

soon as Mr. Donald had arrived here on Dec. 14 and the generalissimo had recovered somewhat from his natural indignation and reluctance hitherto to talk, he calmly enough discussed the problems confronting us all and by the 15th had agreed in principle with the points we had in view for the adoption of a defined national policy and the effecting of changes permitting the nation to develop logically and freely politically and materially.

warfare his colleagues there had launched and which they undoubtedly would desire to keep going in preference to materializing active defense against Japan."

Further stressing that it was strange Nanking had not sent amy strange Nanking had not sent amy emissary, Chang Hsueh-liang closed his statement with the declaration that he was ready to proceed to Nanking, stand trial before the nation and accept punishment. That a virtual impasse has developed in Nanking is evidenced by the fact that although Chang Hsueh-liang has been pardoned he is kept under surveillance by the Military Affairs Commission and also that while Chiang Kat-shek is in retirement at Fenghua, armies have been ordered to march through Shensi and occupy Sian and Lanchow, Kansu's capital. This military movement is deplored by those who feel that military pressure now will probably result in having Chang Hsueh-liang's and the other armies involved in the Sian coup join with the Communist forces.

Pretext for Japan Seen

Any such development would give Japan the desired pretext for drastic action, it is asserted, and this is believed by certain circles to be precisely what the Nanking "ca" "It was felt that only by means of stern measures could it hope to prevent further aggravation of the situation and that only military rebellion but also would have caused the 'rebels to intepsify their demands and would have caused developments."

bal" was aiming to achieve when it sought to launch a punitive expedition against Sian.

The upshot of the Sian affair, according to the version now presented, has been that Chlang Kai-shek did not find enemies to the continuance of his power in Sian but his most departure anomies in his

points we had in view for adoption of a defined national policy and the effecting of changes permitting the nation to develop logically and freely politically and materially.

Welcomed Any Emissary

"I therefore telegraphed on the night of the 14th, welcoming any one to come from Nanking to hear the generalissimo's views and arrange with him for the necessary safeguards to prevent the development of civil war.

"The generalissimo naturally vigorously demanded that he be released and proceed to Nanking, but while I personally had full confidence that he would carry out his promises, it was impossible to risk his being persuaded after his arrival in Nanking to continue the warfare his colleagues there had launched and which they undoubtedly would desire to keep going in preference to materializing active defense against Japan."

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Clique That Insisted on Punitive

Clique That Insisted on Punitive Expedition to Sian Held to Have Sought His Death.

Werston Absolves Chang

Version Absolves Chang

Coup Called Sincere Attempt at Unity, Not a Mutiny—Suppressed Message Bared.

Wireless to Tes New York Times.

HONGKONG, Jan. 11.—Another version of the Sian coup of Dec. 12 has been received by this correspondent. According to it, the detention of Generalissimo Chiang's major with the federation of Generalissimo Chiang's major with the solution was wrought to the highest pitch of excitement, while was far more endangered by the government's aerial bombers than by his captors.

Moreover, this version has it, a small but powerful Nanking canal actually posed behind the legalistic statement that the mutiny must be suppressed and was Kat-back's life. Spents proved, it is declared, that these mag had long been entrenching themselves against his possible death and had aven apportioned offices and territories among themselves.

Documents Support Version

A series of documents supporting this version has come under the winder services.

Documents Support Version

A series of documents supporting this version has come under the winder of the suppression of public opinion and public grows and territories among themselves.

Documents Support Version

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Bocuments Support Version

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Documents Support Version
A series of documents supporting this version has come under the writer's observation. Entirely contradicting previous widely publicized versions of the Sian affair, they indicate that General Chang Hsueh-liang, instead of typifying the worst characteristics of Chinese politics, which for years have blocked the country's unification, in reality acted desperately, hoping to force reforms at home and sturder policies abroad.

The Sian coup, it is declared, also established the fact that the old-style treacherous political militarism has become strongly entrenched in certain inner circles of the government.

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The Sian coup, it is declared, also established the fact that the old-style treacherous political militarism has become strongly entrenched in certain inner circles of the government.

These revelations, if true, doubtless presage drastic changes in high government circles if Chiang Kai-shek is to retain his paramount position and startling alterations in foreign policy would also follow. Chiang Kai-shek, according to the latest version, was not detained at Sian because a polt existed for his overthrow, nor was he held as a means of forcing millions of dollars from the government or his family. Chang Hsueh-liang the provided in the fact of the carth. The fact of the earth. The fact of the earth. The fact of the earth of the fact that the old-style treacherous political militarism has become strongly entrenched in certain inner circles of the government. These revelations, if true, doubtless presage drastic changes in high government circles of the government of the fact that the old-style treacherous political militarism has become strongly entrenched in certain inner circles of the government of the government of the fact that the old-style treacherous political militarism has become strongly entrenched in certain inner circles of the government.

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Chiang Kai-shek was taken to Sian under heavy guard. The younder heavy guard. The yound 'marshal' repeatedly stood before him hours on end, refusing to be seated in the presence of his chief, while he pleaded for dispassionate consideration of his proposals.

From Dec. 14 onward Chang Hsueh-llang sent the government repeated telegrams reiterating his paredific intentions and expressing his readiness to release the generalismin if the government sent a suitable emissary. Chiang Kai-shek's release, according to this version could easily have been effected within four days after the coup, but instead the crisis was prolonged until the close of the fourteenth day.

BSOLVES CHANG

Chinese despite their views, at the worst are not a menace to their country, as are the Japanese, and have in them, if the authorities would take the trouble to ascertain, patriotism, reason and reform of the spirit which might be utilized in the country's service."

Would Fight Foreign Foe
Above all, Chang Hsu liang's statement proceeds, he and his associates want China's armed forces used against the invading foreign foe and not against the Chinese people.

"The national army has not moved one step against Japan, but swift as thought we see it being mobilized against me now while our enemy is within our country, fattening at will upon its riches," it goes on.

"The world has been presented with a spectacle the like of which has not hitherto disgraced history, and we are trying to prevent the recurrence of such a spectacle forevermore. That, in fact, is to be the end of all this effort, to get the generalissimo to abandom the ideas of officials who militate against the very life of China."

The statement adds that the young "marshal's" group desires the continuance of Ching Kaishek's leadership and does not wish to curtail his 'powers but wants them marshaled on behalf of the broad interests of China, not in the inarrow interests of selffish and unpatriotic cliques. The statement continues:

"The gentalissimo's prolonged."

continues:
"The generalissimo's prolonged stay here is not of our doing. Asi

REEL No. A-0870

アジア歴史資料センター

IN NORTHERN CHINA

Shensi Generals Send Further Demands to the Government, Which Bars Acceptance

RED INFLUENCE IS SEEN

Situation Is Held Dangerous Unless Way Is Found to End Communist Propaganda

By ARCHIBALD STEELE

Wireless to THE NEW YORK TIMES.
NANKING, China, Tuesday, Jan. 19.—Once again the government is reported to be on the eve of launching a punitive expedition against rebellious Sian, in Shensi Province.

