Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

Mueble 7
Casilla 17

REPÚBLICA ARGENTINA

DIVISIÓN POLÍTICA

Ministerio de Relaciones Exteriores y Culto

GUERRA EUROPEA

Expediente ..... **Año** 1940

FOLLETO PUBLICADO POR EL CLUB DE LA PRENSA

DE TOKIO, CONTENIENDO ARTICULOS QUE

SE REFIEREN A LOS DIFERENTES AS-

PECTOS DE LA GUERRA EUROPEA.

EXP. 176.-

Jorman - 75510 For. 64

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

INDICE

FOLIO	FECHA	No.	PROCEDENCIA	OBJETO

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

Guerra 176

MESA DE ENTRADAS Y EXPEDICIONES
A
DIVISION ASUNTOS POLITICOS

LEGACIÓN
DE LA
REPÚBLICA ARGENTINA

No.77

Tokyo, 3 de Febrero de 1940.

MESA DE ENTRADAS
Y EXPEDICIONES
25 MAR. 1940
MINISTERIO DE RELACIONES
EXTERIORES Y CULTO

Señor Ministro:

El Club de la Prensa de esta Capital ha publicado un folleto de casi cien páginas, conteniendo diversos artículos en los que se examinan aspectos diferentes de la guerra europea, pero considerados bajo el punto de vista japonés. Habiendo leido el folleto y estimando de interés su contenido para la información de ese Ministerio, he comprado un ejemplar, para remitirlo a V.E.

En este mismo correo y por separado sale el ejemplar a que aludo. Los asuntos de que trata la publicación son los siguientes:

ANEXO
CONFORME

La actitud del Japón en el conflicto de Europa;

La guerra y este país bajo los aspectos políticos y económicos;

El Japón y el acercamiento ruso-alemán;

La abrogación del tratado de comercio y navegación con los Estados Unidos;

El gobierno de Chungching;

Francia é Inglaterra;

La Unión Soviética en la guerra;

El Norte de Europa y el Soviet;

Hitler y el nazismo;

ANOTADO

A S.E. el Señor Ministro de Relaciones Exteriores y Culto,
Doctor Don José María Cantilo,
Buenos Aires.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

Dancing y la guerra;

La partición de Polonia;

Posición de Italia;

Los balcanes; y

La India y las Indias Holandesas.

Los artículos no están firmados, pero según se dice en la introducción (ver páginas 1 y 2), son obra de pensadores japoneses y escritores con conocimientos especiales en los asuntos que se desenvuelven. Además se alude en los mismos a opiniones que se han publicado en los principales diarios del país.

Esperando que el envío sea útil a ese Ministerio saluda a V.E. con su más alta consideración.-

Rodolfo Arlas

Buenos Aires, Abril 4 de 1940,

Acúsese recibo.

MINISTERIO DE RELACIONES EXTERIORES Y CULTO
4 ABR 1940
DIVISION DE ASUNTOS POLITICOS

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

ANEXO a la Nota No.77 de la Legación de
la República Argentina en el Japón,
de fecha 3 de Febrero de 1940.

LEGACION DE LA REPUBLICA ARGENTINA



THE TOKYO PRESS CLUB

1940

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

Japan Surveys
The European War

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

All Rights Reserved

1940

The Kenkyusha Press

CONTENTS

Introduction 1
Japan's Attitude 3
The War and Japan (*Political*) 13
The War and Japan (*Economic*) 19
Japan and the German-Soviet *Rapprochement* 22
Abrogation of the America-Japan Commercial Treaty 26
The Chungking Government at a Cross-way 34
Britain and France 42
The Soviet Union in the War 49
Northern Europe and Soviet Policy 55
Hitler and Nazism 60
Danzig and the War 65
Partition of Poland 69
Where Italy Stands 73
The Balkans 79
India and the Netherlands Indies 84

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

INTRODUCTION

In the modern world a nation can no longer stand alone. Science has been continually speeding up means of communication, so that today land frontiers have lost their old significance and even the very oceans that divided one continent from another cannot now be considered as barriers. A few hours' travel by air and the statesmen of different nations can meet together over the council table ; a few words spoken over the radio and the whole world can be set thinking.

Today the destinies of any one country are intimately associated with the trends of opinion of neighbouring countries and the governmental policies of those neighbours. And the same applies even when countries are not geographically in proximity. No nation can afford to isolate itself—nor could it make any really successful attempt to do so ; indeed, neutrality today is no more than a political abstraction.

It can be well understood then that thinking people even in neutral countries should be anxiously scanning the progress of the war in Europe and endeavouring for what must prove the common good to diagnose its repercussions on their own affairs. Already in Europe the neutrals have found it necessary to expand their armaments and consolidate their defence forces. Some of them are finding their budgets upset by the expenses entailed on account of a war in which they are non-participants ; their governments in many cases have had to impose restrictions on fuel and food consumption, different perhaps in extent, but not in kind, from those imposed by the governments of the warring Powers.

Japan is thousands of miles removed from the scene of conflict, yet her business and shipping circles have already been directly affected by the warfare in Europe. Japan, moreover, finds herself in a position very different from that of the other neutrals ; for she is still engaged in actual conflict in China—a conflict which is on a scale greater than any war recorded in her history. In the course of this conflict she has found herself at cross-purposes with both Britain and France ; while her ties with Germany were at one period of the closest.

Vitally important for her, too, are her relations with the Soviet Union which, straddling two continents, is now disturbingly active in Europe and by no means quiescent in Asia. The United States, also, Japan's neighbour across the Pacific, has shown herself keenly apprehensive over developments in the Orient.

The members of the Tokyo Press Club, feeling that some attempt should be made to formulate Japanese opinion, have collected and issued in the present pamphlet the opinions of leading Japanese thinkers

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

and writers on the European War in particular and the activities of the various Powers in general. They have gone through the leading Japanese periodicals and the editorial and feature pages of all the important newspapers in Tokyo and have culled therefrom those articles which they considered best represented the views of the various schools of political thought in Japan.

The opinions expressed may or may not conform with actuality; they are admittedly diverse and variegated; but it is the belief of the compilers that taken all in all they do present an authoritative exposé of Japanese views *vis-à-vis* the present world situation.

JAPAN'S ATTITUDE

WHAT attitude will Japan assume in case another European war breaks out? The question, four months ago, was one of paramount importance and interest to the world in general and to the major Powers in particular. And it was of the greatest concern to Japan. Toward the end of August (1939) as the situation in Europe became more and more ominous, Japan began taking further serious note of the general trend of affairs with a view to determining her future course of action.

"It is undeniably true," declares the *Yomiuri*, in its editorial of Aug. 25, 1939, "that the Powers are interfering in Far Eastern affairs not only for the purpose of protecting their interests but also to utilize the China affair and Japan's political status in East Asia as a tool for solving the European questions. The American abrogation of the Japan-U. S. Commercial Treaty should be considered as a political threat made in order to insinuate the possibility of an Anglo-American collaboration against the anti-Comintern axis."

The editorial further states: "We should be prepared to see the European and American attitude toward Japan becoming hereafter more outspokenly utilitarian and more inspired by ulterior motives. Japan's political and economic policies, in coping with the situation, should be one well founded upon immutable conviction. We should be particularly careful not to be influenced by any tempting baits that some Powers might display before our eyes. The changes in the international situation of late have generally been unfavourable to us, but we should realize the true intentions of the Powers and carry on straight ahead along our determined course."

What the nation most desired in this connection was that the Government authorities should come out with a definite declaration of policy. And so Premier Abe's statement to the press, although far from coming up to the public expectation, apparently created a sense of stability among the people.

"The Premier has declared that he will make the creation of the new order in East Asia the starting point in Japan's diplomacy," comments the editorial of the *Tokyo Nichi Nichi* (Sept. 2, 1939), "and, although how this start will be made is a question left unanswered, what we should like to suggest to the Premier is the need of making the nation fully understand the direction toward which the start is to be made and the significance of the start. To have the national sentiment and intelligence directed to one objective and then to begin the actual diplomatic activity necessary is the way a practical statesman should follow."

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

JAPAN SURVEYS THE EUROPEAN WAR

The editorial appreciates the Premier's concern over ascertaining the national opinion and assures him that as long as he retains this enthusiasm, his Cabinet will not repeat the blunder its predecessor committed, no matter what diplomatic policy it may formulate.

With the breaking out of the European War, the *Yomiuri* warns the public (Sept. 3, 1939) that the people should neither expect a war boom such as the one they experienced during the first World War nor expect that the retreat of the major Powers from China would help Japan to dispose of the China affair so very advantageously to herself.

" In the economic field," says the editorial, " the light industries may regain their vitality and the shipping business may become busier, but there are many unfavourrable factors such as the further reduction in import of raw materials, shortage of bottoms and serious effects on foreign exchange. We should be rather careful against a rise in commodity prices and inflation."

The editorial shows more concern over the diplomatic aspects of the war. While it considers the dwindling of British aid to the Chungking Government as certain, it admitts the danger of Soviet Russia's taking Britain's place. Although Moscow signed a non-aggression pact with Berlin, the editorial thinks it unlikely that Soviet Russia will readily plunge into the European turmoil but considers it more probable that Russia expects to see the major capitalist Powers exhaust their strength by fighting among themselves.

" It is easy to suppose," continues the editorial, " that, taking advantage of the British absence, Russia may redouble its efforts to bolshevize the Chungking régime. Under these circumstances, while it is of vital importance to decide on our diplomatic policy with the disposition of the China affair as its pivotal point, a general economic policy should demand equal consideration."

The editorial concludes by warning the people of the serious mistake they can make in thinking that the European War would somehow accelerate the winding up of the China affair in a manner favourable to Japan.

" Non-intervention," insteas of " neutrality " as might have been expected, was the term officially used by the Japanese Government in defining Japan's attitude toward the European War, the attitude which was decided upon at a cabinet meeting held on September 4, 1939.

Reviewing briefly the British attitude toward Japan during the past 20 years—the attitude that is described as " that of open enmity, short of the actual hostile employment of arms, "—the editorial of the *Yomiuri* (Sept. 5, 1939) states ; " Whatever situation Britain may be facing in Europe at present, when we remind ourselves of the British Far Eastern policy during the past 15 years and the action taken regarding the China affair, our national sentiment toward Britain should be easy to fathom."

JAPAN'S ATTITUDE

As to the anti-Comintern pact, the *Yomiuri* editorial declares that Germany deliberately violated the spirit of the pact by concluding a non-aggression pact with the Soviet Union. Even though Germany may have found justification for signing the pact in the pressing need to safeguard her national existence, the breach of faith was none the less committed, and the action was intolerable to the Japanese people.

" It is highly proper on Japan's part," continues the editorial, for her to go ahead according to her own policy of siding with neither camp in the European War . . . Now that the Anglo-French help to the Chungking authority is bound to be withdrawn, this European War is a heaven-sent opportunity for Japan to wind up the China affair. The Abe Ministry need not hesitate but should concentrate all the efforts of the nation on disposal of the affair. The construction of the new order in East Asia is our noble aim but, in the process of achieving the end, we do not have to follow necessarily the beaten path. Establishment of a new plan of action to cope with the changing situation and making the most of this opportunity is the greatest mission imposed upon the Abe Ministry."

The policy of non-intervention having been declared, the *Miyako* approves in its editorial (Sept. 7, 1939) the warning issued by the Japanese Government to the authorities of the belligerents " to give the most serious consideration to eliminate all causes that might lead to untoward events between Japan and the belligerent Powers in China."

" The warring Powers should give careful heed to Japan's warning," states the editorial, " the warning is given out of desire not to see the European turmoils extend to East Asia and hamper Japan's task in China. The Powers should observe a policy of non-intervention in East Asia. The Powers well know what elements are obstructing Japan's efforts in China and should voluntarily remove them or Japan will see them eliminated."

Particular emphasis is given by the *Tokyo Asahi*, in its editorial (Sept. 6, 1939) to the fact that Japan should not fail to take this opportunity to wind up the China affair to her best advantage. The editorial is more specific and to the point than that of the *Miyako*. It declares :

> Whichever side may win in this war, there is one thing in regard to which Japan should be fully prepared ; that is, needless to say, she should see to the winding up of the China affair before the European War is ended. Some people may even regard the European War as a rare opportunity that will prove favourable to Japan in many ways, but should the affair drag on for years and, in the meantime, either the Allies or Germany may come out victorious, with what attitude would either the Anglo-French or the Germano-Russian coalition approach Japan and perhaps interfere with the settlement of the China affair ?

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

JAPAN SURVEYS THE EUROPEAN WAR

If Germany wins the war, she is likely, in a characteristically cool and calculative manner, to tempt Russia to disturb East Asia in the same way as the Kaiser lured Nicholas to launch an invasion of the Far East. Should the Anglo-French combination win, they would not be satisfied with victory over Nazis' totalitarianism but would try to impose pressure upon us.

We should therefore be prepared. We should make ourselves sufficiently strong to repel any insolent demands that any Power might be tempted to hurl at us; and the best way to do this is to render the fullest support to the new central government that is being established in China and make our projected new order in East Asia a *fait accompli*. Success or failure of our continental policy really depends on this.

It is interesting to note, in this connection, that the editorial of the same paper, the *Tokyo Asahi*, (Sept. 5, 1939), is quite philosophic in calling upon the nation to make a return to Oriental ideology. The editorial reveals undisguised disgust at the ideological manifestions or motives that simply make for complication of the political situation in Europe, opining that "the sum total of European affairs remains, for our nation, one unsolvable puzzle."

"It is but natural," says the editorial, "for us to feel intensely that now we should discard the idea of looking to the culture of the West, and go back to Orientalism. This simple, honest and straight national spirit is what endures, and statesmanship should digest and make the best application of this spirit; particularly at the present juncture, when the course the Japanese nation should follow is so evident in view of the enormous sacrifice in man power and materials we have now been making for three years for the sake of the welfare of the Oriental peoples.

"Our non-intervention policy definitely sets forth the fact that we are not after the petty profit that might be gained by taking advantage of tumultous conditions elsewhere. Our great mission of building a new East lies before our eyes; no way is open to us other than to push straight ahead on our chosen path."

The matter of greatest concern to the Japanese consequent on the outbreak of the European War is the diplomatic policy to be taken by their Government. This has the closest bearing upon the China affair, and it is a matter of logical sequence that all editorial comments on the European situation should eventually centre on that subject.

"The fundamental policy of our Government, namely non-intervention and rejection of foreign elements hostile to our country and the befriending of those who co-operate with us, meets with the universal approval of our nation," says the *Miyako* (Sept. 9, 1939). "We once stated that we need not distinguish our friends from our foes in haste; we advised our authorities just to prepare so as not to be upset when an

JAPAN'S ATTITUDE

unexpected event occurs. That the Government has decided on its basic policy and is assuming an attitude of inquiry meets with our approval, but what plan of action it is trying to formulate is hidden from our sight by a smoke screen and the people are therefore studying the subject by themselves.

"The subjects the people are studying may be divided into three categories; namely (1) making the anti-Comintern axis the basis of Japan's diplomacy, (2) co-operating with England and the United States and (3) signing a non-aggression pact with the Soviet Union. If Russia gives us a convincing proof of fidelity, we may talk business: that the anti-Comintern pact has been deprived of its teeth has been conclusively demonstrated by Japan's protest filed with the Berlin Government against the signing of the non-aggression pact with Russia, and the Anglo-French hostility toward a Japanese pact with Russia; and that the Anglo-French combination is still actively hostile in China is beyond dispute.

"Unlike the European and American states, Japan bases her policy upon the spirit of moral principle but not on utilitarianism. But we have been shown, all of us, that in international associations there are no such things as everlasting friends or enemies. As long as it does not go contrary to our moral conception, we should not single out a nation as our eternal enemy. The anti-British sentiment that once swept over this country was aroused because Britain deliberately attempted to hinder our national aspirations. All depends on what attitude these Powers assume toward this country hereafter."

The object of Japan's diplomacy naturally claims the editorial attention of the leading papers, and the *Tokyo Asahi* (Sept. 24, 1939) dwells emphatically on the urgent need of "freshening" up the personnel plan of the Foreign Office in order to cope with the changing European situation.

"We can truthfully declare," says the editorial, "that there is need for the Foreign Office to re-shape its personnel plan on the basis of the policy of non-intervention, and that a change in the ambassadors to the United States, Germany and Italy is of utmost importance. This is because non-intervention means Japan should follow neither a pro-German nor a pro-Allies policy but should forge ahead toward the goal of fulfilling Japan's mission to establish a new East Asia, and it is only proper that all complications arising out of our former European policy should be completely eliminated.

"Our experience since the outbreak of the China affair and the sudden turn of affairs in Europe have given us serious food for thought concerning our diplomacy. Not to depend upon any external power at all, not to agree blindly, but to be on terms of harmony with all neighbours, should constitute the basis of our diplomacy. Since we stand upon the principle of harmonizing the different Oriental peoples, we

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

should not become involved in the disputes of the separatist, discriminatory Aryan peoples, but should stand fast to our fundamental position of fostering an Oriental culture that is old yet new and is immune from alien cultural influences.

"By directing all our efforts to that end, we shall at least enhance the value of the basic principle of non-intervention. For if our attitude were so calculating that we followed a policy of non-intervention out of mere considerations of profit and loss, on the Balkan model, non-intervention would be simply a synonym for cowardice. The appointment of the new Foreign Minister, Admiral Nomura, therefore, should not be for the purpose of demonstrating Americanophile tendencies but should be for the purpose of making others really understand our true intentions in regard to establishment of permanent peace in East Asia and the Pacific area."

Referring to the appointment of Admiral Nomura as Foreign Minister, the *Yomiuri* (Sept. 26, 1939), reminds the Government that the fact that Admiral Nomura is well known in the United States and has many friends among Americans should not alone be considered sufficient to qualify him as Foreign Minister.

"A Foreign Minister," said the *Yomiuri*, "can never do his best work in the diplomatic arena by relying solely on the strength of his own popularity or personality. Only when the individual Minister is perfectly adjusted to the whole diplomatic framework can we expect wholly satisfactory results.

"The Government, of course, did not appoint Admiral Nomura with Japan-American relations in mind. The appointment was made, we believe, because of a conviction that adjustment of relations with the major Powers with reference to the China affair was more important than anything else."

The editorial points out how Britain and France have been hampering Japan's work in East Asia and asks the Premier to obtain a lasting solution of the question of the Nine-Power Treaty which the Anglo-French side insists on upholding.

"Even if the Powers (especially Britain and the United States) realize the incongruity of insisting on upholding the Nine-Power Treaty in view of the current changed situation in East Asia, their obstructive activities will continue even as the China affair progresses unless a fundamental solution to the problem is found," adds the editorial, and demands that the Abe Ministry march straight ahead, without letting itself be influenced by any petty pressure from outside.

The *Yomiuri* furthermore dwells (Sept. 22, 1939) on a similar subject with particular reference to the speech delivered by the American Ambassador, Joseph Clark Grew, at a meeting of the Japan-America Society in Tokyo on October 18, 1939. It points out how America herself, by virtue of the Monroe Doctrine, is establishing her own

peculiar political and economic structure in the Western Hemisphere, aiming at the exclusion of others, and asks why Japan's programme of realizing a Japan-Manchoukuo-China economic *bloc* should merit the ire of America. "In the statement of American Ambassador Grew that there is no mistake on the part of America, there is a fundamental serious mistake," says the editorial, and adds :

> Foreign Minister Nomura has declared that the new order in East Asia is not a petty scheme, as third Powers seem to be suspecting, nor is it so frail an affair as to be made shaky by interference on the part of third Powers. This is as it should be and no amount of misunderstanding or hindrance on the part of the United States or anybody else will affect in the least our fixed national policy. We merely realize, in view of the speech made by Ambassador Grew, how thorny our path must be, not only in the task of disposing of the China affair but also in the matter of adjustment of our relations with the Powers, with reference to the affair.
>
> Only by marching resolutely forward over all these obstacles shall we be able to see the broad highway to our goal of the new order open before us. In this connection, we shall not criticize the American misunderstanding from just a sentimental viewpoint, but shall centre our efforts on correction of the misunderstanding.

Almost simultaneous reports were made known to the world of Moscow's denunciation of the non-aggression pact with Finland and of Premier Chamberlain's announcement of the British intention to seize even neutral vessels if they carried anything destined to Germany. The *Tokyo Asahi* (Nov. 30, 1939), provoked to harsh comment, states :

> Whatever the motive of this action on the part of the Soviet, this cannot be regarded as an act reflecting credit on such a big nation as Soviet Russia with a population of 170,000,000, while Finland is only a small nation with a population of little more than 3,000,000: and the defensive statement made by the British Premier in justifying the ruthless seizure of neutral ships must be stamped as simply an unpardonable sophistication.

The *Yomiuri* (Dec. 1, 1939) sympathizes with the trying situation in which Finland is finding herself and sarcastically concludes :

> We have learned a very good lesson from this incident that no non-aggression pact is of any avail to guarantee a nation's security. This is indeed a very good lesson that we have learned, especially in view of our current special relations with the Soviet Union.

But the *Tokyo Nichi Nichi* (Dec. 1, 1939) sees the prospects of future Soviet relations with Germany as anything but bright in view of

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

the Soviet advance into Finland and other Baltic states. " The present Soviet advance likely to be achieved in the Baltic areas," it states, " will prove to be an apple of discord in the future between the Soviet and Germany. Even if the Soviet Union may thus have been enabled now to accomplish its aims in Finland, that will in no wise increase the Soviet percentage of national security. The Soviet possibly will have to face serious trouble with Germany in the long run."

The Russian attack on Finland, however, does not affect Japan's attitude. As the latest addition to the object lessons in international politics in " European style " it only serves to convince Japan further of the undependability of pledges made among nations, and impresses Japan all the more strongly of the wisdom of not depending unduly upon the " faith " of others.

It may be of some interest to quote from some of the leading Tokyo periodicals certain outstanding points in the remarks of representative commentators on current world affairs with particular reference to Japan's attitude.

" We should not be over-excited about the European War and forget our most important mission, which is the establishment of permanent peace in East Asia," says Hachiro Arita, Foreign Minister in the Hiranuma Cabinet, the predecessor to the present ministry, in a short article on diplomacy published in the October, 1939, number of the *Kaizo*. " We have decided on a policy of non-intervention and the establishment of lasting peace in East Asia is a vital mission imposed upon our country. To that end we shall need to form an East Asian economic *bloc* and the question of promoting our overseas trade comes naturally to the fore. We shall have to adjust our foreign relations and cope with the changed European situation with these needs in our minds.

" Although Japan has declared that she will stand aloof from the European upheaval, her position and aspirations in East Asia may still be subjected to suspicious interpretations on the part of third Powers. We have repeatedly declared our intention of respecting their rights in China but they seem to have difficulty in appreciating our true motive, and therein lies the knotty aspect of adjusting foreign relations."

Mr. Arita mentions the fact that some Powers want to know what Japan seeks to accomplish in regard to the rights and interests of third nationals or the Open Door, and says : " It is just as impossible to know all at once as it is impossible to ask others to understand all at once."

But we should not let others remain ignorant of our true aims ; we must make them understand by all means. " The emphasis in adjusting our foreign relations should be laid on that particular point," he says. In carrying out this difficult task, Mr. Arita realizes that many obstacles may beset the way and counsels a steady, gradual effort, without forcing anything upon others, without ourselves " flirting."

" In this fast changing world of ours, the basis of our diplomacy should be to maintain friendly relations with all nations and proceed straightforwardly. It is a dangerous idea to form a particular amity with a specific nation and be influenced by it," adds Mr. Arita.

" Non-intervention in the European War and the disposition of the China affair are not two different matters but are one and same," declares Tadao Matsumoto, erstwhile Parliamentary vice-Minister for Foreign Affairs, in the September, 1939, edition of the *Diamond*. " Non-intervention means that, although Japan will not voluntarily involve herself in the war, she may assume whatever attitude she deems right out of the necessity of utilizing the European War in winding up the China affair. It definitely does not mean that Japan will remain an idle spectator."

