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"The Far East"

BY SIR EDMUND WALKER, C.V.O., LL.D., D.C.L.*

Mr. Chairman and Gentlemen,—I am very proud to be here and to address you.

I wish to speak to you about the Far East, mainly because I have been there recently and because that is the subject which has most filled my mind in leisure moments during the past six or eight months. European people call it, I suppose, the Far East, because when they look across and beyond their continent, across Turkestan, Thibet and Mongolia, they reach to the ancient civilization of the Eighteen Provinces of China and of Japan, and they realize that it is to them the Far East; but, of course, when we look at it we turn the other way, and across our prairies and our sea of mountains and the loneliest ocean in the world, the Pacific, we see what we might naturally call the Far West; but I mean by the Far East, Japan, Korea, Manchuria and China and other countries that touch the great Pacific Ocean.

I ask your consideration of the Far East, because I am one of those who have been convinced since the days when efforts were being made to establish an international body for arbitration that a league of nations is not so necessary as that the English-speaking people of this world should understand that they lead the civilization of this world and that without their leadership civilization cannot be secure.

There is more or less of a propaganda going on, I imagine, at the present time, to keep the greatest Republic in the world and the greatest Empire in the world withdrawn from each other and not as close together as they should be. We cannot, however, doubt that if we are to have, either by the exhaustion of nations from war, or because of a League of Nations, or because of a well-adjusted balance of power, a long period of peace, the history of the twentieth century will

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involve the development of vast trans-Pacific relations with that part of Asia which fronts upon the Pacific.

Now there is a very wide difference of opinion regarding Japan itself, and I believe that difference of opinion is a very unfortunate one. There are a great many British merchants in China and in the East, with their vested interests, and there are a great many Americans who are bitterly opposed to Japan. My object to-day is, if possible, to show reasons why whatever we may think of Japan, our true interest is that the two great powers in the world who along with Japan are most interested in the development of Asia and the Pacific, and particularly of the Pacific Ocean, should understand each other. I believe whether nations such as France, Italy, and other powers, should join us or not, that the fate of that part of Asia which has to do with the Pacific, depends upon the relations of the United States, Great Britain and Japan, and the recognition by all of us of the peculiar rights that Japan possesses.

It is but fair for me to tell you in advance that I am prejudiced; that I have been for years a member of the Japan Society of America, and that the Japanese people did me the honor of making me an honorary Consul-General of Japan. I do not wish to sail under false colors, and I may as well admit in advance that you are entitled to accept my views as held with a certain amount of prejudice. It is very necessary for all of us if we desire to understand the Eastern people to bear in mind that the average Japanese or Chinese student who has not lived in the Western world and who has not seen the best of us, thinks of the nations of the Western world, and particularly of the Anglo-Saxon people, as a people who have never hesitated to exact their rights, to exact indeed whatever they have desired from all weaker peoples. They do not believe that ethically we are what we profess to be. They do not believe we are any better from the point of view of ethics than our history in dealing with subject people, has shown us to be in the past.

I went to the East frankly in the interest of my own Bank, not for the purpose of opening agencies of our bank in foreign countries, but to reinforce our position in the East, to make sure of our relations with our correspondents, and to acquire knowledge, particularly regarding those projects which are likely to influence the trans-Pacific trade.

I saw Japan and Korea, Manchuria and China too rapidly to believe that there is much value in my views; but I shall

speak about the particular things that struck me, and I am going to ask you first to let me try and give you a geographical picture, because we do not look at maps very often and, when we do, we still seem to remain under strange delusions about some things.

We do not, I think, realize often enough that the Islands of the Japanese Empire stretch from a point opposite Havana to a point opposite British Columbia, or Southern Alaska. They stretch from Formosa to Sagalien, or from Formosa to the Kurile Islands near Kamchatka, covering thirty degrees of longitude. We cannot pass from the North-American continent to the continent of Asia without passing through that extraordinary string of islands which reach from a point opposite Havana to a point so far north. We have to remember that there are about five hundred of these islands that have been surveyed, and about three thousand of them altogether, and that Japan has a coast line of 18,000 miles and one mile of sea coast for every ten miles of land area.

When I come to speak of her as a great sea power you will realize what she was in the past and must be again in the future, having for each ten miles of area one mile of sea coast, and five hundred separate islands that have been surveyed stretching from Formosa to Kamchatka.

