

Political Review for March 1932

(5)

(16)

No. 571

Office of Economic Adviser
JUN 1 1932
DEPARTMENT OF STATE

ADVISER.
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DEPARTMENT OF STATE

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893.00 P. R. MUKDEN

AMERICAN CONSULATE
SPECIAL ASSISTANT TO THE SECRETARY GENERAL,
Mukden, China, April 15, 1932.
JUN 3 - 1932

SUBJECT: Political Review for March 1932.
MR. KLOTS

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THE HONORABLE
THE SECRETARY OF STATE,
WASHINGTON.

copy in file
Division of
FAR EASTERN AFFAIRS
MAY 5 1932
Department of State

SIR:

I have the honor to enclose herewith a copy of my
despatch No. 571 to the Legation at Peiping, China, dated
April 11, 1932, on the above subject.

Respectfully yours,

M. S. Myers
M. S. Myers
American Consul General.

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Received
2 Copies detached
for notes - HS.

Enclosure:

Copy of despatch No. 571
to the Legation at Peiping.

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and on March 9th P'u Yi, the last Manchu Emperor of China whose reign name was Hsüan T'ung, was formally installed as Chief Executive or "Regent" at the new capital, Changchun, now also appropriately called Hsinching (new capital). Thus in a period of slightly over six months the status of Manchuria has been transformed from an integral part of China to a so-called "independent" state under the complete domination, military, political and economic, of Japan. As may be expected under the circumstances, the Chinese have shown no enthusiasm for this creation; in fact an undercurrent of resentment is prevalent.

In addition to banditry, anti-government military operations directed by officers of the old regime afforded the existing authorities and the Japanese considerable annoyance. Chief among these insurgent officers are Wang Te-lin (王德林), Li Hai-ching (李海青) and Wu Chia shing (吴家兴) whose activities were in the Chientao, Fuyü and Nungan, and Mukden districts respectively. Apparently it was only with Japanese aid that the authorities were able to check the insurgents.

The land lease question which has been a bone of contention between the Chinese and Japanese ever since the right to lease land in the interior was granted by the 1915 treaties has been settled in principle according to reports. In fact, all Sino-Japanese disputes relating to Manchuria which can be settled locally are being rapidly disposed of

to

to the satisfaction of the Japanese. The settlement of the Wanpaoshan incident which attracted much attention in the summer of 1931 has also been accomplished.

The Chinese primary schools of Mukden which together with all other Chinese schools had been closed since September 18 were reopened on March 1st. The other schools are still closed.

POLITICAL. On March 1 copies in English of the proclamation by Chang Ching-hui, Chairman of the Northeastern Administration Commission, announcing the establishment of the new state of Man Chou Kuo were handed to the foreign press correspondents. After painting a black picture of conditions in China since the establishment of the Republic, the proclamation announced the severance of relations with China and enunciated the ostensibly lofty policies of the new state. A statement in the Chinese text of the proclamation which does not appear in the English version reads: "All treaties and debt obligations pertaining to the territory of the new state which have been concluded by the Republic of China with Foreign Powers shall be recognized in conformity with international usage".

A delegation headed by Chang Ching-hui proceeded to Tankangtzu on March 7 and presented to P'u Yi the third request that "Ex-Emperor Hsuan T'ung resume his post". P'u Yi accepted. He arrived at Changchun on March 8 and was inaugurated on the following day. The brief ceremony was carried out with military precision. Approximately two-thirds of the three hundred guests were Japanese. The

officials

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Manchuria

officials of the new regime were ushered in and assigned to places in the small hall. Members of the former Administrative Committee entered first, and were followed in order by the Mongolian nobility, civil, military officials of the "Four Provinces", ^{and} "Special District", representatives of "all the people", and foreign guests.

The entrance of Count Uchida, General Honjo, and other prominent Japanese apparently was the signal for the ceremony to begin. P'u Yi entered the Hall, and, after acknowledging the bows of his audience, received cases purporting to contain the "state" and "Regency" seals. The "Regent's" manifesto was read by Prime Minister Cheng Hsiao-hsu. P'u Yi then descended from the platform and faced the main group of Japanese dignitaries who bowed. Count Uchida read a congratulatory address to which an aide replied. Group photographs were taken in the courtyard and the ceremony was concluded by the raising of the flag of the "new state". Foreign correspondents who attended the ceremony have invariably reiterated in subsequent conversation that the ceremony was completely under the auspices and control of the Japanese. The subservience of the new regime may be indicated by noting that after the ceremony the sovereign of the new state personally went to the station to see Lieutenant-General Honjo off for Mukden. (Reference ^{893.01-Manchuria/111} despatch No. 556 of March 16, 1932).

