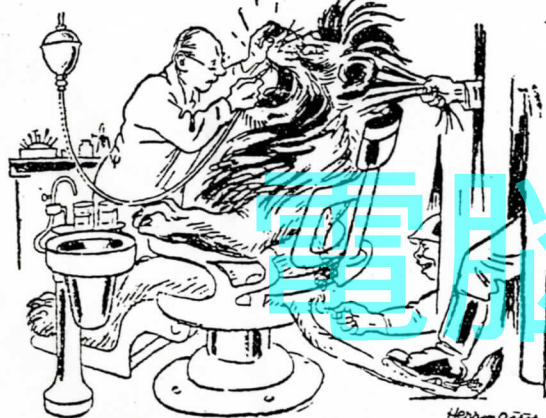


Germany to Recognize "Manchukuo"; Hitler Demands Unification of German Peoples

Events in Europe this week were startling, and symptomatic of the general trend in international relations since the rise of dictatorships. As Herr Hitler served notice, in a speech to the Reichstag, that the time had come for the Reich to take control of the German minorities living outside her borders (thus threatening Austria, Czechoslovakia and Rumania), the one country which could have opposed this "Drang Nach Osten" was torn by a Cabinet crisis, which arose from the differences in viewpoint of Neville Chamberlain and Anthony Eden regarding Britain's foreign policy.

The unification of national forces under a leader, and the divisions of democratic countries in time of stress, were never more clearly demonstrated than when the British Cabinet split just when Herr Hitler had succeeded in forcing concessions from Austria and was preparing to announce that a victory for the Spanish Republicans, the division of German peoples, or the expansion of Communism were "fighting" matters.

SHARPENING HIS TEETH



Die Stunde Vienna

British Lion: "You just wait till my new teeth are ready."

Recognition of Manchukuo Announced by Herr Hitler

In a momentous speech to the Reichstag delivered shortly after noon on Feb. 20 Herr Adolf Hitler announced the German recognition of Manchukuo.

Germany, he stated, will never return to the League of Nations. "As much as we assure the world of our love of peace, just so strongly do we declare to the world that such love does not include any renunciation. If international agitators and poisoners wish to break the internal cohesion of the German people, a tempest of steel and iron shall fall upon them."

"When the British press says that our attitude in the conflict in the Orient goes against the interests of the white race, I can only smile. It is a joke to see it affirmed that the National Socialist state goes against its racial duty. Germany had possessions in Asia out of which she was driven."

Turning to the Orient, he declared, "I believe that the defeat of Japan in the Far East would bring no advantage to any European people except to the U.S.S.R. I believe that the greatest Japanese victory will be much less a danger to world culture than a Bolshevik victory."

"I may say this because we have always maintained friendly relations with China, and we have always been really neutral in the Sino-Japanese conflict. We do not doubt that the greatest Japanese victory would be a menace to the culture of the white people, but a Bolshevik victory would mean the end of the culture of the white race."

Millions of Germans, in their own country as well as in Austria and Czechoslovakia, listened in to the Fuehrer's speech.

Herr Hitler said that Germany and Italy had the same goal in the Spanish conflict.

Germany had no territorial interests in Spain, but would regard

Bolshevism in power in Spain as a disturbance of the European equilibrium, in which Germany would not be disinterested.

"Germany," the Chancellor stated, "has no more territorial claims against France since the return of the Saar, and has no differences with Great Britain—with the exception of the Colonial question."

Referring to Austria, Herr Hitler said that one thing beyond doubt was that her general right of self-determination could not be disregarded.

"An unbearable situation," he declared, "might have led to a serious catastrophe. I hope the Austrian Chancellor is of my opinion. I want to thank him for it."

Speaking of the reports that had recurred again and again of late that Germany was about to revise her views and possibly to return to the League of Nations, the Chancellor recalled how frequently the League as an institution had failed. The League of Nations, the Fuehrer stated, was an institution to maintain a condition arising from 1,000 years of injustice. Germany was not in the League because she believed that the League was not an institution for the maintenance of right but merely an installation for the defence of the injustice of the treaty of Versailles. He went on to give five reasons why Germany would not return to Geneva or be a member of an international body that refused to see indisputable facts and whose habits resembled those of a certain well-known large bird.

