

Nov. 1936

NATIONAL AFFAIRS.

The negotiations between Japan and China have come to a halt (Nov. 7). Covering his inability to secure Chinese assent to the major items in the Japanese plan of advance, the Japanese Ambassador has asserted that agreement was reached on several points. His statement is disputed by the Chinese Minister of Foreign Affairs, though it is willingly declared that adjustments can and will be made on economic issues and on lesser questions if the big issue of the independence of China is cleared up satisfactorily.

But there is the rub. A fair-sized army has entered Suiyuan, made up of bandits and Mongols armed, trained, supplied, and directed by Japanese. This force is motley, but it possesses more tanks, planes, and military trucks than Inner Mongolia has ever seen. Japanese diplomats have repeatedly denied all connection with the invasion of Suiyuan, even after the bandit commanders were brought to Tientsin in Japanese military planes to consult their principals, and were returned next day by the same means to start their attack. ~~But, as usual,~~ But, as usual, Japanese generals have given away the game without any necessity of documentary proofs from the Chinese complainants. In the course of interviews with American correspondents, and even in an official statement issued jointly with the Foreign Office of Manchoukuo, they declared that their aims were by a remarkable coincidence identical with those of the Mongol armies, and that their policy was to complete a ring of "dependable anti-communist states" along the border of Outer Mongolia. In other words, another province or two should now be detached from China and attached to Japan, under the usual plea of action against the red peril.

The Chinese are determined to hold their territory, and as evidence of the new unity of the country they have sent reinforcements of central troops and central airplanes to the local defenders of Suiyuan. All through the country popular subscriptions and gifts of supplies are being received for transmission to Suiyuan. This movement is not only permitted, but is led by the Central Government; and there is a new enthusiasm for a patriotic stand, with a confidence that grows as the Japanese seem puzzled and hesitant at the signs of resistance. Thus Japanese policy and commitments in regard to the northwest are added to the war risks of the diplomatic attempt to secure control of North ~~and~~ China and to try to push Nanking into a pact against Russia.

Announcements of the German-Japanese and Italian-Japanese understandings, coming after the usual denials that any such steps were in prospect, have increased the anxious suspicions in this country as to Japan's intentions. It is universally believed that war against Russia is planned for the near future, and that Japan will seek more vigorously to better her military and economic position in China as a preparation for the major struggle. Germany and Italy are disliked for their apparent approval and encouragement of Japanese policy.

Big contracts for the transport of rice from Hunan to Canton indicate the usefulness of the completed Canton-Hankow railway, and a new step toward independence of foreign food supplies.

*national economic policy is underlined in the cancellation of time-honored provincial restrictions on the movement of foodstuffs in times of rising prices. M.L.B.*