From

From March 10 through March 12 a celebration of the inauguration was held in Mukden. The celebration was instigated and controlled by the Japanese either directly or indirectly through the puppet government. No enthusiasm at all was evinced by the Chinese populace and they participated only because they were ordered to do so. Foreign observers who witnessed the celebrations in other cities of South Manchuria reported that they were as forced and artificial as the one in Mukden.

Translations of the organic laws of the new state which were promulgated on March 11, and a plan showing the organization of the new government have been submitted to the Legation. As the Legation undoubtedly is aware the organic laws of the new state are very similar to the provisions of the Japanese constitution.

Other laws and regulations which were promulgated on March 11, 1932 are entitled:

1. Regulations for the Privy Council.
2. Regulations for the State Affairs Yuan.
3. Laws for the Control Yuan.
4. Regulations for the various departments under the State Affairs Yuan.
5. Regulations for the office of Provincial Governor.
6. Statement concerning provisional application of former laws, criminal, civil, and others.
7. Laws for the protection of people's rights.

As soon as translations of these laws and regulations are completed, they will be submitted to the Legation.

On March 10 the principal officials of the new

government

government were appointed by mandate of the Chief Executive. A supplementary group of officials was appointed on March 14, 1932. Among these appointments may be found a number of officials who were connected with the former regime: Chang Ching-hui, Yuan Chin-k'ai, Chang Hai-p'eng, Tsang Shih-yi, Hsi Hsia, Ma Chan-shan, T'ang Yü-lin (T'ang Yü-lin's acceptance has not been confirmed.) (Reference Despatch No. 557, March 18, 1932.)

The appointment of Mr. T. Komai to be Director of the General Affairs Department in the State Affairs Council of which the premier is the head seems very important because Mr. Komai formerly was civilian adviser, with the rank of Lieutenant-General, to the Kwangtung army, and in his new position in the most important department of the new government he will be able to control the work of the executive branch. Mr. Ohashi, formerly Japanese Consul General at Harbin, has resigned in order to become Chief of the General Affairs Division of the Foreign Ministry of the new regime. According to reliable information Mr. Ohashi is now the motivating force in the foreign office of the new state. Mr. T. Kawasaki, formerly an official of the Japanese Foreign Office attached to the Japanese Consulate General in Mukden, is now at Changchun in the Foreign Ministry of the new regime.

It is expected that the position of Japanese "adviser" will soon be abolished and that many of the advisers and other Japanese will assume important

positions

positions in the government of the new regime. Many of the Japanese advisers have already adopted Chinese dress and consequently it is difficult to distinguish them from the Chinese. It is claimed that they are also adopting Chinese names and that their metamorphoses will be complete before the League Commission reaches Manchuria.

This office received a communication dated March 15, 1932, from Hsieh Chieh-shih, Minister of Foreign Affairs of the new regime, announcing that the state of Manchuria had been created and its government established. Hsieh Chieh-shih enclosed a copy of a telegraphic communication dated March 12, 1932, which he had addressed to the Secretary of State and the foreign ministers of sixteen other countries.

Customs and Salt Administration.

At a cabinet meeting in Changchun on March 24 it was decided to retain for the present the existing customs system and tariffs of the Chinese Republic. It was also decided to remit monthly to the Inspectorate General, Shanghai, the portion of the customs receipts required for servicing foreign loans, and to retain the surplus for the use of the new government.

The new regime announced on March 28 that all of the administrative functions of the Salt Administration would be taken over by the Changchun government. It was announced also that the foreign obligations secured by the Salt Gabelle will not be repudiated and that claims entered by the creditor Powers will be considered. Employees willing to sever connections with the

Chinese

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Chinese government will be retained. The Salt Inspectorate at Newchwang, according to reliable information, was closed on March 28, and its functions were taken over by the Salt Commissioner. Impending Visit of the League of Nations Commission of Inquiry.

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Commission

The local Japanese Consulate General, Kwantung Army Headquarters, the South Manchuria Railway Company, and other Japanese organs are making elaborate preparations to entertain and to enlighten the members of the League Commission during their visit to Mukden. It is probable that a serious attempt will be made to mask the Japanese control of this district during the visit of the League Commission. Russo-Japanese Relations.

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Waves of rumors have risen and receded during the month under review concerning the amount of immediate danger of a clash between Soviet Russia and Japan. The great majority of competent observers agree that the Soviet is anxious to avoid a conflict, and that it will not resort to arms unless Japan transgresses on its territory. Observers who believe the Japan militarists are eager to provoke the Soviet advance the usual motives.

