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PACIFIC PROBLEMS

THE LECTURES AND PROCEEDINGS OF THE SCHOOL OF PACIFIC AND ORIENTAL AFFAIRS — 1932

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To

TASUKU HARADA, D.D., LL.D.

Who has spent a rich and fruitful life interpreting the East to the West and the West to the East.
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Preface

The first session of the School of Pacific and Oriental Affairs of the University of Hawaii should not be allowed to become a memory without some record, in published form, of its purpose and organization and of the contributions of its faculty members to thoughtful discussion of the problems in its field. The purpose of the editors in compiling this volume is to provide such a record not only for the students of the School but for the general public as well. No effort has been made to include every address, lecture, or paper prepared by the faculty of the School during its session, but the more representative have been selected for publication from a mass of excellent material.

The School of Pacific and Oriental Affairs was established in 1932, as a special part of the University of Hawaii Summer Session, after several years devoted to investigating the need for such a school and to planning its organization. Its establishment was greeted with a host of congratulatory letters from universities in the United States, China, and Japan and by generous announcements in the press. Its success was partially insured by the financial assistance of the Carnegie Corporation and the distinguished faculty assembled for its first session and was attested by the enthusiastic support of students and of Honolulu residents.

The School was planned as a center for the study of and dissemination of information concerning political, social, educational, and religious problems confronting the nations that border on the Pacific ocean. Its first session was devoted to political and educational problems. Its second session, meeting from June 26 to August 4, 1933, will study the differing cultural trends of the Pacific region. In 1934, the emphasis will be placed on investigations of the racial and social problems of this area.

Certain specific advantages of the University of Hawaii make it the ideal location for such a school as this. Its position in the center of the Pacific region makes it equally accessible to all sections of the area. Its students and faculty are drawn from several of the Pacific nations. The population of Hawaii, composed of 165 different national and racial mixtures, provides a laboratory which is ever at hand and offers innumerable possibilities for investigation in all the different aspects of international and interracial relationships.

During its first session, the School of Pacific and Oriental Affairs enjoyed the cooperation of the World Federation of Education Associations, which held its Pacific Regional Conference in Honolulu while the School was in session. The faculty of the School took a
prominent part in the plenary sessions and section meetings of this world organization, many of the objectives of which are similar to those of the School. The School also enjoyed the cooperation of the headquarters staff of the Institute of Pacific Relations, the Department of Public Instruction of the Territory of Hawaii, the Honolulu press, and the Hawaiian public.

The demand for the preservation of the proceedings of the School of Pacific and Oriental Affairs in some permanent form was first made by students, many of whom placed advance orders for the book. This book is offered for distribution as a popular presentation of some of the work presented by a new institution for the study of international relations.

The Editors.
I. Opening Statement

HAWAII'S NATIONAL AND INTERNATIONAL SERVICE

By DR. CHARLES E. MARTIN,
Director of the School of Pacific and Oriental Affairs.

The function of the University of Hawaii in international and race relations has, to a limited extent at least, been institutionalized in the form of a SCHOOL OF PACIFIC AND ORIENTAL AFFAIRS, now in session as a part of the work of the Summer School. A score of resident and visiting professors and authorities, gathered from Europe, the mainland, the Far East, and Hawaii, are engaged in giving sound instruction in all aspects of Pacific and Oriental Relations to the undergraduate, the public school teacher, the graduate student, the community, and to each other.

The School has grown out of a number of considerations and conditions. For one thing, the President of the University has the conviction to relate his institution to the peculiar international function it can best perform, and he is acting on that conviction. Again, it is necessary to perpetuate and conserve, through a detached and independent institution of education and research, much of the work which is initiated by related but different institutions and organizations, and which work cannot, for obvious reasons, be pursued by them to a logical and scientific end. Such discussions can take place only in the liberal and independent atmosphere of the university, where the discovery of truth and its declaration is our guiding principle. Moreover, investigations dealing with the delicate fabric of our international life can best be initiated, pursued, and completed under the aegis of an institution which enjoys a continuous existence. Personnel and policy are subject to constant mutation, but the corporate life of an institution of learning may be endless. Other institutions may belong to the day; the university belongs to the ages.

One purpose of the School is the dissemination of knowledge about international affairs. Washington said in his celebrated Farewell Address, "Promote then, as an object of primary importance, the general diffusion of knowledge." This justification of international-mindedness is found in the same address which many try to interpret as a justification for an isolated and self-contained national existence. Another purpose is to emphasize the importance to advanced students of interracial and international problems in the Pacific, and to provide a forum for their intelligent discussion. A third objective is, by

1 Radio address over KGMB, Honolulu, July 1, 1932.
gradual stages, the encouragement of research in the problems of the Pacific, and perhaps to provide a medium for their publication. And finally, this instruction, general and advanced, and ultimately, the research findings of scholars in the field will, it is hoped, be influential in aiding those who determine policy in the Pacific to do so wisely and well. Hawaii is the center but not the circumference of our activity. The lasting effect of our effort will not be found in this immediate community or even in the United States, but where national interest and policy impinge on the rights and interests of other states.

There are two methods in the study of Pacific questions: one sentimental, and the other scientific; one hortatory, and the other technological. The approach of the University is the scientific and technological one. Other approaches may be valuable, and even necessary. The hortatory method tells us we should be brothers. The scientific one teaches that we must be so if civilization is to survive. The emotional approach would have us arm to the hilt, or disarm altogether. The scientific approach would have us arm enough to be safe, but disarm enough to discourage easy resort to war, and to stay increasing tax burdens in a financially depressed world. Only the scientific approach is worthy of the university.

What is its value? Where does it lead? It could conceivably provide a definite economic return to the community and the country. It may, in some way, help to adjust an international difference. It may even help prevent a war. Yet its leading contribution is positive—international understanding through a discussion and explanation of national and racial differences.
II. The Pacific and the World Economy

1. OUR FUTURE ECONOMIC SYSTEM—CAPITALISM, COMMUNISM, SOCIALISM

By WILFRED J. HINTON,
Institute of Bankers, London.

The use of history to forecast the future is attended by serious difficulties. All history is a mental construction to harmonize as much as possible of the available evidence which chance has left to us. A profound and melancholy doubt of the value of inferences from history is set up in my mind by the observation of Anatole France, somewhere in Penguin Island, on the ease of writing medieval as compared with modern history. In medieval history there are only a few chronicles written by some purblind monks in the turret of a monastery, remote from the world. Those are authorities. Read them and make a coherent tale, and you have your history. In modern times, on the contrary, we are drowned in a flood of all too copious material, like one of our literary generals at headquarters, writing up the conflicting reports of his subordinates to find out whether he has won the battle or not.

One thing is certain, that any historical material for prophecy must be of the long period order. Something like a millenial scale must be adopted, and our conclusions can only be of the most general type.

There are those prophets who rest upon the eternal verities of philosophy, of metaphysics or ethics, to frame their prophecies. To those of us who believe that behind the shifting illusions of time and place stand the eternal ideas of God, and the eternal values of goodness, truth, and beauty, this is an attractive method. “Such things,” we say “cannot endure, because they are ugly, evil, false.” Here is the spring of much Hebrew prophecy, which now smoulders and now flames with belief in a righteous Judge of all the earth whose dooms shall sooner or later be enforced upon the godless nations. But it is very easy to slip into condemnation of mere social custom or mores as if they were part of the eternal verities. We must all admire the heroic souls who washed the blood-lust of cannibalism from the spirit of a noble people; but let us not forget that they often confused the decrees of eternal justice with the advantages, if there are advantages, of Mother Hubbards and blue cotton trouserings,—for a people which had not hitherto felt a need for either.

1 Delivered on the evening of July 19, 1932.
To be more concrete and precise, an economy, a way of living, may be strange to us, it may even be immoral in the narrow sense as outraging our own mores, and yet not be impossible. The fact that you and I would hate some of the political customs of Soviet Russia does not prove that those customs have no survival value, and that the Soviet experiment must fail. Nothing is impossible in the world of politics and anthropology. Consider the case of the Trobriand Islanders, who work hard in a tropical climate to support their sisters and their brothers-in-law and are moved to produce a large and unnecessary surplus which their chiefs waste, animated almost solely by the desire for distinction in the local annual Flower Show. Or take again a feudal society, in which a man could not make a will bequeathing land, and only with difficulty could leave his movable property according to his wishes. The world is still full of strange economies, for China, Japan, Burma, and India are all different and all strange. Strangeness proves nothing but itself.

I suggest, therefore, that if the title is read as suggesting that all the varied societies of the world are capitalist in the sense that America is capitalist and that they will all change, either simultaneously or successively, into another form, to be called communist or socialist, then the question is not properly put. There is, in my opinion, no necessary line of evolution from feudalism, through capitalism, through revolution to state socialism, and thence in the millennium to communism and anarchism.

That is a necessary sequence, of course, of the Marxian thesis. Communism itself is not peculiarly Marxian. It is the most widespread form of family organization; it arises naturally between lovers and friends; it was the policy of the early Christian church and of the ideal state of Plato in his Republic, at least as far as the guardians of the State were concerned. Most of the Utopian philosophers have held communism as an ideal, and we are all happiest in a classless society such as a club or a university should be.

Nor is socialism of the type professed by the Social Democrats in Germany or the Labour party in England to be confused with communism of the Marxian variety. Indeed, the things which the Bolsheviks say about such socialists are extremely abusive.

The Marxian idea is too complex for summary description, but in philosophy it is determinist. The evolution of social and political forms, under the guiding force of economic conditions, goes through a complex but determinate series of stages. When capitalism has reached its fullest development, when the middle class has disappeared and there are left only the rich and the poor—the rich getting richer, the poor producing children at the bare level of subsistence—then arises a revolutionary situation in which the poor, after various attempts, must ultimately succeed in securing political power. Then they begin to evolve towards the communist millennium. All this is supposed to be quite inevitable.
In political technique Marxism relies upon propaganda until the "imminent revolutionary situation" has arisen, and then upon an elaborately systematised method of revolution, worked out as soldiers have worked out the theory and practice of warfare. Once brought about, the revolution has to be sustained by the dictatorship of the proletariat, which is in practice that of the Communist party. The old elements, the formerly upper and middle classes, are suppressed ruthlessly, by massacre and the elaborate persecution of the terror. Meantime new social tissue is being grown by education in the schools, and all the various educational activities outside the schools, and by propaganda. Thus gradually a classless state is to emerge, and, when the counter revolutionary elements have been killed or have died in the course of time, a new generation which has never known the lure of profit will bring in the millenium. Meantime, the end justifies the means and the extermination of whole classes goes on.

This is the great lie, that out of blood and ruthless force, out of injustice and massacre, the new order will be born. It is Moloch worship: it is another of those millenial religions with which the world is cursed by the Semitic race every now and then. To prevent action on that lie, to make impossible the control of society by fanatics who will destroy life and happiness of millions for the sake of an idea and a problematic future it may be necessary to sit behind a machine gun in the street. But it is not enough to sit behind the machine gun. We must demonstrate a better way to secure the good at which these honest fanatics are aiming.

Marx was the latest of the Hebrew prophets, and in the direct tradition of the more bloody-minded of those great men. His idea, for all its angry atheism, is religious, and that idea possessed Lenin and his immediate followers, as Christianity possessed St. Paul. Lenin and his disciples built up a church, called the Communist party, with an organization which Laski very penetratingly compares to the Jesuit order. That party exists to keep the Marxian idea, as interpreted by Lenin, pure and undefiled. Hence heresy hunts and councils, all in the best Athanasian tradition. This church, or party, to survive has to find a state to give it shelter. That means that it has to create a state to be the embodiment of its ideas, and the Russian state exists, in the mind of the good Communist, so that the revolutionary idea may not perish but may work itself out in historical fulfillment, as Israel was called and as Judah survived to serve the will of Jehovah. The Five Year Plan² and its successors are just the technique for securing that survival. It is an irony of history that the revolutionary state had to arise, as one born out of due time, in the most backward of large states, in a country which had never been really industrialized, among a people of servile mentality who had not undergone the liberation by political revolution which the nineteenth century brought to so many countries. It was nec-

² Another lecture was given in class on the Five Year Plan.
ecessary to telescope the political and social revolutions, and immediately to pass into the industrial revolution, and at the same time to break the Catholic church by a movement combining the reformation and the rationalistic movement of the nineteenth century. No wonder that the situation is confused and the leaders are compelled at times to hesitate or tack. The marvel is that they have accomplished so much.

What they have accomplished on the merely technical side is not so marvelous, and they have had to use American and German technicians in large numbers to do that. Nor has their planning been able to avoid, as has been supposed by many, some most gigantic maladjustments and failures. Nevertheless it has shown that the Marxian idea and its adherents can make a state which will satisfy the conditions for survival in a hostile environment. The experiment has been terribly costly in life and labour, but it has produced a new form and a new culture, however poor. It is changing and will change, as all our economies are changing, but who expects that it will change into a capitalist society on the model of the United States? Surely nobody expects that. Something new has come into being.

But let us now return to our history in order to see, upon the proper world scale, the significance of this event, and so foresee, if we may, its consequences in reaction upon the rest of the world. Imagine yourselves to be observing this planet of ours from distant Mars, and let us suppose that your span of life is so great in comparison with the earthly mortal three score years and ten, that 500 earth years would seem in your consciousness no more than a year of observation in ours. Then let us put ourselves back to the age just at the end of the fifteenth century when the discoveries were beginning.

At the beginning of the period, the Martian would have seen three main clusters of these curious human bipeds on this planet's surface. One would have been centered in China, one in India, and another about the Mediterranean and the islands and peninsulas of Europe. At that time there was no great difference in cultural attainments between the three groups, and visitors, like Marco Polo to China, found in many respects a superior civilization to the one they left at home in Europe. But the civilization and culture of Europe were reascent, and by a prodigious mental and physical activity, by continuous discoveries in the arts and sciences, particularly of war and communications, they began to out-distance their former equals or superiors. Their ships appeared in all the seas, blundering into the almost empty continent of America in their search for closer relations with the Indies and China. The movement gathered acceleration constantly. It was the expansion of a whole race, and it filled the empty spaces of the earth, the island continents, with new states, gigantic in size, and full of the restless adventure of the frontier.
You are familiar enough with the story of that expansion which brought the European at last to the Pacific Coast of America, for it is largely the story of the rise of the United States, but may I remind you that the expansion took place upon two wings? Not only was there a movement across the seven seas to the United States, the future British dominions, and the Spanish and Portuguese colonies which became the republics of Latin America. There was also a movement of population at about the same time across Siberia by the Russians who came at last to stand on both sides of the Pacific, with fur trading settlements as far south as California. The sale of Alaska to the United States marks their retreat to the limits of the Pacific after they had acquired some 350,000 square miles of Manchuria, mostly in the valley of the Amur.

Thus the expansion of Europe was upon two wings. The right wing was built up into the United States of America, the British Empire, and South America. The left wing was the Russian Empire.

Now it is the rule of historical development that a civilization and a culture expands upon its fringes into new states which have variants of the old culture, and some at least of them end by being larger and more powerful than the parent states and culture. It is upon the frontiers that the men of action are trained, and it is there that revolutionary ideas and activities work out, to return and react upon the older institutions, the highly intelligent but fragmented states of the old culture center.

Your own history will furnish us with our most significant example. The revolutionary and republican heresies of the Commonwealth period in England and the English political philosophy which grew up with those events took root in the American colonies, and yours was the first of these great heretic states. Here it was that the great political variant on European kingship, the federal republican state, was first established. You, and not the French revolutionists, upset the apple cart. One might have said of the signing of the Declaration of Independence, “Here beginneth the world revolution.” The French revolution and the long wars and revolutions which followed were the ferment of the new wine of your heresy in the old bottles of Europe and the European colonies. It is that ferment which is still working in the British Empire today—our own ideas, caught back from you and from the French and applied to the development of yet another variant in a society of nations not federated, yet in some sense united, still developing into we know not what . . . the old political volcano erupting after the younger but larger cone upon its slopes has begun to be quiescent.

I say quiescent, because to an observer like myself, sympathetic and only too conscious of the inadequacy of his documentation, it does seem that your political institutions have crystalised. The possession of a legal “Holy Scripture” in your Constitution; the self-satisfaction which comes from having made the first advance, and
from the uncritical nature of most nationalist history teaching; above all, pre-occupation in the exploitation of a whole continent of rich resources seem to me to have led to a certain obsolescence in your political machinery. I hasten to add that I regard our own parliamentary machine as even more antiquated, and that I am aware somewhat too dimly that you have made very interesting experiments in modern democratic devices in city and state government.

Whatever may be the comparative activity of Europe and America in political eruption, there can be no doubt where the active volcano of modern society is erupting at this moment. Soviet Russia is the spot where another variant of our old culture is being developed under our eyes. It is the spiritual home of the revolutionary all the world over, the portent and the issue in world politics.

Now the Russian state is not a communist state any more than England or the United States are Christian states. It is, however, a state in which communism is the state religion, and the Communist party the state church. It is the imperfect incarnation of the idea of communism, more perfectly embodied in the Communist party. The interesting and vitally important question for us is whether Soviet Russia has struck out a variant on our political forms which is going to be the active influence in modifying the societies of the world during the coming century. If so, then the world will move towards various embodiments of the communist ideal, differing according to the race and tradition of the peoples who accept it. Just as the forms of Christian church and state have varied according to the people who have taken them over, as an acquired language takes on the native accent and intonation of the learner, so the ideal of communism may express itself in varied forms. If communism becomes the ideal of the twentieth and twenty-first century, and socialism its embodiment, then Chinese socialism, Japanese socialism, English or French socialism will differ from each other.

From all this I conclude that, though the state of the future is not likely to be much like communist Russia today, since that is changing under our eyes and offers altogether exceptional problems to its rulers, it is even less likely to be on the American capitalist model. Nor do the states like Australia, Germany, England, and Italy, which in one or other respect lie between these two extremes, show any more sign of having reached a final form. Western culture has become bi-polar in Russia and in America, and there must be tension and strain between the two poles of ideas until a new equilibrium is reached which will be different in different parts of the field.

Left to itself, the strain of these differing ideals will tend to produce strained international relations, and perhaps war or, at any rate, armed conflict. This has been the case in the past. Rival systems have fought in the flesh of their supporters until a weary world cried, “Plague on both your houses!” and turned into other channels.
Our first task, therefore, must be to will and work so far as in us lies, so that this evolution may be peaceful, a task made more difficult by the war psychosis of the Russian leaders and the fear which always haunts those who use terror as their weapon. Our next is to admit the validity of the ideals of economic security and the classless state, with greater equality of consumption between its members, though not necessarily with anything like equality of control, and to adapt and modify our own economic system by thought, investigation, and trial and error to secure these ends.

We shall require patience and we must remember that wrath is a poor counsellor. In the past the resolution of such antagonistic forces has been by armed conflict. The task of world statesmanship today is to prevent any such conflict and to effect the necessary transformations within the state without the horrors of civil war or the terrors of revolutionary force.

2. WHEN THE WORLD RECOVERS ITS BALANCE

By WILLIAM B. MUNRO,
California Institute of Technology

Too much attention is being given to the consideration of our present industrial collapse and to speculations concerning the methods of recovery. Not enough consideration is being bestowed upon the problem of keeping the world on an even keel after it gets back there again.

In each period of economic history it is a habit of the world to concentrate its thought upon present emergencies and to do very little planning for a new order after the emergency is over. It is often said that cycles of prosperity and depression are inevitable, and doubtless they will be inevitable if the world continues its habit of failing to plan for the next step as it has been doing throughout the past century. Clearly those are in error who regard the existing depression as one of unprecedented severity. Since the United States became a nation we have had six major crises. These occurred at somewhat irregular intervals ranging from 16 to 36 years apart. They are commonly known as the panics of 1819, 1837, 1857, 1873, 1893, and 1929, respectively, because the onset of the depression came in these particular years.