It is reported that Jan. 15 had been secretly set as the date upo which General Yang Fu-cheng must agree to accept the government's orders and that this date was later extended to last mid-

On Jan. 16, General Yang telegraphed his acceptance, but yester-day he formulated new and unacceptable demands. The government again holds that General Yang has proved rebellious; hence, the cen-

It is intimated here that arrangejority of General Chang Hsueh-Central Government generals, leav-

General Chang Hsueh-liang's regarrison area for the tractable por-tion of his troops, suggesting Hunan, Anhui or Kwangtung Porv-inces. It is understood that Anhui is the probable choice of the gov-

Communist Danger Rises

By HALLETT ABEND

nours after having announced willingness to accept government orders for settlement of the Sian re-

be approximately correct is as fellows:

First, legalization of the Communist armies and official recognition of garrison areas for them in Kansu Provinces, with official cancella-

ion of government orders for anti-

tion of government orders for anti-Communist campaigns.
Second, cessation of all civil wars and preservation of the nation's man power for resisting aggressors and for a possible war against Japan. Meanwhile, Chang Hsueh-liang is to return to Sian as Paci-fication Commissioner for Shensi and Kansu, with supreme contro of military affairs in both prov

inces.
Third, hereafter the reorganized former Mancyhurgian armies, General Yang's army and the Communist forces shall be responsible only to their own commanders, who shall have power to appoint or dismiss officers without reference to Nanthere

have power to appoint or dismiss officers without reference to Nanking.

Fourth, the national government must hereafter furnish to these three forces ample military expenses and first-class equipment. High government officials admit the deepest concern over new developments in the Sian situation, the most serious phase of which is the fact that the Communist leaders are swaying the deliberations of Yang Fu-cheng and the former Manchurian generals, while Communist propaganda admittedly is winning over large numbers of officers and men.

Manifold complications are probable soon in Shenshi and Kansu unless methods are devised quickly to check Communist propaganda and fraternization between the Communist and ther forces. For the moment, the government is not worried over General Yu Hsue-chung's 40,000 men but among the other 80,000 former Manchurian soldiers, Yang Fu-cheng's 20,000 present the most serious problem, when coupled with the Communist armles, which are variously reported in strength at from 40,000 to 150,000 in Shensi and Kansu.

In addition, scattered over Shensi are about 250,000 armed men, loosely characterized as "volunteers." An unknown proportion of these have rifles and revolvers while other tens of thousands, who formerly belonged to the Red Spears and other peasant organizations, possess arms ranging from shotguns and ancient rifles to battle axes, spears and pitchforks.

Opportunity for Reds

If this large mass of ignorant

Opportunity for Reds

If this large mass of ignorant and illiterate farmers and laborers should become imbued with Com-munist fervor the situation would admittedly hold serious possibili-

munist fervor the situation would admittedly hold serious possibilities. The present crisis affords the Chinese Communists the greatest opportunity they have enjoyed since 1927, and government leaders are not deluding themselves that the impasse can be easily adjusted.

The geographical situation in the disturbed territories makes possible two serious developments: First, the Communists could make contact with semi-Sovietized Sinklang Province through Northwestern Kansu. Second, they might involve China in hostilities with Japan by striking northeastward, through Sulyuan, and raising the banners of an anti-Japanese movement, heartening the former Manchurian armies with slogans concerning recovery of lost territories.

Former Premier Wang Ching-wei returned to Nanking today after a prolonged absence in Europe and immediately made a public address opposing compromise with the ders for settlement of the Sian revolt, General Yang Fu-cheng and General Châng Hsu-liang's former Manchurian generals have precipitated a new crisis by sending to Nanking four demands, which apparently the government finds itself unable to accept.

It is believed in Shaghal and Nanking that the new demands are inspired by Communist leaders who have been taken into the Inner Councils of the Shensi Province generals. An unofficial version of the demands which is believed to Smust be suppressed thefore China

could attempt to repulse foreign in-

could attempt to repulse foreign invaders.

In addition, 160 Shanghai ganizations, including trade unions, provincial guilds and citizens' associations, jointly dispatched three telegrams to Nanking urging an emediate punitive expedition linst Sian and punishment of Chang Henchligher. Hsueh-liang.

By The Associated Press.

By The Associated Press.

NANKING, China, Tuesday, Jan.
19.—The United States Embassy
was advised today that seventy-five
foreigners had arrived in Tungkwan, Shensi Province, from Sian,
where their safety had beasthought
endangered.

Three British subjects and five
Russians were the only foreigners
remaining in Sian, capital of Shensi
Province, according to the advices

Province, according to the advices the embassy received from Loyang from its second secretary, J. Hall

from its second secretary, J. Han Paxton.

Americans were not specially mentioned, but it was assumed here that the entire group, understood to total twenty-one, was among those arriving in Tungkwan. The foreigners prepared to purely the Loyang today.

A MYSTERIOUS SEQUEL

NEW YORK TIMES

To Western minds the sequel is no less haffling than the melodramatic kidnapping and the subsequent "unconditional" release of CHIANG KAI-SHEK. For the past several weeks since the return to the capital of the Generalissimo with his "penitent" captor, the public statements from Chinese sources-perhaps deliberatelyhave been so contradictory that there is no certainty whether or not CHIANG has made the fateful choice of committing himself to CHANG HSUEH-LIANG'S radical program of cooperation with, instead of war against, the Chinese Communists and a firmer attitude toward Japan.

Out of the welter of conflicting reports it is evident, however, that CHIANG KAI-SHEK, still incomparably the strongest man in China, is weakened not only by the regionalism of provincial war lords but also even by serious factional opposition in his own capital. The report from Hongkong last week that the hostile Nanking clique had sought to destroy him, under the guise of bombing Sian, when he was held captive in that city confirms the statement issued to the press by Mr. DONALD, political adviser to Mme. CHIANG, and is so circumstantial as to be plausible.

The obvious lack of unanimity and team play in the Nanking Government may help to explain CHIANG'S hesitancy in defining his position on the crucial question of working with the Chinese Communists and with the generals who, like CHANG HSUEH-LIANG, favor such cooperation. None the less, CHIANG, while recuperating in Fenghua, where he was joined last Wednesday by CHANG, has made several gestures of conciliation and has repeatedly given the impression that no military action would be taken against CHANG'S associates in the northwest-Generals YANG FU-CHENG and YU HSUEH'-CHUNG. At the same time the conservatives in Nanking reiterate the determination of the Nationalist Government to crush the Chinese Communists and also the "rebellion" of Generals YANG and YU.

