordinated, connected with, and placed under the management of the Japanese Government agency known as the South Manchurian Railway Company. Electrical supply and distribution systems were quickly taken over. All sources of revenue were taken by force and the revenues expended to finance the new Government. The customs were seized on the pretense that Manchukuo was an independent state. The Central Bank of Manchukuo was established on 14 June 1932 to replace the old provincial banks and the Frontier Bank, whose funds were used to capitalize the new organization. A new currency was issued by the Central Bank beginning on 1 July 1932. The telephone, telegraph and radio systems, being state owned, were seized and placed under Japanese control. On 14 April 1932, special officers were appointed to take charge of the Postal Administration; they had taken complete charge of this service by 26 July 1932. In all of these public services, Japanese officials and advisers were placed in the main political and administrative offices and exercised effective control of the organizations. The Japanese Cabinet confirmed this practice in its decision of 11 April 1932. It was soon after this decision that HOSHINO was sent to Manchuria. He was a recognized authority on fiscal and economic problems and was sent to Manchuria to organize its economy.

KWANTUNG ARMY'S ECONOMIC PLAN FOR GUIDING MANCHUKUO

On 3 November 1932, after HOSHINO's arrival in Manchuria in July, Chief-of-Staff KOISO of the Kwantung Army, sent a telegram to the Japanese War Ministry outlining his plan for "guiding" Manchukuo. He said: "The admini-"stration shall be backed for the time being by inner leader-"ship of the Commander of the Kwantung Army and shall be "carried out with officials of Japanese lineage as its "leaders. Economically, co-prosperity and co-existence shall "be the basic principle. In the future, the system accom-"panying the establishment of a unit for an economic 'bloc' "between Japan and Manchukuo shall be kept according to the "race coordinate to Japan and Manchukuo. In order to realize "the organization of the economy of Japan and Manchukuo into "a single 'bloc', we must realize industrially the idea of "'Fit Industry for Suitable Locality' both in Japan and Man-"chukuo with the aim of abolishing the mutual customs "barriers." All plans adopted thereafter by the Japanese Cabinet for the control and exploitation of the Manchurian economy were based upon these ideas.

ECONOMIC CONSTRUCTION PROGRAM FOR MANCHUKUO

The day before the conquest of Jehol was completed, that is to say on 1 March 1933, the Government of Manchukuo promulgated an "Economic Construction Program for "Manchukuo". The Japanese Cabinet approved the essential features of this "Program" in its decision of 8 August 1933 as related. In the announcement of the "Program", it was stated: "Efforts will be made to promote a healthy and "vigorous development of the whole national economy by apply-"ing to capital such State control as may be necessary in

"view of the evils of uncontrolled capitalistic economy and "by making the most of the uses of capital." It was announced that economic development was to proceed upon the following basic principles: (1) "To apply State "control and take measures in regard to the important "branches of economic activity, in order effectively to open "up the various national resources with which this country "is endowed and to promote a co-ordinated development in "all fields of economic endeavor; (2) To aim at the co-"ordination and rationalization of the East Asian economy, "to place the emphasis on co-ordination with the good "neighbor Japan in view of the economic relationship of "mutual dependence between the two countries, and to make "increasingly closer this relationship of mutual helpfulness." In accordance with basic principles, it was announced that the Government proposed "to make it a guiding principle "that important enterprises of the nature of national defense "or public utilities should be managed by public bodies or "special companies."

At the Japanese Cabinet meeting of 20 March 1934, which was after the reorganization of Manchukuo and the installation of Pu Yi as Emperor, this "Program" received further sanction of the Cabinet and it was decided that those industries necessary for "national defense" should be operated by special companies, which should hold a dominant position in the business in Manchukuo, so that rapid development might be expected. The organization and operation of these special companies created monopolies in favor of the Japanese and effectively defeated the "Open Door Policy" in Manchuria. The United States and other Powers protested this unwarranted violation of existing treaty obligations intended to insure "equal opportunity" for trade in China.

However, the Japanese Government disclaimed all responsibility for the violation of treaties by Manchukuo on the theory that Manchukuo was an independent State.

JAPAN-MANCHUKUO JOINT ECONOMIC COMMITTEE

A Joint Economic Committee was established in 1935 by an agreement between Japan and Manchukuo. The agreement provided that the Committee was to consist of eight members, four from each country. Japan's members were to be: Chief-of-Staff of the Kwantung Army; the Councillor of the Embassy in Manchukuo; the Chief of the Kwantung Bureau; and one member specially appointed by the Japanese Government. It is to be noted that the Commander of the Kwantung Army automatically controlled three votes by this arrangement. Manchukuo's members were to be: the Ministers of Foreign Affairs, Commerce and Industry, and Finance, and the Japanese Director of the General Affairs Board. All questions before the Committee were to be decided by majority vote. In answer to a question put to him at the Privy Council meeting on 3 July 1935 during discussion of the question of ratification of the Agreement, HIROTA said: "I ask him (Councillor Motoda) to consider "the fact that three out of the four members of the Committee "from Manchukuo are Ministers and the remaining one is the "Director of the General Affairs Board, who is, and will be "a Japanese forever, I am confident. Although he is an "official of Manchukuo, he is a central organ assuming leader-"ship of that country. Therefore, in case of a difference "of opinions between the two countries, it cannot be imagined "that he will make any decision that will be disadvantageous "to Japan." The Committee was to deliberate on all questions concerning the economic tie between the two countries and

supervise the Joint Holding Company to be organized by Japan and Manchukuo later to control the industries of Manchukuo; however, it was provided that matters important to the economic ties of both Governments, but which were in Japan's power would not be discussed by the Committee; and because they were not to be deliberated by the Committee, those matters were to be made into unilateral contracts binding only upon Manchukuo. HOSHINO became a member of this Committee upon his appointment as Director of the General Affairs Board of Manchukuo, MINAMI was a member from the time of the creation of the Committee in 1935 until he was relieved as Commander of the Kwantung Army on 6 March 1936. UMEZU served on the Committee while Kwantung Army Commander from 7 September 1939 to 18 July 1944. ITAGAKI, who became Chief-of-Staff of the Kwantung Army on 23 March 1936, became ex-officio a member of the the Committee on that date. Thus ITAGAKI was one of the foremost figures in the construction of Manchukuo. Others who served on this Committee while Chief-of-Staff of the Kwantung Army were: TOJO, who served from 6 March 1937 to 30 May 1938, when he became Vice-Minister of War; KIMURA, who served from 7 November 1940 to 21 April 1941. Upon being appointed Vice-Minister of War, TOJO retained his post as a member of the Committee, but in the capacity as the Government Representative rather than as Chief-of-Staff.

YEN BLOC ORGANIZED

One of the first acts of this Joint Economic Committee was to integrate the currencies of the two countries. In November 1935, the yen bloc was established and Manchukuo's currency was no longer based on silver and was stabilized at par with the yen.

RELEASE OF EXTRA-TERRITORIALITY

The next important economic arrangement made by this Joint Economic Committee was a Treaty which was signed between Manchukuo and Japan on 10 June 1936. The purpose of the Treaty appears to have been to give Japanese all the benefits of Manchukuoan citizenship without imposing on them the corresponding obligations. The Treaty recited that its purpose was to abolish, by progressive stages the rights of extra-territoriality enjoyed in Manchukuo by Japan. However, it recited that "Japanese "subjects shall be free within the territories of Man-"chukuo to reside and travel and engage in agriculture, "commerce and industry, and to pursue callings and "professions, and shall enjoy all the rights relating to "land." A Supplementary Agreement went much more into detail and set out at great length the rights of Japanese in Manchukuo.

One of these provisions was,"The Government of Manchukuo "shall speedily take necessary steps in order that the rights "of lease by negotiation hitherto possessed by Japanese sub-"jects shall be converted into land-ownership or other rights "relating to land." Thus was settled the highly controversial question involving the right to lease land growing out of the Notes attached to the Sino-Japanese Treaty of 1915. This was very important, for Japan was colonizing Manchuria at a rapid rate. Between 1936 and 1940 approximately 221,000 Japanese migrated to Manchuria. By 1945, this number exceeded 1,000,000. Most of the Japanese men settling in Manchuria were fit soldiers and were used to man new Divisions of the Kwantung Army. The land for settlement of these Japanese was requisitioned at a nominal price and the Chinese farmers so dispossessed were moved and allotted undeveloped lands.

INDUSTRIAL BANK OF MANCHUKUO

The Industrial Bank of Manchukuo, which was organized in December 1936, with a capital of 60 million yen, served as an easy means of financing preferred industries to be developed under the Japanese Cabinet Policy. This bank handled all loans made for industrial purposes in Manchukuo. The Manchurians were permitted to make deposits in the Central Bank of Manchukuo and its branches, but they were not allowed to borrow from the Industrial Bank; only Japanese were allowed to borrow from that Bank. A law of savings was enacted to force the people to save money and deposit it in the Central Bank for the Japanese. At the time of the surrender, approximately 600 million dollars were in this Bank - all the result of the compulsory savings law.

SECOND PERIOD CONSTRUCTION PLAN

HOSHINO said during his interrogation that instead of the haphazard development of the first five year period from 1931 to 1936, it was deemed necessary that a concrete, coordinated plan be formulated for the development of Manchukuo. HOSHINO, working with various Ministries of Manchukuo, the Cabinet Planning Bureau, the South Manchurian Railway Company, and IT GAKI as Chief-of-Staff of the Kwantung Army, drew up an "Outline of "Five Year Plan for Industrial Development of Manchukuo", which was completed in January 1937. HOSHINO says that the Commander of the Kwantung Army had the "final say" on all questions involving this plan. This Second Five Year Plan followed the basic principles underlying the First Five Year Plan and laid emphasis on opening up resources in Manchukuo and making them available for "national defnese", that is to say "war". The outline of the plan declared the policy with regard to mining and industries to be, "that munition industries for "weapons of war, airplanes, automobiles, and rolling-"stock will be firmly established, and basic major in-"dustries such as those of iron, liquid fuel coal and "electric power will be developed, and emphasis will be "laid especially on the development of iron and liquid "fuel industries, which materials are necessary for "national defense."

This plan was adopted at a conference of Provincial Governors and the Chiefs of the General Affairs Bureau of the various Ministries in Manchukuo in January 1937. On 17 February 1937, the Government of Manchukuo issued its "Official Report on the Result of the First Period "Five Year Administration and Outline of the Second "Period Construction Plan." The outline stated: "Five

"Years have elapsed since Manchukuo founded her country.
"In this period, the administrative and economic system
"have been rearranged, and the second 'Five-Year Plan'
"will be inaugurated in 1937, with which epoch-making
"construction activity will be commenced dashingly."
In effect, the second plan of the Kwantung Army for the exploitation of the economy of Manchuria was to be adopted without change.

The Industrialist Aikawa was sent to Manchuria to help direct the five year plan. He favored a huge holding company to control all industries in Manchuria, especially the heavy industries such as coal and steel.

CONTROL OF INDUSTRIES

On 1 May 1937, Manchukuo promulgated a "Law Con-"trolling Important Industries", which was so drawn as to provide for the licensing of "Important Industries", practically all industries being classified as "Import-"ant" under the law. The law was promulgated in order to coordinate the economy of Manchuria with that of Japan. The "Essentials of the Five Year Program for "Important Industries" released by the Japanese War Ministry on 29 May 1937 contained the following: "We "plan systematically to promote the activity of im-"portant industries generally, so that by 1941, if any-"thing happens, our country may be capable of self-"supplying the important materials in Japan, Manchuria "and North China". The plan then went on: "In pro-"moting important industries for national defense, the "requisite industries should be pushed ahead to the con-"tinent as far as possible according to the principle of "'Fit Industry for Suitable Locality'". It was in order to enforce this rule of "Fit Industry for Suitable "Locality" that the "Law Controlling Important Indust-"ries" was promulgated by the puppet Government in Manchukuo.

MANCHURIAN HEAVY INDUSTRY DEVELOPMENT CORPORATION

The Cabinet decided on 22 October 1937 to establish the Manchurian Heavy Industry Development Corporation "in order to secure and advance the developing policy "of Manchurian Industry and to establish synthetically "and speedily the heavy industry of Manchukuo." This was to be a huge holding company; and its shares were to be held

only by Manchukuo, Japan and their nationals. The original issue of stock was to be sold one-half to the Government of Manchukuo and one-half to Japanese private interests. The management of this company was to be "entrusted to a "powerful suitable person among the Japanese civilians. The "powerful suitable person among the Japanese civilians is "prearranged as Aikawa. Gisuke, the present President of "Nissan." The Directors and the President of the Company were to be appointed by the two Governments. Pursuant to this Cabinet decision an agreement was entered into with Manchukuo for the establishment of the Company.

MANCHUKUO A WORK-HOUSE FOR JAPAN

The economic organization completed by Japan with the organization of the Heavy Industry Development Corporation, proved to be of benefit only to Japan and the Japanese. Its sole purpose was to make of Manchuria a work-house for the production of war goods for use by Japan. The effectiveness with which this purpose was realized is vividly expressed by HOSHINO, the one man more responsible than any other for such success; he stated that Japan took everything out of Manchuria which could be obtained. Since Chinese business men were not allowed to enter important industries and were not allowed to make loans, most of them went into bankruptcy. The Chinese farmers lost their lands to Japanese immigrants. The savings law reduced the Chinese laborer to working for mere subsistence. The monopolies on rice and cotton deprived the Chinese of adequate food and clothing, in order to furnish the best rice and cotton for Japan's Army. A labor and civil service law was put into effect by UMEZU while he was Commander of the Kwantung Army, which required all persons between 18 and 45 to render labor service to the Japanese Army in opening highways, digging mines, and constructing

public works. These laborers were kept in concentration camps where they were fed short rations and furnished no medical attention whatever. Heavy penalties were imposed for escape. In the result a system was developed whereby the Japanese came first, Koreans second, and Chinese last.

OPIUM AND NARCOTICS

In order to finance her operations in Manchuria and also in order to weaken the power of resistance of the Chinese, Japan sanctioned and developed the traffic in opium and narcotics. As early as 1929, the National Government of China was making an effort to fulfill its obligations under the Opium Conventions of 1912 and 1925. (Annex No. B-11 & B-12). That Government had issued its Laws for the Prohibition of Smoking Opium, effective as of 25 July 1929. The plan was gradually to suppress the production and consumption of opium by 1940. Japan as a signatory to the above opium conventions was obligated to assist the Chinese Government in the eradication of the drug habit by limiting the manufacture and sale of the drugs within her territory and by preventing smuggling of the drugs into China.

The principal source of opium and narcotics at the time of the Mukden Incident and for some time thereafter was Korea, where the Japanese Government operated a factory in the town of Seoul for the preparation of opium and narcotics. Persian opium was also imported into the Far East. The Japanese Army seized a huge shipment of this opium, amounting to approximately 10 million ounces and stored it in Formosa in 1929; this opium was to be used later to finance Japan's military campaigns. There was another source of illegal drugs in Formosa. The cocaine factory operated at Sinei by Finance Minister Takahashi of Japan until his assassination in 1936, produced from 200

to 300 kilos of codaine per month. This was one factory that was given specific authority to sell its produce to raise revenue for war.

Wherever the Japanese Army went in China, Korean and Japanese drug peddlers followed closely upon its heels vending their merchandise without hindrance from the Japanese authorities. In some cases, these traffickers were sent ahead of the invading Army to prepare a way for it by engaging in intrigue, espionage and sabotage; such seems to have been the case in North China and also in Fukien Province, where the Genki Plot was perpetrated. Even the Japanese soldiers and their officers at times indulged in this lucrative business of vending opium and narcotics. The Japanese Special Service Organization was charged with the duty of regulating the opium and narcotic traffic in territories immediately following their capture; and this organization in the Kwantung Army became so involved in the illicit traffic under KOISO that it was necessary for MINAMI, when he became Commander of the Kwantung Army in December 1934, to abolish the organization to prevent it from destroying all discipline in that Army. DOHIHARA was one of the foremost officers of this organization; and his connection with the drug traffic has been fully shown.

The general principle of gradual suppression of the traffic in and use of opium and narcotics was the underlying principle not only of the drug laws promulgated by China, but also of the international Opium Conventions of 1912, 1925 and 1931 (Annexes No. B-11, B-12, B-13). Japan, having ratified these Conventions, was bound by them. Using this principle of gradual suppression to their advantage, the Japanese promulgated Opium Laws in the territories occupied by them in China; these laws ostensibly followed the principle of gradual suppression by licensing known addicts to smoke in licensed shops.

However, these laws were merely a blind or cover for Japan's real intention and operations. These laws created government controlled monopolies for the distribution of opium and narcotics to licensed shops; and these monopolies were nothing more than revenue collection agencies, which encouraged the use of the drugs in order to increase the revenue therefrom. In all areas occupied by the Japanese the use of opium and narcotics increased steadily from the time of such occupation until the surrender.

This was the procedure followed in Manchuria. In the Fall of 1932, the Opium Law was promulgated by Manchukuo and the Manchukuo Opium Monopoly Administration was created as the administrative agency to enforce the law. This agency was under the general supervision of the Director of the General Affairs Board and became one of the important sources of revenue for Manchukuo. The reliability of the revenue from these sources is attested by the fact that the Industrial Bank of Japan was willing to underwrite the 30 million yen founding bond issue secured by the opium revenue of Manchukuo and negotiated by HOSHINO soon after his arrival in Manchuria.

This procedure was repeated in North China and again in South China; however, the administrative agency in those places was the Ko-A-In or China Affairs Bureau, which maintained its main offices in Tokyo with branch offices all over North, Central and Southern China. These organizations created such demand for opium that the Cabinet was forced from time to time to authorize the farmers of Korea to increase their acreage devoted to growing poppies. The trade became so lucrative that Japanese trading companies, such as the Mitsubishi Trading Company and Mitsui Bussan, were induced by the Foreign Ministry to sign a contract limiting their trade areas and the amount of opium to be supplied by them.

Japan's real purpose in engaging in the drug traffic was far more sinister than even the debauchery of the Chinese people. Japan having signed and ratified the Opium Conventions was bound not to engage in the drug traffic, but she found in the alleged but false independence of Manchukuo a convenient opportunity to carry on a world wide drug traffic and cast the guilt upon that puppet State. A large part of the opium produced in Korea was sent to Manchuria. There opium grown in Manchuria and imported from Korea and elsewhere was manufactured and distributed throughout the world. In 1937, it was pointed out in the League of Nations that ninety per-cent of all illicit white drugs in the world were of Japanese origin, manufactured in the Japanese concession in Tientsin, Dairen and other cities of Manchuria, Jehol and China, always by Japanese or under Japanese supervision.

SECTION III

THE PLAN TO ADVANCE FURTHER INTO CHINA

Japan's occupation of Manchuria and Jehol was completed when the Tangku Truce was signed in the spring of 1933. Jehol, facing another Inner Mongolian Province of Chahar on the west and the North China Province of Hopeh on the south, became the frontier of the newly formed puppet state of Manchukuo. If Japan were to advance further into China from the territory she had already occupied, her advance would be from Jehol westwards into Chahar or southwards into Hopeh, besides the other route which linked Manchuria with the rest of China through the narrow corridor of the Liaoning Province around Shanhaikwan on the eastern end of the Great Wall.

On 17th April 1934, the Japanese Foreign Office issued the "Amau Statement" warning the Powers who subscribed to the Nine-Power Treaty (Annex No. B-10) that the Japanese Government would not tolerate any interference with her plans in China. Although HIROTA later explained, upon inquiries, to the American Ambassador Grew, that the "Amau Statement" had been issued without his approval or knowledge, the fact remains that the "Amau Statement" truly represented Japan's policy towards China. Already, it appeared possible that Japanese ambitions in regard to China had not been satisfied by her occupation of Manchuria and Jehol. Very shortly thereafter in May and June 1935 there took place two incidents, of trifling importance when compared with the demands based by the Japanese upon their occurrence, which resulted in the position of the National Government of China on both the Hopei and the Chahar fronts being substantially weakened.

THE HOPEI INCIDENT

In the middle of May 1935 two Chinese newspapermen were assassinated by unidentified assailants in the Japanese Concession in Tientsin. The journalists were said to have been pro-Japanese in sentiment. UMEZU was then Commander of the North China Garrison Forces and with his approval certain demands were presented by his Chief of Staff to General Ho Ying-Chin, head of the Chinese military organization in Peiping. On the 10th of June 1935 the incident was settled, the Chinese authorities agreeing to withdraw the Chinese 51st Army from the province of Hopei; to close the party offices and to ban all party activities of the Kuomintang in that province and to ban all anti-Japanese activities in that province.

The above settlement is the so-called "Ho-UMEZU "Agreement".

The defense submit that no pressure of any kind was put upon the Chinese authorities to induce them to agree to the above major limitations on their sovereignty over the great province of Hopei. They say that the Japanese made no more than some "suggestions" which might improve future relations between the nations. In this connection the evidence of the defense witness, Kuwashima, should be noticed. He was then Director of the Bureau of Asiatic Affairs in the Japanese Foreign Office, and Sino-Japanese relations were his direct concern. He testified that he learned from the Japanese Legation at Peiping that the Japanese had made "a considerably "strong demand" upon the Chinese. A consideration of the whole of his evidence makes it plain that Kuwashima understood that the Chinese had been presented with an ultimatum. There is also an entry in the Harada-Saionji

Diaries in which Okada, the then Premier of Japan, is recorded as having said that "in the beginning only an "exceedingly light, friendly warning" had been intended "from which such a serious thing had resulted." When on 30th May 1935 KIDO drew the attention of SHIGEMITSU, then Vice Minister of Foreign Affairs, to a report in the morning newspaper that the Japanese Garrison in North China had lodged a momentous claim against the Chinese Government, SHIGEMITSU did not deny the report, but rather speculated as to the personalities in the Japanese army who were responsible for such ation.

THE NORTH CHAHAR INCIDENT

In June 1935, about the time when the Hopei incident was being settled by the "Ho-UMEZU Agreement", four members of the Japanese Army entered the Changpei District of Chahar province. This is in the southwestern part of Chahar, a little to the north of the Great Wall. As they did not have the required permits from the Chahar Provincial Government, they were taken to the headquarters of the Chinese Divisional Commander, who communicated with the general in command of the Chinese 29th Army. The latter ordered their release and that they be allowed to continue on their projected journey to Kalgan and Peiping, but with the warning that the appropriate permits must be obtained in future. The matter was at first taken up by the Japanese Consul at Kalgan, who represented to General Ching, Deputy Commander of the Chinese 29th Army, that the Chinese Guards had insisted on searching the Japanese personnel, had pointed rifles at them, had detained them some four or five hours at Divisional Headquarters, and had thus insulted the Japanese Army. Very shortly thereafter the consul stated that the matter was very grave and was beyond his power to settle. The matter had been transferred to the army. In December 1934 MINAMI had become Commander-in-Chief of the Kwantung Army and ITAGAKI had become his vice-chief of staff. DOHIHARA, then attached to the Kwantung Army, was appointed to negotiate with General Ching. In the end it was agreed that the commander of the regiment concerned and the judge advocate of the division concerned should be dismissed and punished.

These measures, one would have thought, should have amply met the occasion, if these officers had been in the wrong. By far the most important provisions of the agreement, however, are those which followed, and they are largely, if not wholly, unconnected with the incident. All units of the Chinese 29th Army were to be withdrawn from the districts north of Changpei, that is to say, from substantially the whole of Chahar province. The maintenance of peace and order there was to be entrusted to the Peace Preservation Corps, an organization of the nature of a police force. In the future no Chinese were to be permitted to migrate to and settle in the northern part of Chahar province. No activities of the Kuomintang were henceforth to be permitted in Chahar province. All anti-Japanese institutions and acts in Chahar province were to be banned. This is the so-called "Ching-DOHIHARA Agreement".

Again the defense submit that no pressure of any kind was put upon the Chinese authorities to induce them to submit to the above major restrictions on the sovereignty of China over the great province of Chahar. General Ching in his evidence calls it a "temporary settlement" accepted by the Chinese Government "in order to secure peace and under pain". Thus by June 1935, in less than two months, and nominally in settlement of two incidents of trifling importance in international affairs, the Japanese right flank in Jehol had been freed from any immediate threat of attack from Chahar; two Chinese armies, thought to be hostile to the Japanese, had been removed from Chahar and Hopei, and all activities of the Chinese National Party and all anti-Japanese activities had been banned in both provinces.

INNER MONGOLIAN AUTONOMOUS GOVERNMENT

In the beginning of 1935 Prince Teh, the leader of the Mongols in Inner Monglia, was striving to set up an autonomous Mongolian Government there. The subsequent history of this movement is taken from the evidence of General Tanaka, Ryuichi, a witness whom both prosecution and defense adduced from time to time, as occasion demanded, and whom both prosecution and defense cross-examined as a witness of no credit, again as occassion demanded. In this matter of the establishment of the Inner Mongolian Autonomous Regime there is no reason to distrust his account and he was certainly in a position to be familiar with the details.

Tanaka's account of this matter follows. MINAMI and ITAGAKI gave earnest support to the establishment of an Inner Mongolian Autonomous Government which they intended to be subservient to the wishes of Japan. In April 1935 MINAMI sent Tanaka and another officer to interview Prince Teh with a view to establishing such a government, and Prince Teh did not at this time come to terms. It should be noticed that there now followed the so-called "Ho-UMEZU" and Ching-DOHIHARA Agreements of June 1935, the latter of which substantially affected the northern part of Inner Mongolia, the province of Chahar. According to Tanaka in August 1935 MINAMI had an interview with Prince Teh at which the Prince promised close cooperation with Japan and MINAMI promised financial assistance to the Prince. In December 1935 MINAMI sent two battalions of cavalry to assist Prince Teh in taking over the northern part of Chahar province. On 11th February 1936 Prince Teh transferred the seat

of his autonomous regime from Pailinmiao, in Suiyuan province, to West Sunito, and Japanese civilians were sent there to act as advisers to him.

There is a significant cable, dated 2 October 1935, from the Secretary General of the Japanese Embassy at Peiping to Foreign Minister HIROTA inter alia to the following effect: "the Japanese Forces' Mongol-"ian Policy is making steady progress as I and Consul "at Changchiakou repeatedly reported to you. The other "day Major General DOHIHARA made a trip from Changchiakou "to Chengte and back and saw the Governor of Chahar "Province and Prince Teh; his mission was no doubt to "promote the Inner Mongolian self-government."

References will also be found in the Japanese Army plan for dealing with North China, transmitted to the Japanese forces in China on 13 January 1936, which make it plain that this Inner Mongolian Autonomous Government was supported and controlled by the Kwantung Army. This document will be considered more fully a little later.

ATTEMPT TO SET UP A NORTH CHINA AUTONOMOUS GOVERNMENT

General Tanaka testified that in September 1935 MINAMI sent DOHIHARA to Peiping with orders to set up an autonomous regime in North China. Tanaka was then a staff officer with the Kwantung Army and he stated that he had a hand in the drafting of DOHIHARA's instructions. He also said that DOHIHARA, ITAGAKI, and Sasaki considered that "Anti-Communism" should be added as a slogan to the objective of creating an autonomous regime in North China. We accept this evidence, for it fits in with what followed, and its statement as to the

real authors of the so-called autonomous movement in North China is confirmed by various documents from Japanese sources which will be noticed hereafter.

We have little evidence as to the events of the next two months. This is not surprising, for they were presumably months of intrigue, of dangerous intrigue. Negotiations on such matters are seldom recorded or made public.

DOHIHARA first tried to persuade Wu Pei-Fu to become the head of a North China Autonomous Government and failed. DOHIHARA thereafter tried to induce General Sung Che-Yuan, then Garrison Commander of the Peiping-Tientsin Area, to lead such a government, and failed. DOHIHARA and Takahashi, who was Military Attache of the Japanese Embassy, then passed from persuasion to demands that a North China Autonomous Government should be formed, and DOHIHARA and Matsui, who was Chief of the Japanese Special Services Board, further demanded that special economic concessions should be granted to the Japanese in North China.

It is proved that when inducements failed to produce an autonomous government, DOHIHARA in November 1935 betook himself to threats of force, and even to the issue of an ultimatum for the purpose of procuring the establishment of such a government, and that the Kwantung Army backed up his threats by concentrating a striking force of tanks, mobile troops, and airplanes at Shanhaikwan at the eastern end of the Great Wall, ready to advance into the Peiping-Tientsin area.

About the end of the year 1935 there emerged

two new forms of government in North China. One, which was set up directly as a result of DOHIHARA's effort, was called the "East Hopei Anti-Communist Autonomous Government." It was established about the end of November 1935 with Yin Ju-Keng as its chairman. He had been administrative commissioner of the demilitarized zone south of the Great Wall in East Hopei. It proclaimed itself independent of the National Government of China. Its capital was Tungchow in the demilitarized zone, northeast of Peiping. The Japanese maintained garrison troops there. Its control extended over many districts of the demilitarized zone. The witness Goette travelled in this area many times after the establishment of this government, saw the Japanese garrison troops, and saw the Chinese gendarmerie of the new government, recruited, trained, and officered by Japanese. Being in the demilitarized zone, this new government was beyond the reach of the forces of the National Government of China. That government protested to the Japanese against the existence of this so-called autonomous government, but without effect.

Another new governmental organ which made its appearance in North China about this time was the Hopei-Chaher Political Council. It was created by the National Government of China as a result of pressure exerted by DOHIHARA and ostensibly to conform to his wishes. According to the Japanese Year Book it was a new political organ which had power to negotiate with Japan and Manchukuo for the maintenance of amicable relations.

DOHIHARA's hopes of these regimes can be gathered from his report made to MINAMI in Tanaka's presence in the end of 1935. DOHIHARA reported that

the Hopei-Chahar regime and the East Hopei regime, though unsatisfactory, had been established and would more or less obey the Kwantung Army, and that the North China regime would be established with the Hopei-Chahar regime as its core.

Similar hopes were entertained by the Japanese Army at home at this time. On 13 January 1936 it transmitted to the Japanese forces in China a plan for dealing with North China. The object of the plan was stated to be the realization of self-government in the five northern provinces of China. This it will be recalled was the object for which MINAMI had dispatched DOHIHARA to Peiping in September 1935. The plan suggested that Japanese advice and guidance should be given to the Hopei-Chahar Political Council; that East Hopei independence should be upheld so long as the Hopei-Chahar Political Council remained unsatisfactory, but, when it was established so as to justify confidence, a merger should be introduced; that measures should be avoided which might lead to Japan being misunderstood as if she were setting up a separate state like Manchukuo; that accordingly Japanese advisers should be limited in number; that measures towards Inner Mongolia should be continued as before, but measures which had become obstacles to the self-government power of the Hopei-Chahar Political Council should be held back for the time being; that management of North China should be the duty of the Commander of the Japanese troops in China; and that as a rule he should execute this informally by direct contact with the Hopei-Chahar and East Hopei Governments.

THE JAPANESE ARMY'S PLANS FOR AN ADVANCE INTO NORTH CHINA

About the time when DOHIHARA was expressing to MINAMI, commending the Kwantung Army, his expectation that the Hopei Chaher Political Council would more or less obey the Kwantung Army, and that an independent North China regime would be established with the Hopei-Chaher regime as its core, the Kwantung Army sent to Tokyo a Propaganda Plan which is most significant as to Japanese intentions towards North China. It was dispatched by the Chief of Staff of the Kwantung Army to the Vice Minister of War on 9 December 1935. Certain passages in it merit quotation in full. As to the time of execution it is stated "Prior to the "advance of our military forces into China proper, this "propaganda shall be launched, chiefly to support from "the side the propaganda of the Japanese Government and "the Japanese forces stationed in China. After the ad-"vance of our forces into China proper it shall be per-"formed so as to facilitate our military activities." The general principle is stated to be "We start our "propaganda to convince the whole world of our lawful-"ness as soon as the advancement of the Kwantung Army "into China proper takes place. We shall launch out on "a movement to estrange the inhabitants of North China "from the Central Government by fomenting anti-Kuomin-"tang and anti-communism agitation among them. As for "the Chinese people and army of the rest of China we "shall take a measure to form an anti-war atmosphere."

