

them for direct borrowing from interested banks. I might mention that 1,496 farmers have already signed up to become shareholders of such permanent granaries, and have actually paid one-fourth of their share of the capital as required by the Central Agricultural Granary Law.

In the fall of 1932, 114 granaries were established in 89 villages and loans amounting to \$44,530 were made to 3,025 rural families.

Last fall when it was found that the price of rice was even worse than that of 1932, the association again made arrangements with a Shanghai bank and interested philanthropic agencies, and established 301 granaries. These were scattered in more than 260 villages in 3 hsien (Kiangneng, Chuyung and Lishui) along the Chin Hwai river. Altogether a sum of \$114,847 was loaned out from these granaries, and against this sum of money, the farmers deposited 67,531 piculs of rice. I might add that as many as 4,691 families made use of these granaries.

Since these granaries were scattered over such a vast area with communication so primitive, it was impossible for the association with only a few secretaries, to look

after and to manage them all. To overcome this difficulty, the association put the responsibility of supervision and management on so-called Granary Custodian Committee composed of local men elected from among the depositors. The duty of such committees is that of protecting and managing the granaries under the direction of the association on the one hand and of acting as trustees for all the farmers using the granaries on the other.

At the expiration of loan-term the Granary Custodian Committee collected all the loans plus interest and handed the same to the association, and at the same time returned the mortgaged rice to the owners.

As I have said, the Ningshu Agricultural Relief Association last fall established 301 granaries which served as many as 4,691 rural families or, on an average of 6 to a family, 28,140 people. During these few months the association has been busy organizing these 4,691 families for further co-operative work, and needless to add, such large number of families should constitute a wonderful laboratory for experimenting and for further extending the various useful agricultural projects that have already been started for them by the association.

A Trip To Nanyang

By WEN YUAN-NING (溫源寧)

SHANGHAI is full of ludicrous things, but the most ludicrous thing of all is to hear Shanghai business men talking of business depression in palatial villas, where the very walls ooze with money, and where the whole atmosphere reeks with smugness and a piggish sort of contentment. No, there is no depression in Shanghai, and there never will be, so long as there are civil wars in China. The worse conditions become elsewhere in China, the more prosperous Shanghai will be: all the wealth of the country will flow into it. Indeed, Shanghai's main trade consists in offering harborage to rich refugees. The only people in Shanghai, who are faced with hard times, are those whose incomes are below \$500 per month. They suffer, because they live in a place, where incomes are in silver, and expenditure is in gold. Other than the latter, the rest are rich beyond the dreams of avarice. And the prosperity of Shanghai impresses one the more, the farther one recedes from China. A trip to Nanyang is, for this reason, very instructive: it brings home to one the enviable position of Shanghai in the world to-day.

Last September, I went to the Dutch East Indies, via Hongkong and Singapore. Altogether, including the sea-journey, I was two months away. Right through, weather conditions were ideal,—at sea, "birds of calm sat brooding on the charmed waves"; on land, neither in Hongkong, nor in Singapore, nor in Java, was it ever unpleasantly hot. I can conceive of no better way to spend the autumn than to make a trip to Nanyang. With plenty of books to read on board, and plenty of friends to visit at ports of call, hardly a minute passes without yielding its store of pleasure.

Two days on board found me in Hongkong. Looking at it from the ship, it didn't appear to have changed much from what it was in 1926, when I was last there. The only difference I could find was in the presence of a number of cruisers, destroyers, submarines, and aero-plane-carriers: in 1926, these were not to be seen. Then again, it might have been just my fancy, but I seemed to see new gun emplacements in places where before there were none. All these warlike signs go some way to confirm the whispers and intimations, which reached my ears, about England's determination to defend Hongkong to the last, should there be a clash between her and some other Power on the Pacific. Can one doubt which Power it is?

On shore, both in Kowloon and in Hongkong, things are very different now from what they were before. Motor-cars there are aplenty, but not new ones. All kinds of business have shrunk. The godowns at Kowloon are half empty. Land values have dropped. Very few new houses are being built; and old ones, many of them, are in a state of disrepair. The Peak, which is the purse-proud centre of the colony, looks mean and faded. No, it is not well with Hongkong; but the sort of depression it suffers from is not killing.

