

study of their heritage of Asiatic culture, and that I think will bring China and Japan closer and closer in later years. But there is a very serious factor, which we must not ignore.

This factor is the existence of Russia. Japan's interest in Russia is very simple. Our trade interests in Russia are very little. Our exports to Russia are only around \$10,000,000 gold and import only \$5,000,000 gold, so trade does not figure very largely. But there is one thing which is uppermost in the minds of the Japanese, that is the fishing interests that Japan has, the privilege of fishing in the territorial waters of Russia to the extent of an annual catch of \$40,000,000 or \$50,000,000 gold, which means a great deal for Japan, and most of the Japanese-Russian negotiations are for these fishing privileges, where the vital interests of not only the fishermen but our ~~own~~ country are involved.

There is another factor, the greatest factor. What would be the policy of Russia towards China; if Russia takes the same old Czarist policy of penetration into China then Japan has a serious menace of having a strong western power on the Asiatic continent. ~~xxxx~~ Therefore the safety of China cannot be assured without Japan's close understanding with Russia. That is, I say, the basis of Japan's relations with Russia. ^P There is another factor, too, which I think must be mentioned when you think of Japanese-Russian relations - how far is Russian communistic propaganda penetrating into China, India and Japan? In regard to Japan, around 1922, after the war, the labour party began to be very active and strong because of the prosperity throughout the country and this labour was under the theoretical leadership of the scholars. Around 1922 the leadership was under the anarchist theorists but this soon shifted to communist theorists. In 1922-23 the earthquake taught a lesson, that these new fangled notions would not help them very