To make the most of these rare opportunities that have presented themselves from two different quarters in carrying on the great task of building a new East Asia is the proper way to dispose of the China affair. Should we fail in this, it would be an act of defiance of Heavenly will, he states.

Markedly frank and outspoken is an article by Tsugimaro Imanaka in the October, 1939, issue of *Nihon Hyoron* (The Japan Review). He describes at length what diplomatic blunders Japan has committed, questions the wisdom of the anti-Comintern pact and points out the way Japan should follow in pursuit of her national mission. He wonders why Führer Hitler was in such a hurry to conclude the non-aggression pact with Stalin, saying : " I dare say the pact was a German diplomatic failure because I cannot think it was the best diplomacy," and questions why the Chancellor did not consider a non-aggression pact among the four Powers, Japan, Germany, Italy and Soviet Russia.

He makes it plain that he is not taking up the ideological aspect of the anti-Comintern pact but its political significance, declaring that he can find none since the outbreak of the China affair. " What have both Germany and Italy done for the sake of Japan in this China affair ? " he asks, and citing the cases of the German and Italian arms exports to Chiang Kai-shek, the circumstances under which the German military advisers left the Chungking authority, the attitude of the German Ambassador to Chungking and the marked increase in German-Italian overseas trade in the Orient achieved on account of the anti-Comintern pact, he says, " For whose benefit has this anti-Comintern pact been existing, I wonder ? "

His views concerning Italy's rôle in the pact, her relations with Germany and other European Powers or those concerning Germany with particular reference to Japan will not be favourably received in some quarters. He briefly reviews the British status in China and the vital significance of the new order in East Asia, and in his conclusion states :

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

JAPAN SURVEYS THE EUROPEAN WAR

We have seen two different opinions advanced relative to the outcome of the European War. One is that in case Germany (and Italy) should be defeated by the Anglo-French forces, then Japan will be the next object of the Anglo-French attack ; Japan therefore should support Germany (and Italy) and help them win. The other is that since in all probability Britain and France will be defeated and Germany (and Italy) win in this war, Japan should side with Germany (and Italy). The latter opinion is aired by advocates of a Japan-Germany-Italy alliance.

The presence of these contrary views regarding the outcome of the European War shows well enough the danger of trying to decide one's attitude on the probable outcome of the conflict. We thought Italy would join the German camp at once, making a common front, but she has not. Quite likely, Italy will decide her attitude after a survey of the general situation. This is the wisest step to take.

As could be seen in the case of the World War of 1914, the most benefit was derived from the war neither by the victors nor by the vanquished, but by the neutrals. And Japan is one of the neutrals now. No matter which side may win, as long as Japan stands neutral, she will lose nothing. Engaged as Japan is in the China affair, she stands opposed against Britain in China, but should Britain concede to Japan in China, Japan may support Britain in the European War. Even if the Anglo-French forces achieve victory, they will naturally be exhausted in the aftermath of the war and could not directly turn their spearhead against Japan. In the meantime, Japan will have progressed in her task of disposing of the China affair and have firmly established the new order in East Asia.

In this European War, Italy will try to seize an opportunity of acting as mediator. But since Germany has conquered Poland, there can be no possibility for compromise on the part of Britain and France, no matter what may happen, until Germany is defeated. As must be quite clear to any one who had looked into the primary cause of the outbreak of this war, the war has been declared by Britain with the avowed purpose of crushing Hitlerism, and unless either Britain or Germany is down and out, Britain can never think of taking a backward step.

If compromise were possible now, before the war develops any further, there would have been no war. The British and French war aim is to defeat Germany and smash the Nazi power. Consequently, there may be no need for Japan to work toward a compromise with European and American Powers in East Asia on the assumption of a compromise between the Allies and Germany.

THE WAR AND JAPAN *(POLITICAL)*

TANZAN Ishibashi, Editor of the *Oriental Economist*, in his contribution to the *Chugai Shogyo Shimpo* (Sept. 18, 1939) discusses the international situation engendered by the outbreak of the European War with particular reference to the position of Japan. He says :

> The opinion is gaining ground among various sections of the Japanese people that this country should reshape its foreign policy along pro-Soviet and anti-British lines and should, in fact, seek to readjust its relations with the Soviet Union. The upper stratum of rightist groups is coming round gradually to this point of view and a certain lieutenant-general and a colonel, both retired, who are regarded as leaders of the rightist faction, are already keenly advocating such a policy. Whether this policy would be really advantageous to Japan or otherwise is a question that must be given further study, but it is at any rate significant that certain quarters are thinking along these lines.

Mr. Ishibashi, commenting further on the current situation, asserts that this trend owes its origin to what is called the queer and complicated international situation that arose after the conclusion of the German-Soviet non-aggression pact and to the consequent tendency in this country favouring the adoption of an autonomous foreign policy. An autonomous policy is quite different from an isolationist policy, he says, and he goes on to point out how remarkable it is that there should be talk of readjusting Japan's relations with the Soviet Union, which used to be generally considered by the Japanese as their implacable enemy. He says :

> The Japanese people have been given the impression by their leaders that under no circumstances is a Japan-Soviet reconciliation possible. And now they are asked to change their opinion overnight. Whether such a policy is right or wrong is another question ; the point is that they are likely under the circumstances to lose confidence in the statements of their leaders.

Mr. Ishibashi continues :

> As far as I am concerned, I am in favour of a readjustment of Japan-Soviet relations. A United States senator declared that a Japan-Soviet *rapprochement* would be a great menace to democracy and would invite among Americans a feeling akin to a war threat. This is going too far.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

In my opinion, there is nothing unreasonable about the readjustment of Japan-Soviet relations, and if any apprehension exists in this connection it is blamable entirely on the past policy of Japan which has led the Japanese people to think that Japan can never be reconciled with the Soviet Union. Such a change in Japan's foreign policy is not at all unnatural. Thus the Anglo-Japanese Alliance did a lot of good in the way of protecting Japan's national interests, and the situation then prevailing was such as to necessitate the alliance. But the situation changed after the termination of the World War and the alliance was regarded as a nuisance. All this was caused by a change of circumstances.

Commenting on the European War and Japan in his article printed in the *Yomiuri Shimbun* (Sept. 14, 1939) Yasuzumi Yamazaki, of that paper, says :

There is not the least need for Japan to serve as watchdog for Britain ; rather it will be better for Japan to follow the policy which it considers necesssry for the construction of a new order in East Asia. Germany and Italy have no ambition in East Asia at least for the time being and Japan's co-operation with them is still possible. Another important matter for this country is the readjustment of Japan's relations with the Soviet Union, forsaking the tradition of the past and the old way of thinking. Japan's policy of non-involvement in the European War is acceptable, but, if it was motivated by a reckless desire to attain peace, while accepting humiliation, retrogression, and maintenance of the *status quo*, then it must be given up.

Referring to the effect on Japan's position of the outbreak of the European War, Teizo Taira comments as follows in the October, 1939, issue of the *Chuo Koron* :

Japan's most serious concern in connection with the European War is the effect it will have on the China affair and her present policy for disposing of that affair. It was thought that the European War would have an advantageous effect on the East Asiatic situation, since all the Powers with the exception of the Soviet Union have been obliged to abandon their policy of aiding the Chiang Kai-shek régime. So far, however, Japan has reaped no such advantage from the war in Europe. On the other hand, the Soviet Union is expected to pursue, with renewed vigour, its policy of aiding Chungking, since the Kremlin is now free, as a result of the German-Soviet non-aggression pact, to carry out its Far Eastern policy. And the United States will continue to help Chiang Kai-shek. Britain and France will give up their past policy of aiding the Chungking Government, but the United States will act as their agent, without considering Japan. Behind China's resistance against Japan stand these four big countries ; however, the fact must not be lost sight of that

China is utilizing these Powers for the sake of resistance against Japan and that these Powers did not themselves instigate China to resist. In formulating a policy for the disposal of the China affair this fact should be borne in mind.

Laying emphasis on the need for unification of politics in order to meet the new situation created by the outbreak of the European War, Makoto Hori in his article in the October, 1939, issue of the *Kaizo* magazine writes as follows :

Japan's European policy has gone by the board since the conclusion of the Reich-Soviet non-aggression pact ; hence the Japanese declaration of non-involvement in the European War. In any case Japan's participation in the European War is hardly conceivable at a time when she is wholly absorbed in the disposal of the China affair. However, circumstances do not allow Japan to stand outside the orbit of world politics, for the political aspects of the China affair are directly and indirectly related to Japan's international relations. Hence in considering the outbreak of the European War it must not be forgotten that the China affair and its disposal are inseparably connected with the world situation. An autonomous policy is not necessarily glorious, although it must be admitted that Japan used to depend too much on foreign countries and followed some of them almost blindly. Thus Japan committed a great blunder in indiscriminately accepting German totalitarianism because of the political connection that once existed between herself and Germany. Totalitarianism took root in Germany because it suited the German people but its ideology is not conformable with Japanese conceptions and can hardly be accepted in Japan or in the Orient.

Turning to Japan's political structure, he argues :

Japan's greatest defect in the political sense is a lack of unification, a lack which has been felt most acutely since the outbreak of the China affair. The Japanese people have every reason to wonder where the centre of politics really lies. Strenuous efforts have been made to achieve unification ever since the Konoye Cabinet was formed. And there has been more than one cabinet reconstruction carried out in an attempt to rally first-rate men, while a five-Minister conference system was inaugurated ; but so far the results have been poor. A really strong cabinet is badly needed, while simultaneously the whole strength of the nation must be mobilized into the course of political efficiency. The disposal of the China affair will not be solved by military and diplomatic strength only ; the whole nation must manifest its strength.

Dwelling upon what is called the "queer and complicated situation in Europe," Masamichi Royama, former professor of politics in Tokyo

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

Imperial University, comments as follows in his article contributed to the *Yomiuri Shimbun* (Sept. 25, 1939):

> Everything is queer and complicated in European politics. "Queer and complicated" is the most fitting description possible of the prevailing European situation, but if one studies the matter closely it is not difficult to see the causes and reasons for the present state of affairs. The Powers are seeking security and the elimination of uncertainty and, in the process, they have brought on a great war. "Have" countries standing for the maintenance of the *status quo* have found it impossible to continue with a policy of moderation and have entered into an armed alliance; "Have-not" countries have striven to create something stable out of the uncertainty engendered by their national expansion and development; and all have failed in their attempt to seek security and peace. Herein lies the tragedy of Western Europe and the bankruptcy of European culture.
>
> This is a good object lesson to Japan, but the Japanese must be careful lest they should be disadvantageously affected by it. Present developments in East Asia are not necessarily favourable. Since the outbreak of the China affair, cries have been raised in many quarters concerning the need of strengthening the Japanese spirit and of going back to the East Asiatic spirit, presumably in an effort to stir the consciousness of the Japanese people and have them draw a line of distinction between the Orient and the Occident. Real politics, however, has failed to develop in this direction, thus revealing the fact that there is an element of unreasonableness and strain in this attempt at spiritual exhortation. Japan had better take this opportunity to renounce any such policy aimed at drawing an unnecessary and artificial distinction between the Orient and the Occident; and, while she must at the same time look askance at any attempt to draw the Orient and Occident artificially together, it is nonetheless necesssary for her to observe in what way Eastern countries can co-operate with the nations of the West.
>
> Japan's present position in East Asia is an actual fact, but it has not been accepted internationally. If Japan is simply absorbed in the realities of the situation, the latter will undoubtedly develop in a queer and complicated way. The reality must be connected with an ideal, which may be termed "the construction of a new order in East Asia." This construction means the expansion of Japan's special position in East Asia, something which the other countries have so far failed to accept. Japan is now taking up this great task in the face of world opposition.

Commenting on the new situation in Europe and Japan's position, in his article in the December, 1939, issue of the *Chuo Koron*, Toshio Shiratori, former Ambassador to Italy, says:

> There is nothing "complicated and queer" about the prevailing European situation. It is quite natural that the three disgruntled nations of

> Europe, Germany, Italy and the Soviet Union, should be co-operating to obtain a revision of the situation brought about by the Versailles Treaty. Germany through co-operation with Italy managed to restore most of what she lost by the Versailles Treaty and now through shaking hands with the Soviet Union has got back all she lost. On the other hand, Italy has not been repaid for any of its sacrifices she made during the World War. If the present European War is merely concerned with correcting the one-sided situation created by the Versailles Treaty, it does not mean very much to Japan, but, if it means the creation of a new order in Europe out of the old, then it will have great significance in view of what Japan is now doing in East Asia. The most important thing for Japan in this connection is to have a Power or several Powers as her friends who understand her great task.

On the other hand, in the October 1, 1939, issue of the *Gaiko Jiho* Shigeo Suyehiro, professor emeritus of Kyoto Imperial University, says:

> Some sympathize with the present position of Germany, which led it, they say, to conclude a non-aggression pact with the Soviet Union. Germany, they declare, has not left Japan in the lurch and there has been no change in the German intention to maintain friendly relations with Japan. But this is decidedly wrong. If Japan is now induced to conclude a pact with Germany, her dignity will be impaired.
>
> Whether Japan's relations with Britain improve or not in the future depends upon the latter's policy. Japan follows a policy of maintaining friendship with any country which recognizes its mission to construct a new order in East Asia and is willing to co-operate with Japan to that end.
>
> As regards Japan's relations with the Soviet Union, it is hardly possible for Japan to readjust its relations with that country so long as it persists in obstructing Japan's progress in her present China war. Unless the Soviet Union shows sincerity, Japan will hardly be in a position to conclude a non-aggression pact with it. The unconditional conclusion of such a pact is not advisable.
>
> Lastly, it can be said that Japanese-American relations will become worse as Japan progresses with the construction of a new order in East Asia. Japan cannot make concessions to that country in such important matters as will make her war in China practically null and void and she will therefore have to tread a thorny path in dealing with the United States.

Kojiro Sugimori, professor at Waseda University, has the following to say on what he calls "the international politics of land contiguity" in the December 1, 1939, issue of the *Gaiko Jiho* (Revue Diplomatique):

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

THE WAR AND JAPAN (*POLITICAL*)

Neighbourly international relations must be maintained. The Wang Ching-wei movement is significant in this connection and should be fostered and developed. If, however, Mr. Wang is inclined to recognize British or French influence or control in Central and South China, then his movement must be eliminated if the principle of neighbourly international relations means anything. For the admission of foreign influence in China promises future destruction, not development or creation. Germany also is trying to wean France away from the influence of Britain, thereby manifesting her desire to treat France as a friendly neighbour.

It is up to Japan to lead the Soviet Union, her neighbour, along the proper path ; and the proper path would be in the direction of the Indian Ocean. The ideology and thought of the Soviet Union, however, must be treated by Japan with caution. As regards the Soviet's advance into East Asia, this country must exercise the utmost caution ; on the other hand Japan can help that country find its way to India. There would be rational, cultural and social grounds for this. Germany's *rapprochement* with the Soviet Union reflects the tendency toward the establishment of neighbourly international relations.

THE WAR AND JAPAN *(ECONOMIC)*

ALTHOUGH there have as yet been no extensive military operations in the present European War, the growing imminence of a broad expansion in its scope and the possibility of its prolongation are forcing increasing consideration of the probable effects it will have on Japan's foreign trade. Economists, commentators and business leaders alike seem to expect not unfavourable repercussions from the present war. Their opinion, however, is hedged in with reservations. Practically no one sees the present war having as favourable an influence on the trading activities of this country as the last one did ; indeed, even the most optimistic are observing caution.

The *Chugai Shogyo Shimpo*, the foremost commercial daily, which is believed to represent influential financial interests, in its editorial comment on October 25, 1939, asserts that " the important international changes which have occurred since the outbreak of the European War afford a rare chance for Japan to expand her export business." " But in some sections," it further states, " a pessimistic view is being entertained with respect to the likely effects of the present European War on Japan's export business." Within the short period of three years after the outbreak of the last World War, the value of Japan's exports rose from the level of 1,000 million yen to that of 4,000 million yen, and she was able to write off the enormous total adverse trade balance of 1,500 million yen which had accumulated since the beginning of the Meiji Era, 1868, the paper recalls, while, in addition, this country was able to accumulate a net favourable balance of more than 3,000 million yen by the time the war ended. This brilliant trade achievement was found possible even though Japan's industries were not then fully developed, and, therefore, says the paper, with the far greater industrial and general economic strength she possesses today, why should Japan not be able to expand her exports under the influences of the European War.

Yet, in the same leading article, the *Chugai Shogyo* declares that whether Japan will be able to grasp this rare opportunity depends largely on what new trade measures the Government will adopt and how effectively it will go about enforcing them. In this connection, the paper suggests (editorial comment on September 6, 1939) that the Japanese Government should abandon its conservative foreign trade policy and internal economic control measures, in order to expand the nation's export trade. " There is no saying that the influence of the present European War will be radically different in nature from that of the last war. But Japan occupies today a very different international

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

position from that which she held during the last war, and it is impossible to assert that the present European armed hostilities will immediately place Japan in an advantageous position," the paper reflects. However, it is easily imaginable that if the war becomes a war of attrition, there will be an inevitable tendency toward augmentation of the purchasing power of the neutral countries, and moreover it will be easier for the neutral nations to make an advance in those export markets which had hitherto been in the hands of the belligerent nations. It is on this basis that the paper recommends the Government to drop the old conservative trade and economic policy, and to adopt positive measures.

The *Economist*, an important business magazine published by the *Osaka Mainichi Shimbun*, one of the chain newspaper publishing companies, is more cautious. The future of Japan's export trade will be determined by fresh developments in the European War, says the journal in its October 21, 1939, issue. It further states that it will only be some time later that Japan will be able to take full advantage of the circumstances created by the present European conflict, for Japan's foreign commerce is influenced by diverse restrictive factors, which were not present during the last war. The journal refers particularly to the ill-effects of the economic control measures, and suggests that the Government readjust the existing export-import link system so as to make it easier for the export industries of the nation to import adequate amounts of raw materials. Another factor, which is stressed by the magazine, is the prevailing temporary shortage in the supply of coal, motive power and labour. It is essential to remedy the existing shortage in the supply of coal, labour, power and raw materials, the *Economist* asserts, if a substantial expansion in Japan's export business is to be attained under the favourable influence of the present European War.

It is inconceivable that Japan will be able to bring about such a remarkable expansion of her export trade as she did during the last World War, according to the *Diamond*, an important business trimonthly, which in its September 11, 1939, issue says :

> Although Japan participated in the last war, her military operations at that time were very limited in scope. Now, however, Japan has been fighting in China, for more than two years, a large-scale war of a scope unprecedented in history. Japan has already spent the huge sum of more than 10 billion yen on her military operations in China and has consumed a correspondingly enormous amount of materials. Under such circumstances, the Government has enforced rigid control over every branch of national economic activity, foreign trade, production, distribution and prices of goods and also over finance. In other words, economic conditions in Japan today are radically different from those prevailing at

> the time of the last war. The position of Japan in international politics is also different, and this is another important element determining the extent of the favourable effects the present European War is likely to have on Japan.

The *Diamond* does not necessarily mean to say that Japan has little chance to take advantage of the present war in order to augment her export trade. If the war is placed definitely on a long-term basis, and more Powers come to be involved, it will benefit Japan's export trade, especially in certain limited lines, the magazine predicts. The belligerent nations may have large stocks of war materials today, but it must be pointed out that the extensively and intensively mechanized war operations of today will inevitably mean that a far greater volume of materials will be consumed than was the case during the last war, and this means that in the long run the neutral countries will receive heavy purchase orders from the belligerents. The international political position of Japan will of course determine the whole situation, but, apart from this particular factor, will Japan be able to benefit substantially from the present European War ? In answering this question, the magazine states :

> It is certainly true that Japan at present has not much of labour surplus, but her light industries, especially the textile lines, have considerable surplus productive power. The most promising is the cotton spinning and weaving industry, which will be able to increase its production immediately, once there is an adequate supply of raw materials. It will be easy to effect a sharp increase in production if Japan can only get an ample supply of raw cotton from the United States under a raw silk-cotton barter system or some other such trade arrangement which will not unfavourably influence the exchange value of the Japanese currency.

The *Chugai Shogyo* (Sep. 22, 1939) agrees with this opnion with respect to the potentialities of the cotton industry. It says that the Japanese cotton textile industry is equipped to export 6,000 million square yards of cotton tissues a year, which amount corresponds to the current annual total requirements of the world. The *Oriental Economist* (Oct. 21, 1939), another influential financial and economic weekly, also expresses the view, that the European War will enable Japan to increase her cotton textile exports to a sizable extent, provided that raw material, motive power and labour are effectively mobilized for the capacity operation of the spinning and weaving mills.

Again, wide alterations in the geographical distribution of Japanese exports would be inevitable under the influence of the present European War, asserts the *Miyako Shimbun* (Sep. 12, 1939), one of the seven large dailies in Tokyo. The paper predicts that Japan will have to concentrate her export activities on the American continent and the Near East.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

JAPAN AND THE GERMAN-SOVIET RAPPROCHEMENT

THE conclusion of the German-Soviet non-aggression agreement not only paved the way for the outbreak of the European War, but also brought about far-reaching repercussions in Japan. As a result of this *rapprochement* the Hiranuma Cabinet, which had been contemplating the strengthening of the anti-Comintern pact, had to resign. And the Abe Cabinet, formed as its successor to deal with the difficult situation arising from the German-Soviet *rapprochement*, declared that it was going to wipe the diplomatic slate clean and concentrate its efforts on the settlement of the China affair, carrying out Japan's policy of constructing a new order in East Asia. This Government declaration was unanimously approved by public opinion in this country. But, at the same time, the whole nation was plunged into a hot discussion as to the course Japanese diplomacy was to take in the face of the newly created situation.

The discussion, which was vigorous in the extreme, was centred round the following questions: Must the Abe Cabinet push forward with the original plan for implementing the anti-Comintern pact in spite of Germany's violation of the spirit of this pact? Is it really wise for Japan to follow the example of the Reich and herself conclude, as suggested in German quarters, a non-aggression pact with the Soviet Union? Or should Japan resume negotiations with Great Britain and enter into an agreement with the latter? Or must Japan pursue an independent and autonomous diplomatic course, regardless of the possibility of her being isolated from the rest of the world?

According to one section of opinion, the conclusion of the German-Soviet agreement is not at all in violation of the spirit of the anti-Comintern pact nor does it signify German insincerity or treachery; for Japan should in all fairness recognize that the "encirclement" of Germany by Britain and France made for unfavourable circumstances which forced her ally to effect a *rapprochement* with the Soviet Union. There is therefore no reason why Japan should hesitate to go ahead with her former plan to strengthen her friendly relations with Germany and Italy.

Those who take the opposite view argue that since the German-Soviet *rapprochement* is doubtlessly an infringement of the spirit of the anti-Comintern pact, Japan must denounce the arrangement with Germany and resume the deadlocked negotiations with Britain so that the China affair may be immediately brought to a close through

adjustment of relations with that country.

A more radical section of opinion advocates a *rapprochement* between Japan and the Soviet Union, on the ground that now the slate has been wiped clean, Japan should not let this opportunity pass without readjusting her relations with the Soviet Union. According to this view, she should utilize the good offices of Germany and enter into a non-aggression agreement with the Soviet Union.

These three views all have their respective exponents and all of them have a certain influence today, but no single one of them has met with the general approval of the people at large. The chief reason for the rejection of the first view is that, although the text of the German-Soviet agreement may not violate the provisions of the anti-Comintern pact, the latter arrangement, which is directed in name against the Comintern, but in fact against the Soviet Union, has now been undoubtedly nullified. Even if due consideration be given to the situation prevailing at the time in Europe, it can be safely asserted that the German move constituted a piece of treachery toward this country. Since Germany has already reached an understanding with the Soviet Union in violation of the spirit of the anti-Comintern pact, it is meaningless for Japan to concern herself any longer with the anti-Comintern pact, to say nothing of plans for strengthening it.