The economic crisis which will go down in history as the panic of 1929 was long delayed. It should have come at least a dozen years ago and would have done so but for the intervention of the World War. Each of the five previous depressions divided itself into four

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1 Delivered on Tuesday evening, July 6th, 1932, as the opening lecture in the series of evening public addresses.
phases, namely an orgy of inflation, a quick turn in the other direction, a considerable period of business stagnation, and then a slow recovery. Three of our depressions have been post-war affairs. The depression of 1819, which followed the Napoleonic wars, was in some way the worst of the lot. The deflation in currency and credit was exceedingly drastic. During the course of this depression the amount of currency and credit in the United States was virtually cut in two because of bank failures everywhere. Unemployment affected at least half of all the active workers and in some of the industrial cities more than three-fourths of them. The collapse of real estate values was tragic. The prices of real estate and farm lands declined to 40 per cent or even less than 40 per cent of their previous level.

The collapse of 1873, which was another post-war disaster, resulted largely from excessive borrowing and from the orgy of speculation in railway securities. This depression followed an era in which railroad stocks and bonds were pushed to an unreasonably high point. The building of railroads all over the country created an artificial demand for materials, such as iron and lumber. Moreover, the construction of railroads in new parts of the country boosted the price of agricultural lands. Everybody seemed to be getting rich on paper. The breakdown was a very serious one. Dividends ceased on most of the railroad stocks, and bond interest was defaulted on a nation-wide scale. These defaults also extended to the obligations of states and cities.

How does a country emerge from a major depression as indicated by our experience on these past five occasions? In all cases, the steps towards recovery were substantially alike. The first indication comes in successful curtailment of public expenditures, a balancing of the public budget, and a strengthening of confidence in the solvency of the government itself. Then follows a hardening of wholesale prices, first of all in commodities which are quickly consumed, such as wheat, corn, sugar, and cotton. Presently the stiffening of prices extends to the more permanent commodities, such as steel, lumber, leather, and rubber.

The stabilization of these prices gives the stock market its hint and an upward movement begins. With this upward movement, collateral loans become more liquid and credit more plentiful. Taking heart from the change, business in all lines begins to look up, and the effects are cumulative. In its earliest stages a recovery is exasperatingly slow, and indeed it is difficult to determine just where the corner was turned. Sometimes the movement to recovery proceeds several months before the country becomes really aware of it.

Those who expect that their incomes from securities will be restored to anything like their peak level during the next few years, however, are likely to be disappointed. The history of all previous depressions seems to indicate that values of securities start upward and proceed a considerable distance while the income from such
Our ultimate problem is not how to get out of the existing morass. We will accomplish that in due course. But what of the future? Will the world take no effective measures to prevent this regular alternation of ups and downs? The fact that we have these fairly regular cycles, generation after generation, is a serious criticism upon mankind's ability to order social relations in an efficient way. When our present troubles are over, will we permit another era of inflation and speculative excesses to occur again without governmental restraint or interference? Or will we provide machinery for stopping such a movement in its early stages? The latter would be a very difficult thing to do under a system of popular government, for a public administration that undertook to stop a great industrial boom would find itself exceedingly unpopular. Nevertheless, some way must be found for accomplishing it. These alternate swings of the pendulum constitute one of the great dangers to the capitalistic system of economic organization. The removal of so great a danger is something to which the best minds in industry may well devote themselves.

3. THE CRISIS IN EUROPE

By WILFRED J. HINTON,
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The fall in prices which began even before the stock-market break in 1929, became precipitous after that break, and the Gadarene descent has continued since then with only occasional slacking of speed. The price fall is the result of many causes.

One cause is the tendency for the various kinds of economic activity to get out of balance as the pace of development for profit proceeds. The various movements and growths of the body economic
must be coordinated, like the movements in any other organic whole. In general, the arrangements are automatic, but not perfectly so, and their errors of adjustment accumulate.

Among the economic activities that get out of adjustment is the credit-creating activity of banks, the traditional limits of that activity being somewhat firmly fixed and coming into play with considerable suddenness, if not very carefully managed, so as to produce a reversing cycle. Then there is the fact that markets are crowds subject to the maniac-depressive crowd psychology in all countries, but more in some than in others. And so on through a long list of causes, from all of which it emerges that there is a fundamental rhythm, an ebb and flow in the economic process as we organize it, and that rhythm or swing is probably a necessary consequence of capitalist organization.

This action and reaction can be intensified by local and temporary circumstances, and of these the most important is a great war. This is probably not due so much to the loss of life, which is less than in many epidemics, even in the greatest of modern wars, nor to the loss of material wealth, which is also exaggerated in the public mind, but to changes in property rights connected with public borrowing, taxation, inflation, and in the general finance of war and the use of the peace-time machinery of marketing and production for the distorted demands of war, thus exaggerating the dislocation and lack of coordination.

This being the observed effect of war, to heighten and intensify the cycles of the decades in which it falls, one would imagine that statesmen would attempt, in making peace, to minimize the dislocation, restore the old channels of activity where war had choked or diverted them, and redress the social injustices which its finance had caused. This would require more knowledge than the statesmen of a democracy generally possess, and a will to make a good peace, no less inflexible than the will to make war had been.

The present deep depression is thus an ordinary trade cycle, intensified in its effect and prolonged in its duration by special causes arising out of the war and the bad peace which followed it.

What, then, are the results of the war and the peace which have thus “rocked the boat,” already rolling in the ground swell? They were, in Europe, the perpetuation and intensification of frontier barriers to trade, the creation of an impossible reparations obligation upon Germany, and the well meant attempts of Great Britain and the United States to make an unworkable system work by liberal financial assistance. Let us take them in order:

(1) The perpetuation and intensification of frontier barriers. This has been so often remarked upon that I need do no more than call attention to it. Imagine the United States with tariffs in every state against every other and the rest of the world. Imagine, too, that some of these hostile states had been wisely grouped into cus-
toms union—say the agricultural Middle West with one or another of the industrial areas, corresponding in extent with the Habsburg empire—and that the tariff barriers were suddenly restored and the old connections severed. You know better than I that a United States with such barriers would never have developed the wealth it has developed, and that every further sub-division of your territory between governments conscious of a national destiny would further diminish that wealth. These tariffs grow higher and higher in Europe, and the new governments become more and more expensive. Add to this that the division has inflamed and accentuated national hatreds, and that a new and revolutionary state with a dogmatic social and political heresy as its state religion has arisen in the East of Europe and you have not completed the picture. With few exceptions, of which my own country is one, these nations, having disarmed Germany, have gone on to arm themselves to the teeth, mainly under the leadership of France, which realises only too well the political instability of the whole structure.

Western Europe is thus fragmented, frustrated, divided in battles of the kites and crows, while the eagles and vultures of the giant frontier states sit around in a ring and wait. The political structure of Western Europe, in spite of all the interest and skill of its constitutions and politicians, is rendered obsolete by the growth of the economic scale.

(2) The Creation of an Impossible Reparations Burden upon Germany. This also is so well recognized that it has become a commonplace. Indeed, one of the chief authors of that peace which imposed a monstrous and indefinite obligation on Germany, the Right Honourable Mr. Lloyd George, has recently written a book, Reparations, in which he scolds France and the rest of us for holding on so long to the hopes he himself raised of making the Germans endow the Allies in perpetuity as a punishment for their real or supposed war guilt.

But let me remind you that it was the failure to meet demands now recognized as monstrous which led to the occupation of the Ruhr, and that, in turn, led to the German inflation, made necessary by loss of revenue and the attempt to support the passive resistance of the Ruhr miners. The inflation brought Germany to the brink of destruction, from which she was saved only by heroic efforts at the cost of the economic destruction of her middle class.

The effect of such reparations upon the exchanges, and upon the export trade of Germany's competitors, particularly England, was clearly foreseen. In the period after 1925, when the financial measures to which I must next allude brought a temporary recovery and a great increase in European production, Germany, rationalized and led by Hindenburg and Stresemann, made a wonderful recovery and her exports rose until, by the end of the period or a little later, they exceeded those of Great Britain for the first time in history.

This burden was greatly reduced at the Lausanne Conference.
Well Meant Attempts to Remedy these Dislocations by Finance. The political and economic dislocation was accompanied and intensified by a currency disorder comparable to that existing today, but even worse, as the nations were still inflating to meet unbalanced budgets. The keys to the situation were England and France, and with the stabilization of their currencies the wildly fluctuating currencies of the lesser nations found a level and maintained it. There was some wonderfully good technical work done in that reconstruction. Some of the best was done through the League of Nations, mainly directed by Sir Arthur Salter. The funds came from London and New York, and gradually the chaos subsided, and a period of prosperity began in Europe, which was even greater, relatively, than your own. The world’s wealth was growing faster in Europe than elsewhere, watered by the copious outpourings of the greatest overseas investment the United States has ever made and the less copious stream from England, still the world’s banker, though now in partnership.

Germany had no working capital left after the inflation. You financed her for that purpose, as well as for the rationalization of her badly balanced productive organization, and the less productive or unproductive expenditure of her municipalities and governments. Austria, a head severed from its body, was galvanized into a kind of unnatural life by loans sponsored by England and the League. France lent money to her allies, but for the most part her investors, sickened by their Russian losses and the losses of inflation, kept their money at call or short notice. This money was ready to move from London to New York or Zurich or Amsterdam and back to Paris with new and disconcerting suddenness, like a shifting cargo in an unstable ship.

There were, then, the following points of weakness in the reconstructed Europe. First, the Balkanisation of Eastern Europe, of which Austria was and is the outstanding example, a metropolis with no provinces, an industrial country with no markets. Second, the impossible strain of the German attempt to carry out the constantly revised and resettled reparations payments, resulting in the use of Fascist movements, like Hitlerism, and of communism. Third, the difficulties of England due to the handicap upon her exports caused by the constantly rising and uncertain tariffs which came into being after 1920 and by German and American, Japanese and Indian competition in her markets. Her industry was overburdened, especially by the failure to deflate after fixing the pound at $4.867 out of mere pride and vainglory, as it would now seem. Fourth, perhaps, we should put the unwillingness of the French to make long-term commercial loans on any large scale and the consequent accumulation of short-term French balances in London. The latter phenomenon put London, which for these purposes may be thought of as a big bank, in the position of a banker who has a very large proportion of his obligations to depositors in the account of a nervous and ec-
centric customer who asks only a low rate, but may withdraw the lot at any moment.

So the stage was set. Europe, disunited, out of economic balance, overborrowed even at 1929 prices, nevertheless seemed to have been re-established by the financial wizards. The world boom soared to its height in a mad international gamble on the world’s casino in Wall Street, broke, and the strain came suddenly upon the whole ramshackle European edifice.

It came, of course, upon every country in the world, and its pressure was transmitted in all directions from one trading country to another and back to the creditors in London and New York. Eastern Europe, being raw-material producing territory, and choked with a peculiarly vicious group of tariffs and restrictions, went bankrupt almost over night. The Austrian economy, tottering as it was, depended upon the attenuated trade with those parts. The burden proved too great, and in July, 1931, a great bank, the Credit Anstalt, which had been forced to absorb other banks which were in difficulties, broke down. The strain showed immediately in Germany, which has intimate trade relations with Austria and, in any case, was overborrowed at the falling level of prices and exports. The French short money had not been large in Germany, and what there was had fled at the rumble of the approaching storm, but English and American banks had very large commitments of customers’ money lent on short term to the banks in Germany, which banks, in accordance with an old and rather unsound German banking practice, lent it to finance intermediate credit or even long credit. The Darmstädter und National Bank failed, and the withdrawal of British and American credits had to be suspended, under a “standstill agreement” negotiated between them and Germany. President Hoover’s wise leniency made it possible for Germany to carry on by shortening her export requirements. We agreed to the generous offer, taking a loss of some 11 million pounds, and France bargained like a fish wife with the fire brigade that came to save the fish market from burning down.

The cracks now developed in the next point of weakness, in my own country. Although we derived some help from the fact that the price of all raw material fell faster than the price of the goods we made with it, our financial position was weaker than it appeared. There was this mass of short-term money, mostly French, in the London market—“bad money” the bankers called it because it was so unreliable. Much of this, with our own resources, was lent in Germany, where, under agreement with the American banks, we had to leave it. Some we had lent in long-term loans abroad, through lack of realization that our own balance for investment, derived from the profits of our international trade, had dwindled very much and was now to disappear and become a debit balance, owing to the failure of world trade, particularly in our specialties, and the failure of our debtors to remit, as well as to the constant handicap of the gold
parity. There was a run on London as a bank, and the French took away their money and so did the Americans, Swiss, and Dutch. The French lent us money to assist us, which meant that thereafter we substituted a debt to the French state for one to individual Frenchmen, for the drain continued. You also lent us the money to tide over the crisis, for London is the king-pin of the European wagon, and if it fell out we should go back to the confusion of the years before 1924, and you had now a great stake in Europe.

It did fall out. The withdrawals showed no sign of slackening, and it was judged useless to attempt to attract money by a higher rate, so we stopped payment of foreign deposits at gold par, with the rate at 4 1/2 per cent, put the rate up to 6 per cent to stop internal inflation, and, having provided for balancing the budget, let matters take their course. In effect we scaled down certain obligations by 25 per cent, ironed out the 10 per cent addition to our costs, and, putting up a tariff to correct our adverse trade balance, prepared to ride the storm. All this occurred in August and September. Since then the storm has grown worse. Germany has gone through a most drastic deflation, cutting her costs to the bone and lowering her standard of living to meet the difficulty, but not daring, after one experience of inflation, to abandon the gold parity—nor needing to, since we and you hold her up by leaving our balances there. Our dominions and colonies, and most nations in close trade relations with us, such as the Scandinavian countries and the Argentine, have had to let the values of their currencies slide, too. Only France and the United States, with South Africa, remain firmly on the gold standard and even the latter is not too secure.3

Elsewhere confusion reigns. Tariffs have been raised everywhere, but they matter less than the restriction on transfer of funds by exchange controls everywhere, so that the exporter to Germany, Hungary, or Austria cannot bring home the proceeds of his venture.

The volume and value of international trade continue to shrink, and though we have secured an increased share in that diminished total, we cannot continue to find shelter if the trade on which we live does not revive. Even France, more nearly self-sufficing than the rest, begins to feel the effects of the cessation of foreign trade and the relative rise of internal costs under her gold policy. With the exception of France, England is probably suffering less than other European countries but Europe, as a whole, having cut down her international trade—which you with your continental scale would call internal—is facing a lowered standard of living as well as a whole series of deflation crises and the mutterings of Fascist and communist revolution in all the danger spots and sore places left by the Peace Treaty.

One thing is clear—no more financial wizardry is required, but rather the honest and painstaking removal of those underlying causes to which I have alluded. And it would appear that at last necessity has produced some progress in that direction.

3South Africa has also recently abandoned gold parity.
4. ECONOMIC BARRIERS AND THE DEPRESSION

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It is my belief that the present depression is not just another depression which will automatically pass, but one of the most serious which the world has faced. It is serious, not because distress is greater, for there may have been times when people suffered more from hard times than they are suffering today, but because it is so world-wide in scope and because the machinery of civilization is so complex that setbacks such as this menace the whole structure of modern society. The very degree to which we have been speeded up makes a reaction like the present carry with it the elements of disaster.

It is most necessary, therefore, that we bend every effort to correct those weaknesses in modern social organization that are responsible for such painful disturbances as we are now having. Not only is it possible to correct these through better organization, it is imperative that we do so, if the type of society which we have been building up is to survive. A laissez faire, fatalistic attitude is not enough.

One thing is certain—we must strive toward national and international planning. Our political leaders must become business men in the best sense, and our business men must acquire the outlook and breadth of view of statesmen. We should not free political parties from responsibility for the state of business while they are in power, even though they have been disposed to assume too much credit for good times and too little for bad. In light of the present inevitable trend in government and business, I would suggest the modification of the slogan of the United States Chamber of Commerce from “More business in government and less government in business” to “Better business in government and better government of business.”

I am convinced that the governments of the world, including our own, are largely responsible for the present deplorable state of the world’s affairs. Governmental action has crippled if not practically destroyed the world’s commerce, and has thus struck a vital blow at the world’s prosperity. It is my conviction that the almost universal raising of economic barriers is to a considerable degree responsible for the present serious condition of our own business and that of the rest of the world.

The peculiar causes of this present acute disturbance of world economic equilibrium are primarily the war, the revolutionary development of machine technique, and the disintegration of political organization. The war has accentuated nationalism in a world eco-

1 Delivered in the series of evening public lectures.
onomically international, and over-accentuated nationalism leads to combat in arms or commerce. Since the war, instruments of economic armament have been multiplied. These have taken the form of embargo tariffs, export bounties, and exchange control, and have congested commodity and gold flow with the resulting serious world dislocation and distress.

Although the war in itself has been a prime factor of disturbance, it has also stimulated the development of machine technique and the disintegration of political organization. It stimulated the former because of the shortage of man power during the conflict and the imperative need of maximizing production. As for the latter, political disintegration has been due, in part at least, to the strain put on government in its various forms by the economic upheaval.

Had there been no war, we would have been faced with the problems of technological unemployment, which were making advances before the war came, but the difficulty of adjusting man to machine has been increased because of the many other economic problems left by the war.

The very nature of war requires the intensification of patriotism and concern for national self-interest. Emotions are aroused, hatreds are engendered, and hostility does not cease with an armistice or peace treaty. Nations realize the relationship of economic self-sufficiency to successful warfare, and having recently been through the experience of warfare they think largely in terms of security and national assertiveness to secure it. People who have been in war lag back to peace, and are reluctant to think in terms of world cooperation. The state of mind growing out of war tends to multiply the possibilities of again entering it. Hence this period of economic nationalism through which we are passing is not only an obstacle to world peace but also to prosperity.

Normal international intercourse alone makes possible the development of mass production in industry and agriculture throughout the world. Normal international intercourse alone makes possible the full play of specialization and division of labor out of which the world and all the countries of the world achieve the largest measure of wealth and prosperity. Specialization in production is frustrated by trade barriers. Surpluses accumulate, prices are depressed, and credits are frozen. Exchange of surpluses cannot take place with every country of the world zealous to prevent imports. All trade, domestic and foreign, is essentially barter. The total monetary gold in the world not already held by us would be a little more than enough to pay for our exports for one year if imports of goods were prevented. Nor can we take securities indefinitely in payment for our surplus exports. Our surplus commodity exports have aggregated, since 1913, about 28 billion dollars, and we have loaned abroad just about that much. Under our present policy of curtailing imports, how shall we receive interest on this rapidly growing foreign
investment? It is inherent in a creditor position to take imports in excess of exports to balance the interest account. The alternative, of reinvesting the interest, simply augments the investment and the resulting interest accumulation. This cannot continue indefinitely.

Economic nationalism carried to the point which it is now rapidly approaching must lead to national self-sufficiency on the part of the countries of the world and, with that, retrogression in the present beneficial trend toward maximizing output in relation to man power. This retrogression, if continued, will mean a sacrifice of much that science has evolved and business management made possible. It will lead ultimately to lower standards of living where the standards are high, and to impoverishment where they are low. Indeed, the present world-wide depression is a manifestation of the beginning of this retrogression.

Mass production and specialization have built up population, and present population is in excess of a slowed-down world economy. Consequently, the United States has unemployed at the moment approximately seven million workers, Germany approximately four million, and Great Britain nearly three million. Even France, generally supposed to have achieved self-sufficiency with relative success, has approximately 700,000 unemployed. Italy and Japan, seeking work for their people, are looking to empire expansion as a solution.