We quote also the types of propaganda which are to be used. "1. The Central Government has regarded

"North China as a colony in a sense and has long made it "the object of exploitation. The inhabitants in North "China therefore have been cherishing a strong desire to "establish a separate government of their own in order "to shake themselves from the fetters of the Central "Government. Burning with strong aspiration for independence the people concerned have expressed their "firm resolution to establish an independent country.

"2. The enactment of the nationalization "of silver has made the Central Government the object of "resentment and as a result of it the movement to es-"tablish a new independent government in North China is "making rapid progress.

"3. It is the greatest desire of the Japanese "Government to form an anti-Communist front with the "North China independent government, for it may be con-"sidered the first ray of hope for the establishment of "lasting peace in the Orient by the harmonious coopera-"tion among Japan, China and Manchuria. We therefore "shall assume a definite attitude to support whole-"heartedly the establishment and development of the in-"dependent government in North China.

"4. The Chinese Central Government has "violated the agreement of cessation of hostilities in "North China and other military agreements; they have "been disturbing the peace of Manchuria; instigating a "boycott of Japanese goods and an anti-Japanese senti-"ment; and has become a great menace to the Japanese in-"terests and residents in North China and the existence "of the Manchurian Empire; therefore we have to make it "clear that we shall be obliged to resort to arms if

"the Chinese Government continues such underhanded tactics.

"5. It must made clear that when we do "dispatch our forces to China in the future we do it for "the purpose of punishing the Chinese military, and not "the Chinese people at large.

"6. We shall try to enhance an anti-war "sentiment among the people by propagandizing extensively "that the employment of military forces by the Chinese "Central Government or other military lords will reduce "the people to the greatest misery and will lead to the "destruction of the country.

"7. As for the Chinese forces, we will take "a measure to promote antagonism between them and to in-"crease their admiration for the strength of the Japan-"ese military power, thus depriving their fighting spirit.

"8. Our propaganda for Manchuria will be "that the appearance of the independent government in "north China is nothing but a concrete manifestation of "their longing for the fine administration of the Man-"churian Government, and it will brighten the future of "Manchuria."

We have quoted from this document so fully in order that its proposals, advanced on 9 December 1935 may be contrasted with the contention proposed by the defense in general, and by MINAMI, UMEZU, ITAGAKI, and DOHIHARA in particular, that the so-called North China independence movement was a spontaneous movement on the part of the people of North China, neither initiated nor furthered by Japan.

Relevant also to the question of the attitude and intention of the Japanese towards the so-called autonomous movement in North China is a "Draft of Outline

"for the Military Disposal of Various Railways in North "China" sent by General Tada, then Commander of the Japanese garrison forces in North China, to the Ministry of War in Tokyo on 2 December 1935.

This document contains detailed plans for the working of certain railways in North China on behalf of Japanese troops engaged in military operation in North China. The document does not specifically mention the nature of this proposed military operation. The operation is described in such vague terms as the "military objective", "military operations", and "when "the army find it inevitable to settle the issue by "armed force." A critical examination of the whole document, however, reveals that the Japanese Army proposed to move from about the line of the Great Wall, driving before it the military forces of the National Government of China, and clearing Shantung, Hopei and Shansi, the three southern provinces of the five northern provinces of China. It is clear also that the operation was to be embarked on to support the proposed North China Autonomous Regime. Thuse the Chinese employees of the railways were to be made to "understand the "spirit of the North China Autonomous Movement", and General Tada expresses a private and strictly confidential opinion as to the disposal of the railways when normal political condition is restored. He says "When "the situation in North China is restored to its normal "condition after the military operations are over, the "railways will be turned over to the North China Re-"gime... Under the management of the Communication "ministry of the North China Regime Japanese advisers

"and/or some railway employees will be employed.

"Addenda. The following demands will be made of the North "China Regime on the occasion of the abolition of the "headquarters of the 'Japanese' Railway Corps.

"1. Employment of advisers and high-ranking "officials by each railway.

"2. The right of guarding the railways and "of posting troops at the principal places along the "railway lines.

"3. Cession of the Shantung Railway and the "section of the Lunghai Railway east of Suchow.

"4. The right of constructing new railways."

Moreover the document shows that certain steps had already been taken in North China to pave the way for the operation. Thus

"2. We shall endeavor to check the south-"ward transfer of rolling stocks in counter opposition "to the Nanking Government's policy of carrying away "rolling stocks and other materials to the south. For "this purpose we shall do our best in applying all "possible indirect means, but in the case of Peiping-"Shanhaikwan Railway we shall check it even by might if "necessary. In case such forcible measure is taken, we "shall give as the nominal reason self-defense and pro-"tection of the Peiping-Shanhaikwan Railway against the "anti-Japanese military operations of the Nanking Govern "ment. (This is being enforced by the dispatch of mili-"tary police under an agreement made with the Peiping-Shanhaikwan Railway Co.)"

Thus during the latter half of the year 1935 the Kwantung Army and the North China Garrison Army

with the support of and at times as directed by, the Japanese Ministry of War, were engaged in an attempt to detach the five northern provinces of China from allegiance to the National Government of China, and to set up an autonomous regime or regimes there, which would be subservient to Japan. The plan contained the two essential elements which had been present in the Japanese conquest of Manchuia and Jehol, namely; (1) military domination by Japan, and (2) a declaration of independence by such few Chinese figures as could be induced to serve Japan's purpose. In the Manchurian case, however, military conquest had preceded the artificially engendered declaration of independence. In the case of North China the Japanese military had hoped to avoid the appearance of military conquest, and had tried hard to induce the establishment of an artificially engendered North China Autonomous Government at first by persuasion and later by threat of the use of force. By the end of the year 1935 the Japanese military had evolved the plans for invasion which we have just considered. The efforts of the Japanese military were known to the Japanese Foreign Ministry and were resented by it, but only because they were regarded as an attempt by the Army to encroach on the Foreign Ministry's domain -- the conduct of the foreign relations of Japan.

HIROTA'S THREE PRINCIPLES

While Japan's armies in China were formulating plans in anticipation of military operations in North China, the Japanese Cabinet was working on a program of subjugating China through diplomatic measures.

On 5 August 1935, Foreign Minister HIROTA sent to the diplomatic and consular officials in China a plan prepared on his instructions by the Bureau of East Asiatic Affairs of the Foreign Office, as a result of the re-investigation of Japan's policy towards China which had been made by that Bureau in collaboration with the Army and Navy authorities. Three general principles were stated in the plan, as follows: (1) China should carry out strict control over all anti-Japanese speeches and activities, and both Japan and China should make efforts to promote friendship and cooperation on the basis of the principles of mutual respect of independence, cooperation and mutual assistance, and should work for the development of relations between Manchukuo and China; (2) While the ultimate aim of the development of relations was that China would give formal recognition to Manchukuo and that Japan, Manchukuo and China would conclude an agreement to regulate the new relations among the three countries, China for the time being should not deny the fact of Manchukuo's existence, at least in North China and in the Chahar district which bordered the Manchukuo territory, and should enter into actual relations of interdependence and cooperation with Manchukuo in the economic and cultural fields; (3) Japan and China should cooperate in Chahar and other districts bordering Outer Mongolia, with a view to removing the communist menace.

In a subsequent telegram dated 28 September 1935, addressed to Japanese diplomatic and consular officials in China and Manchukuo, HIROTA reiterated the three principles as the basis of Japan's foreign policy to stabilize East Asia and to work for common prosperity

by means of cooperation and mutual assistance between Japan, Manchukuo and China, putting Japan as its center. In substance the three principles were recited as follows: (1) China should carry out strict control of all anti-Japanese speeches and activities and should cooperate with Japan on concrete questions, putting an end to her policy of depending upon European and American countries; (2) China must ultimately give a formal recognition to Manchukuo, but for the time being China should give tacit consent to the independence of Manchukuo and enter into relations of interdependence and cooperation with Manchukuo in the economic and cultural fields, at least in North China which is an area bordering Manchukuo territory; (3) China should cooperate with Japan in removing the communist menace in areas bordering Outer Mongolia. The telegram appended the additional instruction that in the event the above-mentioned principles were carried into execution steadily and China's sincerity sufficiently manifested, a general agreement would be concluded for the regulation of the new relations among Japan, Manchukuo and China. One material alteration in this statement of the three principles as compared with the statement of 5 August 1935 is that the later version omits the statement that Japan and China should cooperate on the basis of the principle of mutual respect of independence.

After considerable discussion with the Army and the Navy, the plan as set out in the second version of 28 September 1935 was adopted on 4 October 1935 by the Premier, the Foreign, War, Navy and Finance Ministers. Japanese diplomatic officials abroad were again

notified and instructed to keep the matter strictly secret. On 21 January 1936, the three principles were made known to the public through HIROTA's address to the Diet. On the part of China, however, no enthusiasm was shown for their acceptance inasmuch as these principles would involve China's recognition of the de facto status of Manchukuo. Thus the diplomats of Japan would have secured for Japan the fruits of her conquest of Manchuria.

While HIROTA, on 21 January 1936, was announcing his three principles of Japanese policy towards China, the Japanese Foreign Office was fully aware of the Army's plan to set up an autonomous government in the five northern provinces of China, for on that same day, 21 January 1936, it had transmitted a copy of that plan to the Japanese Ambassador in China.

THE FEBRUARY INCIDENT

The February Incident was an outburst of the Army's resentment against the government under the premiership of Okada which was known as a Navy cabinet and reputed to be opposed to the Army's policy of expansion on the continent of Asia by military force. The Incident occurred on 26 February 1936. Earlier, when Okada was Navy Minister in the Saito Cabinet, great difficulties were experienced by the Cabinet because the Cabinet was pursuing a policy of reducing the Army budget against vigorous opposition of the Army. When Okada became Premier in 1934, the power of the Army was increasing. There were already indications, while the Cabinet was being formed, that the Army would bring about disturbances and trouble with the new government.

On 26 February 1936, some 22 officers and 1400 men revolted against the Government, terrorized Tokyo for three and a half days, seized the Premier's official residence, the Diet Building, the Home and War Offices, the Metropolitan Police Building and the General Staff Building, assassinated Finance Minister Takahashi, Lord Keeper of the Privy Seal Saito and General Watanabe and attempted to assassinate Grand Chamberlain Suzuki and Okada himself. As a result of the incident, the Okada Cabinet resigned on 8 March 1936, and HIROTA succeeded as Premier.

The purpose of this Incident was to replace the Okada Cabinet by another with stronger policies which would fit into the policy of the Army for further expansion on the continent. Okada testified that he supposed the Incident was a spontaneous outburst of resentment on the part of a group of young officers against the Government's lack of sympathy with the ambitions of the military.

FORMATION OF THE HIROTA CABINET

On 9 March 1936, as a result of the February Incident, HIROTA succeeded Okada as Premier of Japan. Instead of taking measures to enforce military discipline and eradicate the interference of the Army in political affairs, some dire effects of which had just been exhibited, already in the formation of his Cabinet he yielded to Army demands as to the choice of some of his ministers. Moreover, in May 1936, shortly after he assumed the premiership, the organization of the Army and Navy was changed to require that Army and Navy ministers should be of rank not lower than lieutenant general and vice admiral, and vice ministers of rank

not lower than major general and rear admiral, and that they should all be on the active list. Since 1913 the organization had in form permitted the appointment of reserve officers as Ministers of War and of the Navy. While the change did, in fact, make the law conform to the existing practice of appointing War and Navy ministers from senior officers on the active list, it was done in compliance with the demand of the Army, who were thereby assured that whoever became War Minister, whether on the active list or recalled from the reserve list, would be subject to Army discipline and command and thus to control by the Army.

FOREIGN POLICIES UNDER THE HIROTA CABINET

On 30 June 1936, the War and Navy Ministries agreed upon a "Basis of National Policy." The fundamental policy was to consist in advancing toward and developing the South Seas as well as obtaining a firm position in the East Asiatic Continent for stabilizing Japan's national defense. The principles stated were: (1) Japan must strive to correct the aggressive policies of the great powers and to realize the spirit of the "Imperial Way" by a consistent policy of overseas expansion; (2) Japan must complete her national defense and armament to secure the position of the Empire as the stabilizing power in East Asia; (3) Japan expects the sound development of Manchukuo and thus hopes to stabilize Japan-Manchukuo national defense; in order to promote economic development, Japan intends to get rid of the menace of the U.S.S.R.; to prepare against Britain and the United States and to bring about close collaboration between Japan, Manchukuo and China; in the execution of this continental policy,

Japan must pay due attention to friendly relations with other powers; (4) Japan plans to promote her racial and economical development in the South Seas, and without rousing other powers will attempt to extend her strength by moderate and peaceful measures. Thus with the establishment of Manchukuo, Japan may expect full development of her natural resources and develop her national defense.

These plans were adopted on 11 August 1936 as the "Basic Principles of National Policy" by the Five Ministers' Conference, consisting of the Premier, HIROTA, and the War, Navy, Foreign and Finance Ministers. While HIROTA contends that they were to be achieved by peaceful means and were defensive in nature, the contents of these principles speak for themselves. Japan proposed to assume the role of the leader of East Asia, thus bringing the entire sphere under her domination through expansion on the continent and to the South Seas, to the exclusion of the influence of western power. As has been previously observed the use of the words "national defense" in this document should be noted. They occur in many statements of Japan's policy. They are never confined to defense by Japan against the aggressive acts of other nations. They always mean military support by Japan of her own policies, aggressive or not.

ITAGAKI'S MONGOLIAN POLICY

While the HIROTA Cabinet was formulating its expansionist foreign policy under the name of national defnse, the Kwantung Army had its attention directed toward Mongolia in the north. Earlier, on 28 March 1936, five days after ITAGAKI was promoted to Chief of

Staff of the Kwantung Army, he had an interview with Ambassador Arita, expounding his views on the strategic importance of Outer Mongolia and Inner Mongolia. ITAGAKI said: "Outer Mongolia is of importance from "the point of view of Japanese-Manchukuoan influence "today, because it is the flank defense of the Siber-"ian Railroad which is a connecting line between Soviet "territory in the Far East and Europe. If Outer Mon-"golia be combined with Japan and Manchukuo, Soviet "territory in the Far East will fall into a very danger-"ous condition and it is possible that the influence "of the Soviet Union in the Far East might be removed "without fighting. Therefore, the Army aims to extend "Japanese-Manchurian power into Outer Mongolia by all "means at hand."

In connection with Inner Mongolia, he said: "Western Inner Mongolia and the zone to the west of "these are of great value for executing the continen-"tal policy of Japan. Should the said zone be placed "in the sphere of Japanese and Manchurian influence, "it means that will be a base for pacification of their "brothers of the same race in Outer Mongolia. Moreover, "that the influence of Soviet Russia which comes from "Province of Sinkiang, as well as a land link between "Soviet Russia and China will be blocked. . . . From the "above standpoint, the Imperial Army has been further-"ing its work with regard to Western Inner Mongolia "for several years. The Imperial Army is resolved to "further its work, overcoming all sorts of obstacles."

This statement made by ITAGAKI shows what the Kwantung Army had done and would continue to do in

those areas in line with Japan's "continental policy". It is to be recalled that a part of Inner Mongolia had already been brought under Japanese sway by the establishment of the Inner Mongolia autonomous regime under Prince Teh through the efforts of DOHIHARA and others of the Kwantung Army in 1935. All that was left to be done was to extend the Japanese influence further west and to Outer Mongolia. This explains why the seat of the Inner Mongolia autonomous regime under Prince Teh was moved from Pailingmiao to West Sunito in February 1936, and again to Teh-Hua in June of the same year.

STATE-FOUNDING CONFERENCE IN MONGOLIA

As a result of the adoption of a positive Mongolian policy by Japan, the autonomous movement in Inner Mongolia made steady progress. In April 1936, Prince Teh and Li Shou-Hsin met with the Japanese Special Service Chief Tanaka, Hisshi, at West Wuchumuhsin. Representatives of Mengchenhui, Hsilinkuolemeng, Tsakharmen, Ulanchapmeng, Tumotechi, Alashan, Koshimouchi, Ikechiameng, Tsinghai and Outer Mongolia also attended this meeting, which was called the State-Founding Conference, lasting from 21 to 26 April 1936. The principal matters decided at the conference were: (1) A plan to found the Mongolian State by amalgamating Mongolia and Tsinghai; (2) A plan to set up a monarchy, with a committee system to serve the purpose for the time being; (3) A plan to found a Mongolian Congress; (4) A plan to organize a military government; and (5) A plan to conclude a mutual assistance agreement with Manchukuo.

In June 1936, the seat of the regime was moved to Teh-Hua and an independent Mongolian government was set up there. In July 1936, an agreement between this government and Manchukuo was concluded, providing for mutual political and economic aid. After the conclusion of this treaty, Prince Teh set out to equip his army. The object was to increase cavalry divisions which had hitherto numbered three to nine. Both MINAMI and ITAGAKI gave their earnest support for the creation of the Mongolian State. The army's policy was carried out in utmost secrecy. Preparations were made by the Japanese Army to recognize the independence of Inner Mongolia.

JAPAN'S POLICIES TOWARD NORTH CHINA - 1936-1937

On 11 August 1936, "The Second Administrative "Policy Toward North China" was decided by the appropriate ministries in the HIROTA Cabinet. The main purpose of the policy was stated to be to assist the people in North China to procure perfect independence in administration, to set up an anti-Communist, pro-Japanese and pro-Manchukuoan area, to secure necessary materials for Japan's national defense and to improve the facilities of transportation against the possible invasion of Soviet Russia, thus making North China a base for cooperation between Japan, Manchūkuo and China. The five provinces in North China should finally be put under self-government. Advice should be given to the East Hopeh regime to reform their internal administration so as to serve as an example throughout Hopei and Chahar. The object of economic development in North China was stated to be to create an inseparable

connection between China and Japan based on the mutual economic interest promoted by free investment and also to make it contribute toward the preservation of friendly relations between Japan and North China, both in time of war or peace. Iron, coal and salt in the North China provinces should be utilized for Japan's national defense and for the promotion of transportation facilities and electric power. The same plan provided in detail for the unification and improvement of transportation facilities and the methods of developing natural resources in North China. There is internal evidence in this plan that the hopes entertained by Japan at the end of 1935 that the Hopei-Chahar Political Council would prove subservient to Japan had been disappointed. This plan says a fair and square attitude is required for the guidance of the leaders of Hopei and Chahar. It says the system should be improved, the personnel purged and changed, and efforts made to abolish the financial, economic and military administration of the Chinese military clique.

The content of the self-government which Japan now proposed for North China was that the new regime should have control of finances, industry and transportation and should be free of the anti-Japanese interference of the National Government of China. The plan at the same time provided that acts must be avoided which would make it appear as if Japan was infringing China's territorial rights or establishing an independent country, or making North China an extension of Manchukuo. A similar provision, it will be remembered, appeared in the first plan, or Army plan, for North

China forwarded by the Foreign Office to the Japanese Ambassador to China on 13 January 1936. The framers of Japan's policies still believed that black could be made to look white in the eyes of the world. The expose' by the League of Nations of Japan's duplicity in regard to Manchuria had taught them nothing.

Subsequently, on 20 February 1937, "The Third "Administrative Policy Toward North China" was decided upon by the appropriate ministries of the Hayashi Cabinet. There was no substantial change in contents. Again, on 16 April 1937, "The Plan for Guiding North "China" was decided upon by the Foreign, Finance, War and Navy Ministers of the same Cabinet. The essence of the plan was to make the Chinese Government recognize the special position of North China and to carry out economic measures. Both the Third Administrative Policy Toward North China and the Plan for Guiding North China decided upon by the Hayashi Cabinet will be treated in more detail later.

THE FENGTAI INCIDENT

In May 1936, as a result of negotiations conducted between the Japanese forces and the Chinese authorities in North China, one Japanese battalion was permitted to be stationed at Fengtai, a town west of Peiping. On 18 September 1936, an incident occurred when a company of Japanese soldiers carried out maneuvers in Fengtai. As they passed through the garrison line of the Chinese troops there, the Chinese patrols attempted to halt them and a clash ensued. Although it was immediately settled, the Japanese used this incident as a pretext for reenforcement and occupied Fengtai. With the occupation of Fengtai, the Japanese were in a

position to control the communications of the Peiping-Hankow Railway line and to cut off North China from Central China. This was the stage-setting for the Lukouchiao Incident, sometimes referred to as the Marco Polo Bridge Incident which occurred on 7 July 1937. The bridge is on the railway from Fengtai to Peiping and if the Japanese could gain control of the bridge, their control of Peiping from the west would be facilitated. The Japanese forces stationed at Fengtai then repeatedly demanded the withdrawal of the Chinese garrison from Lukouchiao and also from Chang-Sin-Tien, another strategic point on the railway leading to Peiping. In the winter of 1936, the Japanese intended to reenforce their garrison force in this vital strategic area and planned the building of barracks and an airfield there. For this purpose they wished to purchase large tracts of land in the area between Fengtai and Lukouchiao. These demands, however, were refused by the Chinese.

THE CHANG-KAWAGOE TALKS

In the autumn of 1936, a series of talks was held between the Chinese foreign Minister Chang Chun and the Japanese Ambassador Kawagoe, with a view to adjusting Sino-Japanese diplomatic relations. Kawagoe also had an interview with Generalissimo Chiang Kai-shek at the end of November 1936, and there was a mutual expression of the desire to see the diplomatic relations between the two countries adjusted. During the talks with the Chinese Foreign Minister, the Japanese side submitted a proposal embodying the following important points: (1) Sino-Japanese economic cooperation; (2) Sino-Japanese Anti-Comintern Agreement; and (3) North China to be designated a special area in view of its relationship with Japan. Chang Chun responded that he was, of course, in favor of Sino-Japanese economic cooperation but wished this to be based on the principle of

reciprocity and equality. He was also very much in favor of Sino-Japanese Anti-Comintern agreement, but here too he wanted to see that the agreement would not infringe upon China's sovereignty. As to making North China a special area on account of its relation with Japan, he could only recognize a special economic relation, but would not be able to recognize any special administrative changes. These talks achieved no results since the attitude of the Chinese Government was incompatible with Japan's policies, particularly with regard to North China.

THE FALL OF THE HIROTA CABINET

On 20 January 1937, one of Japan's two political parties, the Seiyukai Party, issued a declaration attacking the HIROTA Cabinet on the ground, inter alia, that its members were too much influenced by the dogmatic prejudices of the bureaucrats and of the military, and that the wish of the military to interfere in every sphere was a threat to constitutional government in Japan. On 22 January 1937, War Minister Terauchi tendered his resignation because, as he stated, the views on the prevailing situation held by the political party which had some members sitting as cabinet members differed fundamentally from the Army's. Under the then existing situation, there was no hope of getting a new War Minister who could in any manner reconcile the extremist policy of the Army with the party politics, and the HIROTA Cabinet had to resign.

UGAKI FAILED TO FORM A CABINET

Upon the resignation of the HIROTA Cabinet, Ugaki, on 24 January 1937, was given the Imperial Mandate to form a new Cabinet. Ugaki was not

regarded with favor by the Army, which took appropriate and effective steps to prevent his accession to office. This was an important and significant happening, discussed in more detail in another part of this Judgment. Accordingly we do no more than mention the matter at this point as part of the narrative of events.

THE HAYASHI CABINET AND ITS NORTH CHINA POLICY

The Hayashi Cabinet was formed on 2 February 1937. UMEZU remained as Vice-Minister of War and KAYA was made Vice-Minister of Finance. The general policy of the Government was not changed. Continuing the estrangement policy of the HIROTA Cabinet with regard to North China, "The Third Administrative Policy Toward "North China" was decided on by the Ministries concerned on 20 February 1937. The principal object of administering North China was stated to be to complete Japan's aim of making Manchukuo strongly pro-Japanese and anti-communistic, to procure defense materials, to protect transportation, to prepare defense against the U.S.S.R. and to establish unity among Japan, Manchukuo and China. To attain the above-mentioned object, Japan should carry out her economic policy in North China, secretly aid the government of North China and make the Chinese National Government recognize the special position of North China and the unity of Japan, Manchukuo and China.

Again, on 16 April 1937 the "Plan for Guid-"ing North China" was decided on by the Foreign, Finance, War and Navy Ministers. The essence of the guidance of North China was stated to be "to make the said "area virtually a firm anti-communistic pro-Manchukuo

"Japanese region, and also to contribute to the acquisi-
"tion of communicational facilities, thus partly prepar-
"ing against the Red threat and partly forming a founda-
"tion for realizing the unity of mutual aid of Japan,
"Manchukuo and China." Regarding economic exploitation, the plan provided that the development of those military resources vital to national defense, such as iron, coal, salt and so forth, and the establishment of communications, should be speedily realized, by special capital if necessary. Again the provision appears that actions which will cause other powers to misunderstand Japan's intentions must be avoided. The formulation of these policies in the Cabinet, participated in by the various Ministries concerned, revealed that not only the Army but also the other departments of the Government stood ready for some positive program in regard to North China to be carried out in the near future.

THE FIRST KONOYE CABINET AND FURTHER PLANNING AGAINST NORTH CHINA

After the fall of the Hayashi Cabinet, Prince Konoye assumed the Premiership on 4 June 1937, with HIROTA as Foreign Minister and KAYA as Finance Minister.

In Army circles, there was agitation for further military action in China. TOJO, Hideki, then Chief of Staff of the Kwantung Army, sent a telegram on 9 June 1937 to the Army General Staff with the suggestion that judging from the present situation in China from the point of view of military preparations against Soviet Russia, Japan should "deliver a blow" first of all upon the Chinese National Government to get rid of the menace at the back if Japan's military power

permitted it. In less than one month the suggested blow against the National Government of China was delivered.

The events we have just reviewed show that the seizure of Manchuria and Jehol was only the first step in Japan's plan gradually to control the whole of China so that that country with its great market for Japan's manufactured goods and its enormous natural resources would help to make Japan the overlord of East Asia. No sooner had Manchuria and Jehol been seized, and while yet their conversion to satellite feeders of Japan's economy was hardly begun, than in the spring of 1934 Japan was claiming a special position in regard to the five northern provinces of China. By June 1935 Japan had forced the conclusion of the so-called "Ho-"UMEZU" and Ching-DOHIHARA Agreements, whereby the hold of the National Government of China over two of these provinces, Hopei and Chahar, was substantially loosened. By the end of the year 1935 the support of Japan had established two so-called independent governments, which were her creatures, the Inner Mongolian Government of Prince Teh and the East Hopei Anti-Communist Autonomous Government, whose capital was at Tungchow. By that time also there had been set up the Hopei-Chahar Political Council which Japan expected to be able to turn into a government of the five northern provinces which would be independent of the National Government of China and subservient to Japan's will. Japan intended to follow the anticipated declaration of independence of the five northern provinces by a military occupation of them, and the military plans for this

occupation and for the propaganda which was to accompany the movement were prepared for execution by the end of the year 1935. Neither persuasion nor the threat of force induced the Hopei-Chahar Political Council to proclaim the independence of the five northern provinces and, in our opinion, the occupation of these provinces by the Japanese Army would have occurred much earlier than it did if events in Japan had not compelled the Japanese Army to increase and consolidate its influence over the Government of Japan so that it might control that government in support of its military adventure. As a result of the military revolt of February 1936 the Army got rid of the Okada Cabinet which was not supporting the Army's ambitious policies, but that revolt revealed a grave lack of discipline and responsibility among the younger elements in the army which called for a pause while discipline was re-established. HIROTA, the next Premier, and the War, Navy, Foreign and Finance Ministers in his Cabinet, were wholly in favor of the expansionist policy which the army advocated, and the latter half of the year 1936 saw the adoption by some or all of them of the "Basis of National Policy of June "1936" and of the "Basic Principles of National Policy" and the "Second Administrative Policy toward North China" of August 1936. Meantime the Army had secured a footing at Fengtai which should enable it to seize the Marco Polo Bridge, cut off the five northern provinces from the rest of China to the southward, and control Peiping. But the HIROTA Cabinet was not wholly in favor of the policies of the Army. There were elements in it which resented the increasing control of the military over

the Government. These had to be got rid of, and in January 1937 the military brought about the fall of the HIROTA Cabinet and the failure of Ugaki to form a government. Finally in the beginning of June 1937, after the fall of the short-lived Hayashi Cabinet, Prince Konoye formed his first Cabinet, and government support for the adventures of the military was at last assured. The way was clear for the next step in Japan's plan to subjugate China.

SECTION IV

FROM THE MARCO POLO BRIDGE INCIDENT (7 JULY 1937) TO THE KONOYE DECLARATION OF 16 JANUARY 1938.

Under the Boxer Protocol of 7 September 1901 (Annex No. B-2) China granted to the powers having legations at Peiping the right to station guards in the Legation Quarters and at twelve specified points along the railway between Peiping and Tientsin for the maintenance of open communication between the capital and the sea. By a supplementary agreement of 15 July 1902 foreign troops stationed at these points were given the right to carry on field exercises and rifle practice without informing the Chinese authorities except in the case of feux de guerre.

At the beginning of July 1937 Japan maintained a force, variously estimated from 7,000 to 15,000, in North China, while the other Protocol powers had only small detachments. The British had a total of 1007, including 252 members of the Legation Guards; the strength of the French effectives stationed in Hopei Province varied between 1700 and 1900, the bulk of whom were at Tientsin. The number of the Japanese troops greatly exceeded that needed to carry out the duties under the Protocol. From June 1937 the Japanese troops carried out intense night maneuvers in the vicinity of Lukouchiao (Marco Polo Bridge). These maneuvers were held every night while night maneuvers held by other foreign garrison troops were very much less frequent than those conducted by the Japanese. The Chinese had requested that notice be given beforehand of the night maneuvers, in order that the inhabitants of the territory should not be disturbed. To this the Japanese had agreed.
On the night of 7 July 1937 the maneuvers

were carried on without notice. It was therefore under an atmosphere of tension and unrest that on that night the Lukouchiao Incident broke out.

At about ten o'clock in the evening, the Chinese authorities received a telephone message from Matsui, Kotaro, Chief of the Japanese Special Services in Peiping, alleging that one of the Japanese soldiers was reported missing after the Chinese garrison forces in Wanping had opened fire at the Japanese maneuvering troops, and demanding that the Japanese troops be allowed entry into the city of Wanping to conduct searches. Wanping is in the neighborhood of Lukouchiao which being on the main communication line west of Peiping was of considerable strategic importance. Prior to July 1937 the Japanese forces at Fengtai had repeatedly demanded the withdrawal of the Chinese forces stationed at this place.

We have already noticed that in 1936 the Japanese had endeavored to take up a large tract of land between Fengtai to the west of Peiping and Lukouchiao for the purpose of erecting barracks and an airfield, and how that endeavor failed. The strategic effect on North China of the removal of Chinese troops from Lukouchiao and the establishment of military posts by the Japanese between Fengtai and Lukouchiao is obvious. Peiping would be completely cut off from the South and West.

General Chin Teh-Chun, at the time acting as Commander of the 29th Army in the absence of General Sung Che-Yuan who was then on leave at his home, instructed the Chinese liaison authorities to reply to the Japanese demand for entry into Wanping that the maneuvers held under

the circumstances of that night were illegal and therefore the Chinese authorities had no responsibility whatsoever for the allegedly missing soldier. However, he said that he would order the Chinese troops stationed at Wanping to conduct a search on their own behalf. The Japanese, not satisfied with the reply, insisted on conducting the search themselves.

Wang Len-Chai, Administrative Commissioner in the city of Wanping, was ordered by General Chin to investigate and report on the maneuvering of the Japanese troops and whether any Japanese soldier was missing. In the meantime, a report came to the Chinese authorities that a battalion of Japanese troops with six pieces of artillery was advancing from Fengtai to Lukouchiao. Chinese troops were thereupon ordered to be alert, while Wang Len-Chai was sent to negotiate with Matsui. While the investigation conducted by Wang Len-Chai did not locate the allegedly missing soldier and subsequent discussion with Matsui brought about no result, it was decided that a joint investigation should be conducted on the spot. After Wang Len-Chai and the Japanese representative Terahira entered the city, the Japanese troops encircled it on three sides and opened fire. Chinese forces defended the city from the walls. At five o'clock in the morning of 8 July 1937, while the investigation was still going on, a Japanese battalion under its Commander Ichiki attacked the Chinese troops at Lungwangmiao in the neighborhood of Lukouchiao. At about six o'clock the Japanese began to attack the walled city of Wanping with machine gun fire.