- The demands attributed in Nanking to the northwestern generals would seem to be impossible for the Central Government to accept. They include legalization of the Communist armies and official recognition of garrison areas for them; cessation of all civil wars and preservation of the nation's manpower; return to Sian of CHANG HSUEH-LIANG as pacification commis sioner for Shensi and Kansu (the two northwestern provinces); recognition of the responsibility of their own com-

manders for General YANG'S army and the Communist forces; furnishing of ample military expenses and first-class equipment for these forces by the Na tional Government.

Presumably these sweeping demands of the northwesterners are put forward less as an ultimatum than as a basis for bargaining. CHIANG KAI-SHEK'S response should help to solve the mystery of his attitude on the most critical issue

in China today-the proposal to broaden the basis of national unity to include Chinese Communists, with a view to ultimate military resistance to Japan

One of the latest theories has come from an American correspondent in Tokyo, and his theory, alone of all those advanced to date, has thus far stood the test of new facts and new developments. This does not mean that this man's reasoning is without flaw or fallacy, or that it is wholly convincing, but it does have the merit of being supported by circumstantial evidence the validity of which has not yet been disproved. In short, this experienced Far Eastern observer believes, as James Wu suggested in a letter to The Sun ten days ago and as was stated in The Spillway, that Chiang Kai-shek arranged the kidnapping himself.

At first it was stated that Marshal Chang Hsueh-liang made Generalissimo Chiang his prisoner the very afternoon he stepped foot in Sianfu. But it now turns out that Chang and Chiang had been engaged in conversations of an undescribed character in Sianfu for five days before word was sent out that Chiang had been abducted. That, plus the fact that Chiang is known as a shrewd and wary man, would seem to lend credence to the theory that the Nanking dictator was not altogether an innocent victim in the affair at Sianfu.

In addition, there now comes from Shanghai a report to the effect that a conspiracy within Chiang's own Nanking Government and directed against him has been discovered. According to this report, Chiang was aware of the existence of this hostile cabal and deliberately staged the kidnapping in order to show the conspirators that he had a united nation behind him Realizing that he had succeeded in this. the Shanghai version continues, the cabal ordered the Nationalist armies to proceed to Sianfu, ostensibly to rescue Chiang, but actually to put both Chiang and Chang

No one on this side of the Pacific would be so presumptuous as to say just what the truth of the matter might be. Yet it is interesting to note that Chiang Kai-shek has absented himself from Nanking ever since his return from Sianfu; that certain military leaders, supposedly members of the anti-Chang cabal, are now in charge in Nanking, and that Marshal Chang, although pardoned by Chiang after having been sentenced to ten years' imprisonment, remains to all practical purposes the prisoner of these military men. This suggests that something of more than passing importance may have happened in Nanking.

BIDAYJAN 15 1937 U.S., BRITAIN SHOW ANGER WITH CHINA

> Failure to Provide Planes to Rescue Nationals From Sian.

> Embassies Are Incensed Over

GERMANS ARE TAKEN OUT

Nanking Opposition to the Use of Force Against Rebellious Shensi Is Increasing.

Special Cable to THE NEW YORK TIMES.
SHANGHAI, Jan. 14.—Officials of the United States and British Embassies are becoming highly incensed at the attitude of the Chinese Government concerning providing airplanes for evacuation of their nationals from Sian, Shensi Province, where rebellious troops

their nationals from Sian, Shensi Province, where rebellious troops hold sway.

It is pointed out by these officials that several planes made repeated trips to Sian and returned to Shanghai and Nanking, although Chinese officials in Nanking assert that it is impossible to send planes to the Shensi capital under present conditions. The foreign officials insclape anguly that these planes frequently carry only one passenger to Sian, and that on the return trip they have evacuated Chinese officials and German nationals from the danger zone.

The semi-official Central News Agency in Shanghai has issued a statement attempting to refute the foreign criticism of the government's failure to furnish airplanes for evacuation of foreigners. This statement ignores the fact that some Germans have already been rescued.

It blames General Yang Eucheng

rescued.

It blames General Yang Fu-cheng for detaining the foreigners and naively declares that greater progress would be made if the American and British military attaches ican and British military attaches now at Loyang, Honan Province, "rendered the assistance believed to be in their power." It asserts that if these foreign officials obtained General Yang's promise not to detain any planes, evacuation would be a simple matter.

Compromise Hoped For

Uncertainty continues concerning the secret Fenghua conferences of Generalissimo Chiang Kal-shek, Chang Hsueh-liang and other military leaders, but hopeful views are expressed that a compromise will

expressed that a compromise with result.

Here and in Nanking sentiment is spreading against the use of force for settlement of the Sian situation, and only a small group of Nanking military men and politicians continue to insist upon the necessity of a punitive expedition.

The Sian defenders are reported to be laying mines and digging trenches around Chihshui, a small town forty-three miles east of Sian, and also in the vicinity of the villages of Weipei and Chiaokow, and minor clashes are reported in all these sectors.

The government military head-quarters at Tungkwan reports that General Yang sent a delegation there with a plea to cease all military operations along the Lunghai Railway, but the delegation returned to Sian with a message that General Yang must accept the orders of the Central Government and immediately evacuate the Shensi capital. General Hau Hsiang-chen's Communist armies are reported to have left the towns of Kanchow and Liangchow, strongholds in Kansu Province, and to be advancing upon Lanchow, the capital.

FRIDAY JAN 15 1937

advancing of the families of many officers seized the families of many officers of the Seventeenth Division and removed them to a village thirty miles north of Sian, where they are under strict surveillance. This manoeuvre was designed to prevent the division from joining the government side.

the division from Johning the government side.

Liberals Gain in Government special Cable to TEN NEW YORK TIMES.

NANKING, Jan. 14.—Appointment today to membership in the State Council of 97-year-old Ma Hisiangteh is believed to be the first indication that the government is like to meet the demands of Libera for a greater share in the administration. This venerable statesman is strongly sympathetic with the Party for Salvation of the Nation.

A German observer who has returned to Nanking from Sian says General Yang is friendly toward foreigners but is reluctant to permit any of them to leave, believing their presence is a form of insurance against an aerial attack.

Several thousand Chinese refugees are leaving Sian daily afoot. Man report that when they reached the front lines of the rebels they were forced to "contribute one day's free labor to the cause of national salvation," digging trenches for the rebels before they were permitted to proceed.

Agnes Smedley, Author, Takes Leading Role as 250,000 Men Plot Northwest Red Regime.

SHE RADIOS PROPAGANDA

New Fighting Is Reported in Sian-Safety of Americans in the Area Is Feared For.

-A quarter-million armed men were reported today to have joined in a movement to create a great Comwith an American woman playing

a spectacular rôle in the uprising.

Agnes Smedley, former Colorado
schoolteacher, who has long been schoolteacher, who has long been associated with radical movements in Asia, was described as conducting radio propaganda to unite large disaffected military units in Shensi and Kansu Provinces under the Red banner in defiance of the Nanking

some hand the state of the Nanking government.