World economy, however, properly understood, no longer has place for the empire system. This system was justified when industrial countries were few and raw material countries many. During the past 30 years industries have been spreading to all parts of the world, and there are few countries which are not now industrially self-conscious and determined to develop an integrated economic life. They will not freely consent to be part of a grandiose empire system under some ambitious power. Hence the British Empire has become a group of commonwealths none too strongly held together.

The time has come when, if progress is to continue, world economy must be built fundamentally on the principle of free access to raw materials and free markets for all who have goods to sell. Only in this way can conflict be avoided, wars prevented, and economic security attained. The war cleared much of the ground for it by destroying the German scheme of world domination, but it left with the victors, for the time at least, that concept of economic nationalism which they had sought in Germany.

Economic nationalism is responsible for the embargo tariffs which characterize almost every country of the world, for the export bounties which characterize certain countries, and for the obstacles to gold flow which menace the normal functioning of international monetary and capital exchange. The European continent purchases 60 per cent of the total goods entering world imports and 90 per cent of the raw materials and foodstuffs entering world trade. The United States, Argentina, Canada, and Australia contribute practically 90
per cent of this exportable surplus. Eighty per cent of American farm exports go to Europe. Depression comes when the necessary exchange implied in these figures is interfered with.

We in the United States have been committed for many years to the principle of protectionism, but since the war we have largely given up orthodox protectionism and have undertaken to stop entirely all imports which compete with our own production. In fact, there is a distinct tendency to embargo many things which compete even indirectly with our own production. The carrying out of this principle to the fullest extent would destroy almost all of our imports and at the same time our exports.

Beginning with the Emergency Tariff Act of 1921, following with the Fordney-McCumber Tariff of 1922, and concluding with the Hawley-Smoot Bill of 1930, as well as by persistent minor revisions of the tariff rates upward by administrative decree between 1922 and 1930, we have raised obstacles to that normal flow of world trade which is a necessary condition for world recovery from the devastating effects of the World War. If we had, in following this policy, really enhanced our own prosperity, there would be at least a partial excuse for our action. We have not done so.

During recent years, United States exports have been 15 per cent of the aggregate exports of the countries of the world and imports have been about 12 per cent of total imports. Only 8 to 10 per cent of our domestic production is exported, and there are those who argue that our foreign trade, therefore, has little to do with our own prosperity, but I submit that the marketing of the last 10 per cent of anyone's output has all the bearing in the world on the success of that person's business. The serious curtailment of our five billion dollars of commodity exports in 1929 is having a far-reaching effect on prices in agriculture and industry, and hence on the prosperity of this country. The value of our exports is today less than half what it was in 1929.

The exports of this country, even in the post-war years, have been to a large degree agricultural staples, such as wheat, cotton, and pork products, and these exports have been primarily to Europe. We have practically no other market for these materials except Europe, because the other large continents of the world, like South America and the Far East, are themselves shippers of raw materials.

Our prime interest in the United States since the war should have been to foster the buying power of European countries in order to maintain the full outflow of our surplus products and to insure price equilibrium between agricultural and industrial production. On the contrary, our tariff policy, in the first place, increased the prices of manufactured goods without a corresponding increase in the prices of agricultural staples, and in the second place, reduced the buying power of European markets by restricting their sales to us and cutting down the dollar credits which they needed to purchase our agri-
cultural surpluses. The tariff raised the prices of manufactured goods above what they otherwise would be, but not those of wheat, cotton, copper, and pork products, because the prices of these latter commodities are fixed in the world market.

There are undoubtedly other factors in the agricultural problem, such as the over-stimulation of agricultural production, which war prices brought about and which farmers have been slow to recognize. However, this tariff factor has been very important because it at once restricted outlet for agricultural production and increased the farmer's costs through higher prices of manufactures, without compensating him by increased prices for his own products. Hence we have McNary-Haugenism, the debenture plan, the Farm Board, and the many other impossible schemes, tried and untried, which have been designed to pull the farmer out of difficulties for which the tariff is to a large extent responsible.

When we raised our tariffs in 1922, we stated that we wished to prevent European goods from being dumped on the American market. The writing of this tariff began in 1921, and in that year we had a surplus of exports over imports of almost two billion dollars (as against a half billion in 1913), while Europe was in a state of economic prostration. In fact, Europe may be said to be still prostrate economically, and the great concern of our statesmen and bankers at the moment, and pretty much their concern for the last 10 years, has been to keep Europe from becoming economically demoralized and financially insolvent.

There has never been a time since the Armistice when we were threatened with a flood of European products, for Europe has not had the production to satisfy her own requirements, to say nothing of pouring that production into countries abroad. Almost every country of Europe has had an unfavorable balance of trade during the whole post-war period, and has paid for surplus imports out of borrowings from a prodigal Uncle Sam.

We would have loaned less but more wisely; we would have saved our own agriculture from much of its post-war distress; and we probably would have saved Europe, had we not made impossible her payment to us for surplus materials through shipments of her own goods. We have given the dole and we should have given the work. The recovery of Europe should have been our concern, and our greater purchase of European products would have worked to that end. In this way we would have definitely aided recovery, we would have received payment at least in part for our exports instead of promises to pay, and our own industrial well-being would in no sense have been menaced because of the strength of our export position, which, despite obstacles of our own making, has grown to be first among the countries of the world. Increased imports would have meant still greater exports, balanced prosperity, and a creditor position, if not so great as it is now, certainly more sound.
The repercussions of our high tariff policy have tended to intensify the business difficulties of the present period. The restriction of our imports has automatically cut down the exports of many countries to us, with a resulting effect on them even more serious than on us, because their dependence on foreign markets is far greater than ours. We normally take, for example, one-fourth to one-half of the exports of Brazil, British Malaya, Japan, Canada, Chile, Peru, and Venezuela, and our tariffs on commodities coming from these countries have a direct and immediate effect on them. Although we take a smaller percentage of the exports of countries like Mexico, Cuba, Colombia, and the Central American group, any act on our part which materially reduces their sales in this country has a far-reaching effect on their capacity to buy.

During the discussion of the Hawley-Smoot tariff, protests were received from 30 foreign countries in regard to changes in more than 200 commodity classifications. A study of the effects of the 1930 tariff recently made by the Foreign Policy Association showed that a large percentage of the leading imports from a group of countries was affected by the new 1930 tariff schedules. According to this study, the increases affected 23 per cent of Canada's exports to us at that time, 88 per cent of Cuba's, 87 per cent of Argentina's, 84 per cent of Uruguay's, 56 per cent of Australia's, 35 per cent of New Zealand's, 98 per cent of Egypt's, and percentages ranging from 20 to 70 per cent of the exports of practically all the continental European countries.

The protests regarding the new tariff came principally from the countries above mentioned, whose trade was affected to an important degree. These protests were based on a proper effort of the countries concerned to protect themselves against extensive economic injury. Being unsuccessful in these protests, they have raised their tariff rates against our products and have sought to compensate themselves for loss of our markets by commercial treaties with those countries willing to trade with them.

Thus during the eight months prior to February, 1930, 12 European countries initiated measures for new tariffs, 22 countries introduced fairly important increases in duties to industrial products, and 13 countries effected similar modifications in agricultural duties. Italy and Germany, for example, finding it difficult to continue to purchase our wheat because of lack of dollar credits, have attempted to reduce to a degree their dependence on the United States for foodstuffs by imposing high tariffs, particularly on wheat. This probably is bad economy on their part, because these countries are only to a certain extent adapted to wheat production, but they are now buying very much less from us and producing very much more, although doing so at a high cost. According to a report recently published by the Carnegie Foundation, the past year has seen 45 states all over the world establish or increase protective duties on important American
exports, apparently to some extent in retaliation for the prohibitive rates imposed by the United States in the Hawley-Smoot Act.

The Carnegie Foundation study declares that the increases by these countries have affected approximately 890 American articles. American motor cars, trucks, and parts have been largely excluded from the European market by prohibitive duties. France, for instance, has increased its rates on these products from 42 to 123 per cent. In March, 1931, Czechoslovakia raised its duties on motor cars to $800 per ton. It is said that this means virtual exclusion of American automobiles from a rapidly expanding market. The countries of continental Europe have placed similar duties on copper and on moving pictures. As a result, we have been deprived of a market for these things, which has curtailed employment in the industries producing them, while the European countries have been deprived of utilities which they need and wider markets abroad for their own industries. It is interesting to note as an example that whereas our automobile exports were 539 million dollars in 1929, they have dropped to 147 million dollars for 1931.

In October, 1930, Mexico increased its rates on fresh and dried fruits, imported exclusively from the United States, by 200 per cent. In the following month, Switzerland increased duties on typewriters and calculating machines from $12 to $50 per quintal (220 pounds). Nearly 80 per cent of these imports had been from the United States. In February, 1931, Canada raised duties on American automobiles to a level that virtually excludes higher priced cars of American make. Canada has also raised the duties on a long list of other American commodities. Canada has normally been our best customer, and the cut-off of these purchases means lost markets, increased unemployment, lower prices for the agricultural and manufacturing industries concerned, and the migration of industry across the border. There is today approximately two billion dollars invested in American branch factories in Canada. The advantage of those producers who receive theoretically higher prices as a result of the embargo on Canadian products is nullified by the general low state of business in this country and the greatly restricted buying power of our people due to the maladjustments resulting from the tariff war.

And so one could enumerate instance after instance of the exclusion of our products from markets enjoyed in the past. Our export trade is disappearing at an alarming rate. Thus do barriers bring about more barriers and the whole world suffers.

Australia has carried the principle of isolation and attempted self-sufficiency probably further than any other country, and Australia is now facing the greatest crisis of her history. The government there has attempted to insure higher wages for the Australian worker through the protective tariff. The objective is commendable but the method faulty. The Australian Government has raised the tariff walls consistently since 1908 until, in April, 1930, it finally
imposed rates which were in effect embargoes, and went so far as to prohibit entirely the importation of 78 articles on its tariff schedule.

Australia's policy of extensive public ownership with unduly high wages for the workers has brought about serious budgetary problems. The national budget has shown deficits for the last five years. Although borrowing abroad has put off the final day of reckoning, this borrowing has become difficult if not impossible, and the nation's credit has been seriously impaired. Large public expenditures, with the concomitant of high taxes and the artificial maintenance of wages, have kept costs of production abnormally high, and the world depression has kept the price of export commodities abnormally low. In recent years Australia's balance of trade has been rather seriously adverse, and she has resorted to the expedient of export bounties to stimulate sales. Sugar is an illustration. On this product the duty is high, so that the domestic price is about £26 per ton. Through government bounty, however, sugar has been selling abroad for £10 10s. per ton, or a little more than one-third the domestic price.

Government bounties cost the tax-payers of Australia in 1930 about two and one-half million dollars. This is large for a country of Australia's resources. The sugar bounty has been estimated to have amounted to $1,250 a year to each man in any way connected with the sugar export industry. Within a relatively short distance from Australia is one of the great sugar producing centers of the world, Java, which has large surpluses accumulated and which could sell its product to the people of Australia for a fraction of what they are now paying.

Australia should serve as an example to the world. It represents protectionism gone mad. We are following, with our tariffs and our Farm Board buying arrangements, a policy not unlike that of Australia, and one which, if carried far enough, will lead us to the same serious position.

The abandonment of the gold standard by Great Britain and the other countries which are following suit is a serious matter for the world. We are again approaching the financial disorganization and uncertainty through which we struggled in the years immediately following the Armistice. Great Britain's action means an immediate but temporary stimulant to her trade, and has only one possible permanent advantage—the scaling down of her public debt. Some countries have already followed and others are likely to follow her example. Currency systems will be wrecked or seriously impaired for the purpose of "painless repudiation." The repudiation of debts sponsored by the leading countries of the world strikes a blow at the whole capitalistic system, for profits, savings, and the integrity of investments is fundamental to the survival of that system. It is my belief that the action forced upon England by her shortage of gold in a pressing crisis will seriously retard world recovery.

We have since the Armistice endeavored, through Federal Reserve
discount policy and through the extension of credit, to maintain Great Britain on the gold standard. Our efforts have been commendable, but have been largely nullified by the inevitable effects of a combination of our tariff policy and creditor position, which have made New York a magnet for the world's gold. We have not sought the gold as a matter of policy, and many of our leaders have deplored our large accumulations of it, which we have not needed and for want of which the world has suffered. We extended special credits to the Bank of England at the time the crisis was impending, but this action was not sufficient. Had the Bank of England possessed some of the gold reposing in our Federal Reserve vaults she could have weathered the storm. Bank solvency is a matter of adequate reserves to meet an emergency. The Bank of England was technically insolvent when the gold standard was abandoned.

The payment of war debts by the European countries to the United States and the payment of reparations by Germany to the Allies are important factors in the present disturbed world situation, not because the making of these payments is inherently impossible, but because our tariff policy has made them extremely difficult, and, in the opinion of President Hoover, impossible last year, as evidenced by his moratorium. In 1930, we received on account of war debts 241 million dollars. We did not receive that amount this year, nor, I believe, shall we receive it in future years, because of the difficulty Europe is facing in securing adequate dollar credits with which to pay these sums.

Just as the inadequacy of dollar credits has resulted in the shipment of gold to the point where the gold standard for Europe, other than France, seems an impossibility, so inability to build up dollar credits is making impossible the payment of reparations and war debts. Both of these could have been paid had a quick economic recovery of Europe been possible shortly after the Armistice. We have preferred to keep European exports to this country at a minimum, and are thus depriving ourselves of repayment of these loans which we made to help win the war.

The 241 million dollars which we did not receive this year is a factor in our budget and taxation situation, and will continue to be a factor in the future. The taxpayers, as well as our exporters, will thus pay out of their pockets the price of an unenlightened tariff policy.

I do not wish to make too strong a case against the United States. We have been influenced by the same psychology which has actuated national commercial policy the world over. Nevertheless, it seems unfortunate that, with our relative political aloofness and relative security from war upheaval, we should not have taken a leadership commensurate with the importance of our position and the greatness of our resources. We have had the most to lose from economic and political obscurantism because our progress has been the greatest.
Europe is fully conscious of the disastrous effects which the tariff war has brought about. None of the countries in Europe has the great domestic market which the United States enjoys, and their prosperity has therefore been more seriously affected by competition in barrier raising. During the last several years, the League of Nations has made two major attempts, which were the Import and Export Prohibition Convention and the Convention for Concerted Economic Action. Neither of these conventions is generally in force today.

Other efforts made at conferences of European leaders have been the Briand plan for the United States of Europe, and the abortive Austro-German Customs Union. Despite the lack of success of both League and non-League endeavors, the attempts at least emphasize the importance which is attached to the problem in Europe and the belief there, that some international action is necessary if the world's economic recovery is to realized.

It would not be wise to attempt a sudden abolition of all the barriers to the free flow of the world's commodities, although some immediate steps are necessary to relieve the present congestion of commodities at the source of their production. We can, I believe, by negotiating agreements with other countries, begin a sane, consistent lowering of the tariffs so that the world's production and distribution may take place with a minimum degree of hindrance. The resulting ability of congested commodities to find their natural levels would quicken buying, reduce surpluses, raise prices above the present below-cost-of-production level, and start the movement toward the world recovery of business.
III. Chinese Civilization and Politics

1. THE REBIRTH OF AN OLD CIVILIZATION

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When one visits China today, one is disappointed and depressed to see the whole country in a state of chaos. In traveling from one section of the country to another, one is bewildered by the lack of a uniform system of currency, the lack of adequate modern means of communication and transportation, and the general lack of modern conveniences. One sees suffering everywhere. The peace-loving and hard-working people suffer from political disunity, social disorder, international discord, poverty, banditry, communism, and disastrous drought and flood. One notices that these common people look intelligent, though they are illiterate, ignorant, inarticulate, and seemingly indifferent to what is going on in their country. One observes that many of the once magnificent temples, lofty pagodas, massive walls, beautiful bridges, and memorial arches are now in a state of ruin. The hills are barren. The rivers are muddy. The sanitary conditions of the villages and towns are far from healthful. Poppies are grown in many of the farm lands where rice plants were formerly cultivated. Antiquated implements are still in use in farming. Indeed, one is led to consider China as but a "geographical expression," and to think that, if the Chinese have a civilization at all, it is a stagnant one, which is collapsing, and should be replaced by modern Western civilization.

The student of world history, who humbly searches for truth in the midst of these realities, is not disheartened by the sight of the falling structures and debris, which must be there when construction and reconstruction take place. While he is mindful of the seriousness of the present situation, which is marked by political disunity, social unrest, industrial troubles, international disputes, financial difficulties, and general disorder, he is at the same time convinced of the fact that what China is experiencing is what every great nation in the making has experienced. He would consider the present conditions as healthy signs of the rebirth of the old civilization of China, which antedates that of any other nation extant. During the past 4,000 years, this old civilization has been slowly, gradually, and continuously developing, and has made some valuable contributions directly or

\[^{1}\text{A paper prepared expressly for this volume.}\]
indirectly to the development of other civilizations. Its progress has been interrupted several times by internal dissensions and foreign invasions, but it has never been so shattered and crushed as to have lost its vitality. The Chinese passion for learning and their power of assimilation have enabled their civilization to develop from age to age in spite of interruption. In their contacts with the peoples of other climes, they invariably took over such elements of foreign cultures as were worth adopting whenever such contacts continued for a sufficient duration. In ancient days they learned—probably from the people of Mesopotamia—the art of casting bronze, the method of calendar making, and the use of hieroglyphic writing. They learned the use of jade and of other cultural elements from their neighbors who occupied what are now Khotan and Yarkand in Chinese Turkestan. From the “Huns” and other “barbarians” they learned the art of fighting on horseback, the use of the compound bow, of leather, and of the Scythian animal design in casting bronze vessels. Some of the musical instruments found in the modern Chinese orchestra are of “barbarian” origin, as their names indicate. From the men of letters of India, they learned not only the religion of Buddhism, but also the art, philosophy, literature, music, architecture, and astronomy of the Hindus since the first Christian century. From the learned Jesuits, who have entered China since the sixteenth century, they learned something about European mathematics, astronomy, and geography, as well as the religion of Catholicism. They assimilated those elements which were assimilable, improved and developed them, and made them Chinese. “It is this power of assimilation,” says Dr. V. K. Ting, foremost Chinese geologist and historian of the present, “that makes Chinese civilization a vital process,” different radically from the previous civilizations which have declined.

Freely China has received from the cultures of other peoples and freely has given of her own to the development of other civilizations. Students of history are wont to say that in the course of 40 centuries China has produced many notable statesmen, philosophers, poets, artists, and craftsmen, and that in the heyday of their material achievements, they have made some valuable contributions in the fields of art and mechanical invention to world civilization. Chinese culture was first introduced to Korea in 1100 B.C. Chinese institutions, written language, customs, ethical ideals, and arts, were introduced into Japan during the fifth, sixth, and the following centuries. The far-reaching influence of Chinese civilization upon Europe of the eighteen century was pointed out by Adolph Reichwein in his book, China and Europe, Intellectual and Artistic Contacts in the 18th Century. The influence of the practical philosophy and political concepts of Confucius upon Leibnitz, Voltaire, and other philosophers was astonishingly great. Even Goethe received a little contribution from China to the development of his high ideals. This great poet, after reading the translation of the Chinese
play entitled "The Flower Paper," was reported to have said to Eckermann:

"I see more and more that poetry is a common possession of mankind. . . . The expression 'National Literature' does not mean much now, the age of 'World Literature' is at hand, and every one should endeavor to hasten its coming."

During the eighteenth century, the world witnessed the greatest expansion in Chinese porcelain and other forms of Art. E. T. C. Werner once remarked: "If aesthetic products are for the exaltation of life, China through the marvelous beauty of her porcelain must have contributed very largely to the happiness of humanity."