SUBSEQUENT OPERATIONS AND NEGOTIATIONS FOR TRUCE

In the morning of 8 July 1937 the railway bridge

leading to Chang-Sin-Tien was captured by the Japanese. In the afternoon of the same day, the Japanese sent an ultimatum to the Commander of the city of Wanping to surrender before seven o'clock in the evening, failing which, bombardment would begin. The Chinese, however, stood firm and promptly at seven the Japanese bombardment began. On the next day, 9 July 1937, the Japanese, through Matsui and others, informed General Chin that the missing soldier had been found and asked for a truce with the following conditions: (1) All military actions should cease on both sides; (2) Troops of both sides should return to their original positions; (3) The 37th Division which entertained more hostile feeling towards Japan should be replaced by another unit of the 29th Army for the defense of Wanping. An understanding was also to be reached on both sides to refrain from developing henceforth incidents of similar nature. The truce was agreed to on the same day.

Chinese units under the command of Lieutenant Colonel Chi Hsin-Wen retreated to their original positions, while the Japanese units were to withdraw toward Fengtai. At this point the incident might well be considered as having been settled, if the Japanese had conformed to the terms of the truce. But, it was later ascertained that some one hundred Japanese soldiers along the railway tunnel were not withdrawn as agreed. During midnight on 9 July 1937 the Japanese troops there again fired into the city. Thereafter, Japanese troops continued to pour into the troubled area. By 12 July there were 20,000 Japanese troops and 100 airplanes in the area. There then occurred sporadic clashes between the two forces until the 27th of July

when as hereafter related hostilities on a large scale broke out.

ATTITUDE OF THE JAPANESE GOVERNMENT

The official telegram reporting the outbreak of hostilities reached Tokyo on 8 July 1937. On the following day the Konoye Cabinet, in an extraordinary meeting, decided that the government attitude should be to hold fast to the policy of arresting the scope of the disturbance and to seek a prompt local settlement of the matter. Notwithstanding this decision of the Cabinet, the General Staff decided on 10 July 1937 to re-enforce the garrison by sending two brigades from the Kwantung Army, one divition from Korea and three divisions from Japan. The Cabinet, of which HIROTA and KAYA were members, approved the Army plan on 11 July. Units of the Kwantung Army were sent to the Peiping and Tientsin area. However, on the night of 11 July 1937 upon receipt of the report from the North China Forces that the Chinese had come to terms, the Supreme Command decided to stop mobilization of the divisions in Japan proper. On 13 July 1937 the Supreme Command adopted the "Policy for the Treatment of the North "China Incident", which provided that while the Japanese Army would follow the localization policy and would decide mobilization of the homeland forces in the light of future developments, they would nevertheless take resolute steps, if the Chinese neglected the terms they agreed upon, or showed their insincerity by moving their troops to North China.

From 17 July 1937 while negotiations were being carried on between the North China Garrison Forces and the 29th Army on the spot, and between the Japanese

diplomatic officials and the Chinese Government at Nanking, the Japanese Supreme Command proceeded to prepare for mobilization in Japan which had been interrupted on 11 July 1937. Even after Sung Che-Yuan, Commander of the 29th Army and head of the Hopei-Chahar Political Council, was reported to have come to terms on 18 July 1937 the Japanese Supreme Command still pushed forward preparations for mobilization on the ground that the Chinese Government had shown no sincerity. On 20 July 1937 the Cabinet authorized mobilization of three divisions. One week later the Commander of the North China Garrison Forces reported that, having exhausted every means of peaceful settlement, he had decided to use force to chastise the 29th Army and requested approval, which was given by the Supreme Command. In the meantime, mobilization orders were issued for four divisions. Also ostensibly for the protection of Japanese residents in Shanghai and Tsingtao, one division was to be reserved for each city.

It is important to note that under the "Draft of "the Outline for the Military Disposal of Various Rail-"ways in North China" of 2 December 1935, which provided for a sweep by the Japanese forces of the provinces of Shantung, Hopeh and Shansi, Tsingtao was the port at which reinforcements from Japan were to be landed to take part in the sweep.

On the diplomatic front, the Japanese Foreign Office took prompt measures to strengthen the diplomatic staff in North China, following the Cabinet meeting on 11 July 1937 in which the important decision was made to take necessary steps in connection with the dispatching of troops to North China. On 11 July 1937 Hidaka, Counsellor

to the Japanese Embassy at Nanking, was instructed by the Foreign Office to notify the Chinese Government of the intention of the Japanese Government to settle the matter locally and to request the Chinese Government not to obstruct the Japanese efforts (to save the situation promptly). When the Chinese Foreign Minister demanded the withdrawal of Japanese troops from the places of disturbance and the cessation of sending re-enforcements from Manchuria, Korea, and Japan proper, Hidaka evaded the issue by asking the Chinese Foreign Minister whether the Chinese Government had any intention of denying any agreement reached between the Japanese and Chinese authorities on the spot. After the Chinese Foreign Minister had pointed out in an official note that any local understanding or agreement would take effect only on confirmation by the Chinese Government, Hidaka was again instructed by the Japanese Foreign Office on 17 July 1937 to demand that the Chinese Government should not obstruct the execution of the terms of the settlement reached on the spot. It had thus become clear that what the Japanese authorities conceived as local settlement was the acceptance of Japan's demands by the North China authorities without the confirmation of the Chinese Government. Acceptance of this proposal would obviously have the dual effect of weakening the power of the local authorities by depriving them of the support of the Central Government and of virtual recognition by the Central Government of an autonomous North China.

UNITED STATES OFFER OF GOOD OFFICES

The hostilities which broke out in North China had caused serious concern to the third powers who desired

to see peace in the Far East. On 16 July 1937 United States Secretary of State, Cordell Hull, issued a statement to the effect that the United States constantly and consistently had advocated maintenance of peace, national and international self-restraint, abstinence by all nations from use of force in pursuit of policy, adjustment of international differences by peaceful means, faithful observance of international agreements, upholding of the sanctity of treaties, respect of nations for rights of others, and a revitalizing and strengthening of international law, and that the United States would avoid entering into alliances or entangling commitments but believed in cooperative effort by peaceful and practicable means in support of the above principles.

It was on the same day that the Chinese Government sent a memorandum to all the powers signatory to the Nine-Power Treaty (Annex No. B-10), and on the next day, 17 July 1937 Generalissimo Chiang Kai-shek made a speech emphasizing that China was not seeking war but merely meeting attacks on her very existence. He then mentioned as minimum considerations for peaceful solution the following four points: (1) No encroachment on China's sovereignty and territorial integrity; (2) No alterations in the administrative system of the Hopei and Chahar Provinces; (3) No involuntary removal of principal officers appointed by the Central Government; and (4) No restrictions to be imposed on the garrison districts of the 29th Army. On 19 July 1937 the Chinese Ministry of Foreign Affairs presented a memorandum to the Japanese Embassy in Nanking in which the Chinese Government renewed its proposal for simultaneous cessation of troop movements on both sides and mutual with-

drawal of troops to their original positions on a date to be agreed upon by both parties. It also stated unequivocally that for the settlement of the incident, the Chinese Government was prepared to accept any pacific means known to international law or treaties, such as direct negotiations, good offices, mediation and arbitration.

Mr. Hull, in an effort to settle the matter before it spread too far, held a talk with the Japanese Ambassador on 21 July 1937. Among other things, he told the Japanese Ambassador that the United States Government was ready and would be most glad at any time to say or do anything, short of mediation, which, of course, would require the agreement of both parties in advance, which might in any way contribute towards composing the present matters of controversy between Japan and China. But the attitude of Japan was made clear by Foreign Minister HIROTA who, in a speech made on 27 July 1937 before the Budget Committee of the Diet, stated that the Japanese Government would reject any third power intervention. On 10 August 1937 three days before the outbreak of hostilities in Shanghai, Mr. Joseph Grew, the United States Ambassador in Tokyo, told the Japanese Foreign Minister that his Government had authorized him to make a definite offer of good offices. Following this, the Japanese Ambassador in Washington, in a note to the Department of State dated 13 August 1937 stated that while Japan concurred in the principles contained in the statement made by Mr. Hull on 16 July 1937 concerning maintenance of world pace, it was the belief of the Japanese Government that the objectives of those principles would be attained only by a full

recognition and practical consideration of the actual circumstances of the Far Eastern region. The United States Department of State, however, on 23 August 1937 issued a press release reaffirming the principles laid down by the Hull statement of 16 July 1937 and urging the settlement of differences by negotiations.

THE LANGFANG INCIDENT

Despite the truce, fighting again broke out on 14 July 1937. Wanping was continuously shelled by Japanese artillery. On 18 July (1937) Sung Che-Yuan called on Katsuki, Commander of the Japanese Garrison Forces, and expressed regrets, as demanded by the Japanese Army. However, this did not ease the tension. Numerous incidents occurred. On the 25th of July a clash occurred at Langfang between Peiping and Tientsin between a company of Japanese troops and Chinese forces. There was another clash the next day at the Kwangenmen Gate of Peiping as a battalion of Japanese infantry endeavored to enter the city for the purpose of protecting the Japanese residents. While the exact cause of the outbreak of these incidents is not clear it is significant that on the 26th the Japanese had sent an ultimatum to the Chinese demanding, inter alia, the withdrawal of the Chinese 27th Division from the Peiping area within twenty-four hours, failing which, Japan would attack with large forces.

JAPAN'S ULTIMATUM REJECTED

On 27 July 1937 the day after the Japanese had delivered the ultimatum, Premier Konoye announced that in sending troops to North China, the Government had no other purpose than to preserve peace in East Asia. Japan's

ultimatum was not accepted. Fighting broke out on 27 July 1937 at Fengtai and in the vicinity of Lukouchiao. Katsuki, Commander of the Japanese Garrison Forces, ordered reinforcements from Tientsin and Tungchow with strong equipment and more than thirty airplanes. In the early morning of 28 July 1937, the Japanese made an onslaught at Nanyuan, outside the city of Peiping, with aircraft and artillery, inflicting heavy casualties on the Chinese. Large scale hostilities had thus developed.

REACTION IN GERMANY

On 28 July 1937 the Japanese Ambassador Mushakoji called upon the German Reichminister Weizsacker and stated that Japan felt that Germany did not understand the anti-communistic efforts which the Japanese action in China constituted. He tried to show that Japan was doing anti-communistic work in China also for Germany's benefit. However, Weizsacker replied that he could not deduce an obligation on the part of Germany to approve or assist morally a Japanese action which might easily lead to the fostering of cummunism in China, the very opposite of the aim of both Germany and Japan.

On the same day, Weizsacker sent a telegram to the German Ambassador in Tokyo, instructing him to advise the Japanese to be moderate. He told the Ambassador that attempts of Japan to base measures in China as a fight against communism on the strength of the Anti-Comintern Pact were devious, as the said Pact had not the objective of fighting Bolshevism in the territory of third states. On the contrary, Japan's actions were rather considered to be contrary to the Anti-Comintern Pact because they would obstruct the consolidation of China and thus promote

the spread of communism. Weizsacker further stated that the radio propaganda carried on by Japan in Germany, attempting to represent the war against China as a fight against communism, was unwelcome.

In the light of the German attitude and the nature of the operations adopted by the Japanese very grave doubts are thrown on the Japanese reiterated declarations that they were primarily concerned in combating communism. Such declarations were repeatedly made by DOHIHARA and ITAGAKI in their initial efforts to establish the autonomous movement in North China. The Reichminister seemed to have foreseen a situation which was later testified to by a witness in this trial, that the Chinese communists began to gather strength in the troubled conditions developing after the outbreak of the Lukouchiao Incident and that it was the Japanese who thus nurtured the communist movement.

PEIPING CAPTURED

On the same day, 28 July 1937, Generalissimo Chiang Kai-shek ordered General Sung Che-Yuan to retreat to Paoting in southern Hopei and to direct operations from there. During the next two days, 29 and 30 July 1937, intense fighting took place in Tientsin where the Chinese forces put up a stiff stand, but subsequently they fell back toward the south along the Tientsin-Pukow Railway, while other troops fell back along the Peiping-Hankow Railway. Thus Peiping was isolated and finally captured on 8 August 1937 by the Japanese forces under the command of Kawabe, Shozo, who paraded the streets of Peiping with his troops; announced by proclamations posted at important places that he was the military governor,

and threatened with death anyone who would defy his edicts. According to neutral observers, within eight weeks after the outbreak of hostilities, the Japanese had about 160,000 troops fighting in North China.

THE OYAMA INCIDENT

While the hostilities in North China were progressing and following the capture of Peiping by Japanese troops on 8 August 1937 another incident causing grave concern to the world occurred in Shanghai on the very next day. In the afternoon of 9 August 1937 Sub-Lieutenant Oyama and his driver, Seaman Saito, of the Japanese Naval Landing Party, were killed in front of the airdrome on Hungjao Road in a suburb of Shanghai while trying to enter the airdrome. The evidence as to the details of the incident is contradictory. However, one point is established beyond doubt; namely, that Oyama had no authority to enter the airdrome. In any event the incident, though it contributed to the tenseness of the situation generally, is of little importance as the Japanese did not allege it as an excuse or justification for their subsequent operations.

OTHER EVENTS PRECEDING THE SHANGHAI WAR

After the Oyama Incident occurred, the situation in Shanghai became extremely tense. Within less than forty-eight hours thereafter Japan concentrated about thirty warships in Shanghai and increased her armed forces by several thousands. At the same time, demands calculated to remove or undermine Chinese defense were made on the Chinese authorities. Hostilities broke out on 13 August 1937 and furious fighting continued thereafter.

As may be recalled, in the early part of 1932 the hostilities in the Shanghai region were brought to an end by the conclusion of the Cease-Fire Agreement of 5 May 1932 which stipulated that the Chinese troops would remain in the positions which they occupied at that date pending later arrangements upon the establishment of normal conditions in the area. The Chinese delegation to the Shanghai Conference, in accepting the Agreement, then declared in particular that it was understood that nothing in this Agreement implied any permanent restriction on the movements of Chinese troops in Chinese territory. In June 1937 acting on a report that the Chinese were reinforcing the Peace Preservation Corps in what he called "the forbidden area" and were constructing defense works there, including the reconstruction of the Woosung Fortress, Okamoto, the Japanese Consul-General in Shanghai, called for a meeting of the Joint Commission set up under the Cease-Fire Agreement. At the meeting held on 23 June 1937 Mayor Yui Hung-Chun, the Chinese representative, took the position that the matter was not within the province of the Joint Commission, whose duty was, as was clear from the Agreement, to supervise the withdrawal of troops. The representatives of the participating powers concluded that they could not express an opinion on conflicting interpretations. While stating that he was not authorized to give any information concerning the number of Peace Preservation Corps in the Shanghai area and the question of fortifications, the Chinese representative did give an assurance that nothing undertaken in the area had any hostile intention or the nature of warlike preparation.

On or about 15 July 1937 after the hostilities

broke out in North China, Mayor Yui invited Consul-General Okamoto and the Japanese military and naval attaches to a meeting at which the Mayor expressed his desire to prevent the spread of hostilities to Shanghai and asked the Japanese to cooperate. Okamoto promised cooperation and asked that China control terrorism and anti Japanese movement. Thereafter, they maintained close touch with each other. At times the Mayor called on Okamoto two or three times a day, requesting the latter to restrain certain actions on the part of the Japanese marines. The actions which the Chinese complained of were such as maneuvers and emergency guard measures taken by the Japanese marines. According to Okamoto, he and the Commander of the Japanese Naval Landing Party agreed to restrain the maneuvers, but as to the emergency guard measures, he explained that they were taken as a result of the disappearance of a Japanese sailor by the name of Miyazaki, who was, however, subsequently found.

In Japan following the occurrence of the Oyama Incident, the Army was notified by the Navy on 10 August 1937 that for the time being the units in Shanghai would take no further steps, but circumstances might require preparations for sending troops. The Japanese Government then decided that it would be worthwhile to study the proposal for eventual mobilization. After the Incident, the Japanese Naval Landing Party at Shanghai was reinforced by 1000 men from Japan. By noon of 11 August 1937 there was a relatively large fleet, including the Flagship Idzumo and other naval vessels, at the Shanghai waterfront.

On 12 August 1937, another meeting of the Joint Commission was held in Shanghai. While reiterating that the Commission had no authority over the issues, the Chi-

nese representative pointed out that it was Japan who had rendered the Cease-Fire Agreement null and void by stationing the armed forces at Paitzuchiao or the Eight Character Bridge, a place far beyond the railway from which it had been agreed that the Japanese forces would be withdrawn, and consequently Japan had no right to invoke the agreement. He further pointed out that Japanese armaments and supplies were being landed and further reinforcements were on the way; that these measures constituted a serious threat to the peace and order in Shanghai, and that China had the right to adopt measures for self-defense. The Japanese representative admitted, in the meeting, that Japanese forces had been in the Paitzuchiao area and made no denial of the naval concentration and reinforcements, other than an explanation that the Naval Landing Party had not yet prepared to do anything, while the Chinese representative also reiterated the statement that the right to adopt measures of self-defense accounted for her military movements.

At the same meeting on 12 August 1937, when the parties were asked to give assurance not to make an attack within forty-eight hours, the Chinese stated that they would not attack unless they were first attacked, while the Japanese rejoined that they would cause no trouble unless provoked or challenged, and then related the case of the arrest of a Japanese newspaperman by the Chinese as an illustration of provocation. The meeting brought about no solution of the trouble.

THE SHANGHAI WAR

On 13 August 1937, fighting broke out at a point near the headquarters of the Japanese Naval Landing Party and at another point in the Paitzuchiao area. The

Japanese alleged that the cause of the outbreak was the firing by Chinese troops on the Japanese Landing Party. On this point the evidence is contradictory. Even if their version was correct it would not, in our opinion, justify the extent and magnitude of the operations which followed as hereafter related.

As soon as the clash occurred, the Japanese Government on 15 August 1937 announced its decision to dispatch a force of two divisions from the homeland for the declared purpose of protecting Japanese subjects in Shanghai. A mobilization order was also issued on the same day and MATSUI, Iwane, was appointed Commander of the Japanese Expeditionary Forces in Shanghai. Clearly, the Japanese Cabinet had decided to abandon the policy of localization. Fighting in the Shanghai area was intense. Further Japanese reinforcements arrived at Shanghai on 23 August 1937. Aircraft were brought into action by both sides. Japanese airplanes bombed Nanking, the capital of China, and numerous aerial bombardments were carried out on the ports, and also on cities in the interior. The Japanese fleet, while cooperating with the forces on land, patrolled the coast to prevent supplies from being brought to the ports by Chinese ships, a number of which were sunk.

While the fighting at Shanghai was in full swing Horinouchi, the Japanese Vice-Minister of Foreign Affairs, in a radio broadcast to the United States on 1 September 1937 defended Japan's actions in China on the ground of China's anti-Japanese acts and asserted that Japan's intentions were peaceful. He stated that the ultimate object of the current hostilities in North China and

Shanghai was the realization of a situation permitting genuine cooperation between the two countries. Speeches of similar purport were subsequently delivered to the Japanese Diet by Foreign Minister HIROTA. It is clear that while these speeches were made, they had in mind Japan's policy of making North China a special area subservient to Japan, a policy which had been openly adopted by the successive cabinets since 1935. To implement this policy, a full scale war was being waged, extending as far south as Shanghai in Central China.

As hostilities continued, still further reinforcements were poured into the Shanghai area. Between the end of September and the beginning of November, 1937, the Japanese Supreme Command dispatched five battalions from Japan and five more divisions from North China. In the beginning of November 1937, three divisions landed in Hangchow Bay, about fifty miles south of Shanghai, and again, in the middle of the same month, one more division landed at Paimaokiang, sixty miles up the Yangtze River from Shanghai. As the area of conflict was thus being expanded, the Expeditionary Forces under MATSUI and the divisions of the Tenth Army which had landed at Hangchow Bay were amalgamated into the newly formed Central China Expeditionary Forces with MATSUI as its Commander in Chief. The battle continued for three months and by 12 November 1937 the Chinese Army retreated to the West.

On 5 December 1937, the Shanghai Ta-Tao City Government was set up, under the sponsorhsip of Colonel Kusumoto of the Military Attache's Office, Japanese Embassy, and Colonel Kagesa of the Headquarters of the Japanese Supreme Command, with Su Hsi-Wen, a Japanese-

educated Chinese, as the Mayor.

CONTINUED MILITARY ACTIVITIES IN NORTH CHINA

To coordinate the Japanese military activities being carried on in China, HATA, Shunroku, was appointed on 26 August 1937, as Inspector General of Military Education, one of the three chiefs who would nominate the War Minister whenever there was a cabinet change. DOHIHARA, in command of the 14th Division, in August 1937 took part in the drive along the Peiping-Hankow Railway, and TOJO, in command of an army corps, was engaged in hostilities in Chahar Province. At the same time the 5th Division under ITAGAKI was driving up the Peiping-Suiyuan Railway toward Kalgan, which was captured on 26 August 1937. It is worthy of note at this point that in November 1938 the provinces of Chahar, Suiyuan, and Shansi were organized as separate local government territories under the Autonomous Federation of Mengchiang. This was an organization intended by the Japanese to rule Mongolia and Sinkiang. At the head of the Federation was Prince Teh whose advisors were Japanese Army officers and others who took charge of political and economic questions in the Federation.

On 31 August 1937, at Hwailai, approximately one hundred miles northwest of Peiping, where ITAGAKI had an interview with European and American correspondents, he declared that it was possible for him to turn south to the Yellow River. This statement is the first indication to the public that the Japanese plans contemplated an advance to the South beyond the limits of North China which in fact followed soon after. On 4 September 1937, an Imperial Edict was issued, explaining the object of the Japanese military expedition in China as "to urge grave

"self-reflection upon China and to establish peace in "the Far East without delay".

These military activities were accompanied by propaganda in the form of press interviews, speeches and other utterances with the purpose of breaking the morale of the Chinese.

On 24 September 1937, Paoting, capital of Hopei Province, was captured. The Japanese generals participating in the fighting at that time stated to a foreign newspaperman that the military aim of the Japanese Army was "not so much the acquisition of territory as the anni- "hilation, smashing, and killing of Chinese Nationalist "Armies". This policy of annihilation of the Chinese Armies had been previously expressed by HIROTA in his speech of 5 September 1937, delivered in the Diet, in which he said, "we firmly believe that it is in accordance "with the right of self-defense as well as with the cause "of righteousness that our country is determined to deal "a decisive blow to such a country, so that it may reflect "upon the error of its ways. The sole recourse open to "the Japanese Empire is to administer the foregoing blow "to the Chinese Army, so that it may lose completely its "will to fight". In the same speech, he reiterated Japan' policy in regard to North China and concluded that the urgent need for Japan at that moment was to take "a "resolute attitude and compel China to mend her ways". Japan, he said, had no other objective than to see a happy and tranquil North China, all China freed from the danger of recurrence of such calamitous hostilities as the present, and Sino-Japanese relations so adjusted as

to enable them to put into practice Japan's above-mentioned policy.

ITAGAKI's troops made further advances, and on 14 October 1937, occupied Kweisui, the capital of Suiyuan Province. On the next day, 15 October 1937, an Imperial Ordinance was enacted in Japan, creating the Cabinet Advisory Council of which ARAKI was appointed a member, the responsibility of which was to participate in "the "deliberation and planning of the Cabinet in regard to "important state affairs concerning the China Incident".

On 9 November 1937, Japanese troops captured Taiyuan, the capital of Shansi Province. Immediately the Japanese set about organizing an autonomous government at Taiyuan to govern the northern part of Shansi Province. This puppet government was later combined with those organized at Kalgan and Kueihua as part of the new "Autono-"mous Federation of Mengchang" to which reference has already been made. In the Shantung Area, the North China Expeditionary Forces on 25 December 1937, captured Tsinan, capital of Shantung Province. At this stage, the Japanese Army had practically brought all the key points in North China under military occupation.

CHINA APPEALED TO THE LEAGUE OF NATIONS

On 12 September 1937. China appealed to the League of Nations against Japan, invoking Articles 10,11, and 17 of the Covenant (Annex No. B-6). On 21 September 1937, the League of Nations invited the Japanese Government to participate in the Twenty-Three Powers Consultative Committee. Japan, however, maintaining an attitude of non-participation in any political activity of the League of Nations, on the ground that she had withdrawn from the League, refused

the invitation. At that time, HIROTA was the Foreign Minister in the First Konoye Cabinet.

On 6 October 1937, the League of Nations found that the military operations carried on by Japan against China were out of all proportion to the incident which was the cause of the conflict, that such action could not possibly facilitate or promote friendly cooperation between the two nations which Japanese statesmen had affirmed to be the aim of their policy, that it could be justified neither on the basis of existing legal engagements nor on that of the right of self-defense; and that it was in contravention of Japan's obligations under the Nine-Power Treaty of 6 February 1922 (Annex No. B-10), and the Pact of Paris of 27 August 1928 (Annex No. B-15). These conclusions were on the same day concurred in by the United States Government.

JAPAN'S TERMS FOR PEACE

While military operations were being successfully carried on, the Japanese Government adopted, on 1 October 1937, an "Outline Regarding the Settlement of the "China Incident". It provided that the incident should be brought to a speedy conclusion through the efforts of armed forces combined with timely diplomatic action. In North China there should be designated a demilitarized zone in which peace and order were to be maintained by armed Chinese police. Japan would have the right to station troops, but she might reduce the number of occupation troops and limit them to the number present at the outbreak of "the Incident". While the Tangku Truce was to remain in force, other arrangements such as the "DOHIHARA-Chin Agreement", the "UMEZU-Ho Agreement" and the

arrangement concerning through railway traffic, mail service, air service, etc., should be dissolved. The Hopei-Chahar Political Council and the East Hopei Autonomous Council would be abolished and the administration in these areas would be conducted by the Chinese Government as it pleased. However, it was desirable that the administrative leaders of this area should bring about realization of friendly relations between Japan and China. As for the Shanghai area, there should also be designated a demilitarized zone in which peace and order should be maintained by the international police or the restrictedly armed Chinese police, to be assisted by the Municipal Police of the International Settlement. Japanese land forces might be withdrawn, but this should not include the right of anchorage of Japanese warships. For the general readjustment of Sino-Japanese relations, negotiations should be simultaneously or subsequently conducted along political, military, and economic lines. China should grant formal recognition of Manchukuo and conclude an anti-Comintern pact with Japan, enforcing strict control in the North China demilitarized zone. The Chinese customs tariffs on specified goods should be reduced and the freedom to prevent smuggling in East Hopei should be restored to the Chinese Government. This outline was approved by Premier Konoye, Foreign Minister HIROTA, the War and Navy Ministers

BRITISH OFFER OF GOOD OFFICES

Prior to 27 October 1937, conversations were held between Foreign Minister HIROTA and British Ambassador Craigie concerning the cessation of hostilities in China. According to Horinouchi, then Vice-Minister of Foreign Affairs, HIROTA expressed, as his personal views, the

following conditions for solution: (1) Creation of a demilitarized zone in North China; (2) Adjustment of relations between North China and Manchukuo on a practical basis; (3) Control by China of anti-Japanese movements; and (4) Equal economic opportunities in the North China region. These views were conveyed by Ambassador Craigie to the Chinese Government, and the views of the latter were also conveyed on two or three occasions to HIROTA through the British Ambassador.

On 27 October 1937, HIROTA, in an interview with the ambassadors from Great Britain, the United States, Germany and Italy, stated that while the Japanese Government could not accept the invitation to attend the Brussels Conference, it desired to have any one of the four powers use its good offices for bringing about direct peace negotiations between Japan and China. The British Ambassador soon called upon HIROTA and informed the latter of his government's willingness to use its good offices for negotiations between the two countries. Horinouchi testified that HIROTA accepted, but it was realized afterwards that there was strong opposition within the army against Britain acting as a go-between and the scheme had to be held in abeyance. However, Horinouchi admitted in cross-examination that it was Japan's policy to reject intervention or arbitration at any time and that although good offices of third parties were always welcome, it was the desire and policy of the Japanese Government to effect a settlement of the trouble between Japan and China by direct negotiations.

THE BRUSSELS CONFERENCE

After the League of Nations had failed to bring

Japan to the conference table for the settlement of differences by negotiations, another means was being sought for the achievement of the same purpose. On two occasions, October 20 and November 7, 1937, the Belgian Government invited Japan to attend a meeting at Brussels, with a view to examining, in accordance with Article VII of the Nine-Power Treaty (Annex No. B-10), the situation in the Far East and of studying means of settling the conflict amicably. Japan again declined the invitation explaining that since the League of Nations, to which the convocation of the proposed conference was closely linked, had expressed views hostile to Japan, the Japanese Government believed that frank and full discussion to bring about a just solution of the conflict could not be expected. On 15 November 1937, by a resolution adopted in the Brussels Conference, Japan was pronounced the aggressor in the Sino-Japanese conflict.

THE IMPERIAL GENERAL HEADQUARTERS

Confronted with difficulties both at home and abroad, Premier Konoye desired to resign in the middle of November 1937, but was dissuaded by KIDO.

On 20 November 1937, the Cabinet set up the Imperial General Headquarters, an organization to be established in war time only. It had control of operations and tactics. The Chief of Staff thus obtained virtual control over the War and Navy Ministers. Meetings were held once or twice a week. It had a great deal of influence on the Japanese Government prior to the outbreak of the Pacific War, since its utterances were not only those of the Army General Staff and the Naval General Staff, but also of the Emperor, who was its head.

THE ATTACK ON NANKING

When MATSUI was appointed Commander of the Shanghai Expeditionary Forces and left Tokyo for the fighting area, he already had thoughts of pushing on to Nanking after the intended capture of Shanghai. He requested five divisions for the Shanghai Expeditionary Force before leaving Tokyo. Actual preparations for the advance upon China's capital were made, for he had previously made a study of the topography in the vicinity of Shanghai and Nanking. On 8 October 1937, MATSUI issued a statement in which he said "the devil-defying sharp "bayonets were just on the point of being unsheathed so "as to develop their divine influence, and that the mission "of the Army was to fulfill all its duties of protecting "Japanese residents and interests, and to chastise the "Nanking Government and the outrageous Chinese." As the area of hostilities around Shanghai was likely to expand, MATSUI was appointed Commander in Chief of the Central China Expeditionary Forces.

MUTO, Akira, was appointed MATSUI's vice-chief of staff in late November 1937. Approximately one month after the capture of Shanghai, the Japanese Army arrived outside the city of Nanking. MATSUI issued an order to the effect that as Nanking was the capital of China, its capture was an international event and careful studies should be made so as to dazzle China with Japan's military glory. The Japanese demand for surrender was ignored by the Chinese Government. Bombardment started and the city fell on 13 December 1937. The Japanese Army that entered Nanking was a newly-formed organization, but it was composed of experienced troops.

MATSUI made his triumphant entry on 17 December 1937. From 13 December onward, there occurred what has come to be known as the "Rape of Nanking" which will be dealt with in a later phase.

On 1 January 1938, a provisional self-governing body was set up, flying the old discarded five-coloured Chinese flag instead of the Blue Sky and White Sun which is the official national flag of China.

GERMANY ACTED AS GO-BETWEEN

Having ignored the offers of good offices made by the United States and Great Britain, the Japanese Army desired that Germany should be asked to act as go-between. On 5 November 1937, certain peace terms proposed by Japan were conveyed to the Chinese Government through Trautmann, the German Ambassador in Nanking. Subsequently, on 28 and 29 November and 2 December, the German Ambassador again communicated the intentions of the Japanese Government and informed the Chinese authorities that the terms proposed by the Japanese Government early in November were still to stand. China was prepared to take the points proposed by Japan as the basis of discussion. The proposed terms were embodied in what was called the August Plan drafted in July 1937, by officials of the Japanese Foreign, War, and Navy Ministries, but approved on 5 August 1937 by the above-mentioned ministries. It consisted of three main points: (1) Establishment of unfortified zones along the River Pai-Ho and the withdrawal of Japanese and Chinese troops from the areas specified as such; (2) No annexation of territories; and (3) No indemnities. Negotiations on the lines of these terms were being conducted between Japanese Ambassador Kawagoe and

the Chinese, when they were interrupted by the outbreak of the Shanghai hostilities on 13 August 1937.