Anthony Eden Resigns

Meanwhile, in London, Anthony Eden, Great Britain's 40-year-old Foreign Secretary, resigned from the Cabinet, it was officially announced Dec. 20. His resignation was accepted. Lord Cranborne, Under-Secretary of State for Foreign Affairs, also resigned.

Foreign diplomatic observers generally agree that the reason for Mr. Eden's resignation is a divergence of opinion between himself and the Prime Minister concerning the method and date of approach by Great Britain to Italy.

Mr. Chamberlain is credited with the view that it is desirable that the Anglo-Italian talks begin immediately, while Mr. Eden is stated to have held the opinion that the settlement of the Spanish problem should precede such an approach to Italy.

In his letter of resignation to the Prime Minister, Mr. Eden stated, "I cannot recommend to Parliament a policy with which I am not in agreement. Apart from this, I have become increasingly conscious, as I know you have also, of the difference in outlook between us in respect to the international problems of the day and also in regard to the method by which we should seek to resolve them."

"It cannot be in this country's interest that those who are called on to direct its affairs should work in uneasy partnership."

"Fully conscious of the differences in outlook, yet hoping that they will not recur, this applies with special force to the relationship between a Premier and a Foreign Secretary."

Chinese Circles Worried

Chinese circles in Hankow both official and otherwise, are perturbed over the developments in the European situation and believe that they will have far-reaching consequences in the Far East.

The announcement by Herr Hitler of Germany's decision to recognize "Manchukuo" and the resignation of Mr. Anthony Eden have evoked an atmosphere of gloom in Hankow. Chinese Government and public circles openly denounce Herr Hitler's decision, but hesitate to comment on Mr. Eden's resignation.

Although he has not favored drastic action in the Far East, Mr. Eden, it is stated in Hankow, has always refused to recognize territory acquired by force. It is felt that China would be adversely affected if the new policy of the British Government should favor conciliation with Germany, Italy and Japan.

The Chinese press gave prominence to the Fuehrer's speech, and unanimously denounced Herr Hitler for "repudiating promises made five years ago and for making the absurd claim that Japan's slaughter of Chinese civilians and raping of Chinese women is making for peace in the Far East."

The *Ta Kung Pao*, an influential daily, says: "Herr Hitler's decision does not represent the true attitude of the German people, who have been very friendly to China, but only represents the policy of the Nazis." Herr Hitler's announcement, it adds, removed once and for all the false hopes among certain Chinese circles that Germany would eventually succeed in her mediation in the Sino-Japanese conflict.

Herr Hitler's declaration, says the *Ta Kung Pao*, decides for China her foreign policy, which will henceforth be open and active participation against the Fascist group. The newspaper adds: "Germany's action in forsaking China's friendship and justice at this hour will never be forgotten by the Chinese."

What About the German Advisers?

The strong action taken by Herr Hitler in recognizing Manchukuo and supporting Japan in her "holy war" in China,

followed by the reaction of disgust in Chinese circles has raised the problem of German military advisers who have supported General Chiang Kai-shek throughout the vicissitudes of the Sino-Japanese conflict despite numerous rumors that they were to be withdrawn, as the Italian advisers had been withdrawn.

Evidently rumours to this effect had been creeping through Hankow circles for some time, because on February 2 a spokesman of the National Government in Hankow responded to those rumours through *Kuo Min* news agency, stating, "The Chinese Government has complete confidence in its German military advisers, and is highly satisfied with their services. In view of the traditional friendly relations between China and Germany, the Chinese Government feels highly satisfied with the zeal and devotion to duty of its German military advisers."

Further evidence of the shock to which Hankow has been subjected by Hitler's announcement is found in a statement issued by a Chinese spokesman the day before the speech to the Reichstag, in which the possibility of such action was scouted. Declared the spokesman, "The Chinese people cannot believe that any nation upholding justice and righteousness will recognize such a puppet regime. Since the outbreak of the present Sino-Japanese hostilities both the German Government and the German people have been sympathetic towards the Chinese cause, for which the Chinese Government and the people are deeply grateful."