The world of that century also witnessed China’s great renaissance. "Inspired by a desire for truth and a scientific earnestness not less than that which has marked the advance of the West in invention and investigation of nature," says Hotskin, the Chinese scholars of those days in the philological, literary, and historical fields "reconstructed the texts of the lost authors of ancient days and delved into the rich mines of classical literature which awaited patient scholarly investigation." The quality of their scholarship and the thoroughness of their work astonish even the Sinologists of the present day. From the beginning of the nineteenth century China has become intellectually inactive. The Chinese seemed to have been well satisfied with what they had achieved. They became self-sufficient and self-complacent. For them "the Middle Kingdom" was the "hub of the universe." They possessed the same attitude toward things foreign as that of the mighty monarch, Chien Lung, whose glorious reign of sixty years (1736-1796) made him facile precept among the surrounding peoples. During the latter part of his reign, England desired to better the commercial relations between herself and the Celestial Empire. In 1792, Lord Macartney was sent by King George III to the Celestial court to open diplomatic intercourse to secure for his subjects the rights and privileges belonging to traders in a foreign country. Lord Macartney was met with every sign of consideration and good will by the aged emperor, who had no idea of how powerful England was and considered her to be a tributary state like Siam, Annam, or Burma. He declined to establish commercial relations with her. In his letter to the English king, the haughty monarch said:

"Our dynasty's majestic virtue has penetrated unto every country under Heaven, and kings of all nations have offered their costly tribute by land and sea. As your Ambassador can see for himself, we possess all things. I set no value on objects strange or ingenious, and have no use for your country's manufactures . . . . ."

After the mighty monarch became a "guest on high," the vast Celestial Empire began to decline. Official corruption and oppressive laws caused the peace-loving people to rise up against the local and
central authorities. At the same time, the industrialized Western countries, led by powerful England, tried to open up the country for international trade and for the propagation of Christianity. War, commerce, and missions ushered in the modern Western technological and Christian civilization. The impact of this aggressive civilization was so sudden and so ferocious that it stunned the Chinese, who were intellectually fast asleep. Being administratively inefficient and militarily weak, sleepy China was not able to meet the “outer barbarians” who came from the “Western Ocean” to challenge her political and cultural supremacy in the Asiatic continent.

The so-called “Opium War” was fought. Sleepy China was defeated. In 1842, she was forced to cede Hongkong as a British colony, to open five ports for international trade, to pay a heavy indemnity, and to grant permission to missionaries to propagate Christianity. But the relationship between China and England was not improved and soon another war was fought. Napoleon III joined England to attack the Celestial Empire because of the killing of one French Catholic missionary by the bandits in the interior. The allied forces captured Canton, set up a government there, and then sailed north. They entered Peking, burned the beautiful Summer Palace, and sacked the town of Haitien. A treaty of peace was concluded in 1860. More cities were opened up as treaty ports, more indemnity was paid, and more concessions were granted. After this conflict, the Western Powers could impose their will on China and dictate “the conditions under which international relations were to be maintained.”

Wave after wave of missionaries arrived. They brought in not only the message of salvation but also modern medicine and modern methods and forms of education. Their higher motive was never appreciated, because, as it was alleged, they enjoyed treaty rights, which had been wrung from the Chinese by sheer force of arms and which have always been safeguarded by gunboats.

From 1880 to 1899, the Powers ruthlessly encroached on China’s sovereignty by seizing her dependencies, by demanding land and railway concessions, and by proclaiming the so-called “Sphere of Interests and Influence.” In 1900 occurred the notorious and disastrous “Boxer Uprising” in North China against the “foreign devils” and the “second foreign devils” who have been converted to the “Ocean Religion.”

The Chinese, from the haughty Empress Dowager down to the humble craftsman, were obliged to copy many things from the civilization of the West. They first learned how to build up a modern army and modern navy. They established arsenals and dockyards. They started to construct railways. Students and scholars ambitiously took upon their shoulders the heavy responsibility of saving their country. From Japan they obtained second-hand knowledge of the Western method of modern warfare, the Western systems of government, of industry, of communication, and of education. But the knowledge that they had acquired there did not exactly meet the
need of their country. So they went to Europe and America, where they came in direct contact with the better aspects of modern Western civilization and came to know the other aspects as well.

From the missionary colleges at home and from the higher educational institutions abroad, ambitious Chinese students learned modern dynamic ideas—new ideas of the value of the individual, of democracy, of mechanized industry, of law, of education, of nationalism, of socialism, and lately of communism. The inflow of these dynamic ideas and ideals into the placid stream of Chinese life has succeeded not only in stimulating original thinking and in quickening new thought, but also in inspiring high-minded and energetic young men and women to action. Revolutionary activities of the first magnitude were engineered under the leadership of Dr. Sun Yat Sen. In 1911, the monarchial government was overthrown and a "republic" was established to take its place. The success of the political revolution gave the young reformers a new impetus to learn more about the experience and institutions of the Western peoples, particularly of the Americans.

Since 1911, China has been passing through a stirring period of political, social, intellectual, and spiritual awakening. The awakened youth revolted against the autocratic rule of Yuan Shih Kai, who attempted to make himself emperor in 1915, but failed. They revolted against all those militarists "who arose from banditry and from the scum of society and whose education and training have never qualified them to rule." They revolted against the corrupt politicians who had no livelihood other than politics and who had never been regulated by any system of examination for civil service. They revolted against the old family system, condemning most of the homes as being "the nests of crime, of injustice, oppression, lynching, and suicide." They revolted against the conservative and ignorant elders for their resistance "to all pressure for reform and modernization, even in the face of the grave danger of the country being partitioned among the Powers." They revolted against the classical language, which may be readily understood by the learned but is difficult for the common people to master.

The process of revolution is still going on. The youth revolt against those evil forces at work which tend to become a menace to democracy, religious tolerance, equality of opportunity, justice, and the peace of China and of the world. They clamor for the abolition of the "unequal treaties" and "extraterritoriality," and for the rendition of the "concessions and settlements" which have been held by the Powers for residence of their traders. They advocate the "immediate concentration of all attention and effort to usher in a material and mechanical civilization," so that China may quickly become a nation in the Western sense and secure for herself a proper place in the family of modern states. Through their untiring efforts, movements for political reformation, social transformation, "psychological reconstruction," intellectual renaissance, and the steady expansion of
education, and of industrial and scientific enterprises have been started, resulting in the sudden change of the form of life of the people in the large villages, towns, and cities.

Viewing the present situation with the proper historical perspective and insight, one can readily see a "nation in evolution," an old civilization suffering from the pains of rebirth under the influence of a new attitude, which direct contact with the ideas, ideals, forms, and methods of the modern Western nations has produced. This reborn civilization of China is the inheritor of a very rich cultural heritage, the value of which cannot be over-estimated. It is the tragedy of China and of the world that the most precious parts of this rich cultural heritage have remained hidden and were not brought to attention to be properly appreciated until recent years. Beginning from 1917, when the "Literary Revolution" was ushering in the "New Culture Movement," a systematic research and a critical revaluation of the old learning of China were started. The work of the research scholars surpasses that of the leaders of the great renaissance of the eighteenth century.

It is important to know something about the most precious parts of the cultural heritage of China, for they are the roots and flowers of Chinese civilization. This civilization is like a tree now under process of pruning and grafting. Its roots are ancient but they are on the whole still sound and strong, possessing power of assimilation. One of the roots is philosophy. When one reads such volumes as the History of Chinese Political Thought by Liang Chi-chao, and History of Chinese Philosophy, by Hu Shih, one would be surprised to learn that "the emphasis on experience as against dogmatism and rationalism, the highly developed scientific method in all its phases of operation, and the historical and evolutionary view of truth and morality—all these can find their remote but highly developed precursors in the great philosophical schools of ancient China of the fifth, fourth, and third centuries before Christ."

In the study of Chinese philosophy, one is impressed by the fact that the most important things on which the leaders of great philosophical schools direct the thinking of their fellowmen are education and universal peace. Education is everything for the sage, Confucius, and his school. It is the base and goal of their philosophy. Expounding the Confucian conception of education, Liang Chi-chao (1873-1929), one of the greatest and clearest thinkers of modern China, said:

"Without education no government is conceivable; government is worth while only so far as it is a means of education. A city, a country, the whole world, all are looked upon as schools, and the people as the students. 'The songs of joy' are the marks of an ideal state; 'to nip evil at the bud and to foster reverence in what is invisible' and 'to change the environment so that happiness and harmony will prevail' is at once the means and the end of Confucian political thinking. This conception is founded on the basic belief that contacts
of man with man are the most effective way of influencing individual character. In the contact with men, sincerity is emphasized. 'Only through perfect sincerity can one reach the nature of the cosmos. Having done that, one can reach the nature of men.' Or again, 'Sincerity has never failed to influence; without sincerity no one can have any influence upon others.' The meaning of these quotations is that the whole of the genuine personality must be brought into full play in order that men may achieve perfection. The personality of any one individual is part of the universe; and it is constantly shaping and being shaped by the personalities around it. The development of our personality to its full extent must influence the whole personality of which we are a part; then every individual in the whole cannot escape being influenced also. What one individual in the whole strives for will compel all others to strive for it. This is why the Confucianists believe so completely in the power of education.

Knowing that the Chinese have an unbounded faith in the power of education, it is surprising to find that there was no public school system developed in old China like that found in modern nations. Education in olden days was more or less a private enterprise or a community matter. The well-to-do engaged tutors to teach their children. In the villages and towns, community schools were established by the elders and maintained largely by the temples or ancestral halls. In the provincial capitals, there were the Shu-Yuan or Study Institutes, established and maintained generally by the literati of wealth and rank. In the national capital (Peking) there was the Kuo-Tzu-Chien or National Academy of Classical Learning, where the selected sons of the Empire were supposed to pursue their higher studies. Pupils in the private and community schools were taught how to read and recite the Classics and to expound the sayings of the sages, how to write the characters and to use them in the composition of essays and poems. The chief aim of these schools was to prepare the students to take the civil service examination for honorary degrees and governmental appointments.

It was not until 1906 that the modern western system of education was adopted. In spite of many obstacles, modern education spread quite rapidly. But the masses have not benefited much.

During the World War, 200,000 Chinese laborers were engaged to work in France. Several Christian missionaries well versed in the Chinese language and Chinese students were employed by the International Committee of the Young Men's Christian Associations to serve these laborers in the capacity of educational secretaries. One of the Chinese students in this service was Y. C. James Yen. The intimate contact with the laborers, most of whom were then illiterates, afforded Mr. Yen "a unique opportunity for the practical study of the problem of mass education." By some years of persistent study and experimentation, the "Foundation Character System" was developed. Based upon this foundation vocabulary, four readers, written in plain and not in classical style, were prepared. These
readers were first published in 1921. Since then several new and revised editions have appeared. They are the “best sellers.”

The Mass Education Movement is a nation-wide movement. It aims to help the average illiterate to acquire a maximum of practical vocabulary, about 1300 ideographic characters, within a minimum of time, five months, and at a minimum cost, about five cents gold. “Common People’s Schools” are being established in the rural districts as well as in the cities and towns by the students, merchants, labor unions, and philanthropists, to teach the illiterate adults and poor children who have no opportunity to enter the regular schools.

This great education movement is still experimenting with its methods in the cities and rural districts. In Ting Hsien, a rural district about six hours’ train ride south from Peking, experiments in rural education are being carried on under Yen’s personal direction. Ting Hsien has a population of about 400,000 living in 400 villages. Here the Mass Education Movement has established 200 schools and an agricultural experimental station. The village elders were at first very skeptical of the ability of Mr. Yen and his associates to teach them anything in agriculture. Reluctantly they set aside a small piece of land of two and one half acres for their experiment station. But soon they volunteered to give Mr. Yen 17 additional acres, and after a year of demonstration they expressed their confidence by adding 200 acres.

Says Mr. Yen: “The sooner China’s illiterate masses are educated, the sooner will the world have the added moral force as well as the material assistance of her 400,000,000 intelligent, peace-loving people to help to hasten the day of universal peace and brotherhood of mankind.”

Peace is the second important thing on which the ancient Chinese philosophers direct the thinking of their countrymen. To quote Liang Chi-chao again:

“All Chinese political thinking has as its objective ‘all under Heaven,’ that is, the whole of mankind. This concept obviously did not include the whole of mankind, but its tendency to reach out toward the bounds of what was known, instead of being content with a merely sectional development, is indicative of the spirit of internationalism. It is a significant fact that, in spite of the atmosphere of jealousy and of conflicts of policies in which they lived, the Chinese not only had the concept of world peace, but also engaged their thoughts and energies to arouse a consciousness of it.

“The Confucian school considered national government only as a means or as a first step toward world peace. The final objective was a state in which both national and racial lines should be obliterated. Their highest ideal was that civilization of one country should be so enlarged as to include within it all mankind on a footing of equality. Whenever we find in the Confucian Classics a mention of ‘the way of virtue,’ ‘the way of power,’ they invariably become discourses on internationalism as against nationalism. Internationalism is a natural and logical ideal with the Taoists, who go back to
nature as their fundamental belief, as with the Motze school, which believes in impartial love and equality. The belief in a Heavenly purpose makes this ideal even more concrete and practical. If Heaven regards the people of all nations alike, loving and caring for them all to the same extent, then whoever enjoys the care and protection of Heaven should follow Heaven's will in loving and caring for others. Therefore nationalism can have little meaning for them. The Legalist school was a little different. It corresponds to those who today advocate a policy of 'blood and iron.' Nevertheless its objective was also a world order. To use a simile, the three schools are like those who stand for a world confederacy, while the Legalists are like those who stand for the conquest of the world. . . .

"Europe, half the size of China, is divided into a number of smaller states constantly at war with one another during the last 2,000 years . . . . In China, however a united Empire has been the normal condition since the Tsin dynasty (B.C. 232). Occasional conflicts have been known of course, but contrasted with the affairs in Europe during the same period, these have been very few. It is understood that Europe is inhabited by different racial groups, but the ethnological conditions in China are not very different. What then accounts for the unification of China? The physical environment has had its share, but the most potent factor has been the psychological influence which the teachings of these ancient philosophers has exerted. It has been observed before that one's consciousness of others should be enlarged rather than restricted. If our ancestors had encouraged the people of Tsin to love their state only and the people of Yueh to love their state only, then the attitude of the people today would not be better than that of the Germans and French. But the Chinese made it a point to nourish this consciousness, so differences have been merged into a united whole. As Europeans encouraged a discriminatory attitude towards other nations, the differences between them have become accentuated. The psychological effect is unnoticeable, but how real and powerful a factor it can become!"

The Chinese have been taught to love peace and hate war. They are constantly reminded that "under Heaven we are all of one family" and "within the four seas, we are brethren." They are told that "arms are ominous tools," that "there is no such thing as righteous war," and that "as good iron is not used to make nails so good sons should not be trained to be soldiers." They and their forebears have been so deeply convinced of the power of peace that there has been no period in Chinese history that militarism did not incur popular disapproval. Already there is the nation-wide Anti-Civil-War League organized. Sooner or later the deep-rooted influence of the early sages will reassert itself to bring common sense back to the heads of the selfish young leaders whose military undertakings have brought so much suffering to the peace loving people. Some of the militarists who were active 10 years ago have now become recluses, not because they are no longer able to fight but because they have repented.

Some observers contend that the Chinese are far from being
peace loving. To substantiate their contention, they point out the occasional quarrels between individuals over money matters, fights among villagers over the possession of a buffalo or of a piece of farm land, dissensions among members of political parties, civil strife among the "war lords," and disputes among the "coolies." They overlook the practice of compromise, of non-resistance, and the work of the Peace Societies, the guilds, and other organizations which have the power to arbitrate. This power is invested upon them by the peace-loving people, who, like all other human beings, inevitably lose their tempers when excited, humiliated, insulted, cheated, oppressed, or attacked.

The sages of old preached peace because they believed that "all creation originates with Heaven; all mankind originates with one common ancestor," and "under Heaven we are all of one family." This family concept was another root of Chinese civilization and constituted the fundamental basis of the old political organization. "Heaven" in ancient times was thought of as having personality and purpose, with a direct supervision of all political affairs. The ruler was regarded as "the Son of Heaven," who was "the parent of the people" and ruled over the empire, who was the connecting link "between what is above and below," but who was not conceived as belonging to a class distinct from the rest of the people. He might be enthroned or dethroned at the pleasure of the father of all mankind. In the Classics it is stated, "Heaven creates the people and sets up a ruler to guard them and keep them from going astray... Heaven's love for his people is immeasurable. It is not conceivable that he should set a man above them to debauch them..." The Son of Heaven" was thus exhorted: "Develop and improve your virtues so as to endear the relationship of nine generations of the family. When their children live in mutual love, the tribal groups will enjoy peace and harmony..."

The family has always been the political unit organized on blood relationship. It forms a kind of "self-contained community" in which benevolent paternalism and communism are in practice. The head of the family is usually the father, who is responsible for the proper conduct of all domestic affairs and for the good behavior of every member of the family. He requires all members to turn their earnings into the family treasury and disburses the fund in a way that will insure support and maintenance of the whole family. He arranges matches for the younger members when they reach marriageable age. He sees to it that his children know all the conventional virtues, particularly the virtue of filial devotion. The children are often reminded of what the great sage taught: "Parents, when alive, should be served properly; when dead, should be buried properly... and served as if they were living." They were told to do the things which bring glory to their ancestors, honor to their parents, and added prestige to the family. If the parents are in debt, they should
pay for them. If they have reached marriageable age, they should remember what Mencius once said: "There are three unfilial things, the greatest of which is to have no posterity." If their wives are childless or unable to supply as many male offspring as they need, they may have some "maids-in-waiting" or "concubines," whose feet, by the way, are seldom bound like those of the legal wives.

All the families bearing the same surname, living in the same village or town, and having a common ancestor organize themselves into a clan. The government of the clan is clothed with legislative, executive, and judicial powers, and with the necessary police force. It is a democratic institution, the head of which is elected by the male members of the constituent families. The seat of the clan government is in the ancestral temple, where seasonal sacrificial ceremonies are solemnly performed and general meetings of all the male members are frequently held. The female members do not as a rule attend the clan meetings, but they perform the sacrificial ceremony and partake of the sacrificial meal, in a separate quarter, and afterward see the theatrical performance from the rear seats. They usually pay their respects to the ancestors in their family shrines.

The most important functions of the clan government are to arrange for annual assemblies, to take charge of the clan properties, to provide a public granary and other utilities for relief and other charity work, to support and manage the clan school and other educational enterprises, to arbitrate all disputes arising between families or between individuals, to assist the official government in tax collection, law enforcement and a multitude of related duties, and to represent the clan to outside organizations.

The family system is at once the strength and the weakness of the Chinese socio-political structure. Its merits are over-balanced by its defects. In the past, high-minded men have tried to improve it but without much success. Now there are forces at work which tend to destroy utterly this particular root of Chinese civilization. The political revolution of 1911 and the New Thought Movement of 1917 introduced the modern conception of the nation-state and new theories of all sorts championing individual liberty and the equality of sex. Those young people who have been influenced by the New Thought attack the system mercilessly. They demand freedom and independence. The new education they receive in school emphasizes nationalism, exhorting them to be loyal to the nation and encouraging them to exercise their individual initiative. The new civil code of the Republic deals only with individual persons and their associations but not with families. Natural calamities, civil strife among the war lords, and the spread of communism have helped to uproot the whole family structure. Many of the large clan villages in the interior, due to flood or drought, and banditry, are almost deserted, and the clan organization is practically destroyed. Modern industrialization in the port cities gives many men and women an opportunity to establish their economic independence. Chinese Christians no
longer perform the sacrificial ceremonies in their families and in their ancestral temples. They go to a church where they are recognized only as individuals.

