

Europe's War And The Fate Of Asia

By RANDALL GOULD

UPON THE OUTCOME of Europe's war much of the fate of the Far East hangs. This has long been the outspoken conviction of a number of such outstanding Chinese as Dr. Wang Chung-hui, the Foreign Minister, and Dr. T. V. Soong, former Finance Minister whose present banking responsibilities at Hongkong keeps him close to the international currents sweeping through this great port of the Crown Colony.

Japanese leaders are less outspoken on the point but there can be no question of their realization that it has essential truth. If Japan had won a quick, decisive victory in China by *blitzkrieg* tactics, everything would have been different. But many Japanese calculations have gone wrong—first in the extent of the "China incident", originally meant to be kept localized but forever spreading out like burning oil, and next in Japan's inability to achieve a military Sedan crushing the Chinese armies so conclusively that further effective resistance would be out of the question. The present virtual stalemate leaves no doubt but that Europe's fate has decisive bearing on that of both China and Japan, which in turn is likely to bear upon more remote places such as Hongkong, French Indo-China, the Philippines, Siam and the Netherlands East Indies.

China in this situation has the advantage of counting time as a factor on her side, although the recent inflationary trend is among the factors which in some degree have a contrary bearing. No nation can really thrive under conditions of wartime pressure, it is obvious. The National Government labors under grave disadvantages which cannot be blinked—loss of normal Customs revenues, strangulation to a large degree in her contacts with the sea, a necessity for economically disadvantageous location of wartime industries, the need to spend far more than is desired upon the military establishment. But everything pales before the settled Chinese demand for an ultimate victory. Passage of time has been, from the outset, recognized as a necessary ingredient for any Chinese victory. There has never been a time when the Chinese were even in position to take any very positive offensive, on a scale at all broad. They could oppose neither aircraft nor artillery in weight comparable to what Japan possessed from the start; they had no navy to oppose Japan's navy, to resist Japan's blockade of China, or to attempt any counter-blockade of Japan. The one thing the Chinese had was a huge reservoir of manpower, which could be and in fact has been hammered into some of the finest soldiers the world has ever seen but which was not in itself a force which could quickly prevail against the mechanized might of the invader.

So it has been up to China simply to hold out, and China has held out for close to three years now. From the beginning the Chinese have hoped for more help than they have had from the outside. One of the great and decisive reasons why more help did not come, without a doubt, lay in the elements of the present titanic struggle in Europe. The potentialities of that struggle have been evident through the entire period of the Sino-Japanese embroilment, and while there was the prospect of a second

World War it was not deemed possible for other countries to move as effectively as many would have wished to assist China. Very likely Britain's failure to follow the American lead in denouncing trade treaty relations with Japan is an example in point. America herself, it is felt by many who have kept close touch with both Asia and the United States, has been at least subconsciously deterred from giving more help to China by the prospect of trouble in Europe—certainly she has been handicapped in getting others to join with her in defense of the traditional Open Door in China, and that in itself has influenced the State Department in what it felt able to recommend to the Chief Executive.

Now that the battle in Europe has been joined, intelligent Chinese can see many things which were previously less clear about the conservative attitude of the European democracies in helping China. That does not, of course, prevent many of them from feeling that a more decisive attitude as far back as the time of Japan's first major incursions in the autumn of 1931 (in Manchuria) would have spared the democracies many of their subsequent troubles. But water once run under the bridge is past, and viewing the present situation realistically, the Chinese see themselves still able to hold Japan in a deadlock for some time to come—Japan struggling to get free, consolidate her conquests, and cash in on European wartime opportunities—and the eventual outcome of the war in Europe probably the beginning of the end for one contender or the other in the Sino-Japanese struggle.

Japanese opinion is, as usual, mixed and from the Occidental (or Chinese) point of view less practical. There is always a good deal of mysticism in anything having to do with Japanese national policy, for example. Many Japanese insist that their destiny is a thing stemming from heaven and not to be unduly influenced by any superficial happenings to other nations. Theirs is "the way of the gods", and Japan's path of expansion and conquest is regarded as fore-ordained to success after hard struggle and testing disappointments.

But the Japanese trader, in particular, can be pretty down-to-earth in his daily dealings and there can be no doubt that the commercial community in Japan has the European war very much on its mind from two different, but connected, points of view. One is the question of immediate profits. The China adventure is preventing Japan from cashing in on opportunity in many fields. It is exasperating beyond description, at such a time, for Japan to lack manpower for industry, for communications to be loaded beyond capacity, power to be short, shipping inadequate, even purchases of necessary raw material of foreign origin so hampered as to constitute a final and quite needless brake on the production of goods not only acceptable but now actively wanted by foreign markets.

Again, there is the same consideration of after-the-war which is so much to the fore in the thinking of Chinese leaders. When Europe's conflict is finished, what will happen in Asia? Will not the rest of a warweary world demand a settlement of this long-continued dispute?—and by

no means necessarily a settlement along the lines Japan has been so desperately seeking to halt the struggle?