Tokyo Pleased

The German Charge d'Affaires officially informed the Manchukuo Legation in Tokyo of Germany's intention to recognize Manchukuo at 1.10 on the morning of Feb. 21. The news was very welcome in Japan.

Declaring that Herr Hitler's speech was greatly appreciated through Japan, the spokesman of the Foreign Office pointed out that as a result of the recent "shake-up," Nazi control of Germany had become definite and decisive.

"From the Fuehrer's statements," the spokesman added, "we now know Germany's immutable Far Eastern policy. Herr Hitler's announcement on the subject will serve as an important lesson to the Hankow Government leaders, who have seriously mistaken their fundamental policy towards Japan and who continue to commit various blunders in applying their policy."

Germany's formal recognition of the Manchukuo Empire, the spokesman declared, gave evidence that Germany clearly understood the spirit underlying the foundation of Manchukuo. Germany's recognition, he continued, would be a source of profound inspiration to the 30,000,000 inhabitants of the Manchukuo Empire, and a source of sincere appreciation in Japan.

Shanghai Chinese Bitterly Condemn Recognition of Manchukuo

In Shanghai, the United Association of Chinese Civic and Cultural Associations issued a manifesto bitterly condemning Hitler's action. They declared:

"It is with the deepest resentment and indignation that we, the Chinese people of Shanghai, receive Hitler's announcement of Germany's recognition of the puppet government of 'Manchukuo.' Masquerading under the sheep's skin of friendship the Nazi wolf has been treacherously trying to hold the confidence of the Chinese Government and the Chinese people only to be able to sell this faith like merchandise in a bargain with the rulers of Japan. The sheepskin of pretense is thrown aside at last. The Nazis have chosen a friend in their own image: the lupine face of Japanese Imperialism, menace to all culture, east or west."

"Coming in the midst of a mortal struggle for life against our deadly enemy, rapacious Japan, Hitler's recognition of 'Manchukuo,' in violation of the solemn pledge of the German nation of five years ago, can only be regarded as a cowardly and despicable stab in our backs—and a betrayal of every fine principle of Nordic chivalry. But while this may be quite characteristic of the Nazi strategy and tactics, we refuse to believe that it represents the true

attitude and spirit of the best German people, particularly those German people long resident in this country. Moreover, we believe that this move by Hitler and his cohorts, while gravely significant in itself, is also a sinister warning to European civilization—a smoke screen behind which the Nazis design and intrigue to swallow Spain, Austria and the Balkans. By this move Hitler has brought mankind to the brink of an abyss of monstrous world war. Adding insult to injury Hitler has the audacity to say that China is mentally and materially 'too weak to resist the Bolshevik attack.'"

GOVERNMENTS WHILE YOU WAIT



Fitzpatrick in the St. Louis Post Dispatch

In reply we remind him that despite his treacherous Nazi maneuvers for a dictated "peace" in favor of Japan, the Chinese Government and people are still fighting on. This is the answer of Chinese mentality and arrests to the mental competence with which, no matter how long it takes, we will eventually destroy our enemies.

"To assert that lawless and rapacious Japanese Militarism is a stabilizing force in the Far East, to say that 'there is no doubt that even the greatest Japanese victory would not endanger in the slightest the culture of white races' is enough to strip before the eyes of the world the warped Nazi mentality which offers to mankind a menace no less grave than the contagious germs of disease and death."

"We people of China will meet this grievous Nazi injury and insult with appropriate and energetic measures and we demand that our Government do likewise. German 'recognition' will do no more to make a reality of the phantom 'Manchukuo' empire to the rebellious Chinese there than has the futile window-dressing of Japan herself. Once more we reaffirm our immutable stand that under no circumstances will we consent to the forcible detachment of Manchuria from the administrative and territorial integrity of China. With this latest move on the part of Nazi Germany, we shall redouble our determined efforts to recover all our lost territories from our enemy. And despite this utterly unprincipled betrayal by Nazi 'diplomacy' our faith in our final victory remains absolutely unshaken."

CHINESE PRISONERS ON THE WAY TO A "MASS-EXECUTION"

(Note how prisoners are roped together in such a manner as to prevent escape).



