

# The Possible Outcome of Japan's Political Tragedy

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*The Author in one of his series of Sunday-morning interviews with Viscount Saito in 1934.*

The Dawn of February 26, 1936, might well be the dawn of a New Era in Japanese history. Although three great leaders of the empire meet their untimely death at the hands of military purists, their shocking destruction should do much for Japan. In the tradition of the phoenix bird, which is the symbol of the imperial line, the spirits of these three dead leaders have already arisen. Today throughout the length and breadth of Nippon the people are demanding with a single voice that such a national catastrophe shall never happen again.

Viscountess Saito instantly realized the enormity of the actions of the soldiers engaged in the governmental purification when she stood between the weapons of the assailants and her husband. "Save him for the nation" was her plea. But it was unheeded and in the destruction of Viscount Admiral Makato Saito, Japan lost the world lost as fine an influence for good as any generation has produced.

Perhaps my viewpoint may be unduly influenced by the fact that I knew the Viscount well, talked with him many, many times, listened to him while he generously gave of his decades of experience to those who came to him for advice and counsel. But it is my sincere

belief that when an unbiased chronicle of the history of the century is written, this man who rose from a lowly level to the highest rank and honor will be credited as being the outstanding Japanese of the era.

The shocking phase of the recent military outburst in Japan was not that conservatism exploded against the philosophy of liberal government, but that the very captains among her experienced statesmen had to be sacrificed. The men who on countless occasions had steadied the wheel, had quietly guided the nation through storms, were martyred.

Few men in the history of any nation have had a more glorious career of service than Viscount Admiral Makato Saito. As a youth of 15, he studied for the entrance examination of the military academy. Out of several hundred applicants, Saito stood twenty-first on the list. His joy was unbounded. But the academy only accepted twenty! Undaunted, he took the entrance examination for the naval academy and entered on October 27, 1873, at the ripe age of 15 years.

Lieutenant Saito was the first naval attaché at Japan's Washington embassy, 1884 to 1889, when he learned to know and understand America and mastered English. As Captain Saito he was an aide-de-camp to Emperor Meiji during the Sino-Japanese war. When the emperor was not studying charts, he busied Captain Saito with questions about America: the people, their customs, the government, and business. When Dewey blockaded Manila, Captain Saito was in command of H. M. S. *Fuji*. Like the British commander at Manila, and in face of a vigorous German protest, his attitude and maneuvers were favorable to Dewey and widely appreciated outside Berlin.

Promoted to the rank of vice admiral and then made minister of the navy, Saito was the creator of the modern navy of Japan. He was made a full admiral in April 1912; and 3 years later, when he had been 40 years in the service, he was placed on the reserve list. In 3 cabinets, 1906 to 1914, he held the naval portfolio. He had indeed held every position in the imperial Japanese sea forces, but in 1914 he did not realize that his public service had hardly begun.

In 1918 Emperor Taisho made him governor general of Chosen (Chosen) after army men had failed to establish stability there. Korea (Chosen) was in a foment when Baron and Baroness Saito reached Keijo, and a bomb outside the railway station nearly ended Saito's career. But his humanitarian policy



*Admiral Okada (left) at His First Foreign Press Conference After He Became Premier of Japan in 1934.—The angular man in the background, left, with glasses, is a Moscow newspaper man with uncanny ability to tap confidential sources of state information.*

gained the Koreans' confidence, Chosen soon ceased to be a problem. Land titles were cleared; schools, hospitals, agricultural stations and a leper colony were established. Koreans gained a large measure of self government. Saito resigned after 10 years, and was raised to a viscount for his services.

In 1927 he represented Japan at the second disarmament conference, an incident of which, till now unpublished, he related to me. The United States and Britain were at loggerheads over cruisers. Intervention by Viscount Islii and Viscount Saito effected a tentative agreement, and the American delegation cabled Washington. In the absence of the Secretary at a golf game, a subordinate handled the inquiry in a routine way: "Adhere to previous instructions."

The conference broke up without accomplishing much. Saito told me he believed the psychological moment when the world was ready to accept armament control had been lost. On his return to Japan he was made a member of the imperial privy council, advising the emperor on knotty state matters; and when past 70 he returned for 2 years to the governmentship of Chosen. Soon came the Manchurian incident, the campaign at Shanghai, and world-wide suspicion of Japan.

Conditions in Japan were extremely tense. Constitutional and representative government seemed to have been caught in the avalanche of warlike sentiment. Japan's greatest banker, Inoue, had been murdered. And on May 15, 1932, young military and naval officers assassinated not only Baron Dan but Premier Inukai as well.

Said Saito:

"Into this maelstrom of chaos, with the military marching through Manchuria and the navy guns still pointed at Shanghai, His Majesty commanded me to take charge of the government. I devoted my energy to bringing Japan into the middle of the road. Fervent brows had to be cooled and the rule of reason as opposed to hysteria had to be restored!"

