

Relations Conference (see article under that title, and *Summary* No. 381). The Persian Mission is also to study political, economic and cultural questions in India, and suggest ways and means of strengthening the ties between the two countries in these three spheres.

INTER-ASIAN RELATIONS CONFERENCE

This Conference, which is to be held at New Delhi from the 23rd March to the 2nd April, has been organised by the Indian Council of World Affairs. This is an unofficial body whose activities are somewhat similar to those of our Royal Institute of International Affairs (Chatham House). Pandit Nehru will probably be the Chairman of the Conference.

Invitations to attend have been sent to the thirty-two major Asiatic countries, including Japan and the Asiatic Soviet Republics. All the Middle East Asiatic countries have been invited. Egypt has also received an invitation owing to her close connections with the rest of the Arab World. In Palestine the invitation has been extended to Jews and Arabs. The delegation from each country is intended to consist of sixteen members and four "observers" chosen for their academic qualifications. Women will not be excluded. So far, nearly all the countries invited have accepted, including the Soviet Republic of Azerbaijan, (which is sending members from their branch of the U.S.S.R. Academy of Sciences and from the University of Baku), and Uzbekistan (which is sending members from the State University of the Middle East, Tashkent); the Pacific Institute of the Academy of Science of the

CORRIGENDA

Summary No. 382.—For "refugees (muhajirs)" read "refugees—muhajirs". . . . Fida's."

Summary No. 365.—Special article, the Tribes of Southern Persia, section C, line 6. For 7,000 read 16,300.

U.S.S.R. in Moscow will also be represented. Saudi Arabia and Yemen have refused the invitation.

In addition, observers have been invited from academic bodies in non-Asiatic countries which are likely to be interested. Chatham House is sending two representatives from their India branch; the Institute of Pacific Relations, New York, is sending four.

The items on the agenda will include race conflicts, problems created by the transition from a colonial to a national economy, economic co-operation among the Asiatic countries, industrial development, labour welfare and the status of women in Asia. The Conference will take the form of group discussions and planning meetings. Its main objects will be to promote a sense of solidarity in Asia, to formulate a co-ordinated policy on cultural and economic matters, and to stimulate a cultural and intellectual revival. The promoters of the conference have announced that political subjects will not be discussed. How far this is adhered to remains to be seen, and the acceptance of the Soviet delegates is already giving rise to some anxiety as to the way the conference may develop.

THE FAR EAST

China

On the 1st March it was announced in Nanking that Dr. T. V. Soong had resigned from the Government and that, by a decision of the Supreme National Defence Council, his place as President of the Executive Yuan would be filled for the time being by General Chiang Kai-shek.

Although Dr. Soong's resignation is calculated to cause considerable misgivings in financial circles at Shanghai, in Chinese political circles it was not altogether unexpected. For some weeks he has been subjected to considerable internal political pressure, while his attitude in connection with the recent economic crisis has been

widely criticised, more particularly in the Legislative Yuan. A man of explosive temperament, he does not suffer interference gladly. When, therefore, following a discussion of the situation with General Chiang Kai-shek on the evening of the 28th February, the Generalissimo advised him not to attend the meeting of the Legislative Yuan on the following morning, Dr. Soong tendered his resignation and was somewhat taken aback when General Chiang Kai-shek accepted both it and that of the Governor of the Central Bank, Pei Tsuyee. Contrary to the advice which he had been given the previous evening, Dr. Soong decided to present himself before the

Legislative Yuan, where in a lengthy statement he rendered an account of his stewardship and stoutly defended the emergency measures introduced to meet the recent economic crisis. According to press reports, Dr. Soong's reception in the Yuan was exceedingly hostile and on being assailed with questions he merely replied that he had resigned and walked out. It is understood, however, that there has been no breach of personal friendship between the two brothers-in-law and that Dr. Soong has promised General Chiang Kai-shek to remain in Nanking in order that his advice may be available when required.

Dr. Soong's withdrawal may ease the general political situation. It has long been an open secret that he has stood between the Government and Carson Chang, leader of the Social Democratic Party, and the removal of this barrier may render possible the immediate broadening of the several Yuan and the formation of the State Council with minority and non-party representation. This reading of the situation reflects the belief among quite a large number of those who welcome the departure of Dr. Soong that General Chiang Kai-shek will remain President of the Executive Yuan only until a Government reorganisation has been effected, when, they hope, the post may be given to General Chang Chun, present Governor of Szechuen Province and leader of the Political Science Group which is closely associated with Carson Chang's Social Democratic Party. It is also thought that if General Chang Chun were made President of the Executive Yuan, he, in turn, would appoint as his Minister of Finance Chang Kia-ngau, a brother of Carson Chang, recently Finance Commissioner in Manchuria and who has now been selected to succeed Mr. Pei Tsuyee as Governor of the Central Bank. On the other hand, there are those who fear that General Chiang Kai-shek may have been too readily tempted to dispense with Dr. Soong's expert financial knowledge by a false sense of security born of the initial success which has attended his own determined, if drastic, measures of intervention in the recent economic crisis. "Investigations" are still being carried out, and many have thought it wise to cash their U.S. dollar holdings at the new official rate. Moreover, to judge by current imported commodity prices, the black market is already showing signs of renewed activity. The voice of Labour is also making itself heard in Shanghai with increasing strength in protest against the decision to fix wages on

the rates ruling in January instead of adjusting them monthly on the cost-of-living index. The granting of a flat supplement calculated to meet the rise in cost of the six basic commodities—rice, sugar, salt, oil, coal, and cloth—is regarded as a totally inadequate measure while the Government are still unable to fulfil their promise to control prices. Even the anti-Kuomintang paper *Lien Ho Jih Pao* admits that Dr. Soong is not entirely to blame for the existing state of economic chaos and that there can be no effective check on inflation so long as the country continues to be ravaged by civil war.

This statement of home truths, however, has evidently not been taken to heart by General Chiang Kai-shek, who has now decided on a complete and open severance of relations with the Communist Party and an intensified military offensive, regardless of expense. The leaders of the Communist Liaison Delegation in Nanking, Shanghai and other centres have been summarily ordered to remove themselves and their "esteemed party" from Nationalist-controlled China before the 5th March. There is much talk of a full-scale military offensive in progress in China proper which is claimed to be bringing the Government a series of important victories: but it seems that, in fact, the Government forces have been badly defeated in Shantung Province. No less than three Kuomintang divisions are reliably reported to have been lost in the neighbourhood of Linyi; while Tsinan, capital of Shantung and an important railway junction, is said to be in imminent danger of capture by large numbers of Communists who have succeeded in isolating the city.

According to the latest reports, however, it would appear that the tide has turned in favour of the Government in Manchuria, where particularly large Communist forces are reported to have been engaged in a vigorous offensive covering a large area, with the important railway town of Changchun as their main objective. But, although their initial efforts were attended with some success, reliable press reports from Nanking support the Government's claim to have broken the attack on Changchun by surrounding the main body of Communists in the neighbourhood of Tehwei and driving the remnants of the defeated force in a northerly direction towards the Sungari River. It is generally thought that the Government have now succeeded in restoring their lines in Manchuria.