One day in December 1937, according to the testimony of Horinouchi, Foreign Minister HIROTA was told by German Ambassador Dirksen that he had information from Ambassador Trautmann in Nanking that the Chinese Government had the intention of reopening peace negotiations on the basis of the Japanese terms, and was asked if there was any alternation in the peace terms of the August Plan. Thereupon, the question was submitted to the Liaison Conference of the Government and the Army and Navy, and was placed on the agenda for the meeting of 20 December 1937. The fall of Nanking on 13 December 1937 had considerably stiffened the attitude of the Japanese towards China. The Liaison Conference decided upon four fundamental terms of peace, which were as follows: (1) Collaboration with Japan and Manchukuo in an anti-communist policy; (2) Establishment of demilitarized zones and special administrative organs in designated areas; (3) Creation of close economic relations among Japan, Manchukuo and China; and (4) Necessary reparations by China. The differences between these Peace Terms and those of August 1937 which had been communicated to the Chinese Government were so great fundamentally that their acceptance by the Chinese would have involved amongst others, one that China had refused to accept from 1931; namely, the independence of Manchuria. In the circumstances it is not surprising that the overtures led to no practical solution of the difficulties.

On 22 December 1937, HIROTA communicated the above terms to Ambassador Dirksen, stating that as there

had been a great change in the situation, it was not possible any longer to offer the earlier conditions. He said that if the Chinese side would generally agree on the new terms, Japan would be ready to enter into negotiations; otherwise, Japan would have to deal with the incident from a new standpoint. These new terms were communicated to the Chinese Government on 27 December 1937, through Ambassador Trautmann.

On 13 January 1938, the Chinese Minister of Foreign Affairs replied to Trautmann that, as the new peace terms proposed by Japan were so general in their terms, the Chinese Government desired to be informed in detail of their nature and content in order to make a careful examination and reach a definite decision. The Chinese reply was communicated to HIROTA on 14 January 1938.

THE IMPERIAL CONFERENCE ON 11 JANUARY 1938

While the peace terms were being offered to China, there developed a difference between the Army and the Government in Japan. The Army General Staff thought that the terms of peace were not only vague, but also aggressive. They were in favor of giving more specific terms. The General Staff was concerned about the protracted nature of the war in China. Not only was it a drain upon Japanese resources, but it embarrassed military and economic preparations for war against Russia, America and Great Britain. The Government under Konoye preferred to state them in general terms. Foreign Minister HIROTA and Education Minister KIDO supported Konoye's view; Home Minister Suyetsugu drafted the four terms, and Foreign Minister HIROTA caused them to be communicated to the

Chinese Government. On 11 January 1938, while the reply of the Chinese Government was being awaited, an Imperial Conference was held, which was attended by HIRANUMA, who was President of the Privy Council. HIROTA explained the "Fundamental Policy for the Disposition of the China Inci-"dent," providing for close collaboration and unity between Japan, Manchukuo, and China. Based upon this policy two alternative measures were adopted at the conference. On the one hand, the conference decided that if China should ask for conciliation, Japan would negotiate in accordance with the conditions of peace as contained in an addendum to the "Details of the Conditions of the Negotia-"tions for Peace between Japan and China," which included, among other items, formal recognition of Manchukuo by China; establishment of an anti-communist self-government in Inner Mongolia; creation of demilitarized areas in occupied territories of Central China and recognition of Japan's right to station troops in designated areas of North China, Inner Mongolia, and Central China. On the other hand, if China refused to reconsider, Japan would not only consider the Chinese Government her opponent, but would assist in the formation of a new Chinese Government with which Japan could cooperate. Thereupon, the Chiefs of Army General Staff and Navy General Staff and the President of the Privy Council expressed their approval. Thus were the details of peace conditions drawn up.

On the day when the Imperial Conference adopted the above plan, Ambassador Trautmann reported to his government that the telegram which he received from Tokyo

contained no further information except that Japan seemed to be altering for the second time their peace proposals which were issued through the German Embassy, and "we are losing face with the Chinese through this".

THE KONOYE DECLARATION OF 16 JANUARY 1938

Upon receipt of the Chinese reply of the 14th of January through the German Ambassador, saying that the terms covered a very wide scope, that they desired further details in order to make a final decision, HIROTA became very angry and declared that it was China and not Japan who was beaten and must ask for peace. When reminded that officially China had knowledge of only four fundamental conditions and the rest had been kept, at his wish, in a very indefinite form, HIROTA agreed to take the matter up with the Cabinet. In an all-day session of the Cabinet on 14 January 1938, according to KIDO, HIROTA reported the course of the peace negotiations with China and concluded by asserting that there was not good faith on the Chinese side. The Cabinet decided not to deal further with the Chinese National Government under Generalissimo Chiang Kai-shek.

On 15 January 1938, a meeting of the Liaison Conference was held and, after lengthy discussion, the government plan was adopted although some members of the General Staff still preferred reconciliation. On 16 January 1938, Konoye issued a public statement announcing Japan's firm policy as decided by the Cabinet and the Liaison Conference. This historically important document,

which decided the trend of relations between these two Asiatic countries, as translated for this Tribunal, reads as follows:

"The Imperial Government has been patient enough, "after the occupation of Nanking, to give the last oppor- "tunity to the Chinese National Government for reconsider- "ing the situation. But they do not understand our real "intention, attempt foolishly to counter-attack, disregard "the greatest distress of the people at home and do not "mind the peace of the entire East Asia. Thereupon, the "Imperial Government will not care for the National Govern- "ment thereafter, and expect the establishment and devel- "opment of a new government of China and will really be "worthy coalition with our Empire. We desire to strive, "rising under cooperation with such new government, to "arrange the relation between the two countries and to "construct a new revived China. Of course, there will be "not even a slight change in our policy that respects the "territoriality and sovereignty of China and the rights "and interests of other powers in China. Our responsibility "for the peace of East Asia is now increasing heavier and "heavier. It is the most earnest desire of the Government "that our people devote themselves to perform this impor- "tant mission."

The door was thus closed to further negotiations, and the stage was set for further invasion and the development of local regimes ultimately for the creation of a "new government" in China which would cooperate with Japan.

SECTION V

THE PROVISIONAL GOVERNMENT IN NORTH CHINA

Prior to Konoye's declaration that Japan would not deal with the National Government of China, new regimes had already been set up by the Japanese in occupied territories, such as those in Northern Shansi, Kueihua, Kalgan and Shanghai, as well as so-called "Peace "Maintenance Organizations" in various localities. These were merely local authorities governing areas of limited extent. There was one which covered a much larger area and was in line with Japan's policy of establishing a pro-Japanese autonomous regime in North China, i.e., the Provisional Government in Peiping. When hostilities first broke out in North China, Wang Keh-min, a retired high-ranking Chinese official who later headed the Provisional Government, was in Hong Kong. He was persuaded to come North by Japanese Army men stationed in Peiping and Shanghai, and staff officers from Peiping and Formosa were dispatched to Hong Kong for the purpose. As a result, Wang came to Shanghai on 24 November 1937, and on 6 December 1937 was flown to Japan and went thence to North China. The Japanese authorities in North China had made great efforts under the plan to make the North China regime the Central Government of China in the future and arranged to invite not only Wang, but also other notable figures in South China through army officers who were stationed in Shanghai. After Wang's arrival in Peiping, on 14 December 1937, the day after the fall of Nanking, the Provisional Government was formally inaugurated in the presence of officers of the Japanese Army. Foreign journalists were invited to attend.

Wang Keh-min became also the chairman of the Hsin-Min-Hui or New People's Association which had been created in December 1937 under orders of the Japanese Expeditionary Forces in North China. The function of this association was to make known to the people the policies of the puppet government and to keep the latter in touch with the people. The vice-chairman of the association was a Japanese.

The Konoye declaration of 16 January 1938 gave fresh impetus to this Provisional Government. The various peace maintenance organizations in the Peiping and Tientsin areas had joined it and subsequently, on 30 June 1938, the East Hopei Regime was also amalgamated with it.

By the end of January 1938, the Provisional Government had revised the Chinese customs tariffs on certain articles in the foreign export and import trade of North China. The United States Ambassador Grew delivered, on 31 January 1938, a protest to HIROTA, stating that the National Government of China was the only one authorized to do this and that the United States was addressing her representation to Japan, because "for the creation and "the acts of the provisional regime the Japanese Government "has an inescapable responsibility." The Federal Reserve Bank of China was incorporated in February and commenced its business on 10 March 1938 and was authorized by the Provisional Government to issue paper currency. While the governor and vice-governor were Chinese, the directing personnel were mainly Japanese.

This Provisional Government, together with the Renovation Government in Central China, later accepted the

invitation of Wang Ching-wei to participate in the organization of a so-called new Central Government.

Confirmation of the part played by Japan in the formation of the Provisional Government is derived from a document produced from the records of the General Affairs Bureau of the Japanese Foreign Ministry. It recorded that "In 1937, following the collapses of Teh-chow, Suiyuan, "Changte, Taiyuan, etc., in North China, at the end of "November the National Government had broken up and removed "to Hankow, Chungking and Changsha and finally Nanking col-"lapsed on 13 December, deciding the general trend of the "war situation. Thus the opportunity to establish a new "regime which was prearranged among the important men in "North China had matured.

"The circumstances in which Wang Keh-min consent-"ed to become the head of the North China regime are as "follows: At the beginning of the incident he was at Hong "Kong. The head of special service facilities in Peking, "Major General Kita, eagerly made efforts through Fiji "Yamamoto, who was in Shanghai, to persuade Wang to accept "the invitation; meanwhile, staff officers from Peking "and Formosa were specially dispatched to Hong Kong for the "same purpose. As the result Wang came to Shanghai on 24 "November, and on 6 December made a flight to Fukuoka and "went to North China with Yamamoto and Yu Chin.

"It is said that when Wang entered Shanghai, he "had not yet consented to become the head of the North China "regime but on condition that he made an inspection trip "he consented to the journey.

"The North China army authorities had made great

"efforts under the plan to establish the North China regime "as the Central Government of China in the future and ar- "ranged to invite not only Wang but other influential men "from South China through Yoshino and Imai (military "officers) who were stationed in Shanghai. Toward this "policy the central army and General Terauchi gave approval; "however, a section of the military officers in Shanghai "expressed opposition, especially Colonel Kusumoto was op- "posed to pulling out many influential men from Shanghai, "on the ground that there is no necessity to determine "North China as the political center from the beginning.

"After the arrival in Peking, Wang Keh-min de- "cided to accept the chairmanship of the North China regime "and determined government organization and fundamental "principles. On 14 December 1937, the Provisional Chinese "Government was established in Peking."

THE RENOVATION GOVERNMENT IN CENTRAL CHINA

The foregoing document further shows:

"Movement for establishment of a new government "in Central China.

"When the Japanese force crushed the Chinese Army "in Shanghai, and its vicinity, and subsequently on Dec- "ember 13, 1937, captured Nanking, movements for creating "a new regime in the Central China were launched. First "of all, the Shanghai Tatao Municipal Government was or- "ganized in Shanghai on December 5. In various places "other than Shanghai public order maintenance associations "came into being. Among these, the major organs are the "Nanking Public Order Maintenance Association and the Hang- "chow Public Order Maintenance Association established on

"January 1, 1938. Nevertheless, in Shanghai area the in-
"fluence of the Chiang regime and the Nationalistic Party
"proved to remain strong, far more than what was anticipated
"even after the fall of Nanking, so that it was impossible
"for pro-Japanese elements to openly approach the Japanese
"even in the International Settlement. Thus, the matter
"of building up a substantial regime had long been difficult
"unlike the case in North China."

Following the declaration of 16 January 1938, Premier Konoye and HIROTA addressed the Diet on 22 January 1938, and discussed Japan's policy, emphasizing the prospective emergence of a new Chinese regime to cooperate closely with Japan for the ultimate establishment of a new order in East Asia. On 27 January 1938, the Konoye Cabinet decided on a "Programme for the Establishment of a Central "China New Regime." That is to say, notwithstanding protestations that this was a spontaneous Chinese movement, the Japanese Government took it upon itself to decide upon the "Programme for the Establishment of a Central China New "Regime." The document already referred to as having been produced from the records of the General Affairs Bureau of the Japanese Foreign Office discloses the extent of Japanese direction of the movement:

"I. General Principles.

"(1) They shall found a highly pro-Japanese
"regime, gradually free themselves from dependence on Europe
"and America, and establish the foundation of a district in
"China dependent on Japan.

"(2) The direction of that regime shall be so
"exercised that the regime, in the course of its future

"development shall smoothly amalgamate with the North China "Regime. The direction shall stop at general inner di- "rection by Japanese advisors. Detailed direction and in- "terference in administration by appointing Japanese of- "ficials shall be avoided.

"(3) Chiang Regime shall be annihilated. At the "same time, elimination of Communists and destruction of the "Nationalist Party in a short time within the area under "Japanese occupation shall be realized. Afterwards similar "operations shall be speedily extended to neighbouring "areas."

The programme provided for nominal Chinese control but as to administration and finance it was directed. "The foundation of finance shall speedily be established, "banking organs adjusted, and Japan-China economic col- "laboration in Central China realized. Measures for it "are described in another programme." The direction upon arms was - "As for armaments, minimum army shall be trained "for maintenance of peace and order, and make efforts, "under the guidance of the Japanese Army, to restore public "order. But the navy and air force shall be included in "the defence plan of Japan." The new regime was to be developed as follows.

"The New Regime shall be speedily set up, and, "by nurturing it, antagonistic influence shall be destroy- "ed with physical and moral pressure.

For this purpose, local autonomous bodies which "are being set up successively in the areas under Japanese "occupation, shall be strengthened, and public sentiments "desiring the establishment of a New Regime backed by

"Japan shall be powerfully stimulated. Moreover, in and "around Shanghai, economic rehabilitation shall be speedily "realised, thereby to contribute to the establishment of "the New Regime set up.

"Of the expenditures in the initial stage of the "New Regime, considerable part shall be borne by Japan.

"For the relief of war sufferers, and rehabilit-"ation of industries, emergency measures shall be speedily "taken. Especially, agricultural produce shall be smoothly "supplied to the market; and farmers shall take to spring "farming without uneasiness.

"For this purpose, maintenance of local peace "shall be undertaken by the Japanese Army to the best of "their ability until the establishment of new local govern-"ment organs.

"Order of the establishment of the new adminis-"trative setup is as follows:

"1. Central Government setup, especially legis-"lative and executive departments.

"2. Shanghai Special Municipality setup.

"3. Provincial Governments setup.

"4. Organization of county autonomous bodies "and downwards.

"In parallel with the execution of 1 and 2, the "influence of Tsingpan and Chihpan (Chinese secret so-"cieties) shall be turned pro-Japanese, and made to assist "the New Regime directly and indirectly.

"In fixing new administrative districts, former "ones shall generally be preserved.

"In foreign settlements, with the strengthening

"of the New Regime, Japanese influence shall be gradually "extended, and, after the establishment of the New Regime, "the organs of the old regime under the control of Japanese "Army and Navy shall be taken over by the New Regime at "proper opportunity, causing at the same time outstanding "issues to be speedily settled."

In the early stage of the war, movements for creating a new regime had already been started. MATSUI, through Sugano, sought to persuade certain senior Chinese officials to form a new regime, but without success. When Liang Hung-chi, who later headed the Central China regime, and others came into the matter with the assistance of the Japanese Army and Navy special service organs, the new regime began to assume a more definite shape. On 28 March 1938, the Renovation Government, which was sometimes referred to as the Reformed Government or the Restoration Government, was formally established. Together with the Provisional Government in North China, it later accepted Wang Ching-wei's invitation to organize a so-called new Central Government.

Thus was realized the Japanese planning for the creation of a pro-Japanese, and indeed a Japanese-dominated, Chinese "Government."

OTHER CITIES INVADED BY JAPANESE TROOPS UNDER HATA'S COMMAND

HATA was appointed Commander of the Japanese Central China Expeditionary Forces on 14 February 1938, succeeding MATSUI. Three days later HATA became Commander-in-Chief of all Expeditionary Forces in China, succeeding Nishio, and remained in that post until November 1938.

HATA's original task was to conquer the triangular area between the cities of Shanghai, Nanking and Hangchow. There developed later the purpose of continuing the operations and to expand the area of conflict farther into the interior if China did not come to terms. In a talk between Honjo and KIDO, the former was quoted by KIDO as having said: "After the battle of Suchow (Hsuchow) "it is, on the one hand, necessary to show an attitude of "advancing to Hankow, but, at the same time, it is essent-"ial to take steps for settling the incident. If things "do not turn out as hoped for, I believe it would, by all "means, be necessary to establish a close connection also "with the Supreme Command and enter into protracted war-"fare by planning to continue for about three years." KIDO agreed generally with Honjo's opinion and promised to do his best, as he records in his diary of 19 May 1938.

HATA having secured the triangular district referred to proceeded against Hankow, which fell to the Japanese on 25 October 1938. In that campaign he had a force of 300,000 to 400,000 men sent to him from North China. These forces moved deep into the interior of China and at the dates shown below had captured the following important cities:

19 May 1938, Hsuchow, strategic junction of the Tientsin-Pukow and Lunghai Railways; 6 June 1938, Kaifeng, capital of Honan Province; 27 June 1938, Matang, important fortification on the Yangtse River; 25 July 1938, Kiukiang, leading commercial city of Kiangsi Province; 12 October 1938, Sinyang, important point on the Peiping-Hankow Railway; 25 October 1938, Hankow, in the center of China.

With the occupation of such important cities over so vast an expanse of territory, it is not surprising that HATA in interrogation acknowledged that it was a war that was being waged in China, rather than that which the Japanese Government euphemistically called it an "incident".

THE NATIONAL GENERAL MOBILIZATION LAW

In anticipation of a protracted war, the Japanese Government enacted a National General Mobilization Law. The draft had been prepared by the Mobilization Plans Bureau and approved by the Cabinet. When it came before the Diet in February 1938, SATO, then in the Military Affairs Bureau, assisted Premier Konoye in making the necessary explanations and securing the passage of the bill. It went into effect on 5 May 1938. It was designed to control and operate all human and material resources so as to utilize the national power most effectively for "national defense purposes" in time of war "(including an incident corresponding to a war)". It authorized the general mobilization of all Japanese subjects and the compulsion of all Japanese subjects or juridical persons or other organizations to cooperate with state or other organizations or persons nominated by the Government.

ITAGAKI BECAME WAR MINISTER

Pursuant to the wishes of the Army, ITAGAKI on the 3 June 1938 was appointed War Minister in the Konoye Cabinet after its reorganization in May. Immediately before this ITAGAKI had been successively Vice-Chief of Staff and then Chief-of-Staff of the Kwantung Army, Commander of a Division in China and on the General Staff. MUTO in July 1938 was appointed Vice-Chief-of-Staff of the North China Expeditionary Forces. Japan had hoped the Hsuchow Battle

would be decisive by engaging and defeating the main forces of the Chinese Army. As the Chinese Government did not yield, even after the capture of Hsuchow, the Japanese Supreme Command proceeded with the plan to drive on to Hankow to deliver yet another blow to the Chinese in the hope of reaching an end of the Chinese war. ITAGAKI, realizing that the war threatened to become a protracted one, sought to bolster the determination of the Japanese people. In his first press interview after assumption of the post of War Minister, on 26 June 1938, he told the Domei News Agency that the Army must be prepared to continue hostilities perhaps for ten more years. He said also that Japan would follow her own policy without fear or hesitation notwithstanding the attitude of Third Powers. He explained that there was no need for a formal declaration of war in view of the official declaration of the Japanese Government of the 16th January.

Minister of War ITAGAKI took part in the Five Ministers' Conferences, some of the decisions of which will be discussed presently.

CHINA POLICY AND THE FIVE MINISTERS' CONFERENCE 1938

The practice of holding conferences apart from the Cabinet among the Premier, Foreign Minister, War Minister, Navy Minister and Finance Minister was not new when ITAGAKI joined the Cabinet. Discussions had been held and plans developed in this way under the HIROTA and Hayashi Cabinets. But meantime the Conferences had gained in importance and frequency because of the circumstances following the intensifying of the war which developed after

ITAGAKI became War Minister. Between June and October 1938 the Five Ministers' Conference, with ITAGAKI participating, made successive decisions of the utmost importance concerning policies toward China, directed not only to the conduct of the war but also to the establishment of a Japanese dominated or "puppet" government for the whole of China as distinct from the local "puppet" governments already established. For instance, on the 8 July it was decided in the event of the surrender of Chiang Kai-shek's Government:

"In case of surrender of the Central Government of "China, Japan will regard it as one of the regime and "treat it according to the 'Must be made to join the "'newly established Central Government of China' policy "decided upon by the Imperial Conference.

"In case the present Central Government of China "surrenders and accepts the third condition, (item "three of the document, the conditions for surrender) "stated later, it shall either be considered as a "friendly regime and will be permitted to join the "newly established Central Government, or be made to "establish another new central government in cooperation "with various existing pro-Japanese regimes."

The conditions for the recognition of the surrender of the present Central Government of China include:

"Retiring from public life of Chiang Kai-shek."

On the same day alternative decisions were made in the event of Generalissimo Chiang Kai-sehk continuing to fight on.

It is to be noted that the constant policy was to foster and enlarge the Japanese controlled "Central"

Government, the creation of which by Japan has already been discussed.

Again, on 15 July 1938 the Five Ministers' Conference decided in respect of the "new" Central Government of China: "Though the establishment of the new Central "Government of China shall be undertaken mainly by the "Chinese, it shall be internally assisted by Japan. The "principle of the collaboration of individual local govern-"ments shall be adopted to their government form.

"A Joint Commission shall be established as "soon as possible through the cooperation between the Pro-"visional Government and the Restoration Government, to "be joined later by the Mongolian and Sing-Kiang (Mengkiang) "Joint Commission. Then we should guide this regime so "as to grow into a real central government by gradually "absorbing various other influences or collaborating with "them." It was "we", the Japanese, not Chinese who were to guide the growth of the "new" Central Government.

"The new Central Government shall not be estab-"lished until after the fall of Hankow, with the Chiang "Kai-shek regime reduced to a mere local government or "until the reformation of the present Central Government "is brought about by Chiang Kai-shek's retirement from "public office.

"In case the Chiang Kai-shek regime is broken "up or reformed, and should a pro-Japanese government turn "up, we would make it a factor of the central government "system and proceed to set up a central government.

"Adjustment of the relations between Japan and "China in connection with our control of the establishment

"of the new Central Government of China, shall be done on "the following basis, and its concrete matters shall be "decided separately."

This "basis" included: "The establishment of the "general policy for the collaboration among Japan, Man-"chukuo and China based upon reciprocity, particularly on "neighbourly friendship and goodwill, anti-Comintern and "joint-defense and economic cooperation. In order to attain "the above objectives, Japan will give internal guidance "during a certain period."

The Military position of the "new" Chinese Government was settled in the following decision of the Five Ministers' Conference:

"We will urge the surrender of the Chinese Army, "conciliate them, and bring them under control. We will "strive to make them support the new government by promot-"ing their anti-Chiang Kai-shek and anti-Communist con-"sciousness, and making as many Chinese troops as possible "cooperate with the Japanese Army for destruction of the "Anti-Japanese and pro-Communist Army, and thus guide the "racial conflict toward an ideological opposition.

"The necessary Japanese troops will be stationed "at ports, railways, waterways, etc. in the occupied areas "which are strategic for communications, as well as at the "locations of important resources; and in remote districts "armed Chinese troops will be organized to ensure the pre-"servation of peace. The numerical strength of the troops "will be decided in accordance with the actual local sit-"uation.

"We will conclude an anti-Communist Military

"Alliance and gradually reorganize the Chinese Army to "place it under the direction of the Japanese Army. When "the circumstance permit, we will reduce our military "strength to the minimum necessary for our national defense."

The decisions upon economic matters included the following:

"The development of the economy and communication "will contribute to the establishment of the national defense "of Japan, Manchukuo and China, and satisfy the development "of the economy of the three countries and the welfare of "its people. Japan especially will materially hold the "necessary transportation. In North China the demand for "national defense shall be the first consideration and in "Central and South China the interests of the people will "be particularly considered.

"We shall carry out the development of economy "following the principle of ministering to each other's "wants among Japan, Manchukuo and China and advance en-"ergetically for the accomplishment of the three countries' "economic sphere. However, we shall respect the rights "and interests, already obtained by the third countries, "and not interfere with their participation in the economic "development.

"Railway, water transport, aviation and commun-"ication will be materially placed under Japan's power, "and satisfy the accomplishment of military activities and "contribute to the welfare of the people."

These quotations from the policy decisions of the Five Ministers' Conference indicated the general scheme to create a government in China completely dominated by Japan

but built up behind a facade of Chinese autonomy.

THE DOHIHARA AGENCY

To advance the programme of establishing a new central government in China along the lines just discussed, the Five Ministers' Conference on the 26th July 1938 decided upon the creation of a Special Commission on Chinese Affairs. In particular the decision was as follows:

"The Special Commission for China belongs to the "Five Ministers Council and is an executive organ ex- "clusively for working out important strategems against "China and establishing the new Chinese Central Government "in accordance with the decision of the Council.

"Every organ at the actual places concerned with "the above-mentioned business is directed by the Special "Commission for China in connection with the said business.

"The Army and Navy Ministers will be in charge "of the liaison between Special Commission for China and "the Imperial Headquarters."

On the 29th July the Commission was set up under DOHIHARA, Tsuda and Banzai, its functions being defined thus: "The important strategems against China in Paragraph "1 are understood as political and economic strategies "which are not directly connected with military operations." Although DOHIHARA was the youngest of the commissioners, he was the only one who was a soldier in active service. He it was who undertook the administration of the affairs of the Commission and for the purpose set up an establishment in Shanghai under the name of the "DOHIHARA Agency". DOHIHARA was able to make use of his wide knowledge of China and familiarity with the Chinese. He started accordingly

to enlist Tang Shao-Yi and Wu Pei-Fu, retired Chinese statesman and general respectively, for the purpose of establishing an anti-Chiang Kai-shek government in the "enemy's midst" among high-ranking Chinese. Wu Pei-Fu was then living in retirement at Peiping. DOHIHARA aimed to bring him out from retirement for active collaboration with Japan. This scheme came to be referred to as the "Wu Project". The expenses in connection with this project were to come from surplus revenues of the maritime customs in occupied China.

Tang Shao-Yi was assassinated and negotiations with Wu Pei-Fu failed so DOHIHARA turned elsewhere. The DOHIHARA Agency in China aided the development of a scheme to bring Wang Ching-Wei to Central China. It reported to Tokyo a conference with associates of Wang Ching-Wei concerning arrangements for Wang Ching-Wei's coming to Shanghai, etc. Although DOHIHARA claimed that he was in Tokyo at that time, it is clear that he was in control of these plans.

THE "FEDERATED COMMITTEE" OF PUPPET REGIMES

While DOHIHARA and others were making efforts to carry out the policy of establishing a new central government in China through Chinese personages, the Japanese military authorities in Japan disclosed their determination in pursuit of this policy. SATO, then Chief of the Press Section of the War Ministry, made two speeches upon the "China Incident" and said that the fundamental attitude of the government was to be found in the declaration of 16 January 1938 and that the plans for the establishment of a new regime were absolutely unchangeable. On 27 and 28

August 1938, representatives of the Tokyo government and of the Japanese army authorities in Tientsin met at Fukuoka, Japan, and decided on a basic plan for the coordination of the Provisional Government, the Renovation Government and the Mongolia-Sinkiang Federation. On 9 September 1938, a plan for the establishment of a Federated Committee, or "Joint Committee", of these pro-Japanese organs in China was adopted by the Five Ministers' Conference. Consequent upon these decisions made in Japan the work of developing a "new" Central Government was pursued by the Japanese on the continent. On 9 and 10 September 1938, representatives of the Provisional Government and the Renovation Government met Japanese representatives at Dairen and arranged for the establishment of a "Federated Committee" at Peiping. It was to coordinate and unify the various puppet regimes, particularly the Provisional Government and the Renovation Government, and to prepare for the establishment of the future "new" central government. On 22 September 1938, the inauguration ceremony was held in Peiping and the first meeting of the Committee was held on the next day.

OCCUPATION OF CANTON AND HANKOW

Pursuant to a decision of the Five Ministers' Conference, held 8 July 1938, prescribing the occupation of certain strategic points in China, Japanese troops captured Canton on 20 October 1938 and Hankow on 25 October 1938. Steps were taken to provide for the administration of these two important cities and their adjoining areas under Japanese occupation according to the familiar pattern. On 28 October 1938 the arrangements for administration of the Canton and Hankow districts were agreed upon

among the War, Navy and Foreign Ministers. They provided for Japanese control of political affairs and for the development of a "Peace Maintenance Association". Although such regimes were to be established ostensibly at the initiative of the Chinese, political guidance was to be given by the Japanese. They were to be kept in close connection and cooperation with the Special Commission on Chinese Affairs, which, as previously noted, was a special agency under the leadership of DOHIHARA. With regard to Canton, a special instruction was given by the War, Navy and Foreign Ministers as follows:

"The organization of a local regime shall be "initiated by the Chinese side. However, the establishment "of the regime shall be accelerated with the cooperation "of our political guiding agency (The Liaison Conference "of the War, Navy and Foreign Ministry authorities at "Kwantung), chiefly by our strategy agency (The Special "Committee Towards China). After the establishment of "the regime the political guiding agency shall take up "its internal guidance."

The policy of occupying strategic points in China was carried much farther than the capture of Canton and Hankow, for on 25 November 1938 the Five Ministers' Conference decided upon the seizure of Hainan Island, in the extreme South of China. This island was captured by the Japanese on 10 February 1939.

JAPAN TERMINATED ALL RELATIONS WITH LEAGUE OF NATIONS

Although Japan had notified her withdrawal from the League of Nations in March 1933, she continued to participate in certain of the activities of the League.

After the fall of Hankow and Canton, the attitude of Japan towards third powers stiffened. On 2 November 1938 at a meeting of the Privy Council, which was presided over by HIRANUMA and attended by the Premier and Ministers of State, including ARAKI, KIDO, ITAGAKI and Privy Councillors MINAMI and MATSUI, continuance of cooperation with the League was considered, inasmuch as matters relating to diplomacy and treaties were within the province of the Privy Council. On the ground that a resolution had been adopted on 30 September 1938 by the Council of the League of Nations condemnatory of Japan, it was considered impossible having regard to national honour, for Japan to have further cooperation with the organs of the League, and consequently a plan for the termination of cooperative relations between Japan and the various organs of the League except the mandatory rule of the South Sea Islands was drawn up and adopted by unanimous vote at the Meeting. Notice to that effect was immediately served on the League of Nations.

THE NEW ORDER IN EAST ASIA

Following her decision of complete withdrawal from the League of Nations, Japan proceeded to what it called the "New Order in East Asia." On 3 November 1938 the Japanese Government issued a statement advising the world that with the fall of Canton, Wuchang, Hankow and Hanyang, chief cities of China, the National Government had been reduced to a local regime and that the ultimate aim of Japan was to establish, in collaboration with Manchukuo and China, a New Order which would secure eternal peace in the Far East.

