

The chief internal development is the advance of central authority in Szechuan, long the happy hunting-ground of free-lance generals. That extensive province, with some 60,000,000 people, is a big country in itself; and is connected with the main centers of China only by long and inadequate river routes. The National Government has exercised only supervisory and mediatory functions among the local chiefs, until the last two years. During the pursuit of the communist armies as they fled from Kiangsi, a stronger central hand was inserted. But only now, in time of famine and financial distress, when local interests proved hopelessly inadequate and divided, has Nanking stepped in to assert extensive control. Not only are provincial tax-offices and the appointments of representatives of national organs placed directly under central ~~approval~~ supervision; but arsenals and other essentials of the military system are turned over to Nanking men.  $\pi$  This marks one of the last in the long series of steps in the present process of "unification" as against the old provincial warlords. As late as the Sian Affair of last December, important generals in Szechuan showed a dangerously independent attitude; but they can scarcely do so again while the existing regime continues. Nationally considered, there will be gains in financial efficiency and in economic enterprise. Improvement in river shipping, the provision of long-distance telephone service, work on railways approaching Szechuan from the southeast and the northeast, successful air services, through motor traffic to three adjoining provinces, overhaul of currency and banking on national lines: all of these are achievements of the near past or are now in progress, and they indicate that political assimilation to the national system is both possible and necessary.

Close attention is naturally paid to the change in the Japanese Cabinet. Although some calming words are tossed out from Tokyo, Chinese leaders observe that the former Cabinet fell because the Army wanted a change, and that the Army itself announced its decision to continue General Sugiyama as Minister of War in the new grouping. Also, the encouraging Mr. Sato was dropped from the Foreign Office, in favor of Mr. Hirota, famous for the Three Principles that would partly assimilate China to Japan's own programs. Statements that it is time to "settle" the Sino-Japanese question are not read happily in this country, for they imply that the decision rests in Tokyo rather than in free adjustment between the interests of the two countries.

Meanwhile two unpleasant incidents exemplify the ill-concealed tension between the nations. In neither case do we yet have a full and tested report of the facts. But it seems clear that in Swatow the Japanese authorities sent warships and violent telegrams upon reports of the mishandling of a Japanese policeman by Chinese gendarmerie; and then discovered that the Japanese had put himself in a wrong position and had first used violence. There is reason to expect an easy settlement if Tokyo so desires. At Tientsin a Japanese farm of a peculiar nature and management was put under pressure by Chinese, and finally was damaged by a mob. In the background was a recent order by the Hopei-Chahar Political Council that any one selling land to a foreigner would be subject to the death penalty. As it stands, that is of course unreasonable; but it suggests something of the experience and the hatred of "penetration" under military dictation and protected by extraterritoriality from any control by Chinese administration. It is to be feared that violence will often return in the present conflict of interests.