

Chinese Dilemmas.¹

CHINA is a land of problem and of chaos, and my purpose in this paper is just to sketch, with as light and rapid strokes as possible, one or two of its problems in their setting of chaos. It will be my endeavour, however, to avoid mere superficiality. To some people China's problems appear simple, and they have easy panaceas to commend to the ignorant. To me the problems seem extraordinarily complex, and I am acutely conscious of the difficulties attending them. I claim no wisdom to solve them, indeed, nor do I know of any solution that is not a mere academic evasion of the hard realities of the situation. This does not mean that I am a pessimist. For while I have no use for a shallow optimism that refuses to face problems because it is sure they will melt away of themselves, neither do I respect the pessimism that is daunted and dismayed by difficulties. I have no solution of China's problems to offer, but I am confident that a solution can be found, though equally confident that it will be no speedy process to carry it through. But the first essential is to realise the nature of the problems confronting us, and all that this paper aims to do is to contribute to clear thinking as to the complexity and difficulty of the problems that clamour for solution.

It is obviously impossible to discuss in a single paper all of China's problems. I propose, therefore, to select three. The first is one confronting the nations of the world, and our own in particular, in relation to China. The second is one confronting industrialists—in which many people in this country display an interest which is marked more by vehemence than by knowledge. The third is one confronting missionaries, and especially one which confronts us of the B.M.S. in our work in Shantung. I claim no special qualification to discuss either of the first two problems. I am neither a politician nor an industrialist. But I believe the problems concern us all. And so I have the temerity to plunge in, with nothing more to guide me than a plain man's knowledge, coupled with a keen interest in the problems and a great love of China.

¹ This paper was unavoidably held over from our last issue. Meanwhile the situation in China has not remained unchanged. But it seems best, on the whole, to print the address as delivered.

I.

To dispense with further introduction, let us approach our first problem. It is a commonplace that in recent years China has increasingly resented certain infringements on her sovereignty by Foreign Powers. There are, for instance, the Foreign Concessions. When foreigners insisted on the right to live and trade in China, the Chinese successfully resisted their free entry to the whole land, but grudgingly set apart certain unhealthy areas outside a few of their cities as suitable residential areas for the unwanted barbarians. On these unhealthy sites, by dint of very great skill, and with enormous labour and patience, large and flourishing business centres have been created, which dominate the trade and finance of the entire districts in which they are situated. It was by Chinese initiative that they were separate and distinct from the native cities. But to-day the Chinese resent their special position, and clamour for it to be surrendered.

Again, there is extraterritoriality. Britishers, for example, are not subject to the Chinese courts, but can only be tried by the British Consuls, or by the British judges in Shanghai or Tientsin. And similarly with the nationals of many other nations. This again goes back far in history, and began at the request of the Chinese government. But to-day China clamours for its abolition.

Yet again, there is the question of the Maritime Customs. The Customs service was created for China largely by the genius of a great Englishman, Sir Robert Hart, who loved China and served her with rare devotion. Its receipts have been made the security for many foreign debts of China, and foreigners have therefore a very real interest in its efficient and honest administration. It has therefore been insisted in various Treaties that there shall be a proportion of foreigners on the Customs staff, and that the Inspector General shall be British so long as British trade exceeds that of any other nation, that the Funds shall be banked with foreign Banks, and that the Customs rates shall only be varied by international agreement. To-day China clamours for complete control of her Customs, for liberty to fix her own Tariff, for liberty to choose her own Banks for the deposits, and for liberty to dispense with foreign officials at her own choice.