Now if we think then of this geographical condition because of which we cannot practically reach the continent of Asia without paying our compliments to some one of the Japanese Islands, we will understand that they have a peculiar relation to Asia, which is referred to in an American State document as "propinquity." It is well for us to remember that propinquity is not mere geographical nearness, but neighborliness and nearness of race. It is, after all, the kind of relationship that exists between the United States and Canada. We purchase an enormous amount of merchandise from the United States which naturally we should like to purchase from Great Britain, but because of the propinquity, because of the geographical nearness, the neighborliness and kinship of race, we buy these things from the United States, and if we try to understand Japan, we must recognize the fact that she has this propinquity so far as Asia is concerned, that she is the natural one, by neighborliness and kinship of race and nearness geographically, to serve Asia.

We must also try to remember that Japan has sixty million people crowded into these islands; that her population per square mile is 385; while Belgium (the most crowded country

in the world) has only 665; Great Britain, 374; China, 172; the United States, 34; and Canada, 2.

The consideration of density of population, the need of expansion, the fact of propinquity to Asia, and that curious geographical position, are things that we must try to bear in mind if we are to attempt to understand and to be fair to Japan.

Japan has an area of about 175,000 square miles, about half as large as British Columbia. It is not so mountainous and has, indeed, some extensive and well-watered plains but it is probably the most intensively-cultivated country in the world. The people have shown themselves able to live on a smaller area of land than almost any other people. They have evidenced this, not simply by their high skill in agriculture and their passionate devotion to their own country, but they have shown some of the highest qualities of civilization in their arts and other crafts. They cannot at the present time raise enough food for their own wants, and if they are to become a great manufacturing people, that difficulty will grow greater. That they must have some place to which they may emigrate and develop, is just as certain as it was with the Anglo-Saxon people at an earlier time; and if we try and think of them as a sort of Anglo-Saxons in the East, we will perhaps better understand their aims.

When they took over Korea, they took over a country of 82,000 square miles, about one-quarter the size of British Columbia; not a large country; volcanic, but not so volcanic as Japan. They have ninety-six earthquake shocks on an average per year in Tokyo—but not very severe shocks! I believe twelve of them took place when I was there, and I did not feel any of them, so they do not rock the earth very much! Korea is not, however, so volcanic as Japan, but its ancient corrugated hills have been divested of timber and it is, to a great degree, a barren country. This you may bear in mind also by remembering that it is the one land of northern Asia where the tiger still roams.

It has some rich valleys and arable land but this is only half cultivated. I shall have occasion to refer later to what Japan has done for Korea, but one of the things to remember is the physical condition of Korea when Japan took charge of it.

Manchuria is larger than British Columbia, but while Korea has a population of, I think, about twelve millions, Manchuria has only a population slightly larger, in a country perhaps

four to five times as large. And it has behind it the enormous country of Mongolia, which, however, does not come into the Pacific problem. Manchuria, therefore, is a country capable of tremendous development, with a very thin population, mountainous, but with a great deal of country fit for agriculture.

Siberia, about which I do not intend to speak, is larger than the United States, and larger than Canada; but that part of Siberia which touches the Pacific problem has an area of about 1,100,000 square miles, that is about a quarter of the whole, and has only about one million people. It is a country not very different from some of our prairie provinces, and you must consider and think of what is likely to take place in that great vacuum when there are sixty millions in Japan.

When we come to China itself, its area is about 4,300,000 square miles, larger than Canada or the United States; but most of us have very great misconceptions about the population of China. It is spoken of as having 450,000,000 people. If there are 450,000,000 people, 400,000,000 of them live in China proper on the old eighteen provinces, an area of about 1,520,000 square miles, which means that Manchuria and Mongolia, Turkestan and Thibet, are extremely thinly populated, and the only part densely populated is the eighteen provinces. Again if there are 400,000,000 in the eighteen provinces, three hundred millions of these are in the seaward half of these provinces, so we must speak of China as thickly populated only in these eastern parts of the provinces that are near to the Pacific.

Some people say the estimates of population are greatly exaggerated, that it is somewhat less than three hundred million altogether, but whatever it may be its division is so curious that you see the result in comparing China, which has a small population as a whole, with countries like Belgium, Great Britain or Japan. It is, however, intensely populated so far as the eastern half of the provinces of China proper are concerned, where the people reach as many as 490 per square mile.