Some 200,000 soldiers formerly belonging to the "Northwest Communist-Supression Army" of Chang Issueh-liang, reliable reports said, joined 50,000 of their Communist former enemies to make the two Northwestern provinces one large Communist-ruled community.

Sian, capital of Shensi, seemed doomed, observers feared, to recurrence of the disorders of the Dec. 12 uprising, when General Chang and his followers mutinied, seized Generalissimo Chiang Kai-shek and demanded readmission of Communists to Chinese political life to form a common front for war against

nists to Chinese political life to form a common front for war against Japan.

Generalissimo Chiang was freed on Christmas Day. General Chang was sentenced to ten years' imprisonment and then pardoned.

The resurgence of the Communist movement in Shensi and Kansu was signalized by sudden appearances of Communist flags in Sian. Chinese newspapers were filled with exhortations. Radio stations launched an intensive campaign to spread the Red gospel.

In the forefront of this campaign, said reliable sources, is Miss Smedley, who is believed to have gone to Sian from Shanghai about the time of the Dec. 12 uprising. Every few hours she has been broadcasting in English appeals for recruits for the Red uprising against Nanking.

Author of three books lauding the Chinese Communist movement, Miss Smedley has lived in Shanghai nearly ten years.

One report, still unconfirmed, said General Yang Fu-cheng, leading Shensi militarist, had declared himself dictator of the province. General Yang was the chief lieutenant of Chang Hsueh-liang in the Dec. 12 uprising.

It was estimated 65,000 of Chang

uprising.
It was estimated 65,000 of Chang
Hsuch-liang's former followers,
many of them vaterans of the
armies he commanded when over-

NEW YORK TIME.

New York Manchuria, prior to 1921,

were in disorderly domination of

Sign. They were reported surging
through the streets, intimidating
the populace, looting and bringing
business to a halt.

Military authorities ordered sandhag barricades and trenches thrown
about the city.

Special Cable to The New York Thess.

NANKING, Jan. 6.—Apprehension is growing at the United States Embassy here over the safety of the eleven Americans remaining in

the eleven Americans remaining in Sian.

The embassy has received no word from the Shensi capital in two days, but Chinese official circles admit that the Communist influence there is increasing and declare settlement of the Sian affair is becoming increasingly difficult.

Official circles were further perturbed late this morning upon receipt of reports that fighting had broken out within Sian between different factions, some approving evacuation in face of the government advance and the others favoring stiff resistance.

Terms of Accord Reported

Terms of Accord Reported
Wireless to The New York Thirs.
TOKYO, Jan. 7.—The price paid
for Chiang Kai-shek's release was
embodied in an eight-point document drafted by Mrs. Sun Yat-sen,
signed at Sian by Mrs. Chiang and
her brother, T. V. Soong, and witnessed by W. H. Donald, adviser to
the generalissimo, according to the
newspaper, Asahi, which claims to
have received this information
from reliable sources in Tokyo.
That formula often implies that
the information has been obtained
by the army's agents in China, but
it does not guarantee its accuracy.
The points are:

1. Release of the generalissimo
and guarantee of Chang Hsuehllang's safety.
2. Preparations for an anti-Japanesse movement shall be begun by
seeking rapprochement with the
United States, Britain, Russia and
France.
3. Suspension of punitive expedi-

seeking rapprochement with the United States, Britain, Russia and France.

3. Suspension of punitive expeditions against Chinese Communist armies. This does not imply cooperation with Communists.

4. The Central Bank of China will provide 10,000,000 Chinese dollars to pay Chang Hsueh-liang's army arrears.

5. Reorganization of the Nanking government and dismissal of pro-Japanese elements.

6. Release of six Communist leaders now detained in Shanghai.

7. Chang Hsueh-liang shall observe strict secrecy regarding the diaries written by the generalissimo during his captivity in Sian.

8. Cancellation of punitive measures against General Chang's forces.

As read by Japanese commentations of the programment.

forces.

As read by Japanese commentators, the vital point of agreement
is the cash payment whereby
Chang Hsueh-liang's young officers, who instigated the coup, are
satisfied.

AUTHOR ONCE JAILED HERE

Miss Smedley Was Held for Agi-

credited with playing an important rôle in a campaign to establish a Communist régime in Northwest China, was born of poor parents in Oklahoma, according to The Asso-dated Press. She is about 40 years old.

She started teaching school in Colorado mining districts at the

age of 14 and since then has been a reporter, a novelist and andent of Communist tactics. Her published works are "China's Destiny," "China's Red Army Marches" and "Daughter of Earth."

For some time she worke for the liberation movement for Issa and during World War days was in Tombs Prison for three months for her activities in behalf of that movement. The late Dr. Percy Stickney Grant raised \$10,000 ball for her release. A year later she was discharged for lack of evidence.

Freviously, in New York, she became interested in the work of Margaret Sanger, with the pault that in Berlin she organized the first birth-control clinic, while was so successful that it was subsequently taken over by the government and administered as a Department of the State.

administered as a Department of the State.

Two years ago she said China was on the brink of the greatest disaster in history three the armed intervention by foreign powers to crush the Red army of "Soviet China."

Miss Smedley has been a secretary to Mrs. Sun Yat-sen grife of China's first President, and aided her in establishing, in 1933, the Chinese League for Civil Rights to give the people democratic rights give the people democratic rights and to end the torturing of political

NEW YORK HERALD TRIBUNE

SATURDAY JAN 16 1937

U. S. Diplomat Flies to Sianfu **ToAidHostages**

20 American Missionaries Reported Held by Rebels to Deter Bombardment

By Victor Keen By Victor Keen
From the Herald Tribune Bureau
Copytight, 1937, New York Tribune Inc.
SHANGHAI, Jan. 15.—Willys R.
Peck, counselor of the American Embassy at Nanking, fiew to Slanfu, capital of Shensi Province, today in a chartered plane to investigate the possibilities of evacuating American missionaries from that center of a rebellious movement.
There have been reports that twenty-odd Americans are being detained there and not allowed to communicate with American officials outside.

twenty-odd Americans are being detained there and not allowed to communicate with American officials outside.

Peck arrived at Sianfu at 3 o'clock this afternoon and received permission to remain over night.

His report on conditions in Sianfu, particularly as regarded safety of foreigners, is eagerly awaited. Born in Tientsin, Peck, who is fifty-four years old, speaks all the principal Chinese dialects and does not require an interpreter to negotiate with General Yang Hu-cheng, self-styled chairman of Shensi Province and co-leader of the rebellion, which was started by Marshal Chang Hsueh-liang as an anti-Japanese manifestation.

Peck's visit is believed to be prompted by anxiety arising from allegations that General Yang is not allowing foreigners to leave Sianfu but intends to hold them as hostages to deter Nanking government forces from bombling the Shensi capital. Peck is the first foreign diplomat to visit Slanfu since the rebellion began.