I have not argued the pro's and con's of the Chinese case on any of these questions. That would carry us much too far afield. I will content myself with saying that none of them is simple, and that neither sentiment nor prejudice is adequate basis for a fair judgement. I am only concerned at this point to recognise that while on each of these matters it was the Chinese

Government which took the initiative in creating the situation which is to-day complained of, China to-day with one voice demands radical changes and vigorously resents the present position. For my present purpose it is immaterial whether China's case is just or unjust. My subject is Dilemma. And dilemma is not concerned with judicial decision as to the rights and wrongs of a question, but with practical policy. *And the dilemma is just here, that with the best will in the world to concede to China what she is demanding, it is simply impossible.*

The Washington Conference in 1921 considered with very unusual sympathy China's demands, and agreed that an international Tariff Conference should meet to consider her Tariff questions, and that another international Conference should examine the Chinese codes of law and their administration, in connection with the question of extraterritoriality. The latter Conference was to have met within twelve months of the Washington Conference, but the Chinese Government was forced to request its postponement, owing to Civil War. Civil War has been almost continuous since then, and the postponement had to be a long one. Then, in response to a sudden outburst of Chinese criticism that it had not met, it assembled without waiting for the Civil War to cease. Its report was not a very cheering one, and it could only recommend very meagre advance, the Chinese as well as the foreign delegates agreeing that the complete abolition of extraterritoriality is out of the question at present.

Meanwhile, what of the Tariff Conference? That, too, had been postponed. In this case, however, the reason lay in the action—or rather, inaction—of France, in holding up the ratification of the Washington agreements, owing to a dispute she had with China over the Gold Franc question. When at last France ratified the agreements, the Conference assembled. Its first result was to precipitate a fresh outburst of Civil War. This was an unforeseen result of the Washington Conference, with its desire to respond to Chinese aspirations. Why was it that the news of the convening of the Tariff Conference caused the smouldering embers of Civil War to burst out into new flame? It was because any revision of the Customs agreements would mean that after the service of the foreign loans there would be a larger surplus to be handed over to the Chinese Government. This would give to the group that controlled Peking a stronger position. Hence the groups that were hostile to those in control of the capital at once embarked on the task of trying to oust their rivals from Peking, in order that they might fall heir to the new wealth that was anticipated. The Tariff Conference dragged on for many months, the parties at

war with the Peking groups declaring that they would not recognise any agreement made with their rivals, and warning the Foreign Powers against making any such agreement. Both sides demanded the complete surrender of the Customs, but each demanded the surrender to itself alone. Each declared that any concession made to anyone but itself would be an unwarrantable interference in the affairs of China by the Foreign Powers. Then, suddenly, the two militarists who had been working together as very ill-assorted allies in the north, split asunder, and the Chinese delegates to the Tariff Conference discovered that the Foreign Concessions of Tientsin were much better for their health than Peking. The foreign members of the Tariff Conference found that there were no Chinese delegates left for them to negotiate a new Treaty with. The Conference therefore came to an undignified and untimely end.

Here, then, was a very real dilemma. If nothing was done, Chinese denunciation of the infringement of sovereignty would continue to be unanimous. Yet what could be done? The making of a new agreement with either side would certainly amount to an interference in China's domestic quarrels, and could at the best conciliate but one side.

Meanwhile, Britain's position was a peculiarly difficult one. We had been singled out for special attack for a long time, and British interests were suffering very severely. As a matter of fact, our Government had been particularly patient under these attacks, and, moreover, had been particularly liberal in its attitude towards the Chinese aspirations. Undaunted by the sheer impossibility of meeting those aspirations, our Government had been urging on the other Powers, without avail, definite attempts to meet them. We had alienated Japanese sympathy by taking China's side against her at the Tariff Conference on the subject of the unsavoury Nishihara loans. The only gratitude we had from China was worse and ever worse attacks, and a hostility that grew rapidly more intense. British memorandums had been presented to the other Powers, which have since been published, urging a more liberal attitude than the Powers were willing to agree to. In these circumstances, it was hard to be singled out for special contumely and attack.

Hence, in December, 1926, Sir Austen Chamberlain decided to plunge yet deeper into the waters of chaos. The famous British Memorandum was issued. In this he made public the sympathetic attitude we had adopted towards the Chinese demands, and gave documentary evidence in proof. He then urged on the other Powers that certain definite steps should be taken, without waiting for a properly negotiated agreement with the Chinese Government, since there was no body which could

even pretend to be the Government of China. For by this time the number of groups in the field was increased, and there were at least five important and independent groups dividing the control of China between them.