If the democracies come out on top in Europe, there is every reason to suppose that the United States, Britain and France will at the earliest subsequent moment put screws on Japan to give China the "square deal" she has promised—that is, a really effective pledge that Chinese sovereignty is not menaced, that no Chinese territory is sought, that China can govern herself. These things are on record as Japanese policy but while Japan is unchecked in her administration of the policy, nothing happens which squares with the professions. Yet many in the Far East believe that in spite of Japanese militaristic bravado, it would require really only a little pressure from outside—if it were a united and determined pressure from a group of nations in position to do something drastic if necessary—to bring about a peace in China which patriotic Chinese could accept. No peace, of course, can now restore China's shattered industries, burned farmhouses and wasted lives, but the restoration of a political *status quo* at any rate would not be difficult from the present phase if Japan were to recognize the necessity.

Even if the democracies lose, or fail to achieve a comprehensive victory, it is not certain that any power in Europe today would be in favor of complete Japanese domination of China. Germany, for example, has suffered great trade losses in China as a result of a military campaign she has never supported. When Berlin joined hands with Moscow it knocked out the one ideological prop from beneath German-Japanese friendship although the hollow structure has never wholly collapsed. But Japan's fatal defect from an international point of view is that aside from her vague hostility to an imperfectly defined "bolshevism", she has offered little inducement for any other nation to back her hand. Essentially her program in China, and

apparently for the whole Far East, has been 100 per cent selfish. And while there can be some occasional and temporary unity in a joining of various selfish, imperialistic interests, this results from pressure than from the sticking-power of any cement. When the pressure relaxes, things fall apart.

When the war in Europe is settled somehow, pressure will relax on international fronts of the Far East as well. That is what China counts on and Japan fears. China stands to profit by almost any outcome because, while Chinese National Government policies have not by any means been invariably altruistic or even fair, the points of objection were in details rather than fundamentals. Fundamentally the Chinese Government sought to deal with others on an Open Door, non-monopolistic basis for mutual profit. It paid China best to let all comers offer their wares and services with an equal chance for sale and profit. When Japan attacked China she did so partly for the purpose of creating a special position for herself, dominating the Chinese themselves and likewise dominating other foreigners in China. Thus it has been for the interest both of the Chinese, and of all non-Chinese save Japan, to restore the former state of affairs with the Chinese in charge of their own country.

If Japan can win a conclusive victory while the rest of the world is in turmoil, that will be a great thing for her. But it has been China's plan—thus far carried out successfully—to prevent this, on the assumption that sooner or later either Japan would defeat herself (in effect) or others might come in to swing the balance China's way. Recent intensification of the European struggle gives hope to the Chinese that there may be an early settlement elsewhere which will pave the way to a settlement in Asia of a sort tolerable to China.

Will Italy Enter the War?

By "REFLECTOR"

IN European diplomatic circles it has always been considered as axiomatic that Mussolini would gladly offer his efforts as mediator between the opposing Allies and Germany. Italy will hardly be benefited by the smashing victory of one side and the crushing defeat of another. The actual diplomatic influence and the political strength of Rome are a matter of conjecture. Italy, however, is a very desirable addition to either of the opposing sides. Yet this political advantage is real only so long as Germany and the Allies maintain their balance of power in the present struggle. The decisive defeat of Germany would automatically dismiss the possibility for Italy to present her long cherished demands to France and England; the decisive defeat of the Allies would likewise place her as a silent and abiding partner of the Reich.

It may therefore be easily understood why European diplomatic circles had on more than one occasion refused to believe Berlin's and Rome's assurances that they had not considered the peace proposals or any step concerning a peace movement at the memorable meeting at Brenner Pass. The Italian press and diplomatic circles asserted that not a word had been mentioned regarding President

Roosevelt, His Holiness the Pope and Mr. Sumner Welles. Once we have a reason to believe this, the delay in Rome of American messenger of peace Mr. Welles for 48 hours, loses all its significance. It is considered to be certain that the meeting of two dictators had been purposely delayed until the departure of Welles, in order to avoid unnecessary rumors. It is likewise assumed that Mussolini had made efforts to induce Hitler to yield and make peace, but failed. The explanation probably lies in the fact that upon Il Duce's return to Capitol he would not grant another audience to Mr. Welles. Today as the guns and cannons roar on the battlefields everything appears clear. At Brenner Pass, Il Duce realized that Hitler's terms could never be favorably accepted by the Allies nor by President Roosevelt. As a messenger of peace, therefore, Il Duce was a failure.

It is known that the news of Mussolini's impending departure from Rome to an "unknown destination" had provoked great rejoicing among the populace. When news began to circulate that Mussolini had left for a meeting with Hitler and Welles had remained in Rome to await Il Duce's arrival, public imagination rose