The above picture, reproduced from *The Chicago Tribune*, shows Chinese soldiers being marched to the execution ground. Tillman Durdin, writing in the *New York Times* from Nanking, describing a scene such as the above said, "Mass executions of war prisoners added to the horrors the Japanese brought to Nanking. After killing the Chinese soldiers who threw down their arms and surrendered, the Japanese combed the city for men in civilian garb who were suspected of being former soldiers. In one building in the refugee zone 400 men were seized. They were marched off, tied in batches of fifty, between lines of riflemen and machine-guns to the execution ground. . . . The writer watched the execution of 200 men on the Nanking Bund. The killing took ten minutes. The men were lined against a wall and shot and then a number of Japanese, armed with pistols, trod nonchalantly around the crumpled bodies, pumping bullets into any that were still kicking."

Peace Maintenance Commission Established in Wuhu

Creation of a Wuhu central Peace Maintenance Commission, comprising representatives elected by 10 smaller similar bodies existing in the Yangtze city, on Feb. 5, was announced Feb. 15 by a Japanese military spokesman.

Following the capture of Wuhu by Japanese forces on Dec. 12, the city was divided into 10 sections, where Japanese Army pacification units went into operation. In each of these sections a peace maintenance commission was formed. Elections were subsequently held on Feb. 4, when representatives to the Central Commission were chosen. The aims of the Commission, the spokesman said, were made public in a manifesto issued on Feb. 5.

Population of Hangchow Growing

From 100,000 at the time of the Japanese occupation of Hangchow, the Chinese population of the lakeside city had increased to 250,000 persons, a spokesman for the Japanese Embassy announced.

Electric light became available on Jan. 3, while the waterworks were restored on Feb. 10. Japanese currency, he said, is negotiable at par with notes of the Banks of China, and Communications and the Central Bank of China, with the Shanghai imprint. Chinese did not accept those from other localities, especially Hankow.

A free clinic was being operated by the Japanese Army for the benefit of the Chinese, he said. At Mokanshan, where 400 Chinese are residing, a branch of the Wutsin Peace Maintenance Commission had been organized.

Chinese Attack on Wuhu Repulsed

An attack by a Chinese force, about 3,000 strong, upon Japanese positions at Wanchih, 30 kms. southeast of Wuhu, on Feb. 13 had been successfully repulsed by the Japanese troops. A Japanese military spokesman announced Feb. 16. In retreating from the field of combat, the Chinese left behind about 600 bodies. The Japanese losses were put by the officer at 15 men.

Sian-Lanchow-Ninghsia Air Service Restored

The Eurasia Aviation Corporation has resumed the regular air mail and passenger service between Sian, provincial capital of Shensi; Lanchow, provincial capital of Kansu; and Ninghsia City, provincial capital of Ninghsia, *Kuo Min* reports from Hankow.

Soviet Scientists Rescued

The four Soviet Russian scientists, who were marooned on a drifting iceflo for nine months, have been rescued by the two Soviet relief ships *Tainyr* and *Murmans*, which have taken them on board along with their full camp equipment and all scientific instruments.

Both icebreakers had got within 1500 meters of the iceflo Feb. 19 and the crews were able to wave a greeting to Papanin and his three companions. The actual rescue party, made up of 80 members of the crews of both ships, then set out across the ice to the camp, where after the first exchange of greetings they immediately set to work to remove all equipment. A human chain was formed across the ice to transport the material to the *Tainyr*.

Lots were then drawn by the scientists to decide on which ship they should return home. Papanin and Krenkel drew the *Murmans* and Fjoderoff and Chirchoff the *Tainyr*. Both ships left for home at seven o'clock on the same day.

Manchukuo Protests Soviet Border Clash

Charging that 10 G.P.U. members of the border patrol illegally crossed the Eastern Manchukuo-Soviet boundary and fired upon Manchukuo guards, the Manchukuo Government filed a protest Feb. 15 with the Soviet Government in Moscow.

The clash occurred at a point near Suifenho. The Soviet patrol allegedly fired upon the Manchukuo guards, who returned the fire and repulsed the invaders quickly, *Domei* reported from Hsinking.