In opposition to the second view, it is insisted that the German violation of the spirit of the anti-Comintern pact does not warrant the immediate abrogation of the arrangement with Germany, because the anti-Comintern agreement essentially includes Italy as a partner. It is not advisable for Japan, therefore, to declare the pact null and void because of the German move alone and thus prejudice her friendly relations with Italy. Even if the adjustment of Anglo-Japanese relations be essential for settlement of the China affair, any reconciliation that is incompatible with the fundamental policy of constructing a new order in East Asia must be avoided.

As for the third view advocating a Japanese-Soviet *rapprochement*, there has been strong opposition on the ground that, in respect of relations with the Soviet Union, Japan is in a position very different from that of Germany. Whereas there exists a close mutual relationship between Germany and Soviet Russia in the fields of trade and economy, a good many issues between Japan and the Soviet Union still remain unsettled, as for example the fishery question, the oil and coal concessions in North Saghalien, the border troubles, and the Soviet assistance to the Chiang Kai-shek régime. Unless these pending issues are settled satisfactorily, the proposed non-aggression pact between Japan and the Soviet Union would be devoid of any significance. Moreover, to conclude such an agreement through the mediation of Germany, who can well be considered a renegrade in the eyes of the Japanese, would smack of disregarding the spirit of independent and autonomous

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

diplomacy.

Last but not least, there is what forms the main current of public opinion, which may be expressed in the following terms : Japan should not consider readjusting her relations with any particular nation at the present moment, but should rather practise a form of independent and autonomous diplomacy based on free and unbiased moral principles, with the disposal of the China affair as her final objective. This opinion has been supported by almost all the critics and publicists in this country, and has been powerfully voiced by many journals and papers including the *Tokyo Asahi* (Aug. 26, 1939), the *Tokyo Nichi Nichi* (Aug. 28, 1939), the *Yomiuri* (Aug. 24, 1939), etc. In this respect, it should be recalled that in the Konoye statement of November 3, 1938, Japan's fundamental policy for disposal of the China affair was declared to be the establishment of a new order in East Asia, or the creation of a co-operative unit in this part of the world by co-ordinating relations among Japan, Manchuokuo and China, while at the same time respecting their respective independence to the fullest possible extent. It is indeed the immutable policy of this country, just as it is the ultimate objective of our diplomacy, to establish an East Asiatic new order, no matter what cabinet may be brought into being and no matter how radically the international situation may change in the future. This is why the Abe Cabinet immediately after its formation declared, with the unanimous support of public opinion, its policy of concentrating its energies on the settlement of the present China affair.

In the translation of this policy into practice, however, it is generally demanded that positive assistance be extended to Wang Ching-wei and his associates in their campaign for creation of a new central régime, so that a co-operative relationship in the cause of justice may be firmly established between Japan and a new China as soon as possible. At the same time, operations against the Chiang Kai-shek régime must be strengthened more than ever by severing the routes of supply thereto by third Powers ; while, on the other hand, friendly relations with those Powers which recognize the justice of Japan's cause in China must be further cemented. For this purpose, Japan need not bother about former circumstances and old ideas, as the traditional policy for consolidation of the Berlin-Tokyo axis has already been discarded by the Hiranuma Cabinet. The fundamental attitude of Japan toward other nations having been thus fixed, the hand of friendship must be extended to every nation which recognizes the new situation in East Asia, while at the same time every nation disregarding it must be ostracized. Every action which may obstruct the proposed disposal of the China incident along the lines of the above-mentioned fundamental policy must be avoided with the utmost care. Some people are now emphatically advocating the necessity of waging war with Soviet Russia, while others believe it would be wise to remove British influence from the

Far East by force of arms. But such a simple and reckless attitude will only make for further complication of an already involved situation.

In a very real sense, Japan is placed at present in a situation favourable as never before for the exercising of this much-advocated independent and autonomous diplomacy on the basis of the above-explained principles. Thus the present world situation is very different from that prevailing before the conclusion of the German-Soviet non-aggression pact, in that, whereas there was formerly every indication that the Powers would eventually be divided into two hostile camps, namely Japan, Germany and Italy, on the one side, and Britain, France, the Soviet Union, and the United States, on the other, the interests of these seven Powers are now interwoven in a far more complicated and multifarious way. Germany is already fighting Britain and France. Soviet Russia and Italy are maintaining neutrality but they have made strong friendly gestures toward Germany, and the United States, another influential neutral, is virtually assisting the Anglo-French combination. But Japan alone is completely neutral, neither encouraging nor discouraging either party.

Occupying thus a bargaining position in international politics, Japan should give free rein to her independent and autonomous dipmacy on the basis of the principles above referred to. To put it more concretely, Japan may maintain her amity with Italy, without repudiating the anti-Comintern pact, even though the spirit of the pact has been infringed upon by Germany, and thereby may considerably restrain the activities of Great Britain in the Far East. On the other hand, however, by adjusting relations with Great Britain in regard to the China affair, Japan may impose restraint on the Far Eastern policy of the Soviet Union. Moreover, the adjustment of Japanese-American relations, in addition to the alleviation of Soviet-Japanese friction thus effected, will enable Japan to assert herself more strongly than ever as a stabilizing influence in this part of the world.

Without being discouraged in the least by the unexpected conclusion of the German-Soviet non-aggression pact, on the one hand, while stressing, on the other, the advantageous bargaining position in which Japan now finds herself, public opinion in this country therefore advocates enforcement of an independent and autonomous diplomacy based on morality. And it concludes that the success or failure of the stupendous task of establishing a new order in East Asia depends to a large extent on whether or not Japan is clever enough to make the best of the present world situation, which is undoubtedly favourable for exercise of this independent and autonomous diplomacy.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

ABROGATION OF THE AMERICA-JAPAN COMMERCIAL TREATY

THE American notice of abrogation of the America-Japan Treaty of Commerce and Navigation, made on July 26, 1939, came as a surprise to the Japanese people. Japanese observers have subsequently reasoned that this step was partly due to the internal political situation of the United States and partly to her wish to bring pressure on Japan's activities on the Asiatic continent. On the other hand, economists and others who have studied the problem declare that the actual economic effect of the treaty abrogation will not be very large, and that, while Japan will suffer, the United States will also suffer if a new treaty is not concluded.

Representative of the general opinion formed concerning the American step is the critical article written by Katsuji Debuchi, Member of the House of Peers and former Ambassador to the United States, in the *Diamond* (Sept. 1, 1939). This article may be briefly translated as follows :

> The notice the United States Government gave Japan on July 26 of the abrogation of the America-Japan Commercial Treaty must be said to be against international justice in its method, however lawful its process may be. The United States, the country that introduced Japan to the international family of nations by concluding the Kanagawa Treaty in 1854, has, by this action, cast an unpleasant blot on the illustrious record of friendly relations existing between the two countries for more than 80 years. As a friend of America, I greatly regret any such action which reflects on the honour of the United States.
>
> There have been, in the past, not a few instances of the United States taking such selfish steps. The reason is that the democratic political structure peculiar to the United States is strongly influenced by domestic conditions in the event of great diplomatic problems, and the embarrassment of foreign countries is therefore ignored, the diplomatic problems themselves becoming questions of secondary importance. Particularly in cases when public opinion directly influences the popularity of the Government or a presidential election is the Government liable to take sudden selfish steps. This is something that people in Japan, where the political structure is so different, find hard to understand. The question of abrogating the America-Japan Commercial Treaty is purely a foreign question, but it was influenced by the delicate internal situation.
>
> One important reason for this step is said to be the failure of President Roosevelt's plan of revising the Neutrality Act. Under the Act

> the export of arms and war materials to belligerent nations is prohibited when the President recognizes a state of war, but other goods can be exported under the cash and carry provisions of the Act. But the cash and carry provisions went out of effect on May 1, and therefore the President intended to revise the Neutrality Act. The motive for this revision was a desire to foster domestic industry and to supply arms and war materials to Britain and France in case of a European war. Due to the opposition of isolationists and others, discussion of the revision bill was postponed until the next session of Congress. Then Senator Pittman submitted a resolution aimed at giving the President power to prohibit or restrict the export of arms, munitions, war materials, scrap iron, iron, copper, oil, gasoline, and scrap metals to violaters of the Nine-Power Pact. This resolution was not passed, as the State Department expressed the view that such a resolution was contrary to the Japan-America Commercial Treaty. Taking advantage of this situation, Republican Presidential candidate Vandenberg proposed two resolutions for abrogating the Japan-America Commercial Treaty and for convening a second Brussels Conference to decide whether Japan had violated the Nine-Power Pact. Then Senator Pittman, Chairman of the Senate Foreign Relations Committee, called a meeting of the Committee and proposed that abrogation of the America-Japan Treaty be approved. The same afternoon President Roosevelt conferred with Secretary of State Hull and decided to notify this country of abrogation of the Treaty. It is certain that the President thought that the Vandenberg resolution would be passed and, in order to cover up the failure of the Neutrality Act revision bill, he suddenly gave notice of abrogation of the Treaty, so as to forestall the opposition party's move.
>
> The strong anti-Japanese sentiment that has been prevalent in the United States particularly since the Manchurian incident also forms part of the background of the recent American action. Thus abrogation of the Treaty is generally supported by public opinion. But certain groups are against the President's step, and the Hearst newspapers criticised the President and said it was foolish to enter into controversy concerning the Far East. The voice of certain silk, cotton, oil, and iron industrialists has also been raised in opposition to the Administration's action.
>
> Thus the recent step was taken mainly from political motives, but at the same time it has revealed that the United States is not recognizing Japan's activities in China and is intending to protect the lives and property of American citizens in China. Therefore the conditions that arise after the cancellation of the Treaty will depend upon America's recognition of Japan's activities in China.

As the notice of abrogation of the Treaty came just when the British-Japanese talks were being held at Tokyo, it is considered by many that the United States intended to try and influence the talks in

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

favour of Britain. The *Chugai Shogyo* in its editorial (July 28, 1939) says that as the step was suddenly taken when the British-Japanese talks at Tokyo were progressing as a result of the concessions made by Britain, it was the American aim to guide British diplomacy toward Japan in a direction more favourable to Britain and at the same time to gain political results in the way of protecting American interests in China . . . The fact that the British attitude toward Far Eastern problems has unexpectedly weakened with the straining of the European situation has given the United States a chance to strengthen her foreign policy. In another editorial (July 30, 1939) the paper also says: "The political meaning of the step lies in the United States Government's intention to adopt a policy toward the Far East opposite to that taken by Britain. That is to say, the British Government recognized the existing state of affairs in China, at least in the memorandum exchanged with the Japanese Government, although her real intentions are not known. It was a concession on the part of Britain, and worked a change in her Far Eastern policy. But it can be imagined that the United States, in giving notice of abrogation of the America-Japan Treaty, stepped forward with a policy contrary to that of Britain. The attitude of the American Government in not hesitating to take any step that might impede Japanese activity in China, where it refuses to recognize the existing state of affairs, is revealed in the serving of notice of abrogation of the Treaty. America's interests in China are smaller than those of England, but she nevertheless adopts this policy, probably because she is an idealist, whereas Britain is practical."

Nobutaro Tanaka is of the same opinion and says in the August 15, 1939, issue of the *Gaiko Jiho* that as the British attitude to the Tokyo talks was "weak," the United States feared that Japan's Far Eastern policy would become increasingly positive and that American interests would be endangered, and thus abrogated the Treaty so as to encourage Britain to take a firmer attitude and also to indirectly protect her own interests in the Far East. Thus abrogation of the Treaty is designed, he says, to have two effects, namely the exertion of pressure on this country and the maintenance of political dignity in domestic affairs.

Speculation has naturally been rife as to the possible effect of the non-treaty condition that may come into existence after abrogation of the America-Japan Commercial Treaty, but generally it is estimated that the actual economic effects of such a condition will be very limited and that trade between the two countries will not be greatly affected. On this point, the *Toyo Keizai Shimpo* (Aug. 5, 1939) says:

> It is impossible to predict what result abrogation of the Treaty will eventually have, but it is believed that the economic effect of this

> step will not be very large in comparison with the intended political effect. It may be true that the United States has suffered various economic inconveniences and losses in China; moreover various economic controls now in force in Japan may have had similar effects upon American trade. Yet, the actual volume of trade between Japan and the United States has not been reduced. Also, the volume of trade between the United States and Manchoukuo is annually increasing; and it is to be noted furthermore that the trade balance between Japan and the United States and between Manchoukuo and the United States has always been favourable to the United States. Then, again, the goods traded are of such a nature that there is no adverse effect on the domestic manufacturers or traders in either country; hence, even though no new treaty is concluded and a treaty-less situation prevails, there is no reason why the trade between the two countries should diminish. In this light, what will decide the effect of the treaty abrogation will be domestic political conditions in the United States and the political situation in the Far East. In the course of an interview with newspaper men on July 27, Secretary of State Hull said that the possibility of concluding a new treaty depended on developments in the coming few months. It seems that he has also hinted that the future depends on political developments in the United States and the Far East.

The magazine also points out that the trade policy of the United States has recently been decidedly along anti-totalitarian lines. This principle of opposing totalitarianism was first directed against Germany, then against Italy, and finally against Japan. The notice of abrogation of the Treaty was one result of this anti-totalitarian trade policy. The statement issued by Secretary of State Hull on April 18 said that the barter trade system of Germany is an evil weapon, exerting a destructive effect on world trade in general, injuring the countries utilizing it, reducing the volume of trade of third nations, and finally lowering the standard of living in the countries adopting this system.

The *Toyo Keizai Shimpo* of the same date reviews as follows the possible effect of the treaty abrogation on important trade items:

> *Oil:* In 1936, the year before the outbreak of the China incident, the total oil consumption in Japan, excepting the needs of the Navy, was 3,727,000 kilolitres or 3,280,000 tons. Of this amount only 330,000 tons, or 10 per cent., was met by domestic production. That is to say, Japan depends on imports for about 90 per cent. of her oil supply.
>
> The total amount of crude and refined oils imported in 1936 was 4,660,000 kilolitres, of which the United States supplied 66 per cent., the Netherlands East Indies 22 per cent., British Borneo 6 per cent., while the remaining 6 per cent. came from the Soviet Union, Manchoukuo, Iran and Iraq. By far the largest amount is thus imported from the United States.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

The question is how this large shipment of oil from the United States would be affected by abrogation of the Treaty. Newspaper reports say that American oil producers are of the opinion that oil exports will inevitably be banned. If that is so, the situation will be serious. The United States is reducing the volume of her oil production in order to prevent the market price from falling, and in California particularly heavy production restrictions have been enforced. The major part of the oil shipped to Japan comes from California and therefore an export ban would have a serious effect on the already hard-hit Californian oil producers and thus it is reported that the ban will not materialize. The ban would mean greater production restriction than ever, but, on the other hand, as Californian oil fields are mostly operated by the Standard Oil Company and other large firms the restrictive measures might be rationally enforced; thus it is impossible to be optimistic. Oil may, of course, be brought to Japan *via* third countries or from the Netherlands East Indies and the Near East, but at any rate abrogation of the Treaty will bring about serious changes in the oil import trade of Japan.

Scrap Iron: The greatest effects on Japan in the event of American prohibition of exports to Japan will occur in respect of oil and scrap iron. Japan now depends on the United States for her supply of scrap iron. In 1936 the amount of scrap imported from the United States was 1,905,000 tons, or almost one-half of the total American export of scrap, while in 1938 it decreased to 1,382,000 tons; but, according to figures made up to March of 1939, the amount of scrap imported will be double that of the year before. The European War has increased the consumption of scrap iron in the United States and also the amount exported to Germany and Italy, but it is premature to think that scrap iron exports to Japan will be prohibited; the opposition of the Pacific Coast scrap exporters to such a measure would be strong. Yet the American Government exercises strong powers of control, and there is a danger that scrap exports to Japan might be prohibited despite opposition. The effects may therefore be far-reaching, but so far there is no great cause for pessimism.

Copper: The amount of copper imported from the United States was about 99,000 tons in 1938, but the chances of an export ban on this metal are remote. And even should such a ban be imposed, it will be possible to import copper ores. Thus there is not much danger in this direction.

Machine Tools: Japan's machine tools manufacturing industry has developed at a very rapid rate, and the suspension of imports from the United States might be a temporary blow, but eventually it would be the United States that would suffer most. Japan buys a lot of machine tools from America. A ban would only stimulate the progress of the machine tool industry of Japan.

Silk and Silk Goods: The United States is the largest buyer of Japa-

nese raw silk. But a ban on imports of raw silk will be difficult unless she is able to obtain silk supplies from other sources. A ban on raw silk imports would therefore entail a great sacrifice on the part of the United States. But the exporters of silk goods will suffer much as there is danger of high taxation. But the shipments of silk goods to the United States amounted to only 8,282,000 yen as against 49,352,000 yen of Japan's total silk exports in 1938, and thus the effect will be comparatively small.

Cotton and Rayon: It will be impossible for the United States to ban cotton exports to Japan, as there is over-production of cotton in that country and Japan buys 3 million to 4 million piculs annually from her. Japan imported in 1938 9,380,000 piculs of raw cotton, including 3,250,000 piculs from the United States, 3,100,000 piculs from British India, and 1,430,000 piculs from China. And if the supply from the United States is stopped, Japan can increase her purchases from India, China and Brazil. Thus an American cotton ban will not cause much difficulty to Japan. On the other hand, the United States has a large stock of cotton and the Government is providing a cotton export subsidy. Under such conditions a cotton ban will therefore be impossible. Of course, the United States might restrict the importation of Japanese cotton goods, but exports to the United States amount to only 0.5 per cent. of the total of Japanese cotton goods exports and the effect would be very small. A ban on rayon pulp exports would not occasion any concern to Japan as the quantity exported from America is only about 3,000 tons a year, while the value of Japanese rayon goods exports to America is only about a million yen out of a total of 100 million yen. Thus pulp and rayon goods will not be much affected.

Marine Products: The value of Japanese exports of canned fish, fish oil, isinglass and other marine products to the United States totalled 20 million yen in 1936, 28 million yen in 1937, and 18 million yen in 1938. In 1938 the value of canned fish exports alone totalled 12,212,000 yen. Therefore in the event of an import ban, the Japanese canneries will suffer greatly. Yet it is also doubtful whether Americans can do without Japanese canned crabs and salmon. The tariff on canned goods might be greatly increased even if imports were permitted. But there are some hopes of shipping canned fish to other countries.

Porcelain Goods, Toys and Electric Bulbs: The value of the porcelain ware, toys and electric bulbs exported to the United States in 1938 was roughly about one-half of that in the previous year, due to the anti-Japanese sentiment prevailing among Americans. Abrogation of the Treaty may further increase the tariff rates. That will have a serious effect, as Japan's exports of porcelain ware to the United States are 22 per cent. of the total, toy exports 24 per cent., and electric bulb exports 22 per cent. But as such items are very low in price, a slight tariff increase might not have much effect.

Shipping: Of course if the United States refuses most-favoured nation treatment to Japanese shipping, the effect will be very great. But,

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

practically, the shipping companies will not suffer, as Japan at present is short of bottoms for coastwise and near-sea shipping. But the loss of the shipping trade in the Pacific and also on the New York-Orient line would be serious, not only because it involves an income of 100 million yen but also it would mean the loss of shipping control over those routes.

The United States is intending to restrain Japan's policy toward China in order to establish American economic and political hegemony over the Western Hemisphere, say the New York correspondents of the *Tokyo Nichi Nichi* (Nov. 5, 1939). They urge the people of Japan to give attention to the Pan-American policy of the United States in connection with her Far Eastern attitude. "In order to bring to a successful conclusion her imperialistic attempt to gain the leadership of the Western Hemisphere, she is loudly insisting on the threat of Japan, a totalitarian state. The United States is more concerned about Pan-Americanism than about European problems. When she firmly establishes United States Pan-American hegemony, she can afford to be calm about Europe and the Far East. Until she succeeds, therefore, in establishing Pan-Americanism, she will broadcast, among the Central and South American countries, an exaggerated account of the threat of Japan."

In abrogation of the Treaty, the *Tokyo Asahi Shimbun* (Nov. 25, 1939) sees an American attempt to protect perfectly her interests in China by clearly antagonizing Japan. "But such an attempt is like trying to rise to heaven by grasping the earth. Japan wishes to adjust American-Japanese relations on a fair and friendly basis, respecting and promoting mutual interests, but if the United States does not like this and intends to attain her object by irritating and antagonizing Japan, Japan will not hesitate to take action."

A similar tone is taken in another editorial of the same paper (Nov. 8). It says that the United States flatly denies the existence of a state of hostilities in China, and yet demands the protection of her interests which are affected by the current hostilities. "Japan cannot accept such a proposal, and as long as the United States insists upon theories and disregards actual conditions, the solution of present problems will be difficult. The United States may not approve of Japan's attitude, which is based on the conviction that unless the United States alters her arbitrary theoretical views Japan cannot comply with American wishes. Then the United States will hint at economic war and by adopting a plan for increasing the size of her navy she will try to attain what she wants. Whatever pressure the United States may exert on Japan is her own affair. But let us say clearly that Japan will never surrender, and will not hesitate to oppose the United States in order to safeguard her own existence."

Yusuké Tsurumi, M. P., reviews the trend of American public opinion as regards the possibility of the participation of the United States in the present European War, in the December, 1939, issue of the *Chuo Koron*, and says that the possibility of American participation is diminishing according to public opinion surveys. Studying the result of public opinion surveys conducted by various institutions, magazines and newspapers, he concludes that the sentiment in favour of American participation in a European war was at its height last Christmas, but in April, 1939, it fell to 1 against 2, in September 2 against 8, and recently to 1 against 20. Therefore, President Roosevelt who is very sensitive to public opinion is guiding the national policy in the direction of non-participation in the European War; hence it will be proper to conclude that the United States will not actually participate in the war. But he mentions that there are contingencies that must be taken into account. Firstly, if the Germans bomb London and cause damage there, then the United States might enter the war. And secondly, if the United States brings economic pressure in the Far East at the instigation of some third Power, then it would be unwise to discount the possibility of the European War being extended to the Pacific.

Except in the above two exceptional cases, the United States will keep out of the actual fighting. Moreover, President Roosevelt may be hoping to keep out of the war and later appear, at the proper moment, as an arbitrater and world peacemaker, thus crowning himself with laurels before making his exit from public life.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

THE CHUNGKING GOVERNMENT AT A CROSS-WAY

THE Chungking Government now stands at a cross-way, according to the *Tokyo Asahi* (Oct. 24, 1939), which observes that Chiang Kai-shek is compelled by the force of domestic and foreign circumstances to choose between peace and war with Japan, and between breaking with the Chinese Communist Party or remaining at its beck and call.

The present dilemma of the Chungking régime is ascribed by the *Yomiuri Shimbun* (Oct. 24, 1939) (1) to the steady progress of the Japanese military operations in China, which threatens to bring about a stoppage of assistance from pro-Chiang countries, (2) to the outbreak of the European War, (3) the forthcoming establishment of a new central government of China with Wang Ching-wei as its central figure and (4) to the recrudescence of Communist activities in China.

The *Yomiuri Shimbun* firmly believes that all the pro-Chiang foreign Powers will be compelled to suspend their assistance to the Chungking Government, as a sequel to the European War, but the *Tokyo Asahi*, reasoning in a different vein, says :

> Nothing definite is known regarding the alleged stationing of Soviet troops in Sinkiang (Chinese Turkestan), but the Soviet Union is in all probability planning to take advantage of the European War as well as of the strained relations between the Kuomintang and the Chinese Communist Party, in order to strengthen the so-called Red route through Sinkiang. This would indicate that it is making an effort to stand solidly behind the Chinese Communist Party and Army and to add to the Red menace against the Chiang Kai-shek régime.