Let me say at once that I have the utmost respect for Sir Austen's sincerity of purpose, and though I may examine somewhat critically some of the fruits of the Memorandum, my criticism is tempered by my appreciation of the intense delicacy and difficulty of his position, and my warm admiration for his high purpose. The British Memorandum sought to please everybody in China. But it simply could not be done. The much advertised unity of the Chinese demands on the Foreign Powers was but superficial, as I trust I have already made clear. The December Memorandum said in effect: "Let us recognise facts. There is no Government of China. Let us stop pretending there is. Let us for practical purposes recognise the local authorities. We have talked of the Washington surtaxes. Let us consent to their immediate collection. Our sincerity is being questioned. Let us prove it by granting these surtaxes at once. And since there is no one Government of China to which the proceeds can be handed, let us hand them to the local authorities."

This may seem common sense to an outsider. But no group in China saw it in that light. Nor did the other Powers regard it so. Most of them reluctantly came into line, so far as the Washington surtaxes were concerned. But Japan refused to do so. This meant that the surtaxes could not legally be collected. If they should be collected, it would mean that the Party which controlled Shanghai, would control the richest revenue, and Shanghai would therefore be the richest prize of Civil War in the future, as Peking had been in the past. The Peking group, perhaps naturally, protested against the proposed local arrangement, and claimed that the entire surtax receipts should be paid into the Peking Exchequer. On the other hand, the Nationalist Government, which then had its headquarters at Hankow, protested very vigorously against the Memorandum, which it regarded as hostile to itself, and claimed that while the surtaxes ought to be collected in the part of China held by the Nationalists, the Powers should not sanction them in the remaining parts of China, until the Nationalists should be in control. In other words, all Parties were really clamouring for foreign intervention on their side. And Sir Austen Chamberlain pleasantly stood for intervention on all sides.

That the liberality of the Memorandum won for us no new affection was very manifest within a few days, when a new crisis was precipitated by the over-running of the British Concession at Hankow by a Chinese mob. Sir Austen therefore

followed up the Memorandum by agreeing to the formal surrender of the Concession to the Nationalists. But immediately the cry was raised that while we had surrendered that Concession to those who had been consistently hostile to British interests, we had made no similar gesture to those authorities in North China which had made no attacks on British persons or property, and had been at least more faithful to their agreements. While the British Government announced that they would surrender nothing to violence, they were surrendering to violence, and were making no corresponding surrender where there was no violence. The British Government therefore announced that it was prepared to negotiate with the northern authorities for the handing over of other Concessions, and immediately commenced negotiations for the surrender of Tientsin. But immediately the Hankow authorities warned them against doing any such thing, and announced that nothing should be surrendered, save to themselves alone. Any agreement regarding Tientsin that should be made with the Northern Militarists they would refuse to recognise, and when they captured the control of the north—as it was then expected they would soon do—it would at once become null and void.

Meanwhile, what results was the Memorandum having? The Peking Government instructed Sir Francis Aglen, the Inspector-General of Customs, to collect the surtaxes. All the Powers, save Japan, had sanctioned them. But Sir Francis refused. For he had no option. True, he was the servant of the Chinese Government—save for the trifling fact that there was none—but he was also the Trustee for international interests. And until Japan sanctioned the surtaxes, they were illegal. But more than that. Peking wanted the machinery of the Maritime Customs to collect the taxes throughout the country, and remit the whole to Peking. This was not what Britain had suggested, or other Powers had agreed to. Moreover, the Nationalist Government threatened that any attempt to do this would mean the immediate disruption of the Customs service. They would at once seize, not merely the surtax receipts, but the entire Customs receipts in the south. Sir Francis had, therefore, no option but to refuse. Thereupon the Peking Government dismissed him. The first result of the British Memorandum, therefore, was to get a British subject into trouble. In the end, his dismissal was postponed for a year, but he ceased duty at once, being given a year's leave. Technically, Sir Francis was the servant of the Chinese Government, which had the power to appoint and dismiss the Inspector. But there was not then, and there is not now, any Government with international recognition as the Government of China. It would seem to me that if Sir Francis

was recognised as the servant of the Peking group, and if it was admitted that they had the right to dismiss him, then their claim to the proceeds of the surtax should also have been admitted. Alternatively, the British contention that there were only local administrations in China should have implied that there was no authority which could control the Maritime Customs, which is a national service, with international obligations.