Singapore, which I reached after a five days' voyage, is really in a bad way. The Garden Club, of which practically all the Chinese that matter are members, is as desolate as Lamb's South Sea House after the Bubble: a few years ago, it used to hum with life. People stay at home, because they can't afford to be at the Club. So hard hit is business in Singapore, that it is no ex-

aggragation to say, one can count on one's fingers the few people who are solvent. Some with millions a few years back would now find it difficult to lay their fingers on \$10,000 cash. The reason for this is plain. They have put all their money on rubber, and rubber since 1927 has failed them. Never in the history of the rubber industry has rubber fallen so ruinously low in price as it has done during the last 6 years. With hardly any exception, most rubber plantations are mortgaged with the banks. And planters find it impossible to pay the interest on their mortgages. Debt leads to more debts. Those of the planters who have house property have to mortgage their houses to pay the interest on the mortgages of their rubber plantations. The result of this is that real estate suffers terribly in value. A house which before used to fetch a rental of \$300 a month can now barely bring in more than \$75 a month. Nobody would now care to live in a big house, if he can possibly help it. With houses and rubber plantations mortgaged, and with no hope of things being any better in the near future, the prospect is dark indeed with most of the folks in Singapore.

The only glimmer of hope which remains is that rubber restriction may come in soon: if this becomes a fact, rubber would automatically shoot up in price, and three-fourths of the population in the F.M.S. would be set up on their feet again. But no scheme of rubber restriction in the F.M.S. is thinkable, unless the Dutch East Indies join in. And rubber restriction bristles with difficulties in the Dutch colonies, because of the existence of literally millions of native estates, some with not more than 20 trees. For one thing, what sort of machinery is the Dutch Government going to create to enforce restriction among so many rubber plantations? There may have to be as many Government inspectors as there are natives: for the fact is, practically every native has got his own plot of thirty or forty rubber trees. Another difficulty which arises, whatever scheme of rubber restriction be adopted, is of an economic nature, but is one which may have serious political repercussions. I refer to the apparently greater hardships which the native planters will, at the outset, have to put up with, as compared with the large estate owners, when restriction first comes in. In the long view, of course, restriction, by lessening the supply, and thus raising the price of rubber, will work by benefiting both the native and the large estate owners. But long views are worse than useless in an economy where one day's money means one day's food. And that is exactly how the native planters stand. The immediate effect of restriction for the first few months will mean, not more, but less money, for the native planters; and this will only swell up the tale of grievances which the natives, both Javanese and Malays, have against the Dutch Government. It may be the last straw which breaks the camel's back: it may lead to revolution. The burden of taxation falls very heavily upon the natives. Times are hard to eke out even a miserable existence. Discontent is rife. It would therefore be a foolish Government that

would resort to any measure which is likely to create more dissatisfaction among the natives. Restriction, however, will have to come in somehow. Otherwise, the F.M.S. is doomed, and the Dutch East Indies will suffer correspondingly. The problem is how to ease the hardships of the native planters for the first few months of restriction, until prices will have gone up sufficiently high to more than compensate for the lesser output. But how to do this,—that's the rub.

If Singapore gives one the pip, the Dutch East Indies give one the hump: their state is unbelievably bad. What a difference from what it was a few years back! Then, all the islands in the Dutch East Indies were flowing with milk and honey. And now? It would not be beside the mark to say that they are now places where everybody one comes across is a Jeremiah, and where morning, noon, and night, one hears nothing but lamentations and gnashing of teeth, because of the hard times. Take Banka, for instance, which takes about one day to reach from Singapore. Banka is a large island off the east coast of Sumatra, famous for its tin and pepper. The life of the people there used to be a round of feasting and junketings. It was possible for a person who kept a record of everybody's birthdays, to spend his whole life, going about from one birthday party to another. He needn't work, and needn't spend a sou for his food. No matter how poor he might be at home, he could always dine on first-class food, and drink champagne, at another's expense. Money was easy to get and easy to spend. There never was any lack, when tin and pepper fetched good prices, as they did until a few years ago. But now all this is changed. No more birthday parties. No more feasting. Most of the tin mines have been closed down. Practically all the pepper plantations have been abandoned. Some people have even surrendered their plantations to the Government, because they haven't the wherewithal to pay quit-rents for them. Many of the wealthy Chinese families have gone under. Money is scarce. Where before, men and women used literally to throw away money, they now would be more than glad to have a few coppers in their pockets. Many houses are empty; and where occupied, rents for them have not been paid, in some cases for a year. Most of the shops have shut their doors; and those which haven't are heavily in debt.

Not only in Banka, but in Java also, the same tale can be told. With the impossibly low price of rice, sugar, coffee and tobacco, Java is in an impossible position. Another year of this sort of thing, and Java will be done for. To give one an idea how distressingly bad things are, let me give two instances that I happen to know. One is a case of a man, who in 1925 owned house property to the value of 2½ million guilders. Last year, all this property was sold for less than 90,000 guilders. Another case is of a sugar company, which had a capital of 12 million guilders. Recently this company owed one of the Dutch banks half a million guilders, the interest on which it could not pay. The bank

auctioned it. But the bank had to call it back for 1000 guilders! Unbelievable, but it's true. One reads of these things in the local papers daily. Will conditions in Java be any better in 1934? Doubtful, but let us hope for the best.