The enlightened citizens realize the need of reforming the family system. They have started movements which lead to the total abolition of foot-binding, of the system of concubinage and of domestic slavery, the simplification of the marriage custom and funeral ceremony, the conversion of the ancestral halls into modern school rooms, and the establishment of small individual homes. Will this root of Chinese civilization finally disappear from the earth or will it survive in a different form as a result of proper adjustment to the changing conditions? Time alone can tell.

Turning now to the brief study of another aspect of China's cultural heritage, one finds an immense amount of literature, the practical value of which the seekers of "the true, the beautiful, and the good" have recently learned to re-evaluate and appreciate. A sympathetic reading of even the translated texts of the Classics, history, and literature in general sometimes makes one feel as enthusiastic over the study as Professor G. von der Gabelentz, who once said, "Untold treasures lie hidden in the rich lodes of Chinese literature." The Classics contain the teachings of the great thinkers of ancient China, which deal not only with the moral and spiritual problems of human beings, but also with the political and economic conditions under which they live. They contain the wisdom, high ideals, and philosophy of life of the sages, which are vigorously and most dramatically expressed. They were canonized by the early rulers of the Han period (B.C. 220—A.D. 220). The literature of this famous period, as Prof. H. A. Giles pointed out, "reflects the stateliness of the age" and is "distinguished by a tone of practical common sense strikingly and logically expressed." During this period the scholars began to write commentaries on the Classics. The most splendid history of ancient China was written. The teachings of the sages were harmonized. The teaching of "the harmony of God and man" was accepted as fundamental doctrine. The religion of Buddhism was introduced from India and Taoism as a philosophy was institutionalized and made a religion. Since the third century, much Buddhistic and Taoistic literature has been produced. Taoism, as a moral and spiritual force, has helped to preserve and nourish the moral sentiments of the Chinese people expressed so beautifully by Confucius and his school in the Classics, while Buddhism has helped in reshaping and rejuvenating their racial characteristics such as the love of peace, quietude, and nature, and by giving them new inspiration to reproduce their spiritual ideas and ideals in beautiful concrete forms. Buddhism has served as a cultural vehicle, carrying its spiritual gifts and Chinese civilization to the outlying sections of the Chinese Empire, Korea, and Japan.

The great Han period was followed successively by the periods of the "Three Kingdoms," "The Six Dynasties," and "Northern Dynas-
ties.” These periods were characterized by political disunity, social change, barbarian invasions, intermingling of races, the rise of a new aristocratic spirit among the landed nobility, the development of religious thought and free thinking, and the development of sculpture and painting. These periods are sometimes called the “dark ages” in Chinese political history. During those “dark ages” which lasted from 220 to 610, A.D., the “Light of Asia” (Buddhism) shone most brilliantly and the writings of Lao-tzu and Chuang-tzu sparkled gloriously, kindling free thought. The great free thinkers, such as the “Seven Sages of the Bamboo Grove” and the “Master of the Five Willow Trees” have left their mark on literature. Returning to nature, freedom, and contentment is their philosophy of life. Sang the “Master of the Five Willow Trees,” whose real name was Tao Yuan Ming, (365-427 A.D.):

“Why not set my heart at rest?  
What have I in mind to quest?  
Not the acquisition of wealth and honor that men desire;  
Nor to be an immortal in heaven that men may admire.  
Just let me stroll through the bright hours as they pass  
In my garden, hoeing and weeding the grass;  
Or climb up the Eastern Hill and sing,  
Or pen my verse beside the clear spring.  
Thus leisurely I live and let change take place till the end.  
Heaven’s order I contentedly follow and commend.”

After four centuries of political disunity, “the tendency toward unity reasserted itself.” The empire was once more consolidated and expanded when the glorious T’ang Dynasty was established in 618. The T’ang period (618-906) was of great political power and cultural achievement for China. Her empire extended “from Siberia to the Himalaya mountain range, and from Korea to the Caspian sea.” Envoys came from the neighboring states bringing rich gifts and tributes. From Japan came many students at frequent intervals. It was the era of material prosperity, of learning and art, of great religious freedom and tolerance. Above all, it was the golden age of poetry, “the epoch of glittering poetry.” The names of such poets as Li Po (705-762), “the genie of poetry;” Tu Fu (712-720), “the sage of poetry;” Wang Wei (699-759), the painter-poet; and Po Chu I (772-846), the mandarin-poet, have since become household names. In the 18th century a collection of 48,900 poems by 2,200 T’ang poets was made and published in 900 volumes. “A Retired Scholar at the Lotus Pool” of that century selected 311 poems by 77 better known poets of T’ang and published them as a “family reader for children.” This reader has been the most popular volume of T’ang poetry from the time it was first published to the present day. Even illiterates are familiar with its title and with some of its contents. Upon this reader was based the common saying: “By reading thoroughly the 300 T’ang poems, one will be able to write verse without learning.” This reader is an anthology, lately translated by Witter Bynner from the texts of Kiang Kang-hu under the title “The Jade Mountain.”
Court intrigues and border warfare finally brought about the dismemberment of the great T'ang Empire. It was not until 960 A.D., when the Sung Dynasty had established itself firmly, that political unity was again achieved. During the Sung period (960-1280) China was successively invaded first by the "Iron Tartars," then by the "Golden Tartars," and finally by the Mongols. These Tartars succeeded in conquering the Chinese territory, but in turn they were conquered and absorbed by Chinese civilization. Strange as it may seem, during this long period of successive foreign invasions, there were more great thinkers, writers, and philosopher-statesmen-poets than during any other period. H. A. Giles called this age the "Elizabethan Age" of Chinese literature. "Their styles are massive and grand, without grammatical flaw, exquisitely cadenced, and thrilling the reader with an inexpressible thrill. They exhibit to perfection an indescribable loftiness of style, which resembles expression in music." It was during this period that the movable type of printing was invented. "Not only did great printing works spring up, with trade in the printing and sale of books, but private persons had their favorite works printed out of pure interest." Some of the immortal names of this period are: Ssu-Ma Kuang (1009-1086) historian, statesman, and author of the famous "Mirror of History;" Ou-Yang Hsiu (1017-1072) statesman, historian, poet, and essayist; Su Tung Po (1036-1101) a universal genius, famous for his poetry and essays; Wang An Shih (1021-1086) the reformer, statesman, and poet; and Chu Hsi (1130-1200) "the most voluminous and one of the most luminous of Chinese authors." He was the greatest expounder of Neo-Confucianism.

From 1280 to 1368, China was overrun by the Mongols who established the Yuan Dynasty at Peking. During this period, Marco Polo, the famous Venetian traveler, came to China and lived there 24 years, serving as an official under Kublai Khan. He made known to the Europeans that "the magnificence of the Chinese cities and the splendor of the Chinese court out-rivalled anything he had ever seen or heard of." Under the Mongol dynasty, dramatic art and dramatic literature, as well as the novel, reached a high degree of perfection.

The Mongols were soon driven back to their original homes in the Mongolian steppe by the followers of the founder of the Ming Dynasty (1368-1644). The Ming Dynasty was famous for its porcelain, for its philosopher Wang Yang Ming, and for its novels and plays. The novel and the romance were now being developed on systematic lines. The historical novels and the novels of manners were written in simple language enjoyed by the literate and illiterate alike. The illiterates read these novels through the eyes and mouths of the professional story-tellers.

The Ming Dynasty was overthrown by the Manchus, who came from Manchuria and established the Ta Ching (Great Pure) Dynasty in 1644. They forced the Chinese to follow their custom of braiding
the hair on the back of the head to form a queue. Under them China attained her greatest dimensions: China Proper (i.e., the 18 Provinces), Manchuria (known later as the Three Eastern Provinces), Mongolia, Chinese Turkestan, Kokonor and Tibet, Korea, Annam, Cochin China, and the Liu-chiu Islands were her dependencies. They produced two very strong rulers: K'ang Hsi (1662-1722) and Chien Lung (1736-1796), who were great patrons of art and literature. During their reigns great encyclopedias of classics, history, philosophy, and belle-lettres were compiled and edited by the learned doctors of literature. The classical texts were critically re-examined and studied by the philological students who loved truth more than tradition and dared to refute statements made by the classical commentators of the previous periods and decreed as “correct” by imperial authority.

The study of Chinese literature naturally leads one to the fascinating study of the written language with which Chinese literature is composed. The written language is ideographic and common to all Chinese wherever they may be and whatever local dialect they may speak. It “forms a strong national bond of union.” According to Prof. B. H. Chamberlain, this ideographic language seems to have possessed some inherent strength that makes it tend to triumph over an alphabetic language whenever the two are brought into competition in the same area. To many Occidental students this ideographic language is very difficult to learn, but the success of the Mass Education Movement indicates that it is not hard for the illiterate Chinese to master. Mention has been made of the learning of 1300 ideographic characters in five months’ time by an average illiterate.

Space here will not permit even a very brief discussion of the other parts of China’s cultural heritage, such as art, for which China has long been famous. Of all Chinese cultural achievements, art is the most interesting and inspiring for it blends and perpetuates feelings and intelligence and awakens the soul’s emotions. Its form, its design, its theme, its color, and its symbolism may at first appear strange but in the end charm even the uninitiated. The most important branch of Chinese art is painting, which includes calligraphy, figure painting, landscape painting, and the painting of flowers, insects, birds, and animals. The object of painting, according to the Chinese “ink-sketch artists,” is not to produce photographically the surface view of nature in all its different colors and in all its complexity, but to simplify the complex view of nature and to reduce it to a form whereby its whole view may be taken in at a glance. The joy of painting is an inward one seldom expressed in words by the artists. If they must express their feeling, they would use the much quoted words of a fifth-century painter, who said:

“To gaze upon the clouds of autumn
And let the soul soar high;
To feel the spring breeze
Which stirs exultant thoughts...
What is there in the possession
Of gold and gems to compare with delights like these?
Then, to unroll the scroll and spread the silk,
And to transfer to it the beauties
Of the cloudy hills, the green forests,
The blowing winds,
The white water of the rushing cascade,
As with a turn of the hand
A divine influence descends upon the scene...
Such are the joys of painting."

According to Lawrence Binyon, "it is in China that the central tradition of Asian painting must be sought. Of all the nations of the East, the Chinese is that which through all its history has shown aesthetic instinct, the fullest and richest imagination. And painting is the art in which that instinct and that imagination have found their highest and most complete expression. If we are to compare the art of the East and the art of the West, in their essential character and difference, we must take as our type of the former, the pictorial art of China."

After reviewing parts of the historical pageant of China's cultural heritage, her gifts to the world, and the unfortunate events leading to her present pitiful plight, one can see quite clearly some of the reasons for the apparent failure of the Chinese to bring forth in recent years new inventions and discoveries (which are the prime means of material progress) and to organize a unified and stable government after the establishment of the Republic in 1912. That the Chinese have scientific potentiality is shown by their material and artistic achievements in earlier centuries and by the fact that "in inventive, mechanical, and engineering aptitudes the Chinese have always excelled." It may be said that some of their early discoveries and inventions "were accidental or came through force of circumstances, but may not the same thing be said of all inventions the world over?" As Edward Hume so aptly puts it, "It may be that the recent centuries of non-productivity in science have been merely a resting-stage, like the biological periods in the life of so many organisms. Once such a resting-stage is ended, the vital capacity of the organism emerges, refreshed and vigorous, ready for new creation."

Already there are signs showing that the resting-stage is ended. The tendency to observe, test, measure, and record, and the emphasis on accuracy, exactness, and direct thinking are noticeable in all the educational institutions. The old political organization, the historical literature, and the pictorial art show that the Chinese not only possess much imagination but also a certain amount of originality and the capacity to organize many ideas or units into a co-ordinated whole. But their philosophy of contentment, their interest in phantasy-thinking, their excessive respect for the past, their love of nature, and their fear of Heaven, which heretofore have been their
virtues, have made them satisfied with their lot. In the past they dared not exercise their originality and their executive ability to improve things until they were forced to by circumstances or inspired to by certain motives. They did not realize that they were at least 100 years behind the Westerners in the development of scientific inventions, political and industrial systems, and humanitarian institutions until they were thoroughly shaken up by the ferocious impact with modern Western civilization. In order to catch up with the advancing nations, they have undertaken the Herculean task of political reorganization, social reconstruction, and the modernization of the systems of currency, industry, education, communication, transportation, sanitation, and reforestation, all at the same time and in spite of many difficulties.

Nations which consider themselves more “civilized” than China will do well to give her an opportunity to adopt and assimilate the best elements of their civilizations, by dealing with her more fairly, justly, and patiently, and by giving the newly reborn Chinese civilization time to grow and develop so that it may become the worthy inheritor of its rich cultural heritage, the worthy recipient of the benefits of modern Western culture, and a worthy component of the new civilization of the world.

2. THE SPIRIT OF THE CHINESE REVOLUTION¹

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China is so vast a country, the differences between the various sections of the country are so great, and the varieties of opinion among its inhabitants so extensive that the casual visitor to China can be almost sure of finding whatever he seeks. China contains abundant evidence both of progress and of collapse. I do not pretend to be different from other travelers who have visited the Far East and, returning, have published books. I went out to China looking for evidence of Chinese political capacity; that is, ability to govern themselves, and I found what I was looking for. I became convinced that the Chinese people are capable of setting up a new political system in their country strong enough to stand alone under the strenuous conditions of the modern world, provided that they are not interfered with by foreign powers. There is a question, of course, concerning the length of time which will be required for setting up such a government, and there can be no doubt that a considerable period of time will be required. No one ought to expect that the reconstruction of the institutions of so vast a country could

¹ Lecture given in the University of Hawaii, August 2, 1932.
be accomplished in a few years. A reasonable period of time for the political reconstruction of China means a good many years. Given a reasonable period of time, however, the Chinese people, so it seems to me, should succeed in setting their house in order.

This belief is the foundation of American policies in the Far East. It dates back to the time of the Boxer insurrection, when the American government determined to oppose the partition of the country among the powers, and it was finally embodied in the Washington Conference Treaties 10 years ago, to which the principal far eastern powers had subscribed. The American government continues to preserve full confidence in the political capacity of the Chinese people, and American action in the Far East continues to be based upon the assumption that within a reasonable period of time China can solve its problem of political reconstruction.

If the Chinese lack the political capacity to set their house in order within a reasonable period of time, the consequences will be very grave. In the first place, if the Chinese cannot set their house in order, the partition of their country among the powers is almost inevitable. The division of the country, begun a generation ago and then stopped after the Boxer insurrection, has already begun again. The Russians have occupied outer Mongolia and now the Japanese have occupied Manchuria. If these occupations continue and the Chinese should prove incapable of establishing a strong government, other powers are likely to take up again plans for the extension of their influence in portions of Chinese territory marked out by them a generation ago. One reason why the partition of China was abandoned after the suppression of the Boxer insurrection was the feeling that the powers would quarrel among themselves over the division of the country. In fact, the war between Russia and Japan, which took place a few years after the adoption of the “open door” policy, afforded the clearest evidence of what would happen to all of the powers if others showed the same reluctance as Russia had manifested to abandon plans for aggression at the expense of China. The defeat of Russia by Japan made it possible to pursue the policy of the “open door” for the next quarter century, and it was the opinion of the principal powers that the ratification of the Washington Conference Treaties, which would make the “open door” policy permanent by the permanence of the policy embodied in its treaties, depends upon the continuance of faith in the political capacity of the people of China. If the powers lose their faith in the ability of the Chinese people to establish a strong and stable government within a reasonable period of time, the resumption of the policies which led to the Russo-Japanese war seems almost inevitable, and it is impossible to escape the conclusion that another war over the partition of China would be a greater disaster than the last world war.

I am compelled to admit that at the present time disbelief in Chinese political capacity is widespread. The record of disorder and
civil war during the 20 years since the overthrow of the Manchus has caused many observers of conditions in the Far East to doubt whether order can be restored by China alone within a reasonable period of time. Fighting among the Chinese generals and supporting sections seems to be becoming more frequent and more extensive. During the first 10 years of the so-called Chinese Republic, noteworthy fighting between rival aspirants took place only every three or four years, but subsequently extensive fighting took place every other year, and more recently every year has seen operations between rival generals on a considerable scale. It is not surprising that many travelers and also business men located in the Far East should have lost their faith in the political capacity of the Chinese people. I quote from an interview, recently published in a local paper, with a Honolulu business man lately returned from a journey of several months in the Far East. I do not need to mention this gentleman’s name since the importance of his opinions as quoted in the newspaper is not derived from any special claims on his part to be qualified to pass judgment on Chinese politics, but rather because he voices very clearly views which undoubtedly tend to prevail among American business men in China. “There is no such thing,” he is reported to have said, “as patriotism in China; national support is absolutely unknown. . . . Such leaders as Chiang Kai-shek and the Christian general, Feng Yu-hsiang are merely robber barons seeking to enrich themselves at the expense of their countrymen. . . . It is a sordid business of graft and intrigue and I can see no possible hope for China.”

This is not only the opinion of many foreign business men in the Far East, but it is also the opinion which has recently been officially adopted by the Japanese government. On February 23, last, the Japanese foreign office issued a note, in reply to a note dispatched from Geneva on February 16 in the name of the members of the council of the League of Nations remonstrating with the Japanese government for its military operations around Shanghai, defending themselves against such criticism as that voiced at Geneva. The Japanese government gave a variety of reasons in an attempted justification of its use of force in China. One of the reasons was a denial that China was an organized people within the meaning of the covenant of the League of Nations. Because, as the Japanese note said, there was “no unified control in China and no authority which is entitled to claim entire control in China.” In other words, the Japanese government had lost its faith in China’s political capacity and was willing no longer to base its policy toward that country upon what it considered the fiction that China was an organized state with a government equal to its responsibilities under the strenuous conditions of the modern world.

The government of the United States, however, lost no time in making it clear to the world that its faith in China’s political capac-
ity remained unchanged. On February 24, Secretary Stimson sent an open letter to Senator Borah, Chairman of the Committee on Foreign Relations, in which he wrote as follows: "In the past our government, as one of the leading powers on the Pacific Ocean, has rested its policy upon an abiding faith in the future of the people of China, upon the ultimate success in dealing with them and on the principles of fair play and mutual good will. We appreciate the immensity of the task which lies before her statesmen in the development of her country and its government. The delay in her progress, the instability of her attempts to secure a responsible government, were foreseen by Messrs. Hay and Hughes . . . . and were the very obstacles which the 'open door' policy was designed to meet. We concur with those statesmen representing all the nations in the Washington Conference, who decided that China was entitled to the time necessary to accomplish her development. We are prepared to make that our policy for the future." The American State Department has never published any clear and full explanation of the grounds for its confidence in the Chinese political capacity, and I do not pretend to be able to say precisely what the grounds of that faith are. But in view of the importance to the peace of the world of the American policy based upon this faith, I shall undertake this evening to state the reasons for sharing that faith.

The first reason for faith in the Chinese political capacity is the extraordinary durability of China's traditional political institutions. The Chinese empire at the time of its war 20 years ago was the oldest political system in the world. It had been originally organized more than 2,000 years ago. For several centuries the Chinese empire was the contemporary of the ancient Roman empire, though subsequently there had been periods of disorganization and civil war, yet always the empire had been reconstructed upon the same principles as before.

It used to be erroneously supposed in the West, that the Chinese empire was a typical specimen of Oriental despotism, and hence, no great credit to the political capacity of the Chinese people. The Chinese emperor was not an absolute monarch. Even within the walls of his palace his authority was limited by the house law of his dynasty, while in the country at large the authority of the emperor was subject to strict limitations, growing out of the ancient customs of the people and the time-honored processes of government, in which the Chinese empire was no absolute monarchy but rather a kind of constitutional government.