On 29 November 1938 Foreign Minister Arita submitted a report to the Privy Council of which the following are some of the more significant passages:

"As to the policy for adjustment of new Sino-"Japanese relations, it is our intention to proceed on the "basis of the following points with a view to establishing "a New Order in East Asia through mutual collaboration in "political, economic and cultural fields among Japan, "Manchukuo and China: .....as to the problem of making "peace with the Chiang Kai-shek Government.....it is "our policy not to carry this out.....Our country "will foster the establishment of a new Central Government "on the basis of the pro-Japanese regime which has been "established in Hankow and Canton, and after the new "Central Government has been firmly established, we hope "to achieve the following:.....General collaboration "of Japan, Manchukuo and China;.....Establishment in "North China and Mengchiang of a zone of high degree of "Sino-Japanese unity in defense and economic spheres;..... ".....Establishment along the lower basin of the Yantze "River of a zone of a high degree of Sino-Japanese unity "in economic collaboration.....In South China, besides "the establishment of special zones on certain specified "islands along the coast, endeavours shall be made to "secure the foundation of Sino-Japanese cooperation and "collaboration with the major cities and towns as starting "points.....Regarding.....principle of joint defense, "we hope to have Japan, Manchukuo and China, with the chief "objects of jointly defending themselves against the Com-"intern and at the same time cooperating with each other

"in the maintenance of common public order and peace, "adopt the following programme:.....The early with-"drawal of Japanese troops, excepting the stationing of "troops in specified zones, and islands for the purpose "of guarantee and the maintenance of public peace and "order.....Recently Britain, the United States, etc. "have made various representations based on the principle "of open door and equal opportunity. In this connection "it is the intention of the Imperial Government to cope "with the situation by adopting the policy of examining "the so-called open door and equal opportunity principle "from the standpoint of the establishment of a Japan-"Manchukuo-China economic bloc based upon the necessi-"ties for the existence and defense of our Empire, and "of not recognizing such a principle within the extent "that it is incompatible with this standpoint..... "Our chief objects are that: (a) Japan shall control in "substance the development of natural resources for "national defence and principally North China and Meng-"chiang; (b) The currency system, customs and maritime "customs system in new China shall be adjusted from the "standpoint of Japan-Manchukuo-China economic bloc. "So long as the powers' rights and interests in China "do not conflict with the foregoing two objects, we will "not purposely exclude and restrict them."

Premier Konoye made a further speech on 22 December 1938, reiterating Japan's resolution to exterminate the Chinese National Government and to establish a New Order in East Asia.

This Japanese "New Order in East Asia" caused the United States grave concern. On 30 December 1938

Ambassador Grew, under instructions from his Government, addressed a note to the Japanese Government, in the course of which he said: "Further, with reference to such matters "as exchange control, compulsory currency circulation, "tariff revision, and monopolistic promotion in certain "areas of China the plans and practices of the Japanese "authorities imply an assumption on the part of those "authorities that the Japanese Government or the regimes "established and maintained in China by Japanese armed "forces are entitled to act in China in a capacity such "as flows from rights of sovereignty and further in so "acting to disregard and even to declare non-existent or "abrogated the established rights and interests of other "countries including the United States." Again, on 31 December 1938, Ambassador Grew delivered a note informing the Japanese Government of the view of his own Government that the so-called "New Order" could not be created by Japan's ex-parte declaration.

ITAGAKI was quoted by "Japan Advertiser" newspaper of 17 March 1939 as having declared in the Diet that in order to establish the so-called New Order, conflict with third powers was inevitable. Britain and France were Japan's next objective, while Russia was the first.

On 7 July 1939, on the occasion of the second anniversary of the Lukouchiao (Marco Polo Bridge) Incident, ITAGAKI was reported as giving a press interview in the course of which he said that Japan's mission of constructing a New Order in East Asia would necessitate the stamping out of unjust interference by third powers.

THE KO-A-IN OR ASIA DEVELOPMENT BOARD

After the Japanese Army had made deep penetration into the interior of China, steps were taken by the Japanese to review the administration of the occupied areas, hitherto undertaken by the special service organs of the Japanese Army, preparatory to the formation of a New Central Government. Foreign Minister Ugaki desired to have a new organ to deal with China Affairs within the Foreign Office, but this suggestion was opposed by the Army. It was later decided at the instance of the Army that a China Affairs Board or some such organization be planned. The new organ to be set up was distinct from the Special Commission on Chinese Affairs created by the Five Ministers' Conference on 26 July 1938. The latter was an agency concerned with the means of crushing the Chinese National Government and establishing a new central government, while the Board to be established was to be concerned, primarily, with matters of administration in occupied areas.

On 16 December 1938, this new organ came into being under the name of Ko-A-In, or Asia Development Board, but more frequently referred to as the China Affairs Board. The Premier was the President and the Ministers of Foreign Affairs, Finance, War and Navy were Vice-Presidents. According to the regulations governing its organization, the Board was put in charge of the following: politics, economics and culture and the formulation of policies relative thereto; the supervision of commercial concerns to undertak enterprises in China under special laws or to do business in China; and the coordination of administrative affairs in China conducted by Japanese Government agencies.

Its head office was in Tokyo, with four branch offices in Shanghai, Peiping, Kalgan and Amoy and two sub-branch offices in Canton and Tsingtao. SUZUKI, Teiichi, was one of the organizers of the Board and the head of the political or administrative division. Decisions made by the head office in Tokyo were transmitted to the Branch or "liaison" offices which dealt with the local Chinese authorities in working out methods of implementing decisions made in Tokyo.

Notwithstanding the establishment of the Board, the Japanese Army in China did not forsake matters of administration. Special service organs continued to exist, and army interference was defended as necessary because of military operations.

Among the various matters handled by the Asia Development Board was opium. It studied the opium needs in different parts of China and arranged for the distribution from Mongolia to North, Central and South China. Japan's policy upon narcotics in China is treated elsewhere.

WANG CHING-WEI DEPARTED CHUNGKING

The movement for the establishment of the "New" Central Government in China received an impetus when Wang Ching-Wei left Chungking, China's wartime capital, on 18 December 1938. He was Vice Chairman of the Kuomintang Party and Vice Chairman of the National Defense Council. As early as the spring of 1938, Kao Tsung-Wu and Tung Tao-Ning, former officials of the Chinese Foreign Ministry, were brought into touch with Kagesa, Chief of the Chinese Section of the Army General Staff, and were taken to Japan

by an army plane. There Kagosa had talks with them on reestablishment of peace between China and Japan. It was proposed that some person other than Generalissimo Chiang Kai-shek must be sought to promote peace between the two countries and that Wang Ching-Wei would be a suitable person. The conversations were reported to the Army General Staff, which took up the discussions. In the autumn of 1938, an Officer of the Army General Staff returned from Shanghai to Tokyo bringing "Tentative Terms of Peace between Japan and China" which had been drawn up by Kao Tsung-Wu and Mei Ssu-Ping. This was brought by ITAGAKI before the Five Ministers' Conference, and amendments made to the "Tentative Plan" in accordance with the "Policy for the Adjustment of Relations between Japan and China" which had previously been drawn up by the Japanese Government. On 18 November 1938, Kagesa, under orders of ITAGAKI, went to Shanghai to confer with Kao Tsung-Wu and Mei Ssu-Ping. After several amendments were made to the proposed terms, it was arranged that Wang Ching-Wei would leave Chungking according to a pre-arranged plan upon which the Japanese Government would announce the suggested terms of peace. These arrangements were approved by the Five Ministers' Conference on 25 November 1938, and by the Imperial Conference on 30 November 1938. As stated above, on 18 December 1938, Wang Ching-Wei left Chungking. He reached Hanoi in Indo-China on 20 December 1938. It is to be noted that the date of Wang Ching-Wei's intended departure from Chungking was known to the Japanese Government at least six days previously, as KIDO recorded in his diary on 12 December "it was reported that Wang Chao-Ming (Wang Ching-Wei) on the

"18th would escape from Chungking, and for the present it "was not good to disclose any political unrest in our "country."

KONOYE'S THREE PRINCIPLES

On 22 December 1938, subsequent to Wang Ching-Wei's "escape" from Chungking, Premier Konoye issued a statement as pre-arranged. The essential points of this statement were as follows: (1) Japan, Manchukuo and China should unite with the establishment of a New Order in East Asia as their common object and, in order to realize this, China would abandon resistance to Japan and hostility to Manchukuo; (2) Japan considered it essential for the readjustment of Sino-Japanese relations that there be concluded an anti-Comintern agreement between the two countries in consonance with the spirit of the anti-Comintern agreement among Japan, Germany and Italy. In view of the circumstances prevailing in China, Japanese troops should be stationed at specified points. Inner Mongolia should be designated as a special anti-Communist area; (3) Japan did not desire economic monopoly in China or limitation of third powers' interests; but she demanded that China should, in accordance with the principle of equality between the two countries, recognize freedom of residence and trade on the part of Japanese subjects in the interior of China, to promote the economic interest of both, and should extend to Japan facilities for the development of China's natural resources, especially in North China and Inner Mongolia.

As planned, Wang Ching-Wei on 29 December 1938 made a speech in Hanoi in which he declared that the three points in the Konoye Statement were consistent with the spirit

or peace, since the Japanese Government had solemnly declared that she would respect the sovereignty, political independence and territorial integrity of China and would neither aim at an economic monopoly in China nor demand the restriction of third powers' interests in China. He urged that the Chinese Government should, as soon as possible, exchange views for a speedy restoration of peace between the two countries.

Thus was the ground prepared for acceptance of Japanese peace terms by the "New" Government intended to be created by Japan under Wang. By these means the difficult and embarrasing war with China would be ended, leaving Japan free to pursue its strategic plans elsewhere. At the same time a complacent Government would be created by Japan giving the latter complete control of China both militarily and economically.

HIRANUMA FORMED A CABINET

Toward the end of 1938, Premier Konoye contemplated resigning. HIRANUMA was opposed to this because, as he told KIDO, Wang Ching-Wei had left Chungking and the plot was proceeding steadily. Konoye however persisted with his resignation, and was succeeded by HIRANUMA on 5 January 1939. ARAKI remained as Education Minister, KIDO accepted the position as Home Minister and ITAGAKI continued to be War Minister.

Before ITAGAKI agreed to continue, he stipulated on behalf of the Army seven requirements, viz: (1) With regard to the "China Incident", the aims of the "Holy War" should be achieved and in accordance with fixed policies, particularly the declaration of 22 December 1938, containing

the basis of readjustment of the relationship with China, which should be adopted in its entirety; (2) The plan for national defense should be established and expansion of armament should be the aim in order to cope with the new circumstances in East Asia; (3) The relations among Japan, Germany and Italy should be strengthened; (4) The system of national total mobilization should be reinforced and the Planning Board should be expanded and reinforced; (5) All efforts should be made to increase productivity; (6) National morale should be stimulated; and (7) Trade should be promoted.

The first consequence of these demands was the adoption by a Cabinet Conference in January 1939 of the "Outline of the Plan for Expansion of Productive Power" drawn up by the Planning Board. This provided for the establishment of a comprehensive productive power expansion plan for Japan, Manchukuo and China, for the improvement of national defense and basic industries by 1941, in preparation for the "epochal development of our country's "destiny in the future." On 21 January 1939 Premier HIRANUMA made a speech before the Diet, in which he said that his cabinet was committed to the same immutable policy as the previous cabinet with regard to the China Affair, and that for those who failed to understand and persisted even in their opposition to Japan, there would be no other alternative than to exterminate them. In the meantime, Japan continued her military operations in China. As has been related, the Hainan Islands were captured on 10 February 1939 and Nanchang, Capital of Kiangsi Province, was captured on 26 March 1939.

WANG CHING-WEI TAKEN TO SHANGHAI

The declarations of 22 and 29 December 1938, made by Konoye and Wang Ching-Wei respectively, were but a prelude to the establishment of a new central government in China. In March 1939, the Five Ministers' Conference in Japan decided to send Kagesa to Hanoi to take Wang to a "safety zone", which was decided upon as Shanghai. He reached Hanoi on 17 April 1939, carrying personal letters to Wang from Foreign Minister Arita, War Minister ITAGAKI, Ko-A-In Division Chief SUZUKI, and Navy Minister Yonai. Wang informed Kagesa that he would launch a movement for peace with Shanghai as his base. Wang was conveyed by the Japanese with the utmost secrecy from Hanoi to Shanghai where he arrived on the 8th May 1939.

WANG CHING-WEI VISITED JAPAN

While in Formosa with Wang on their way to Shanghai, Kagesa reported to the War Ministry in Tokyo that Wang, in view of expected opposition, wished to have himself set up as soon as possible at the place most convenient for his various activities. Later Kagesa actually set up headquarters for Wang in Shanghai. A Kagesa Agency was developed also to coordinate the work of the Japanese Gendarmerie and Wang's men.

Wang was concerned to ascertain the views of the Japanese Government. Accompanied by Kagesa and other Japanese, he left Shanghai for Tokyo on 31 May 1939. While in Tokyo, he conferred with HIRANUMA, ITAGAKI, Konoye, Arita and Yonai. In his talk with HIRANUMA, soon after his arrival in Tokyo, HIRANUMA told him that his cabinet had inherited the ideas of the Konoye statement and was

firmly adhering to it. On 15 June 1939, Wang had an interview with War Minister ITAGAKI, acting as the proxy of Premier HIRANUMA. ITAGAKI, pointed out that Japan could not dissolve the two existing regimes, the Provisional Government and Renovation Government, as those associated with them had been loyal to the plan of peaceful cooperation between Japan and China. He suggested the establishment of a political council in the Provisional Government and an economic council in the Renovation Government as the basis of maintaining Sino-Japanese relations locally. Wang was not opposed to this. ITAGAKI further suggested changing the Chinese national flag, because the Blue Sky and White Sun ensign was regarded as the symbol of anti-Japanism. ITAGAKI also asked Wang's opinion upon the recognition of the independence of Manchukuo, to which the latter answered that as his aim was peace with Japan, he was firmly convinced that there was no alternative but to recognize Manchukuo.

DECISION OF THE FIVE MINISTERS' CONFERENCE-JUNE 1939

HIRANUMA says that in his talk with Wang Ching-Wei on the 10th of June 1939, he discussed the future of China and gave it as his opinion that there was no way but to "take the measure which China thought proper"; yet four days before, on 6 June 1939, while Wang Ching-Wei was still in Japan, the Five Ministers' Conference decided on a "Policy for the Establishment of a New Central Government". The Policy, generally speaking, was directed to the establishment of a pro-Japanese political system, with a "New" Central Government and a group of constituent local governments - a form of federal government, "but its details

"shall be conformed to the plan of adjusting a new relation "between Japan and China". As to the Chungking Government, the plan provided that it could become a constituent element "provided that it change its mind and be reformed". In more detail it said "When the Chungking Government "gives up its anti-Japanese and pro-communism policy and "accomplishes the required personnel changes . . it shall "be made a constituent element of the new central govern- "ment, concluding (sic) that it has surrendered to us". The policy provided that "the time of establishment and its "details shall be settled after consultation with Japan". The decision was reached also that "positive and internal "aid necessary for this movement shall be given from the "side of Japan". This statement of policy was drawn up because of discussions then taking place with Wang and set out a series of conditions to be required of him as well as a "Plan of Guidance of Wang's Movements". A consideration of this policy decision discloses a clear purpose of using Wang in the development of a Japanese-controlled government throughout the entire area of China. This is the fact although Kagesa in his evidence said that Wang's party submitted a request containing broad principles such as respect for China's sovereignty, non-interference with domestic administration, the providing of Japanese advisers only at China's request, etc., and that these suggestions on the part of the Chinese were "generally admitted".

CABINET RESHUFFLED IN JAPAN AND CONTINUED MILITARY OPERATIONS IN CHINA

Within a period of four and a half months between

the end of August 1939 and the middle of January 1940, there were two cabinet changes in Japan. As a result of the signing of the Russo-German Non-Aggression Pact on 22 August 1939, the HIRANUMA Cabinet, which had been striving for the conclusion of a Tri-Partite Pact with Germany and Italy, submitted its resignation. On 30 August 1939, General Abe formed a new Cabinet. HATA succeeded ITAGAKI as War Minister and MUTO became Chief of the Military Affairs Bureau. On 12 September 1939 ITAGAKI was appointed Chief of Staff of the General Headquarters of the China Expeditionary Forces stationed at Nanking, where he continued his intrigues by supporting Wang Ching-Wei's "National Salvation Peace Movement". Military operations in China continued into the interior of China. On 20 July 1939, a "Situation Estimate" was made by the Army in Central China and presented to the Vice-Minister of War and other organs. This stated, among other things the future plans of the Army in China. It said that the Army had decided that a new central government should be established with Wang Ching-Wei as its head and should be given positive support in its development.

On 23 December 1939, Japanese landed in Lungchow in southernmost China. On the next day, they captured Nanning, the Capital of Kwengsi Province. At the end of 1939, Japan ordered her air force to bomb the Yunnan Railway with a view to disrupting transhipment of war materials to the interior of China from the seaports of French Indo-China. In January 1940, another government change took place in Japan. Premier Abe resigned on 12 January 1940 and was succeeded by Yonai. The general policy of Japan towards China however remained unchanged.

INAUGURATION OF THE PUPPET CENTRAL GOVERNMENT.

After his return from Japan, Wang Ching-Wei conferred with General Tada, Commander of Japanese Forces in North China, and with the leaders of the Provisional and Renovation Governments in regard to the proposed establishment of a puppet central government. By that time, July 1939, Kagesa had established in Shanghai the Kagesa Agency, which worked with the War, Navy and Foreign Ministries, as well as with the Asia Development Board. This Agency assisted in the establishment of the Central Government. A loan of 40 million Yen was advanced to Wang Ching-Wei by Japan for that purpose. From 28 August to 6 September 1939, Wang conducted the "Sixth National Kuomintang "Congress", which revised the platform of the Party and adopted as "principles" Japan's proposals and discussed a Central Political Conference to establish the new Central Government. Thereafter, Wang issued invitations to the Provisional and the Renovation Governments to participate in organizing the Central Political Council to create the new government.

In Japan according to Kagesa, steps were being taken to implement a tentative plan which had been prepared by the Asia Development Board in October and this was agreed upon by the Japanese Government and Wang Ching-Wei on 30 December 1939. Details regarding the establishment of a new Central Government were also agreed upon by a representative of Wang and Japanese officials in Tokyo. Then in January 1940, representatives of the Provisional and the Renovation Governments, as well as of the Japanese Army met at Tsingtao and decided to amalgamate the existing regimes. On 30 March 1940, Wang's government was formally inaugurated.

SECTION VI

GREATER EAST ASIA CO-PROSPERITY SPHERE

Closely associated with Japan's programme of dominating China on the continent was the idea of establishing a Greater East Asia Co-Prosperity Sphere. This was recognized as being bound to bring her into conflict with the interests of third powers. On 7 July 1939, two years after the outbreak of hostilities at Lukouchiao (Marco Polo Bridge), ITAGAKI and Yonai, War and Navy Ministers respectively of the HIRANUMA Cabinet, were reported in the "Japan Times and Mail" as stating that the unjust interference of third powers in the execution of Japan's mission of constructing a New Order in East Asia should be stamped out. "All the people in the country", the article continued, "must express their firm determination that Japan will "never abandon her aim of making East Asia for East Asiatics. "No pains must be spared for the attainmnet of the goal". On 29 June 1940, Japan's Foreign Minister Arita broadcast a speech reiterating Japan's mission of establishing a New Order in East Asia and her determination "to leave no "stone unturned to eradicate activities assisting Chiang "Kai-shek". He stated that the countries of East Asia and the regions of the South Seas were closely related to each other and were destined to cooperate and administer each other's need for their common welfare and prosperity, and that the uniting of all those regions under a single sphere on the basis of common existence and stability was a natural conclusion. References were made at conferences of representatives of the Army, Navy and Foreign Office authorities to the possibility of fighting against Great

Britain, the occupation of British colonies, and to Japan's intention that the New Order in the Far East included the South Seas and in particular the regions extending from Burma and the Eastern part of India to Australia and New Zealand.

The date of this public declaration of Japan's policy to expand in East Asia and the region of the Pacific Ocean, which was 29 June 1940, is significant. Of the countries interested in this sphere Holland had been overrun by the Germans and her government was in exile. France had surrendered to Germany. Britain was about to face a struggle for her existence. America, if she intervened, would almost certainly face a struggle with Japan, Germany and Italy, a struggle for which her state of rearmament was unfitted. Such an opportunity for Japan to expand at the expense of her neighbors would not easily occur again.

THE SECOND KONOYE CABINET

In the middle of July 1940, the Yonai Cabinet was forced by the Army to resign because, upon the resignation of HATA as War Minister, the Army refused to provide a successor. Konoye was again chosen to form a new Cabinet because, as KIDO said, he was to be "depended "upon to settle the China Incident". TOJO became War Minister, while HIRANUMA, SUZUKI, AND HOSHINO served as Ministers without portfolios. The new Cabinet was formed on 22 July 1940. Continuing the policy of establishing a Greater East Asia Co-Prosperity Sphere, the new Foreign Minister Matsuoka declared on 1 August 1940 that the immediate end of Japan's foreign policy was to establish a Great East Asian chain of common prosperity with the Japan-Manchukuo-

China group as the core. On 28 September 1940 the Japanese Government prepared an "Outline of Japanese Foreign Policy" which provided that an effort must be made to realize general peace between Japan and China and to promote the establishment of the Greater East Asia Co-Prosperity Sphere, Under that plan, in the regions including French Indo-China, Dutch East Indies, Straits Settlement, British Malaya, Thailand, the Philippine Islands, British Borneo and Burma, with Japan, Manchukuo and China as centre, Japan should construct a sphere in which politics, economy and culture of these countries and regions would be combined.

FURTHER MILITARY ACTION BY JAPAN AGAINST CHINA

Although the Government of Wang Ching-Wei was formally installed on 30 March 1940, in Nanking, the Chinese National Government at Chungking was still holding out against Japan. In order to bring about the surrender of the Chinese Government, Japanese military operations continued with increasing vigour. On 12 June 1940 Japanese forces captured Ichang, gateway to the Szechuen Province, within which is Chungking. On 30 June 1940 they again captured Kaifeng, which had been recovered by the Chinese. The Japanese Government also insisted upon sending troops to Indo-China in order to disrupt the supply line of the Chinese and to threaten them from the rear. On 14 September 1940 KIDO advised the Emperor to approve the action taken towards that end. After protracted negotiations, which will be discussed later, an agreement was made between the Japanese and French authorities to allow the Japanese troops to occupy northern French Indo-China from 23 September 1940 for operations against China.

JAPAN SIGNED A TREATY WITH WANG CHING-WEI GOVERNMENT

Upon the inauguration of the new government, it was not a professional diplomat but a soldier, General Abe, Nobuyuki, who was appointed the Japanese Ambassador Extraordinary and Plenipotentiary. This arrangement followed the pattern of Manchukuo, where a soldier, the Commander for the time being of the Kwantung Army, was appointed Japanese Ambassador to the puppet government of Manchukuo. General Abe arrived at Nanking on 23 April 1940, and all preparations were completed for the restoration of Sino-Japanese relations. After protracted negotiations between Wang and Abe, a draft treaty was agreed upon on 28 August 1940 and initialled three days afterwards. After further negotiations and some alterations had been made, a treaty in its final form was settled. Following an Imperial Conference of 13 November 1940, the treaty was submitted to the Privy Council and was approved at its full session on 27 November 1940. It was formally signed on 30 November 1940 at Nanking.

"TREATY CONCERNING THE BASIC RELATIONS BETWEEN JAPAN AND CHINA."

The Treaty and associated documents signed 30 November 1940 were ex facie directed to the maintenance of mutual respect and cooperation with each other as good neighbours under their common ideal of establishing a new order in East Asia, and, with this as a nucleus contributing toward the peace of the world in general. The Treaty provided that the two governments agreed to eliminate causes prejudicial to amity between the two countries, and to engage in joint defense against communism, for which

purpose Japan should station required forces in specified areas of Menchiang and of North China. The Wang Government agreed to recognize Japan's right to station naval units and vessels in specified areas in China. The Treaty further provided that the two governments should effect close cooperation so as to complement each other and minister to each other's needs in resources in North China and Menchiang, especially materials needed for national defense. To develop resources in other areas, the Wang Government agreed to give positive and full facilities to Japan. The two governments agreed to promote trade and commerce and to extend specially close cooperation for the promotion of trade and commerce in the lower basin of the Yangtze River. Attached to the Treaty were two secret agreements. In the first, it was agreed that diplomacy would be based on concerted action and no measures would be taken with respect to third countries contrary to that principle. The Wang Government also agreed to comply with Japan's demands for military needs in railways, airways, communications and waterways in areas where Japanese troops were stationed. China's administrative and executive rights were to be respected in ordinary times. The second secret agreement allowed Japanese vessels to "freely enter into and anchor at the "harbour areas within the territorial jurisdiction of "the Republic of China." The Wang Government agreed to cooperate in the planning, development and production of special resources, especially strategic resources, necessary for national defense, in Amoy, Hainan Island and the adjoining islands, and to facilitate the strategic demands of Japan. In a separate letter,

addressed to Abe, Wang promised that so long as Japan was carrying on military operations in China, the latter would cooperate toward the full attainment of Japan's war purpose. On the same day as the Treaty was formally signed there was published a "Joint Declaration by the Governments of Japan, "Manchukuo and China," which provided that the three countries would mutually respect their sovereignty and territories, and would bring about general cooperation as good neighbors, common defense against communistic activitives and economic cooperation. By this treaty and associated secret agreements Japan secured the right to a voice in China's diplomatic activities, to maintain military and naval forces in China, to use China for strategic purposes, and to use Chinese natural resources for "nation-"al defense". In other words, despite the diplomatic protestations in these documents China was to become at the best a province or satrapy of Japan, and at the worst a country to be exploited to satisfy Japan's military and economic needs.

INTERMITTENT PEACE TALKS AND CONTINUED MILITARY OPERATIONS

The signing of the treaty might well be regarded by the Japanese Government with satisfaction, as the realization of the policy stated in the Konoye Declaration of 16 January 1938, in so far as the establishment of a new central government and the obtaining of military and other advantages was concerned. At the same time, the problem of how to deal with the Chinese National Government in Chungking, which was holding out, remained unsettled. The attitude of the Japanese Government during this period appeared to be devious or vacillating. Prior to the signing

of the treaty, peace moves had been conducted toward the Chinese Government at Chungking, but they led to no tangible results. Foreign Minister Matsuoka, in an attempt to take these negotiations into his own hands, despatched Tajiri, Matsumoto and others to Hong Kong. These efforts again proved fruitless. Following the signing of the treaty with Wang, the attitude of the Japanese Government toward the Chinese Government at Chungking again stiffened. On 11 December 1940, Abe was given instructions as follows:

"The Imperial Government has now recognized the "National Government (At Nanking) and had entered into "formal diplomatic relations with it. However, in view "of the situation that not only is the Incident still going "on, but also that we are, at least, going to adapt the "state for a long term warfare, you should try to rapidly "bring up and strengthen the National Government (in Nan-"king), in accordance with the established policy of the "Empire and the provisions of the new China-Japanese "Treaty." Thereafter, armed operations against Chungking were continued. On 1 March 1941, HATA was again appointed Commander-in-Chief of all Japanese Forces in China. SATO became Secretary of the Manchurian Affairs Bureau on 18 March 1941, and KIMURA Vice Minister of War on 10 April 1941. SUZUKI was made the President of the Cabinet Planning Board, following an agreement reached among Premier Konoye, KIDO, the War and Navy Ministers. On 21 April 1941, Kunming, the capital of Yunnan Province, which occupied a strategically important position in the rear of Chungking, was bombed, and the United States Consulate building there was badly damaged. Chungking, having previously

suffered damage from Japanese air raids, was again bombed on 9 and 10 May and on 1 June 1941.

HULL-NOMURA TALKS RELATING TO CHINA

In the meantime, Ambassador Nomura was conducting negotiations with the American Secretary of State, Cordell Hull, at Washington over questions affecting world peace, particularly Sino-Japanese relations. These will be discussed more fully later. It is sufficient to mention here that Japan sought (1) to end American assistance to China, (2) the assistance of America to induce Generalissimo Chiang Kai-shek to negotiate peace direct with Japan -- really to accept Japanese terms, (3) the recognition of Manchukuo, and (4) the right to hold China in military subjection through the stationing of Japanese troops there.

On 2 July 1941, another Imperial Conference was held, attended by TOJO, SUZUKI, HIRANUMA and OKA. A summary of Japan's policy in accordance with the current change of situation was adopted at the Conference. Among other things, it included a decision to exercise further pressure "to hasten the surrender of Chiang's regime."

THE THIRD KONOYE CABINET

Foreign Minister Matsuoka was not in full agreement with Premier Konoye in regard to procedure in the negotiation between Japan and the United States. Matsuoka was also in favor of a Japanese attack on Russia, which had now been invaded by Germany, as well as an advance in East Asia and the Pacific, a policy which most of Japan's leaders thought beyond her powers. The Cabinet resigned on 16 July 1941 as a means of getting rid of Matsuoka.

On 16 July 1941, Konoye formed his third Cabinet.

Toyoda replaced Matsuoka as Foreign Minister. The fundamental policy of the Japanese Government remained unchanged.

The negotiations between the United States and Japan were continued. On 27 August 1941, Konoye sent a message to President Roosevelt. A Japanese Government statement bearing the same date was also delivered to President Roosevelt. Among other things, the statement said that Japan's measures in Indo-China were intended to accelerate the settlement of the "China Incident." President Roosevelt, in reply, reiterated the principles regarded as the foundation upon which relations between nations should properly rest, viz: respect for the territorial integrity and the sovereignty of each and all nations and support of the principle of non-interference in the internal affairs of other countries. Upon receipt of the reply, Konoye called the Cabinet into session on 5 September 1941, which decided to hold an Imperial Conference on 6 September 1941. TOJO, SUZUKI, MUTO and OKA were all present in the Imperial Conference, which, aside from making a decision to break off the negotiations in the middle of October, also set forth the following demands to be made in connection with the "China Incident" in the proposed discussions between Konoye and Roosevelt: (1) the United States and Britain should not interrupt the settlement of the "China Incident" which would be made in accordance with the "Sino-Japanese "Basic Treaty" and the Japanese-Manchukuo-China Tri-Partite Joint Declaration: (2) The Burma Road should be closed and the United States and Britain should give Generalissimo Chiang Kai-shek neither military nor economic support. On 22 September 1941 Toyoda delivered to Ambassador Grew a

a statement of the terms of peace which Japan proposed to offer China. Those terms were: (1) Neighborly friendship; (2) Respect for sovereignty and territorial integrity; (3) Cooperative defense between Japan and China, for which Japanese troops and naval forces would be stationed in certain areas in China; (4) Withdrawal of Japanese troops upon the settlement of the China Incident excepting those which came under point 3; (5) Economic cooperation between Japan and China; (6) Fusion of Generalissimo Chiang Kai-shek's Government with Wang Ching-wei's Government; (7) No annexation; (8) No indemnities; (9) Recognition of Manchukuo. These terms, it will be noticed, notwithstanding their well-sounding purposes and having regard to the treaty with Wang's Government, would have given Japan complete dominance of China politically, economically and militarily.

In his discussion of the situation with Premier Konoye on 9 October 1941, KIDO stated that although it would be inadvisable to make war on the United States immediately, Japan should prepare for military action for the completion of the "China Incident" which might last for ten or fifteen years, and to apply the whole of Japan's military force in China to realize Japan's plans against Kunming and Chungking. On 12 October 1941, the Cabinet reached an agreement, upon the insistence of War Minister TOJO, that Japan should not waver in her policy of stationing troops in China or

other policies connected with China and that nothing be done which might prejudice the result of the China Incident. This meant, in other words, in no circumstances should Japan yield up any of the many material benefits already gained or in prospect in China. On 14 October 1941, prior to the Cabinet Meeting, Konoye spoke to TOJO and urged further consideration upon the opening of hostilities between Japan and the United States and the bringing to an end of the China Incident. TOJO, as before, opposed any concession to the United States in the matter of withdrawal of troops from China, and said Konoye was too pessimistic. In the Cabinet meeting held that day, TOJO was insistent upon his view and brought about a complete deadlock. Konoye resigned on 16 October 1941.

TOJO FORMED A CABINET

After the resignation of Konoye, TOJO became Premier upon the recommendation of KIDO. HIROTA also gave his specific approval to the recommendation. In the new Cabinet, TOJO was also War Minister and Home Minister. TOGO became Foreign Minister and concurrently Minister of Overseas Affairs, while KAYA became Finance Minister. SUZUKI was Chief Director of the Asia Development Board and concurrently President of the Planning Board. SHIMADA became Navy Minister, while HOSHINO was designated Chief Secretary of the Cabinet. As before, the Premier served as President of the Asia Development Board, with the Army, Navy, Foreign and Finance Ministers, as Vice Presidents.

