Time For the United States to Act

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No one would dispute the validity of the propositions that peace can only be maintained through the united efforts of the whole globe, and that a conflict in any corner of the world, however local and insignificant in nature it may appear, has repercussions upon the trend of events in general. The welfare of every civilized nation is interdependent, and if any single state intends to transgress the rules of order, it must be the common concern of all states lest an indulgence of this kind create international lawlessness which hinders the progress of human civilization. It was with such concern that President Roosevelt delivered his famous Chicago Speech on October 5, 1937, condemning those "who are threatening a breakdown of all international order and law," and that the far-sighted Mr. Pittman told the press on November 24, 1939 that he intended to urge an embargo on exports to Japan. There is no doubt that, in the present Sino-Japanese war in the Orient, China serves as a bulwark against the relentless aggression of the totalitarian state who puts international justice in jeopardy. But the deliberate provocation on the part of the aggressor must be answered by the common sanction of all peace-loving nations, considering either the moral obligation or the material interests. This is the true meaning of collective security. In the light of these inferences and the present situation we cannot refrain from concluding that it is now the time for United States to take active measures in the Far Eastern arena.

A short survey of American diplomatic history in the Orient is perhaps indispensable to make our ground clear. It was Mr. John Hay, the late American Secretary of State, who first proclaimed the Open Door Policy on September 6, 1899 while the other powers were busy scrambling for various concessions in China. Again it was an American Statesman, President Theodore Roosevelt, who supported the Japanese cause during the Russo-Japanese war in 1905 in order to preserve the balance of power in the Western Pacific. No matter how passionate and impartial an observer can be, Japan must be considered as an ungrateful nation who, reaping the benefits which the United States had bestowed, turned, shortly after the war, against the latter when Mr. E. H. Harriman attempted to introduce American investments for the development of Manchuria. In the course of the Great War Japan took advantage of a general conflagration, and fished in the troubled waters of China. Out of this came the well-known Twenty-One Demands which were handed to the Chinese govern-ment on February 17, 1915. But in 1921-2, thanks to the statesmanship and far-sightedness of American diplomatists, Japan's jingoism was checked in the Washington Conference. Within the ten years after this conference the Orient beamed with hope and promise. Japan was, however, alarmed at, rather than sympathetic to, her neighbor's progress. She was further convinced that she must quickly carry out the long-established policy of dominating Eastern Asia. Seeing that the Western states were deeply distressed by the wide-spread economic depression, she invaded Manchuria on September 18, 1931. The government of the United States instantly made a strong protest against Japan's illegitimate occupation, but she failed to obtain any enthusiastic support of the British government—a fact rightly lamented by students of world politics.

Since the year 1931 American foreign policy seemed to follow a new course. A watchful waiting, middle-of-the-road attitude was adopted and the doctrine of isolation carried the day. It was a natural reaction on the part of the United States after she was cruelly disappointed in the lack of any friendly response from the rest of the world to her painstaking efforts towards peace. But the experience of the past several years indicates clearly that the world as a whole is a harmonious unity, without which no state, even the most innocent one, can avoid the inevitable result of common suffering. With this lesson in mind we have every reason to believe that the march of events will again bring out the United States as champion for international goodwill.

The present conflict between China and Japan, not to say its historical character, is essentially a struggle of aspiring nationalism against brutal imperialism. The victory of any one of the two belligerents will completely change the future course of history. If Japan should win, fraud and force will be the sole cult of all states. What Prince Konoye has declared with regard to the establishment of "New Order in East Asia" on December 22, 1938 means simply the entire subjugation of the Chinese nation and the ruthless obliteration of all foreign interests from the Orient. As the door must be closed before one can feel secure against the discovery of one's hidden spoils, so the "New Order" is necessary for the purpose of creating a smoke screen to veil her aggressive designs. Shakespeare said with admirable insight, "What a godly outside falsehood hath!"

Notwithstanding the superior equipment of the Japanese army, the rejuvenating spirit of the Chinese nation can never be conquered by the mailed fist. The war is not only a matter of life and death for the Chinese people, but also a decisive battle between right and might. This fact throws much light upon the seeming miracle that, in spite of the successive military reverses along the coastal provinces, the Chinese troops still fight on with increasing courage and vitality, while Japan is quite near the brink of financial bankruptcy. Many authentic foreign experts notice this situation. Special emphasis is laid upon the vantage-ground of America to take an economic sanction or blockade. Most of the war materials used by Japan are imported from America. The foreign trade of Japan depends largely on the purchases of the American public. In short, America alone can seal the fate of the Japanese militarism. And it is her sacred duty as well as right to prevent further devastation by this aggressive war.

There is a growing demand throughout the United States for effective measures to frustrate the Japanese ambition. This is the noble opinion of a sympathetic...
people. However, we must point out that it is now the

time for the American government to take strong action.

Great Britain is centering all her attention on the European

War and it is very likely that she will win in the end.

Soviet Russia is busy with her complicated territorial

problems along the Baltic and has now little time to play a

leading rôle in the Far East. China is strong enough to

begin a counter-attack. Japan is dragging a step nearer

towards her ruinous and tragic end. Is it not the op-

portunity time for reasserting the inviolability of the in-

ternational order? Is it not the proper occasion for checking

invasion by effecting an economic sanction? A stitch in

time saves nine. The American government must not let

the chance escape.