Now that I have tried to give you a geographical picture, we must also try and think of Asia as it was about sixty years ago. We cannot possibly judge Japan, unless we consider what she has come out of in the last sixty years. Now, sixty years ago, in China itself we had a country where the ethics of Confucius, and the ethics, or religion, whatever you may choose to call it for Laotze, the Taoists, was all that repre-

sented religion to these people, except Buddhism; where the government of the country in the hands of the mandarins represented the division of a great country into a lot of principalities, where the mandarins were respectively petty kings, so long as they pleased the Emperor.

The mandarin was intensely proud of his country, and of his ancestry. He was an aristocrat to the last degree, but he was as a rule hopelessly corrupt in the administration of his various provinces. To this country came the Portuguese, the Dutch, the British and others, battering away over a long range of time to get into China; and in the end, as you know, they forced their way into Macao, Hong Kong, Shanghai and many other ports, exacting from China extra-territoriality; that is to say, they exacted from China sections of the country in which they might build their houses after their own style, police and otherwise defend themselves and, indeed, carry on their own life, and live as little oases in the Chinese civilization.

The people of China were so different from Japan, that it is well to bear the social strata in mind. At the head of society in China after the Emperor and the royal family, who were sacred personages, came the literati. If a man could pass a high enough University degree, he might become the secretary to the Emperor, or hold a high office of State. It was a democracy in that respect, curiously different, as in other respects, from other countries. After the literati came the farmer, the owner of land; and after the farmer, the artisan, the many who had the skill of brain or hand and could do something; and after him, at the bottom of the scale, the merchant.

It is well to remember that the oriental idea of the merchant sixty years ago was about the idea that we find in Shakespeare's *Autolycus*, the pedlar at your door, who will be sure to cheat you, who came to sell his bogus wares to you, and to boast about them as much as he could. He was at the bottom of the scale. After the merchant, with no status whatever came the travelling play-actor, the unskilled workman, and the beggar in the roadway. That was China, and the mandarin in that civilization looked with contempt on the western barbarian; and looked upon those who insisted on trading with China and who in the end forced extra-territoriality, with an amount of contempt and hatred that you can imagine, accompanied by all the powerlessness of a nation which had no place whatever in its social scale for the soldier.

When we turn to Japan it is well for us to remember that the Japanese and Chinese, despite the propinquity that I speak of, are far more different as individuals than Englishmen and Frenchmen. They are also different as a nation in many respects. The Japanese people were able to boast that for 2,500 years no foreigner had successfully put foot on Japan. There you found a society in which the Emperor also was sacred, and no member of the royal family was allowed to follow any occupation, not even military. The country, however, was really governed by the head of the particular clan which in these numerous civil wars had become dominant for the moment. This was the Shogun, something like the Mayor of the Palace in Carolingian days in France. After him came the heads of the remaining clans, the Daimios, who were something like the English Dukes. Then came the Samurai and the ordinary soldiers of lesser rank. Only with those military and higher ranks was honor in the social scale. Then came a division as in China. First, the farmer who owned land, and then the artizan who could do something with his hands—a very important feature in Japan; and then the merchant, and then the travelling tinker and tailor and actor and baker, and so on.

This was a country feudal to the last degree, ready to fight and with a passionate devotion to Japan; while on the other hand China was a country with no political cohesion, no love for China itself, largely because everything was provincial and came under the influence of the mandarin.

These things we must try and bear in mind, and we must remember that at that time, sixty years ago, North America was involved in the first gold rush to California. No railroad reached the coast until 1866. The Hawaiian Islands were then the Sandwich Islands with which we associated memories of Captain Cook and a few missionaries; and our whole Pacific coast was not even outlined in the maps which we gave to our children in the schools.

Therefore, I ask you to remember our condition on the Pacific coast, the condition of the Pacific and of China and Japan at that time. If you do not you cannot have any conception of what has been accomplished in the last sixty years.

Going back to China, I have no time to enter into the history of those nations who forced themselves into China, and secured extra-territoriality; but I want you to remember what "extra-territoriality" means when you pass your judgment upon the Japanese people in regard to the Shantung question,

because the Japanese people are trying to secure from China the kind of privileges which England, France, Germany, and other nations, have enjoyed in China, that is, to have the right to have an establishment of their own where they could be sure that justice will be administered in accordance with the law of their own country; and where they can be sure that they can protect and take care of their people.

I am not judging the question. I am not expressing an opinion; but I ask you to remember that when you judge Japan for anything that she is doing which seems over-reaching to study the history of what England, France, Germany and other countries have succeeded in doing.