CONTINUANCE OF UNITED STATES - JAPAN PARLEYS

After the new TOJO Cabinet came into office, the Japanese Government continued diplomatic discussions

with the United States Government. but, while appearing to be urgent for a decision, it showed no willingness to make any real modification of its attitude concerning China. On 4 November 1941 TOGO informed Nomura that Kurusu was being despatched to assist him in the parleys. On the same day, TOGO sent to Nomura another message giving the terms to be presented to the United States Government, including those relating to the stationing of Japanese troops in China. Japan still insisted that it should station troops in China, in the Mongolian border region and on the island of Hainan, even after the establishment of peace between Japan and China, and that these would not be evacuated until the lapse of an indefinite period, which if necessary might be interpreted as 25 years. These terms were subsequently approved by the Imperial Conference held on 5 November 1941, at which TOJO, TOGO, SHIMADA, KAYA, SUZUKI, HOSHINO, MUTO and OKA were present. Nomura was promptly notified of the approval.

CONTINUED MILITARY CAMPAIGN IN CHINA

The outbreak of the Pacific War did not abate Japan's military operations in China, nor alter the decision to crush the Chinese National Government at Chungking. Even before the outbreak of the Pacific War, casualties and losses suffered by China had assumed tremendous proportions. Up to June 1941, figures of the Japanese showed that the Chinese armed forces had lost 3,800,000 men killed, wounded and captured; that the Japanese had captured from the Chinese an enormous amount of booty; that they had destroyed 1977 Chinese planes; and that the Japanese had themselves lost 109,250 men killed and 203 planes.

In May 1942, the Japanese took Lungling and Tengchung in Yunnan Province, in the rear of Chungking. In December 1943, they captured Changteh in Hunnan Province, although it was soon recaptured by the Chinese. By the middle of 1944, military operations were intensified in the interior of Central China. Chengchow fell on 20 April 1944, Loyang on 25 May 1944, Changsha on 18 June 1944 and Hengyang on 8 August 1944. Then in the winter of the same year the Japanese made a further thrust into the strategic southwestern China. They captured Kweilin on 10 November 1944 and Liuchow on 11 November 1944. At the close of the war, the official records of the Chinese Army showed that the army alone lost from 7 July 1937 to August 1945, 3,207,948 men killed, wounded and missing. We were not given figures of non-combatants killed or maimed in the course of the war, although there must have been very considerable civilian casualties.

SECTION VII

JAPAN'S ECONOMIC DOMINATION OF MANCHURIA AND OTHER PARTS OF CHINA

The case made against the accused is of waging aggressive war, with the object, inter alia, of obtaining economic domination of Manchuria and other parts of China. It becomes necessary, therefore, that we should discuss shortly the evidence presented upon this subject. As already related the Japanese policy in Manchuria was to consolidate the territory under a government subservient to Japan and then by means of agreements with that government and by other means to obtain much needed basic materials required to carry out the program adopted in Japan and to obtain control of the communications and a substantial part of industry and commerce, all of which were of great value to later Military operations.

In North China the same plan was followed for the same purposes and particularly to fill the demand for supplies which at the time were not obtainable in foreign markets and which were badly needed in the campaign against the whole of China and were necessary to facilitate the over-all plan. The same policy was adopted as the war progressed into Central and Southern China. The political domination has already been dealt with; the following account of the various measures adopted indicates the extent to which the policy of economic domination was carried out.

GENERAL ECONOMIC MATTERS

The Japanese policy toward China has been dealt with at an earlier point in this judgment in relation to the political policy. Most of the "Plans and

"Policies" there referred to also deal with economic matters. Therefore at this step we mention only a few decisions which are particularly applicable to the question of economic domination.

Typical of the policy was the adoption by the HIROTA Cabinet on the 11th of August 1936 of "The Second "Administrative Policy Toward North China," the main purpose of which was "To Assist the people in North China "in procuring perfect independence and to set up an anti-"communistic and pro-Japanese and pro-Manchurian area "and to secure the necessary materials for our National "defense as well as to improve the facilities of the "transportation against the possible invasion of Soviet "Russia, and by making North China the base for the "cooperation of Japan, Manchuria, and China as well as "for mutual aid." It was then provided that Japan should guide the local political powers to insure the independence of North China. It was finally provided that "iron, coal, and salt existing in the province should "be utilized for our national defense and for the promo-"tion of our transportation facilities and electric "power."

On the 20th of February, 1937, the Hayashi Cabinet adopted the "Third Administrative Policy Toward "North China" the principal objects of which were procuring defense materials, improving transportation, preparing the defense against USSR, and establishing cooperation between Japan, Manchukuo and China. On the 10th of June, 1937, the War Ministry under the first Konoye Cabinet prepared a "Resume of Policy regarding "the execution of summary of five year program of important

"industries" which, as we have mentioned previously, was declared to be based upon a "policy for the establishment "of a comprehensive plan for Japan, Manchukuo, and China "in order to prepare for the epochal development of Japan's "destiny in the future." The plan also recites that it "aims at the establishment of self-sufficiency in regard "to important resources within the sphere of our influence "and thereby avoid depending upon the resources of a third "power." On the 24th December, 1937 the Cabinet decided the "Outline of Measures for the China Incident" which contained a section entitled "Policy for Economic "Development." That section provided that its object was the economic development of North China to coordinate Japanese and Manchurian economy and to establish co-prosperity and coalition between Japan, Manchukuo and China. For that purpose it was considered necessary to develop and adjust every phase of economics by closely combining Chinese capital with Japanese capital, thereby contributing to the development and increase of production of necessary materials for the national defense of Japan and Manchukuo.

In order to give effect to the plans and policy last mentioned and to coordinate the Japanese efforts in that regard provision was made in April 1938 for the creation of two national policy companies. These were the North China Development Company for North China and the Central China Promotion Company for Central China. The objects of the North China Development Company were to further economic development and to consolidate various undertakings in North China. Its operations were carried on as a holding company

financing and controlling leading enterprises in transportation, harbor and port developments, electric power generation and transmission, mining, production and sale of salt and allied undertakings.

It operated under the supervision of the Japanese Government and was subject to the orders of the government; in fact except in routine matters it required the approval of the government for all its decisions. For example the approval of the Japanese Government was required for the raising of loans, making changes in its articles of association, giving effect to mergers and dissolutions and distribution of profits. Its plans for investment and financing for each fiscal year also required the approval of the Government.

UMEZU was appointed a member of the company's organizing committee with OKA as an assistant. KAYA served as president of the company for some time going out of office on the 10th of October, 1941, when he became Finance Minister in the TOJO Cabinet.

The Central China Promotion Company had objects very similar to those of the North China Delelopment Company and was subject to substantially the same control by the government. The operations in the development of public utilities, transportation, and natural resources which will shortly be referred to came under the control of one or the other of these companies.

Before dealing with the particular operations reference should be made to the "Program for the Econ-"omic Development of China" adopted by the Planning Board in January, 1939. It was stated in this program

that the development of natural resources in China had far-reaching consequences in realizing the ideas of economic collaboration between Japan, China and Manchukuo as the basic step for establishing a new order in East Asia. It was further stated that these activities were "as vital and urgent as military opera-"tions and political activities and that they should be "carried out even during hostilities".

Reference should also be made to the "Summary "of the Program for Economic Construction Embracing "Japan, Manchukuo and China" put out by the Cabinet Information Bureau on the 5th of November, 1940, the principal purpose of which was the establishment of a self-supporting and self-sufficient economic structure within ten years to strengthen the position of East Asia in World Economy. Under the program Japan's function was to promote science and techniques and to develop heavy industry, the chemical industry and mining. Manchukuo was to develop important basic industries and China her natural resources particularly mining and the salt industry.

Not only was no provision made in this program for consulting Manchukuo or China with regard to its operation but reading the document as a whole it is made clear that decisions as to its being put into effect in all its aspects were to be made by Japan and Japan alone.

Significant of the purposes of the Japanese plans in North China is a statement by KAYA that the plan for mobilization of materials in North China had three main points; the first was to supply Japan with war materials; the second was to expand Japan's armaments; and

the third was to meet the needs of peace-time economy.

PARTICULAR INDUSTRIES

The foregoing gives an outline of the general plans and policies adopted by the Japanese Government. A short outline of how the general plans were applied to particular industries and special phases of economics will be of value at this point.

TRANSPORTATION AND COMMUNICATIONS

In 1935 when DOHIHARA was active in connection with the establishment of autonomous rule in North China he demanded the construction of a railway between Tientsin and Shihchiachuan. Reference has already been made to the railway plan drafted by the North China Garrison Force in November 1935 which indicated Japan's desire or intention to acquire the Shantung Railway and a section of the Lunghai Railway and to construct further new railways in China.

In July 1938 the North China Telephone and Telegraph Company was organized, the North China Development Company owning more than 70% of its capital stock. Its objects were to construct and operate telegraph and telephone service including submarine cable in North China and connecting with Japan, Manchukuo, and the rest of the world. Other subsidiary companies of the North China Development Company were the North China Communications Company and the North China Aviation Corporation. The North China Communications Company operated 3,750 miles of railways, 6,250 miles of bus lines, and 625 miles of inland waterway communications in North China.

NATURAL RESOURCES

By "The Outline of Measures for the China "Incident" of December 1937 provision was made for a National Policy Company to take over the salt industries and practically the whole mining industry in North China for the purpose of obtaining revenue for Japan.

The Central Iron Mine Company, a subsidiary of the Central China Promotion Company, was set up in April 1938 to develop the estimated one hundred million tons of coal in Central China.

Deposits of iron ore in North China estimated at approximately two hundred million tons, or more than half of China's estimated iron ore deposits, were taken over in July 1939 by the Lungyen Iron Mine Company, a subsidiary of the North China Development Company. Of the mines coming under the control of this company, the one having the largest estimated deposits of all was the Lungyen Mine in Chahar Province. Part of the ore from this mine and the surplus of pig iron produced therefrom were exported to Japan. Of a total production of 4,300,000 tons of ore mined by the company, 700,000 tons were used for the production of pig iron and of the balance 1,400,000 tons were sent to Manchuria and over a million tons to Japan.

In Central China iron deposits in the Yangtze Valley were estimated at one hundred million tons. For the purpose of continuing the development of this deposit the Central China Iron Mine Company was established in April 1938. The company was controlled by the Central China Promotion Company and other Japanese interests; payment for Chinese interests in the property was

arranged to be made in the form of equipment and goods.

Coal deposits in North China were enormous and estimated to be more than 50% of the deposits in the whole of China. In developing these coal resources the Japanese adopted a policy of

controlling the supply to the Chinese in order to insure a further supply for Japan, having particular regard for the need of coking coal. The Tatung Mine which had the largest annual production was taken over and operated by the Tatung Coal Mine Company, a subsidiary of the North China Development Company.

By 1938 the greater part of the salt consumed in Japan was imported from various countries in the East and Middle East including China. In order to increase the supply from China the North China Salt Company was organized as a subsidiary of the North China Development Company for the production of salt in North China. For the same purpose in Central China the Hua Chung Salt Company was organized by the Central China Promotion Company in August 1939 and plans were made to develop new salt fields by investment of the funds of the holding company.

PUBLIC UTILITIES

Immediately after the occupation of Shanghai in December 1937 the Japanese took over various public utility companies among which might be mentioned: (a) Puntung Electric Supply Company which was then made a subsidiary of the Central China Water and Electricity Company which in turn was Japanese controlled; (b) the Chinese Electric Power Company in Shanghai was taken over in June 1938 and became a subsidiary of the same holding company. In these cases the owners of the companies were compensated at a valuation considerably below the real worth of the companies.

The Chapei Water and Electricity Company was taken over and after the outbreak of the Pacific War

the American owned Shanghai Power Company was also taken over. Evidence was made before the Tribunal that after the surrender in 1945 when the various plants were taken back by the former owners the plant equipment and machinery had deteriorated far beyond ordinary wear and tear.

BANKING

From the beginning of the occupation of North China the Japanese Army circulated in North China bank notes of the Bank of Chosen and in Central China bank notes of the Bank of Japan, together with some military or occupation yen notes. However, the use of Japanese currency in occupied territories was disturbing to Japan's monetary system. In order to remedy this situation the Japanese Government organized the Federal Reserve Bank of China in February 1938, the main policy of which was to stabilize currency and control the money market in foreign exchange. It was authorized to issue paper currency which was linked to the Japanese yen and so made the basis for Japanese investments in North China. Controlled by the Japanese Government this bank became very important and carried out Japan's policy in the financial field of its operations.

As a result of the Japanese virtual control of the economics of occupied China and its control of a substantial part of industry and commerce, many Japanese business men and industrialists went to China and entered the economic life making no effort to hide their control.

PROTESTS OF THE UNITED STATES

The adoption of the measures just referred to

inevitably had the result of affecting the trade and commerce of other powers. Consequently on the 6th of October, 1938, United States Ambassador Grew wrote to Prime Minister Konoye that the events in Manchuria were being repeated; that the exchange control in North China was discriminatory and that with the alteration of customs tariffs the Japanese control of transportation and communications, and the proposal to create a monopoly in wool and tobacco was putting Japan and Japanese merchants in a preferred position in China. He consequently asked for discontinuance of (1) exchange control and other measures discriminatory to American trade and enterprise; (2) monopolies or preferences conferred on Japanese interests, superiority of rights in commerce or the economic development in China and (3) interference with American property and rights, particularly censorship of mail and restrictions upon residence and travel by Americans and American trade and interests. To this protest the foreign minister while admitting the truth of the charges, claimed justification for the economic measures as being for the benefit of China and East Asia.

NARCOTICS IN CHINA

Reference has already been made to the traffic in narcotic drugs in Manchuria.

A policy similar to that adopted in Manchuria was adopted from time to time as military operations succeeded in North, Central, and Southern China. This traffic is related to the military operations and political developments in that by means of it substantial funds were obtained for the various local governments

set up by the Japanese, funds which would otherwise have to be furnished by Japan or found by additional local taxes. Incidentally, the effect on the morale of the Chinese population by the tremendous increase of drug addicts can be well imagined.

Prior to the outbreak of the China War the Chinese Government had been making determined efforts to wipe out opium smoking. That these efforts were meeting with success is demonstrated by a report made by the Advisory Committee of the League of Nations in June 1939 to the effect that the measures taken by the Chinese Government for the suppression of drug addiction under regulations promulgated in June 1936 had produced highly satisfactory results.

Connected with the opium traffic in China from 1937 were the Japanese Army, the Japanese Foreign Office, and the Asia Development Board. The Mitsubishi Trading Company and the Mitsui Bussan Kaisha were making large purchases of Iranian opium for Japan, Manchukuo and China. By arrangement with the Foreign Ministry the two companies in March 1938 made an agreement in respect to the places from which the opium was to be imported and their respective shares in the business. The distribution of opium for Japan and Manchukuo was to be handled by the Mitsubishi Company, and that for Central and South China by the Mitsui Company; the distribution for North China being shared equally and the government offices of Japan, Manchukuo, and China were to decide upon and inform the two companies of the amount to be purchased for each year. At the request of the Asia Development Board the

agreement was revised by providing for the organization of the Iranian Opium Purchasing Association, the opium business of that company to be divided equally between the two trading companies.

The Special Service Organizations established in cities and towns under the China Expeditionary Force were entrusted with the sale of the opium. The Economic Division of the Asia Development Board stated the requirements of opium in North, Central and South China and arranged for its distribution. Profits from the sales of opium were transferred to the Asia Development Board. At a later date a General Opium Suppression Bureau was created and the opium trade was administered by the Renovation Government which was to a certain extent supported by the profits from the sale of opium. But even at that time the Ko-A-In and the Japanese Army Headquarters in Central China were still responsible for policy making with regard to the opium trade.

From time to time measures were adopted ostensibly to control or reduce the traffic. One example was the General Opium Suppression Bureau which was organized in 1938 and at about the same time the Renovation Government set aside $2000 a month for opium suppression propaganda. Notwithstanding these and other measures adopted, the traffic continued to increase. The explanation may be found in the cryptic evidence of Harada, Kumakichi, Japanese Military Attache at Shanghai from 1937 to 1939. He says, "When "I was head of the Tokumu Bu I received instructions "through military channels to provide opium for the

"Chinese people by establishing an opium suppression "board."

In June 1937 at a meeting of the Advisory Committee on Traffic in Opium of the League of Nations it was stated openly that the increase in illicit traffic in China coincided with the Japanese advances.

INNER MONGOLIA

Following the withdrawal of Chinese troops from North Chahar after the Ching-DOHIHARA Agreement of 1935 as already related Japanese influence was felt in the provinces of Chahar and Suiyuan. Thereafter the farmers were encouraged to raise more opium. As a result production of opium was substantially increased.

NORTH CHINA

In North China, particularly in Hopeh and Shantung, after the Tangku Truce of 1933, and the establishment of the demilitarized zone the Chinese were unable to control the drug traffic. There then followed a tremendous increase in the number of drug addicts, the distribution of the drugs being handled by various companies and associations controlled by Japanese.

After the occupation of Tientsin in 1937 there was a notable increase in the use of narcotics. The Japanese concession in Tientsin became known as the center of heroin manufacturing. Not less than two hundred heroin factories were established in the Japanese concession and it was stated before the League of Nations Advisory Committee on Traffic in Opium in

May 1937 that it was common knowledge that almost 90% of all illicit white drugs in the world were of Japanese origin manufactured in Tientsin, Dairen and the other cities of Manchuria and North China.

CENTRAL CHINA

Here again substantially the same story is told. In Nanking opium consumption had been practically wiped out before 1937. After the occupation by the Japanese troops the trade in narcotics became public and was even advertised in newspapers. As was established in an earlier part of this chapter the profits made in the drug traffic monopoly were enormous. By the autumn of 1939 the monthly revenue from the sale of opium in Nanking was estimated at $3,000,000. It is therefore obvious having regard to the magnitude of the traffic in Manchuria, North, Central, and South China how valuable the traffic was to the Japanese Government even if taken only in terms of revenue.

We do not consider it necessary to give any further details of the traffic in drugs; it is sufficient to say that in Shanghai, in Fukien Province and Kwantung Province in South China and elsewhere after 1937, upon occupation of each province and large centre by the Japanese, the traffic in drugs increased on a scale corresponding to that in other parts of the country which has already been described.

CHAPTER VI

JAPAN'S POLICY TOWARDS U.S.S.R.

MANCHURIA, THE "LIFELINE" OF JAPAN

Throughout the period covered by the evidence tendered to the Tribunal, the intention to undertake a war against the U.S.S.R. has been shown to have been one of the basic elements of Japan's military policy. The military party was determined to establish Japan in occupation of the Far Eastern territories of the U.S.S.R., as well as in other parts of the Continent of Asia. Although the seizure of Manchuria (the three North-Eastern provinces of China) was attractive for its natural resources and for expansion and colonisation, it was desirable also as a point of approach in the intended war against the U.S.S.R. Manchuria came to be referred to as a "lifeline" of Japan but it is quite clear that by this was meant a line of advance rather than a line of defence.

The purpose of invading and possession itself of the Far Eastern territories of the U.S.S.R. seems to have been a constant goad to the military ambitions of Japan. As early as 1924 Okawa, a vigorous advocate of Japanese expansion abroad, was pointing to the occupation of Siberia as one of Japan's objectives. This same attitude was taken also by the military, with whom Okawa was in close accord. Army officers began to promote the idea that Manchuria was Japan's "lifeline" and should be developed as a "defence" against the U.S.S.R. ITAGAKI in

1930, when a Staff Officer of the Kwantung Army, advocated the use of force in the creation of a new state in Manchuria. Following the lead of Okawa he claimed that this would be a development of the "Kingly Way" and would lead to the liberation of the Asiatic peoples. HIROTA in 1931, while Ambassador in Moscow, suggested for the information of the general staff that there was need to take a strong policy vis-a-vis the Soviet Union, with the resolve to fight the U.S.S.R. at any time when necessary. The objectives, however, were not defence against communism, but, rather, the occupation of Far Eastern Siberia.

On the formation of the Saito Cabinet in May 1932 a degree of compromise was reached upon the conflict which had developed between military and civilian members of the Cabinet in respect of the Manchurian adventure. In consequence the Cabinet acceded to the Army policy in Manchuria and decided upon the development of that region under Japanese domination. The Army, now freed from opposition within the Cabinet, went forward with its advocacy of war with the U.S.S.R. in the North as well as with preparations for such a war. In July of 1932, Kawabe, the Japanese Military Attache in Moscow, urged the importance of preparations for war with the Soviet Union which he said was inevitable. He regarded war with China and the U.S.S.R. as a foregone conclusion. In 1932 the accused MINAMI advocated making the Sea of Japan into a lake, by which he obviously meant

the seizure of the Soviet Far East where it bordered the Sea of Japan. In April 1933 SUZUKI , then in the Military Affairs Bureau, referred to the U.S.S.R. as the absolute enemy because, as he said, she aimed to destroy the national structure of Japan.

"NATIONAL DEFENCE"

It is interesting to notice at this time ARAKI's discussion of the term "national "defence". This, he pointed out, was not confined to the physical defence of Japan but included the defence of Kodo, or the Imperial Way. This was another way of saying that the conquest of neighbouring countries by force of arms was justifiable as "national defence". At about this time, 1933, ARAKI , then War Minister, forsook euphemism about "national defence" and told a conference of Prefectural Governors exactly what he meant, at least in respect of the Soviet Union. He said "Japan was to inevitably clash with the "Soviet Union, therefore it was necessary for "Japan to secure for herself through military "methods the territories of the Maritime Province, "Zabaikalye and Siberia". ARAKI's definition of "national defence" was adopted by the Saito Cabinet as a basis of its policy in Manchuria. As has been shown already Japan's leaders always sought to justify their aggressive military adventures by claiming they were defensive. It was in this sense that Manchuria was developed as the "lifeline" of Japan.

DIPLOMATIC EXCHANGES

That Japan's policy towards the U.S.S.R. was offensive or aggressive and not defensive is indicated by diplomatic exchanges in the period 1931-1933. During this period the Soviet Government twice made formal proposals to the Japanese Government to conclude a non-aggression and neutrality pact. In a Soviet statement made in 1931 to the Japanese Minister of Foreign Affairs Yoshizawa and to Ambassador HIROTA it was pointed out that the conclusion of a non-aggression pact would "express the peaceful policy and "intentions of the Government, and it will be "well-timed especially now when the future of the "Japanese-Russian relations is the subject of "speculations in Western Europe and America. "The conclusion of this pact would put an end "to these speculations". The Japanese Government did not give a reply to this proposal for a year. It was only on 13 September 1932 that the Soviet Ambassador to Japan received a reply from Minister of Foreign Affairs Uchida in which he declined the offer on the ground that "....the "formal beginning of the negotiations on the "subject between the two governments in this "case seems to be untimely".

The Soviet Government on 4 January 1933 again repeated its proposal for the conclusion of a pact, emphasising that the previous proposal "was not called "forth by the considerations of the moment, but resulted "from its peaceful policy, and therefore continues in "force for the future." The Japanese Government in May 1933, once more rejected the proposal of the Soviet Union. It should be noted that Japan rejected the proposal in spite of the fact that the Japanese Government had assurance at that time that it was a sincere expression of peaceful policy of the Soviet Union in the Far East. In a secret memorandum written by the accused TOGO, Director of the Bureau of European-American Affairs, in April 1933, he said, "The desire of the Soviet Union "for a non-aggression pact with Japan is motivated by "its desire to secure the safety of its Far Eastern "territory from the increasing threat which it feels "since the Japanese advance into Manchuria." By December 1933 the Kwantung Army was making plans and preparations for the day when Japan would use Manchuria as a base for attack upon the U.S.S.R.

CONTINUATION OF DESIGNS UPON U.S.S.R.

In 1935 the Okada Cabinet, which had taken office the previous year, gave its support to the Army's economic planning in Manchukuo although HIROTA denied that Japan's intention was aggressive. In November 1935 SHIRATORI, then Minister in Scandinavian countries, wrote to Arita, the Ambassador to Belgium, pointing out that "Looking at the present-day power of "Soviet Russia as from the standpoint of figures, it does "seem to be most imposing, but, as the days are "still shallow since the revolution and the dis-"satisfied elements still infest the country-

"side and shortages are still acute in implements "and machineries, resources and materials, and "manpower, it is clear that she will immediately "sustain internal collapse once she fights against "some great power. This is the unanimous opinion "of those who are familiar with the actual situa- "tion. What is most desirous for Soviet Russia "at present is to have peaceful and amicable "relationships with the foreign powers. Therefore, "countries which border Soviet Russia and who "have any pending affairs that need to be settled "sooner or later with her, should never idle away "this opportune time of today". He suggested that there should be demanded from the U.S.S.R. "with resolution" and as "minimum" concessions to "abolish military armaments in Vladivostok", etc., "....not stationing a single soldier in the "area of Lake Baikal". SHIRATORI suggested as the fundamental solution of Japan's problems with the U.S.S.R. "....in order to eliminate "the menace of Russia for ever, it is necessary "to make her a powerless capitalistic republic "and to rigidly control her natural resources.... "At present the chances are good".

THE FEBRUARY INCIDENT

We have already discussed the downfall of the Okada Cabinet caused by an insurrection in the Army in Tokyo on the 26 February 1936. The Army's criticism was the insufficiently aggressive attitude of this Cabinet. On 27 February, the day after this incident, the Japanese consulate in Amoy explained that the

purpose of the insurrection was to replace the Cabinet with a military one, and that the young military group intended that Japan should take the whole of China and prepare for an immediate war against the Soviet Union to the end that Japan might be the only power in Asia.

THE 1936 STATEMENT OF NATIONAL POLICY

In August 1936 HIROTA, who was now Prime Minister, in conjunction with his Foreign Minister, War Minister, Navy Minister and Finance Minister, formulated a statement of Japan's national policy. This is an important and significant document directed, inter alia, towards "securing a steady footing of the" (Japanese) "Empire in the Eastern Continent "as well as developing in the South Seas, under "the joint efforts of diplomatic skill and "national defence". The invocation of "national "defence" is significant. As one of the practical steps Japan "should strive to eradicate the "Russian menace on the North, in order to realise "a steadfast development of Manchuria, and for "the solid defence of both Japan and Manchuria". The statement prescribed that the measure of military strength would be that necessary "to "counteract all the military forces that Russia "can furnish and employ in the Far East". Especial attention was to be paid to the completion of military strength in Korea and Manchuria so that Japan might "strike a hit at the very "outset of the war upon the Russians". In dealing with the extensive preparation for war which this policy decision would involve, it was

decided that military expansion must go to the extent of creating fighting machines strong enough to inflict a crushing blow against the strongest forces which the U.S.S.R. could deploy along her Eastern borders. An examination of this declaration of Japanese national policy in conjunction with the circumstances then prevailing reveals an intention of attacking the Soviet Union with the object of seizing part of its territories. Furthermore, this purpose was to be prepared for and to be carried out under the pretence that it was defensive.

In 1937 plans produced by the Army consequent upon the national policy decision of August 1936 were clearly dictated by an expected war with the U.S.S.R. The plan for important industries issued in May 1937 was to procure a "long stride development ensuring the actual "power of leadership in East Asia". The programme issued in June 1937 with the same end in view laid down that self-sufficiency was to be achieved by 1941 "in order to be prepared for "the epochal development" of Japan's destiny which was to "be attained in spite of all diffi- "culties". The plan dealing with war materials was to the same end and provided that Japan's economy "would be made to develop rationally "by unifying the handling of affairs by military "administration". Attention was to be given to preparations for a speedy movement from a peace-time to a wartime basis.

This planning by the Army, although it so shortly preceded the continuance of the war in

China at Lukouchiao, was not directed solely to that war. Okada told this Tribunal that these plans were complementary to the Soviet Five-Year Plan and were for the purpose of maintaining Japan's strength vis-a-vis the U.S.S.R. A consideration of the plans effecting both major industries and those dealing more directly with the production of war materials shows on their face that they were to secure "national "defence power". As has been mentioned earlier, "national Defence" meant to Japanese militarists expansion on the Continent of Asia by force of arms. The plans now under discussion revealed the Army's intention to achieve that result.

It is clear that these plans were offensive and not defensive plans and were directed against the U.S.S.R. We have already referred to the comments of the Military Attache in Moscow in 1932 and to those of SUZUKI to the same effect in 1933. The political manoeuvres in North China were based upon the slogan of "anti-Communism". The national policy decision of August 1936 expressly pointed to the military strength of the Soviet Union as the yardstick for the development of military power by Japan and at the very moment of the issue of the Army plans of 1937 came the advice of TOJO that, having regard to the situation in China and the state of military preparedness against the U.S.S.R. it was desirable to attack China to clear the menace to the Kwantung Army's rear before undertaking action against the U.S.S.R. It was at this time also, namely, in July 1937, that

HASHIMOTO, in a newspaper article advocated development of an air force to be used not only as the mainstay of Japan's armaments, but also for use against the U.S.S.R.

EXPECTATION AND ADVOCACY OF WAR WITH THE U.S.S.R.

In 1938 at a time when, as we have already seen, the press of Japan was effectively controlled by the Army, ARAKI, then Minister of Education, is reported in the press as having said at a meeting of the Political Economic Society at Osaka that "Japan's determination to "fight to a finish with China and the Soviet "Union is sufficient to carry it on for more "than a decade".

In 1938, also, General Ueda, Commander of the Kwantung Army, discussing the position of North China, referred to "the fast-approaching "war with Soviet Russia". Finally the urgency with which the Army generally, and the General Staff in particular, sought to bring the war in China to an end was no doubt dictated by the imminence of the war it intended against the U.S.S.R.

THE ANTI-COMINTERN PACT

The relations with Germany, which from the middle of the Nineteen-Thirties showed itself as the main aggressive force in Europe, were of particular importance to Japan having regard to its purpose of undertaking a war against the U.S.S.R.

As early as in March 1934 when the Accused OSHIMA, as a military attache, was being sent to Germany, he was instructed by the General Staff to watch the German-Soviet relations and to find out what Germany might do in case of war with the Soviet Union.

In the spring of 1935 OSHIMA and Ribbentrop entered upon discussions for a German-Japanese alliance. From the early part of December 1935, Lieutenant Colonel Wakamatsu, specially sent for that purpose by the Japanese General Staff, took part in the discussions.

Inasmuch as the contemplated agreement had a general political purpose and the signing of it was outside the Army's jurisdiction, the matter was submitted to the Government for consideration and from 1936 Mushakoji, the Japanese Ambassador, took charge of the negotiations.

On 25 November 1936 the so-called "Anti-"Comintern Pact" was signed by Japan and Germany. The Pact consisted of the text of the treaty and of a secret agreement. Only the text of the treaty was published to the world. It stated that the contracting parties agreed to inform each other of the activities of the Communist International, to confer on necessary measures for defence and to take such measures in close cooperation and jointly invite third nations to take defensive measures in conformity with the pact or to participate therein.

The secret agreement, as was provided in the agreement itself, was to be kept a secret. In fact, it was never published by the aggressive nations and became known to the Allied Powers only from captured secret files. In a statement,

published in the press, the Japanese Ministry of Foreign Affairs denied the existence of any secret articles attached to the Pact and declared that the Pact was an expression of a special kind of collaboration between the two countries in their struggle against the Communist International as such, that the Japanese Government did not contemplate the creation of an international bloc, that "the present agreement is "not directed against the Soviet Union or any other "special country".

The purpose of the Pact was the creation of a limited alliance between Japan and Germany. It was pointed out by Cordell Hull, former United States Secretary of State "While the "Pact was ostensibly for self-protection "against Communism, actually it was a preparatory "move for subsequent measures of forceful expan- "sion by the bandit nations". Our opinion, formed independently, is the same.

The Pact was directed primarily against the U.S.S.R. The secret agreement created a limited military and political alliance of Germany and Japan against the U.S.S.R. Both parties engaged not to conclude without mutual consent any political agreements with the U.S.S.R., incompatible with the spirit of the agreement.