Evidence of political capacity of the Chinese people is afforded by the abundance of talent available for the recruitment of the mandarins. These officers, in whose hands lay the actual conduct of governmental affairs, were selected by a competitive examination system, which in the best days of the empire produced many more candidates than there were available positions. A country in which there
were so many qualified applicants for office can hardly be described as lacking in political capacity. Further evidence of the soundness of the political system of China, under the conditions which formerly prevailed, is afforded by a comparison of the Chinese empire with the Roman Catholic Church. The system of the selecting of officials, both in the Chinese empire and in the Catholic Church of the West, was thoroughly democratic in the sense that the hierarchy was open on equal terms to all who could demonstrate their fitness. The hierarchy, one recruited, was administered, both in China and in the West, upon thoroughly autocratic principles. The existence of a combination of democracy and autocracy in these two most durable of human institutions affords striking confirmation of the belief that the Chinese political system was well suited to the conditions which formerly existed in that country, and attests the high political capacity formerly possessed by the Chinese people.

The second reason for faith in China's political capacity is the reasonableness of the revolutionary program. If the revolutionary leaders formulate a program which appeals to our reason, we have no difficulty in ascribing political capacity to them, and if that program is accepted by their mass of followers, we should be justified in believing that the political capacity formerly possessed by the people of China, has survived into our own time. There are several grounds for believing that the program of the leaders of the revolution is reasonable. In the first place, it will bear comparison with revolutionary programs in the West. The revolution which has most generally commended itself to the modern western mind is the French, the results of which have generally been accepted in western countries. The first principle of the French revolution was the belief in the equality of men; that is to say, in their equal rights to enjoy the benefits of government and to share in the conducting of governmental affairs. The western idea since the French revolution has been that all men should receive the same training for citizenship and that consequently any man was qualified to fill any public office.

The idea of the Chinese revolutionists is different. They draw a sharper distinction between the duties of citizenship and the duties of statesmanship, and logically enough insist upon different training for citizenship and statesmanship. They believe that statesmanship is a difficult and exacting art which only persons of superior fitness are qualified to practice. They believe, therefore, that not everybody should be eligible for important offices and that government should be based upon a mixture of democracy and aristocracy in order that it may be intelligent as well as strong. This belief will commend itself to many westerners as reasonable in view of the struggle which western people have had to make in modern times to reconcile efficiency with popular government. A comparison of the Chinese and Russian revolutionary ideas will likewise lead the open-minded westerner to conclusions favorable to confidence in
China's political sense. The first principle of Russian revolutionary policies is that of the dictatorship of the proletariat, a government of the poor and ignorant. In fact, we may surmise that the Russian proletariat does not really govern, but rather that a relatively small group of ambitious and designing leaders rule in the name of the proletariat. The Chinese theory calls at this stage of the revolution for a dictatorship of the scholars, men trained in the science of government and business administration. The theory is one that does great credit to the political sagacity of the Chinese revolutionary leaders.

Further evidence of the reasonableness of the Chinese revolutionary program is afforded by the practical proposals which Dr. Sun's followers have adopted for the reconstruction of their policies. Time is lacking for the details of the provisions for the nationalist program; it is enough to emphasize several of the more important of them. Americans believe in a reign of law rather than a government of men. The old Chinese political system was, in considerable measure, a government of men rather than a reign of law. The nationalists are now attempting to establish a reign of law in accordance with western political ideas. They are substituting the study of modern science for that of their own ancient political classics as a basis for education for citizenship and statesmanship. This also will commend itself to the western observer. The nationalist program contemplates the evident establishment of a government deriving its full power from the actual consent of the governed, as western political philosophy requires, instead of from the passive acquiescence of the masses of the people, as was formerly the practice in China.

The third reason for our faith in China's political capacity is the general respect which exists in China for education and the widespread demand for enlightened leadership. People who believe in education and demand intelligence in their leaders possess the first qualifications for government as it is understood in the West, and there is ample evidence that the respect for education and the desire for intelligent leadership is at least as general in China as in any country of the West. This is illustrated not only by the deference for scholars in the past but also by the extraordinary tolerance of political activities by university students, a tolerance which often must seem excessive to westerners. At every crisis of the revolution during recent years, the students have taken the lead in the determination of public policies and have several times succeeded in forcing the hands of their statesmen and compelling the modification of unpopular policies. This was illustrated in 1919, when student agitation compelled the government at Peking to withhold its signature from the Treaty of Versailles on account of the transfer of German privileges in China to the Japanese. Again in 1925, it was the students who forced the issue between China and the powers, and more recently the students have taken the lead in the organization
of resistance to what they have believed to be Japanese aggression. More than one Chinese foreign minister has been driven from office by the opposition of the students; and there can be no doubt that China's respect for scholarship gives the students as a class a much greater influence in politics than would be possible in any other country. Under ordinary circumstances, this would impress foreigners as evidence of lack of political capacity of the people at large, but in modern China it is the students who, above all other classes, are best acquainted with western science, particularly political science, and the general respect for scholarship is undoubtedly one of the factors which contribute to the progress of the revolution.

Further evidence of the respect for education and enlightened leadership is afforded by the personnel of the revolutionary government at Nanking. When I visited that city a few years ago, practically all of the high officers were university trained men. A majority of the ministers were graduates of American universities: two were graduates of Harvard, one of Yale, one was a graduate of Columbia, one of Oberlin, and one of the University of California. Several of these men held high degrees and it was impossible to escape the conclusion that, in a way, American university education was on trial in the Chinese revolution. The inability of the scholars to stop the fighting among the Chinese generals does not in itself prove a lack of political capacity. It must be remembered that China is a very large country, as large as all of Europe, and that the variety of interests in the different sections of China is as great as in the different parts of Europe. It is common in the West to compare China with some one national state such as Great Britain, France, Germany, or Italy, but such comparison is highly misleading. A true comparison is that between China and all of Europe, or at least all of western Europe. And when such a comparison is made, the difficulties which the Chinese politicians have had in preventing civil war are no more grounds for condemning them as politically incompetent than the failure of European statesmen to prevent wars between the European nations would be for condemning the statesmen of the West. It must be admitted that the political capacity of both eastern and western statesmen is very imperfect and that we should have little ground for boasting of political capacity of statesmen anywhere so long as the menace of war hangs over the world as it does today. But the general respect for political education and widespread demand for enlightened leadership in China affords substantial ground for faith in the political capacity of the Chinese people.

Faith in China's political capacity carries with it the approval and support of American policies in the Far East. If we think we have grounds for believing that the policy of the American government is based upon a faith which we can justify, that should be sufficient to entitle that policy to our support.

The American policy, as embodied in the Washington Conference
Treaties, is not a policy which can be executed. If one of the parties to one of the Washington Conference Treaties loses its faith in the Chinese political capacity, nothing can be done about it by the others so long as no overt act is committed by the power which has changed its mind. If an overt act is committed, such as the Japanese occupation of Manchuria, the Washington Conference Treaties provide merely for an exchange of views between the powers which are parties to those treaties. This has taken place. The Japanese government has stated that it has changed its mind regarding the political capacity of the Chinese people, and under the Washington Conference Treaties there is nothing more for the American government to do about it than to state that it remains of the same mind as before. The other parties to the Washington Conference Treaties, however, are also members of the League of Nations and any action which threatens the peace of the Orient becomes a matter for consideration by the organs of the League. Thus it happened that, when the Japanese occupation of Manchuria began, the council of the League, being at the moment in session, took jurisdiction over the controversies between China and Japan, and sought to bring about an amicable settlement.

The government of the United States has associated itself with the other Washington Conference powers' operating through the agency of the League, and this action on the part of the American government has raised the question: What action, if any, should the American government take in order to maintain the policy of non-interference in China, incorporated in the Washington Conference Treaties? It must be admitted that it is difficult to foresee the outcome of America's cooperation with the League powers in dealing with the present dispute between China and Japan. The American government has declared that it will not recognize any rights based upon lawless force, and the assembly of the League has endorsed this declaration. But how the establishment of such rights shall be prevented, if the government of Japan persists in its present course in Manchuria, does not appear. It must be considered that the present policy of the American government and of the powers represented at Geneva involves risks of disturbances to the peace of the world, and no observer can predict with confidence the success of this policy. Yet the alternatives which are open to the government of the United States are even more unsatisfactory, and, if no better reasons can be found, approval of the course adopted by the government at Washington can be based upon the old maxim that "among several evils, one should choose the least."

Critics of the American government have contended that Washington should maintain its independence of Geneva and should refuse to become involved in controversies growing out of Japanese military operations in China unless American rights and interests are directly affected. These critics urge that the true American
policy is one of isolation. Attractive as the policy of isolation may appear to Americans who cannot forget the consequences of America's participation in the World War, a policy of isolation is in fact impracticable. It is impossible for a great country like the United States to lead an isolated existence in the modern world. We cannot, in fact, get out of the world in which we find ourselves. We are dependent upon other countries for commodities which we greatly desire, notably rubber, silk, wool, coffee, tea, sugar, and lumber. If we are to obtain these commodities, we must export products of our own or else pay for them by investment of American capital abroad. In fact, American capital has been invested abroad in recent years in large volume, and we cannot pursue a policy of isolation without either exposing our investors to undue risk of loss or abandoning our policy of freedom for American capital to seek investment wherever opportunities seem favorable. The capitalistic system, as established in the United States, is based upon the assumption that capitalists may seek a profit wherever legitimate opportunities seem promising, and a thoroughgoing policy of isolation is possible only for a country which denies this liberty to capital. The only country of importance in the modern world which can pursue a consistent policy of isolation is Soviet Russia. In that country the government maintains a monopoly of foreign trade, business credit, and international banking, which enables it to pursue a policy of complete isolation as it desires. But the price of such a policy is the price which Russia has paid. It means the substitution of a socialistic for a capitalistic economic system, and that is a price which the American people in their present temper will not be disposed to pay for the sake of alleged profits of isolation from the rest of the world.

Another alternative for the policy of complete isolation is the former British policy of the balance of power. That is a policy which served the British well for many years but which they were forced eventually to abandon because they were no longer able to hold a balance between the great combinations of power which were built on the continent of Europe prior to the World War. The war convinced the British that they would have to abandon the policy, and they were therefore glad to accept the substitute for it provided by the League of Nations. The old policy of the balance of power always had two serious disadvantages: one was that the country which undertook to hold the balance had always to be prepared to take part in any war in which the balance might be threatened, the other that the country which sought to take the balance had to choose the weaker side regardless of the merits of the particular controversy. These disadvantages always made the policy of the balance of power unsatisfactory to men of high principles. The great merit of the League of Nations to such men is that, if the League is successful, it gives a permanent preponderance of power to the nations which support it, and insures that if war breaks out they
will be able to choose the side whose cause they deem most just. For the American government to reject the League and to adopt the old British policy of balance of power would be a retrogression in international policy, which high principled Americans will never approve. In fact, the successful pursuit of such a policy is made excessively difficult by American adherence to the Kellogg Pact. The real importance of the Kellogg Pact in contemporary world politics results from the circumstance that adherence to the pact affords to the United States what is in effect a "back door" for entrance into the League.

Belief in China's political capacity, such as had been proclaimed by the American government and can be sustained by America on the grounds which I have set forth, carries with it also respect for the rights of the Chinese to determine their own culture as well as their political institutions. In the last analysis, the great problem of modern China is the adjustment of the science and technology of the West to the art and philosophy of the ancient East. This is an adjustment which they are entitled to work out in their own way. The right of self-determination means something more than tolerance for political ideas of different peoples; it means, also, tolerance for the cultural independence of other peoples. The spirit of any great revolution is determined by the ideas which animate the revolutionists, and the true spirit of the Chinese revolution is bound to be different from revolutions in the West because the traditional ideas of China, which are to be reconciled with the different arts and technology of the West, are different from western political ideas preceding the revolutionary period. The Chinese are entitled to choose from the rest of the world according to their own opinion of their needs. They do not have to imitate us in everything in order to win our respect. They may borrow from London and Paris as well as Washington without forfeiting their claim to our confidence. They may even borrow something from Tokyo or Moscow if they see fit to do so. The result of the Chinese revolution will be no mere imitation of the institutions of culture of any one country; it will be something entirely different from what the world has hitherto known. The result cannot be judged by us in advance. The final verdict upon the Chinese revolution must be reserved for the history of the world, which is the court of last appeal in the affairs of nations.
IV. Modern Problems of Japan

1. THE EFFICIENCY STANDARD OF LIVING IN JAPAN

By KOKICHI MORIMOTO,
Hokkaido Imperial University

Progress in the study of the standard of living has been comparatively slow, especially in Japan. This is chiefly due to the traditional Japanese attitude toward economic life, which came to be held in very low esteem, presumably as a result of over-stressing the military and spiritual life.

A different situation exists today. It is interesting to observe the changes that have taken place in the social attitude toward the problems of economic consumption. The cry for the betterment of human life is heard on all sides.

The standard of living is the expression of the complex thought of that measure of living conditions which greatly differs according to the differences of the individual, the time, and the place. Therefore, investigators of the standard of living often feel as if they were thrown into hopeless confusion and that their conclusions will be nothing more than that "every man has his own standard of living." Notwithstanding this difficulty, if we proceed by the proper method of investigation, a certain definite standard of living may be discernible through the maze of facts. The determination of this standard is possible for the following reasons:

(1) A certain common nature of man as a human being, produces obvious similarity in his economic activities.

(2) Owing to the fact that "man is a social animal," he instinctively creates many social relations, and a process of social assimilation is at work all the time.

(3) Men are by nature imitative of one another. This inclination of human nature is always working psychologically, and this imitation results in a great degree of uniformity.

Human activities which are constituents of the standard of living are nothing more than the expression of wants; therefore, in order to enter into a theoretical study of the subject, we must approach it by discussing the division of wants.

Rocher's well-known classification of wants is a three-fold division: Natur-, Anstands-, and Luxusbedürfnisse (necessity, decency, and luxury). Yet we must remember that it is now more than three
quarters of a century since the publication of his valuable book in 1854, and that during that period wonderful progress has been made. Human wants, in that space of time, have made remarkable strides in quality and quantity. Simple ways of living, however inexpensive they may be, will be no longer considered as economical in the present age of “efficiency first.” Naturally, the conception of luxury is now so modified as to include two ideas: first, the wants for “comfort,” and second, the wants for “luxury proper.” I thus use a four-fold division: (1) necessity, (2) decency, (3) comfort or efficiency, (4) luxury.

(1) The Pauper Standard of Life. The “wants for necessity” are the feeling of deficiency in those things necessary for bare existence. It exhibits itself chiefly in the desire for food, shelter, and clothing, which are physiologically necessary to prevent physical deterioration. The mode and the scale of activities adjusted to the wants for necessity will be termed the pauper standard of life or primitive life standard.

(2) The Minimum Standard of Life. By the increase of human knowledge and the influence of the advancement of civilization, human wants gradually extend to include more than the things necessary for a bare existence, such as decency, comfort, and luxury. Each person, as a member of society, has to satisfy his wants for decency in order to keep up his or her social position. We must maintain a minimum standard “in keeping with the dignity of a human being.” This mode and scale of activities adjusted to the wants for necessity and decency will be termed the minimum standard of living, or simple life standard.

(3) The Efficiency Standard of Life. Civilized man is not satisfied with the plane of decent living only. He desires to enjoy a certain scale of comfort which he considers indispensable to life and which helps to keep him efficient. The mode and scale of activities adjusted to his wants for necessity, decency, and comfort, will be termed the efficiency standard of living, or Kulturleben standard.

(4) The Luxury Standard of Life. There is what may be designated the luxury standard of living. It is the mode and scale of activities adjusted to the wants for luxury in addition to those for necessity, decency, and comfort. “Luxury, while variously defined, involves always the thought of great consumption of wealth for unessential pleasures.” It should be excluded from the efficiency, or comfort standard, though many people like to indulge in luxury.

Men strive hard to raise their standard of living to the efficiency level and they struggle even harder to prevent their standard from falling. A rise in the standard of life for the whole population brings about a corresponding increase of national prosperity and, consequently, an advancement of civilization, which will again, in turn, induce people to strive for a higher standard of living. Such being the case, rises in the standard of living and the progress of civilization
move forward hand in hand, reacting alternately on one another as cause and effect.

The standard of living has much to do with the theory of population. For the study of this subject at least two principles must be observed.

(1) Growth of population tends to keep the standard of living at the point of bare existence. This is a natural outcome of the Malthusian theory, insisting that the potential increase of population is indefinitely greater than the power of producing food. The congestion of population and the prevalence of the pauper standard of living in Oriental nations illustrate the validity of this principle.

(2) Growth of population tends to be checked by the effort to raise the standard of living. One of the strongest motives for human activities is the desire to enjoy a higher standard of life. Many would rather sacrifice marriage and the procreation of children in order to maintain a high standard of living.

So much for the theoretical part of the subject. Now we must change our discussion to more practical matters.

More and more attention is now being paid to the question—What does it cost to live? The main purpose of this study is to find out the cost of maintaining the efficiency, or comfort, standard of living. This standard is, however, somewhat theoretical and it must be ascertained by the determination of the actual family expenditures, which are naturally controlled by the amount of family income. With the progress of capitalistic civilization, the influence of family income is becoming not only more powerful but is, at present, the leading determinant of the living cost.

The average national income in Japan in 1925, according to the calculation of the Bureau of Statistics, was 224 yen per capita and 1,124 yen per family. These figures may be compared with those of certain foreign countries, as shown in the following table:

**NATIONAL INCOMES AND WEALTH OF SPECIFIED COUNTRIES**

<table>
<thead>
<tr>
<th>Country</th>
<th>Year of Estimation</th>
<th>Amount, yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>1925</td>
<td>224</td>
</tr>
<tr>
<td>Germany</td>
<td>1922</td>
<td>338</td>
</tr>
<tr>
<td>Great Britain</td>
<td>1925</td>
<td>977</td>
</tr>
<tr>
<td>United States</td>
<td>1925</td>
<td>1,272</td>
</tr>
</tbody>
</table>

The average national income per capita in Japan is less than one-fifth of that of the United States of America and less than one-fourth of that of Great Britain. However, the increase of the average national income in Japan has been surprisingly rapid. In 1920 it was
only 164 yen as against 224 yen in 1924, an increase of 73 per cent in five years.

Comparatively little reliable data for the study of the percentage of the number of families by income groups is available, the report of the Revenue Bureau being almost the only trustworthy source. It indicates roughly how comparatively poor the majority of Japanese are, 94.54 per cent of the total having a family income of less than 1,200 yen per year and less than 6 per cent with a family income more than 1,200 yen a year. Such a large percentage of the poor as 94.54, however, must be corrected roughly to 90, because the calculation is chiefly based upon the report of the Government Revenue Bureau, and the amount of income reported by the people is generally underestimated, due to the natural tendency of human nature to evade tax burdens as much as possible.

How these family incomes are consumed will now be treated. The intelligent family today controls its expenditure of income by the use of a family budget, which consists of the designation of "the group of commodities and services, for which prices are gathered, with their respective quantities of consumption or proportions in the total expenditure." Usually, the family budgets of working class families are made the objects of study because it is almost impossible to get a clear notion of the representative expenditures of living unless the scales and modes of living are comparatively simple.

As the items of family expenditure are so numerous, it will be expedient to make a selection of the more representative items, thus: (1) food, (2) house, (3) fuel and light, (4) clothing, and (5) miscellaneous items.