A new Acting Inspector-General was appointed, but the same difficulty was immediately encountered. It was therefore now agreed that the new surtaxes, which the British Memorandum had precipitated, should not be collected by the machinery of the Maritime Customs, but should be separately collected by the local authorities. This soon led to further trouble. The surtaxes were still not legal, but were collected, and though Japan still objected, she was not disposed to take isolated action to prevent their collection. But the appetite of the Chinese authorities was merely whetted. In various districts they added further taxes, and promised more. They were not legal. True, but neither were the surtaxes. How, therefore, could any Power which connived at the surtaxes in defiance of Japan's protest against their illegality complain of the illegality of these further taxes? Soon, however, it was clear that something must be done, for far more extravagant tax programmes to fleece foreign trade were announced, and cases were therefore brought before the American, British and Japanese courts to expose their illegality, and a very simple way of defeating them was devised. But while the British court decided that the British Consul should issue clearance papers for British-borne cargoes after the deposit with him of the legal maritime customs, plus the surtax, the Japanese court was more logical, and decided that Japanese-borne cargoes must be released on payment of the legal dues only. The simple method of Consular clearance, therefore, which was devised to check the orgy of illegal dues, proved equally effective to Japan to check the Washington surtaxes, of which she disapproved. The position now was that Japanese trade was in a more favourable position than any other, and that cargoes consigned by Japanese boats were more lightly taxed than those consigned by British boats.

The British Memorandum, therefore, brought new difficulties and irregularities into the Customs service, accentuated international differences, and incensed Japan. Nevertheless, the surtaxes have been steadily collected at all the ports on the great bulk of the foreign trade, and though the volume of foreign trade has decreased considerably, and the total customs receipts for the year 1927, including the surtax receipts, were not much more than in the

previous year without the surtaxes, all this revenue from the surtaxes has been steadily flowing into the local exchequers of the various groups in the Civil War. Most of the Provinces were squeezed almost dry by taxation. And this new source of revenue must have been a veritable godsend to some of the militarists. It has certainly been a very considerable help to them in carrying on the War during the past year and more. And the War has brought untold misery to the Chinese people.

This year has brought great changes into the situation, however. The anti-British feeling, which reached unusual heights in the months immediately following the issue of the Memorandum, is now greatly eased, and for the present it is Japan that has to face the keenest hostility. Moreover, the Nationalist cause has apparently triumphed. The armies of the Nationalists and their Allies, Governor Yen Hsi Shan and Marshal Fêng Yü Hsiang, have swept northwards, and the northern forces have withdrawn before them into Manchuria. Marshal Chang Tso Lin has passed from the stage for ever. The reunification of China would seem, on a superficial view, to be almost completed. In truth, however, it is far from completed. There are deep inner divisions in the ranks of the Nationalists, and further, neither Yen nor Fêng are either members or subordinates of the Nationalist Party. Moreover, Japan has tendered pointed advice to Manchuria not to enter the Nationalist fold. Civil control of the militarists, even within the Nationalist ranks, has not yet been achieved, and until it is achieved the Government cannot govern. Nor can it fulfil the new obligations it is anxious to shoulder. During the present year its promises and undertakings have been repeatedly violated.

In this changed situation, it is but natural that the British Memorandum should have sunk rather into the background. Nevertheless, it is still of primary importance, and is exercising an influence that is difficult to estimate. When it was first issued, it sought to recognise the existing divisions of China. To-day, it tends to perpetuate those divisions. One of the greatest obstacles the Nanking Government is meeting in its efforts to achieve unified control is the financial problem. Centralised government cannot be carried on without centralised finance. And the British Memorandum struck a blow at centralised finance, from which it is still suffering. The local exchequers, even of Hankow and Canton, refuse to remit to Nanking their local receipts. And dilemma once more arises. Any pressure to compel them to yield up their receipts would destroy the semblance of unity and provoke fresh conflict. Yet acquiescence in their retention would end all hope of real unity, and spell the

collapse of the Nanking Government and the complete disintegration of all vestiges of its authority at no distant date.