RICE, the staple food of millions of Chinese people, is

generally regarded as a safe barometer of business con-

ditions in this country. In normal times the price of rice

governed by the ordinary factors of production, transpor-

tation and consumption. Under the present war-time

conditions it is subjected to such baneful influences as pro-

fiteering, hoarding and speculation. The rice situation on

this “isolated island” is even worse. In addition to the

above destructive forces at work, the source of supply and

the freedom of transportation are now absolutely con-

trolled by the Japanese naval blockade around Shanghai.

Ever since this undeclared war started, commodity

prices have moved steadily upwards with no sign of abate-

ment in sight. Consequently, the purchasing power of the

Chinese dollar declined in inverse proportion to the gradual

rise in the cost of living. During the past two and half

years the precarious living condition of the average person

may be seen from the following figures:—

<table>
<thead>
<tr>
<th>Year</th>
<th>General Index</th>
<th>Purchase Power of Dollar</th>
</tr>
</thead>
<tbody>
<tr>
<td>1936</td>
<td>100.00</td>
<td>100.00</td>
</tr>
<tr>
<td>1937</td>
<td>118.15</td>
<td>84.86</td>
</tr>
<tr>
<td>1938</td>
<td>152.90</td>
<td>65.40</td>
</tr>
<tr>
<td>January 1939</td>
<td>151.67</td>
<td>65.93</td>
</tr>
<tr>
<td>February 1939</td>
<td>153.30</td>
<td>65.23</td>
</tr>
<tr>
<td>March 1939</td>
<td>155.26</td>
<td>64.41</td>
</tr>
<tr>
<td>April 1939</td>
<td>156.25</td>
<td>64.00</td>
</tr>
<tr>
<td>May 1939</td>
<td>154.87</td>
<td>65.65</td>
</tr>
<tr>
<td>June 1939</td>
<td>176.15</td>
<td>56.77</td>
</tr>
<tr>
<td>July 1939</td>
<td>185.56</td>
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<td>234.17</td>
<td>42.70</td>
</tr>
<tr>
<td>September 1939</td>
<td>268.23</td>
<td>35.31</td>
</tr>
<tr>
<td>October 1939</td>
<td>248.22</td>
<td>40.29</td>
</tr>
<tr>
<td>November 1939</td>
<td>254.94</td>
<td>39.29</td>
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</tbody>
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On the other hand, there was no visible increase in

wages or reduction of unemployment. Everybody seems to

be living from hand to mouth, counting every penny in

whatever he purchases with no way of budgeting the in-

come or controlling the expenses.

In everyday life every wage-earner and housekeeper

is concerned with seven daily essentials, namely, fuel (柴)

rice (米), oil (油), salt (鹽), sauce (醬), vinegar (醋)

and sugar (糖). The skyrocketing price of these com-

modities hits the average person and average family first

and hardest. But the phenomenal rise in rice price is the

most serious threat to the life of the common people. Prior

to August 13, 1937 the highest grade of white rice was

obtainable at $12 per picul in this city. In “isolated”

Shanghai the acute shortage of rice has been the rule

rather than the exception in the last two years; and rice prices

have soared to record heights. Last year, the Shanghai

Municipal Council took the initiative of importing Saigon

rice to relieve the temporary shortage of native rice. The

public sale of the imported rice not only brought benefit

to many poor people but also yielded the municipal treasury

a handsome profit. (See North-China Daily News editorial

for December 12, 1939). For a while high grade white

rice was quoted around $24 per picul or twice the pre-war

price level. But this year the rice situation grew from

bad to worse. As the combined result of speculation, pro-

fiteering and hoarding, the price of Grade A rice reached

the unheard-of high point of $48.00 per picul. Along with

rice, the price of all essential commodities soared to all-

time record highs.

In an attempt to check the upward movement of rice

prices in this city the municipal councils of the Inter-

national Settlement and the French Concession issued a

joint emergency proclamation on December 10. The text of

the official proclamation reads as follows:

Whereas certain persons, in their greed for personal gain

and unmindful of the hardships and sufferings caused to

the poor people, have been hoarding, speculation and pro-

fiteering in rice, and Whereas such acts have contributed to

the present abnormally high price of the staple food of the

Chinese people and are prejudicial to the preservation of

peace, order and good government of the French Concession

and the International Settlement of Shanghai. Notice is

hereby given that any person committing such acts may be

denied the sanctuary of the French Concession and In-

ternational Settlement and will be liable to expulsion there-

from and confiscation of his stocks.

All persons are urged in the common interest to report

any case of rice hoarding, speculation or profiteering to

the Commissioner of Police of the French Concession and

the International Settlement, and should give as full par-

ticulars as possible so as to facilitate action against the

offender.

Without the shadow of doubt the quick decision and

timely warning of the two municipal councils have pro-

duced a salutary effect upon the local rice situation. For

the price of rice has dropped from 2 to 6 dollars in the

last three days. Yet the rice problem still remains unsolved.

While the top price of white rice and “sien mee” have

been set at $45 and $38 respectively, there is no assurance

whatever that the price of rice will not go over the top,

especially as the Chinese winter festival and new year are

fast approaching. Inasmuch as commodity prices usually

are high at such times of the Chinese lunar year, it seems

in order to suggest that more practical methods must be

immediately adopted to protect the common people against

any further rise in rice prices. In fact, the municipal

authorities could and should have prevented an undue

rise in rice price last August, when white rice was quoted

at $40.00 per picul. This point was clearly stated and

emphasized in an Editorial in The Shanghai Evening Post

and Mercury (Dec. 12, 1939) as follows:—