The latest and most extensive study of family budgets made so far in Japan is the one carried out by the Bureau of Statistics, which investigated the expenditures of 5,455 families during 1926-1927. It will be worth while to enter more fully into the details of this investigation. The percentage distribution of expenditures for the major items in the family budgets by income groups shows that Engel's Law of Consumption is confirmed in a general way in Japan. To be more exact:

(1) The law that, "the greater the income the smaller the proportionate expenditure for food" is confirmed. In this proposition Engel goes still further, stating, "The proportion expended for food is a sure index of the material property of the people."

(2) That "the percentage of expenditure of clothing is approximately the same, whatever the income," is confirmed.

(3) That "the percentage of expenditure for housing, and for fuel and light, is invariably the same, whatever the income," is not confirmed.

(4) That "as the income increases in amount the percentage of expenditure for sundries becomes greater" is confirmed.
<table>
<thead>
<tr>
<th></th>
<th>Total Families</th>
<th>Total Persons</th>
<th>No. Per Family</th>
<th>Food Yen</th>
<th>Food Percent</th>
<th>Housing Yen</th>
<th>Housing Percent</th>
<th>Fuel and Light Yen</th>
<th>Fuel and Light Percent</th>
<th>Clothing Yen</th>
<th>Clothing Percent</th>
<th>Sundries Yen</th>
<th>Sundries Percent</th>
<th>Total Yen</th>
<th>Total Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Average</td>
<td>4,785</td>
<td>20,079.53</td>
<td>4.20</td>
<td>37.74</td>
<td>36.92</td>
<td>17.20</td>
<td>16.82</td>
<td>4.66</td>
<td>4.56</td>
<td>13.62</td>
<td>13.32</td>
<td>29.01</td>
<td>28.38</td>
<td>102.23</td>
<td>100</td>
</tr>
<tr>
<td>Under ¥60</td>
<td>200</td>
<td>751.90</td>
<td>3.76</td>
<td>26.25</td>
<td>49.92</td>
<td>7.51</td>
<td>14.28</td>
<td>3.04</td>
<td>5.78</td>
<td>5.20</td>
<td>19.89</td>
<td>10.59</td>
<td>20.13</td>
<td>52.59</td>
<td>100</td>
</tr>
<tr>
<td>60-80 733</td>
<td>2,807.33</td>
<td>3.83</td>
<td>29.80</td>
<td>43.85</td>
<td>10.41</td>
<td>15.32</td>
<td>3.43</td>
<td>5.05</td>
<td>8.23</td>
<td>12.11</td>
<td>16.09</td>
<td>23.67</td>
<td>67.96</td>
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<tr>
<td>80-100 1,223</td>
<td>4,890.98</td>
<td>4.00</td>
<td>33.92</td>
<td>40.85</td>
<td>13.33</td>
<td>16.05</td>
<td>4.00</td>
<td>4.82</td>
<td>10.59</td>
<td>12.75</td>
<td>21.20</td>
<td>25.53</td>
<td>83.04</td>
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</tr>
<tr>
<td>100-120 912</td>
<td>3,782.30</td>
<td>4.15</td>
<td>37.04</td>
<td>37.25</td>
<td>17.11</td>
<td>17.21</td>
<td>4.64</td>
<td>4.67</td>
<td>13.15</td>
<td>13.23</td>
<td>27.48</td>
<td>27.64</td>
<td>99.42</td>
<td></td>
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</tr>
<tr>
<td>120-140 688</td>
<td>3,031.58</td>
<td>4.41</td>
<td>40.92</td>
<td>35.42</td>
<td>20.14</td>
<td>17.43</td>
<td>5.16</td>
<td>4.47</td>
<td>15.95</td>
<td>18.80</td>
<td>33.37</td>
<td>28.88</td>
<td>115.54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>140-160 405</td>
<td>1,843.58</td>
<td>4.55</td>
<td>44.79</td>
<td>34.25</td>
<td>22.53</td>
<td>17.22</td>
<td>5.62</td>
<td>4.30</td>
<td>18.43</td>
<td>14.09</td>
<td>39.42</td>
<td>30.14</td>
<td>130.79</td>
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<td></td>
</tr>
<tr>
<td>180-200 178</td>
<td>822.73</td>
<td>4.62</td>
<td>49.70</td>
<td>30.50</td>
<td>29.46</td>
<td>18.08</td>
<td>6.66</td>
<td>4.09</td>
<td>23.14</td>
<td>14.20</td>
<td>35.98</td>
<td>33.13</td>
<td>162.94</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Over 200 197</td>
<td>975.32</td>
<td>4.95</td>
<td>56.21</td>
<td>29.04</td>
<td>34.18</td>
<td>17.66</td>
<td>7.49</td>
<td>3.87</td>
<td>26.73</td>
<td>13.81</td>
<td>68.95</td>
<td>35.62</td>
<td>193.56</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Now then, what amount of family income should be necessary for the maintenance of an efficiency standard of living in Japan? For the computation of such cost, it is advantageous to adapt a method of estimation in deducing the total cost of living from the cost of food, clothing, and housing. According to Engel's Law of Consumption, the expenditure for food does not grow in proportion to the total expenditure. "This decrease in the proportion of the income given to food went entirely to swell the expenditures on sundries."

According to the studies made on the food consumption, 45.4 sen per capita per diem, or 1.50 yen per family of 3.3 units is the average. On this basis a family consisting of two grown ups and three children under the age of 13 must spend about 45 yen per month for food. By the consideration of the percentage distribution of family expenditure, 35 per cent of the total cost of living is about the average of food expenditure for families sustaining the efficiency standard. Then, approximately, 180 yen will be the amount of family income with which an efficiency standard of living may be maintained in Tokyo.

In the same way, the average clothing expenditure of a normal family is 18 yen per month, corresponding to 14 per cent of the total cost of living; and the housing expenditure, 20 yen or 16 per cent. On the basis of these percentages, the total cost will amount to 130 yen and 125 yen respectively. The deduction of the total cost of living from other items will bring about the same result. Such being the case, the conclusion is that a family income of 180 yen per month is the minimum amount required for the maintenance of an efficiency standard of living in the large cities.

Ordinarily, the standard of living falls into three broad divisions: that of the poor, of the middle class, and of the rich. Although these terms are used without much scientific precision, customary usage will justify the following interpretation of the terms. The poor is the term used in a broad sense for all those who are in such an economic insufficiency as to be unable to satisfy their wants for necessity and decency. The middle class is the term including all those families whose income, if expended in the most economical ways, allows them to enjoy the efficiency standard. The rich is the term including all those families receiving an income greater than that needed for the maintenance of the efficiency standard of living. The surplus is generally spent in luxury, savings, investments, or social betterment.

The income range of these three grades of standards in Tokyo may be set approximately at less than 1,500 yen for the poor, 1,500-2,400 yen for the middle class or those maintaining the efficiency standard of living, and 2,400 yen and over for the rich.

This means that the people, as a whole, are living with less than one-half of what American people are spending, but we must not confuse the meaning of the standard of living and the cost of living. They are entirely different things. The standard of living is the rela-
tive phrase depending not upon the amount of income and expenditure of a family but on its attitude toward life. A family with a small income frequently has a higher standard and lives more comfortably than another family with a much larger income. A low cost of living does not necessarily signify a low standard of living. For economic progress, it is desirable that the cost of living should be low and the standard of living high.

2. ECONOMIC RELATIONS BETWEEN AMERICA AND JAPAN

By KOKICHI MORIMOTO,
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In studying the growth of the economic relations between America and Japan, we must go as far back as 1492 when Christopher Columbus discovered America. He had a strong belief that if the earth were round he could sail to Japan and to the eastern countries by steering westward around the earth. No wonder, in 1492, when he succeeded in landing on Salvador, he believed that he had arrived in Zipangu, which means Japan, and he died under that delusion. So you see, as early as at the time of the discovery, there was a relationship between America and Japan, at least in thought.

At the beginning of the nineteenth century, a number of Americans attempted to open up communication with Japan, but they did not succeed until Commodore Perry's expedition. The purpose of these Japanese expeditions, including that of Commodore Perry, was not altogether philanthropic. These expeditions were chiefly due to the influence of economic interests; in other words, it was the whale that emancipated the fishermen and caused America to begin intercourse with Japan. In the eighteenth and the nineteenth centuries, one of the great industries in America, especially among the New Englanders, was whaling. To have proper protection for American fishermen, there was a need for commercial intercourse between America and Japan. Therefore, in 1835, Mr. C. W. King, an American business man, taking the opportunity to return seven Japanese fishermen who were picked up from their wrecked ship near Astoria, formulated a scheme to enter into negotiations with Japan. He equipped his ship, the Morrison, at his own expense, taking every precaution not to cause any suspicion and removing all guns and armaments. Moreover, he took with him his wife and three clergymen, to emphasize the peaceful character of this undertaking, and many presents with which he hoped to impress the Japanese with the advancement of American civilization. Unfortunately, Dutch traders brought the

1 Delivered in the series of evening public lectures.
news to the Japanese government that Mr. King’s visit was to subjugate Japan to America. So when he reached Japan his good intentions met nothing but hostility. Dr. Williams, one of the three clergymen who accompanied him, wrote: “Commercially speaking the voyage cost about $2,000 without any return, and the immediate effects in the missionary or scientific way were zero.”

Then Commander Biddle made an expedition, but he, too, did not succeed. When he anchored in the Bay of Tokyo, he opened communications, which lasted 10 days, at the end of which he received an anonymous note, which said in conclusion, “We have to say that the Emperor of Japan positively refuses the permission you desire. He earnestly advises you to depart immediately and to consult your own safety by not appearing again upon our coast.”

There were two or three other expeditions made by Americans before Perry’s advent, but they all failed. In 1852, President Fillmore of the United States decided to dispatch Perry to Japan, because he found that there was a great need to enter into friendly communication with Japan in order to help the whaling industry. The importance of the whaling industry in those days may be seen by the fact that in 1839 over 500 American ships were engaged in whale fishery and most of them were in the Pacific. Records show that 497 whalers, manned by 14,905 sailors, visited the Hawaiian Islands, and of the total, three fourths flew the flag of the United States. Two years later, the number of vessels had increased to 729 and the capital invested in the enterprise was calculated to be about $20,000,000.

It is very interesting to examine the public opinion of America concerning Commodore Perry’s expedition. It was certainly not popular. To quote a Philadelphia paper: “There is no money in the treasury for the conquest of the Japanese Empire, and the administration would hardly be disposed to pursue such a romantic notion.” The Baltimore Sun comments: “Abandon this humbug for it has become a matter of ridicule abroad and at home.” A London paper comments: “We cannot agree with the American journalists in thinking that such a small force (2,000 men) will be sufficient to coerce a very ignorant, semi-barbarous, and sanguinary nation of 30,000,000 people.” Thus we find that there was no public sympathy concerning an enterprise of which the United States can so nobly and so justly boast. Of course, it was not an easy task for Commodore Perry to open up a long-sealed country, but he succeeded in making a treaty with Japan.

After Perry’s expedition America sent, as her first minister to Japan, Townsend Harris, for which we are very thankful. Mr. Harris was a man honest in purpose, sterling in quality, and kind in disposition. He tried his best to be Japan’s friend as adviser and teacher in the early and stormy days of her foreign intercourse.

The dawn of new Japan dates back to 1868, when the Meiji Emperor proclaimed his five principles of Japanese Government. Since then the Government has put great stress on the fifth principle,
namely—“Knowledge and learning shall be sought all over the world.”

At the same time, it is interesting to note that one of the immediate causes of the restoration of Japan was the influence of Commodore Perry’s visit. The appearance of three American “black ships” in a bay of Japan was indeed an event which can never be forgotten. At that time Tokugawa Shogun was still very powerful, and Perry believed that the Shogun was the legitimate power in Japan. In the negotiations, the Shogun was proud and indignant at first. However, in 1854, he was obliged to sign a treaty of commerce and free navigation. This action was considered a great humiliation to the Emperor and to the Japanese people at large, and the imperialists strongly denounced Tokugawa Shogun.

In 1863, the Lord of Choshu fired on the unoffending ships belonging to foreign countries, an act which caused the combined fleet of the United States, Great Britain, France, and Holland to bombard the Fort of Shimonoseki. Of course, the Lord of Choshu was defeated and the Fort of Shimonoseki was destroyed by the foreign bombardment. Japan was forced to pay a heavy indemnity of $3,000,000, a sum 40 times the amount of the damage. No cannon balls had a greater effect on the history of civilization than those fired by the combined fleet of the foreign countries. They penetrated the very walls of the exclusion policy and through that breach the influence of western civilization began to creep into Japan.

Japan is a small island empire, and it is vitally important for her growth that she have intimate intercourse with the different nations of the world, just as was the case with England. The future of Japanese prosperity depends entirely upon her economic relationship with her two neighbors, America and China. As much as 37 per cent of all foreign trade is with the United States, while 22 per cent is with China.

The case is not much different with America. The most important factor for the recovery of American economic welfare is the expansion of reciprocally advantageous trading operations.

The most unfortunate problems which Japan is now facing are that the Japanese and the Chinese trade has dwindled to almost nothing as a result of the complex issues existing between these two nations and that American and Japanese trade has greatly diminished because of a decrease in the purchasing power of both nations. These economic conditions must be changed. Otherwise, there is no hope for the recovery of economic prosperity.

The most important article among Japanese exports to the United States is raw silk: 97 per cent of Japan’s raw silk exports goes to the United States and the raw silk exports account for 36 per cent of all Japanese exports to the world. The American climate and the people are not well adapted for mulberry culture and seri-culture. In ordinary years, the exports of Japanese silk to the United States are so great that their value is more than the sum sufficient to pay
for all Japan's imports from the United States. Besides raw silk, Japanese exports to the United States, which are not obtainable in America, are tea, camphor, insecticide powder, and hat plaits. The important competitive products among Japanese exports to the United States are silk tissues, handkerchiefs, potteries, brushes, furs, dolls, and toys. These products in all, however, amount to only four per cent of all Japanese exports.

The most important article among Japanese imports from the United States is raw cotton. We cannot cultivate cotton except in a very limited territory in southern Japan. Japan, as a whole, is too cold for cotton plantations. In spite of this fact, the Japanese use clothing made chiefly of cotton for their home wear. We must depend on raw cotton from America and India. Next to raw cotton, Japanese imports from the United States are lumber, kerosene, lead, sulphate of ammonia, caustic soda, rice, and leather. Most of these commodities are produced to a limited extent in Japan, but the demand greatly exceeds the local supply. Then we must not forget the important American exports to Japan which are competitive in character: iron and steel, machinery and parts, automobiles and accessories, copper, dynamos, and transformers.

At the present time, Americans are suffering because they cannot export cotton, lumber, oil, and many other things to Japan as in former times. American manufacturers are suffering because they cannot export automobiles and machinery to Japan as they used to. Such being the case, peace between America and Japan is of vital importance for the future of both nations. War between America and Japan would mean to America still worse economic depression; it would mean to Japan economic bankruptcy. In order to enjoy the advantages of intimate economic intercourse, there must be no heavy tariff barriers. It is a pity that at present the majority of the manufactured commodities are heavily taxed. The commodities of any importance which are exported to the United States from Japan free of duty are only raw materials such as tea, raw silk, undressed furs, insecticide, and tuna fish.

Some say that America and Japan are competing with each other for the mastery of the Pacific ocean. There is also talk that the Philippines and Hawaii must be strongly fortified for protection against possible Japanese attacks. What does it mean, anyway? I know that a noisy minority may be able to start something among the people, but for those who know about the economic interdependence of America and Japan there is nothing more absurd than such talk. Imagine the vastness of the Pacific, which is about twice as large as the Atlantic Ocean. I know America has plenty of money, and her natural wealth per capita is almost four times that of Japan. You may be able to increase your navy and air force to a size commensurate with your wealth—but this is the age of internationalism. The power of armed force is not so strong as before. National
aggrandizement should not be permitted, no matter whether a country belongs to the League of Nations or not.

Japan and America should always be protectors of the Pacific, to which the center of economic activities is now moving from the Atlantic ocean. There will be no collision between the Sun and the Stars in their orbits. Japan has many special relationships with China, and the more trade America gets from China, the more trade Japan will have with America and China. For Japan's sake, it is very important to have America always as prosperous as she was a few years ago, and for Japan's sake it is desirable to regain peace between China and Japan as soon as possible.

No other pages in the world history of the nineteenth century are so impressive as those written by the friendly intercourse between America and Japan. Even now Japanese children are taught in school and at home to be most grateful to America for kindness in introducing Japan to the world family. Then it was America who was delighted to see the dawn of the new Japan and to watch the growth of young Japan.

Since then America and Japan have been enjoying every intimate relationship, not only in economic affairs but also in friendly intercourse. When we suffered so miserably by the earthquake in 1923, how gratefully we acknowledged the American sympathy! Millions of dollars in the form of food, clothing, medicine, and other things for which there was a pressing need were lavishly sent over to Japan.

However, within 10 months after the earthquake, in May, 1924, when Japanese sentiments of gratitude for American help were still very vivid, most unfortunately, the American Senate, to our great surprise, passed an immigration law which was aimed at the discriminatory exclusion of Japanese immigrants. We don't care much about the restriction, but what we can not understand is discrimination against Japanese immigrants and the failure to adopt the quota basis for certain Japanese. Of course, I understand well that it was not approved by many—perhaps by a majority—of Americans. Many strong protests were made by many organizations and the general tone of the American newspapers, excepting those of the Hearst Syndicate, was rather opposed to the immigration law.

The Exclusion Clause of the Immigration Law of the United States is about the only question pending between Japan and America. However, Japan still holds to her faith in the integrity and the sense of honor of the American people as a whole and is patiently awaiting the time when Congress may change the law.
V. The Economic Basis of the British Commonwealth of Nations

THE BACKGROUND OF THE IMPERIAL CONFERENCE

By WILFRED J. HINTON,
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It is a commonplace of politics to say that the nation has reached a turning point in its history, but, of course, every point is a turning point. Nevertheless, the journalists are right to seize upon the Ottawa Conference as marking a change of direction, or an attempt to change direction, in the British Empire. This conference marks the culmination of a very clearly marked historical development.

As Dr. Zimmern has pointed out, there have been three British empires. The first was made in the seventeenth and eighteenth centuries, and it was smashed by the secession of the American colonies in the War of Independence. This was, like all the empires of that day, a planned empire, and it was as nearly as possible a closed system. Most planning seems to be made to keep others out. Compared with other empires it was not illiberal, but it broke down when the attempt was made to draw these rather loose bonds tighter.

The wound caused by the great secession did not heal, and it is still tender. One form this sensitiveness took was a somewhat cynical attitude towards colonies. The cost of their defense was great, and when they were on a paying footing they contributed nothing—or left the family. Connected with this was the unwillingness of successive British governments during the century to recognize the acquisitions made by the British nationals who did not share this political philosophy.

The British Empire, the second empire, was enormously extended during the nineteenth century by the development of the means of communication with continental areas behind scattered coastal settlements. But the theorists were against it; annexations in the Pacific were refused in spite of the strong advocacy of Australians and New Zealanders. What was the use of annexing a country which would cost much to defend and develop, and then would leave the Empire as soon as it paid to do so?

Several developments may be traced in this golden age of liberal and free trade political philosophy, from which root grew empire policy, so far as it was directed from Whitehall.

1 A public address, delivered on August 5, 1932.
(1) Growing self-government in the colonies. The empire contained communities of every type, but those of white settlement early received constitutions, varied in character, but of increasing liberality as the colonies developed. The empire became a procession of states strung out on the road to independence.

(2) "Free trade" and an almost complete absence of tariff preferences in the part of the empire still under control from London. At the same time, a great variety of local revenue tariffs suited to local conditions. India open to all competitors on equal terms.