Bunroku Yoshioka, political editor of the *Tokyo Nichi Nichi*, writing in the *Chuo Koron* (Oct., 1939), sounds a note of warning against the widespread belief that the European War will result in a cessation of assistance to the Chungking Government from pro-Chiang foreign Powers. Mr. Yoshioka predicts that a stoppage of assistance from the Soviet Union and Great Britain will never spell collapse of the Chiang Kai-shek régime, which, being well aware of its own responsibility with regard to the current Sino-Japanese hostilities, will continue with its anti-Japanese resistance to the bitter end. The writer does not believe that the Soviet Union will suspend her pro-Chiang operations and refers to a reply allegedly given by Joseph Stalin to Sun Fo, who, under instructions from Chiang Kai-shek, asked the Soviet dictator, shortly before the fall of Hankow in October, 1938, to give China more vigorous assistance. The alleged reply is as follows :

THE CHUNGKING GOVERNMENT AT A CROSS-WAY

> "Don't expect too much. The Soviet Union is now attracting a large force of Japanese troops to Manchoukuo. What would happen to China should Japan be placed in a position to release all her forces now in Manchoukuo for operations in the south ? Could greater assistance be expected of the Soviet Union ? "

This retort is reported to have silenced Chiang Kai-shek, according to Mr. Yoshioka.

It is the consensus of Japanese press opinion that the European War will deal the Chungking Government a heavy blow ; however, the Japanese newspapers are not so naïve as to jump to the conclusion that the European conflict will provide a golden opportunity for settling the China affair once and for all. Setting aside the erratic course of the Soviet Union, which defies any prediction, the *Chugai Shogyo* (Sept. 7, 1939) comments :

> English and French influence in the Far East may decline, but the United States may appear on the scene in China not only to safeguard her own interests there but to take care of those of Great Britain and France.

Exaggerated optimism is deprecated by Saburo Okazaki in the *Kaizo* (Dec., 1939) who, however, admits that the European War is proving, directly or otherwise, an important factor in weakening the anti-Japanese resistance of the Chungking Government, while he sees the international situation taking a turn decidedly favourable to Japan. The writer points out that the Japanese occupied area in China is being steadily extended and declares that construction of a new order in East Asia is progressing smoothly, with peace and order being well maintained and rehabilitation progressing without any great hitch in the occupied area.

A diametrically opposite view, however, is voiced in the *Kaizo* (Nov., 1939) by Takao Hangai, who asserts that the way to a complete settlement of the China affair is bristling with difficulties, which can be overcome by Japan only if she concentrates all her efforts and energies on the disposal of the China affair, notwithstanding any interference or pressure from any foreign Power or Powers. Mr. Hangai writes :

> Since the outbreak of the European War, Great Britain apparently is pursuing a policy of currying favour with Japan. It is premature, however, to regard this change in the British attitude as an abandonment of Britain's former pro-Chiang policy or as a token of Anglo-Japanese co-operation.
>
> Following the conclusion of the non-aggression pact between Germany and the Soviet Union, the Chungking Government began

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

to look upon the Soviet policy toward China with misgivings. Another surprise was in store, however, for Chungking, in the form of the Nomonhan truce agreement, which was signed between Japanese Ambassador Togoh and Soviet Foreign Commissar Molotov on September 16, 1939.

Despairing of further continuance of Anglo-French assistance and puzzled over the Soviet attitude, the leaders of the Chungking Government are now turning for assistance to the United States who is falling back on her big naval strength and is threatening to take vigorous action in the Far East.

The Japanese Government has enunciated a policy of non-intervention in the European War and concentration of all efforts on the settlement of the China affair. This affair, however, can be disposed of by Japan only if she goes ahead, with grim determination, unshaken by any foreign interference or pressure, with the construction of a new order in East Asia.

The joint front formed by Great Britain, France and the United States against Japan *vis-à-vis* the China affair is the subject of a lengthy article by Tadao Matsumoto, erstwhile Parliamentary vice-Minister of Foreign Affairs, in the *Diamond* (July 1, 1939). Mr. Matsumoto observes that since the outbreak of hostilities between Japan and China, Great Britain has been striving to organize a joint front against Japan together with France and the United States in an effort to strengthen the Chiang Kai-shek régime on the one hand and on the other to bring pressure to bear upon Japan. Such a joint front has already been organized by the three Powers in the case of the Shanghai, Kulangsu and Tientsin issues, according to the writer, who believes that the most effective tactics Japan could adopt would be to break through the centre of this joint front, by launching a vigorous offensive against Great Britain, who forms the bulwark of the allied camp of the three Powers.

The assistance extended the Chiang Kai-shek régime by Germany directly or otherwise since the outbreak of the China affair has not escaped the attention of the Japanese press. Masao Kanda of the *Tokyo Asahi*, in the *Jitsugyo no Nihon* (Sept. 15, 1939) analyzes the causes of the China affair, especially of its extension, for which he says not only the anti-Japanese influences in China, but also Great Britain, France, the Soviet Union and the United States are responsible, because those foreign Powers regard Japan's action in China as aggression pure and simple and believe that their interests will be best served by calling a halt to Japan's advance on the continent. Sounding a note of warning against Germany's attitude toward China, Mr. Kanda writes :

> Germany concluded an anti-Comintern pact with Japan to suit her own convenience, but by her act of bad faith in concluding a non-aggression pact with the Soviet Union she revealed the fact that she also is one of those foreign Powers who does not want to see Japan firmly establishing her influence in China. Even after the conclusion of the anti-Comintern pact, Germany permitted more than 50 German military experts to stay in China as military advisers to the Chiang Kai-shek régime in order to participate in that régime's anti-Japanese military operations. Not only that, but she also supplied large quantities of arms and ammunition to China, thus adding to the difficulty of the Japanese army's operations. Germany is a country which has no scruples at all about breaking faith internationally ; professing to be an ally, she apparently was waiting for Japan to become exhausted. It must be observed that Germany is Japan's most probable economic rival when the construction of a new order in East Asia gets fairly under way.

Tatsuo Tsukui in the *Miyako Shimbun* (Sept. 9, 1939) analyzes Germany's motives in throwing over Japan :

> There is no gainsaying the fact that Germany concluded the anti-Comintern pact with Japan, actuated by the desire to induce Japan to fight with the Soviet Union. Japan, however, showed no enthusiasm for a full-dress war with the Soviet Union, and meanwhile, with the outbreak of hostilities between Japan and China, all German hopes for a regular war between Japan and the Soviet Union disappeared, thus rendering the anti-Comintern pact of no use to Germany. No wonder, therefore, that a non-aggression pact was concluded between Germany and the Soviet Union.

Mr. Tsukui also refers to the assistance Germany gave the Chiang Kai-shek régime in the form of military advisers and war supplies. Incidentally, the writer understands that when Foreign Minister Ugaki criticized Great Britain for her assistance to the Chiang Kai-shek Government during his interview with Sir Robert Craigie, the British Ambassador, in 1938, the latter on the basis of detailed statistics in his possession pointed out the fact that Germany was extending more assistance to the Chiang Kai-shek régime than was Great Britain.

Whether the Chungking Government accepts the Chinese Communist Party's demand for establishment of a Soviet region in Northwestern China or not, observes the *Yomiuri Shimbun* (Oct. 26, 1939) Sinkiang (Chinese Turkestan) is already under growing Soviet influence, while Shensi Province is fully controlled by the Chinese Communist Party. And the two intervening provinces of Kansu and Ningsia are sure to share the fate of their neighbours. This has thrown into confusion the Kuomintang Party, which, in order to find a way out of its difficulties, is therefore resorting to various makeshift measures,

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

including propaganda to the effect that direct peace negotiations have been under way between Tokyo and Chungking as well as a request to the Washington Government that the latter use its good offices in mediating between Japan and China, according to the paper.

The *Chugai Shogyo*, a commercial daily (Oct. 26, 1939), has the following to say on the future relations between the Kuomintang and the Chinese Communist Party :

> The Chinese Communist Party has been patiently maintaining a joint front with the Kuomintang against Japan for the past two years in anticipation of the present turn in Chinese affairs, in respect to both the internal and external situation. In other words, it has been steadily extending its influence under the pretext of collaboration with the Kuomintang, falling back on the Soviet Union for assistance when necessary. The European War cannot fail to devitalize the Anglo-French policy toward the Far East, which fact in turn will add to the vigour of the Soviet policy toward this part of the world. A golden opportunity has now presented itself to the Chinese Communist Party for achieving its long-cherished desire to sovietize China under the guidance of the Comintern.
>
> Chiang Kai-shek has been cautious in dealing with the Chinese Communist Party. He has co-operated with it, but is generally believed to have reserved ample powers to crush the Communists in case of necessity. Judging, however, by present indications, Chiang Kai-shek lacks the necessary moral courage to break definitely with the Communists. Hence another compromise has been effected between the Kuomintang and the Chinese Communist Party, which means another concession in favour of the Communists on the part of Chiang Kai-shek.

It would be a big wrench to Chiang Kai-shek to sever relations with the Chinese Communist Party, according to the *Miyako Shimbun* (Oct. 28, 1939), which, however, points out the fact that a further continuance of co-operation between the Kuomintang and the Chinese Communist Party will mean continued exploitation of the former by the latter to the utmost possible degree, until eventually the Kuomintang will be left in the lurch by the Communists. The paper declares that the time has come for Chiang Kai-shek to step out with good grace, admitting his defeat ; otherwise the Chinese Communists will dominate the territory still under the jurisdiction of the Chungking Government, while even trusted henchmen of Chiang Kai-shek will desert him one after the other in quick succession.

Emphasis is laid by the *Tokyo Nichi Nichi* (Oct. 23, 1939) on the vigorous concerted offensive now being launched by the Chinese Communist Party and the Soviet Union against the Chungking Government. The paper predicts that Chungking may possibly resort to

a desperate measure, namely the making of a peace move toward Japan as well as toward the new central government of China, which will shortly be organized with Wang Ching-wei as its head. The *Nichi Nichi*, however, counsels the Japanese Government not to be misled by any desperate efforts on the part of Chungking, but to go ahead instead with the construction of a new order in East Asia in pursuance of its fixed policy.

Despite the increasingly strained relations existing between the Kuomintang and the Chinese Communist Party, the *Yomiuri Shimbun* (Nov. 11, 1939) does not believe that Chiang Kai-shek is bold enough to break with the Chinese Communist Party at the risk of severing relations with the Soviet Union, especially since the United States, the last hope of Chungking, still maintains a non-committal attitude toward the Chiang régime ; while Great Britain and France are now too occupied with the European War to extend that régime any more substantial assistance.

A similar view is voiced by the *Chugai Shogyo* (Nov. 19, 1939), which prophesies that the relations between the Kuomintang and the Chinese Communist Party are now entering into their last stage, and yet, it says, the Kuomintang has not the moral courage to break with the Chinese Communist Party, which is backed by the Soviet Union.

The reconstruction of the Executive Yuan of the Chungking Government is regarded by the *Tokyo Nichi Nichi* as a sequel to the accentuated struggle between the Kuomintang and the Chinese Communist Party. The paper opines that the reconstructed Executive Yuan represents a further strengthening of the ties between the two or at least a manifestation of efforts on the part of Chiang Kai-shek to give the Communists a large voice in the conduct of the campaign—now an obsession on his part—of resistance against Japan.

Shinji Chishiki, of the *Tokyo Asahi*, in the *Chuo Koron* (Dec., 1939) predicts that the outcome of the collaboration between the Kuomintang and the Chinese Communist Party will be decided by future developments of the international situation as it revolves round China. In the words of Mr. Chishiki : " China's resistance against Japan has been maintained by co-operation between the Kuomintang and the Chinese Communist Party at home and by the international support extended by third Powers, including Great Britain, France, the Soviet Union and others. Great Britain and France stood behind the Kuomintang, while the Soviet Union backed the Chinese Communist Party. Reflecting, however, the state of Anglo-French relations with the Soviet Union in Europe, the relations among these Powers in China have not always been smooth or congenial. The Anglo-French-Soviet diplomatic axis has hitherto managed to revolve round a common ideal of democracy, but this single tie has disappeared as a consequence of the Soviet Union's secession from the democratic camp to effect a *rapprochement*

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

with Germany. This means nothing more or less than a split among the pro-Chiang foreign Powers."

The steady decrease in foreign assistance following the progress of the European War and the growing influence of Wang Ching-wei and his followers, who advocate the attainment of peace and national salvation, assisted by the Japanese forces, have shaken the Chungking Government, as evidenced by the series of peace manœuvres launched by Chungking leaders in quick succession, according to the *Tokyo Asahi* (Oct. 16, 1939) which instances as one example Foreign Minister Wang Chung-hui's statement, in which he made a bid for American mediation between Japan and China.

Wang Ching-wei, former vice-President of the Kuomintang Party, who is leading the movement for the organization of a new central government of China to make peace with Japan, is enjoying unstinted support not only from the Chinese masses but from many of the Chungking leaders, according to the *Chugai Shogyo* (Aug. 19, 1939) which says :

> The Chiang Kai-shek régime professes its conviction in an ultimate victory over Japan, declaring that nothing will be left undone to prepare for protracted warfare ; but it is now engrossed in taking precautions against the spread of the peace and national salvation movement launched by Wang Ching-wei, since December, 1938, as well as in measures to suppress those who sympathize with this movement. This provides an eloquent commentary on the growing strength of Wang Ching-wei's movement. When the under-currents now swirling among the Chinese masses come to the surface, everything connected with Chungking will be swept away.

Any one paying attention to China cannot have failed to notice a new movement gaining strength every day in that country in the form of a campaign for the establishment of a new central government, sponsored by Wang Ching-wei and his followers, according to the *Tokyo Asahi* (Aug. 9, 1939).

The *Chugai Shogyo* (Aug. 11, 1939) declares that Japan only wants China to bear her share in the construction of a new order in East Asia and goes on :

> Japan has no intention whatever of robbing China of her independence and freedom. As enunciated by Prince Konoye and acknowledged by Wang Ching-wei, Japan desires to establish good neighbour relations with China on a firm basis. The other two points in her programme of co-operation with China are economic co-operation and the conclusion of an anti-Comintern pact between the two countries. These three points form the basis of the peace proposals made by Japan

> toward China. They are a far cry from the line of aggressive conduct followed by the white peoples in their conquest of other races.

Yosaku Nakayasu in the *Kokusai Hyoron* (Dec., 1939) says that the meeting of the " Big Three," Wang Ching-wei, Chairman of the Central Executive Committee of the Orthodox Kuomintang Party, Wang Keh-ming, Chief Executive of the Peking Provisional Government, and Liang Hung-chih, Chief Executive of the new Nanking Government, which was scheduled for November 10, 1939, at Tsingtao, has been postponed, but there is every indication that a new central government of China, merging the Peking and Nanking régimes, will be born early in January, 1940.

Mr. Nakayasu declares :

> When a new central government of China is set up with Wang Ching-wei as its central figure, Japan will be the first to extend it *de jure* recognition. There will be an exchange of diplomats for thorough readjustment of relations between the two countries.
>
> As specified in Prince Konoye's statement, Japan will pursue a policy of asking no indemnity and no territorial cession. Japan's military achievements in China have no parallel in the annals of war, and Japan seeks not an inch of Chinese territory nor a cent of money as indemnity. This demonstrates in fact that Japan harbours no territorial design on China ; on the contrary she has been compelled to take military action in China by her desire to construct a new order in East Asia. It is the sincere desire of Japan, therefore, that the new central government of China will develop soundly as an independent régime in the true sense of the term. It will be the duty of Japan to let the new central government of China give full play to its abilities in carrying out its own programmes.
>
> Our gravest concern, however, is in regard to the disposal of the Chinese Communist Party and Army. The Chinese Communist Party is now trying to attain its long-cherished unholy desire, taking advantage of the weakening of the Chungking Government : a fact which cannot be overlooked either by Japan or by the new central government of China. Accordingly, the first task which will claim the serious attention of the new central government of China will be the Communist question. The new Chinese régime will be called upon to crush the Communist Party, because disposal of the China affair will not get under way until and unless the Chinese Communist Party has been downed.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

BRITAIN AND FRANCE

THE ink of the Munich Agreement was hardly dry, when Adolf Hitler effected, without bloodshed, the annexation of Czechoslovakia. Then, he retrieved Memel from Lithuania. Alarmed by this *coup*, Britain and France adopted a policy of encirclement with the avowed intent to check Germany. Reluctant to pull the British and French chestnuts out of the fire, the Soviet Union found it expedient to stay out of the so-called peace front. Militarily, economically and politically the "encircling" camp, therefore, could not challenge comparison with the Berlin-Rome axis. Meanwhile, Germany took the world's breath away by concluding a non-aggression pact with Russia whom Britain and France had been sedulously attempting to win over. Germany, assisted by Russia, went to war with Poland, and Britain and France declared war upon Germany in fulfilment of their treaty obligations. Germany made short work of Poland and made peace proposals to the Allies. Grimly determined, however, not to bury the hatchet until Hitlerism or Nazism was completely crushed, the Allies turned down the German proposal and proceeded to prepare for a protracted war.

Below is a cursory survey of the comments made, in Japanese newspapers and periodicals, on the British and French attitude in connection with some of the events touched upon in the foregoing paragraph.

Taking stock of the circumstances leading from the Munich Conference to the European War in his article in the November 1, 1939, issue of the *Gaiko Jiho*, Eiichi Kimura, a diplomat, expresses his respect for Mr. Chamberlain, who frankly admits the failure of his appeasement policy and the defects in Britain's armaments and who, without quitting his position despite his old age, boldly throws overboard Britain's traditional policy of splendid isolation. Incidentally, the reason why British opinion, despite its severe criticism of the Prime Minister's policy, kept on supporting him is, Mr. Kimura believes, that the British are a practical nation not bound by the shackles of dialectics and principles. Regarding the German-Soviet *rapprochement*, the same writer expresses the opinion that both Neville Chamberlain and Premier Daladier, wise and resourceful realists, must have had an inkling of it and that they made persistent efforts to win Russia over to their side with a view to defeating Germany's purpose.

Commenting on the question of why Britain and France took a strong line against Germany over the Polish issue, Minoru Maita,

an acknowledged authority on international affairs, writes substantially as follows in an article in the November, 1939, number of the *Bungei Shunju*:

> I must point out that the rapid increase in German territory and population over the past year has stimulated a self-defensive attitude on the part of Britain and France and implanted in the minds of their peoples the will to fight. Germany has acquired territory measuring about 258,000 square miles with a total population of 88 millions, thus creating a country larger than any other in Europe except the Soviet Union. Germany under the reign of Wilhelm II had an area of only 200,000 s.m. with a population of 67 millions (without counting its colonies), all of this territory having been acquired moreover without the shedding of a drop of blood. Statistics for 1931 estimate the population of Britain at 44,930,000, while France had 41,830,000 in 1936. This indicates that Germany has now a population approximately equal to the populations of Britain and France combined. What is more noteworthy is that the population of Germany is on the increase, whereas that of France shows an annual tendency to decrease. Some people may think it is idle to compare populations, but in war, be it remarked, man power is one of the primary considerations.
>
> After the World War France carved slices off the old German territory. But Germany still had a population of 60 millions, the populations of Germany and France being in the ratio of three to two. Not content with the lion's share it had of the spoils, France made political capital of Polish nationalism and brought into existence behind Germany the State of Poland with a population of 20 millions.
>
> It is easy to understand, therefore, why the German-Polish war decided Britain and France to take up arms, and to realize that the Allies will not give up fighting on the completion of the German conquest of Poland. They are not likely to accept Germany's peace proposals, unless the retrocession to Poland of the territory now occupied is among the peace terms.
>
> When Poland was wiped off the map of Europe, all the world was astonished at the apparent impotence of the Allies, who had promised Poland that they would come to her aid. Cessation of hostilities would give the peoples of the Balkan States, as well as of Belgium, Denmark, Sweden, the Netherlands and other neutrals in Europe, the impression that Britain and France were no longer reliable. That would produce the effect of raising Germany and Russia to the dignity of political leaders in Europe.

Immediately after England declared war, British planes assailed German territory not with bombs, but with propaganda bills telling the German people, among other things, that the Allies were fighting Hitler's tyrannical and perjured régime, and not the Germans. Pointing out the advisability of the Allies' reconsidering this avowed war

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

aim, the editorial of the *Tokyo Asahi* (Nov. 13, 1939) contains the following paragraphs:

> According to Britain's line of reasoning, the Kaiser—and he alone was responsible for the World War, and Hitler alone should take the blame for the current European War. Hence the object of the war is the crushing of Hitlerism. But whether this argument is still tenable is questionable, for, from a third party's impartial standpoint, it is difficult to admit the justice of Britain's professed war aim. We are inclined to think that the environment and the attitude of mind of the Germans have blended with Nazism or Hitlerism so perfectly as to make a harmonious whole. The manner in which co-operation between governor and governed has been maintained in Germany is worthy of praise.
>
> Nazism or Hitlerism is not a cause; it is an effect. Hitler did not produce the age; the age produced Hitler. Subjected to the indignity of having to accept cruelly harsh peace terms, the Germans gradually became keenly alive to the necessity of constructing a Reich founded on the rock of self-sufficiency and prided themselves on being conscientiously, and not blindly, obedient followers of Hitlerism.
>
> It is taking a superficial view to consider that the Führer alone is to blame where the European War is concerned. The immediate cause of the war was unquestionably Germany's aggression upon Poland, but the consensus of opinion among enlightened observers is that the remote cause is linked up with the Versailles Treaty.
>
> The German people under the leadership of Hitler are perhaps running the risk of a man riding on a tiger's back, but they know full well that to jump off the back of the tiger is to fall a prey to a lion. It follows therefore that to vilify Hitlerism is to fling mud at the Germans. Even if Britain succeeds in bringing about the fall of the Hitler régime, a second and a more powerful Hitler is sure to make his appearance, for history proverbially repeats itself.

An appreciable amount of printer's ink has been spilled over consideration of the possibilities of the current war turning out to be a protracted one. The following extracts from magazine articles on the subject will suffice to gain an idea of what has been said here. Commenting on domestic conditions in Britain, Kei Ito writes in the September 10, 1939, issue of the *Diamond*:

> Britain annually imports foodstuffs and raw materials for industrial use to the value of £ 1,000 million. Of the imported foodstuffs the more important are wheat, meat, butter and sugar. The principal raw materials imported are lead (340,000 tons), copper (260,000), zinc (210,000), tin (20,000), rubber (110,000), raw cotton (900,000), etc. The 1938 imports of petroleum were about 320,000 gallons. Over the past ten years Britain's consumption of oil has almost trebled, and if oil were to be obtained from coal in which Britain is rich, something like £ 700

> million would be required for equipment alone. Nearly 44% of the 1938 imports into the British Isles was from the Dominions and colonies. A little over 10% has been affected by the outbreak of the European War.
>
> Britain must import far larger quantities of food and industrial raw materials than Germany which, too, is compelled to look to other countries for supplies of all the necessary materials, except coal and timber. But Germany will find it more difficult to import the materials she needs than will Britain.