In the Dutch East Indies, two other facts, besides the depression, which struck me, are: firstly, the new, insurgent, nationalist spirit among the Malays and the Javanese; secondly, the absolute dominance of the Japanese in trade.

It is a new thing, this,—the nationalist spirit among the Malays and the Javanese. Their slogan is "Java for the Javanese, and Malaya for the Malays." There is some sort of organization which seeks to give

material reality to their nationalist aspirations. The Dutch who are keeping a pretty close watch over this organization try to meet them half way by throwing open to them all the higher posts in the civil service. This, I fear, is rather a belated gesture.

As regards Japanese dominance in matters of trade in the Dutch East Indies, he who runs may read: it is a fact as absolute as that of the earth going round the sun. In shipping, in the cotton trade, in the rubber industry, the Japanese are top-dogs: the other countries are not a patch to them. This does not augur well for the peace of the far east. May not the establishment of a naval base at Singapore, and the arming of Hongkong to the hilt, have some connection with this fact? I wonder!

Peiping Is Cold

By GRACE GOULD

"**BUT**," said the lady pouring tea to the lady munching cinnamon toast, "you can't go to Peiping in mid-winter. It's too cold."

Can't you, indeed, thought I, and said nothing, for the moment. I was too busy seeing things: seeing moonlight on snow-drifted, narrow hutongs, where the red doors opened in gray walls to light and warmth and gayety across the courts beyond; seeing Hatamen Gate mellow red in low afternoon light above the snow,—not rose-red, not "Chinese red," not any red for which there is a word; seeing the roofs of the Imperial City from the Tartar wall, their proud ranks lifting magnificent curving corners above the burden of white that partly hid their brilliance; seeing, from that same wall, the far faint outline, gray-violet touched with white, of the Western Hills; seeing the camels, insolent, remote, indifferent alike to their own breath freezing upon them, to their burdens of coal, and to the passer-by; seeing the shop-signs, invincibly gay and infinitely varied, the shopfolk beneath, shivering and smiling and unaware of fortitude; seeing the Temple of Heaven rise, alone in beauty and needing no worshipper to justify perfection, from unbroken fields of sun-reflecting snow.

For that was the way I saw it all first. Cold? Of course it was cold. And no taxis either. I had gone up in January, having given up my Shanghai job, intending to leave China for America forever within two weeks. It was necessary to see Peking first. It was necessary therefore to ride about in rickshas while one's feet went through a crescendo of throbbing aches, diminishing again to numbness, under the fur rugs. It was necessary to visit unheated palace museums, where the floors were colder than the snow, and one could not go wrapped in rugs. And if Thomas Cook had not postponed my sailing for two weeks more, I should have gone home then, and it probably would have been forever, and everything would have been different for me.

But I should have had Peking. That first complete surrender, utter and unprotesting, as to no other anywhere.

There was more after that. As it turned out, I had Peking to live in for some months. It was Peking then,

with all the rumors and tensions of a Capital. To call it would have been made. Perhaps it is with cities as with persons, that one must surrender to possess. I should have had those expeditions to the little streets outside Chien Men—not much loot from the shops full of treasure, because I hadn't any money, but a memory of the demure small donkey that had to be prodded aside to let us through the alley to the loveliest jewelry shop, and another of the man who showed us lovingly, because he saw we respected it, the old, old rose brocade he knew we couldn't buy; and another of the lanterns in Lantern Street.

I should have had China New Year in the Western Hills—that mad, careening Ford bounding over the frozen, rutty road to the echo of New Year's Eve firecrackers; that cold, cold summer hotel in winter, with the stove piled high in our bedroom and the mad dashes to the other end of the place for meals; the climbs to high, lonely temples over the winter hills, and the swinging back through the snow at sunset; the luxury of sophomoric talk four of us settling the universe and reading poetry around that stove as if we were undergraduates again.

I should have had the frozen Pei Hai, and the lonely grace of the old observatory instruments outlined sharp against the cold sky in their remote corner of the wall. I should have had the tea-dances at the Wagon-Lits, and dinner at the Grand Hotel de Pekin, and the view from the roof, and the German food at the Du Nord. I should have had the gracious hospitality of Chinese houses, the welcome of candle-lit brocades and fires and quiet service beyond the dreary walls and the windswept courtyards. I should have had the grave press conferences—for this was early 1927—crouching with Minister MacMurray on the floor of his office round a map, then rickshaing along to Mr. Shigemitsu's tireless courtesy. I should have had the panorama of the Glacis and of Central Park. I should have been borne back to France in the Legation Guard Y.M.C.A.

Above all, I should have had that view from the wall, the City of an old grandeur, a mass-planning that makes of Radio City a pathos and a jest.