Pending peace negotiations with the rebel leaders, government forces prepared to close in on Sianfu from three directione—from Kansu frowince, on the west; from Ninghsia, on the northwest, and from Shansi and Honan Provinces to the east.

Wang Ching-wel, chairman of the Central Political Council, arrived in Shanghai yesterday from Europe following an extended health trip, and telegraphed to Generalissimo Chiang Kai-shek expressing his intention shortly to proceed to Fenghua, Chekiang Province, to interview the government chief regarding the political situation. Wang is still in imperfect health as a result of the attempt against his life on November 1, 1935, when he was Premier. The assassin's bullet is still in his back.



BRAINS AND POWER: MARSHAL CHANG, MRS. KUNG, MRS. CHANG, GENERAL AND MRS. CHIANG KAI-SHEK

CHINA'S Big S

That's Chiang Kai-shek, whose kidnaping recently threatened a new crisis in the Far East. For a decade he has waged a war a year to keep China in hand - but he won't fight Japan! Read this vivid sketch of the "Ningpo Napoleon"

by GEORGE E. SOKOLSKY Author of "Tinder Box of Asia," "Labor Fights for Power," Etc.

rounded by a lation. But when we talk of Ningpo, we really mean the congeries of small villages in which the wealthr families live in small, whitewashed houses, but most families have only

thatched-roofed mud huts. In such a village, Fenghua, Chiang Kai-shek was horn fifty years ago. His family were farmers and possessed perhaps the but his father died early and a widowed mother with two boys had very little to offer either of them. She managed to send Chiang to the village school, however, where he displayed neither mental brilliance nor physical strength.

Ningpo is often regarded as the Scotland of China, habitants leave the region to work elsewhere. And wherever they go, they

become shrewd business men and bankers. The rich compradore class of Shanghai - the Chinese business men who make money for foreigners and very much more for themselves - come mostly from Ningpo. That's how the expression, "Ningpo More Far" arose -- it NEW YORK TIMES

CIVIL WAR AVERTED IN CHINA'S REVOLT

SUNUAY JAN 17 1937

Settlement Reached Between Government and Rebels in Shensi Province.

FACE-SAVING PLAN SEEN

Terms Are Not Yet Announced -Americans Safe in Sian, but They Will Be Moved.

By HALLETT ABEND Wireless to THE NEW YORK TIMES.
SHANGHAI, Sunday, Jan. 17.— Early this morning telegrams were received in Shanghai from Generalissimo Chiang Kai-shek's headquarters at Fenghua and also from government offices in Nanking anouncing that there would be no

civil war in Shensi Province. Details of the settlement were not told in the telegrams, which briefly stated that Generals Yang Fucheng and Yu Hsueh-chung and all of the generals of Marshal Chang Haush-liang's armies had agreed to abide by government orders. Although not announced, it was expected the government would modify its previous orders, which aimed at the government's occupation of Sian and the entire Lunghai railway, as well as towns on the trunk highway from Shensi to Lan-

chow, capital of Kansu Province. It was understood yesterday that parleys had been proceeding in the last few days on a plan under which General Yang Fu-cheng, who is chief of the former rebel head-quarters at Sian, would pledge his bedience to the Nanking Government, which, in turn, would permit him to remain in undisputed poseassion of Sian and all of Southern Shensi. The government punitive force under that plan would be withdraw to Tungkwan and points eastward provided General Yang agreed not to permit Communis rmies to enter Sian.

Face-Saving Seen in Plan An arrangement of this kind, while nominally realigning General Yang Fu-cheng under the govern-ment's banner, would leave this former bandit chieftain in control of the provincial capital and securely astride the Lunghai Railway, which is already extended beyond Sian and is projected into Kansu's capital, Lanchow, with a branch line southwest to Szuchuan's capital, Chengtu.

A settlement of this kind would really decide nothing, but could be construed as face-saving all around

and would interpose General Yang's army between the government's and the Communists' forces.

If such a compromise has been

consummated, it means the defeat of the dwindling Nanking clique that has been favoring a punitive expedition and it also necessarily means the abandonment of the government's long campaign shandonment, it is understood Generalissimo Chiang Kai-shel agreed to when he was release after his detainment for a fortnigh at Sian.

According to Nanking's own official statements of the last week or more, General Yang's forces have been imbued with Communis propaganda and General Yang has been welcoming Communist leaders and workers at Sian while his forces have been fraternizing with forces have been fraternizing with the Reds. If the government's assertions in this connection are well founded, then a compromise with General Yang necessarily means a compromise with the Reds, regardless of how final official announcements gloss over the facts.

If the Sian revoit has been settled along the lines detailed above it will mark the third time within eight months that Nanking has compromised with a rebellion in

terests of attempts at unification. The first compromise, in mid- Kai-shek. The settlem political victory after threatening clearly heard in Nanking hostilities.

whose appointment to the Hopel-Chahar foreign affairs commission
Japan has protested, has announced he is "too ill to accept this proffered post."

Wireless to The New York Tries.
NANKING, Sunday, Jan. 17.—While signs multiplied that civil war in the Northwest had been definitely averted, it was announced here that General Yang Fu-cheng had issued a circular telegram announcing he was willing to resume the government post of Shensi Pacification Commissioner. Thus the defiant rebel leader of the last few weeks would become an important government official.

An airplane that returned to Nankink from Sian with Willys R. Peck, counseloir of the United States Embassy, brought sixteen Chinese delegates representing the central government and all the Shensi factions. These latter delegates are understood to have brought written assurances of loyalty from Generals Yang Fu-cheng and Yu-Hauen-chung and all the commanders of Marshall Chang Hsueh-liang's former Manchurian armies.

It is understood a written formula for settlement will be sent by air-

seeking to avoid civil war in the in- plane to Fenghua Sunday for the approval of Generalissime Chiang Summer, resulted in bringing the no mention of the future status of Kwangtung area into the govern-the Red armies. Communist activ-ment's zone of control. The second ities in Sian, however, are continuoccurred early in September, when ing unabated. A pro-Communist the Kwangsi leaders achieved a radio broadcast from Sian was hours yesterday, despite A dispatch from Peiping reports that General Chia Te-yao, against terfere. A woman, believed to be whose appointment to the Hopei-Chahar foreign affairs commission broadcasting in German, desired:

NEW YORK TIMES

Chiang is quick tempered, but slow to make up his mind. Once that happens, he is as stolid as a blue-nosed

He can be ruthless; yet he is good to his friends and has spent a king's ransom improving his native village of Fenghua. He can view the wiping out of thousands of young Communists without batting an eye, but he grows sentimental about the young officers of his army and organizes the "New Life Movement" for the good of their bodies and souls.

of their bodies and souls.