The closest analysis of any so far made of the British and French economic powers in regard to the European War is perhaps that of Lieut.-Colonel Naoye Saito, an authority on war economics, in the October, 1939, issue of the *Nihon Hyoron*. Below is the gist of his article:

> In his latest work, *Economic Problems of the Next War*, Paul Einzig says that the next war could only be a protracted one and that, since in a protracted war economic factors play a very important part, who is rich would necessarily win it and Germany, who is poor, would lose it. Be that as it may, the reason why Britain will have to resort to a protracted war is not merely that the next war is most likely to be a drawn-out one, but that she cannot do better than prepare for a protracted war, just as Germany will have to adopt the *Blitzkrieg*.
>
> The European countries of today are not only devoted, as never before, to the study of war; they discuss war, envisage war, breathe war. For this reason the current European War is unlikely to last as long as the World War. It is, however, unthinkable that it will be ended so quickly as the Germans would have us believe. For Germany missed a golden opportunity for going to war at the time of the Munich Conference. Before the conference there was a great possibility of Germany being successful in carrying out a lightning war, but once the chance had been let slip, that possibility fast dwindled largely because of the marked degree of preparedness attained by Britain and France. In this sense, the Soviet-German *rapprochement* may be looked upon as an indication of Germany's partial renunciation of the idea of effecting a lightning war. A certain foreign journalist, recalling the remarks made in 1914 by the German Ambassador at Constantinople, namely that Germany would lose the war if it failed to capture Paris within 40 days, said that the same would apply *a fortiori* in the case of the current war. This is certainly an overstatement, but it is a fact that ever since the Munich Conference the chances of Germany's so-called lightning war being effective have been decreasing. Almost all British and French writers of magazine articles seem to agree that the totalitarian States will not be able to stand a protracted war; though whether or not the Allies are justified in being proud of their preparations for a long drawn-out war merits careful examination.
>
> Many Britons are of the opinion that the wealth of their country is

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

their most powerful weapon, but the question is whether their riches are so organized as to constitute an effective line of defence. Britain's dominions and colonies are the sources of her wealth, or rather they were so as long as they were not menaced and nothing stood between them and the motherland. In other words, while Britain's command of the sea remained supreme, her so-called overseas wealth stood her in good stead as a source of wartime economic power. But the position is different today, for the British navy can no longer make its influence felt so extensively and so effectively as it used to—a fact which accounts for the great menace felt by her dominions and colonies. The 1938 edition of the *Annual Report of German Wartime Economy* says that Japan's expansion is causing uneasiness to Australia and New Zealand, while South Africa is similarly uneasy over Italian expansion to East Africa. This goes to show that with the narrowing of the sphere of influence of her navy, Britain's overseas source of wealth is beginning to show signs of weakness. But that is not all. The "life-line" routes along which colonial troops and supplies of raw materials are transported to the British Isles are now exposed not only to submarine attacks, as in the World War, but also to aerial attacks. It is but natural, therefore, that the British colonies should have started to arm themselves; and it is also natural that Britain should have begun to take pains to canalize her overseas wealth and national economic strength to meet war demands. Before her efforts in this direction bore fruit, however, the present European War broke out.

Australia has considerable coal and iron deposits; in fact her coal reserve alone is said to be enormous. But Britain's economic power to wage war cannot be estimated in terms of statistics only. We cannot easily see eye to eye with Einzig who predicts that the current war will end as did the World War in 1918.

Then there is the question of Britain's capacity to establish credits. Britain attempted to pursue her abortive encirclement policy by extending credits to the countries she was anxious to win over to her side. She extended a credit of £5,500,000 to Rumania and £2,000,000 to Greece; while, as to Poland, Britain was able to give only from £8,000,000 to £13,000,000, although the credit actually required was £50,000,000. Britain's capacity for credit establishment has undoubtedly decreased. Since 1936 British finance has been increasingly "in the red," the amount to the bad in 1939 has been estimated at £382 million. Under such financial conditions, it is problematical whether Britain will be able to win over lukewarm friends by means of credit establishment; moreover, such measures have necessarily caused a deficiency in Britain's capacity for munitions production.

What about Britain's home industries? Her heavy industries seem to be in full swing. Thus her monthly production of aeroplanes is now put at about 1,000, although at first her production in this field of industry was far below the German level.

Then there is the food problem. A certain prominent jurist said that Britain should import rather than reserve food; for, he believed, if Britain lost command of the sea, she would inevitably suffer a defeat, and that would render food storage meaningless. In May, 1939, Britain made public a wartime food production programme and established a system of subsidizing the work of bringing land under cultivation. As a result, the output of such things as meat, fruit and sugar has increased remarkably. But the yield of cereals, including wheat, has not increased at all. It is, after all, necessary to keep food in store, but as England's command of the sea is not what it was, who can tell whether the storing of food will henceforth have any meaning. What is more serious, however, is the inactivity of the shipbuilding industry in Britain. Failure to increase the number of bottoms will necessarily land Britain in a sorry plight. The cause of the slackness of shipbuilding may be sought in high costs and a lack of subsidies, but it remains to be seen whether it will be able to lift the shipbuilding industry out of the present depression by means of subsidies. Ships will no doubt be built at no matter what cost in times of war, but will Britain be able to regain the supreme position she once held in this field of activity?

So much for Britain. Now how about the economic strength of France? Paul Einzig, in making a comparison between France and Germany, explains the economic strength of the former by emphasizing its overseas economic powers. But his argument does not necessarily hold water. Most of the French ports are in the Mediterranean, and this part of the waters is a source of uneasiness to France. Her trade routes are constantly menaced by Germany and Italy.

In regard to domestic industries, France seems to have at length lifted herself out of the morass of disorder and inefficiency into which the Popular Front had plunged her. The credit for reviving French industries must go to two prominent figures—Edouard Daladier and Paul Reynaud. Reynaud mapped out a plan to bring his country's industries back to their former condition by instituting drastic reforms aimed at expansion of productivity, reduction of national expenditure and increase in national revenue. His policy has proved a success and the industries of France have staged a comeback. As a natural consequence, the heavy industries which have a close bearing on the prosecution of war have resuscitated. Yet, however brilliant their comeback may be, one can hardly expect them to work wonders in the short space of a twelvemonth, one cannot therefore believe that France's wartime economic power has been augmented to so very great an extent. Furthermore, France still has financial difficulties to surmount. Reynaud's rare ability is proving a valuable asset in getting over these difficulties, but the evils which the Popular Front bequeathed as an unwelcome legacy have not as yet been completely eliminated.

France is better off than Britain in regard to the food problem. France is well known as a country abounding in agricultural produce,

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

including many staple articles of food. The wartime food consumption of France is estimated at 20,000,000 metric tons, the bulk of which can be supplied by the motherland and its colonies. Here is where France, like Japan, scores heavily.

For all this, it cannot be denied that only when Britain's co-operation and assistance are ensured can French wartime economic power come into full play. Small wonder, then, that General Gamelin said: "Optimism is a luxury."

The long-war tactics of Britain and France thus do not seem, in the last analysis, so effective as appears at first sight. As things stand, the riches of these countries have not as yet been organized in such a way that they can constitute a great wartime asset. That is why it is risky to jump to the hasty conclusion that in a protracted war the Allies are sure to emerge victorious. Their victory cannot be ensured until all their riches become one organic whole.

THE SOVIET UNION IN THE WAR

THE advance of the Soviet Union, so closely inter-related with the European War, has been a subject of absorbing interest in Japan, inspiring discussion from many angles with regard to the outcome of this struggle in which the northern colossus is, in principle, on the German side. Scepticism of the intentions of Moscow, as ostensibly a supporter of Germany, has been voiced by many critics, among them Toyohiko Masuda. In the December, 1939, number of *Kaizo* (Reconstruction) he advances his views on the European War, emphasizing specially the economic aspect as it concerns the nations involved in the hostilities and the part the Soviet Union is playing, apparently on the side of Germany.

Mr. Masuda points out that the European War is not a mere repetition of the first World War, which resulted from a clash of interests between Germany and Great Britain. The distinctive feature of the present war, according to his opinion, is found in the advance of the Soviet Union and the latter's special relations with Germany. In this connection, he says:

> Before the World War, or, to be more exact, before the birth of the Soviet Union, most international conflicts were between capitalistic nations. Since the advent of the Soviet Union, however, the world has been brought face to face with a conflict of national interests between the capitalistic nations on the one hand and on the other hand the gigantic socialistic nation which operates according to a fundamentally different principle. The presence of the Soviet Union makes the differences existing between nations all the more complicated and violent.
>
> Since the formation of the Soviet Union, all the peoples living in an area spread over about one-sixth of the earth's surface have been converted into a nation which is fundamentally opposed to the rest of the world. This socialistic nation with its vast natural resources has already executed a series of five-year plans with a view to consolidating a self-supporting *bloc* of its own. This has made the possibility of further capitalistic development all the more difficult and the friction between the capitalistic nations all the more acute.

It is the consensus of opinion in Japan that the European War is bound to be a long-term conflict, and that the ability of the nations involved to secure the war materials they need will be the principal factor in determining the outcome of the conflict, just as it was in the case of the World War. Mr. Masuda, therefore, goes on to compare the economic resources of Great Britain, France and the United States

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

on the one hand and of Germany, the Soviet Union and Italy on the other, taking it for granted that the nations in the one group are co-operating against those of the other group.

"It is apparent," says this critic, "that Great Britain and France are economically in a much stronger position than Germany. In June, 1939, for instance, the amount of gold and foreign exchange held by the German National Bank was no more than 77,000,000 marks all told, as against £226,300,000 held by the Bank of England—a ratio of one to 50. And the amount held by the National Bank of France was more than twice that held by the Bank of England."

Here he presents a series of statistical tables, covering 11 important metals, 12 non-metallic minerals and precious metals, 7 other raw materials such as rubber, wool, cotton, hemp, and 9 raw materials used to varying extents in the production of oil by the member nations of the two groups. On the basis of these statistics, he arrives at the conclusion that an overwhelmingly greater proportion of the world output of important war materials, necessary for the successful carrying out of a long-term war, is under the control of Great Britain, France and the United States. So far, therefore, he has found that Great Britain and her allies are at a great advantage compared with Germany and other members of the pro-German group.

Now to consider the provision problem of Great Britain, France and Germany; we all know that Great Britain is self-supporting only in potatoes, milk and a few other things, and has to depend for almost all other important foodstuffs on imports from abroad. According to statistics presented by Mr. Masuda, she has to import about 88 per cent. of the wheat and wheat flour she uses, about 51 per cent. of the meat of various kinds, 26 per cent. of the fowls, 40 per cent. of the eggs, 91 per cent. of the butter, 100 per cent. of the magarine, 78 per cent. of the cheese and 77 per cent. of the fruits she uses. These are only a few of the items enumerated by Mr. Masuda, but they suffice to show the seriousness of the food problem with which Great Britain is confronted.

On the contrary, France is almost self-supporting as regards foodstuffs, being able to produce from 90 to 95 per cent. of her food at home in time of war, the remainder being supplied by her colonies.

We are also told that Great Britain is confronted with many difficulties in securing the necessary provisions and other war materials from her colonies. In this connection, the critic says:

> One of the difficulties with which she is faced is the friction existing in many cases between the home Government and the Dominions. A powerful political faction in India, for instance, is advocating non-co-operation with the British Government; a section of British South Africa opposes the war and refuses to support the home Government;

and Ireland has already declared strict neutrality.

But if the conference between the representatives of the British Dominions and the authorities of the home Government, which is now being held in London, is actually making the favourable progress reported, Great Britain will be relieved to some extent from the difficulty confronting her in respect of obtaining necessary raw materials and provisions. Moreover, the United States, as a result of the revision of her Neutrality Act, is now in a position to supply war materials to Great Britain and France.

Great Britain and France, moreover, possess an important advantage in that the countries in the war zone, from which they have been importing provisions and other materials, are comparatively few in number. Take, for instance, articles of which the importation might be suspended or threatened with suspension on account of the present hostilities. Britain was importing 7 per cent. of her butter from Sweden, Lithuania, and Latvia; 9 per cent. of her eggs from Poland and Danzig; 35 per cent. of her pulp from Sweden, Lithuania, Estonia and Germany; and 9 per cent. of her iron and copper from Germany. And France was dependent upon Czechoslovakia, Lithuania, Estonia, Austria and Germany for 15 per cent. of her pulp. The countries from which they may import other important materials in large quantities are all situated outside the war zone. Whatever way one looks at it, therefore, Great Britain and France are situated far more advantageously in this respect than is Germany.

The problem is how Britain and France will be able to secure all the necessary materials, which are so favourably placed to their advantage, to carry on a long-term war. We all know that many British and French merchant ships have been sunk by German submarines since the outbreak of the hostilities, and it is apparent that the German navy will continue its efforts to frustrate the British attempt to obtain necessary materials from abroad by waging submarine warfare against British merchant vessels. In this connection, Mr. Masuda gives the following account of the strength of the British merchant fleet:

> It must be remembered that the rate at which ships are being built in Britain is much lower today than that which prevailed at the time of the World War. Also, the number of British merchant vessels has decreased since that time. According to a Norddeutscher Lloyd list given in a German economic magazine, the number of merchant ships possessed by Great Britain in 1937 was no more than 6,722 with an aggregate tonnage of 17,900,000 as against 8,587 with an aggregate tonnage of 18,900,000 in 1914. With an increase in the number of oil tankers, the proportion of the tonnage of vessels fitted for the transportation of raw materials and provisions is estimated to have been lowered to somewhere between 12,000,000 and 13,000,000 in 1939 as against 17,400,000 in 1914.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

It is a fact, however, that the speed of merchant ships has been considerably increased since 1914. This should be taken as an advantage to Britain from the viewpoint of transportation efficiency, but at the same time the average tonnage of British merchant ships has been increased from 2,201 in 1914 to 2,662 in 1939, thus increasing the liability of their being made a target of submarine and airplane attack.

Mr. Masuda also quotes figures from the same German economic magazine, to the effect that German submarine boats in 1915 sank 1,100,000 tons of British merchant marine, in 1916 1,400,000 tons, in 1917 4,000,000 tons and in 1918 2,000,000. The number of merchant vessels sunk by German submarines since the outbreak of the present hostilities, as announced by the British Admiralty on November 6, was 37 in September and 18 in October, the total tonnage sunk being 238,800. The damage sustained by France amounted to one vessel in September and six in October, or a total tonnage of 47,900. The present tendency for the number of British victims to decrease has been attributed to the increasing efficiency of the British naval defense forces, but we are told that whether such is the case or not remains to be seen.

As regards the provision problem with which Germany is confronted, Mr. Masuda says that during the past several years, the Nazi Government has been following a policy of encouraging the agricultural industry with a view to making the country self-sufficient in foodstuffs. Indeed one of the most important national slogans in Germany has had to do with enlargement of agricultural production.

"As a result," says Mr. Masuda, "all the cultivatable areas in that country have been utilized to the utmost limit. The annexation of Austria and the establishment of protectorate over Czechoslovakia made no fundamental difference in the German food problem. The consequence therefore is that, as stated by Hitler himself, Germany is about 80 per cent. self-supporting in foodstuffs.

"In contrast to the position in Great Britain and France, the seriousness of the food problem in Germany is due to the fact that the nation has no colonies from which she may obtain necessary foodstuffs—nor other war materials for that matter. Under the circumstances, Germany has to make up for her shortage of food by importing it from foreign countries. However, for a country holding such a small amount of foreign exchange and specie as Germany does, this is possible only by exporting her own products. What makes the situation all the more difficult is that, according to an estimate made by a German military expert, there is, in wartime, a decrease of about 20 per cent. in agricultural production, due to an inevitable shortage of labour and the difficulty found in improving agricultural implements; while a further shortage of 20 per cent. is unavoidable as a result of an

increase in the consumption of foodstuffs."

As for Germany's prospects of securing foodstuffs from neighbouring countries, Mr. Masuda makes the following statement:

Supposing that the general war situation remains the same as at present and the exports to Germany from Holland, Belgium, Denmark, etc., are not curbed as a result of Anglo-French pressure, Germany would experience no serious difficulty in obtaining butter, eggs, pulp and the like from those countries. But according to statistics compiled by the League of Nations in 1937, she imported 67 per cent. of her wheat from the Argentine, Australia, Canada and India; 71 per cent. of her corn from the Argentine; 92 per cent. of her rubber from British Malaya, the Dutch East Indies, Ceylon, French Indo-China and Brazil; 9 per cent. of her lumber from America and French Africa; 61 per cent. of her wool from Australia, the Argentine, South Africa, England, France and New Zealand; almost all her raw cotton from Peru, Brazil, America, Egypt, India and Burma, 62 per cent. of her gasoline from Peru, Central America, the United States, Iran and the Dutch East Indies; and 86 per cent. of her iron and steel from America, Great Britain and other countries. And inevitably Germany will find the import of these materials impossible, or partially impossible, in the future.

Faced with such a predicament then, Germany has to turn to the Soviet Union for the supply of war materials, but the critic believes that the latter has not enough surplus materials to satisfy German demands in full. He goes on to say:

The output of petroleum by the Soviet Union, which was 21,380,000 tons in 1932, jumped to 30,110,000 tons in 1938, but during the same six year period the consumption of oil in that country has increased to such an extent that the amount of petroleum exported has dropped from six to one million tons. The output of pig iron, which was 7,020,000 tons in 1933, has been rapidly increasing until in 1938 it attained the 14,500,000 ton mark, but the Soviet Government has no surplus of it for export. As for copper, lead, aluminum and tin, she has been unable to produce enough to meet the domestic demand.

Wheat, sugar, hemp and flax have ceased to be important articles of export due to the rapid increase in the domestic demand. The articles the Soviet Union may export to Germany without serious inconvenience to herself are manganese, asbestos and lumber. It may not be impossible for the Soviet Union to supply Germany with some petroleum, raw cotton and iron ore, but experts agree that the amount would be limited.

Again, the security of the economic ties between Germany and her other neighbours such as Scandinavia, Denmark, Holland and Belgium cannot be guaranteed since Great Britain and France are making serious efforts to break these ties down.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

The total surplus of foodstuffs in Jugoslavia, Bulgaria, Rumania and Hungary, which Germany expects to get, is no more than barely enough to feed 4,000,000 Germans, still leaving a shortage of provisions for 1,000,000 more. Moreover, Germany in her economic activities in those directions may not only face British and French opposition but provoke a stern Italian rebuff. It must be recalled that the German economic advance in the Balkan States during the past several years has been made at the expense of Italian economic interests.

Mr. Masuda is particularly pessimistic over Germany's relationship with the Soviet Union. In this regard, he says:

The first and foremost concern for the Soviet Union is to take advantage of the present war to extend her political, economic and military influence among her neighbours, with a view to strengthening her national defenses. Hitler has announced his disinterestedness in Ukrainia and the Ural region, but Moscow still remembers what is meant by the Nazi policy of advance to the east.

The Soviet Union is likely to preserve her national strength by keeping out of the war until all the warring nations are utterly exhausted and then begin her activities for sovietizing the world. It is true that she is strengthening her economic relationship with Germany, but she is not taking that step to make Germany the ruler of Europe. On the contrary, she aims at strengthening Germany, to a certain extent, in the latter's weakest point so as to make the European War a prolonged struggle. There is, therefore, a limit to the economic aid she is likely to render that country. The fact that she is trying to improve her trade relations with Great Britain, the arch enemy of Germany, in spite of her new economic relations with the latter, bears witness to her ulterior motive.

She harbours an ambition to sovietize the world, but whether she can ever succeed in her attempt remains to be seen. She may fail, but it is a foregone conclusion that she will at any rate improve her international position. The longer the struggle among the warring nations lasts and the greater the waste of their national strength in the struggle, the more poweful will the Soviet Union become internationally without making any sacrifice herself. And she will become all the more powerful if she succeeds in her present efforts to extend her influence among her neighbours.

It is only a little more than two months since the outbreak of the European War, and no prediction can be made safely at this time regarding the possible final outcome of the struggle. Nevertheless, it is apparent that the war will not be brought to an end simply by the 100 per cent. defeat or victory of one or the other party. The advance of the Soviet Union, determined as she is to sovietize the world, has in a sense precipitated the war, and future Soviet activities will have an important direct and indirect bearing on the progress of the struggle, making the conclusion of the hostilities all the more complicated and difficult.

WHEN the Finnish-Soviet negotiators at Moscow failed to reach an understanding and Soviet aeroplanes began to fly over Finland while Soviet land forces moved across the frontier, there was little doubt about the line that the Kremlin proposed to take with regard to the Soviet Union's northern neighbour. It was rather remarkable that little excitement should have been stirred up in Japan over the situation, but after all those who had been following the developments in that part of Europe over the last few weeks had been able to predict rather accurately what was likely to occur. If there was any surprise about the direction that Soviet military policy had taken it was probably because most Japanese observers had been expecting that the Kremlin was going to turn its attention next in the direction of the Balkans.

As a matter of fact, it had not been expected that Soviet Russia would assume any positive rôle in the European War. Norio Akiyama, an authority on Russian affairs, writing in the *Chuo Koron* (July, 1939) observes that Soviet Russia will take an important enough position in the present European War, but that the part that it will play therein will be "of a negative character." This writer is of the opinion that the Soviets will play only a secondary rôle as far as "the development and extension of the war are concerned." In fact, he goes so far as to say that "it will not be the Soviet moves that will have any decided effect on the development of the war, but it will be rather the progress of the war itself, apart from Russian activities, that will have much to do with determining the attitude of Soviet Russia." The *Tokyo Asahi* echoes the same thought when it observes in its editorial (Sept. 15, 1939) that even if the Soviet statesmen proposes to bide their time until the belligerents have spent themselves and they can seize the opportunity to ferment world revolution, it seems hardly likely that they will be "so deeply drawn into the war as to conclude a military alliance with Germany."

When the Soviet forces were sent into Poland, thus forming virtually a barrier against the eastern advance of the Nazi armies, and when the Baltic states had been forced to acquiesce in the Russian demands, it was thought that the next development would be a Soviet advance southward. Colonel Gunki Hayashi, of the Japanese Army, who is writing a commentary on the European War in the *Tokyo Asahi* each week, pointing out how the Soviet Union was consolidating its position in Poland, observes (Oct. 23, 1939) that the Balkans will be most probably the next scene of Soviet activity. He believes that the

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

Soviet position in Poland and the Baltic has become strong enough for it to be able to start carrying out its long-cherished plans with regard to Turkey and the Balkan states. The failure of the prolonged Turko-Soviet diplomatic negotiations has in no wise improved the relations between Ankara and Moscow. "The Soviets have massed formidable forces in the Caucasus," writes the Japanese military commentator. "These forces have been assembled close to the Turkish and Iranian frontiers. The Turkish Government, for its part, in view of the serious eventualities in sight, seems to have been taking steps against the potential activities of the Soviet forces." The immediate objective of the Soviet advance southward, if directed through the Balkans, will be Istanbul, which will then serve as a base for a further advance into the Mediterranean. But in this case, thinks the Japanese military commentator, the Soviet Union will be certain to find its interests clashing with those of Germany and Italy. The Soviet advance, therefore, in his opinion, will more likely be along the line of least resistance and will be against Turkey. "In that direction," says he, "there would be less likelihood of a frontal clash. The wisest course for the Soviets would undoubtedly be to enter the eastern section of Turkish territory and move onward in the direction of Iran and Iraq. If they carried through this plan, the Soviets would not only establish supreme control over the oil resources in that part of the world but would accomplish the traditional object of securing an ice-free port in the Persian Gulf. This would be a serious enough menace to the British Empire."

Soviet diplomacy, however, was to take a different course. On September 23, 1939, Estonia had to agree to the Soviet demand for naval and air bases in the Baltic and free passage for Soviet soldiers through its own territory. By conclusion of a similar pact with Latvia on October 5, 1939, the Soviets secured the right of establishing naval bases at Libau and Windau and of building air fields and forts at several points in the country. And five days later, the Moscow Government succeeded in concluding a similar agreement with Lithuania, thereby obtaining the rights of constructing naval and air bases in that country also. Hardly had these pacts been concluded when Soviet soldiers flowed into those three countries, their strength reportedly equalling those of the armies of the countries concerned. At this point, says the *Toyo Keizai* (The Oriental Economist, Japanese Edition), Soviet Russia had completed preparations for establishing its hegemony over the Baltic Sea, the only obstacle being Finland, whose delegates were thereupon asked over to Moscow and presented with demands for the cession of the Aaland and other islands. But the Soviet statesmen met with strong opposition and the negotiations had to be broken off. Then when the other Scandinavian states came forward in their support of Finland, the strained situation seemed to ease to some degree. This

the *Toyo Keizai* interprets as due to the changed attitude of the Soviet statesmen who, in its opinion, found it advisable not to press their demands too far. It was thought that Soviet Russia would hold further moves in abeyance and wait for a fresh opportunity.

