

Unlike Japan, China has very considerable mineral resources, as well as oil ; she grows practically all the valuable crops, especially cotton, rice, and tea ; and she has a population which is second to none in its capacity for endurance and hard work. Yet none of these things is of considerable value unless political stability returns and until sufficient capital is forthcoming to build factories and mills, open new mines, and, above all, to construct a vast network of roads and railways, for lack of which China even to-day hardly feels herself to be a nation at all.

As in a number of other Asiatic areas, there is a serious population problem, but it is not one which requires the drastic remedy of large-scale migration, and, even if it did, there are wide areas of China which are sparsely populated. On the other hand, industrialization and improved methods of agriculture will remove the population stresses which China is feeling to-day.

There is, however, a major agrarian problem which inevitably affects political developments, including the conduct of the war. The pressure of China's farming population upon the soil is unparalleled elsewhere in the world. For centuries a vast population has been extracting every available ounce of foodstuffs from it, so that to-day the soil is impoverished. The situation has been made worse by the destruction of forests over wide areas to supply fuel. New methods of farming, preferably on a larger scale than are generally practised, are required, but so long as things remain as they are the impoverished peasantry must continue to till their 2, 3, or 4 acres with archaic implements. In some parts of China the small farmer owns his farm, but more commonly he is only a tenant, and the landlord and the money-lender between them exact such a heavy toll from his scanty earnings that it is difficult for him to support his family even in settled times, whilst as a purchaser of manufactured goods he scarcely exists.

It is upon the agrarian question that the Chinese Nationalists have been most sharply criticized, both in China and abroad. In the decade between their accession to power and the outbreak of

the present war with Japan a serious attempt was made to grapple with it by way of loans, limitation of interest-rates, and other means ; but even at that time they were regarded as inadequate measures by many, and recently the effort to improve things for the farmer appears to have been abandoned altogether.

On the contrary, he suffers under a load of wartime taxation, often collected in kind, with periodic requisitions for labour service and allied evils. Apart from the fact that the difficulties of pursuing agrarian reform when a substantial part of the country is in Japanese occupation are obvious, it is nevertheless true that the Chinese Nationalist Party (the Kuomintang) includes practically the whole of the landlord class within its ranks, and these have gained in power as a result of the loss of the ports and the dissipation of much of the wealth of those who engaged in the foreign trade. In Chungking the importance of the farmer class is much more evident than it ever was in Nanking.

Contrasted with this irresolution, the policy of the Chinese Communists is vigorous and easily understood. Before the present war they were insistent that the peasantry should enjoy the ownership of their holdings. This would involve the expropriation of the landlords, virtually without compensation. It may possibly be that they will revert to this policy when the war is over, but at present, in the areas under their control, they are content to reduce rents and taxes and to put an end to the depredations of the money-lenders. This policy has won them the enthusiastic support of the peasantry, without alienating the more progressive landlords, as a correspondent recently pointed out in two special articles in *The Times*. Bearing this in mind, therefore, it is not difficult to see how Chinese Nationalism may be losing ground with the rank-and-file, or why the term "reactionary" is being increasingly used to describe some of its leaders. That may be a justified criticism, but it does not in itself warrant the use of fiercer descriptions, any more than the influence of big business in the American Republican party or in our own Conservative party does. The basic assumption of