Chiang Kai-shek married the beautiful Mei-ling Soong. I saw lots of them during their courtship. For Chiang, it was really a love match, and Mei-ling regards him with the awe that is the due of heroes. Together they have produced a great team. Mei-ling Soong is a Wellesley girl with an ability for hard work. Whereas Chiang knows no foreign language adequately, Mei-ling Soong competently handles Western literature — and she even reads technical works. So Chiang is not dependent upon lazy and incompetent secretaries — nobody can fool

his wife.

The Soongs are all competent. It is a remarkably gifted family. There is Dr. H. H. Kung, a brother-in-law, who is Minister of Finance, and T. V. Soong, who held that job for a long time and now heads the Bank of China, and T. L. Soong, who is also

They all advise and help Chiang Kai-shek. And then there is Madam H. H. Kung, the eldest of the Soong sisters, who is as bright a woman as

ever lived and who is called the "brains' of the Soong clan.

When Chiang married Mei-ling Soong, he married into a family that is as good as an efficient cabinet. And the Soongs are as brave as they are competent, so that Chiang is not let down in emergencies.

Several times attempts have been made to assassinate Chiang Kai-ahek. I remember once some enemies hired one of his bodyguards to shoot him while he slept. Chiang opened his eyes, looked at the would-be assassin and shouted, "Shoot!"

The assassin dropped on his knees and pleaded for mercy. He afterward said that the General's eyes frightened him.

His recent kidnaping by Chang Hsueh-liang at Sianfu was of a different character. Chang, whom we will call the "Young Marshal" to save confusion, is an unattractive personality who used to use narcotics, from which habit he has allegedly been cured. The Young Marshal inherited Manchuria from his father and lost it to Japan. Subsequently he went into exile in

T. V. Soong and other mutual friends encouraged Chiang to permit him to return to China. Chiang actually arranged for old Manchurian troops under his control to be placed under the Young Marshal. So there ought to be deep gratitude—in fact, such a relationship should involve filial piety, according to the Chinese sages.

Now, it is all nonsense to suggest that the kidnaping took place because the Young Marshal wanted Chiang Kai-shek to adopt a violently anti-Japanese policy. Nor do I believe that he wanted Chiang to tie up with Soviet

As far as the facts are available, the Young Marshal held Chiang up for a better district for his armies,

where more taxes can be collected, and where he would be a more important figure in current Chinese affairs.

And I should imagine that Chiang treated him with contempt, but that T. V. Soong and W. H. Donald, both of whom are in a large measure responsible for the Young Marshal because they spoke so well of him to Chiang, worked out some face-saving compromise.

In such an affair, the Young Marshal had confederates who are now undoubtedly betrayed. For few of the troops in Sianfu were his, and the other commanders have lost both Chiang Kai-shek and the benefits that come from the kidnaping. At the same time, I am sure that Chiang Kai-shek got away without a specific promise, for time and public opinion worked in his favor.

Had Chiang Kai-shek been killed, it would have been an embarrassment to both Japan and Soviet Russia. They do not want war; both want to dominate China.

And Chiang Kai-shek stands between them, placidly balancing one against the other. The greatest danger lay in that, and not in domestic Chi-

All the lovely oriental phrases of self-blame which both men utter can mean only one thing. Chiang Kaishek wants the humiliating episode forgotten.

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But he will never forget the Young Marshal. Some day he will send him in exile again — perhaps to study military forces abroad, or even to study the American method of growing soya beans.

What Chiang must marvel at most, however, is that the Nanking Government held firm during his kidnaping. I am sure he could not have dreamed that the government would not collapse. Chinese governments usually

collapse before the criticisms of small groups of students.

Chiang's government held in the face of a humiliating kidnaping. It means that the government has come of age. It possesses real power. That will be noted all over China, but even more in Japan and Soviet Russia. And as a result, Chiang's power will be greatly increased both at home and abroad

Now, China is all messed up. She has lost territory to Japan and to Soviet Russia. Queer things happen there, because China is going through a long revolution that has already lasted nearly a century. But Chiang Kai-shek is the first really competent, brave and efficient person to head a Chinese government. He has lots of frightful faults — but so had Napoleon. Perhaps that is why Chiang Kai-shek used to be called the "Ningro Napoleon".

means that a compradore or a shroff has disappeared with the firm's funds.

Ningpo has also produced many revolutionists—as many as Canton, and much more effective ones. The Ningpo revolutionists belonged to secret societies which sought the return of the Ming Dynasty and which managed to keep Manchu China, particularly during the end of that dynasty, in considerable turmoil.

The Green Society — a formidable hidden hand of secret gangsterdom — was such a patriotic organization, and although it has always been denied for Chiang Kai-shek that he was a member of it, most of his Ningpo friends and colleagues were and are, and he probably was before he became a great man. At any rate, this hidden force molded his mind and his career.

So Chiang decided upon the career of a soldier — which really meant, in Ningpo, a revolutionist — and he went to Japan to study military science.

It must be remembered that after the Russo-Japanese War, Japan was the hero of Asia, because Japan was the first Asiatic country to defeat a European country. Even Sun Yatsen was pro-Japanese, and he made Japan his headquarters for a time.

And a young Chinese in Japan would thus come under the influence of Sun Yat-sen and at the same time of Toyama, the head of the Black Dragon Society — a curiously powerful Japanese who sought to unite China and Japan against the Europeans on a Confucian ethical basis.

Chiang Kai-shek was now deep in revolutionary activity, although he was still a boy, and still very poor. How poor he was, he described himself:

"For a period of seventeen years — that is, from the time I lost my father at the age of nine till I was twenty-five years old — my mother never spent a day free of domestic difficulties"

When the revolution of 1911 came to China, Chiang Kai-shek joined his fellow Ningpo men in the battles about Shanghai. He was given command of the Fifth Regiment of the Shanghai Revolutionary Army, which did considerable mopping up of reactionaries and gained a bit of a reputation.

As a consequence, in the revolution of 1913 Chiang was more important. And when that failed, he settled in Shanghai as a secretary of Sun Yat-sen, with whom he often traveled on secret missions.

Being Sun Yat-sen's secretary was no guarantee that one could eat, for sometimes Dr. Sun had money and at other times he was desperately impoverished. At such times

Chiang Kai-shek worked for a fellow Ningpo man as clerk in a brokerage house—although that employment did not involve much actual work. It was more a Chinese way of keeping him in rice while he devoted himself to revolu-

Chiang's career lapsed from 1913 to 1923 or thereabouts, except that he traveled throughout South China and even Indo-China with Dr. Sun mending revolutionary fences. It was a period of deep spiritual depression and waste in China. Young men committed themselves to the bitterness of defeatism and profligacy.

The Russian Revolution, however, had this effect upon young Chinese: it made them ask why the Chinese could not do what the Russians had done. Chiang was deeply moved by the Russian Revolution, and when, in 1923, Dr. Sun offered to send him to Soviet Russia to study the organization of the Red Army and particularly the Red Army schools, Chiang seized the opportunity. This fixed his carreer.