But events were again to follow a course contrary to the general expectation. The Tass news agency reported that on November 28, 1939, Finnish artillery men fired on Soviet soldiers close to the frontier. But what actually took place at the frontier is still veiled in some mystery, and what took place in the period immediately prior to the advance of Soviet troops across the frontier is not clear either. In any case, hostilities broke out along the border area and the Helsinki Government declared that a state of war existed between Finland and Soviet Russia.

At the time of writing (Dec. 8, 1939) the outcome of the war seems uncertain. The Finnish forces have been offering a gallant and most determined resistance. They are fighting against what is universally regarded as the most tremendous odds that any country has ever had to fight against in the history of the world. Finland is fighting with practically every country in the world on its side, even if only morally; and world-wide prayers have been offered that this brave people of Northern Europe may yet be saved from the sweeping tide of Red militarism. But Britain and France are unable to come to Finland's aid and although the United States has been putting forth efforts to arrange for a peace between the two belligerent countries, there are as yet no encouraging signs that these efforts will be successful. For all appearances to the contrary, the contest that is going on over the snows of Finland seems to be too one-sided; it leaves few in doubt as to its outcome. The only hope, even if far from being a bright one, seems to lie in the American proposal of peaceful mediation.

But deeper shadows seem to be falling over Northern Europe as the days of uncertainty go by. It seems to be beyond question that Soviet Russia will not retract its steps under any circumstances, before its present objective has been attained. This naturally raises the question, what are the objectives of the Soviet campaign in Finland?

Tadataka Ikezaki, a writer on international subjects, in his contribution to the *Yomiuri* (Oct. 22, 1939) expresses a rather clear-cut opinion on this point. The construction of a new order in Northern Europe is the Soviet objective, asserts this writer. This is to be carried out according to the plan which Moscow has devised to take advantage of the extraordinary conditions prevailing in Europe. The eye of Soviet Russia is now turned northward as a preliminary to its ultimate action against Germany. Russia means to secure a hold on Finland and possibly even adjacent territory so as to have a base from which she will launch new operations when the time comes. This time will come, says Mr. Ikezaki, when Germany has exhausted herself in her struggle

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

with the Allies. When Germany is so spent as to be unable to stand on her own feet, Soviet Russia will " leisurely proceed to put an end to the dying Nazi state." " The construction of a new order in the north," says the Japanese observer, " will only pave the way for this grandiose achievement which the Soviet statesmen have in view."

The Soviet policy is explained on more historical grounds by Shin Sakuma who writes in the December, 1939, issue of the *Nihon Hyoron*. He believes that Soviet Rùssia is now out on the war path to take back the territories that it lost in the last World War. It is only natural, he says, that Russia should want Finland back just as much as she wanted Poland. There are also strategic considerations that make the possession of Finland a matter of so much importance. Krondstadt, Russia's most important naval base, is easily accessible from Finland, while Leningrad is only fifteen or sixteen miles away from the nearest point on the Finnish frontier. It is also patent that the command of the Gulf of Finland will have a vital bearing on the routes of communication in the Baltic Sea. This Japanese observer also explains the Soviet campaign in Finland from the standpoint of that country's material resources. This factor must be taken into account in his opinion, because modern warfare is so dependent on material resources.

The consensus of Japanese opinion is that world revolution has never been dropped from the Kremlin's programme. It is likewise generally believed that Soviet Russia is supporting and aiding the Reich only as part of its social revolutionary policy. Granting, however, that all this is true, it seems rather difficult to explain why Soviet Russia, after attaining its objectives in Poland, should turn its attention next to Finland. The Gulf of Finland is admittedly of vital importance to security on the Baltic Sea, and command of the Baltic would be essential to any westward military drive that Soviet Russia might venture to undertake. But some Japanese prefer to take a shorter range view of power politics, especially as they are played by the statesmen of Soviet Russia.

Typical of this view are the comments of one of the regular columnists in the *Yomiuri* (Dec. 3, 1939) on this subject. " Finland is about to be crushed," he remarks. " Here we have an example of the rôle that any weak nation may have to assume in an ill-fated hour. Finland merits our deepest sympathy. But it would not do to indulge in sentiment. Nor would it do any good now to talk about the violation of treaty terms and invasion across the frontier, or anything of that sort." That kind of discussion would now avail nothing, thinks the *Yomiuri* writer, because the present conflict between Finland and Soviet Russia shows, as nothing else has done, that a weak country should " behave " as befits a weak country. Otherwise it has only itself to blame, as was so sadly proved in the case of Poland. A weak nation that presumed to be more powerful than it was would only follow the way that Poland

has gone. " Poland puts up a brave front because it had friends in Britain and France."

But there are limits, according to this Japanese writer, to which confidence or reliance on other countries may be placed under any circumstances. " There is hardly any country ever likely to stake its own safety for the sake of another country. Finland's case is akin to that of Poland, and Finland's case will prove as disastrous. The faith that Finland has had in Britain and France will count for little now that the war has broken out. The United States is severely taking Soviet Russia to task : but all that it will say will hardly prove more effective than a few drops of eye-lotion dropped from the second story on a sore eye down on the street." This Japanese observer believes that American sympathy will only be wasted on a dying Finland, because there is now no way of saving Finland from destruction.

Having come to this conclusion, the *Yomiuri* writer paints the impending European catastrophe in dismal colours : " In sum, the old order is now on the verge of collapse. There are only two forces at play : the one a dynamic force dealing sledge hammer blows at the old order of things in the world : and the other is a force that is straining itself to give birth to a new order of things. It is more than probable that this storm will continue, for some time to come, to sweep over the whole world. How to weather this storm and how to steer safely through the storm-tossed seas are the big problems facing the nations of the world and their statesmen."

The writer is apprehensive concerning the future direction of this storm of which Soviet Russia is the centre, once it has swept through Finland. Unless Japan herself is well prepared to meet it and brave it through, the worldwide maelstrom may turn from the northern part of Europe and sweep down on Far Eastern shores from across the mainland of Asia.

Meanwhile, one of the " tragedies of the century " will, and must, go on in Northern Europe. The history of the Finnish people, a people peace-loving and well thought of, must be writ in blood. Finland's only fault was that she did not *kowtow* to her mighty neighbour. Her error was that she failed to realize how far off were her friends. Her misfortune was that her mighty neighbour was bent on gobbling up those who had little power to resist.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

HITLER AND NAZISM

OBJECTIVE appreciation of events rather than comment characterizes the trend of the Japanese press whenever it refers to Reichsführer Adolf Hitler or Nazism. In other words, there is an abundance of description and exposition but very little criticism. This absence of a critical attitude toward the German dictator and the policy he stands for must be regarded as revealing the presence of a inclination in Japanese politics which is totalitarian in its ideas and Hitlerite in its sympathies.

The nearest to criticism that a Japanese writer has approached is in an article by Retsu Kiyozawa, well-known free lance, in the October, 1939, issue of the *Chuo Koron* (Central Review) entitled : Has Hitler Miscalculated ?

Without venturing to definitely commit himself as to whether he thinks the Reichsführer has miscalculated after all or not, Mr. Kiyozawa gives a rather lengthy analysis of the frame of mind in which Hitler must have found himself when he plunged into the European War.

" ' Has Hitler Miscalculated ? ' is the theme which the editor of the *Chuo Koron* has asked me to develop and answer," says he, and he proceeds as follows :

> Now, I make such a step-motherly note of this fact because only the future can tell whether Hitler miscalculated or not when he started on what he is now doing. If he emerges victorious, the German Chancellor, even now a semi-legendary object of hero-worship, will truly become a god and the German people will find elbow-room in Europe. If Germany secures hegemony over all of Europe, who will ever impute any mistake to the great prophet and saviour of the world ?
>
> Should, however, his action prove harmful to the German people, perhaps the charge of miscalculation will be brought against him. Even then, who knows, he may have taken accurate cognizance of the circumstances when he acted as he did. There are no two things that Germany fears more than Britain and an international " encircelment " movement. And this has always been so. Both Bismarck and Wilhelm II sought to destroy these two major sources of menace to Germany's welfare. Germany does not consider France or the Soviet Union so formidable, and she most probably thinks that when the arena is cleared of all minor antagonists, Britain will remain the sole opponent worthy of her attention. Now Germany was being pressed hard by these two things it most feared ; she was well aware of the existence of the Franco-British flanking movement directed against herself and of the British armament expansion.

" This is the time to strike ! " was very likely the thought in Hitler's mind. War at best is an adventure. Devour or be devoured. Germany's armaments were extremely formidable. They could, of course, have been expanded further, but the tardy British were showing signs of making up for lost time. " Now or never ! " Such, I can very well imagine, was Hitler's idea when he acted. Whether this constituted a miscalculation or not remains to be seen ; it is, after all, a bit too early to say yes or no in any offhand manner.

But it is a well-known fact that Hitler has been boasting of his bloodless victories. He has also been calling Britain, France and the United States a sanguinary lot of warmongers. He has taught the Germans to look up to him as the angel of peace and said that the Democratic nations are blustering jingoists. Contrary to the popular belief, his real popularity lay in his signboard of peace. Even if the European War was provoked by the Democratic nations, the very fact that he resorted to war clearly constitutes a miscalculation. This is the more apparent in view of his remarks in *Mein Kampf* regarding the mistake of the Kaiser in having made an enemy of Britain.

The question of Hitler's miscalculation is rather a psychological than a political one. An able and daring statesman has eliminated all criticism and has given free reign to his fancy. So far his every step has been a success. Everybody about him thinks exactly as he does or at least is anxious to appear so. There is no longer any one even to give him counsel. Can such a person form an objective estimate of things ?

When he was sending troops to the Rhineland the German Army protested, because it thought the defences at home inadequate. He went ahead unheeding on the ground that France was powerless to resist, and his success was hailed by his admirers throughout the world.

Next came Austria. *Anschluss* had been an aspiration of his ever since his boyhood, when he left his native Austria for Germany. He was bent on carrying it out some time but Nazi military experts could not agree as to the exact moment. Prior to the Austrian *coup* there was a major reshuffie in the personnel of the German Army. The reason for personnel changes in the Government of a nation ruled by a dictatorship cannot be detected from the outside, but it was reported abroad that the shakeup was the result of sharp opposition on the part of some Army leaders to the Hitler plan of action. No sooner had the adjustments been made than, like a stroke of lightning, Austria was made a part of the Reich. The world again applauded him.

Mr. Kiyozawa goes on to describe events subsequent to the *Anschluss* and the rôle of peacemaker played by Prime Minister Chamberlain.

> Far from bursting out in indignant condemnation of the weak-kneed policies of their political leaders in allowing Hitler to take the Sudetenland and to act before all Europe like a king throwing scraps of peace to

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

a beggar, all Britain and France saluted Chamberlain and Daladier as savers of peace. Womenfolk of Britain welcomed Chamberlain back from the Munich Conference with tears of gratitude.

Can one wonder, then, that Hitler thought Britain and France would never fight?

Then Czechoslovakia and Memel. And finally Poland. It is easy to imagine that after three or four years of striding like a giant through the tangle of European politics without finding any serious obstacle in his path, Hitler should have become possessed of a different psychology from the one with which he started his career. With all opinion opposed to the Nazi régime suppressed, and foreign newspapers and magazines kept out of the country, the narcotic of one-sided propaganda was paralyzing not only the people but their rulers as well.

Thus when the British Government announced its institution of a conscription system Germany laughed. For it was on such a small scale compared with Germany's that it was even ridiculed in Japan.

Kumataro Honda, former Ambassador to Germany and a frequent public speaker on the forum, in his speech at the Hibiya Public Hall on July 31, 1939, commented: "What's so formidable about Britain? The British do not even have an air force sufficient to protect London. And the British Army. Witness the foolishness of coming to realize at this time of day the need of a conscription system. They send their Ambassador to Berlin to see Hitler and have him tell the Reichsführer: 'If you don't keep your hands off Poland we'll issue conscription orders.' And this to the father of modern militarism! And I am not joking."

There can be no doubt that Hitler felt the same way about the British Army. To minds of the same tendency the same ideas occur. Only those who have made a deep study of British national traits can understand that the adoption of a conscription system by Britain implied that she was in deadly earnest.

By the time the push on Poland was made, no longer had Hitler the presence of mind to listen to the views of his enemies or his friends. His ambition has grown with each success, and eventually he came to feel that he simply must have Poland.

Thus when Joseph Stalin stretched out his hand and offered to make a deal with him, Hitler's first reaction was "This is what I've been waiting for." Britain and France were putting up a strong front because they were still counting on the Soviet Union to step in on their side. Once the Soviet Union became an ally of Germany, Poland would be rendered more helpless than a wall without support. All this was at the back of Hitler's mind when he refrained from attacking the Kremlin policy in any of his speeches since January. The subsequent conclusion of a non-aggression pact with the Soviets and invasion of Poland were only the logical consequences of the psychology engendered in Hitler by his recent successes.

But, when on September 3 Britain declared war on Germany, what

was Hitler's reaction? This is what the world wants most of all to know. Twenty-five years ago, when the Kaiser heard the same news, he is said to have been electrified with astonishment.

Whether Hitler has miscalculated or not remains for a future historian of the German race to judge. The same historian will probably be led to comment on the question whether an Imperialist can ever be content. And if he cannot, is not miscalculation inevitable in the case of a leader with an adventurous and heroic spirit?

Of an entirely different tenor is the view of Lieutenant-General Kyosuke Kawamura, formerly Commander of the First Division and at present Vice-Chairman of the Mechanized Arms Society, published in the *Yomiuri* (Sept. 22, 1939):

> While the Kaiser believed that force could settle everything and regarded politics and diplomacy as of secondary importance, Hitler, reconstructing a defeated Germany into a first-class Power, took an entirely different view of the situation and even instituted diplomatic policy as part of the curriculum in German schools.
>
> It is not difficult to imagine that the intelligent Reichsführer had studied thoroughly the causes of Germany's defeat in the World War and had availed himself fully of the lesson in making preparations for the present European War. While Britain and France stood amazed, Hitler gripped Stalin, his foe of long years, by the hand and with his support advanced on Poland.
>
> Now Europe is locked in a struggle which to all appearances will be long drawn out. Britain is trying to alienate Italy from Germany and Germany is striving to estrange France from Britain. Britain's leaders traditionally act entirely as public opinion dictates. But once Britain has resolved on a course it never swerves from its path. This alone is sufficient to make one believe in a long war. Another factor is the modern progress in the technique of fortification. Both the Maginot and Siegfried lines are so strong that it is not likely that either side will throw away their men and ammunition in trying to break through the enemy's fortifications . . . Meanwhile Hitler will most probably consolidate the line of material supply by unification of his national policy with that of the Soviet Union as he did in the case of Italy. . . .

From the economic angle, Dr. Mitsugu Tanaka, Professor at Meiji University, after an elaborate and detailed analysis of the controlled economy practised in Germany, in the *Chugai Shogyo* (Sept. 9, 10 and 11, 1939) says:

> In Germany, where individual initiative is respected, Government management of business, except as regards railway and postal services, is not approved as a matter of principle. Both the production and sale of tobacco and salt are in the hands of free private enterprises and the Government merely fixes the sales prices and levies taxes. Even the

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

manufacture of munitions is left to private factories and although there are military and naval arsenals they only undertake assembling and repairs.

Nazi Germany has come to this stage, however, only after many bitter experiences. Before the World War there were Government factories and after the war many semi-Government factories sprang up but none of them came up to the level of the better private factories, either in management or technique. Thus the Nazis decided that, in order to assure improvement in technique and management, the best course would be to let private enterprisers boldly carry out their original ideas and to give free play to their initiative.

True, under the Nazi régime, a Hermann Goering Iron Manufacturing Company was established. But this is an organization for treating ore of poor iron content and the Government had to undertake it simply because private companies would not do so despite repeated solicitation on the part of the Government. Thus at the inaugural plenary session of the company, Marshal Goering stated that he hoped it would be taken over by private enterprise as soon as possible, and he distributed some of the shares to private investors.

As I have described in the foregoing, the Nazi régime, although the country was desperately poor, planned on an exceedingly ambitious scale the elimination of unemployment, completion of its armament programme and self-sufficiency in materials. For these purposes it raised an incredible amount of funds and materials by means of entirely new financial and economic policies.

If any one thinks that since Germany is under a dictatorship the Nazi régime ruthlessly increased taxes and forced public bonds on the people without allowing a squeak of protest to be uttered in order to raise the necessary funds and materials, they could hardly be more mistaken. Nazi economy and finance are not projected on the basis of temporary expediency. The Nazi leaders know that since these policies must be enforced over long periods they must not make the people complain overmuch. They took care to pursue a financial policy that would not impose an unreasonable amount of strain on the resources of the people and an economic policy that would not radically alter the system built up before the period of Nazi control. They strove to inspire the people with a desire willingly to collaborate with their rulers in the pursuit of national policy even though such collaboration necessarily entailed much hardship and privation.

Only thus has Nazi Germany been able to build itself up into such a powerful industrial nation and war machine. While I do not assert that everything in Nazi finance and economy is good, I do claim for them not a few points which we can study with profit.

In this sense, the general trend of opinion in Japan is quite favourable toward Hitler and Nazism, in spite of the fact that the policy of the Government is to remain strictly neutral apropos of the European War.

DANZIG AND THE WAR

THE general tone of the Japanese press in regard to the Danzig question was in favour of Germany, especially before the conclusion of the Soviet-German non-aggression pact on August 23, 1939, and some commentators saw in the attitude of Britain over the issue a parallel to its attitude on the Tientsin question. In both cases the stubborn British policy of maintaining the *status quo*, simply because it happens to have about all it can hold and more, was cited as the root of the trouble.

In the absence of such reliable documentary material as the British Parliamentary *Blue Book*, which was made available only very much later, newspapers and magazines were occupied with surmises as to the facts behind the news rather than with giving any clear-cut statements of their views.

Typical of the Japanese attitude in regard to the Danzig issue was the editorial of the *Tokyo Asahi* (July 1, 1939):

For the last few day press dispatches from London, Paris and Warsaw have been sounding danger signals over the Danzig Free City situation. On the other hand, Berlin is still maintaining silence. But the situation was already described as dangerous several weeks ago. However, it is not strange that Poland, Britain and France should be raising the bogy of a major European conflict, although it will depend on the judgment of Reichsführer Hitler and the attitude of Britain as to whether war will again roll over the face of Europe.

British Foreign Secretary Lord Halifax, in his speech on the night of June 29, permitted himself a statement that savoured very strongly of sabre-rattling: "If Germany should again commit an act of aggression, we are prepared at once to bend our every effort in discharging our treaty obligations, namely, we are prepared to fight." He added that the loss of Polish security and independence would greatly menace the security and independence of Britain itself.

Now, so far as Danzig is concerned, what does Lord Halifax mean by an "act of aggression?" For the time being, the Polish Corridor is not at issue.

The city of Danzig, as a matter of fact, does not belong to Poland; it is not an integral part of its territory, but is under the control of the League of Nations. Moreover, on August 15, 1933, the Free City concluded a treaty with Poland on equal footing with the latter. Even the Warsaw Government has recognized the fact that the majority of the citizens of Danzig are Germans. The citizens do not know what action

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

the Reich Government is contemplating. In Berlin political circles, the speech of Propaganda Minister Goebbels on June 18 at Danzig was characterized as the "commencement of the final outburst leading to annexation of Danzig." But no one knows just how this annexation is to be brought about. It appears that the German press generally holds the view that "the deadlock in the Anglo-French-Soviet negotiations, isolation of the British concession in Tientsin and the Danzig issue have put Britain and British public opinion into an extreme quandary."

As for Reichsführer Hitler, his intention seems clear enough. On the principle of racial self-determination, he would brook no interference from Britain or France in choosing the right moment in which to achieve the aspiration of the German people. Whether his method will constitute aggression, pure and simple, remains to be seen.

The so-called preparedness of the British to act firmly had been stated by Prime Minister Chamberlain more than once prior to the Munich Conference in September last year. Granted that the resolution of the British and their armaments are considerably different now from what they were at the time, if the German action proves to be of a nature not calculated to demolish the security and independence of Poland and if it cannot be clearly defined as aggression, what, we wonder, will be the counter-action of the British Government and people?

Comments the *Tokyo Nichi Nichi* (July 4, 1939):

By a curious coincidence, the Tientsin concession issue and the Danzig issue have become, together, the cynosure of international political eyes. The Tientsin question is inseparably bound up with Japan's efforts to construct a new order in East Asia, while the Danzig issue must be solved if Germany is to achieve its aim of setting up a new order in Europe. The root of the trouble is similar in the case of both the Danzig and Tientsin issues.

If the authorities in the British concession at Tientsin refuse to discontinue their policy of aiding the anti-Japanese Chiang Kai-shek régime, then they are heading for ultimate ruin. Such is the irresistible impetus of the New Asia movement. And the same can be said of Danzig. All endeavours to treat Danzig as a bone of contention at this time of day, in the face of the powerful reform tide running through Europe, must prove abortive. There is not a penny to be gained by such a policy.

Then, why are the Tientsin and Danzig issues causing such international furore? The answer is the same in each case. It is because Britain is standing at the core of the *bloc* which is opposing the vigorous reform current in Asia and Europe and is continuing a useless and unreasonable struggle upstream. Although the movement for establishment of a new order is patently gaining strength in both the Eastern and Western world, Britain is attempting nevertheless to stem the tide with every

weapon at her command. Wasteful friction is inevitable. But the blame for disturbing world peace must be laid at Britain's door.

It would not be difficult to settle either the Tientsin or the Danzig issue, provided Britain were able to view the situation objectively. Ambassador Sir Robert Craigie has told reporters in connection with the Tokyo conversations on the Tientsin issue, "In principle I intend to confine the discussion to the Tientsin issue but perhaps the fundamental issues of East Asia may have to be taken up, depending on circumstances."

As a matter of fact, a radical change in the attitude of Britain in regard to its Far Eastern policy is the key to the settlement of the Tientsin or any other Anglo-Japanese issue in China.

The more Britain seeks to have it all its own way, to make a fuss over its prestige and to cling greedily to its rights and interests, the more difficult will the settlement of the concession trouble become. This is no threat but an inevitable conclusion that one arrives at in surveying the present situation in East Asia.

The self-same thing can be said of the Danzig situation. Whatever tension exists in Europe over the issue is of Britain's creation; for if Britain should make up its mind to settle the issue from a large and comprehensive point of view, the European situation would be bound to improve markedly.

The inconsistency of British foreign policy lies in its attempt to maintain the *status qvo* in the name of peace, and in making this attempt it is courting disaster. Britain is now confronted with the necessity of liquidating this inconsistency in its policy. And now that issue has been joined over Tientsin and Danzig the present moment appears opportune for just such liquidation.

While Takeoka Hayashi, commenting on the Danzig issue, in the *Gaiko Jiho* for October 1, 1939, scores Reichsführer Hitler for "his too unscrupulous policy" in tying up with the Soviet Union, a writer in the *Oriental Economist*, Japanese edition, for August 5, 1939, (reports of the German-Soviet non-aggression pact were not forthcoming until August 23, 1939) sees full justification for his policy in trying to secure Danzig. He says:

> Racially and historically Danzig properly belongs to Germany. Some 95 per cent. of its population are Germans and only 3 per cent. Poles, the remaining 2 per cent. being of miscellaneous nationality.

And a similar tenor of argument is adopted in the *Yomiuri* editorial for July 12, 1939:

> While Prime Minister Chamberlain (in his speech in the House of Commons on July 10, 1939) recognized the fact that Danzig is a city populated almost entirely with Germans, he asserted that the present

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

state of Danzig cannot be regarded as illegal or unfair. Even different races can live together in friendly proximity if their interests coincide, he declares. But no fair-minded person ever denies the fact that Danzig is a freak born of the Versailles Treaty.