A year later, on 6 November 1937, Italy adhered to the Anti-Comintern Pact.

Formally, the arrangement provided for mutual obligation between Germany and Japan only in case of an unprovoked attack by the U.S.S.R. upon one of them, and limited the obligation to not rendering any assistance

in such case to the U.S.S.R. In fact, at this time there is no evidence of aggressive intentions on the part of the U.S.S.R. against either Germany or Japan. Thus the conclusion of the Pact against the eventuality of an unprovoked attack on the part of the U.S.S.R. would appear to have had no justification. That the pact was not really defensive is shown by the broad interpretation of the commitments of the parties under the secret agreement. Such interpretation was given to these commitments by Germany and Japan from the very outset. Thus, Japan's Ambassador to Germany, Mushakoji, in his telegram sent in October 1936 with Ribbentrop's knowledge and consent, advised Foreign Minister Arita that he had "the firm conviction "that only the spirit of the above-mentioned secret "agreement will be decisive for Germany's future "policy towards the U.S.S.R.". Foreign Minister Arita spoke to the same effect at the Privy Council meeting on 25 November 1936 which, with HIRANUMA presiding, approved the Anti-Comintern Pact. Arita emphasized the main purport of the Pact to be that "henceforth Soviet Russia has to "consider the fact that she has to face both Ger-"many and Japan.... That the nature of the alliance between Germany and Japan against the U.S.S.R. was not defensive is indicated also by the fact that the conclusion by Germany of the non-aggression pact with the U.S.S.R. on 23 August 1939 was regarded by Japan's leaders as a flagrant violation by Germany of her commitments under the Anti-Comintern Pact. In a letter to the Japanese

Ambassador in Berlin dated 26 August 1939, to be conveyed to the German Foreign Minister, it was pointed out that "The Japanese Government "regards the pact of non-aggression and consul- "tation recently concluded between the German "Government and the Government of the Union of So- "cialist Soviet Republics as running counter "to the secret appended agreement to the "Agreement against the Communist International".

The main purpose of the Anti-Comintern Pact was the encirclement of the Soviet Union. This was partly admitted by Ribbentrop, one of its authors, when he said: "Of course, there was "also a political weight against Soviet Russia "that was more or less the background of the Pact".

When on 25 November 1941 the Anti-Comintern Pact, which was originally stipulated to remain in force for five years, expired and it was prolonged the secret agreement was not re- newed. There was now no necessity for it. The commitments under the secret agreement had been covered by the Tripartite Alliance concluded prior to this extension.

The Anti-Comintern Pact served as a basis of Japan's policy vis-a-vis the U.S.S.R. in subsequent years. This military alliance with Germany played an important part in Japan's policy and preparations against the U.S.S.R. Prime Minister HIRANUMA in his address to Hitler on 4 May 1939 specifically pointed out that "....it is a confirmed joy to me how effective "the Anti-Comintern Agreement between our two "countries proves itself in the execution of "the task placed before them".

THE TRIPARTITE ALLIANCE

Japan's desire to realize her acquisitive plans on the Continent stimulated her policy of obtaining a closer association with Germany.

The circumstances in which the Tripartite Pact of 27th September 1940 was formed have been discussed fully in an earlier part of this Judgment. We do not propose to make more than a short reference to them here. Although its application was not limited to the U.S.S.R., Japan's especial concern in the earlier negotiations was the U.S.S.R. These negotiations commenced as early as the middle of 1938. They were fruitless for over a year and a half, because Germany, involved in extensive aggressive plans in Europe, sought a military alliance directed against all potential enemies. Japan, on the other hand desired that the Alliance should be a development of the Anti-Comintern Pact directed principally if not solely against the U.S.S.R. Prince Konoye, speaking in his memoirs of this earlier period, said "It was a plan to convert the Tripartite Anti-Comintern "Pact which was in force at that time into a military "alliance, the principal target being the U.S.S.R."

The accused OSHIMA, one of the most active participants of the negotiations, testified that the instructions received by him from the appropriate division of the Japanese General Staff in June 1938 provided for the furtherance of German-Japanese co-operation against the U.S.S.R.

In April 1939 Ribbentrop stated in a telegram to the German Ambassador in Tokyo that the Japanese

"asked for our express approval to be able to give, "after the signing and publication of the pact, a "declaration to the English, French and American "Ambassadors with roughly the following contents: "The Pact had developed from the Anti-Comintern Pact; "the partners had looked upon Russia being the "enemy; England, France and America had no need to "feel that they were meant by it."

Although in the Tripartite Pact inself the fact that it was directed against the U.S.S.R. is not specially mentioned, this was not in doubt in the minds of the Japanese Army in September 1940, when the Alliance was signed. The reservation contained in Article 5 that "the above-stated articles of this alliance "have no effect whatsoever to the present "existing political relation between each or "any one of the signatories with the Soviet "Union" was not candid. The Japanese Ambassador to Berlin, Kurusu, in a telegram to Tokyo of 26 September 1940, said: "The German Government "plans to guide the German press to lay parti- "cular emphasis on the fact that the treaty "does not mean anticipation of war with Russia. "But, on the other hand, Germany is concentra- "ting troops in the Eastern regions as a check "on Russia." Foreign Minister Matsuoka, too, speaking of Article 5 of the Pact at the meeting of the Privy Council Investigation Committee on 26 September 1940, said: "Although there exists "a non-aggression treaty, Japan will aid Germany "in the event of a Soviet-German war, and Germany "will assist Japan in the event of

"a Russo-Japanese war. With regard to the word "'existing', if you mean to ask, if the present "status of the Soviet Union cannot be modified, "I say no; I mean that it will not be modified "by the treaty under consideration...." The same appraisal of the Alliance was given by its author, Ribbentrop: ".....this stroke will "have a double edge. Against Russia and against "America."

On 22 June 1941, i.e. less than a year after the conclusion of the Tripartite Alliance, Germany invaded the U.S.S.R. Notwithstanding the neutrality Pact with the U.S.S.R. Japan, as will be discussed later, did render aid to Germany while refraining from open warfare against the U.S.S.R.

JAPANESE ATTACKS ON BORDERS OF MANCHURIA

In 1938 and 1939 Japan launched offensive operations across the borders of Manchuria in the vicinity of Lake Khassan, in the East, and at Nomonhan, in the West. These will be discussed more fully later.

NEUTRALITY PACT BETWEEN JAPAN AND THE SOVIET UNION

On 13 April 1941 Japan and the U.S.S.R. entered into a Neutrality Pact. This subject can be more conveniently discussed later, but it is mentioned here as having been signed at this time because of the disregard for it displayed by the Japanese in the matters now to be

referred to.

GERMANY ATTACKS THE U.S.S.R. IN JUNE 1941

After Germany's attack on the U.S.S.R. in June 1941 there was persistent advocacy of the seizure of Soviet territories in the Far East. This attack by Germany certainly stimulated the acquisitive policy by Japan against the Soviet Union. The Japanese ruling circles regarded Germany's victory over the U.S.S.R. as inevitable and imminent and thought this a favourable opportunity for Japan to put into operation her aggressive plans against the U.S.S.R.

At first, in consequence of the initial success of the Germans in their attack on the U.S.S.R. there existed a tendency among the Japanese militarists for the speeding up of an attack on the U.S.S.R. The German Ambassador Ott in his telegram of 22 June 1941, the day Germany attacked the U.S.S.R., reported his conference with Matsuoka, pointing out that "He" (Matsuoka) "was of the same "opinion as before, that in the long run, Japan "could not remain neutral in this conflict....Towards "the end of the interview Matsuoka received another "telegram from OSHIMA wherein the Reich Foreign "Minister called attention to an alleged Russian "withdrawal of troops from the Far East. "Matsuoka explained spontaneously that he would "immediately propose counter-measures."

The Japanese even had a fear that Japan might be late in her military preparations for

an attack. Such a sentiment found expression in the telegram of 31 July 1941 (No. 433) from Foreign Minister Toyoda to the Japanese Ambassador in Washington:

"Needless to say the Russo-German war has given "us an excellent opportunity to settle the "northern question, and it is a fact that we "are proceeding with our preparations to take "advantage of this occasion.....If the Russo-"German war proceeds too swiftly, our Empire "would inevitably not have time to take any "effective symmetrical action."

A secret Imperial Conference of military and political leaders of Japan on 2 July 1941 decided: "Though the spirit of the tripartite "axis will form the keynote of our attitude "toward the German-Soviet war, we shall not "intervene for a while, but take voluntary "measures by secretly preparing arms against "the Soviet Union. Meanwhile, diplomatic nego-"tiations will be continued with detailed pre-"cautions; and should the conditions of the "German-Soviet war progress favourably to Japan "we shall execute arms to solve the northern "problems, thereby securing stability in the "northern regions."

This decision suggests that Japan, in spite of the Neutrality Pact with the U.S.S.R., either considered herself bound as a participant in a conspiracy against the U.S.S.R. or was seeking an opportune moment to advantage herself. At any rate she intended to time her attack upon the U.S.S.R. with the most favourable moment in the Soviet-German War.

That preparations were intensified after the decision of the conference is revealed by a telegram of the German Ambassador Ott from Tokyo to Berlin of 3 July 1941. Upon the outbreak of the German-Soviet War, Smetanin, the U.S.S.R. Ambassador to Japan, saw Matsuoka and asked him the basic question concerning the attitude of Japan towards the war. Smetanin asked him whether Japan would remain neutral, as was the U.S.S.R., in accordance with the neutrality pact between the U.S.S.R. and Japan of 13 April 1941. Matsuoka evaded a direct answer to this question and said that his attitude to this problem had already been expressed (on 22 April of that year) in his statement made by him upon his return from Europe. At the same time he emphasised that the Tripartite Pact was the basis of the foreign policy of Japan and if the present war and the neutrality pact happened to be at variance with that basis and with the Tripartite Pact, the neutrality pact "will not continue in force." Ott, referring to this interview, of which he had been informed, in his telegram of 3 July reported: "Matsuoka "said the reason for the formulation of the Japanese "statement to the Soviet Ambassador was the necessity "to deceive the Russians or at least to keep them in a "state of uncertainty, owing to the armaments "still being incomplete. At present Smetanin "was not aware of speedy preparations being "made against the Soviet Union as is hinted at "in the government resolution transmitted to us."

At this time Germany was urging that Japan should attack the U.S.S.R. as early as possible. In his telegram of 10 July 1941 addressed to the German Ambassador in Tokyo, Ribbentrop stated: "Besides, I request that you go on working for the "soonest possible participation of Japan in the war "against Russia, as per my message to Matsuoka, "using all the means at your disposal, for earlier "this participation in the war materialises, the "better it is. The natural goal must be, as before, "to bring about the meeting of Germany and Japan on "the Trans-Siberian railroad before winter sets in. "With the collapse of Russia the position of the "Tripartite powers in the world will be so gigantic "that the question of the collapse of England, that "is, the absolute annihilation of the British Isles, "will be only a question of time".

The Japanese Foreign Ministry, at least, considered Japan's plans for war against the U.S.S.R. so close to realisation as to discuss the finding of suitable means to provoke war. In his telegram of 1 August 1941, Ott reported that, when in a conference with the Minister Secretary Yamamoto commissioned with the affairs of the Vice-Foreign Ministry, he "anticipatedly asked whether Japan in-"tended to start her active advance with demands on "the Soviet Government, the Vice Minister marked "this way as the best method of finding a defensive "excuse for a Russo-Japanese attack in face of the "neutrality agreement. He is personally thinking "of demands of such sharpness that the Soviet "Government could not possibly be able to

"accept them, whereby he seemed to have terri-
"torial cessions in mind".

The failure of the initial German campaign against the U.S.S.R. made Japan delay her own offensive programme. The situation of the Soviet-German struggle called for caution. At the beginning of August, upon the slowing up of the advance of the German Army, OSHIMA asked Ribbentrop the reason. Ribbentrop referred him to Keitel, who explained that the advance of the German army was delayed by the excessive length of communications so that rear units were lagging behind and that in consequence the advance was approximately three weeks behind plan.

The course of the Soviet-German war continued to influence Japan's immediate but not her long-range policy. Ott in a telegram to Berlin on 4 September 1941 said: "In view of
"the resistance put up by the Russian Army
"against an army such as the German, the
"Japanese General Staff does not believe itself
"capable of achieving a decisive success against
"Russia before winter sets in. Moreover, it is
"probably guided by the thought of Nomonhan
"still vivid in the memory, notably of the
"Kwantung Army". In view of that "....the
"Imperial Headquarters in the last days came
"to the decision to postpone action against
"the Soviet Union".

In a telegram of 4 October 1941, Ott informed Ribbentrop that "Japan's waging of a
"war against the Far Eastern Army, still considered
"as being in fighting trim, is not feasible before

"next spring.... The tenacity displayed by the "Soviet Union against Germany indicates that not "even by a Japanese attack in August or September "could the route via Siberia be opened up this "year".

Postponing immediate attack on the U.S.S.R., Japan, however, continued to regard this attack as one of the main objects of her policy and did not slacken either in purpose or in preparation for that attack. In confidential talks with the ambassadors of Italy and Germany on 15 August 1941, the Japanese Foreign Minister, referring to the Japan-Soviet Neutrality Pact and the Russian assumption that Japan would not come into the war, said: "....in view of the military expansion the "Empire is at present effecting, I think under "present existing conditions the above-mentioned "arrangement with the Soviet is the very best "means of taking the first steps toward carrying "out future plans concerning the Soviet which "will be undertaken together with the German "Government" and that "this is merely a temporary "arrangement, in other words that it partakes "of the nature of a restraint upon the Soviet "until preparations can be completed".

In an intercepted telegram from Tokyo to Berlin of 30 November 1941, apparently from the Japanese Foreign Minister to the Japanese Ambassador, the latter was instructed to interview Hitler and Ribbentrop. The telegram instructed: "Say that by our present moves "southward we do not mean to relax our pressure

"against the Soviet....however, right now, it "is to our advantage to stress the south and "for the time being we would prefer to refrain "from any direct moves in the north".

Japan's leaders, however, did not forsake their desires and designs. In August 1941 ARAKI is reported in the press as having said to the Secretary-General of the Imperial Rule Assistance Association that "Next, we "shall deal with the Siberian Expedition.... "Japan's present ambition to dominate the "continent may be said to have germinated in "the Siberian Expedition". The same idea was developed by TOJO in 1942 after he had become Prime Minister, when in conversation with the German Ambassador Ott, he stated that Japan was a mortal enemy of the U.S.S.R. that Vladivostok was a permanent threat to Japan on the flank and that in the course of that war (i.e. the war between Germany and the U.S.S.R.) there was an opportunity of removing that danger. He boasted that it would not be difficult as there was an excellent Kwantung Army which included the best troops.

JAPAN DELAYS ATTACK ON U.S.S.R.

Ribbentrop in a telegram to Tokyo on 15 May 1942, expressed his desire that Japan "would arrive at a decision to attack Vladi- "vostok at the very earliest". He went on to say "this is all based on the premise that "Japan is sufficiently strong for an operation "of this nature and will not have to free other

"forces which would weaken her position against "England and America, as for example, in Burma. "If Japan lacks the necessary strength to "successfully undertake such an operation, then "it would naturally be better that she maintain "neutral relations with Soviet Russia. This "also eases our burden since in any event Russia "must maintain troops in East Siberia in antici- "pation of a Japanese-Russian conflict".

At the end of 1942 because of the situation on the Soviet-German front Germany's desire that Japan should enter into a war with the U.S.S.R. became more insistent. In his conference with Ribbentrop on 6 March 1943, OSHIMA said that "The suggestion of the German Govern- "ment to attack Russia was the subject of a "mutual conference between the Japanese Govern- "ment and Imperial Headquarters, in which the "question was exhaustively discussed and minutely "probed. The result was the following:

"The Japanese Government thoroughly "recognises the danger which threatens from "Russia and has full understanding for the "desire of its German ally, that Japan, too, "enters into the war against Russia. It is not "possible for the Japanese Government, however, 'in view of her present war situation to enter "into the war. It is rather of the conviction "that it is in the common interest, not to "start the war against Russia now. On the other "hand, the Japanese Government will never "disregard the Russian question".

Explaining this decision OSHIMA said that he knew "that for a long time Japan had "the intention of turning against Russia. "But for the time being she evidently did not "feel strong enough to do so. If one withdrew "the front in the south and abandoned several "islands to the enemy in order to shift all "forces to the North, this could be possible. "This would, however, mean a heavy defeat in "the South. Both an advance to the South, "and at the same time to the North was impos-"sible for Japan".

THE GREATER EAST ASIA CO-PROSPERITY SPHERE INCLUDES PART OF SIBERIA

When the idea of the Greater East Asia Co-Prosperity Sphere was developed as a euphemism for Japanese hegemony over East Asia it was inevitable that the seizure of Siberia and the Soviet Far East should be included. This was the natural consequence of the previous purpose and planning.

In the "Plan for Management of Terri-"tories in the Greater East Asia Co-Prosperity "Sphere" worked out by the Japanese War Ministry and the Ministry of Overseas Affairs, at the end of 1941 and beginning of 1942, soon after the outbreak of the war against the United States of America and Great Britain, the seizure of the territories of the Soviet Far East was considered settled, the only question being the portions to be seized. It was pointed out in the part of the plan entitled

"Future of Soviet Territories" that "though "this problem cannot be easily decided at present "inasmuch as it is to be settled in accordance "with the Japanese-German Pact" still in any event "the Maritime Province shall be annexed "to Japan, the district adjacent to the Manchurian "Empire shall be put into the Sphere of influence "of that country, and the Trans-Siberian Railroad "shall be placed under the complete control of "Japan and Germany with Omsk as the point of "demarcation".

The Accused HASHIMOTO, in his article of 5 January 1942, entitled the "Great East Asia "Sphere Under Imperial Influence" enumerating the countries which were to be included in the Greater East Asia Sphere Under Imperial Influence mentions the Soviet Far East along with China, French Indo-China, Burma, Malaya, the Dutch East Indies, India, etc. He went on to say "We "cannot yet decide whether all these countries "should be incorporated at once into the sphere "under Imperial Influence, but it is at least "absolutely necessary to include for the sake "of national defence these countries in the "sphere of our influence".

The "Kokusaku-Kenkyu Kai" Society, of which prominent Japanese political and military leaders were members (including TOGO, KAYA, MUTO and SATO) and presumably playing an important role in advancing if not in formulating official policy contemplated in its "Draft of Measures for the Construction of the "Greater East Asia Co-Prosperity Sphere" pub-

lished in May 1943 that "....a reasonable scope "of the Greater East Asia Co-Prosperity Sphere "includes" along with other component parts, "all the Eastern region of the Soviet Union "including Lake Baikal.....All of Outer Mongolia". Similar aspirations of Japan are found in the studies made by the Institute of Total Warfare which was established by the Imperial Ordinance of 1 October 1940 and was directly responsible to the Prime Minister. Thus, the original draft plan of the establishment of the Greater East Asia Co-Prosperity Sphere worked out by the Institute in January 1942 contemplated that "the central area" of various countries united by Japan would include besides Manchuria and North China the Soviet Maritime Province, and the so-called "Smaller Co-Prosperity Sphere" would include, besides the rest of China and Indo-China, Eastern Siberia.

The Tribunal is of the opinion that a war of aggression against the U.S.S.R. was contemplated and planned throughout the period under consideration, that it was one of the principal elements of Japan's national policy and that its object was the seizure of territories of the U.S.S.R. in the Far East.

PLANNING AND PREPARING WAR AGAINST THE SOVIET UNION

MANCHURIA AS A BASE AGAINST THE U.S.S.R.

The warlike policy of Japan against the U.S.S.R. was indicated in Japan's war plans. The war plans of the Japanese General Staff from the commencement of the period under review contemplated, as a first step, the occupation of Manchuria. In Japan's war plans the seizure of Manchuria was regarded not only as a stage in the conquest of China, but also as a means of securing a base for offensive military operations against the Soviet Union.

Kawaba Torashiro, then a General Staff Officer, testified that a plan of war against the U.S.S.R. worked out in 1930 when the accused HATA was Chief of the First Department of the General Staff contemplated military operations against the U.S.S.R. on the Soviet-Manchuria border. This was before the Japanese occupation of Manchuria.

The accused MINAMI and MATSUI also confirmed before the Tribunal that Manchuria was considered necessary for Japan as a military base in case of war with the U.S.S.R.

On 16 March 1931 HATA instructed a Colonel Suzuki to make a tour of inspection of the areas of Northern Manchuria and Northern Korea with a view to operations according to the "Otsu" plan against the U.S.S.R. and the "Hei" plan against China. In a secret report presented by this Officer upon the result of his tour detailed information was given relative

to the "Otsu" plan which aimed at the occupation of the Soviet Maritime Provice.

The seizure of Manchuria in 1931 provided bases for an attack upon the U.S.S.R. on a wide front for the purpose of seizing the whole of the Soviet Far East. Kasahara Yukio, Japanese Military Attache in the Soviet Union, in a secret report presented to the General Staff in the spring of 1931 advocating war with the U.S.S.R. and determining its objective wrote: "....we must advance at least as far as Lake "Baikal....In case we stop on the line of the "Lake Baikal, the Empire will have to be deter- "mined and prepared to consider the Far Eastern "Province which she will have occupied as a "proper territory of the Empire...." Under cross examination the witness Kasahara, admitting the authenticity of the document, testified that he proposed to the General Staff a speedy opening of a war against the U.S.S.R. and proposed the increase of armaments for the purpose of being ready for a war at any moment. In the spring of 1932 Kasahara was transferred to the General Staff wherein he held the post of Chief of the Russian Section of the Second Department. On 15 July 1932, shortly after that appointment, Kasahara sent a message through Lieutenant Colonel Kanda to the then Military Attache in Moscow, Kawabe Torashiro, regarding an important decision of the General Staff: "....that the "(army and navy's) preparations have been com- "pleted. In order to consolidate Manchuria, the "war against Russia is necessary for Japan".

In cross-examination the witness Kasahara explained that in the General Staff "there was "an agreement among the section chiefs and the "branch chiefs that preparations would be made "for a war by 1934".

When this decision was taken the accused UMEZU was Chief of the General Affairs Department and TOJO and OSHIMA were Section Chiefs of the General Staff, while MUTO was a member of the Second Division of the General Staff.

AGREEMENT BETWEEN WAR OFFICE AND GENERAL STAFF

In the summer of 1932 Section Chiefs of the War Office reached an agreement with Section Chiefs of the General Staff upon these preparations. Obviously this could not have been done without authorisation and approval of their seniors in the War Ministry. The accused ARAKI was then War Minister, the accused KOISO Vice-War Minister and the accused SUZUKI was a member of the Military Affairs Bureau of the War Ministry. ARAKI and SUZUKI , as was pointed out earlier, openly declared in 1933 the intention of seizing by force the territories of the Maritime Province, Zabaikalye and Siberia.

MILITARY ATTACHE IN MOSCOW ADVOCATES ATTACK

On 14 July 1932, Kawabe, from his position as Military Attache in Moscow, sent a report to the General Staff in which he said

"a Russo-Japanese war in the future is unavoid-
"able" for which reason "emphasis must be laid
"on the repletion of military armaments against
"Russia", He also urged "as to the conclusion
"of a non-aggression pact proposed by the
"U.S,S.R., we must be non-committal and reserve
"our freedom of action". This, no doubt, had reference to Russian proposals which had been made for a neutrality pact, as has been discussed already.

PLANS FOR WAR AGAINST THE U.S.S.R.

As with the occupation of Manchuria in 1931, so with the invasion of the rest of China in 1937, the eventual war with the U.S.S.R. was always in mind. The strategy was directed to preparations for an attack on the U.S.S.R. That was pointed out by the accused TOJO, the then Kwantung Army Chief of Staff, in June 1937, i.e. immediately prior to the beginning of an attack on China, in a telegram to Vice-War Minister UMEZU and to the General Staff: "Judging the present situation
"in China from the point of view of military
"preparations against Soviet Russia, I am con-
"vinced that if our military power permits it,
"we should deliver a blow first of all upon the
"Nanking regime to get rid of the menace at our
"back". Similarly, both during the seizure of Manchuria in 1931 and the invasion of the rest of China in 1937 the war plans of Japan against China and the Soviet Union were coordinated by the General Staff, the Japanese War Ministry and the Kwantung Army Headquarters.

The accused MUTO admitted before the Tribunal that when he was Chief of the First Section of the General Staff he made a study of the 1938 plan. The war plans of the Japanese General Staff for 1939 and 1941 were aimed at the seizure of Soviet territories. The war plan for 1939 was based upon a concentration of Japan's main forces in Eastern Manchuria to take the offensive. The Kwantung Army was to occupy the Soviet cities of Voroshilov, Vladivostok, Iman and then Khabarovsk, Blagoveshchensk and Kuibyshevka. The plan for 1941, prior to Germany's attack on the U.S.S.R., had similar aims. At the first stage of the war it was intended to occupy the cities of Voroshilov, Vladivostok, Blagoveshchensk, Iman, Kuibyshevka and at the next stage to occupy North Sakhalin, Petropavlosk of Kamchatka, Nikolaevsk on the Amur, Komsomolsk and Sovgavan.

The offensive character of these plans and measures is indicated by the secret operations order dated 1 November 1941 of the Commander of the Combined Fleet, Admiral Yamamoto, wherein it was pointed out: "....if "the Empire does not attack the Soviet Union, "it is believed that the Soviet Union will not "commence hostilities". The same view was expressed by TOJO at the meeting of the Inquiry Committee of the Privy Council on 8 December 1941: "....Soviet Russia is now "fighting against Germany, so she will not "avail herself of the Japanese southward "advance".

Although it was suggested that these plans were "routine", for a "strategic defensive" and so on, it is clear that they were offensive and not defensive. It may be that in some circumstances a defensive strategy would justify and, perhaps require offensive operations. A consideration of the nature of these plans, and the military policy of Japan in respect of the U.S.S.R., compels the conclusion that these plans were aggressive and not "strategic "defensive". They were "defensive" only in the distorted sense, already discussed, that they defended the "Kingly Way", i.e. the expansion of Japan at the expense of its neighbours on the Continent of Asia.

ACTIVE PREPARATIONS FOR WAR AGAINST THE U.S.S.R.

Immediately after the seizure of Manchuria, Japan started stationing there her main armed forces. The purpose of their training was mostly a preparation for military operations against the Soviet Union and China. Tanaka, former Chief of the Military Service Section and Chief of the Military Service Bureau of the War Ministry, estimated that 2,500,000 Japanese soldiers were trained in Manchuria.

In 1938, TOJO, as the Kwantung Army Chief of Staff, in plans for the stationing of a meteorological service system in Chahar, stated its object was to "enable more accurate "weather forecasting service in Japan and

"Manchuria and especially to strengthen aero-
"nautical meteorological service system in
"preparation for a war with Soviet Russia".

The accused MINAMI, former Commanding General of the Kwantung Army, admitted during cross-examination that the construction of railways in Manchuria was directed towards the Soviet border, and admitted that they could have strategic uses, although he did claim that "their principal objective was the opening up "of Northern Manchuria".

In January 1938 the Kwantung Army Headquarters, under TOJO, worked out the "Outline of the policy for the establishment "of a New China". This document sent to the War Minister refers to the task of persuading the local population "to contribute to the "preparation for the fast approaching war with "Soviet Russia". TOJO contemplated the use of the Mongolia-Hsingkiang area "as a base for "invading Outer Mongolia".

In a secret telegram sent to the War Ministry in May 1938, TOJO, then Chief of Staff of the Kwantung Army, pointed out that the South Manchuria Railway Company "...is "receiving the Army's guidance for cooperating "in the enforcement of the national policies "of Manchukuo and also in the operational "preparations, etc. against the Soviet Union".

The Army authorities did not permit the Neutrality Pact signed in Arpil 1941 to abate their preparations for war with the U.S.S.R. Thus, the Chief of Staff of the Kwantung Army,

in an address at a conference of formation commanders in April 1941, discussing the Japanese-Soviet Neutrality Pact said: "In "accordance with the present situation of the "Empire, it is a diplomatic measure planned to "maintain for the time being, peace between "Japan and the Soviet Union for the purpose of "strengthening the Tripartite Alliance. Whether "or not this pact can be made effective depends "upon the future attitude of the two countries. "It cannot be considered that we can immediately "enter into friendly relations with the present "attitudes. Consequently, in order to make "this pact effective, our Army absolutely "cannot permit the slacking down in its prepa-"rations for military operations. By steadily "strengthening and expanding these preparations "the effectiveness of the pact will be promoted. "The Army will not make any changes in its "past policies".

"There are people in both Japan and "Manchukuo who often say that military prepara-"tions against Soviet Russia may be reduced "since the neutrality pact was concluded. "However, as mentioned previously, there must "not only be no changes in our past policy of "military preparations against Soviet Russia, "but since the necessity for us to take a "precise and lofty attitude towards ideology, "counter-espionage, and other forms of strategem "is especially great, it is necessary for us "to have our subordinates thoroughly understand "this purport promptly." This text was

obtained from a captured "Military top secret" document. The report does not disclose the presence of UMEZU, then the Kwantung Army Commander. He may have been present but a speech of such importance, a record of which was made and retained, must at least have had his approval.

At a similar conference on 5 December 1941 the Chief of Staff of the Kwantung Army instructed formation commanders to complete preparations for operations vis-a-vis the Soviet Union, and to watch all changes in the military situation in the Soviet Far East and Mongolia in connection with the progress of the Soviet-German war in order to take advantage in good time of the turning point in the military situation. This speech was made while UMEZU was still the Commander of the Kwantung Army.

PLANS FOR CONTROL OF OCCUPIED SOVIET TERRITORIES

Japan's leaders considered the seizure of Soviet territories so practicable that in the General Staff and the Kwantung Army Headquarters specific plans were worked out for the management of these territories. From July to September 1941 a special group of General Staff Officers made a study of occupation regimes for the Soviet territories to be occupied by Japanese troops.

In September 1941, the Fifth Section of the Kwantung Army Headquarters was formed under Major General Ikeda, a subordinate of

UMEZU, who was likewise engaged in the study of problems pertaining to occupation regimes for Soviet territories. Specialists from the General Affairs Department of Manchukuo were employed in this work.

Officially, at least, the Kokusaku-Kenkyu Kai Society was claimed to be an unofficial organization. However, for the purpose of working out its drafts and studies it received top-secret documents from the War Ministry, the Ministry of Overseas Affairs and other Governmental bodies. One example is the top-secret "Plan for Management of Territories in the Greater East Asia Co-Prosperity Sphere" worked out by the War Ministry and by the Ministry of Overseas Affairs in December 1941. According to this plan the Maritime province of the U.S.S.R. as well as other Soviet territories as far as Lake Baikal were to be incorporated either into Japan or into Manchukuo. The Society in its "Tentative Plan concerning "the Scope and the Structure of the Greater "East Asia Co-Prosperity Sphere" dated 18 February 1942, planned in advance measures to prevent "the concentration in Siberia of "the Slavs who are being driven away from "the European part of Russia".

The intensification of war preparations involved the employment of increasing numbers of persons. Special organizations were developed. Among these were the Total War Institute under the Cabinet and the National Policy Research Association (Kokusaku-Kenkyu

Kai). The former Director of the Total War Research Institute, Lieutenant General Murakami Keisaku, testified that the Institute was instructed by Prime Minister TOJO to work out a draft plan of the system of administration for the territories of Greater East Asia to be occupied by Japanese forces. In all the studies made by the Institute the question of the invasion of the U.S.S.R. was regarded as already settled. "The Plans to Govern Siberia, Including Outer Mongolia" published in the summarised research papers of the Institute for the year 1942 contained rules for the Japanese Occupation authorities. Among these were:

"All old laws and ordinances shall be "declared void, and simple but powerful military "orders shall be enforced instead. Under the "powerful leadership of the (Japanese) Empire, "the natives shall not be allowed, in principle, "to take part in any politics. If necessary, "a low grade self-government shall be allowed".

"If found necessary from the national "defence and economic point of view, Japanese, "Korean and Manchurian colonists shall be "sent there".