For when Dr. Sun entered upon an agreement with Soviet Russia for joint revolutionary activity in China. Chiang was

the logical man to head up the Whampoa Academy, the Red Army school outside of Canton. And that gave Chiang an influence over young revolutionary officers, which, in a situation still psychologically feudal, meant personal loyalty. Lots of men are utterly loyal to Chiang Kai-shek. Such men have done well in recent years.

After Sun Yat-sen's death in 1925, of followers quarrelled over the succession to greatness and the city of Canton, which was little Sino-Soviet Revolutionary Army possessed, was in turmoil. So one day Chiang Kai-shek and his well-armed Cadets quietly walked into Canton, took possession of the city, fired a few shots — and Chiang was Number One Man in revolutionary China. He has remitted Number One since then, and anybody who questions that is likely to be shot. Many have been shot.

Chiang and the Russians joined force and conquered South China, but Chiang never liked the Russians too well. They were foreigners. They had their uses, but not too many. So he quarrelled with the Russians after they had helped him to victory. The Revolution broke into lots of pro- and anti-Russian parties. But Chiang came to Shanghai, called the Ningpo bankers and their Allies into conference, got plenty of millions of Chinese dollars, and founded the Nanking government.

Now, in Canton Chiang owed a debt to the Russians and to Sun Yat-sen. And when he conquered South China, he owed a debt to the Russians.

But in Nanking Chiang owed nothing accept to bankers, and he could pay that at interest out of taxes that he could collect from the Chinese people. So here he had no allies. He stood alone on a high plane and everybody else was a subordinate.

It is ten years now that Chiang Kai-shek has been the dictator of the Nanking Government. He has had to fight a war practically every year, not only to hold on to his power but to prevent bits of China from falling away from Nanking. He has fought against former friends and allies. He has fought Chinese

But Chiang has never fought Japan, because that would have been foolish. When Chiang fights Chinese Communists and drives them into the hills, he usually stops the war and saves ammunition. He expects them to starve in the hills.

But he knows that fighting Japan would not be like that. It would be a swift defeat, unless Soviet Russia, Great Britain and the United States intervened. And if they intervened which is really not likely—most of the fight-

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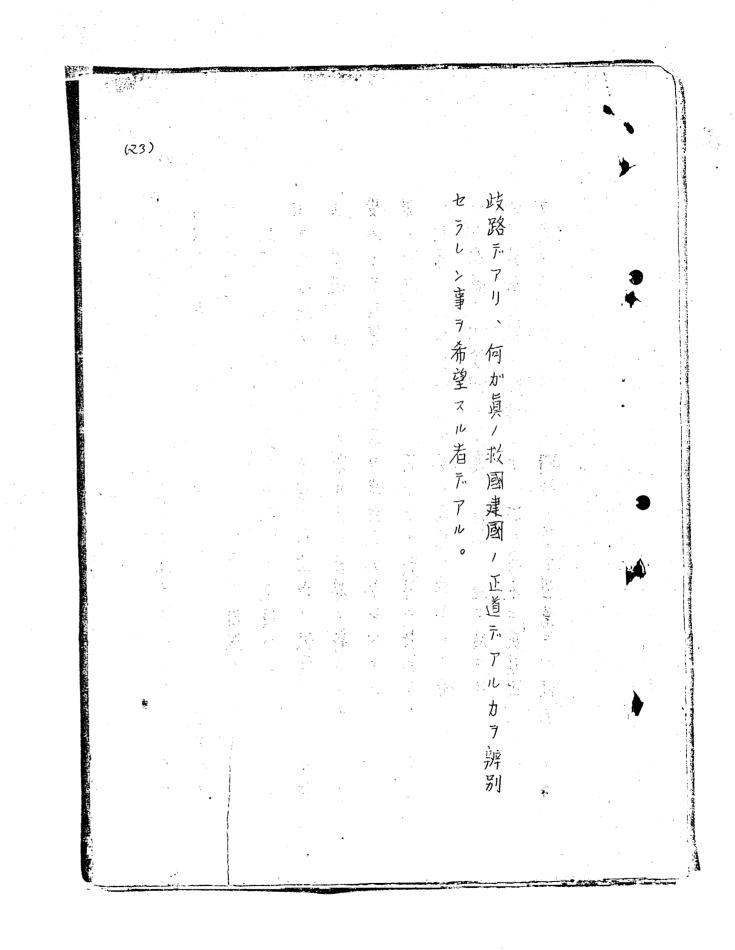
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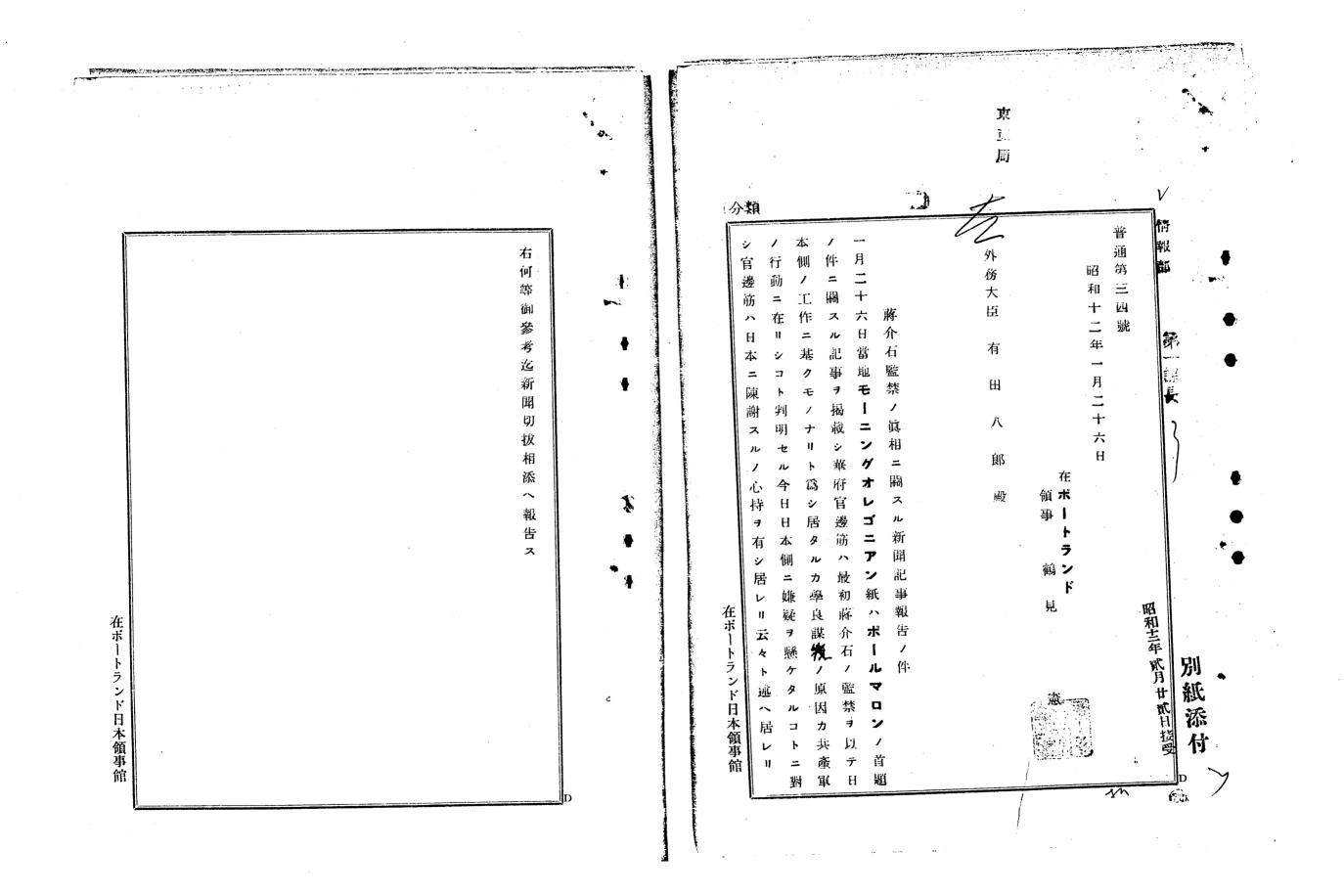
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Behind the News Paul Mallon

