ment stationed in Shenyang were either imprisoned or deeply humiliated. The local arms depôt and munition factory were either occupied or razed to the ground. Countless residences of ordinary civilians were burnt, and the loss of property is already known to be exceedingly great even in the absence of any detailed investigation.

Reports emanating from Tokyo make out that the present crisis arose quite unexpectedly without warning and so it is of a purely local nature. As a matter of fact, such precipitate action is the result of elaborate organized planning. The feverish campaign for military preparedness manifested during the last few months and the fact that within a few hours all the strategic points in the southern part of the Northeastern Provinces were simultaneously occupied are sufficiently indicative of organized aggression. Nevertheless, the Chinese people, being true to the principle of maintaining peace at any cost and mindful of their treaty obligations, have offered no resistance, so that peace in the Far East and peace in the whole world might be preserved. In a spirit of patient forbearance, this policy of non-resistance will for the time being be strictly observed.

Since the Great War, China has been doing everything possible to build up a modern nation and, towards that end, has, in accordance with the teachings of the late Dr. Sun Yatsen, welcomed the investment of European and American capital, under stipulations that are mutually beneficial, for the development of her vast natural resources. All this is for the good of world trade. But Japanese militarism thinks otherwise. It desires all China to be under its sway, so that Japan alone may have full advantage of her resources. It can have no sympathy with any idea of equal opportunity for other nations and fully believes that the moment has come for the realization of its policy of exclusive exploitation, since in the present economic depression, the Western Powers are preoccupied with the solution of their own problems, while China, being immersed in the endeavours of national reconstruction, the suppression of half a million Communist bandits and coping with the present appalling nationwide flood visitation, is in no position to resist any foreign encroachment. To Japanese militarism, there is indeed no better opportunity! In 1915, when the nations of the world were engaged in the bitterest struggle known in recorded history, the Japanese presented the so-called "Twenty-one Demands" which wellnigh reduced China to a state of vassalage. The present crisis is a reproduction of the same design fraught, however, with even greater potentialities for danger to the world.

The world has perhaps also taken notice of what Japan proposes to do as regards the railways in China's Northeastern Provinces. There is one line in particular, the one between Kirin and Hueining, which the Japanese regard as of the greatest strategic value. This line, when completed, will link up Kirin in China with Hueining in Korea and from there through the existing railway to Seitsin on the eastern coast of Korea. The whole trip from Changchun to Osaka with the completion of the Kirin-Hueining Railway will be a matter of only 51 hours, whereas at present, the same trip has to be made through Dairen, lasting 92 hours. There is thus a saving of nearly one half the time. But in addition to this, there is the further advantage of making the trip entirely in Japanese waters north of the Tsushima Bay without the least fear of any interference on the part of foreign men-of-war. So that in the event of hostilities between Japan and any foreign Power, the utilisation of this Kirin-Hueining line enable uninterrupted transportation of materials and commodities from any part of the Northeastern Provinces to Japan as well as of Japanese troops straight into the heart of these provinces.

The Kirin-Hueining line traverses at the same time great forest regions which have enough lumber to furnish Japan for the next two hundred years. Every year, they will be able to supply her with lumber worth more than 100,000,000 yen. There are also along the line in