We have, as a result, in China, several perfectly wonderful European cities: Tientsin, Hankow, Shanghai, Hong Kong and several others. There are beautifully-built European houses; splendidly-paved streets. The streets, as far as traffic is concerned, are administered as well as in any city in the world. Administered by what?—administered by policemen who bear the evidence that they belong to these European nations. I was very proud, for instance, to find all through China that everywhere the streets of the British Extra-territoriality were guarded by tall Sikhs—bigger than any other Asiatic people that I saw, and capable of taking most of the Asiatics up and pitching them like a base-ball! And they represented the power of what? The power of Great Britain in that country of China.

In the same way the French used one of their subject peoples, the Annamites, a people so like the Chinese that they are not easily separable to some of us. Each city, in each particular part, was policed by the policemen of the foreign country which had secured extra-territorial rights from China.

Now, what are the relations between these nations and China itself in carrying on the extensive trade which takes place between them. Do they mix with China? A Chinaman cannot enter an English Club. He may come into your house as a servant. He may come into your office for business. Practically otherwise you do not meet him. There are two civilizations mutually repellant and entirely different, that are not fusing or trying to come together. You have a condition that cannot fuse, and can never be otherwise than distasteful to the people of China.

I recall a young man of high social position in Chinese society, educated at Oxford, a member of the Bullingdon Club, a club of which the Prince of Wales was a member, but of

which very few young Englishmen can succeed in becoming a member. This young Chinese gentleman, however, was a member of this club. He rode his horses in all the races in England, was indeed a famous owner of horses. He was as perfect a type of young Englishman in speech as you could imagine; but he was a Chinaman although of a distinguished Chinese family. He was powerful enough to aid in establishing an International Racing Club in Shanghai—but he could not step into an English Club in the same city. That is a condition for which I have no remedy. I do not know how it could be otherwise; but I put it before you whether that kind of a thing is likely to make out of China and the East, the kind of civilization we hope to see there at some future time. Do not let us forget that it is all extremely hateful to the fine Chinese gentleman that you meet every now and then. He has regard for his country, and he perfectly understands the kind of power that exacted this extra-territoriality, and the purposes for which it is used.

I wish to speak about transportation in China, because that is the great question in everybody's mind at the present time. I have spoken to you about China's population, where it is dense and also where China is thinly peopled. It has a most wonderful series of canals and rivers; and if it only needed local transportation, it would do well enough as it is, but it has no connection practically with the outside world. It has twelve ancient trade routes that were just the same one or two thousand years ago. You can still see a thousand camels coming through the pass into Peking from the deserts beyond the Great Wall. I saw strings of two and three hundred camels going back, and they came originally from far-off Mongolia and Turkestan. They bear such merchandise as camels can possibly bear, feeding themselves every day, and coming a very long distance, a few furs and compact articles of great value, the overwhelming bulk of the product of the country being impossible of transportation. They take back tea in bricks, and a few other things of compressible character. That is all that is possible from the vast back stretches of country not connected by water, to bring to the sea-board cities. But you have rivers like the Yellow River, with great possibilities of commerce, and particularly the Great Yantze Kiang. The Yantze River which runs from Shanghai to Hankow will carry steamers of six or seven thousand tons, and it takes three days' active steaming to go to Hankow from Shanghai. That is by far the greatest inland waterway in the world.

In the central section of it there are countless junks which with their predecessors have carried salt over a certain part of that river for a thousand years, perhaps for two thousand years. Some of the people on these junks, especially the women and children, may never have been on land at all. The ships themselves have never been down to the mouth of the river or up to Hankow, but pass backwards and forwards in their narrow section. That great waterway will some day have ships coming from the uttermost parts of the earth to Shanghai and all the way up to Hankow, and Hankow will some day be larger than Chicago. The greatest iron mines of China are near there. There are three of the greatest cities there together, which in 1845 were said to have altogether seven or eight million people. Then we have the Grand Canal, which you doubtless know was begun more than one thousand years ago, which is eight or nine hundred miles long, and is the north and south connection of these east and west rivers.

You will remember that twenty or thirty years ago they began to build railways in China; and then somebody's cow was killed, and the ghosts of someone's ancestors were interfered with, and so the rails were torn up and thrown into the sea.