WASHINGTON, D. C., Jan. 25—motion system. This report has not heard of impartial sources here indicates the current Moscow trial by fury is about half founded on fact. The well informed here have reason to suspect there was a rather indefinite plot to overthrow the Stalin regime, from within, and that there still is ome, indirectly involving Germany, Japan and anti-Stalinites. Likewise, there is a broad suspicion in high places here that Editor Radek, for one, probably was mixed up in it.

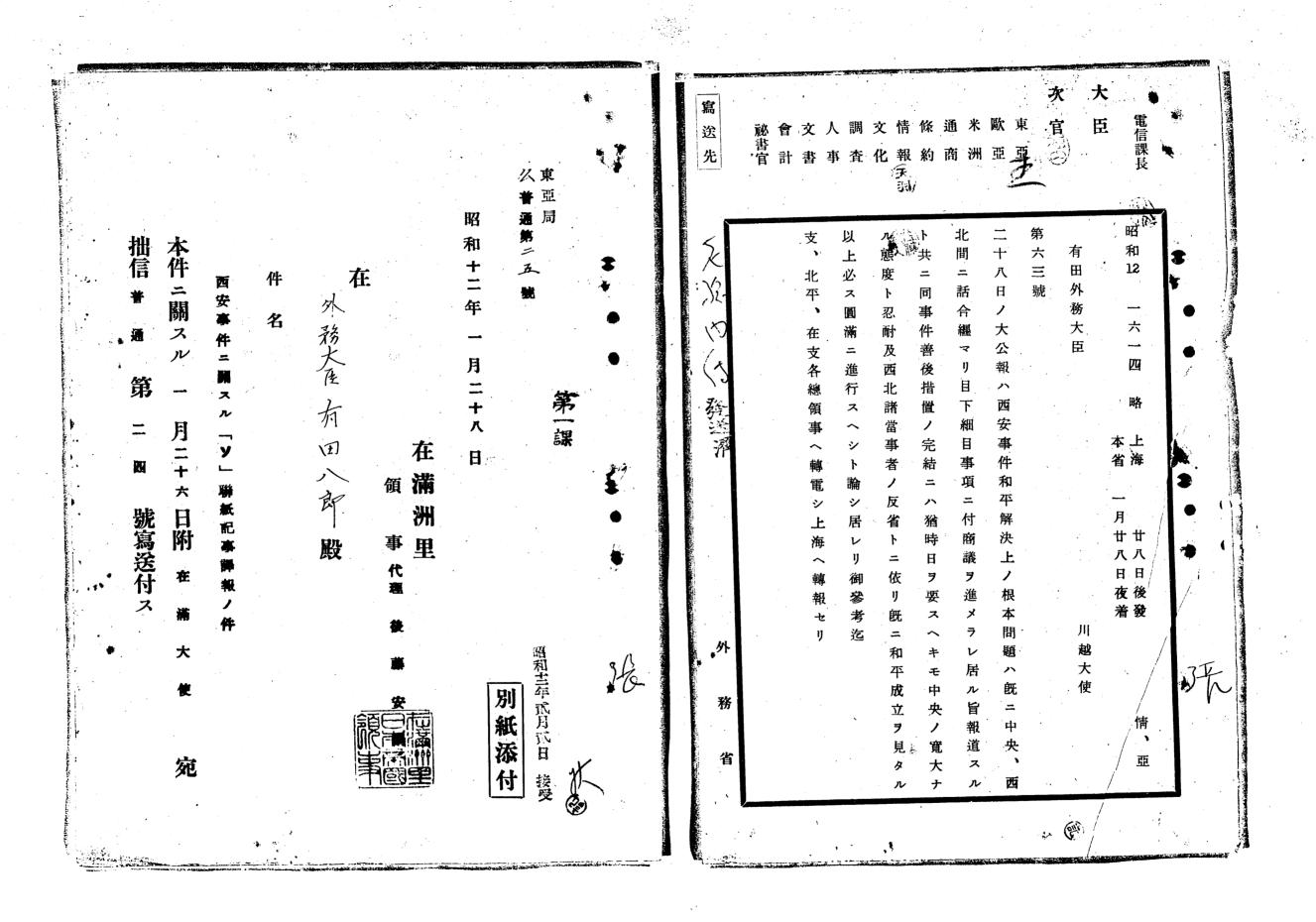
The feeling exists also that the Stalin regime is still very shaky, that the trial-spectacle may serve to delay, but probably not prevent, the consummation of the original idea eventually.

Knowing authorities laughed outright at the first propaganda farer staged before the microphones in Moscow last August. The spectacle of ex-high reds bleating the most abject confessions of their infamiles over the radio for peasant consumption was a little too obvious. Everyone knew the defendants would be killed anyway and realized they probably had made a deawith the Stalin government to ofter any fairy tale confessions of their infamiles over the radio for peasant consumption was a little too obvious. Everyone knew the defendants would be killed anyway and realized they probably had made a deawith the Stalin government to ofter any fairy tale confession of earth of the post-staling may never be fathered to save their wives and children.

Since he world choked on the first one, the Stalinites have had conjudy the confession of authorities here. They are willing to perfect their tenthet the lot evidence developed this time checks and double of the thing to the proposal to the consumination of the consuminati

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