

sources of North Manchuria and Eastern Mongolia will furnish no room for expansion and material gains. In South Manchuria the Chinese is increasing at such a rate that it will surely damage our interests politically and economically. Under such circumstances, we are compelled to take aggressive steps in North Manchuria in order to assure our future prosperity. But if Soviet Russia's Chinese Eastern Railway should spread across this field our new continental policy is bound to receive a set-back which will result in an inevitable conflict with Soviet Russia in the near future. In that event we shall enact once more our part in the Russo-Japanese War. The Chinese Eastern Railway will become ours as the South Manchuria Railway did last time, and we shall seize Kirin as we once did Dairen. That we should draw swords with Russia again in the fields of Mongolia in order to gain the wealth of North Manchuria seems a necessary step in our program of national aggrandisement. Until this hidden rock is blown up our ship can have no smooth sailing. We should now demand from China the right of building all the important military railroads. When these railroads are completed, we shall pour our forces into North Manchuria as far as we can. When Soviet Russia intervenes, as they must, that is our opportunity for open conflict.

WE SHOULD BUILD THE FOLLOWING RAILWAYS

1. Tungliao-Jehol Railway. This line is 447 miles long and will cost Yen 50,000,000. When it is completed it will be of great value to our development of Inner Mongolia. As a matter of fact, this is the most important of all the railways in the whole undertaking. According to the careful surveys of the War Department, there are in Inner Mongolia large tracts of land suitable for rice cultivation. After proper development there will be room for at least 20 millions of our people. Besides there, is the possibility of turning out 2,000,000 head of cattle which may be transported by railways for food supply and for purposes of exporting to Europe and America. Wool also is a special product. While the sheep in Japan yield only