But, in 1910, despite all these difficulties, China had three thousand miles of railway, and she has now about six thousand miles. That is what is claimed, and I imagine that is about right. If China had railways per thousand people to the extent that Canada has, she would have from 250,000 to 300,000 miles of railway instead of six. I therefore ask you to consider what may happen to China if she is given transportation facilities.

That she desires railroads is quite clear. Such Chinamen as have had experience of them wish to have railroads built. My own belief is that railroads should not be built for China even by a consortium of foreign bankers. They should be built by a National Committee representing the four or five powers most interested in the East. They should be built in this way, in order that they may be honestly built. They should be carried on by such a committee in order that they may be honestly carried on, and they should be built with reference to what is desirable in the extension of China. They should be built without the purchase of franchises from Chinese Parliaments, together with other concessions not necessary to railroads, and not desirable in the interests of the

outside world. The outside world is interested in finding a way of building railroads in China for which people may lend their money, confident that the investment is a sound one because a Committee of the great nations of the world have undertaken to superintend the construction and the management of such roads. China may refuse roads on these conditions. If she does, she should be told that she cannot have roads until she will submit to such conditions.

I believe that the building of railroads would change China in many respects besides mere transportation, and it was on that point that I was requested, at a meeting at which Sir John Jordan, the British Minister, was present, to speak in Peking. I told them that a visitor of a few days in China could not express a valuable opinion about China, but that I could express an opinion as to what the railroads have done politically in a country like Canada. Several disconnected sections of British North America, hating each other politically, were made into what Canada is to-day by a transcontinental railroad; and I believe that railroads in China, not on the North American scale, but on any reasonable scale, let us say 60,000 miles instead of the present 6,000 miles, would make great changes in China and cause countless people to meet each other who do not now meet. The people of the north and the south would meet each other, and would not be diametrically opposed to each other, as they are at the present time. There would be political opinions about the railway itself—there would be sure to be at least two opinions about it; and you would find that coherence in politics and other national opinions would arise in China, as they arise anywhere else. They might be unwise opinions but they would certainly arise if the people met each other; and if you had railroads permitting ideas to travel, creating a serviceable mail, a serviceable telegraph system, and a serviceable transportation system for people as well as for goods. I therefore believe that railroads are of tremendous importance to China, not simply from the point of transportation, but politically, socially, and in many other ways. I also believe that the opening up of China is a matter of such moment to the world, that we had better consider how fast we desire to do it, and how quickly we desire to throw China open to the rest of the world.

If China were to begin to export products in the way that I will show you Manchuria has been exporting products, in fifteen or twenty years of active railroad building, we might

seriously upset the balance of world trade. But we are tremendously interested in its development, and the longer we sit back and fail to come into community together as to how we intend to treat China, the worse conditions will be for us in the future.

I should now like to turn for a minute to Manchuria, the country of the Manchus. It is a country rich in many minerals. The robes of the Manchu Emperors of China were yellow, because gold is their idea of purity in comparison with other metals not so pure. The Manchurians have been a proud people but you know that half of Manchuria was lost to China and passed over to Russia, and that subsequently Russia lost it, and Japan has now what is called a lease of it. I want to tell you what has happened in Manchuria in a few directions, in order that you may realize what an oriental government with western ideas of progress can do. In the last edition of the Encyclopedia Britannica all the products, mineralogical and agricultural of Manchuria, are set out; but there is no mention whatever of the soya bean.

I will tell you frankly that I went to the east largely to find out whether the soya bean had become a world product, on which bankers might safely grant large credits. I found in Manchuria, where they had developed the soya bean, that the Manchurian farmer had thus secured a product which the outside world always needed, and which caused real money to come into the country for its purchase; with the natural effect that in Manchuria you saw new developments everywhere, new farming, new houses, new land taken in, new stations springing up. This made it clear that the country was being regenerated by having a product which the outside world wished to buy, and which brought it a stream of money, and in which respect it was different from almost any other part of the Asiatic continent except India.

I found that the Russians, for strategic reasons, had tried to build ports in the gulf there, and had thus left behind the town of Dairen, which the Japanese had further developed. I saw wharves there which would make Vancouver and Victoria groan with jealousy; not only as to their beauty of construction and their strength, but as to the extent of them, and their general usefulness. I found a hotel, the like of which I do not know in any city of its size in the world. The hotel here and at Seoul, where we were entertained at dinners in European style finer in every respect than anything that could be obtained in America, are managed by the state railway which

also manages coal mines, real estate, and in every way has made travelling in Manchuria not only delightful for the traveler, but has given you the idea of a country being rapidly developed.

