

car tickets bought singly. If, however, they are bought 100 at a time, an expenditure out of the question for the poor, there is a tax of but 5 sen ( $2\frac{1}{2}c$ ) on the whole. And in the government railroad, discrimination in favor of the rich is still more marked. There is a tax of one sen on every ticket up to 50 miles for every local trip on the railway, electric or steam. But if you buy the same distance in a season ticket of six months or one year you pay only 5 sen as a tax for the whole season. The tickets may cost \$25, \$30 or \$50, but the tax is only  $2\frac{1}{2}c$ .

Japan has, at present, a national debt of one and a quarter billion dollars, paying interest at 4 and 5 per cent. The government pays annually about sixty million dollars interest on those bonds. The incomes derived from the government bonds are entirely exempted from income taxes, but a worker or a clerk who gets \$20 a month is required to pay a national income tax which amounts to somewhere near \$4.00 or more a year, besides innumerable local taxes. And yet he has no voice in national elections.

Salt is a government monopoly. It was inaugurated with two purposes in view—to get an increased revenue for the government and to protect the owners of the salt fields in the four main islands of Japan. The government gets 74c on every 100 pounds of salt sold; at present the wholesale price of 100 pounds is \$1.25. But if the government gets it from Formosa, where the salt supply is unlimited, it may get 100 pounds of salt at 15c to 20c, while salt may be imported from Manchuria even more cheaply. But the government limits production of Formosan salt to just enough to meet the deficit in the supply produced upon the main islands. This uneconomic policy is obviously for the protection of salt farmers or old salt field owners, whose properties were valued at two or three million dollars before the salt monopoly was enforced. To-day they are worth from ten to fifteen million dollars. Thus, the common people have to pay more for salt. State capitalism in Japan is maintained for the interest of private capitalists. Growth of capitalism in Japan has been even greater under such favorable conditions. To this end all the welfare and happiness of the common people and workers

is sacrificed. From the beginning of the present era Japan helped its capitalists in every way. It has been the policy of the government to start new industries on a capital of taxes, to sell them at a very nominal figure or even to turn them over gratis into the hands of some capitalist high in government favor. Furthermore, very rich subsidies and bonuses are given to many capitalist enterprises without limitations. For instance, in order to build up a cotton industry in Japan, the government made the cotton free of import duty. This, of course, killed the home cotton growing industry, which until then had clothed the entire population of thirty-five millions. The cotton industry is now one of the biggest industries in Japan, working 2,870,000 spindles, importing cotton valued at \$110,000,000 a year. The industry is controlled by big capitalists under the management of 161 companies. There are over 400,000 women workers in the cotton and other textile industries; these poor girls, mostly under 20, some of them 10 or 12 years of age, are mercilessly exploited in the factories. Female cotton spinners work 12 hours a day for 28 or 29 days every month. Half of them are employed at night, for, according to the new factory statutes it has become legal to employ children of 10 for 14 hours a day. These statutes are to be in force for the next fourteen years.

Girls are forced, as a consequence, to leave the factories after a very short time, broken down from overwork and the ravages of infectious diseases. It has become necessary to recruit, annually, a supply of eight hundred to a thousand new girls in some of the larger factories in order to keep up the necessary supply of female labor.

Every year some two hundred thousand girls are newly recruited to supply the factories; of these a few stay more than a year in the factory, eighty thousand return, the rest disappear. Upon such a brutal exploitation system the cotton masters have built up their industry in a short time, capitalized at nearly a hundred million dollars and producing some four hundred million dollars' worth of cotton yarn and goods a year.

But the most extravagantly protected industry in Japan is the Formosan sugar industry. Japan took the island in 1898. Since