

ties for Chinese migration into a new region and spoil our own policy. Look at our experience with the South Manchuria Railway. Hasn't that served the interest of China? The redeeming feature, however, is the fact that the land and mines along this railway are in the possession of Mongolian princes. If we can gain possession of them first, we need have no worries about Chinese migration. Moreover, we can make the princes pass laws discriminating against Chinese immigrants. When life there is made miserable for the Chinese, they naturally will leave for places afar. There are other methods to bar the Chinese. Only if we try hard enough, no 'Chinese foot-prints will be found on Mongolian territory.

3. A Section of Changchun-Taonan Railway. As this line runs from Changchun to Fuyu and Talai, the section between Changchun and Taonan is about 131 miles and costs approximately Yen 11,000,000. This line is immensely important from an economic standpoint, for the wealth of Manchuria and an easy access to North Manchuria on the one hand, and prejudice the Chinese Eastern Railway to the benefit of the South Manchuria Railway on the other. It runs through the upper valley of the Sungari River where the soil is fertile and agricultural products abound. Further, in the vicinity of Talai there is the Yuehliang Falls which could be harnessed for electric power. That this section of the railway will be a prosperous center for industry and agriculture, is beyond doubt. After the completion of this line, we shall be able to make Talai a base and advance on Siberia through three directions; namely, by ways of Taonan, Anshan and Tsitsihar. The wealth of North Manchuria will then come to our hands. This will also be the first line of advance to Heilungkiang. It will further form a circuit with the railway between Changchun and Taonan, which will serve well for military purposes when we penetrate into Mongolia. Along this whole line the population is sparse and the land is rich and extensive. No fertiliser will be required on the farms for fifty years. A possession of this railway will ensure the possession of all the wealth of North