I repeat that my purpose is not criticism of Sir Austen Chamberlain and his policy. He undoubtedly had the country behind him in his policy, and its aim was both generous and conciliatory. My purpose is to show the enormous difficulty of doing anything. A negative policy in the face of Chinese demands and aspirations was unlikely to check the hostility at that time directed against us. A positive policy of conciliation produced unexpected results, was followed for several months by intensified attacks on British persons, property and trade, and to some extent isolated us internationally for a time.

II.

[The dilemma dealt with in this section of Mr. Rowley's paper was that created in the industrial sphere by the competition of native Chinese factories, with very long hours, low wages, and *child labour*. Foreign firms must either authorise similar conditions in their works, or submit to be hopelessly worsted in the competition for business.]

III.

For my third Dilemma we turn again into a totally different world. It is one that confronts us in our Church work in Shantung. The policy of the B.M.S. in Shantung has been to create an independent Chinese Church. When a group of people form themselves into a Church, it is for them to invite their own Pastor, and his maintenance is their concern. In the affairs of the Church, we, as a Mission, have no place. They have their own Associations and Unions, and missionaries can only attend as they are invited by the Chinese. The management and finance of their Churches is wholly their responsibility. Where we help with Mission Funds is in the maintenance of evangelistic work in the cities and outside Church areas. Evangelists are maintained in various centres, including our Hospitals, to which evangelists are always attached. We also maintain schools and hospitals, and contribute to the support of the Shantung Christian University, where we train various types of Chinese workers—Pastors, Evangelists, Teachers, Doctors and Nurses.

In recent years we are finding an increasingly difficult problem with our Pastorate. It is very hard to get trained men to accept the oversight of the Churches. From their point of view, the problem is twofold. On the one hand, the stipend is too small, and on the other hand, the life and work are unattractive. The Church ordinarily offers a stipend of about 30s. a

month. If the men become evangelists under the Mission, they receive about £2 a month. As against this, their fellow graduates from the Arts School, who become teachers in secondary schools, commence with £4 to £6 a month, while graduates from the medical school commence in Mission Hospitals with £6 to £8 a month.

You may say: "Oh well, doctors and teachers in this country receive more than ministers. The ministry is expected to be a sacrificial profession. And don't you find that it is the finest men you get for the ministry, who respond to the call for service without hope of reward?" No, it is not quite so simple as that. These various types of worker receive their training side by side in a Missionary University. They go out to their tasks in various branches of the Christian enterprise in China. They regard themselves, and we encourage them so to do, as sharing in the service of Christ. It is but natural that they should prefer the forms of Christian service which are at the same time more profitable. It is quite different from conditions at home here. It is true that the ministry is a sacrificial profession to a greater extent, say, than the medical profession. But then, the doctors are not paid out of the Church funds. In China we have, say, a hospital, with a Chinese doctor receiving \$70 a month, and an evangelist receiving \$20 a month, both paid out of the same exchequer. Obviously, it would appear, we regard the doctor as a more important asset to the Christian cause than the mere evangelist. There is, therefore, a tendency for the best men to prefer other forms of service, and the poorer type of men to take theological work. There are, indeed, some notable exceptions. But it must be frankly admitted that, speaking generally, we do not get the best men for the work of Pastors and Evangelists.

When we add to this financial attraction to other forms of Christian work the incomparably better conditions of life, we are bound to admit that there is not much to take a man into the pastorate. The pastoral areas are large, and each circuit comprises many Churches. The Pastor must therefore tramp many weary miles from village to village, often with his bedding over his shoulder. He will find no intellectual companionship amongst his parishioners, and will be isolated from all the amenities of town life. If he chooses medical work, or teaching, he will necessarily be in a town, and life will be altogether easier and pleasanter for him.

