February 8, 1937.

We have been trying to steady ourselves for something useful while Japanese naval guns remain trained on the city. Two days are Lilliath and the boys left with a large group of missionaries for Folding, upon urgent consular advice. Recent times have been so intense that America seems very far away, and communication with it so slow that letters are useless. Anything we say now about conditions here may be only a sad curiosity by the day of arrival. Perhaps we are influenced by the abject fear of the populace, but what we have experienced and observed is enough to make us gloomy; and I, for one, find officials Chinese and American more than myself.

The general situation we cannot describe at length. (If my MS. got through, there will be in <u>Pacific Affairs</u> for March or April a long article requested by the Institute of Pacific Relations, entitled "Toward the Understanding of Chinese Politics 1931-1932"). I have considerable evidence that the present phase of Japanese activity is one of extended intimidation of China, so that she will feel compelled to abandon all opposition to Japan and to legalize the Japanese position in Manchuria (a high Japanese authority is included in the evidence). All kinds of pretexts and manufactured crises are being used in the leading ports of China as opportunities for strong naval pressure. Whether the results will be "success", or merely the breakdown of government in China and a free field for anarchy plus communism, remains to be seen.

I was called to Shanghai for a meeting of the Executive Committee of the Christian Colleges and Universities, held on the 29th. of January. It was hard to leave Nanking in view of the many University and public problems here, but the call was repeated and it seemed my duty as the only missionary member to help out the Chinese group who had troubles enough on hand. I reached Shanghai on the last train to get through - three hours before fighting began near the Station. The Japanese had given an outrageous ultimatum which they did not expect to be accepted; and the Admiral had gone so far with his preparations to occupy important parts of the Chinese city, that he paid no attention to his own Consul-General's satisfaction with the Chinese submission. the Chinese stuck tight on the border-lines, the Japanese were much surprised, and gradually have been increasing their forces for a largescale operation. The Japanese use of the International Settlement (long maintained as a neutral area through all sorts of conflicts) to launch an attack upon the Chinese city, has brought serious complications.

After a stormy night close to the machine-guns and grenades, I attended the Committee meeting. There was an excellent spirit and good planning, even while the crashing of aerial bombs wax audible. The railway station was destroyed, and Chinese stopped all business as a protest against insecurity, while great fires dominated the northern Chinese city (charred paper from the Commercial Press filled the streets on the French bund for several hours, as I observed). I spent the afternoon and evening exploring and inquiring about the situation in all sorts of quarters, and got some light on methods and motives which has been useful to Nanking officials. After midnight I went on board a river boat, which was finally able to sail at ten in the morning, despite bad reports from Nanking and way-ports. The French Minister and some high Chinese officials were on board; so questioning and discussion was profitable.

At noon on the 30th., I was back in Manking - to find pure of the Government offices moved to Loyang (Honan Province, far from neval pressure), seven Japanese warships confronting the forts in a formation which completely surrounded the one American destroyer, and the city wild with fear based upon the Shanghai reports. At eleven the following hight, the Japanese guns let loose for some minutes; and hundred of thousands of poor folk thought their end had come. But gradually that particular affair has eased off, since it proved to be the result of attacks on sentries, and both sides showed remarkable restraint considering the circumstances. But vast numbers left their homes and fled from the river all through that night and the next day, - anywhere, and by any means. There was no mail service from Shanghai for a week, since only one or two boats slipped through the naval operations. I am go-between for the U. S. Officials and certain Chinese circles, and find some use in the securing and passing on of information in a time of wild rumors, as well as need for calming some who find the strain too great. The ships have remained in "Condition One" for instant action. Consular telegrams indicate that Japanese attacks on Mankow and Canton are fully set up; and most people here believe it is only a question of time till our turn comes.

Shanghai is in desperate chaos, and only now are the British and American forces increased to a point of successful defence for a small area. Up to the present, the Chinese forces have been excellent-tly steady; but now & we are getting some indications of insubordination at various points - undisciplined vehemence against the Japanese, or questions of pay. Financial and commercial conditions, including curtency, are highly abnormal and give grave concern for the future. The banking and factory center is Shanghai, now burned, crippled, and practically blockaded while expecting a Japanese military occupation. Unemployment and communist movements are alarming. Higher schools are thus far unable to open for the second semester.

