

What concerns us most is the effect which is apt to be felt by China. According to Mr. Liu Cheng-tung whose comments are reported at the time of our going to press, the nationalisation of silver will not affect China's economic condition, but his statement is based upon the assumption that "the silver stock in America was sufficient to meet immediate currency inflation purposes. Therefore the United States was not likely to purchase silver abroad."

"However, if the United States purchases large quantities of silver abroad, China must restrict her silver export. Currency control by the government appears to be the prevailing tendency of the world, which makes it increasingly difficult for international cooperation in solving currency problems."

Mr. Liu's conclusion essentially agrees with what has been expressed in this journal more than once. If America chooses to play with her own silver stock, the world need scarcely be concerned, but if she should

decide to buy indiscriminately, then each nation must take proper measures to protect itself.

The supply of silver outside of the American continent is confined to Bombay, London and China. The sale of silver in Bombay last week was of a very negligible quantity while after August 9 local dealers bought large amounts of U.S. dollars against the sale of silver. The steady outflow of silver from Shanghai to London whence it will find its way to New York is a conclusive testimony against Mr. Liu's statement that the silver stock in America was sufficient to meet her inflation requirement. Silver for the last few days has been shipped abroad continuously and in large quantities, and the time for the Chinese government to place an embargo upon its export is not in the future but at the present. The white metal may be a political football for America, but it is the very foundation of our economic structure which cannot be tampered with for the satisfaction of another nation's whimsicalities.

China Has A Dictator

By LOWE CHUAN-HUA (駱傳華)

THURSDAY last was indeed a red-letter day for Fascism in China. In the *China Press* that day, it was reported that General Ho Ying-ching had openly expressed his affection for Fascism in an address made before the staff of the Peiping Branch Military Council. Herr Hitler was eulogised by the North China military chief just as Confucius was recently re-established as the people's model by certain politicians in Canton. In *The China Critic* of the same day, Mr. Y. S. Tsao, former president of Tsing Hua College, wrote a convincing article on "China Needs A Dictator." As we know a little about the backgrounds of these two gentlemen and the work they are engaged in, we have reasons to believe that their actions are not likely caused by the same motives. Mr. Tsao is widely known as a man of courage and patriotism; his arguments for dictatorship are sincere and deserve further exploration. Therefore we may be pardoned if, in equal earnestness, we venture to raise a few questions in regard to his article. Theoretically speaking, he has put up a good case for having a dictator to meet the nation's exigencies. But upon second thought, we wonder if his thesis can stand the test of political realities. From the days of Ching Shih Huang Ti to the reign of Empress Dowager, China has rarely found the dictatorship a workable form of government.

Mr. Tsao declares that China needs a dictator; we are inclined to come nearer the truth. China has a dictator. Since the Chinese revolution in 1911, there has not appeared a greater concentration of power (military, political and financial) than there is at present, not even excluding the dictatorship of Yuan Shih-kai. In the United States today, exceptional powers are granted to President Roosevelt by public consent; in China they are just taken away from the people. Particularly in the last few years, democratic institutions in various parts of the

country have been systematically suppressed. Those which are still tolerated by the authorities are carefully watched. Although several constitutions have been drafted and promulgated since the inauguration of the National Government in Nanking in 1928, they have all terminated in the waste basket. One wonders, indeed, if there is as much individual liberty and political freedom as there is in the land of Mussolini or Herr Hitler. Under the cloak of political tutelage, a small group of people have steadily extended their influence into various provinces, taken control of all branches of government, and established a virtual dictatorship in what remains to be actual China.

This development of dictatorship is so obvious that we deem it superfluous to call Mr. Tsao's attention to it. Even a casual observer of contemporary Chinese politics can tell who it is that really controls and pays the armies, that hands out cabinet portfolios, that makes the leading diplomatic appointments, that sends various missions to Europe and America, that decides which papers be closed up and which editors be presented with a couple of bombs. Nor does the observer have to be told why there is so much air travel and gun-boat cruising in certain parts of the country, and why the capital of China is not the capital it is said to be.

Yet in spite of the establishment of virtual dictatorship and the continuous enforcement of various oppressive measures which necessarily accompany such a system of government, China cannot be said as having discovered a key to internal harmony and national salvation. On the contrary, she is confronted with as many political puzzles and obstacles as ever before. Factionalism, social unrest, diplomatic blunders and foreign aggrandizement have combined to make many people in China extremely pessimistic over her future. May we not assume, then, that the system of government which Mr. Tsao so ably advocated

in *The Critic* last week and which has already made its appearance in China, can not effectively serve as the source of inspiration and recuperative effort so badly needed today. In short, why is it that dictatorship does not work in China? We venture to give some of the reasons below.