Why, then, should we appear so to dishonour evangelistic and pastoral work, and reward so much more highly from Mission Exchequers these other forms of service? It must be recognised that if a doctor chooses to open a medicine shop on

the street, instead of working in a Mission Hospital, he can make much more than the £6 to £8 we give him. If a teacher chooses to go into non-Mission work, he can get a much higher salary than the £4 to £6 we offer him—though in many cases his salary in a Government school is merely nominal, and he would be glad to see half of it paid regularly in good solid cash! But the Pastor or Evangelist has no "market value." "But how atrocious," you say, "to take advantage of that fact!" That is how many missionary societies feel, and they therefore pay their evangelists and pastors on a much higher scale. But they have to be paid with foreign funds. And there is no pretence or attempt to build up an independent Chinese Church. We, on the other hand, have tried from the first to build up a Church which could stand without us.

The Church simply could not afford to pay salaries of £4 or £5 a month. The members are mainly very poor indeed, and to them such a sum would seem like enormous wealth. And our resources are quite insufficient for it, even if we were convinced that it were the right policy. In order to do it we should have to close down a great deal of our work immediately. But primarily it is with us a matter of policy. We pay our Evangelists, who are supported by Mission Funds, approximately what the Church pays its Pastors—not because we feel it is enough as compared with the remuneration of the other types of worker, but because we do not wish to draw the theologically trained men from the service of the Church. Usually we are a little in advance of the salary offered by the Church, but rather with the hope that we shall thus stimulate the Church to do a little bit extra. And very real, though gradual advance, has been made. We believe this is a sounder policy than heavy subsidy for the pastorate from foreign funds, even if we had the resources. For if we made up the pastoral stipends to £4 or £5 a month with foreign help, we should separate the Pastor from his people by a very great economic gulf. For it must not be forgotten that while the present salary of the Pastor is deplorably low, the same thing is true of the economic level of the Chinese Church membership. It is not our business to take selected classes of Christians, and force up their economic position by subsidy from this country or America. We cannot lift the masses of China by subsidy to a higher economic level, greatly though we long to see them lifted out of their poverty and need. That is not our mission, nor are our funds subscribed for that purpose or more than the tiniest fraction of what would be required. We cannot even lift the whole Church membership by subsidy to a higher economic level. Nor would it be good if we could. And I strongly doubt the wisdom of artificially doing it for selected smaller groups.

Again, then, we have Dilemma. On the one hand, there is the "market value" of some of our workers, and the alternative positions they could take if they chose. Add to this the policy of other Missions, which are mostly in advance of us in forcing ever higher the salaries of doctors and teachers employed by the Missions. It is increasingly difficult for any Mission to stand to itself alone, especially if it engages in co-operative training work, as we do at Tsinan, and we are carried in the wake of other Missions to some extent by the simple fact that our doctors and teachers would migrate to them unless we offered a salary which bore some reasonable relation to what others offer. On the other hand, we are limited by our resources, and by our desire not to overthrow the established independence of the Church. We believe that the creation of a great economic difference between the Pastor and his people would not be in the interests of the Church, and that it would be unwise to convert the Pastor into a foreign paid agent. In times like these, when the Church is being so much attacked in China, when the Christians are called the "running dogs" of the foreign imperialists, it would not seem wise to turn on our tracks and destroy the independence that has been achieved.

IV.

Here, then, I leave my Dilemmas. I have carefully refrained from suggesting even possible ways of resolving them. These are merely sample problems from China. And China's problems must increasingly be ours. My hope is that I have said enough to show their complexity, and to warn against any shallow and superficial attempt to solve them. They demand hard thinking. And no solution can be free from difficulty or proof against criticism. This does not mean that no solution must be attempted. But it does mean that our criticism of any honest endeavour to solve them shall be sympathetic.

I have a great and passionate love for China. I long to see her great and happy, taking her true place in the life of the world. None can make her great but herself, and the arduous and sustained efforts of all her sons and daughters are necessary. But we may help or hinder her. No longer can she live unto herself. There are times when it may be our duty to thwart her, and times when we must succour her. Let all be done with no selfish eye to our own interests or comfort, but in the spirit of service for China and for the world, and above all in the spirit of service for the Christ, who loved and gave Himself for us all, and who now through us seeks China and claims her for His own.

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