It was Britain and France that put Danzig in its present irrational position in order permanently to weaken the national strength of Germany. It is inconceivable that the citizens of Danzig should be able to obtain satisfaction through exploitation by an alien race while living amid other alien races. The difficulty experienced by different races in mixing in the same territory has been witnessed everywhere in Europe. . . . It is hard to understand why Prime Minister Chamberlain, who took such pains to mediate for the return of the Sudetenland to Germany, should now try to make an exception of Danzig. . . . So long as Britain persists in such an attitude, a favourable turn in the situation cannot be hoped for. If the worst comes to the worst, the responsibility for it must be borne by Britain.

In a word, the Japanese press seemes anxious to justify the Reichsführer's attitude concerning Danzig at the expense of Britain.

PARTITION OF POLAND

WHEN Germany and Poland came to blows, the Japanese public adopted the attitude of a bystander, for both nations had been friends of Japan. Germany had been one of the signatories of the anti-Comintern pact, though the friendship between Japan and Germany had been somewhat impaired on account of the Soviet-German *rapprochement*, while with Poland Japan had long maintained amicable relations. Poland had recognized Manchoukuo, and Japan and Poland had raised their respective legations in Warsaw and Tokyo to the status of embassies.

Being strictly neutral as far as both the two belligerent states were concerned, Japan refrained from expressing any decided views either for or against Germany and Poland. Indeed, the Japanese public, to judge from the press, merely expressed lukewarm sympathy with Poland for its defeat.

The rapidity with which Poland was defeated by Germany, however, came as a complete surprise to the Japanese people. For a long time the Japanese had been fed with plenty of propaganda about the military strength of Poland, and few expected that defeat would come so soon as it did.

Why did the Polish army make so weak a stand before the onslaught of the Germans ? What were the actual causes of the Polish debacle ?

Japanese commentators count among the actual causes of the Polish defeat the superior strength of the German army and the superiority of the German staff, the geographically disadvantageous position of Poland, the lack of morale of the Polish army and the failure of Great Britain and France to support Poland in actual warfare, etc.

Apropos of the causes of Polish defeat, Kakuzo Mayeshiba, a contributor to the *Kaizo* (Reconstruction) in the December, 1939, issue, describes his experiences in Poland as follows :

Before the hostilities began, I chanced to meet with a young Polish economist at a restaurant. He was highly confident that his country would deal severely with the German invaders and the mechanized equipment of which they had boasted so much to the world and that Poland would finally emerge victorious. He dwelt on the superiority of the Polish cavalry troops and of the efficient large-size Polish tanks and bombers, and on the patriotic feelings of the Polish people.

Being myself somewhat acquainted with the economic conditions and material strength of Poland, I had deliberately started conversation with the economist, but he was so bombastic in his self-confident asser-

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

tions that at last I became disgusted with him.

In the meantime, I had been looking at young Polish officers, clad in smart uniforms, dancing with women in their arms and had noticed their finger-nails shining with polish. Every day some of these effeminate officers were being sent to the border and every night farewell parties were being held at the cabaret.

The officers would say to each other: "We will see you next in Berlin." But when I thought of the greeting: "We will meet you in Nanking," exchanged between Japanese soldiers fighting intrepidly amid the mud of Central China, these words exchanged between the manicured Polish officers, as they danced and drank champagne, sounded empty indeed.

The self-confident attitude of these Poles called to my mind memories of the proud attitude with which the Chinese military officers and government officials behaved toward the Japanese prior to the outbreak of the China affair. And once more I was reminded that pride and arrogance are the real enemies of a nation, for it is they which send it headlong to its destruction.

When the Polish Government ordered general mobilization, the whole country was turned into chaos. Women cried shamelessly in the streets; trucks laden with men called to the colours passed through the streets without any encouraging cheers from the citizens; and I found one drunken middle-aged man patting his wife and telling passers-by: "I'm leaving this lovely wife for the front to beat the German dogs!"

What a sad and helpless scene compared with the stern and stirring scenes which are seen everywhere in Japan when boys called to the colours leave their homes, with their friends and neighbours giving them hearty send-offs—scenes that are full of warm friendship and patriotism.

Despite the proud declarations of the Polish Government and people, the Polish Government crumbled within 18 days after the opening of war, a very discouraging record to have go down in history. And is it not outrageous that the Polish leaders who drove their people into war should have fled to Paris ahead of their army and people?

In connection with the partition of Poland by Germany and Soviet Russia, the Japanese newspapers and magazines evince far more interest in its consequences on the Far East than in the actual partition itself. Trouble in Eastern Europe always tends to lead to security on Far Eastern borders where Japan and the Soviet Union stand armed and face to face.

Katsuji Fusé, the able travelling correspondent in Europe of the *Osaka Mainichi* and the *Tokyo Nichi Nichi*, two influential Japanese sister newspapers, advances some thought-provoking ideas as regards the development likely to follow in the wake of the partition of Poland in the December, 1939, issue of the *Economist*, an economic magazine affiliated with the two papers mentioned above. He says:

The most important result of the present European conflict is the fact that Germany and the Soviet Union have come face to face with each other in Poland. This is a point that is very important from the standpoint not only of Germany, Soviet Russia and Europe as a whole but also from that of Japan.

The conclusion of the German-Japanese anti-Comintern pact did not cause any acute uneasiness in the Soviet Union, simply because Poland lay there as a buffer zone between that country and Germany. But now there is no longer a Polish buffer zone.

Everything will be all right so long as Germany and the Soviet Union maintain friendly relations, but, if there is a rift in their friendship, there will be an immediate dispute and tension, to be followed by a serious conflict.

The German-Japanese anti-Comintern pact is today only a skeleton of its former self but who can be sure that the time will not come when this agreement is restored in all its former strength? I cannot deny the existence of such a possibility.

Equally apprehensive of a future Soviet-German cleavage is a section of the Japanese press. The *Tokyo Asahi*, a liberal and influential Tokyo newspaper, in its editorial of September 21, 1939, captioned "The Extent of Soviet-German Co-operation," says:

Germany has made a big concession to the Soviet Union by ceding to the latter East Galicia, the oil producing area of Poland, which Germany coveted so much. There is little doubt that Reichsführer Hitler is doing everything to win Stalin's favour.

It is very likely that the partition of Poland will work out most advantageously for the Soviet Union, but whether Soviet-German co-operation will last or not is surely an entirely separate question.

The *Tokyo Nichi Nichi* in its editorial of September 19 says:

Germany has allowed the Soviet Union to possess the Ukraine, which it coveted, though the transaction was carried out when everything in that region was in a state of chaos, but how long will the Soviet control of the Ukraine last? Although there is naturally a possibility of further *rapprochement* between Germany and the Soviet Union, we must admit that there is an equal possibility of future conflict between the two countries.

A small Poland may be established as a buffer zone, but the mere possession of Danzig, the Corridor and Upper Silesia does not give Germany immediate access to plentiful resources. The Ukraine still remains a possible centre of conflict between Germany and the Soviet Union; and, in this sense, the division of Poland cannot be regarded as assuring friendly relations between Germany and the Soviet Union.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

JAPAN SURVEYS THE EUROPEAN WAR

A short review of the economic effects on Germany of her acquisition of Polish territory is given in the *Economist*, a Japanese economic magazine, in its edition of October 11, 1939, as follows :

> The German acquisition of Poland, an agricultural country, will add to the mineral resources of Germany and help considerably to correct the lack of economic equilibrium in that country. At the same time it will strengthen all the more Germany's capacity for endurance in a prolonged war.
>
> However, Germany continues to suffer from her lack of self-sufficiency in respect of rubber, wool, oil, etc. Acquisition of oil resources is, for her, a matter of the utmost urgency. Germany therefore intends to conclude an economic agreement with Rumania and co-operate with that country in the development of its oil, copper, chrome and magnesium resources. But if we recall Reichsführer Hitler's declaration to the effect that " Germany has a historic right to develop the Balkans," it is clear that Germany should advance into Rumania, Jugoslavia and Turkey, if she does not in fact take an attitutde similar to that which she took toward Poland.
>
> Britain and France, however, will not recognize the partition of Poland between Germany and the Soviet Union and may establish a new Polish Government in French territory, but it is safe to say that the anti-Rosenberg plan under the name of assistance to Poland has crumbled completely.
>
> In case of a German advance into the Balkans, Germany will assume a definite and uncompromising attitude. It will then, if ever, that war in real earnest will develop between Britain and France on one side and Germany on the other. German armaments will be strengthened to cope with this situation, and preparations for a protracted war will gradually be completed.

WHERE ITALY STANDS

EVER since the outbreak of the European conflict in which verbal warfare has been louder than the cannonading, nothing has been more remarkable than Italy's non-committal attitude which has aroused intense speculation not only on the part of Germany and the Allies, but also on the part of a number of third countries susceptible of being affected by any general reshuffle of international relationships.

At the outset of the recent war in Europe the man in the street naturally thought that Italy would soon be dragged in, that Germany or the Allies would soon force it to join one side or the other. After a lapse of several months since the outbreak of the war, however, Italy still remains neutral, contrary to the expectation of the people at large and as though abiding by her initial decision, which was that she would not enter the fray. On the other hand, it is well known that in one of his now infrequent public utterances Premier Benito Mussolini told university students that " Fascist Italy's peace is not a cowardly peace but an armed peace." This naturally gives the impression that Il Duce is correcting his statement of September 23, which was in part to the effect that for the time being there would be no reason for the Italian Government to alter the decision it made on September 1 to take no initiative in military operations and to maintain its precautionary measures. In referring to the puzzle, " Italy Whither ? " the foregoing facts are likely to be the first to come to people's minds.

It goes without saying that Italy's attitude in the European War has given rise to much discussion in Japan, just it has in other countries ; and " Which side will she join—Germany or the Allies ? " has been evidently a question of the foremost interest. However, none of the many Japanese critics has jumped to the clear-cut conclusion that Italy would of a certainty be involved in the war, not to speak of the possibility of her joining a particular side, with the sole exception of Mr. Inahara, editor of *Contemporary Japan*. In his article " Mussolini and Roosevelt," appearing in the extra number of the *Kaizo* for October, 1939, he is inclined to predict, as things stand then, that Italy is more likely to swing over to the Allied side. It is hardly necessary to add that he points out that things will largely depend upon whether the Soviet Union is inclined to take advantage of the wholesale entanglement between Germany and the Allies in order to make an advance into the Balkan countries. In other words, Japanese critics and authors mostly agree that only after watching further developments in the international situation will Italy decide what course will be in her best interests, continued non-involvement or participation in the war.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

JAPAN SURVEYS THE EUROPEAN WAR

Below is given the gist of some Japanese commentatory articles on Italy, which, in the opinion of the writer, are representative of Japanese press opinion on the subject of Italy's attitude in the present war. In the first place we shall cite an extract from Mataichi Kido's article " The European War and Italy's Position," appearing in The *Economist* for September 11, 1939 :

> At long last the war has begun. Will Italy ever join with Germany, her partner, in the axis of steel ?
>
> Those who have some doubt about Italy's attitude are apt to refer to what she did in 1915. The situation at the present time differs considerably from that prevailing in those days, although there are not a few points of resemblance between the two. As is well known there was also at that time an alliance uniting Austria, Germany and Italy, and it is believed Germany saw a year ahead that Italy would abrogate the treaty on the outbreak of a war.
>
> But the present Berlin-Rome Axis was apparently established on a firm and solid basis, though it is none the less true that the *anschluss* with Austria gave Italy a great shock, and the question of Czechoslovakia's annexation proved a further disturbing factor. Albania, which she successfully annexed last spring shortly after the occupation of Czechoslovakia, is nothing compared with what Germany acquired in her bloodless *coup*. Italy has not yet been able to attain her object in connection with the Suez Canal and the port of Dibouti, not to speak of the Tunis problem. On the other hand, Germany's influence is growing day after day and month after month. It is hardly possible that Italy can comfortably stand aloof under the pressure of actual events.
>
> These deductions are not a product of my imagination but are based on what I have heard or seen for myself in different parts of Italy. Some critics are of the opinion that Berlin was afraid of German-Italian alienation and I personally do not think that such comments are entirely based upon Allied propaganda.
>
> In the critical period immediately preceding the outbreak of war no utterance of any sort was made by Il Duce. What could this silence of his imply ? Rumour has it that Italy was only given 45 hours' notice of the signing of the important German-Soviet non-aggression pact.
>
> We must, of course, await confirmation of this rumour, but in any case there is some doubt whether Berlin carried the pact through to its conclusion on a clear understanding previously reached in this connection between Italy and Germany, hence it is obvious that Italy should be discontented with the German action. The personal popularity of Mussolini has prevented this discontent from manifesting itself violently, but Il Duce is certainly aware that it exists and is therefore likely to hesitate before coming forward to fight on Germany's side.

WHERE ITALY STANDS

> There is every probability that the opposing armies sheltering themselves behind the fastnesses of the Siegfried and Maginot lines will prolong the period of inaction considerably. In that case should Italy join the fray on Germany's side, Britain and France will of a certainty turn their combined forces against Italy. What is worse for her, her important war supply factories are mostly to be found in the northern parts of the country, where they are exposed to French air attack. If Italy concludes that it would be to her disadvantage to come in on the German side she is likely to hesitate for some time before deciding, if she does decide, that it is incumbent upon her to adhere to the alliance she recently concluded with Germany.

The same writer gives a more detailed explanation in another article of his, " The Puzzle of Il Duce's Attitude," appearing in the October, 1939, extra issue of the *Chuo Koron*.

> The actual progress of events in Europe backs up the impression that the present war will last for a considerable time. And this is likely to drive Il Duce into a pass where he must say something definite about which way Italy is going to jump. By that time the people are likely to have given free rein to their imagination and all sorts of rumours may have arisen.
>
> From the Franco-British viewpoint, Italy's attitude at the time of the last World War sheds a certain light on her present policy. History repeats itself, and people jump to the conclusion, therefore, that Italy is certain to align herself finally with the Allies. It is interesting to note, however, that there is perhaps too big a gap between the premise and the conclusion in this argument, which gap will afford plenty of room for all sorts of surmises. Thus M. Laval, the former Premier of France, is said to have visited Rome *incognito* with a view to winning Italy over to the Allies' side. It is not unlikely that he has paid a visit to Rome, but it is by no means certain that he called upon Mussolini or conferred with Foreign Minister Ciano.
>
> As is well known Pierre Laval was responsible for the conclusion of the Franco-Italian *entente* of 1935. Realizing that Hitler's power was gradually increasing, and fearing that Britain was not to be thoroughly relied upon, he undertook to make common cause with Italy against Germany. His political acumen, however, is open to question. He was careless enough to permit Italy freedom of action in respect of Ethiopia and the result was that, when the Ethiopian problem assumed serious proportions, sentiment in France was roused to fever pitch. But he has no rival as a skilful compromiser, and it is owing to this that he appears in the limelight in these days of international strain. Mussolini cannot fail to be impressed by Laval who personally signed the *entente* of 1935. The French choice of Laval as their envoy to Italy, now that they wish to entice the latter to join in on the side of the Allies, leaves

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

nothing to be desired. If he succeeds in bringing Mussolini round, he will possibly stage a political comeback, more than amply saving the "face" which he lost in connection with the Ethiopian incident. He dreams of the days when he will be comfortably settled as semi-permanent host at the Quai d'Orsay, much after the fashion of Foreign Minister Briand.

A secret parley is said to have been conducted between the delegations from France and Italy at San Remo. We know nothing as to the outcome of this parley and, judging from the fact that there were no further reports about it, the rumours may have been entirely groundless. Be that as it may, such hearsay incidentally indicates that Britain and France are making frantic efforts to win Italy over to their side. There are definite reports to the effect that the British and French Ambassadors in Rome not infrequently pay visits to the Quirinal Palace to confer with Foreign Minister Ciano. There has been no information as to whether such approaches are making headway and, if so, how far; naturally, therefore, the matter is arousing all the more interest abroad.

There was a report that Britain might prompt France to cede to Italy a certain part of French colonial territory. If true, this indicates once again Britain's inexhaustible cunning. However, Italy remembers having been lured once before with tempting bait only to be thrown aside after she had done what was required of her. There is no sign that Italy will rise to such a bait as was offered at the time of the first World War. This time she will not move unless and until she obtained delivery of the goods in place of doubtful promissory notes.

According to one report, originating in Germany, Italy's neutral attitude is the outcome of a deliberate agreement between Germany and Italy. After crushing Poland in quick order, thereby removing the alleged cause of Franco-British participation in the war, Germany hoped that the conflict would soon be over, and that she could then enter on peace negotiations. In such a case she would have found it more convenient not to have involved Italy in warfare, for she could then, if necessary, ask Italy to exert her good offices as mediator. In other words, Germany thought that Italy would be more helpful as a friendly neutral than as a warring partner.

To the objective observer of the present situation, however, it is apparent that the German hope is a forlorn one. The recent utterances of Premier Chamberlain amply indicate Britain's determination to stand by her slogan of "Down with Nazism!" Britain obviously meant it when she said that there could be no peace so long as Hitler remained. Britain is already in the war up to the hilt; and, in the course of an interview between Chamberlain and Edouard Daladier, the latter promised that France would not make a separate peace with Germany, indicating that France also is firmly resolved to fight it out to the end. On the other hand, Germany is gradually giving up her hope of concluding peace with the Allies. All things considered, therefore, it appears that

the war will be a protracted one. If such proves to be the case, Italy's neutrality will be rendered meaningless in so for as it has a bearing on her possible rôle of mediator.

Mr. Kido further takes up Italy's relations with Spain and discusses the Soviet Union's action in Poland, which can conceivably have considerable bearing upon Italy's attitude in the future. He ends with the matter-of-fact conclusion that Italy will determine her stand in line with what promises her the most profit. The interests of the Italian Empire are foremost in Mussolini's mind.

As is pointed out by Mr. Kido, the Soviet advance into Poland administered a rude shock to the Balkan and Scandinavian countries as well as to Italy. Apparently by way of a gesture in this second World War, the Soviet Union has started hostilities with little Finland and there are signs of her southerly advance toward the Balkan countries.

Colonel Gunki Hayashi concludes his article entitled "Italy's Concern about the Soviet Union's Southerly Advance," appearing in the *Tokyo Asahi* for November 19, 1939, with the following statement:

> On November 3 the Italian Government announced that official documents in regard to the furthering of amity between Italy and Greece were exchanged on September 30. This serves to confirm the esteem and friendly spirit expressed in the treaty concluded in 1928 between the two, and is expected to bring about closer *rapprochement* than ever between the two countries. Evidently this is Italy's first step in her endeavours to insure the neutrality of the Balkan countries. Should a similar approach be made in the case of Turkey, it will help a great deal toward the success of the Italian movement for securing stability in the eastern part of the Mediterranean Sea. On the one hand this proves Italy to be greatly concerned about the Soviet Union's southward advance and at the same time bespeaks the independent nature of Italy's attitude toward the Soviet Union. This reminds us of the fact that the various newspapers of Italy have since November 7, 1939, been united in criticizing the Comintern.

It may not be out of place to refer to a statement by Kosaku Tamura appearing in the July, 1939, issue of the *Gaiko Jiho*, since it points out one of the reasons why Italy will not repeat her action of 1915.

> After less than a year of neutrality, Italy came to a pass where she was compelled to fight on the Allies' side, much against the expectation of Germany and Austria. The territories coveted by Italy were not in the possession of Britain and France but of Austria, a member of the Three Power Treaty. However, Italy found after the termination of

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

the war that she had failed definitely to gain her objectives by going over to the Allies. Obviously this disappointment prompted her to join hands again with Germany and to conclude an offensive and defensive alliance with that country. The situation is dissimilar to that which prevailed in 1915, for now the things which Italy covets are in the possession of the Allies and not of the German group. Consideration of these circumstances drives us into a belief that Italy will never make any move that would bring upon her head once again the tribulations she went through in the first World War.

THE BALKANS

THE Balkans, according to the *Jitsugyo no Nihon* (Oct. 15, 1939), form, as it were, a labyrinth which nobody knows how to get into, nor how to get out of. The current conflict in Europe did not start, as the World War did, in the Balkans, but, says the journal :

> It has been the long-cherished desire of Germany to make a drive eastward to the Balkans. She annexed Czechoslovakia so as to get a jumping-off place for her drive to the East, and, just to prepare the ground, she made a detour by way of Poland; and it was this which led to the present European War. The immediate cause of the current conflict was Poland, but it may reasonably be imagined that Germany's eastern drive, continued so remorselessly by Führer Hitler, might have precipitated a European war, even if he had been successful in imposing his will on Poland without bringing about a war.

If the Balkan countries, that is Hungary, Jugoslavia, Bulgaria, Greece and Rumania, mean to attain economic prosperity and political independence, they ought to band together in an effort to meet effectively any penetration from both the Italo-German and the Anglo-French side, writes Toshio Nagano in the *Gaiko Jiho* (Diplomatic Review) (June 1, 1939). Mr. Nagano writes that complete unity on the part of the Balkan nations might have proved an efficient deterrent to the penetration of foreign influences into the Balkan area, but that all hope of such unified action being successful has disappeared since Germany's annexation of Czechoslovakia and Italy's domination of Albania.

The Balkans, termed "a market of European races" by Akio Kasama, Japanese veteran diplomat, in an article he wrote for the *Bungei Shunju* (Dec., 1939) will once again become the amphitheatre for a struggle for supremacy among the European Powers, according to the *Toyo Keizai Shimpo* (Oriental Economist) (Sept. 30, 1939) which observes :

> History shows that it is the destiny of the Balkans to be a theatre of hostile operations among ambitious nations. Untapped rich natural resources in the Balkan countries, and the strategic position of these same countries are a strong temptation to any European Power who dreams of becoming mistress of Europe. The most unfortunate factor in the Balkan situation is the mixture of motives actuating Germany, Italy, the Soviet Union, Great Britain and France, who are all keen on establishing their respective influences in the Balkans.

Analyzing the motives of the various Powers interested in the Balkans, Lieut.-Commander Hozumi Eguchi of the Japanese Navy, in

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

the *Tokyo Nichi Nichi* (Nov. 7, 1939) observes that Germany plans to import from the Balkans 7,000,000 out of the 10,000,000 tons of foodstuffs which she must get from foreign sources during wartime, while she counts on obtaining from Rumania from 2,000,000 to 3,000,000 out of the 18,000,000 tons of oil she requires during wartime. Taking advantage of the long-standing friendship existing between the Soviet Union and Turkey as well as of the Soviet Union's ability to bring strong pressure to bear on Turkey, Germany at the beginning of the current European War attempted to win over Turkey to her side and thus establish, in the Balkans, a neutral *bloc* favourable to herself, under the combined control of Germany, the Soviet Union, Turkey and Italy.

Pointing out the growing antagonism between Italy and the Soviet Union in connection with the Balkan issue, the *Yomiuri Shimbun* (Nov. 23, 1939) says:

> Italy is now making frantic efforts to frustrate Soviet attempts to set up a neutral *bloc* round the Black Sea, while Great Britain is maintaining a neutral attitude on this question, trying to be as fair as possible toward both Italy and the Soviet Union.
>
> Alignment of Turkey on the Anglo-French side has not necessarily given any satisfaction to Italy, who, however, has apparently heaved a sigh of relief at Turkey's refusal to join with the Soviet Union. Italy is gravely concerned about the Dardanelles; therefore she never relaxes her vigilance concerning the attitude of Turkey.

The mutual assistance pact concluded between the Anglo-French *bloc* and Turkey on October 19 not only shows Great Britain's persistence in her policy of encirclement against Germany, but also signifies a collapse of the plans for a Balkan neutral *bloc*, thus adding to the gravity of the current situation, according to Colonel Mureyoshi Hayashi, who, writing in the *Tokyo Asahi* (Oct. 30, 1939) says it may eventually compel Italy to give up her neutrality and join the war on the Anglo-French or the German side.