Japan's withdrawal from the League of Nations was necessary in order to improve the domestic situation within the empire, Viscount Saito felt.

That the career of Viscount Saito as premier was stormy is well known to all. Yet literally day by day Japan's internal condition improved and her position abroad was strengthened. After 2 years as the head of the government, Viscount Saito resigned as premier on July 3, 1934.

Admiral Keiroke Okada was commanded to form a cabinet and from July 1934 until the present day he has carried on the broad policies initiated by Viscount Saito. Four of Saito's cabinet members aided him. One of them was the financial genius, Korekiyo Takahashi.

The purists who struck at dawn on February 26, robbed Japan of its strongest financial mind. It is the opinion of many observers that his loss will be an irreparable blow to Nippon in this era of rapid governmental and commercial expansion when clear headed, long vision is so needed to steer the financial ship of state.

Takahashi was a colorful figure. He battled around the world in his youth, in California, South America, Europe. He dabbled in politics and government in the middle '90s became chief of Japan's monopoly-patents bureau. With his facility in English and his understanding of continental ways, he traveled in Europe studying patent laws. But Takahashi did not find his stride until he went into banking. His first brilliance came in obtaining loans abroad to help finance the Japanese-Russian War.

By 1911 he had risen by his bootstraps to the presidency of the all powerful Bank of Japan. Two years later he resigned to become minister of finance and acquired himself with distinction. Then he again took to politics as president of the Seiyukai party in 1924.

But when Saito needed his assistance Takahashi took the portfolio of finance again. Always outspoken, fearless in his warnings, dynamic in his actions, Takahashi was a thorn in the side of those who resented restraint, who felt that funds for the military should be supplied without question and without proletarian prerogative. His recent warnings regarding bonded indebtedness did not set well with the purists and it is quite logical that to be successful in their purge Takahashi had to go.

Although outbursts of violent political opposition have been deadly in their toll, the progress of Japan's governmental development has been inexorable. Premier Hamaguchi died from the wounds of a purist. A finance minister met death in 1931. Baron Dan added to the toll.

The May 15 (1932) incident is still subject for conversation in Tokyo. Count Makino, who was wounded in the present purge, was a marked man in 1932. His house was damaged along with those of other Japanese leaders.

The recent Japanese elections clearly showed that the people, the common people who foot the bills, expressed themselves at the polls and

demanding more voice in the government. In short, whether appreciated by the rank and file or not, parliamentary government is a growing force in the life of the Japanese nation.

At present the army and the navy are not responsible to the government, only to the emperor. Soldiers and sailors do not come under civilian jurisdiction. And even when minor police incidents have happened, men in army and navy uniforms have questioned (with force when necessary) the right of police to interfere. The purist theory is that each man in uniform is a representative of the emperor and therefore if civilian police place the hand of restraint or regulation on a man wearing the emperor's uniform, he is insulting the emperor!

The control the civil government can exercise on the military is the matter of annual financial requirements. But should the budget be not approved, the amount provided the year before becomes automatically operative.

But to purists, who are certain beyond a shadow, just as positive of their divine appointment as Joan of Arc that God sent them to save the nation, budgets, elections, and liberal policies are but subterfuges to undermine the glory of His Majesty, the Emperor. Ultra-nationalism breaks forth with the sword. Nevertheless, the driving force of the ballot toward the goal of popular government in Japan is as unending in its forward movement as is the power of wind, sun and tide. The world was shocked at the untimely death of Viscount Saito, General Watanabe and Finance Minister Takahashi. Three of Japan's best minds were lost to the Empire. But their spirit will lead where they themselves could not go on.

## Philippine National Bank's . . .

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The bank is 20 years old this year. It was originally chartered in 1916. It cut down its note circulation P2,500,000 last year; keeping surplus notes in its vaults, it saves something in taxes. It made its deposits in the United States, to take its share of the Manila Railroad bonds the government helped the road retire at London's offer of 80 cents on the dollar. Its most singular experience during the year was the rise in individual deposits from P28,530,983 to P45,288,555, an increase of nearly P17,000,000 in the 12 months. While some of this was bookkeeping, as the classification of the Metropolitan Water District account as individual instead of a government account, about P13,000,000 of it was a genuine uptick of individual accounts; and best of all, numbers of business company accounts.

But while this is best as a good bank showing, it of course is not best as a good business showing; for it shows that capital is accumulating in the Islands that commerce and industry either can not or will not use, and it goes back to the contention made at the outset of this summary, bank rates are still too high. This however is not dogmatically true, it is only a true generalization. Last year business companies, some of them large, dealing with this bank, turned overdrafts into cash balances. This healthy situation is also reflected in the increased deposits. The fat goes with the lean.



SAY "ISUAN"

The BEST MIXERS

in the ORIENT