"If occasion demands, compulsory "emigration of the natives shall be effected.

"Permeation of our might shall be our "aim, and we shall approach it with stringent "power, not inclining into the so-called "paternalism".

The work of the "Kokusaku-Kenkyu Kai" Society developed along the same lines as that of the Total War Institute.

By the spring of 1942 the Kwantung Army Headquarters had drafted a plan for the military administration of Soviet areas to be occupied by Japan, and with UMEZU's approval this plan was forwarded to the General Staff. This plan included such sections as "administration, maintenance of peace and order, organization of industries, circulation of currencies, communication and transportation".

In 1942 TOJO and UMEZU despatched Major General Ikeda and other officers to study the occupation regime established for the South Seas Area with a view to using it in the further working out of occupation regimes for the territory of the Soviet Union.

ACTIVE PREPARATIONS FOR WAR
AFTER GERMANY'S ATTACK UPON THE U.S.S.R.

After the attack of Germany upon the Soviet Union, Japan increased overall preparations for war against the U.S.S.R. Although at that time Japan was already engaged in a protracted war with China, she hoped to take advantage of the war in Europe to achieve her schemes against the U.S.S.R. This involved a secret mobilisation and the increase of the strength of the Kwantung Army. In the summer of 1941, in accordance with the plan, a secret mobilisation was carried out and 300,000 men, two fresh divisions and various special units, were added to the Kwantung Army. By January 1942 the Kwantung Army had been increased to 1,000,000 men. It received a large amount of

new equipment. There were twice as many tanks as in 1937 and three times the number of planes. A large concentration of troops was deployed in Manchuria along the border of the Soviet Union. Besides the Kwantung Army, the Korean Army and the Japanese Army in Inner Mongolia troops stationed in Japan were to be used in the intended attack upon the U.S.S.R. In addition to men and material large supplies of provisions were prepared for the Kwantung Army.

SUBVERSION AND SABOTAGE

As well as direct military preparations, an elaborate programme of subversive activities against the U.S.S.R. designed both for peace and war time was in contemplation or in progress, as is shown by a report submitted to the General Staff and to the Kwantung Army Headquarters as early as 1928 by Kanda Masatane, a Japanese intelligence officer, who later held the post of Chief of the Russian Section, Second Division, General Staff. General principles and measures of subversive activities against the U.S.S.R. were set forth in the report. In particular, subversive and provocative activities were planned and put into execution on the communication lines of Northern Manchuria, mainly on the Chinese-Eastern Railway. The report stated: "The affairs included in our sabotage activi-"ties against Russia are many and their activi-"ties will extend throughout the whole world". Kanda, a former Lieutenant-General, the author of the report, when examined in Court confirmed

this document.

A conference of Japanese military attaches in a number of countries, which was convened in April 1929 in Berlin by the accused MATSUI, then Chief of the 2nd Division of the General Staff, considered methods of sabotage to be used from European countries during the war which, even then, was projected against the U.S.S.R. This conference contemplated the use of White Russian emigrants to foreign lands. It considered also the question of espionage against the U.S.S.R., conducted by Japanese military attaches outside the Soviet Union. The accused HASHIMOTO, who was Military Attache in Turkey at that time and who attended and spoke at that conference, when examined in Court named other participants of the conference, among whom there were Military Attaches in Great Britain, Germany, France, Poland, Austria, Italy and Russia, and he admitted that subversive activities against the U.S.S.R. were discussed at the conference by MATSUI and others. Following this conference, HASHIMOTO, in November 1929, submitted to the Japanese General Staff a report upon the "Situation in the Caucasus and its strategic "use for the purposes of sabotage activities" in which he stressed that "the Caucasus area.... "is surely important from the standpoint of "stratagem against Russia". HASHIMOTO advised "make all races in the Caucasus confront each "other and consequently to bring confusion in "the area".

The accused OSHIMA while in Berlin secretly carried on subversive activities against the U.S.S.R. and its leaders and discussed this with Himmler.

In 1942 the Japanese General Staff and the Kwantung Headquarters worked out new offensive war plans against the U.S.S.R. which remained valid for 1943. Under these plans, the war against the U.S.S.R. was to be commenced unexpectedly following the concentration in Manchuria of about thirty divisions. As with earlier plans, these last plans were not put into execution. At about this time the military prospects of the Axis Powers, Germany-Italy-Japan, began to deteriorate. Thereafter they were placed more and more upon the defensive and such a venture as Japan's contemplated attack upon the U.S.S.R. became less and less possible until the final defeat of the Axis in 1945. Until 1943, at any rate, the Tribunal finds that Japan not only planned to wage a war of aggression against the U.S.S.R. but also that she continued with active preparations for such a war.

NEUTRALITY PACT

GERMANY'S ATTACK ON THE U.S.S.R.

As has been mentioned previously Japan was invited by the U.S.S.R. in 1931 and 1933 to enter into a neutrality pact, but refused to do so. By 1941 Japan had forfeited her friendly relations with practically all the powers excepting Germany and Italy. The international

situation had so changed that Japan was now willing to do that which she had refused to do ten years previously. This willingness, however, did not indicate any change of the Japanese attitude towards the U.S.S.R., nor any abatement of her acquisitive designs upon that country.

On 13 April 1941, that is, shortly before the attack of Germany upon the U.S.S.R., Japan signed the Neutrality Pact with the Soviet Union. The Pact provided:

"ARTICLE I"

"Both contracting parties engage to "maintain peaceful and friendly relations between "themselves and mutually respect the territorial "integrity and inviolability of the other "contracting party."

"ARTICLE II"

"In case one of the contracting parties "becomes the object of military action from the "part of one or several other powers, the other "contracting party will maintain neutrality "during the whole period of the conflict."

In signing the Pact the Japanese Government placed itself in an equivocal position, as at this time it had commitments to Germany under the Anti-Comintern Pact and the Tripartite Alliance. Its conduct in signing the Neutrality Pact was still more ambiguous as, when it did so, it had every reason to expect Germany's impending attack upon the U.S.S.R.

As far back as 23 February 1941,

Ribbentrop told OSHIMA that Hitler had created a number of new formations during the winter as a result of which Germany would have 240 divisions, including 186 first-class attack divisions. Ribbentrop also dwelt upon the prospects of a "German-Russian conflict", which he said "would result in a gigantic German victory "and signify the end of the Soviet regime".

The forthcoming attack of Germany upon the Soviet Union was discussed in still more definite terms in the conversations of Germany's leaders--Hitler and Ribbentrop--with Japanese Minister of Foreign Affairs Matsuoka in March 1941.

In his conversation with Matsuoka on 27 March 1941, Ribbentrop told him that "The "German armies in the East are available at "any time. Should Russia one day take up an "attitude which could be interpreted as a threat "against Germany, the Fuehrer would dash Russia "to pieces. One is positive in Germany that "such a campaign against Russia would end in a "complete victory for German arms and the "absolute destruction of the Russian Army and "the Russian State. The Fuehrer is convinced "that in case of an advance against the Soviet "Union a few months later as a power (Grossmacht) "Russia would no longer exist".

On the same day Hitler spoke in the same tenor to Matsuoka when he stated in the presence of OSHIMA, Ott and Ribbentrop, that Germany had concluded certain treaties with the U.S.S.R., but still more important than

this was the fact that Germany had 160 to 200 divisions at her disposal for her protection against the U.S.S.R. In his talk with Matsuoka on 29 March 1941, Ribbentrop said that the largest part of the German Army was concentrated on the Eastern frontiers of the Reich and once more expressed his belief in the complete defeat of the U.S.S.R. within a few months, once the conflict had broken out. In that conversation Ribbentrop also said "....a conflict "with Russia was anyhow within the realms of "possibility. In any case Matsuoka could not "report to the Japanese Emperor upon his return "that a conflict between Russia and Germany was "impossible. On the contrary, the situation "was such that such a conflict, even if it were "not probable, would have to be considered "possible". In reply Matsuoka assured him that "Japan would always be a loyal ally who would "devote herself entirely, and not just in a "lukewarm way, to the joint effort".

Soon after his return to Japan after signing the Neutrality Pact in Moscow, Matsuoka told Ott, German Ambassador to Tokyo: "No "Japanese Premier or Foreign Minister would "ever be able to keep Japan neutral in the "event of a German-Russian conflict. In this "case, Japan would be driven, by the force of "necessity, to attack Russia at Germany's side. "No neutrality pact could change this".

In his telegram of 20 May 1941 to Matsuoka, OSHIMA advised that Weizsacker had told him that "the German Government attached

"great importance to Foreign Minister Matsuoka's "statement to Ott to the effect that Japan "would attack the U.S.S.R. in case of a Russo-"German war"

The uncandid policy of the Japanese Government in signing the Neutrality Pact is confirmed by the fact that simultaneously with the negotiations for the signing of the Pact, negotiations with Germany were being conducted for the extension of the Anti-Comintern Pact which was to expire on 26 November 1941. That Pact was prolonged for another five years on 26 November 1941, after the war between Germany and the U.S.S.R. had broken out.

The Japanese policy towards the U.S.S.R. and the Neutrality Pact is revealed by Smetanin's talk with Matsuoka on the 25 June 1941, three days after Germany had attacked Russia. Matsuoka, being asked by Smetanin, the Soviet Ambassador to Japan, whether Japan would remain neutral in accordance with the Neutrality Pact between the U.S.S.R. and Japan of 13 April 1941, evaded a direct answer, but emphasised that the Tripartite Pact was the basis of the foreign policy of Japan and if the present war and the Neutrality Pact happened to be at variance with that basis and with the Tripartite Pact, the Neutrality Pact "will not continue in force". We have already referred to the German Ambassador's report of Matsuoka's sinister comments upon his talk with Smetanin. In June 1941, shortly before Germany's attack upon the

U.S.S.R., UMEZU in his conversation with Prince Urech said "he welcomed the Neutrality "Pact Japan-Russia for the moment. Since, "however, the Tripartite Pact is the unchange- "able basis of Japanese foreign policy, Japan's "attitude towards the Neutrality Pact must undergo "a change just as soon as the hitherto existing "German-Russian relations undergo an alteration".

It would appear that Japan was not sincere in concluding the Neutrality Pact with the U.S.S.R., but considering her agreements with Germany more advantageous, she signed the Neutrality Pact to facilitate her plans for an attack upon the U.S.S.R. This view of the attitude of the Japanese Government towards the U.S.S.R. coincides with that reported by the German Ambassador to Tokyo in his telegram to Berlin of 15 July 1941. Japan's "neutrality" in the war between Germany and the U.S.S.R. in reality served and seems to have been designed to serve as a screen for such aid as she could give Germany pending her own attack upon the U.S.S.R. The evidence presented to this Tribunal indicates that far from being neutral in accordance with the Pact with the U.S.S.R., Japan did render substantial assistance to Germany.

GENERAL MILITARY ASSISTANCE
BY JAPAN TO GERMANY

In Manchuria Japan carried out large-scale military preparations and concentrated there a large army, thereby containing considerable forces of the Soviet Army in the East

which otherwise might have been used against Germany in the West. These military preparations were so regarded by the German and Japanese Governments. In his telegram to Berlin on 3 July 1941, the German Ambassador to Japan advised that "augmentation of military "preparations, among other things, with an eye "to realising this object, together with the "aim of restraining Soviet Russia in the Far "East in her struggle with Germany is stead-"fastly kept in the mind of the Japanese Govern-"ment".

Ribbentrop in his telegram to Tokyo on 15 May 1942 likewise pointed out the great importance which a successful surprise attack on the U.S.S.R. would have for the further progress of the war in the interests of the Tripartite powers, but he emphasised at the same time, as has been mentioned before, the importance of Japan's "neutrality" as an active aid to Germany in her war against the U.S.S.R. "since in any event Russia must maintain troops "in East Siberia in anticipation of a Japanese-"Russian conflict."

JAPAN GIVES GERMANY

MILITARY INFORMATION CONCERNING THE U.S.S.R.

Evidence that Japan provided Germany with military intelligence about the U.S.S.R. is contained in a telegram from Ribbentrop to the German Ambassador in Tokyo on 10 July 1941, in which Ribbentrop wrote: "Please thank the "Japanese Foreign Minister at this opportunity "for having transmitted the telegram from the

"Japanese Ambassador at Moscow. It would be "good if we could receive more news from Russia "in this way at regular intervals".

Evidence was presented to prove that Japan provided Germany with economic, political and military intelligence about the Soviet Union, derived from Japanese military and diplomatic agencies. Major General Matzumura, who from October 1941 to August 1943 held the post of Chief of the Russian Section of the General Staff, testified that he, in accordance with the order of the General Staff, systematically provided the 16th (German) Section of the General Staff with intelligence for Colonel Kretchmer, the German Military Attache in Tokyo, regarding Soviet armed forces in the Far East, the war potential of the Soviet Union, the movement of Soviet troops from the East to the West, as well as of internal movements of Soviet troops.

Von Petersdorf, former Assistant Military Attache of the German Embassy in Tokyo, testified that he had systematically received from the Japanese General Staff secret information about the Soviet Army, and especially about the Far Eastern Army--the disposition of troops, their strength, detailed information about the reserves, about the transfer of Soviet troops to the European front, about the war industry of the Soviet Union, etc. Von Petersdorf stated that the information which he had received from the Japanese General Staff differed in scope and nature from that normally received by military attaches through the usual channels.

JAPANESE INTERFERENCE WITH SOVIET SHIPPING

The prosecution claimed and tendered evidence to show that, despite Japan's obligation of neutrality, the Soviet war effort was seriously interfered with by Japanese interference with Soviet shipping in the Far East. In particular there was evidence that at Hongkong in 1941 Soviet ships at anchor, clearly marked as such were shelled and one sunk; that in the same month Soviet ships were sunk by bombs from Japanese aircraft; that many Soviet ships were unlawfully arrested by Japanese naval vessels and taken to Japanese ports and detained on occasion for lengthy periods. Finally it was charged that the Japanese closed the Sangar Strait and compelled Soviet ships to use other less suitable and more dangerous approaches to its Far Eastern seaboard. All this it was claimed was done to hamper the U.S.S.R. in its war with Germany, in defiance of Japan's obligations under the Neutrality Pact and by way of indirect preparation for the war Japan intended to undertake against the U.S.S.R.

It has certainly been established that the Neutrality Pact was entered into without candour and as a device to advance Japan's aggressive intentions against the U.S.S.R.

JAPAN'S OFFENSIVE OPERATIONS AGAINST THE U.S.S.R. IN 1938-39

In the foregoing discussion of the Japanese attitude towards the U.S.S.R. we have refrained from any detailed consideration of the two matters raised by Counts 25, 26, 35 and 36 of the Indictment. These were not without significance in the earlier discussion, but as the Indictment raised them directly we thought it more convenient to reserve our detailed consideration of them until this time.

Following Japan's alliance with Germany under the Anti-Comintern Pact of November 1936 and her military success in North and Central China after Lukuchiaou in 1937, the Japanese Army, in the years 1938 and 1939, resorted to hostilities against the U.S.S.R. first in the East of Manchuria and then in the West. In July 1938 the scene of hostilities was in the Lake Khassan area close to the junction of the boundaries of Manchuria, Korea, and the U.S.S.R. Maritime Province. Then in May 1939 hostilities broke out in the Nomonhan Area which is on the boundary between the territories of Manchukuo and Outer Mongolia or the Mongolian People's Republic and Manchuria. Both of these operations were claimed by the Japanese to be mere border incidents caused by uncertainty as to the boundaries and resulting in clashes of the opposing frontier guard detachments.

HOSTILITIES IN THE LAKE KHASSAN AREA

In the beginning of July 1938 the Japanese border guards in the area West of Lake Khassan were strengthened by a concentration of field troops on the eastern side of the Tumen-Ula River which is a short distance West of Lake Khassan. Between the river and the lake there is a range of hills overlooking both, along the crest of which, according to the U.S.S.R. contention, the boundary ran; the Japanese, on the other hand, contended that the boundary was more to the Eastward and was along the Western shore of Lake Khassan.

This height of land is of considerable strategic importance overlooking as it does to the West the Tumen-Ula River, the railway running North and South and the roads communicating with the Soviet Maritime Province and the city of Vladivostok. From the Japanese side the importance of the high land was its value in protecting from observation and attack the railway and roads forming the line of communication to the North and East. Its military importance was realised by the Japanese and as early as 1933 the Kwantung Army had made a thorough topographical study of the area with a view, as stated by the Chief of Staff of that Army in his report to the Vice Minister of War in December 1933, to "the time "of hostilities against Soviet Russia".

Contemporary reports of the Soviet border guard outposts as well as other evidence indicate that during the month of July 1938 the concentration of Japanese troops was being

carried out on an increasing scale. Before the end of July approximately one division of the Korean Army was concentrated in a small sector probably not exceeding three kilometers in length. General Tanaka, Ryukichi, in his evidence for the defence says that when he arrived in the area on the 31 July the Japanese were attacking in force. Incidentally, his evidence on earlier preparations is interesting. He had paid a previous visit to the area on 15 July and he stated that at that time the Soviet troops had dug trenches and placed barbed wire on the Western slope, i.e. on the Manchurian side of Changku-Feng Hill, along the crest of which, according to the Soviet version, the boundary ran. These defensive measures are significant of the intention of the U.S.S.R. forces but Soviet witnesses denied that any such measures had been taken. If we accepted Tanaka's evidence to its full extent this might suggest encroachment by the Soviet troops on Manchurian territory. However, no claim was made by the Japanese in respect of these defensive measures. As will be seen later the Japanese complaint was that the Soviet troops should not have been posted anywhere to the Westward of Lake Khassan. Prior to the clash the Soviet border guard was small in number, not exceeding one hundred in the sector under consideration.

In the early part of July while the Japanese troops were being concentrated in the area of Lake Khassan the Japanese Government opened diplomatic negotiations with the Soviet Government with a view to obtaining the withdrawal of the Soviet border guards right back to

the East side of Lake Khassan. On 15 July the Japanese Charge d'Affaires in Moscow, Nishi, pursuant to the instructions of his government declared to the Soviet Commisar for Foreign Affairs that the entire territory West of Lake Khassan belonged to Manchuria and demanded the withdrawal of Soviet forces from the West side of the lake. About the same time SHIGEMITSU, who had been on a mission in Western Europe, was sent to Moscow with instructions to secure the fulfillment of the Japanese demands. Then followed discussions in which the Soviet representative reiterated that the boundary ran along the height of land to the West of and not along the shore of Lake Khassan. He said this was supported by the Hunchun Protocol of 1886 by which the boundary line was fixed. SHIGEMITSU adopted a peremptory attitude and said regarding the Hunchun Protocol: "To my mind "at this critical moment speaking of some map is "unreasonable. This will only complicate matters." On 20 July SHIGEMITSU made a formal demand for the withdrawal of the Soviet troops, adding that "Japan has rights and obligations to Manchukuo to "use force and make the Soviet troops evacuate "from the territory of Manchukuo unlawfully "occupied by them".

On the question of the location of the boundary a map and a number of other evidentiary documents were produced before us and considerable evidence given. The Hunchun Protocol already referred to was signed in 1886 by the representatives of China and Russia and attached to it is a map indicating the boundary. In both the Chinese and Russian texts of the

Protocol there is reference to the map and both contain the following significant passage, "..... the red line on the map marks the boundary "all along the watershed and the water that flows "Westward and pours into the River Tumen belongs "to China and the water that flows eastward and "pours into the sea belongs to Russia." There is a slight descrepancy in the two texts in the detailed description of the boundary. That there may have been some doubts at the time as to the exact location of the boundary cannot be disregarded; however, in the state of existing international law such doubt, if any, as existed would not have justified a resort to arms.

On the 21st of July 1938 War Minister ITAGAKI together with the Chief of the General Staff obtained an audience with the Emperor and requested that the Emperor sanction the use of armed force at Lake Khassan to enforce the Japanese demands. The eagerness with which the War Minister and the Army desired to resort to military operations is illustrated in ITAGAKI's

untruthful statement to the Emperor, that the use of force against the U.S.S.R. had been discussed with the Navy and Foreign Ministers who were in entire agreement with the Army. On the following day, however, at a Five Ministers Conference attended by ITAGAKI the question of the opening of hostilities at Lake Khassan was discussed and in the decision adopted it was stated, "(We) have made preparations for emer-"gencies. The use of prepared military power is "to be carried out by the Imperial Order after "negotiation with the authorities concerned." Thus was obtained authority for the use of armed force at Lake Khassan; the only question remaining unsettled was the date of commencement of hostilities. This question was settled one week later: namely, on the 29th of July 1938, when the Japanese launched the first attack in the nature of a reconnaisance in the vicinity of Besymyannaya Hill, one of the hills on the height of land. This attack was made by a small number of troops, probably not exceeding one company, which succeeded in overwhelming the small Soviet border guard posted on the hill. Later in the day Soviet border guard reinforcements were brought up and drove the Japanese from the ground they had taken.

On the night of the 30-31 July the Japanese returned to the attack with the main forces of one division this time on another of the hills on the ridge known as Zaozernaya Hill. The witness, Tanaka, Ryukichi, whose evidence for the defense has already been referred to, confirmed the fact that on the 31st of July when

he returned to the area the Japanese troops were attacking in force. It is true that he adds that the Japanese troops were on Manchurian territory; but this statement may be based on the Japanese claim that Manchurian territories extended as far as the West shore of Lake Khassan; in any event the Tribunal can find no evidence that the initiative was taken by the Soviet troops, which alone would have justified the Japanese attack.

The fighting in the area continued from the 31st of July until the 11th of August, 1938, by which time with the aid of Soviet support troops brought up after the opening of hostilities, the Japanese troops employed in the operation had been defeated and practically wiped out. Thereupon the Japanese Government agreed that hostilities should cease and that the boundary be restored to the height of land along the range of hills in conformity with the Soviet contention.

From the evidence as a whole the Tribunal has come to the conclusion that the attack by the Japanese troops at Lake Khassan was deliberately planned by the General Staff and by ITAGAKI as Minister of War and was authorized at least by the Five Ministers who participated in the conference of the 22nd of July, 1938. The purpose may have been either to feel out the Soviet strength in the area or to seize the strategically important territory on the ridge over-looking the line of communication to Vladivostok and the Maritime Province. The attack having been planned and undertaken with substantial forces cannot be regarded as a

mere clash between border patrols. That the Japanese initiated the hostilities is also established to the Tribunal's satisfaction. Though the force employed was not very large the purpose above mentioned and the result if the attack had been successful are sufficient in the opinion of the Tribunal to justify describing the hostilities as a war. Furthermore having regard to the state of international law then existing and the attitude adopted by the Japanese representatives in the preliminary diplomatic negotiations, the operations of the Japanese troops were, in the opinion of the Tribunal, clearly aggressive.

OPERATIONS IN NOMONHAN (KHALKHIN GOL)

The hostilities in the Nomonhan district which lasted from May until September in 1939 were on a very much larger scale than those at Lake Khassan. They occurred at the eastern boundary of Outer Mongolia where it adjoins the Province of Heilungkiang. Immediately to the South is the Province of Chahar which in 1939 was under Japanese control.

The importance of Outer Mongolia in its relation to Japanese military plans toward the U.S.S.R. was great. Bordering as it does Soviet territory from Manchuria to a point West of Lake Baikal, its military control by an unfriendly state would be a menace to Soviet territory generally and in particular a menace to the Trans-Siberian Railway which is the connecting link between Soviet territory in the West and in the East and which for many miles runs approxi-

mately parallel with and not very far from the northern limits of Outer Mongolia. Outer Mongolia's strategic importance was recognized by both the U.S.S.R. and Japan.

As early as 1933 ARAKI in an article entitled "Japan's Mission in the Showa Era" advocated the occupation of Outer Mongolia adding that "Japan "does not want such an ambiguous area as Mongolia "to exist near to her sphere of influence. "Mongolia by all means should be Mongolia of the "East." A few years later in 1936 ITAGAKI, who was then Chief of Staff of the Kwantung Army, pointed out in a conference with Ambassador Arita that "Outer Mongolia is of importance from the "point of view of Japanese-Manchukuoan influence "today because it is the flank defense of the "Siberian Railroad which is a connecting line "between Soviet territories in the Far East and "in Europe. If Outer Mongolia be combined with "Japan and Manchukuo, Soviet territories in the "Far East will fall into a very dangerous condi- "tion and it is possible that the influence of "the Soviet Union in the Far East might be removed "without fighting. Therefore, the army aims to "extend Japanese-Manchurian Power into Outer "Mongolia by all means at hand....."

The U.S.S.R. in anticipation of a possible move by Japan or by any other country, in 1936 entered into a mutual assistance agreement with the Mongolian People's Republic in virtue of which Soviet troops were stationed in a number of Mongolian towns; some Soviet troops had been sent to the Eastern part of Outer Mongolia a short time

before the hostilities broke out in Nomonhan.

On the 11th of May, 1939, hostilities opened with an attack on the Mongolian border guards by Japanese reconnaissance troops numbering several hundred. Between that date and the 27th of the month further attacks were made by the Japanese in small numbers, each of which was repulsed. In the interval support troops had been brought up by both sides. On the 28th of May fighting was resumed on a large scale supported by aircraft, artillery, and tanks. Thereafter the struggle developed on an increasing scale and was only then terminated in September when the Japanese admitted defeat.

It is difficult to say with accuracy the size of the forces employed but that they were large can be judged from the various estimates of total casualties and the area of the operations. The Japanese casualties in killed, wounded, and prisoners exceeded 50,000, the Mongolian-Soviet losses being more than 9,000. The operations were on a front of 50 to 60 kilometers and to a depth of 20 to 25 kilomters.

The defense in this case is much the same as that in the Lake Khassan Incident: namely, that the affair amounted to nothing more than a border clash over a dispute as to the exact location of the boundary between Outer Mongolia and Manchuria. The Japanese contention was that in the area where the fighting took place the boundary was the Khalkhin Gol River which at that point flows in a North-Westerly direction, whereas the Mongolian contention was

that it was some 20 kilometers to the east of the river. Many maps were produced and much evidence given regarding the location of the boundary. Futhermore, evidence was given by members of the Mongolian border guard who had served for sometime before the clash that the boundary line was clearly marked with border marks along the line claimed by them as the boundary. It is not necessary to determine the position of the boundary at this time. It was subsequently agreed upon. The issue before us is concerned with the justification for the fighting which took place.

The most convincing evidence of the character and extent of the operations is found in a captured Japanese document being a Proclamation of the Commanding General of the 6th Army, dated the 5th of September, 1939. It reads as follows:-

> "Although the order to reform the 6th "Army was issued before, I must now "state with sorrow that the realization "of the glorious task of defense of the "North-west area failed because the "order was not carried out. The Army "was cast into a whirlpool of irregular "war on the frontier between Manchuria "and Mongolia. Such control of actions "on the front continued for more than "ten days into the present. Due to the "brave and resolute actions of all the "units under Lieutenant-General "Kamatsubara chaos in the course of

"battles was diminished. Now the Army
"is preparing in the Dzindzin Sume area
"for a new offensive.

"The Commanding General of the
"Kwantung Army decided this autumn to
"help us by sending the well trained
"troops stationed in Manchuria, he
"transfers them to the place of the
"future battle, places them under my
"command and plans urgent measures to
"be taken to settle the conflict. The
"circumstances are now such that it is
"clear that the matter is beyond the
"limits of a mere frontier conflict.
"We are now waging a sacred war in
"China and any changes in the conflict
"under the circumstances of the compli-
"cated inner and outer situation acquire
"great state importance. The army has
"only one way to carry out its actions,
"that is to make the army unanimous and
"consolidated and immediately strike a
"crushing blow at the enemy to annihilate
"its growing insolence. At present the
"preparation of the army is being suc-
"cessfully carried on. The Army will
"meet the coming autumn by finishing
"with one blow this mouse-stirring and
"will proudly show to the world the
"might of the selected Imperial troops.
"The officers and soldiers have a deep
"understanding of the present circum-
"stances. All men of the army from

"privates to high level are full of
"brave and decisive spirit and are sure
"of victory. The army is always ready
"to crush and destroy the enemy anywhere
"having a deep faith in its first
"marshal the Emperor."

No serious attempt was made by the defense to establish that the Mongolian or Soviet troops initiated the fighting nor was it contended in argument that such was the case. On the other hand the prosecution brought witnesses who had taken part in the operations who say that the hostilities were initiated by the Japanese-Manchurian troops. The Tribunal accepts the prosecution evidence on that point. Preparations for the conflict were undoubtedly made by the Kwantung Army but no evidence was given to enable us to say whether the General Staff or the Government authorized the commencement of the hostilities. The most the Tribunal is prepared to say is that it is improbable for operations to have been conducted on so extensive a scale without the prior knowledge of at least the Japanese General Staff and the War Ministry. Shortly after the outbreak of the affair, HIRANUMA, who was then Prime Minister, was informed of its occurence by War Minister ITAGAKI. He says in his interrogation before trial that he requested ITAGAKI to stop the hostilities but that he "could give no "orders" and that "the military circles were of a "different opinion". It is, therefore, clear that in the very early stages of the conflict both HIRANUMA and ITAGAKI had full knowledge of the

situation and there is no evidence that either did anything to prevent continuation of the conflict.

As in the case of the Lake Khassan Incident the Japanese troops were completely defeated; what would have followed if they had been successful is purely speculative. However, the mere fact that they were defeated does not determine the character of the operations. These operations were on a large scale extending over a period of over four months; they were obviously undertaken by the Japanese after careful preparation as appears from the Proclamation of the Commander-in-Chief of the 6th Army and the intention was to exterminate the enemy troops opposing them. The contention that the incident was a mere clash between opposing border guards is therefore untenable. In the circumstances the Tribunal holds that the operations amounted to an aggressive war waged by the Japanese.

THE DEFENSE OF CONDONATION

A subsidiary contention of the Defence with respect to both the Lake Khassan and Nomonhan fighting is that each was settled by an agreement between the Japanese and U.S.S.R. Governments. By an agreement signed by SHIGEMITSU and Molotov on the 10th of August, 1938, the fighting at Lake Khassan was brought to an end; each side withdrew to the positions occupied by them prior to the hostilities and thereafter tranquility was restored.

Under the TOGO-Molotov Agreement of the 9th of June, 1940, signed long after the fighting

had ceased at Nomohan, Japan and the U.S.S.R. agreed on the boundary between Outer Mongolia and Manchuria. Subsequently to these agreements a general settlement was made by the Neutrality Pact between Japan and the U.S.S.R. in April 1941.

Relying on these three agreements Counsel for Defence concludes his argument on the point by saying that after two types of agreements--one specific, one general, these matters cannot now be reopened.

In none of the three agreements on which the Defence argument is based, was any immunity granted nor was the question of liability, criminal or otherwise, dealt with. The Tribunal is therefore of the opinion that these agreements afford no defence to the criminal proceedings being taken before this International Tribunal. In a matter of criminal liability whether domestic or international it would be against the public interest for any tribunal to countenance condonation of crime either expressly or by implication.

DEFENCE THAT MONGOLIA WAS NOT INDEPENDENT

Counsel for the Accused TOGO in his argument generally on Count 26 submitted that the Count was not proven for the reason that the "Soi-disant Mongolian People's Republic" was an integral part of the Republic of China and not a sovereign state until 1945. The Tribunal is not concerned with nor does it consider it necessary to decide the status of Outer Mongolia. We are dealing with criminal matters in which intent is of paramount importance and the Defence will not now be permitted to repudiate the written committments of the Japanese Government in which it formally acknowledged the status of the Mongolian People's Republic. By agreement of the 9th June, 1940, between the Governments of the U.S.S.R. and Japan, signed on behalf of the latter by the Accused TOGO, provision was made for the fixing of the boundary between Manchuria and Outer Mongolia; the signatories respectively stating on behalf of the Mongolian People's Republic and Manchukuo that they consented to the agreement.

In the face of this clear acknowledgement of the sovereign status of Outer Mongolia and in the absence of evidence to the contrary, the Accused cannot now be heard to say that the point has not been proven, nor can they be heard to say that the Tribunal may take judicial notice of the fact that Outer Mongolia was until 1945 an integral part of the Republic of China.