

extend to it financial credit at a very low rate of interest. Then we can hope to beat the Chinese merchants and recover our trade rights, so that we may develop the special products of Manchuria and send them to all parts of the world.

The first step in gaining financial and commercial control of Manchuria and Mongolia lies in the monopoly sale of their products. We must have the rights of monopoly for the sale of Manchurian and Mongolian products before we can carry out our continental policy and prevent the invasion of American capital as well as the influence of the Chinese traders.

Although the products of Manchuria and Mongolia may go through any of the three ports, Dairen, Yingkow and Antung, nevertheless Dairen holds the key to the situation. Every year 7,200 ships pass through this port with a total tonnage of 11,565,000 tons. This represents 70 percent of the total trade of Manchuria and Mongolia. Fifteen navigation routes radiate out from it with definite sailing schedule. Most of it is costal sailing. We have in our grasp the entire transportation system of Manchuria and Mongolia. The monopoly sale of Manchuria's special products will eventually come into our hands. When that come true, we can develop our oceanic transportation in order to defeat both Yingkow and Antung. Then the large quantities of beans which the central and southern parts of China consume, will depend upon us entirely. Moreover, the Chinese are an oil eating people. In time of war, we can cut off their oil-supply and the life of the whole country will become miserable. Bean-cakes are important as fertilizers for the cultivation of rice. If we have control of the source of supply as well as the means of transportation, we shall be able to increase our production of rice by means of a cheap supply of bean-cakes and the fertilizers manufactured as a by-product, at the Fushun coal mines. In this way, we shall have the agricultural work of all China dependent upon us. In case of war, we can put an embargo on bean-cakes as well as the mineral fertilizers and forbid their exportation to Central and South China. Then China's production of food-stuff will be greatly reduced. This