The *Tokyo Asahi* (Oct. 19, 1939) observes that the crux of the question is what attitude the Soviet Union will take toward Turkey and the other Balkan countries. The paper opines that Turkey is not only concerned about the future of the Dardanelles, but also afraid of a possible partition of her sphere of influence in the Balkans; for the Soviet Union and Germany might in the future carry out such a partition, after disposing of Rumania and Bulgaria. Considered in this light, Turkey may find that she has common interests with Great Britain and France.

The same paper (Oct. 23, 1939) notes that Germany is now possibly too much engrossed with war preparations along the western front to take any positive action in the Balkans. Be that as it may,

she entrusted the Soviet Union with a mission to win over Turkey to their joint front. And when the Soviet Union failed in her efforts, disappointment and indignation were felt and voiced more vehemently in Berlin than in Moscow.

The *Tokyo Nichi Nichi* (Sept. 30, 1939) predicts that Rumania may possibly become a second Poland. The new frontier between Germany and the Soviet Union in Poland has given the Soviet Union the former Polish border facing Rumania, thus sparing Rumania from German penetration by armed force; however, Rumania is now exposed instead to a direct menace from the Soviet Union. There is a danger that the Soviet Union may at any time attempt to recapture Bessarabia, which was ceded to Rumania by Russia after the World War, while Germany, for her part, may claim a right to economic exploitation of Rumania. The paper believes Rumania has now lost all the security that a state must have if it is to be independent, while the guarantees extended Rumania by Great Britain and France will prove of no use.

Regarding the future of Greece, Jugoslavia, Bulgaria and Hungary, the paper has the following to say:

> There are close nuptial ties between the Royal families of Britain and Greece. The Duchess of Kent is H.R.H. Princess Marina of Greece, Cousin of George II., King of the Hellenes. Besides Britain owns and operates a naval base in Greece. This accounts for the British guarantee of Greek independence. However, British naval strength in the Mediterranean is not so strong as it was before; therefore it is no exaggeration to say that the national existence of Greece hinges entirely on the attitude of Italy.
>
> Italy annexed Albania early in 1939, motivated by a desire to establish a footing there for her advance on the Balkans. And should Germany and the Soviet Union drive south into the Balkans, Italy in all probability would not remain inactive; in fact she would most likely send troops to Jugoslavia in an effort to dominate the western part of the Balkan peninsula. In such an eventuality, Italian influence would extend into Hungary, Rumania and Bulgaria.
>
> The fate of Bulgaria will be decided by the outcome of the struggle for supremacy among Germany, Italy and the Soviet Union, and there is every possibility that Hungary will become a buffer state between Germany and Italy. In any case, developments of the European War in the near future will show whether the Balkan states will be obliterated from the map of Europe or not.

In the opinion of Dr. Hitoshi Ashida, proprietor of the *Japan Times* (*The Tokyo Asahi*, Sept. 26, 1939) the decisive factor in Germany's Balkan policy will be Hungary, which stands in the way of her southern push along the Danube. Dr. Ashida believes Germany's advance on

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

the Balkans will depend on whether or not Hungary co-operates in the Nazi drive to the east.

The abnormal course taken by the current European War is traced by Eiichi Kimura in the *Gaiko Jiho* (Diplomatic Review) (Nov. 1, 1939) and the *Kokusai Hyoron* (Nov., 1939) to diplomatic and military abnormalities. Mr. Kimura writes :

> Contrary to the general expectation that the present European War would spread all over Europe once it broke out, the conflict is being limited to a "localized" war between the Anglo-French *bloc* and Germany. And nobody can tell whether the affair will or will not develop into a European war or into another World War in the true sense of the term, for that depends on the future attitude of Italy, the Soviet Union and the United States. In any case, following the collapse of Poland, there has been a stalemate on the western front, with every indication that neither the Anglo-French combination nor Germany want to see the hostilities expanded beyond their present stage, despite their grandiloquent utterances.
>
> This abnormal nature of the current European War is partly due to diplomatic abnormalities and partly to abnormal warfare which has resulted from a marvellous advance in the technique of manufacture and operation of the apparatus of war. Diplomatic abnormalities which have preceded and also followed the outbreak of the current conflict include the neutrality maintained by Italy despite her military alliance with Germany, the conclusion of a non-aggression pact with Germany by the Soviet Union, who was generally believed to have cast in her lot with England and France, joint partition of Poland by Germany and the Soviet Union, although the latter had concluded a non-aggression pact with her victim, and the failure of Rumania to come to Poland's rescue in spite of the Polish-Rumanian mutual assistance pact.
>
> The military abnormalities may be explained partly by the diplomatic abnormalities and partly by the extraordinary advance in the manufacture and operation of modern offensive and defensive arms.
>
> Germany's plans for a drive to the east, as manifested by her three B policy, symbolical of Berlin-Byzantine-Bagdad, have been checked by the outbreak of the European War, but this programme of eastern penetration will never be abandoned by the Germans so long as they continue their national existence.
>
> Italy, however, feels no less concern over the Balkans, from which she desires as keenly as Germany to obtain a supply of raw materials to make up for her meagre natural resources. Therefore it is quite possible that some agreement had been concluded between Germany and Italy regarding mutual Italo-German disposal of the Balkans some time before the outbreak of the present war.

The victor in the current European War will be the side which has succeeded in winning Japan's support, according to Major-General

Tadaichi Wakamatsu, former Military Attaché to the Japanese Legation at Budapest, who, writing in the *Kaizo* (Nov., 1939) prophesies that Hungary, who is now maintaining neutrality, will cast in her lot with Italy and move in whatever way the latter does. Major-General Wakamatsu regrets to note that many Japanese base their observations of the future of the European War on the attitude of Great Britain or the Soviet Union without taking Japan's attitude into account. The Major-General declares :

> Just think of the World War : the history of that war would have been quite different had Japan not joined in on the Allied side. Distances everywhere have now, in a sense, been reduced to one-half of what they were a quarter of a century ago, thanks to the advance of science. Victory, therefore, will be on the side of those who have succeeded in winning over Japan to their side. There will be no hope of British success in a war of attrition, so long as she antagonizes Japan.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

INDIA AND THE NETHERLANDS INDIES

HOW India will be affected by the European War and what effect India's attitude toward the war will have on its outcome have been discussed by Tetsuichiro Miyake, Japanese diplomat who was formerly Consul-General at Calcutta, in a series of articles in the *Tokyo Asahi* (Nov. 10, 1939). It is premature, however, to make any prediction concerning such questions at this stage of the European War in the opinion of Mr. Miyake, who points out that diplomatic manœuvres are still the main feature of the European situation while no one can say when the war will start in real earnest. Mr. Miyake writes :

> The European War may give India a golden opportunity to shake off the shackles of European Imperialism, under which she has groaned for the past century and a half. India participated in the World War on the British side, prompted by her aspirations toward national autonomy, but there is all the difference in the world between the political fabric set up after the termination of the World War and the form of autonomy to which she aspired when she joined the World War in allegiance to Great Britain.
>
> Now compare the current European War with the World War and you will find the following three major differences, so far as India is concerned :
>
> (1) There has been a remarkable political awakening in India since 1914 when the World War broke out. She now aspires to independence instead of autonomy.
>
> (2) All the Asiatic countries, including Japan, have kept out of the current conflict in Europe.
>
> (3) The Soviet Union has come out in opposition to Great Britain. And there is a fundamental difference between the respective political fabrics of Great Britain and the Soviet Union.
>
> Great Britain feels that both Japan and the Soviet Union are a menace to her interests. If the European War is drawn out over a long period the present unrest in India will be necessarily intensified and Great Britain will find it difficult to stand further controversy with Japan in connection with the China question. It is easy to imagine that abrogation of the 1911 Treaty of Commerce and Navigation on the part of the United States was indirectly engineered by Great Britain, who was prompted by a desire to seek a solution of the China issue as favourable as possible to herself. The security of India is naturally a matter of primary concern to Great Britain ; therefore, so long as the present Anglo-Japanese antagonism continues, she will not be in a position to

> withdraw her troops from India or her fleet from the Far East to Europe.
>
> On the other hand, the conclusion of a non-aggression pact between Germany and the Soviet Union suggests that the latter has designs on India. It is true that Germany's operations in India during the World War failed miserably, but the Soviet Union, which is quite a different proposition from Czarist Russia, may have better chance of success. In any case Stalin's policy aimed at the bolshevization of subject nations has received a powerful impetus from the non-aggression pact concluded between the Soviet Union and Germany.
>
> The Indian Government has been paying serious attention to the growing activities of the Soviet Union in Sinkiang (Chinese Turkestan), because of the danger of a resultant weakening of British influence along the frontier regions of India. The Soviet Union is seeking to bolshevize India through three routes, one by way of Tibet, another *via* Cashmere and the last through Afghanistan ; moreover, the Kremlin's agents, now firmly established in Sinkiang (Chinese Turkestan), will naturally attempt to extend their influence southward.
>
> Besides, the younger members of the Congress Party have recently become imbued with Socialist ideas and do not necessarily give unstinted support to Mahatma Ghandi's civil-obedience movement. Chandra Bose, leader of the Radicals, resigned as Chairman of the Congress Party early in 1939 with the result that it has once again come under the guidance of Mahatma Ghandi, but the Leftist theorists with Mr. Nehru at their head have now established their influence firmly among the Indian masses. Widespread attention was attracted by Mr. Nehru's visit to Chungking some time ago. It cannot be imagined that Mr. Nehru has any special connections with the Chungking Government, but he may have some ideological ties with its leaders. In any case Soviet machinations with regard to India will claim serious attention, together with the future development of the internal situation in that important part of the British Empire.

A tense situation is developing between the British Government and the Congress Party of India over the question of projected participation of India in the European War on the British side, according to the *Tokyo Nichi Nichi* (Dec. 7, 1939). The paper observes that in response to Viceroy Linlithgow's statement, issued following the British declaration of war on Germany, which urged the Indian people to extend unqualified support to the British Government, the Congress Party has declared that the question whether India should join the war or not must be settled by the Indians themselves, while Great Britain ought to give India complete freedom if she is fighting for the cause of international justice as she professes to be. The paper goes on :

> Mahatma Ghandi, leader of the Congress Party, on September 30, 1939, issued a statement emphasizing that Great Britain should grant

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

India complete independence, if she wants the latter's support in the European War. Meanwhile 50,000 workers in Bombay staged a 24-hour strike on October 2, 1939, in demonstration against India's participation in the European War.

Apparently in order to ease the situation, which threatens to go from bad to worse, Viceroy Linlithgow issued another statement on October 17, 1939, intimating that the British Government would give India the Dominion status, following the termination of the current hostilities in Europe. This failed to give any satisfaction to the Congress Party, whose leading members, including Mahatma Ghandi, declared that the Indians wanted immediate independence.

India's national consciousness has become heightened since the World War, but the *Tokyo Nichi Nichi* observes that it is fortunate for the British Government that the princes, and the merchant classes and the Mohammedans are not keeping pace with the Congress Party. The Mohammedans number some 80,000,000 and the Hindus about 240,000,000. They represent nearly 90 per cent. of the total population in India, according to the paper, which points out that the Congress Party is supported by the Hindus. The paper says that perfect co-operation and solidarity between the Hindus and Mohammedans would create a most dangerous situation for Great Britain, hence Britain's strenuous efforts to keep the Hindus and Mohammedans at loggerheads. But the paper asserts that it is problematical whether Britain will find such a policy as successful in the future as has been in the past.

The *Yomiuri Shimbun* (Nov. 17, 1939) takes occasion to comment on the Indo-Japanese trade parley which has now been going on since October 26, 1939, for the revision and renewal of the trade agreement between the two countries. The paper says that the present parley will encounter difficulties as a result both of the European War and of the complicated situation in India. It is suspected by the paper that the Indian side apparently plans to make up for losses it suffered in concluding a trade agreement with Britain by imposing an unfavourable arrangement on Japan. The 300,000,000 peasants of India will suffer greatly, if India loses her best buyer of raw cotton, namely Japan, by persisting in her unreasonable contentions, according to the paper, which points out the crop of Indian raw cotton for 1939 is estimated at 5,900,000 bales, while there are an additonal 1,500,000 bales in stock.

The Netherlands Indies, which not only possess oil, iron, tin, gold and other mineral deposits, but also produce rubber, sugar, jute, quinine, lumber and other goods, vitally necessary for the national expansion of Japan, are now obsessed with fears that Japan may swoop down upon them at any moment, according to Goro Taniguchi, Batavia correspondent of the *Tokyo Asahi*. In his serial articles in the paper (Nov. 18, 1939), Mr. Taniguchi observes that military circles

in the Netherlands Indies point out that the Japanese flag is flying at a point only 500 kilometres away from Dutch territory, now that Japan has occupied Hainan Island, the Paracels and the Spratley Islands. They fear that the Dutch Natuna Islands and Anamba Islands may be the next victims of the Japanese southward advance, in which eventuality Singapore will be within easy bombing range of Japanese air bases and might have its communications with Hongkong cut off. Mr. Taniguchi goes on to say :

The United States abrogation of the 1911 Treaty of Commerce and Navigation with Japan has accentuated the Dutch Japanophobia, because the Dutch people now fear that Japan's southward push will gain further momentum. Incidentally, however, it is interesting to note that the Dutch do not expect any naval assistance from the United States, who will certainly secure an even supply of rubber and tin by the westward route from Singapore instead of escorting American merchant vessels with warships in case Japan should drive south in search of oil which she could not get from America. In the event of the European War spreading to the Far East, the Dutch conclude that the United States Government would never give Great Britain and France a blank cheque regarding the disposal of the American fleet and therefore that Japan would seize the occasion as a golden opportunity to push south.

Consequently a drive for rearmament is gaining strength in the Netherlands Indies, which have only a standing army of 35,000 and two warships. But the native population of 60,000,000 are dead against the rearmament programme, which they assert should be carried out by the Netherlands Government, if it is really necessary. Besides, serious difficulty is experienced by the Dutch authorities in training officers, because they do not inspire implicit confidence in the native youths, while the Eurasians do not like to enlist in the defense forces and go to the Netherlands, where they will be despised by the people.

Describing the nationalist movement which has been gaining strength in the Netherlands Indies since 1925 and also the Indonesia Party, the strongest native political party which has been steadily growing since 1930, Naokichi Tanaka writes in the *Gaiko Jiho* (Oct. 1, 1939) that the nationalist movement in the Netherlands Indies has developed in connection with the religious campaign, namely the Mohammedan movement. All riots which have occurred, including those of 1926 and 1927, and all the strikes have been organized by the leaders of the nationalist movement in co-operation with the Mohammedans. Following the termination of the World War, the Comintern started activities in the Dutch East Indies, but the Socialist movement has failed to prosper, mainly due to the fact that the peasants still live under feudalistic conditions, so that there is but little class consciousness. Mr. Tanaka concludes that the future of the nationalist movement in

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

the Dutch East Indies will entirely hinge upon whether the Mohammedan and Socialist movements can co-operate, for if they cannot there will be no spectacular development of the nationalist movement in the near future.

Published by The Tokyo Press Club, 558 The Osaka Building, Hibiya Park, Tokyo.
Printed by K. Kosakai the Kenkyusha, 2 Kaguracho 1-chome, Ushigome, Tokyo.

JAPAN
GEM OF THE EAST
For information and literature, apply to :
Your Travel Agents *or* **Japan Tourist Bureau**



Tokyo: 1 Marunouti 1-Tyome.
New York: International Bldg., Rockfeller Center.
Los Angeles: Chamber of Commerce Bldg., 1151 South Broadway.

BOARD OF TOURIST INDUSTRY
JAPANESE GOVERNMENT RAILWAYS

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

THE JAPAN ADVERTISER

Leading English-Language Newspaper in Japan

Read not only by the foreign residents of the country but by the more prominent Japanese in finance, business and politics.

The Trans-Pacific

A Weekly Review of Far Eastern Political Social and Economic Developments
Published by
The Japan Advertiser

Foremost Export Magazine in Japan

This weekly edition of The Japan Advertiser contains a digest of the most important news events in every field. Its export ads get results for it circulates into every corner of the globe.

Foreign Subscription Rates are ¥73 a year for The Japan Advertiser and ¥21 a year for The Trans-Pacific. Inquiries and subscriptions may be addressed to P. O. Box F-358, Tokyo.

Modern Japan Day by Day Made Understandable in

THE JAPAN TIMES & MAIL

The oldest daily newspaper in any foreign language in Japan; the best record and interpretation in existence published in the English language but under the management and editorial supervision of Japanese; an indispensable chronicle.

TOSHI GO
Managing Director and Editor

Hibiya Park Tokyo

SUBSCRIPTION RATES

Payable in Advance Editions	*Period*	*Domestic*	*Post Paid* Foreign
Daily;	One Year	¥ 30.00	¥ 55.00
	Six Months	¥ 16.50	¥ 29.00
	One Month	¥ 3.00	
Sunday only;	One Year	¥ 5.00	¥ 9.50
	Six Months	¥ 3.00	¥ 5.50
Japan Times Weekly;	One Year	¥ 17.00	¥ 23.00
	Six Months	¥ 9.00	¥ 12.00

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

Greatest Papers in Japan!

THE OSAKA MAINICHI
THE TOKYO NICHI NICHI

Under one management with combined daily circulation of

3,500,000 morning and 3,500,000 evening editions

THE OSAKA MAINICHI ORGANIZATION also publishes:

THE OSAKA MAINICHI ENGLISH EDITION (daily)
THE TOKYO NICHI NICHI ENGLISH EDITION (daily)
CHILDREN'S MAINICHI (Japanese daily)
BRAILLE MAINICHI (weekly for the blind)
SUNDAY MAINICHI (weekly)
ECONOMIST (weekly periodical)
CHINESE MAINICHI (bi-monthly periodical in Chinese)
DAI NIPPON SEINEN (bi-monthly magazine)
HOME LIFE (monthly pictorial)
MAINICHI YEAR BOOK (annual)
JAPAN TODAY AND TOMORROW (English annual)
BOOKS AND OTHER PUBLICATIONS

THE OSAKA MAINICHI has a history of more than half a century and has always been a powerful moulder of public opinion. Its contribution in the making of modern Japan is singularly great. In political, social, cultural, and international fields it has constantly assumed national leadership.

The colossal scope of its activities may be shown by a few figures: it constantly employs 7,500 men and women, maintains 385 correspondent offices and 6,500 sales agencies distributed in Japan and abroad, owns seven high speed airplanes for news service, and has 56 units of powerful presses each printing 180,000 four-page copies an hour.

Among the principal executives of The MAINICHI there are SHINGORO TAKAISHI, chairman of the board of directors, who is Japan's foremost journalist and internationalist, and NOBUTARO OKUMURA, president, who is also a veteran journalist of wide reputation.

The ORIENTAL ECONOMIST

ESTABLISHED 1895

TANZAN ISHIBASHI
Editor

ANNOUNCEMENT

This journal is independent. It pays its own way through legitimate income from circulation and advertising. It is in no sense propaganda.

Its views are independent; unbiased by any racial, national or other slant except one toward liberalism.

This announcement is backed by a successful career of half a century as the leading economic journal in the Japanese language.

It aims to be thorough. During the busy generation of its growth the journal has built up a large trained staff and assembled a unique wealth of statistical data.

Its fact-finding ability and impartial analyses are now made available in English at the lowest price possible consistent with costs of production.

Under the personal direction of its Editor, Mr. Tanzan Ishibashi, The Oriental Economist, English Edition, is absolutely the only authentic monthly report in existence of social and political as well as economic conditions in Japan and Eastern Asia.

THE ORIENTAL ECONOMIST, INC.
3-chome, Hongokucho, Nihonbashi
TOKYO, JAPAN

THE ORIENTAL ECONOMIST
Vol. VII, No. 1
(January, 1940)
Feature Articles

The 1940 Outlook
Economic Aspects of the China Incident
The Yangtze and Pearl Rivers Reopened
1940–41 Budget Estimate
Bound Emission Reduced
Taxation and Revenue Increase
Japan America Treaty Issue
Japan Enters World Air Service
Disposal of the China Incident
Hugh Byas
What America Wants of Japan
E. B. Schumpeter
Review of the Month
Business Indicators
Special Correspondence:
From Tsingtao
Stocks & Bonds
Investment Outlook
The Commodity Market
Ocean Transportation
Statistical Data

SUBSCRIPTION RATES

	U.S.A.	Other Foreign Countries
1 year	$ 3.75	15s.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

THE JAPAN YEAR BOOK, 1939-40

WITH MAP OF JAPAN AND MANCHOUKUO

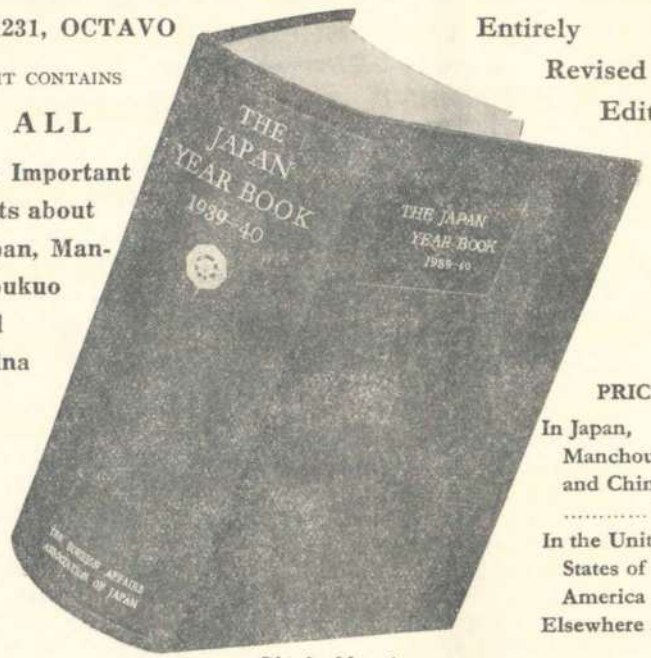
pp. 1231, OCTAVO

IT CONTAINS

ALL

the Important facts about Japan, Manchoukuo and China

Entirely Revised Edition



PRICE

In Japan, Manchoukuo and China ¥15.00

In the United States of America ...$7.00

Elsewhere ... 30—

Obtainable at

Maruzen and Branches
Kyobunkwan
The Imperial Hotel Book Store
Mitsukoshi
The Oriental Economist
Azakami & Co., London
The Columbia University Press, New York
Kelly & Walsh, Shanghai and Hongkong
International Booksellers, Shanghai
Chinese American Pub. Co., Shanghai
Thacker & Co., Bombay
The French Bookstore, Peking
H. A. Goddard, Sydney
Akateeminen Kirjakauppa, Helsingfors
J. H. de Bussy, Amsterdam
G. Kolff & Co., Batavia
The Oriental Bookstore, Tientsin
Fratelli Treves, Rome
Joseph Kiew Agency, Bangkok

THE FOREIGN AFFAIRS ASSOCIATION OF JAPAN

The Osaka Building, Hibiya Park, Tokyo

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

¥1.00
$ 1.00
or 3/–

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

Buenos Aires, Abril 4 de 1940.

E.L.P.

121

Señor Ministro:

Tengo el agrado de dirigirme a V.E. para acusar recibo de su nota nº 77 de fecha 3 de febrero ppdo., en la que se remite, a título informativo, un ejemplar de un folleto publicado por el Club de la Prensa, de esa Capital, conteniendo diversos artículos en los que se examinan aspectos diferentes de la guerra europea, considerados desde el punto de vista japonés.

Saludo a V.E. con las seguridades de mi distinguida consideración.

MINISTERIO DE RELACIONES EXTERIORES Y CULTO
04 ABR 1940
DIVISION DE ASUNTOS POLITICOS

PABLO SANTOS MUÑOZ
SECRETARIO GENERAL

A S.E. el Señor Enviado Extraordinario y Ministro Plenipotenciario de la República Argentina en el Japón, Doctor Rodolfo Moreno.

Archivo Histórico
Ministerio de Relaciones Exteriores, Comercio Internacional y Culto
Argentina

INDICE

108974 F. 149

FOLIO	FECHA	No.	PROCEDENCIA	OBJETO