Japanese May Drive for "Back Door" of China

While the Japanese likely are to continue their drive on the Lunghai Railway front, according to well-informed Chinese circles in Hankow Feb. 19, the main body of Japanese troops will be used for the forthcoming offensive aimed at securing the occupation of China's north-western provinces, thus severing direct communications between China and Russia.

Chinese observers also believe that the Japanese will use fresh divisions from Manchuria to launch a drive into southern Shansi, swing towards Shensi, Kansu and Ninghsia and seize the "back door" of China.

Outstanding Events in the Sino-Japanese War

A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th issue of *The Review*.

Jan. 22.—Heavy fighting raging on southern section Tientsin-Pukow Railway between Mingkwang and Linghuai-kwan; Mingkwang said recaptured by Chinese. Northern section Tsin-Pu Railway quiet, while Japanese preparing for a major attack on Lung-Hai Railway.

Chinese guerrilla forces active near Nanking and Hangchow, also on Shansi-Hopei front; constantly harassing Japanese lines of communications.

Jan. 22.—Japanese naval aircraft made 13,000 raids in China between August 13 and December 31, 1937, according to Admiral Mitsumasa Yonai, Japanese Navy Minister.

Jan. 22.—New customs tariff for North China announced by Peiping Provisional Government.

Jan. 22.—Gen. Chang Chun, former Foreign Minister and now Vice-President Executive Yuan, mentioned as Chairman of Szechuan, succeeding the late Gen. Liu Hsiang.

Jan. 22.—Thirteen Chinese divisional commanders dismissed from posts by order of Hankow Military Headquarters. Prominent among them are Gen. Sung Hsi-lien, Commander of 36th Division (which participated in defence of Shanghai), Gen. Lo Lin, Commander of 1st Division, (who was held responsible for the loss of Tazang in Shanghai), Gens. Chen Wan-cheng, Tai Shu-hwa and Feng Yu-yuen. The order also cited for commendation six officers including Col. Hsia Ching-yuan, Commander of the "Lone Battalion" in Shanghai, and several army corps commanders who had been killed in action.

Jan. 23.—Japanese march on Hankow would not be necessary, stated Gen. Iwane Matsui, Japanese Military Commander in Central China, in interview with *Kaizo* magazine on Dec. 31, according to a Reuter dispatch from Tokyo. Referring to Japanese attitude toward the foreign concessions in Shanghai, Gen. Matsui declared: "In principle I do not recognize the neutrality of the foreign concessions in Shanghai. Therefore, I, myself, intend, hereafter, to exercise China's sovereign rights over the concessions. If we act with determination the foreigners will recognize our authority."

Jan. 23.—Hankow authorities make public Japan's four basic conditions for peace as submitted to the Chinese Government through the mediation of Germany in December. The conditions are:

1. Abandonment by China of her policy tolerating Communism and opposing Japan and "Manchukuo," and adoption by China of a policy of co-operation in the Japan-"Manchukuo" anti-Communist bloc;
2. Establishment of demilitarized zones in "necessary localities" and creation of special regimes for these areas.
3. Conclusion of an economic agreement between China, Japan and "Manchukuo," and
4. Payment of "necessary indemnities" by China to Japan.

Jan. 23.—Soviet Embassy in Hankow completely destroyed by fire. Sabotage believed the cause, as explosion heard before flames start. The building was not occupied at the time of fire.

Jan. 23.—Heavy snowfall south of the Yangtze holds up fighting on Tientsin-Pukow Railway sector where Chinese and Japanese forces are said to be deadlocked. Heavy Japanese reinforcements rushed to Wuhu areas to check Japanese attacks. Chinese planes raid Wuhu twice.

Jan. 23.—The new Customs Tariff inaugurated by Japanese army in North China shows reductions from 25 to 75 per cent, as compared with the tariff of the Chinese National Government.

Jan. 23.—Japanese Government leaders also disclose the so-called four cardinal points of Japan's China policy:

1. That Japan will not deal with the Nationalist Government under any circumstances;
2. That Japan may still declare war on China to stop foreign arms-shipping;
3. That Japan will act as a foster-parent to the North China Administration;
4. That there was absolutely no possibility whatever of third-party mediation.