When we come to Siberia—I do not intend to speak at length about that country, because I did not visit it—but I am perfectly certain that when Bolshevism has come to its natural end—being itself a process of destruction—there will be left in Siberia the land and the peasants; and when the land and the peasants are thus left, Siberia will rebuild itself; but it will be aided in its rebuilding largely by people with enterprise coming in from outside. I have spoken of it as a country extremely thinly populated, with possibilities as great as our own prairie provinces.

When you come to Korea, Japan, of course, has been criticized for recent events there, in which the missionaries played a part. Korea was a country, barren as I have said, deforested by the people to such a degree that Japan has planted already many millions of trees in an attempt to reforest it; with some cultivable land, only half cultivated; with roads, which are indescribable, they were so bad. I can best describe the general civilization through the currency of the country. The currency of the country was only brass and bronze tokens—the well-known kind with a square hole in the middle. They had no paper money, no silver, and practically no banks. The collection of taxes was such a difficult operation, the roads being bad, that it was necessary to convert its copper money into something that it was possible to transport over the roads, in order that the Government could obtain any final result by the time the money collected in a distant province, drawn by bullock carts over perfectly hopeless roads, reached the capital of the country. There was a Court which must have been barbaric in recent times, whatever it may have been in past centuries. It must have been barbaric as compared with Japan and China, because the palaces can still be seen and the manner in which the people lived can still be understood. Japan having secured possession of Korea apparently moved quickly towards making Korea a part of the Japanese Empire, improving the country rapidly in material things but perhaps considering too lightly the feelings of the Koreans at the loss of their nationality. Korea had a Japanese military governor and military police.

Japan also had a militaristic government, and I will later

on discuss why she had this, and how natural it was that she should have it. She had also at one time a military governor in Manchuria, but had given it up, and manages there now through a civil governor. She has made the same change in Korea since the melancholy things that happened there. The soldier is given orders by petty officers, who are given orders by higher officers, who are given orders by the military governor—orders which can not be discussed but must be obeyed. This sort of power has led to brutal actions, even to massacres, in many parts of the world. There is no defence whatever for what happened in Korea; but there is this to be said about Japan, that, contrary to most nations, she not only admits to some extent what has taken place; she not only immediately ended her militaristic government and replaced it with a civil government; but in a recent public report she makes this statement which I would like to read to you. It will only take a minute, and it will give an idea of a nation admitting its error. Let us try and think of Great Britain or France, or any of the other western countries, making such an admission of a national blunder!

"Thus things went on well for nearly ten years after the annexation, and it was generally believed that they would go on ever so well until mutual affection and common interest had effaced all the distinctions now existing between the two peoples, and thus removed all causes of trouble. From this sweet dream, however, people were wildly awakened, when, in March 1919, disturbances of a rather serious nature broke out in many places in the Peninsula, and though these were speedily suppressed, it became apparent that the Japanese administration in the Peninsula, with all its good intention, had not been kept up with the progress of the times. The Koreans, or at least a section of the Koreans, whose ideals had been undergoing a constant change under the peaceful reign of ten years through education or otherwise, and influenced by the new ideals which the European war begot to the world, were not now satisfied with the more material well-being brought by the annexation. They wanted something more, and though the Japanese authorities had been preparing for a change in their administrative system to conform with this altered state of affairs, they made a mistake in not effecting it early enough. At any rate, the lesson was taken in the best part, and

reforms were speedily introduced into the administrative system of Korea."

I have read this because I do not know where any government has ever admitted its faults as frankly as Japan has thus done. At the present time, Korea has not only re-forested areas and better cultivation of its land but it has an excellent system of banking and currency with several hundred well-established banks. It now has a civil government with the frank admission on the part of the Japanese people that its national aspirations will not be forgotten. Japan will, however, no more permit Korea to be severed from the Japanese Empire, than the British Empire will allow Ireland to be severed!

Now I come back to Japan. Japan is the only place in the East where in any sense the East and West meets. It is the only part of the East that is trying to fashion itself to some extent after western civilization.

Frankly, I think they imitate us too much. I did not hesitate to say when I was there that so far as the ladies were concerned, they were very foolish indeed to adopt European garments. I did not hesitate to say so far as their buildings were concerned, that they could have every kind of invention for the comfort of man in their houses, and yet not give up the beautiful interior and exterior aspects of Japanese architecture; but a large part of the people desire to follow our methods of civilization and wish to be like us.

