military-naval leaders know that they are a necessary adjunct of the old regime, which has before this assumed for long periods the mask of "moderation" and

pseudo-liberalism.

These facts point to a more fundamental aspect of the Japanese social structure. They refute a currently fashionable oversimplification that the " militarists" are the dominant political force in Japanese society. Actually, the key feature of Japan's social order lies in the special relationship which obtains between the monopilists (Zaibatsu) and the land-In the countryside the large holdings of some 3,500 big landlords (including the Emperor) stand out above the meagre plots of more than 5,000,000 tenant and small-owner farm households. In the big cities a dozen Zaibatsu concerns and semi-State monopolies (in which the Emperor holds large blocks of shares) dominate the banking, industrial, and commercial life of the country. nexus between Zaibatsu and landlords is formed by the 30,000,000 poverty-stricken farmers, who constitute an inexhaustible reservoir of cheap labour. Even the lowest wage in mine or factory has averaged better than the livelihood in rural areas, which has often dipped toward famine conditions. Professor Shiroshi Nasu, one of the foremost students of Japan's agrarian problems, describes the situation in these terms :-

"Existence of up-to-date factories with high technical efficiency side by side with millions of small farms amply supplying these factories with skilful but low-wage man-power constitutes the backbone of the national economy of Japan. This relationship is made possible by the fact that the birth rate of the rural population is higher than that of the urban

population."

But this "relationship" has most important effects. It condemns the mass of the Japanese people—the farmers and workers—to a chronic poverty. It stunts the home market, forcing the export of 30 and 40 per cent. of total production (factory and small-scale industry) in normal years. The relative paucity of local natural resources—which however, can easily be overstressed—accentuates the difficulty. By necessity an intensive

drive for foreign trade has characterized Japan's economy throughout this century. The cheap labour, the technical efficiency of modern factories, and the severe exploitation of small-scale industry propel Japanese goods into foreign markets with great competitive force, but this misshapen economic structure is peculiarly dependant on the vicissitudes of the world economy. Economic security even for the Zaibatsu-landlord combination, not to mention the people, is a will-o'-the wisp. An alternative is sought in territorial expansion—the natural and, indeed, inexorable outcome of the whole system.

Around the Zaibatsu-landlord corethe true essence of modern Japan-are grouped all the other elements of the ruling caste. Emperor worship, as an idealogical instrument, is designed first to lead the mass of the people to accept without protest their miserable economic lot, and only secondarily to provide divine sanction for conquest. The military still wield their ruthless feudal sword. but in answer to the dictates of an unstable economy geared both to the modern machine and the tenant farmer's rice plot. A class of bureaucrats, larger even than the German professional Civil Service, performs the essential administrative tasks. Party leaders grace the pseudo-parliamentary facade of the regime, which is an unlimited oligarchy in actual content. The Emperor unites in himself all the diverse aspects of the oligarchy. He is the high priest of a tribal religion. But he is also the biggest landlord, a leading member of the Zaibatsu, the supreme head of the State. and Commander-in-Chief of the Army and Navv.

In this highly complex organism each member functions in relation to the others, but the whole being has an essential vitality of its own. Assume, now, the post-war policy which lops off one limb — the "militarists." The Emperor remains; so also the bureaucracy, as well as the Zaibatsu and landlords. One limb is removed, but the soul, the hands and brain, and the body and heart are left. Is it logical to expect that the organism will thereafter take on a new form of life, different in any essential respect from the old? Or must we not