But that's enough of our troubles. The mild winter has been most fortunate for the flood victims and other countless poor of this region. This is the first week of snow. Various Christian enterprises have done very well in this area with moderate resourdes, helping a great many persons intelligently.

Lilliath has been very tired and worn for some weeks. The boys are exposed to chicken-pox among other international dangers, but have been finely vigorous all year. We don't enjoy having Morton's questions run to shells and bombs and dead soldiers, and are much relieved when rabbits and goldfish get the upper hand for three minutes. He has been demolishing primers at a good rate, but takes to writing with the same aversion as his father. Our guest the Haskell children have been taken home to share their parents' fate in Wuhu, which looks better than Nanking for a while. The little boy is much admired by friendly persons, even in his parents' presence; and I was n't glad to realize that his hopping around an upper berth was the last friskiness I'd see for some time.

It's hard for a pacifist to hold straight when he looks into the Commercial Press fire and the wanton destruction of irreplacable libraries, watches heavy boming of residence areas, faces machine-guns and bayonets in the wway of poverty-stricken workers, and reads the despatches in government offices showing that all reasonable negotiations are refused. The military answer solves no problems, and brings terrible consequences. But we have to get much more effective means of pre-

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vention, and of protection for those who don't want to fight and are in no way responsible for trouble. Diplomatic efforts by the United States, latterly with the active help of Great Britain, have been considerable - more than shows in the newspapers and cablegrams. But they have been of no avail whatsoever against a determined body of military men with the backing of a disciplined and thoroughly controlled nation.

Interpretation of duty at this time is a difficult question Sometimes I gain enough objectivity to smile at my for many of us. efforts to get others out of the city and to stay here myself. It seems that when there is considerable risk, children and those necessary to care for them, and all others whose services can be spared for a time should go; particularly when large numbers of Chinese of all classes have fled, and also because in possible eventualities, the presence of westerners in the city would endanger international relations still further. On the other hand, there are important duties and obligations upon some missionaries or other westerners which seem increased in time of general danger; and for many of us there is the duty to demonstrate comradeship and helpfulness to the Chinese who bear the heaviest burdens when many of their normal helpers are gone or useless. So certain of us are determined to stay unless and until it is shown that our presence brings more than risk than good - and that might well be too late for departure, as was the case in 1927. But the two difficult periods in 1929 seemed to justify the general procedure suggested in this paragraph. The choice as to what persons shall stay is a very difficult matter. Generally speaking, administrative responsibility and experience, medical work, physical fitness to undergo exposure and quick moving, knowledge of language and acquaintance with the Chinese community - these are rational bases of selection. But many other matters of temperament, of the conditions in particular organizations and places, of the quality and circumstances of Chinese personnel, of individual courage or obstinacy, have their influence. Some who have been pushed out wanted more to stay than others who had no very good excuse for leaving their duties. But a rough adjustment is the best that can be made.

The actual risks are: (1) general attack by the Japanese, followed by occupation of the city (this could be done only with considerable preparation and land forces, since the Chinese are determined and ready to put up a good fight - in my opinion it is unlikely in the present phase of the Sino-Japanese problem); (2) shelling from the warships, probably accompanied by bombing from the air (this is quite possible, even probable; but the actual damage could be borne if people would keep steady, which may not be easy when our police have had no money for three months, and soldiers are badly paid and likely to be demoralized elen the Japanese reinforcements have smashed the army at Shanghai); (3) most serious, collapse of Chinese discipline and control of the situation, as hinted in the former point - officials are getting only driblets of pay, military insubordination is threatening, and the Japanese will feel that they must "make good" on a big scale after their first check in Shanghai (which has dangerously elated the Chinese, perhaps preparing a violent reaction when the heavier guns will ultimately win). The general tendencies of disintegration have been temporarily obscured b the hostility to the Japanese, but serious defeat and the impossible economic strain may well release them shortly, and in violent internal explosions.

Meanwhile, negotiations persist, however vainly. And there are some good men doing their best.

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