First, the very size of China will make an experiment in dictatorship so costly (in time, energy and money) that it will soon kill itself. Germany is merely a province when compared with China. In Germany, there are less than 70,000,000 people. Italy has only 40,000,000. But China has a population of more than 400,000,000. In the two European countries (where dictatorship has achieved more success than in any other land), the people are more or less compact and articulate. In China, the people are politically and physically as disjoined as particles of sand. In Germany and Italy, a dictator can talk directly with the people and be understood. In China, he will find the people incommunicable, politically and in several other respects. China's problems are far more complicated than Germany's or Italy's; they require the attention of many talents and different specialists. Above all, they can be tackled satisfactorily only when there is voluntary cooperation among all sections of the country.

Secondly, the Chinese people are by nature opposed to dictatorship. One of the pre-requisites to successful dictatorship is that it must be able to inspire or develop widespread enthusiasm among the people, almost to a fanatical degree. Such a psychological response is difficult to expect from a race which is well-known for their reasonableness. Dictatorship is inconceivable to the majority of the Chinese just as prohibition as it prevailed in the United States is incapable of adoption in this country. Even when a qualified dictator is obtainable in China, he will find it physically impossible to work up sufficient popular zeal and fanaticism as to swing the entire country to his side.

Thirdly, Dr. Hu Shih has rightly said that a successful dictatorship must have something which can rally the people. Has anyone in China a program of rejuvenation and salvation which can attract nationwide confidence and support on the basis of its own merits rather than through childish propaganda? Mr. Tsao thinks there is, and writes: "As if in response to Dr. Hu Shih's request for a magic formula as a necessary part of a successful dictatorship, the code known as the 'New Life Movement' has been launched and received with great favor by the people

as a whole." Now the New Life Movement *per se* may be a very laudable phenomenon, but it is possible to make a mess of things by doing what is right in the wrong place and the wrong time. This Movement, moreover, does not face the vital issues in China today. To claim that the New Life Movement already supplies the required magic formula is to over-simplify China's problems. As to whether or not the New Life Movement "has been received with great favor by the people as a whole," we are confident that our readers can find the answer themselves.

Fourthly, Mr. Eugene Chen once remarked that China has modern problems but only medieval minds to solve them. Mr. Chen was perhaps somewhat extreme in suggesting that China has no modern minds to tackle her problems. But the need of modern-trained leaders in China cannot be over-emphasized. Is there a dictator in the country today who has such a mind and such an intelligent understanding of internal and world issues as to be able to command the nation's confidence and respect?

Hasn't there been, during the last two or three years, a steady exodus of able and modern-trained men from the leading offices in Nanking, and an alarming increase of muddle-headed office-grabbing mandarins? A dictator can succeed only when he is willing to associate himself with modern leadership. Defective minds cannot act as a "brain trust."

The people in China, especially the younger elements, are eagerly looking for light and inspiration to combat the present national crisis. Those who have been privileged to receive modern education and some experience in society have a great responsibility toward the rising generation, and must therefore be extremely cautious in giving out political advice. False prophets will naturally seize the present occasion to push various remedies; they will point to the line of the least resistance and will even try to deceive the people in order to keep themselves in power. But in the long run, the masses of China must be given a chance to obtain political training and experience, and be given their proper share in the nation's political life. China's destiny must remain in their hands, not those of a medieval-minded dictator. Eventually the people will learn to solve their problems through cooperative efforts, not through obeying orders from above all the time. They will, of course, travel slowly and make many mistakes; but they will achieve better and happier results in the end. It is this road which the people of China like most and are best fitted for.

Japanese Expansion and Russian Advance

By STEPHEN FARRAND

ABOUT a week ago a spokesman of the Tokyo Foreign Office declared: "Japan's diplomacy towards Soviet Russia had met with miserable failure." At the same time, *The Nichi Nichi*, a leading daily newspaper in Japan, reported that the Japanese government was contemplating to serve an omnibus warning on Moscow

against a "long chapter of unfriendly acts" committed by Soviet Russia against Japan. The paper actually published a list of grievances against Russia, which included the following items: "(1) Frequent invasion of Manchukuo territory by Soviet military airplanes; (2) Firing by Soviet shore guards on Manchukuo steamers