Japan is the one place where we can merge and can hope to have an ally.

As a sea power, I would like you to remember that the legend in Japan is that the first Emperor was a sea rover, who came there and captured the country, and drove the hairy people who lived there to the north, and that nine hundred years afterwards as many as five hundred Japanese ships invaded Korea, while in the sixth century Japanese ships went up the Amur River to invade Manchuria. Ten centuries later in a time of great naval activity she might have seized partial control of the Eastern Pacific waters. She invaded Korea again, harried China, sent 200 vessels to attack Siam, Luzon, Cochin-China, and Annam. She even built a vessel in European style, and crossed the Pacific to Mexico.

But, frightened as they were of Christian civilization as it came to them through the Jesuits, in 1638, they closed all their ports except to Holland and China, and thus it remained for over two centuries. They not only closed their ports to

others, but they passed legislation that no Japanese ship should be built larger than 150 tons if intended to go to sea. They thus ended themselves for the time as a sea power; but when Perry came in 1853, they repealed the law against sea-going ships and immediately built a ship of European model, and set to work again to make themselves a sea power.

No doubt the visit of Perry was something that has essentially altered Japan but we are apt to forget that in Japan, before Perry came, two of the great clans, the Satsuma and the Chosu were struggling to displace the Tokugawa clan which had been in power two hundred years, and to put the Emperor back on a real throne. For some time after Perry's visit, these two clans were still striving to put their Emperor on the throne, and not for the opening of the land to the western civilization.

The real ruler, however, the Tokugawa Shogun, more or less conscious that isolation was now suicidal and that feudalism was in danger, made a treaty with the United States in 1854 followed by treaties with other countries, thus opening Japan again to the world. Patriotism awoke, foreshadowing great changes; by 1863 the feeling against the foreign barbarians had nearly ceased, the two great clans, the Satsuma and the Chosu, were convinced that Japan must fall in line with the outside world, and an intense desire to study foreign con-

Chosu clans, of whom Prince Ito was one, went abroad to study the outside world. In 1866 the Shogunate ended and the Emperor resumed power as the real ruler. In 1868 he set forth the famous rescript which ends with the injunction to the youth of Japan to go throughout the world seeking knowledge, thus establishing the principle of "Saicho hotan" or "making good one's deficiency by learning the superior points of others."

At a later time, Prince Ito went to the western world to study the systems of government, of administration, of business, society, and otherwise. Let us try to consider what it was natural for him to admire with the limited knowledge that he possibly could have of the western world, and let us remember that what the Japanese desired was to create a government that would sustain the Emperor on his throne and not to create a democracy. Most people think that the Japanese people desired to create some kind of democracy, and that they therefore made a mistake when they decided to imitate Germany. Among the things which Prince Ito went

out to discover was a system of banking. He found in the United States, a beautiful system, so democratic that it could be applied to any nation. Anybody with \$25,000 could start a bank. A child could understand its system, it was so simple. The Prince took the system back to Japan, where they put it in operation, and as we all know they nearly ruined Japan. To the credit of Japan be it said that they not only averted ruin but they created a highly intelligent system of their own, one of the most advanced and varied in its powers in the world. While the United States system would not have permitted branch banking, they not only have highly developed branch systems in Japan but their one great bank for foreign exchanges had more branches outside Japan and spread throughout the world, than any other bank until the recent movements of foreign exchange banks in the western world.

In the same way he sought a system of government, and remember he was not trying to find the plan for a democracy, but a government that would sustain the Emperor. He was also trying to consider how foreign commerce could be developed. When he went to Germany, he found the system of government most suitable. He found commercial systems by which the State could help in the development of foreign trade. He found many things that seemed to be desirable, and I would ask you if they did not seem admirable to many people besides the Japanese, until the present war? The prince, then, and many others carried home ideas gained in the western world and they began to rebuild their society on our models, not realizing perhaps how soon they would have to face the incoming tide of democracy.

If we imagine that she is to stand where she is, that is one thing; but if we consider the progress she has made in the last sixty years, and remember that Japan consists of a people who desire to continue to progress along with the rest of the world; that indeed at present she is wrestling with democracy in its worst aspect, that of universal suffrage, and that she has probably got to struggle through the same troubles as the rest of us before she comes out right, we shall then understand that Japan is on the way, although not quite so far on the way as we are, on the road to democracy.