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MILITARY. Among the miscellaneous military forces in Manchuria, there is the force under Wang Tien-chung (王殿忠) who, it is understood, was formerly an officer under Chang Tsung-ch'ang. Wang is a Japanese returned student and his force

comprising

comprising mostly ex-bandits was organized last autumn with the assistance of the Japanese. It accompanied the Japanese forces which were sent against Ma Chan-shan on the Nonni River. Wang is now Garrison Commander of the southern districts of Fengtien province extending from Takushan on the east to Shanhaikuan on the west, his headquarters being located at Yinkow (Newchwang). On March 21, 1000 of his troops were sent over the Mukden-Antung line to Fenghuangcheng to cooperate with two battalions of Japanese troops, withdrawn from Tsitsihar, in suppressing banditry along the southern coast in the vicinity of Chuangho and Takushan.

During the past few months there has been formed in this province the Pacification Patrol Corps, which, as its name indicates, is designed primarily for the suppression of banditry. Its present strength is only about 500 and on March 24 notices appeared calling for new recruits between the ages of 18 and 20 who are at least graduates of the higher primary schools. The officers, or nearly all of them, are Japanese and the corps will include infantry, cavalry, and artillery. From recent press reports, the conclusion may be drawn that this is the nucleus of a police force which the Japanese intend to organize for the maintenance of peace and order in Manchuria. When conditions permit, it is thought that the poorly trained troops of such garrison commanders as Wang Tien-chung, Yü Chih-shan(于芷山) and Chang Hai-p'eng (張海鵬) will

be

be reorganized and possibly be incorporated into this Japanese officered corps.

It is interesting to note that the Man Chou Kuo troops do not apparently exhibit the desired degree of dependability, or, may it be said, subservience, for it was recently related by the spokesman of Headquarters that these soldiers "even snipe at Japanese troops".

BANDITRY. Banditry and anti-government activities were rife throughout the month and although disturbances were general there were certain areas in which conditions appeared to be much worse than others, as, for instance, Tunhua and Chientao in eastern Kirin, the districts along and south of the Mukden-Antung Railway, the districts of Nunyan and Fuyü in southwestern Kirin (Harbin Consular District) whence the anti-government forces of Li Hai-ching even menaced the safety of Changchun for a short period, and the vicinity of Mukden. Although it may not always be possible to distinguish between banditry and anti-government military activities, there is no doubt that the latter accounted for no small part of the unrest which prevailed throughout the month. Wang Teh-lin, a former battalion commander and head of the largest band of insurgents in eastern Kirin, moved his main forces from the vicinity of Tunhua to Chientao. The "Big Sword" society which gave the authorities considerable trouble in eastern Fengtien province in the winter of 1927-28 is now very active in the Chientao area according to press reports, as are also the so-called communists who, no doubt, are for the most part bandits. Nine companies of Kirin government troops were

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were sent into this region to assist the local garrison troops and the Japanese police were reenforced by detachments sent from Korea. Notwithstanding these reinforcements, available information (Japanese) indicated frequent clashes with the Japanese police and the spread of disorder. At the end of the month the Japanese Consul General at Lungchingsun asked for Japanese military assistance from Korea. The population of this region is mainly Korean, among whom there is always considerable unrest.

The insurgent activity in the neighborhood of Mukden appeared to be political rather than predatory. Reports, probably exaggerated, have been heard that there are 12,000 irregulars and bandits in this vicinity receiving pay from Marshal Chang Hsueh-liang. That the nocturnal raids of these forces on the suburbs of Mukden and adjacent villages were directed against the Japanese has been evidenced by arm bands, seals, orders and other identification marks found on captured insurgents, some of which have been exhibited to press correspondents by the spokesman of Military Headquarters. The arm bands bore the designation "21st Route Northeastern Frontier Righteous and Brave Salvation Army." Wu Chia-hsin, who signs himself as "Commander of the People's Frontier Forces of the Northeast", is alleged leader of these forces. During one of the attacks on Mukden early in March about 100 rifles were captured from the Chinese police in the northern suburb and fires were started at different points outside the city. The most recent raid worth **noting** occurred in the early morning of
March

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March 29 when some 80 bandits, as reported by Japanese Headquarters, attacked the Mukden Arsenal and were driven away by Japanese troops who killed 47 and suffered a loss of only one killed and two wounded. Press reports stated that they were endeavoring to gain access into the military supplies depot.

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The Mukden-Antung Railway (Japanese) was the objective of a number of bandit attacks, among which the one on Tungyuanpu station was the most serious for the Japanese, their casualty list including 5 killed and 6 wounded. Except for brief delays of a few hours each, traffic was not interrupted. The chief center of bandit activities in this direction was south of the line in the neighborhood of Chuangho and Takushan. A serious riot occurred at the former place on March 19 which possibly was responsible for the hurried movement of Japanese troops from Tsitsihar to Pitzuwo. This trouble which arose over taxation and resulted in the death of a number of policemen was, however, soon settled.