Jan. 24.—Gen. Han Fu-chu, ex-Shantung Chairman and Commander of 3rd Route Army, was executed by shooting at Hankow. Death sentence was pro-

nounced upon him the previous day by courtmartial presided over by War Minister Ho Ying-chin, which found him guilty on five charges:

1. Repeatedly disobeying orders from his superior commanders and retreating on his own accord.
2. Forcing the sale of opium upon the people of Shantung.
3. Exacting, by force, taxes and levies from the people of Shantung.
4. Seizing public funds.
5. Depriving the people of Shantung of their firearms.

Jan. 24.—Hsu Shih-ying, returning Chinese Ambassador from Japan, who passed Shanghai en route to Hongkong, denied reports that he was bringing with him four basic peace terms. Mr. Hsu did not land when the Empress of Asia on which he was travelling called at Shanghai.

Jan. 24.—Tsinning, strategic city in western Shantung, reported encircled by Chinese troops now counter-attacking the city, vanguards having reached Anchuen, 10 kilometers west. Brisk fighting between Chinese and Japanese troops near Takushan (hill), overlooking Wuhu city. Fuyang, in Chenkiang, reported recaptured by Chinese.

Jan. 24.—Nipponese planes raided Ichang, west of Hankow, on the Yangtze, for first time; some 60 bombs dropped, causing heavy casualties.

Jan. 24.—Offices of the Social Evening News, (Chinese) Shanghai, bombed when hand-grenade thrown into corridor. Three persons injured; paper first attacked on Jan. 17.

Jan. 24.—M. Luganets-Orelsky, the new Soviet Ambassador to China, presented his credentials to Chairman Lin Sen of the National Government at Chungking.

Jan. 24.—New customs tariff for North China which was announced on Jan. 23 by Peiping "Provisional" Government, was repudiated by the National Government. Hankow Finance Ministry ordered all Customs Houses in the North to refuse to recognize the new tariff.

Jan. 25.—Gen. Li Tsung-jen, Commander of Chinese Forces on Tientsin-Pukow Railway front, inspected Chinese defences at Pengpu, regarded as early objective of Japanese troops operating on southern section of Railway. Gen. Chiang Kai-shek dispatched two representatives, Gens. Chen Tiao-yuan and Chang Chi-kiang, to the Tsin-Pu and Lunghai Railway fronts to "encourage" Chinese troops. Chinese defences along Peiping-Hankow Railway strengthened.

Jan. 25.—Japanese Foreign Minister, Koki Hirota, declared at meeting of House of Peers that Japan could not pay attention to intervention by third Power.

Jan. 25.—President Roosevelt appealed to American people to contribute U.S. \$1,000,000 to help suffering civilians in China.

Jan. 25.—Brigadier-General John C. Beaumont, commanding officer of the 2nd Brigade, United States Marines, contributed \$2,331 (proceeds from the Marines' boxing events) to Chinese refugees in Nantao under the care of Father Jacquinot.

Jan. 25.—Japanese property losses in Tsingtao estimated at more than Yen 500,000,000.00, according to a Reuter report from Tokyo.

Jan. 25.—Smuggled Japanese sugar, selling at prices 60 per cent cheaper than legitimately imported sugar, now flooding Shanghai market and wide area among cities along Nanking-Shanghai and Shanghai-Hangchow Railways. More than 30,000 bags of the contraband sugar believed to have been brought to Shanghai since January 1 and landed in Hongkong without customs examination.

Jan. 25.—The new Soviet Ambassador Ivan Luganets-Orelsky, returned to Hankow after presenting his credentials to the President of China at Chungking.

Jan. 25.—Japanese Diet discusses stationing of Japanese troops in China permanently. Garrison question being studied, War Minister Gen. Sugiyama revealed.

Jan. 26.—Violent fighting in vicinity of Tsinning, western Shantung, city now virtually encircled by Chinese troops. Japanese reinforcements are making desperate attempts to relieve city.

Jan. 26.—Hankow declared Government determined to defend Hsuehchow, had completed concentration of 300,000 troops in that area for forthcoming battle with the Japanese. Since dismissal and execution of Gen.