We can find, amongst the Japanese people, men and women who have exactly the same ideas about society. I know Japanese ladies who could stand up and talk about women's rights just as well as any American or Canadian lady could.

They desire the same things as we do; and the great point for us to consider is—are we going to help them on towards higher ideals, so far as our ideals really are higher, or are we going to stand aloof, and despise them, and treat them as though, being Asiatics, they were essentially different from ourselves?

The evening is late, and I will not attempt to deal with the figures I have here regarding Japan as a sea power; but if you have, any of you, watched what is going on in Japan at the present time, you will find that the great shipping companies are building ships at a tremendous pace, and are making enormous dividends, and they have already built some of the greatest lines of freighters in the world.

They build their own ships. I was at Kobe, in one of the shipyards in Japan, where they can build ten steel ships at a time and finish such in thirty days. It is not as important as Asano's Company, the Toyu Kesian Karsha. At the moment they are building eight new steamers, freighters, with five more ordered, of 8,700 tons each. Their report says that the present dividends of twenty per cent. will, they hope, soon reach thirty per cent., and that they know of no way of making money for the shareholders so good as to build more freight ships.

A still bigger company, the Japan Mail Steamship Company, with a much larger programme, in its reports makes the very naïve remark, that with a programme of one hundred and ten millions of expenditure, they are not building ships to use up the surplus money of the company, but in order to meet the tendencies of shipping throughout the world.

Now, we who possess the greatest navy in the world should remember that nothing apparently can prevent Japan from being the third greatest naval power in the world; and that if for any reason the United States should not carry out its present very ambitious programme, but should fall back, and not continue to develop ship-building, Japan might even pass it.

In the United States, they have to coax men to go to sea and to pay them enormous wages. They leave a land which they think is pleasant with distaste, and they want to be well paid for doing so, while Japan has a natural sea-going people, who, for \$20 a month will go to sea, and enjoy everything connected with such a life.

Again, when we think of Japan we want to remember some of her natural aptitudes. Her art is to a great degree imitated from China; but her people are naturally wonderful crafts-

men. They are highly trained workers in textiles. Some of the largest cotton mills in the world, of course, are there, and we know what they are in the silk trade. They are able workers in stone. They are the best workers in the world in metal on the fine side; what they are in the coarser aspect I do not know. They have lacked raw material, and so they have secured in Russia and China the timber and the steel which their own resources did not provide, and they have thus made themselves strong in this respect.

They have not shown, I think, great power on the side of engineering or as an inventive people; but they have shown wonderful ability as merchants and bankers.

Now these people are stretched along the Pacific near the continent of Asia. Nothing that we can do can alter the fact that they are there; and there will be, as I have said, sometime during the next century, the most notable development of unused energies and powers in that part of Asia which is connected with the Pacific.

Shall we of the two English-speaking powers make friends with these people? Are we to take them into partnership, or go into partnership with them, or are we to hold ourselves aloof? If we can go into partnership with them; if we can have an understanding of what is to be done in Asia, we may partly wipe out the disgrace of the early years of the twentieth century, and all the blood that has deluged Europe, by building up in Asia a civilization and bringing it to people who have suffered for centuries from the conditions that interior Asia knows, and that the coast cities of Asia know.

That is a thing that it is possible for us to do if we can work together; if we can recognize the rights of Japan and the unusual position arising from her propinquity to China and other parts of Asia. If such a movement is headed, as it can readily be headed, by the people whose language we enjoy, the people in whose language almost every public document in Japan is printed; in whose language postage stamps, bills of lading, and public or railroad notices in China are printed; whose language indeed is destined to be the trade language of the world. We are great not only because of the language and of the literature, but because we have been learning the principles of democracy since King Alfred's time; and have been through all the stages from King John and Magna Charta, and the Commonwealth, and the loss of the American Colonies, down to the present time. We who inherit the English language; who have studied its literature;

who have learned the principles of justice and democracy since King Alfred's time through that literature—we are the people who, with Japan, who already admires our civilization, who wants our good regard; if we together can take up this tremendous task of making Asia, from the desolate wastes of Siberia down to the crowded cities like Canton, what it ought to be; what they can be through transportation, through civilization and through proper political ethics—then we shall have done something, which, as I have said just now, will help to wipe out the bloody fields of Europe and the shameful years in the first quarter of the twentieth century.