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As a measure for the protection of the railways against banditry, Governor Tsang Shih-yi issued a circular notification under date of February 26, 1932 to the magistrates that the cultivation of grain affording concealment to bandits within 500 meters of the railway line should not be permitted. It may be mentioned also in this connection that the local government has recently appropriated \$600,000 (Silver) for distribution among the needy farmers to enable them to plant their crops. As was pointed out in my despatch No. 534 of February 17, 1932, entitled "Banditry", many farmers were robbed of their grains

and

and had nothing left for seeding purposes.

GOVERNMENT The Self-Government Guiding Board at Mukden,
ORGANS a Japanese organ which through its representatives or guiding commissions in the interior superintended the functions of the magistrates and carried on an extensive propaganda campaign in favor of the new state, was formally closed on March 15, 1932. General Miyake, chief of staff of the Kwantung Army, Japanese advisers and others participated in the ceremony. The Board is actually being reorganized as the Tzu Cheng Chū (資政局) or Government Training Office, under the State Affairs Yuan of the Changchun Government. According to press reports the system of Japanese guiding commissioners is being continued and an instruction to that effect was issued to all magistrates on March 24.

Brief record may be made of the closing of the Communications Commission, of which Ting Chien Hsiu (丁鑑修) was the head, on March 25. The personnel and functions of this organ have been taken over by the Ministry of Communications, Changchun, of which Mr. Ting is chief.

SCHOOLS. On March 1, 1932, the Chinese primary schools at Mukden which together with all other Chinese schools had been closed since September 18, 1931, were reopened. The text-books approved by the National Government have been banned and old ones (editions of 1918 and 1922) are now being used. The students are being taught that they are citizens of Man Chou Kuo, not China, and that they must not be anti-foreign. The proposed opening of primary schools in the interior cities on April 1, 1932, has been postponed owing to

lack

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lack of funds and bandit troubles according to press reports. Although the alleged reason for the failure to reopen the middle schools is lack of funds, the actual cause, in the opinion of some Chinese, is the fear of trouble from the students.

LAND According to press reports, the long QUESTIONS. standing land lease question which has been a constant source of friction between the Japanese and Mukden Governments has at last been settled in principle. The Changchun Government is reported to have issued instructions to the provinces authorizing the leasing of land in perpetuity (these leases are limited to a period of thirty years only) for agricultural purposes without regard to nationality. Japanese interests are apparently making plans for the establishing of communities of Japanese farmers in Manchuria as well as of Korean farmers.

The Wan Pao Shan case which had disastrous repercussions in Korea in the summer of 1931 has been settled. It will be recalled that the case arose over the damming of the Itung river and the building of a ditch seven miles long for irrigating land leased by Koreans for a period of ten years for rice cultivation. A joint Sino-Japanese committee, formed in February, 1932 to settle this case, found that the river is not navigable and that only two acres of land instead of 1000 as claimed by the Chinese would be flooded by the impounded water. Concerning the alleged obstructions to land traffic, numerous bridges are to be built across the irrigation ditch. A new agreement which is substantially the same as the one concluded last year has been drawn up and no further objection from the Chinese is expected. The

settlement

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settlement of this case was reported in despatch No. 549, of March 9, 1932, entitled "Settlement of the Wanpaoshan Case".

Respectfully yours,

M. S. Myers,
American Consul General.

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MSM:MHP
MH ("Political" Section)

Original and one copy to Legation.
Five copies to Department.
One copy of Embassy, Tokyo.
One copy to Consulate General, Harbin.
One copy to Consulate General, Tientsin.
One copy to Consulate General, Shanghai.
One copy to Consulate, Dairen.

A true copy of
the signed orig-
inal. *MS*

No. 571.

AMERICAN CONSULATE GENERAL

Mukden, China, April 11, 1932.

CONFIDENTIAL

SUBJECT: Political Review for March 1932.

The Honorable

Nelson Trusler Johnson,

American Minister,

Peiping, China.

Sir:

I have the honor to submit a brief survey of political developments in this consular district during the month of March 1932.

With the expulsion of Marshal Chang Hsueh-liang's troops from the Chin Hsien area in the early days of January by the Japanese army, the last vestige of Chinese authority in this district was eliminated. Japanese interest then centered on the establishment of an "independent" state which assumed concrete form on February 18, 1932, with the organization of the Northeastern Administration Commission for arranging all matters relating to the formation of the new state. On March 1st the establishment of the new state was officially announced by the chairman of this Commission

and

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