







- 3rd largest industrial area in Asia
- (1941) 5B ¥ invested (\$2/p/p/China)
- Heavy (trucks, planes, locomotives)
- Light industry (food, blankets)
- 4,000 miles of roads built
- 15M metric/tons coke coal
- 10% of Japan's cement processed
- 450,000 metric tons of steel
- 25,000 tons of cotton fabric
- Soviets take \$850M of factory & equipment to Siberia as war spoils

"Criteria for National Policy" & "Foreign Policy of the Empire" (1936)

- Build up Manchukuo, puppet regimes to secure Chinese resources, war with USSR, naval growth, & build up Pacific holdings
- a. "Eliminate the hegemonic policies of the Great Powers in East Asia"
- b. Japan "stabilizing force in East Asia"
- c.& d. "secure our footing on the East Asian continent" => Army goes North & Navy goes South
- Emperor wants unity = more policy papers



- (1937) 69% of budget (33B ¥) for Imperial armed forces (3x's 1936's \$)
- Troops stationed @ Wanping (Beijing)
- Solider missing! We'll find him!
- Chinese resist = squirmishes!
- Brussels Conference (October 1937)
- Battle of Shanghai: 1st major battle of WWII & escalates war for all China

Secretary of State Hull (16 July 1937)

Any situation in which armed hostilities are in progress or are threatened is a situation wherein rights and interests of all nations either are or may be seriously affected. There can be no serious hostilities anywhere in the world which will not one way or another affect interests or rights or obligations of this country. We advocate national and international selfrestraint. We advocate abstinence by all nations from use of force in pursuit of policy and from interference in the internal affairs of other nations. We advocate adjustment of problems in international relations by processes of peaceful negotiation and agreement. We advocate faithful observance of international agreements. Upholding the principle of the sanctity of treaties, we believe in modification of provisions of treaties when need therefor arises, by orderly processes carried out n a spirit of mutual helpfulness and accommodation. We believe in respect by all nations for the rights of others and performance by all nations of established obligations. We stand for revitalizing and strengthening of international law. We advocate steps toward promotion of economic security and stability the world over. We advocate towering or removing of excessive barriers in international trade. We seek effective equality of commercial opportunity and we urge upon all nations application of the principle of equality of treatment.