(3) A development of conferences at first called Colonial Conferences, but after 1907 termed Imperial Conferences. They began in 1887 as family reunions on great occasions, but developed into regular consultations of the prime ministers of the dominions with the representatives of the colonial office and India office, under the chairmanship of the prime minister.

(4) Through the means of these successive conferences, the achievement of complete control of their fiscal policy by the dominions, which were formed during this period by a series of federative movements in Canada, Australia, and South Africa. The influence of the United States experiment in federal government was very marked.

(5) Under similar influence, and the need for revenue, these federated dominions developed protective tariffs, at first low, but subsequently raised under the influence of protectionist opinion which revived first in these dominions.

This divergence of opinion and policy between England and her dominions is the central theme of this part of history. The dominions again attempted to secure a reversal of the free trade policy of Great Britain, offering and giving preferences without a corresponding return; but attempting to secure a preference in the English market, then as now, large and very valuable. The volume of trade with the dominions was so small, however, in comparison with the greater interests of Britain in other markets, that the requests were refused. They meant, in those days, an addition to cost of production in the form of taxes on food and raw material. And that appeared mere foolishness to manufacturers who have always complained of severe foreign competition.

There was an attempt to meet the wishes of the colonies after 1902, when Joseph Chamberlain commenced the long struggle for protection brought to a successful issue by his son, Austin Chamberlain, this year, but the Conservative party fell in 1906 and the Liberals refused to consider a tax on food. In 1911, the subject was kept out of the conference altogether. It seemed as if free trade was fixed for ever in England.

The 1911 Conference marks the high water mark of free trade
policy. Sooner or later a reversal was bound to come, because pro-
tection was now the policy of the Conservative party, which was
bound to come into office in time, and would introduce some measure
of protection under one name or another. Only non-party issues are
capable of continued rational treatment under our democracies. But
the Great War broke the regular succession of events, and forced
the issue. It also ended the second empire, in which the mother coun-
try was overwhelmingly strong in spite of local self-government.

During the war, all parts of the empire rallied to the common
cause, and acquired the rights of allies as well as of members of the
family. The Imperial Conference sat continuously as a war council.
The contributions in blood and treasure of the dominions gave them
such weight in the councils of empire as they had never had before.

In 1917, the War Conference marked this change. Dominion status
was promised to India subject to the success of the limited experi-
ment of dyarchy. There also began that acceleration of the process
for removing the last rudimentary vestiges of subordination from
the status of the dominions. This latter process was hastened by the
peculiar position assigned to them in the League of Nations, as in-
dependent states yet also as members of the British Empire.

So that the first tendency in the new empire was towards a further
independence. This tendency showed itself in 1921 in the lead given
by the Pacific dominions to Britain, leading to the decision to abandon
the exclusive alliance with Japan and seek for the solution ultimately
found in the Washington Treaties. It showed itself in 1926, when the
insistence of South Africa and Ireland led to the drafting of Earl
Balfour's famous description of dominion status, and again in 1930 to
the discussions issuing in the Statute of Westminster, which is the
written constitution of the empire, and leaves the dominions free—even
to secede.

Parallel with this constitutional development was a growing ten-
dency to meet the wishes of the dominions for imperial preference.
A rather general declaration in favor of such measures was passed
in 1917, and the principle came to be adopted that preference should
be given to the dominions on those imports which were already taxed
or should be taxed in the future. Wines and dried fruits, in particular,
which were taxed in England for revenue, gave an opportunity of
gratifying dominion sentiment without a serious breach in the prin-
ciples of free trade. Some of the dominions had preferential tariffs
or agreements among themselves. Canada, where industry was more
efficient and advanced than in any other dominion, established such
arrangements with the West Indies and with the dominions of Aus-
tralia and New Zealand, exporting motor cars and receiving food
products, especially butter from New Zealand.

Meantime, some further breaches had been made in the citadel
of free trade. During the war, the liberal Mr. McKenna imposed a
short tariff on articles whose import it was desired to discourage,
especially from North America, in view of the load on the dollar-sterling exchange. These McKenna duties afforded protection to the new and growing motor car industry, among others. The protective effect was supposed to be incidental, but was sufficient to prevent even Mr. Snowden from repealing them, in spite of his expressed intention of so doing. The governments of the war period were coalition governments, and some compromises with protection were essential. This was carried out by the device of “safe-guarding” certain “key industries,” such as the chemical industry, which the war had proved essential.

In subsequent elections the Conservative Party avoided talk of “protection” and proposed instead the piecemeal extension of “safe-guarding” after inquiry before an impartial tribunal in each case. The people would still have nothing to do with food taxes.

After 1920, the dominions, like many other countries, tried to reconstruct their tariff schedules, rendered obsolete by the changes in currency values, by the prohibitions of war-time, and by the widespread changes in the distribution of industry effected by the war. In the dominions, and in similar economically “young” countries, there had been a forced growth of industries, and it was essential, if they were to survive, that they should be protected against competition of the older industrial nations and, not least, of England. Consequently there was from 1920 to 1927 a period of new tariff fixing, in which the dominions’ tariffs were raised more than the average, even when the preferential rates are taken into account. This point should be borne in mind. Our dominions are high tariff countries, and on the whole have raised tariffs against us more than other countries have done, as the Balfour committee points out. Thus we had the situation in 1927 that the dominions were pressing for a preference in the English market. They were maintaining a high tariff against all the world with a preference in favor of British goods, admittedly advantageous, though just how advantageous is not known, and not enough to destroy the protective effects of the tariff. The trade of the dominions, especially their export trade, was increasing more rapidly than the average rate for the world. The trade of Europe after the financial and currency reconstruction was increasing more rapidly than that of North America, but England’s trade did not fully share in the general expansion. In 1927, an international conference recommended the removal of many of the barriers to international trade, such as arbitrary prohibitions, license requirements, classificatory discrimination, the establishment of uniform classification, and lengthening of the term of the tariffs, with a view to ultimate reduction in some items. Nothing was done, and the fertilizing flow of American loans into investment behind these tariff barriers continued prosperity and, probably, prepared the crisis. In England there was deep malaise, and a feeling that her future was
constricting. In the dominions, abounding optimism, and from 1927 to 1929 the world soared to the peak and crashed.

From that crash the present situation arises. It has brought England off gold and off free trade and has led to her acceptance at last of the policy of her dominions and of the great country which has grown out of her old dominion in the 13 colonies. While it is not impossible that this policy should be reversed, it is difficult and on the whole unlikely.

Perhaps a few words are necessary to indicate the general economic structure of the empire, with a warning against the dangers of too superficial an interpretation. The empire is part of the world trade complex, and the long established policy of the "open door" has caused certain parts of it to join more closely to other countries in the matter of trade than to England. Malaya, for example, trades more with the United States than with Great Britain, and you are all aware of the importance of the United States trade in the West Indies and Canada. The empire is thus very far indeed from being a closed system, and it cannot be made into a closed system without great loss. Not that it is not large enough, for it includes one-fourth of all mankind and nearly a quarter of the earth's surface.

Nevertheless, there is a great inter-imperial trade. About 39 per cent of the empire's trade is inter-imperial, about 18 per cent with the United States, and about 43 per cent with the rest of the world. The supremacy of Britain as the creditor and market of the empire is only seriously challenged in a few places, of which Canada is one. Here American investments and American trade both exceed our own, though not very greatly.

This supremacy shows itself in the banking structure of the empire and in movement of funds to and from London with the seasonal activities of the empire. As a consequence, the exchanges of these dominions tend to move with sterling rather than with gold. This tendency is less strong in Canada and South Africa than elsewhere.

Although Britain is an old country in the economic sense, the empire is for the most part "young" in the sense of being little developed industrially. This fact makes the dominions excellent markets for some British products, but the dominions are anxious to grow up, and even the crown colonies are traditionally allowed great latitude in arranging their local tariffs.

In reality there are two parts of the empire, from this point of view. First, there are the dominions and the quasi-dominion of India. These have hitherto gone along the road towards self-sufficiency. If there is to be greater imperial unity in economic matters, they will have to retrace their steps, or at least halt somewhat their hurried advance towards industrialization. Second, there is the colonial empire, with a total area of 3,250,000 square miles, and a population of 66,500,000. Even if India and the dominions were lost to us we should still have an empire capable of enormous development.

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This was the empire upon which the crisis fell, and with especial severity upon the dominions as exporters of a few staple raw materials, since the prices of such raw materials fell at more than the average rate. Australia, Canada, New Zealand, and South Africa were soon in difficulties, confronted with unfavorable balances of payment, and obliged to shut out imports in the impossibility of expanding the value of exports. Their dependence upon London for loans to continue their development made matters worse, for these loans were no longer obtainable anywhere, and, thus deprived of support, their exchanges in London tended to fall and, in the cases of Australia and New Zealand, did fall below parity.

The first impulse was to check imports by tariff increases, and there was a whole crop of emergency tariffs, emergency prohibitions, and licenses, which had the desired effect of checking imports but added to the difficulties of all industrial countries, and so intensified the depression. England was hit also by these dominion tariff increases, and disputes broke out between Canada and New Zealand and Canada and Australia, which have since, happily, been settled. So the immediate background of Ottawa is filled with further tariff increases against Great Britain accompanied by increased urgency in the dominions' requests for some reservation of the empire's markets and, particularly, of Britain's markets to them.

By 1930, when the present conference was first summoned in London only to be adjourned later to Ottawa, the dominions had quite succeeded in their first objective, of independence, and had made some progress toward the second. They were now acknowledged to be free to secede if they so desired, and the last formal remnants of the authority of the Parliament at Westminster were removed. When these questions were settled to the satisfaction of the dominions, the Imperial Conference passed on to consider imperial preference, and not coming to an agreement, the conference was adjourned to the following year, 1931, to be held in Ottawa. When 1931 came, it was clear that each prime minister would have plenty to do in his own country, and the conference was postponed for another year.

An Imperial Conference is simply a meeting, for consultation only, of the prime ministers of the dominions, a representative of India, and another of the Colonies, presided over by the prime minister of Great Britain as senior. It has no executive power. Whatever is agreed upon must be carried out after the Conference by each of the prime ministers passing a measure for that purpose through his own parliament. As parties go in and out of office, so the composition and tone of the conferences change.

In 1930, the Labor party was in office, and its fiscal policy was dominated by that very remarkable man, Philip Snowden, now Viscount Snowden. He was, and is, a resolute free trader, and, though Ramsay Macdonald, J. H. Thomas, and others of the Labor leaders
were not so strongly against protection, Snowden, as Chancellor of the Exchequer, controlled the purse strings and dominated them all.

The dominions usually are led by Canada. She and Ireland and South Africa have usually been to the fore in questions of political change, with New Zealand least anxious to make changes. In asking for a preference in the British market, however, they are all agreed. On this occasion, the word came from Mr. Bennett, the new prime minister of Canada, who had been elected on a program of still higher protection for Canadian manufacturers against British and American imports. The increases in duty had considerably curtailed British trade with Canada, and, still more, United States trade with Canada. This was done mainly to correct an unfavorable balance of trade due to the fall in the price of wheat and primary products, but also in retaliation for the Hawley-Smoot Tariff of 1930. Mr. Bennett, the head of a high protection party, demanded somewhat brusquely that Britain should agree to give a preference to empire goods on a much larger schedule, which means, in practice, a tax on food. To facilitate matters, he offered on behalf of Canada, a 10 per cent increase in the existing preference, which meant that where there was a duty of 30 per cent on British goods and a duty of 40 per cent on other goods, the latter duty would be raised to 44 per cent, the duty on British goods remaining unaltered at 30 per cent. As this latter duty was, as a rule, enough to keep out the British goods in any case, the Labor government thought they were being offered nothing in exchange for the very unpopular tax on foodstuffs, and no business resulted.

Between the adjournment of the 1930 Conference and the meeting of the adjourned conference in Ottawa in 1932, there were several dramatic changes. In Australia and in England the Labor party went out of office, mainly because of lack of confidence in its ability to deflate and retrench or the willingness of its leaders to do so. In both cases, the Labor parties lost some of their more experienced leaders. In Australia the new ministry modified somewhat the high tariff policy of their Labor predecessors, while in England the new government, which is a Conservative-Liberal coalition with a few Socialists like the Macdonalds, asked for a doctor's mandate to prescribe anything it might find necessary. With an enormous Tory majority, it is not surprising that it found a protective tariff necessary, and so it has imposed a tariff, moderately high as compared with the rest but not as high as the highly protectionist tariffs of the dominions.

When England bowed to the storm and abandoned the gold standard, she took with her not only the whole empire with the exception of South Africa, but also many other countries, including some of her industrial rivals, like Japan, and some, like the Argentine, Egypt, and Denmark, so connected with her by trade and indebtedness that the price of sterling was the most important factor they had to con-
sider. Unfortunately, this "sterling area" did not sink uniformly, thus Canada's dollar occupied a position intermediate between that of the United States dollar on gold and that of the pound sterling; but on the whole the variations of these currencies were closely correlated to the variation of sterling.

Such being the circumstances under which the Conference meets, it would be wise not to expect too much of the Conference, which is dealing in a hurry with an immense variety of issues where self interest is admittedly the motive. The imperial sentiment, so often praised and sometimes exhibited, is as likely to be strained as strengthened in these negotiations. But the turn has been taken and we shall see for some years an attempt to unify economically an empire so diverse in all respects that it is a cross section of humanity. Agreement upon a policy, especially if it is a policy of lower tariffs within the empire, and the inclusion of some non-imperial nations in a low tariff group, would be a good augury for the future rationalization of international trade. Failure might lead us to doubt whether the place of reason in human affairs has not been grossly exaggerated.
VI. A Symposium on Manchuria

1. THE MANCHURIAN ISSUE: THE CASE FOR JAPAN

By KOKICHI MORIMOTO,
Hokkaido Imperial University.

Japan's action in Manchuria and Shanghai has brought down upon her a great deal of criticism and disfavor. It is our unexpected regret that dark clouds have been rolling across the Pacific ocean, even by a threat to punish Japan by boycotting. Under these circumstances, I am now going to take up the difficult task of presenting the cause as a spokesman representing the most unpopular nation in the world.

Japan's action in Manchuria does not constitute a violation of the Covenant of the League of Nations or of the Briand-Kellogg Anti-War Pact. I am aware of the fact that she has a number of weaknesses and often is wrong in minor actions both at home and abroad. However, as a whole, what she has done and is doing in Manchuria is justified. If it is not right, then actions of the American government in dealing with Panama, Mexico, and others were not right.

Mr. Gibbons, a well known American author and editorial advisor to the Century Company, recently spoke before the Foreign Policy Association of New York as follows:

"Four of the great powers, including ourselves, are doing at the present moment in different parts of the world, what Japan is doing in China. But wouldn't we be most surprised if some nations were to invoke against us, as Panama intended to do against the United States three years ago, the peace-preserving clauses in the League Covenant or the Briand-Kellogg Pact? Of course we all say that our particular case is different and that there is no parallel. In the present Far Eastern events, has not China, a member of the League, appealed to the League against Japan, another member? Has not China, a signatory of the Peace Pact, appealed against Japan, another signatory? However, the Japanese too maintain that their case is as strong, technically and morally, as ours, or France's, or Great Britain's, or Italy's, or Poland's in the peculiar difficulties, involving occupation of alien territory by armed forces, that each of these states is facing . . . ."

Did you merely assume that Japan was wrong because her 12,000 troops attacked the 320,000 Chinese regulars in Manchuria, in a plot to annex Manchuria to Japan? The world

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Delivered before a faculty symposium on Manchuria, July 19, 1932.
does not yet know what happened in Manchuria, or why; and we are too near the event to judge either the wisdom or the legality of the New Republic of Manchuria. We must remember that it took the Senate of the United States nearly 20 years to vote Colombia compensation for our part in creating the state of Panama. . . . At Bogota today the Colombians must be puzzled over our condemnation of Japan in Manchuria. How were we able to get the facts so quickly? How were we ready to denounce Japan so easily? Are we yet in a position to know whether or not she had justification, in accord with American standards of international morality, for what she has done?

Similarly the Mexicans are puzzling their heads over the complete change of American attitude in less than 20 years concerning the bombing of a port of a country with which we were at peace. . . .

As late as 1916, we sent armed forces into a neighboring country with whom we were at peace under a general who was to distinguish himself in the World War. Our object was to catch a bandit, without asking the leave of the government of that country. Did the rest of the world threaten to boycott us? 'Ah,' you exclaim, 'Wilson's action was perfectly justifiable, for Mexico City did not exercise administrative authority over Mexico, and we could not tolerate anarchy in a neighboring land where our investments were so heavy and where American lives were in jeopardy.' The newspapers at that time said that Wilson did not go far enough. They had been talking of war with Mexico for years. We went to war with Spain because we could no longer stand the disorder in Cuba where our investments had become important.

It seems all right, perfectly legal and reasonable, where it is the question of our own actions. It was all right for Great Britain and ourselves to send troops to Shanghai at the time of the last crisis, and to shoot up the Chinese on the Bund and in Nanking Road; it was all right for an American cruiser to bombard Nanking; it was all right for the French and the British to send a withering machine gun fire from the Island of Shameen across the little river to Canton Bund five years ago, when Chinese by the dozens crumpled up and fell in the road, many of them women and children. 'There had been sniping,' the French commandant said.

What is the wrong we are doing in Manchuria? They say Japan's ambition is that of territorial aggression. But we must remember that what Japan is doing is not for the territorial acquisition in Manchuria or for any other warlike purpose. Japan has only good intentions in China, and mutual assistance and parallel prosperity of both countries and their people have been the hope and purpose for which she has been working in China for many years. The Chinese government has repeatedly acted without sincerity and is trying to find causes to disregard and trample the treaty rights of Japan. There were so many surprise attacks on the lives and property of Japanese residents that we were finally obliged to resort to armed intervention in protection of the lives and interests of the Japanese in China.

What we are doing is all the result of self-defense. The action
of self-defense is perfectly legitimate for a sovereign nation to exercise. Let me quote the following passage from the American Note of June 2, 1933:

Self-Defense. There is nothing in the American draft of an anti-war treaty which restricts or impairs in any way the right of self-defense. That right is inherent in every sovereign state and is implicit in every treaty.

If this principle is considered right in America it must be so in Japan. If this fundamental principle is understood, all matters concerning Japan's action in Manchuria need very little explanation.

That Japan did not appeal to conciliation or arbitration seems to be an objection, but we must remember the circumstances—that the attack came from China without any notice. If a passer-by threatens one with violence, one can not wait for the police. If a burglar enters the house, one is not obliged to wait for a constable.

If the nature of the injuries resulting from the hostility of some country, and the harmful consequences, were thought to be so grave and immediate that an appeal to an organ of international arbitration would mean the consummation of the wrongs, the aggrieved party must be entitled to protect his legitimate rights and interests by armed force if necessary.

In order to maintain world peace, Japan must be freed from Chinese action relative to the economic boycott. In the text books used in the Chinese schools many passages are devoted to attempts to arouse anti-foreign feeling. There are many instances in China where boycott movements are encouraged by the Nationalist government. Chinese merchants who dared to deal in goods imported from Japan were often lynched, their goods confiscated, or their homes burned.

The economic boycott, whether it is sanctioned by the League or by the presidents of American universities, means war; it means a war of the most foolish and cruel nature. Poison gas or machine guns can kill thousands at a time, but an economic boycott means the death of millions. This is the age of international economy. To punish Japan by boycotting or by combined armed force means, even to America, great economic loss and damage. One of the most important ways to bring back American prosperity is to open up better markets in the Orient. If Japan ceases to buy cotton, machinery, and cars, American industry will suffer.

On February 18, 1932, Manchurian leaders issued a statement declaring they had decided to unite the four Eastern provinces in Manchuria into the Republic of Manchuria and to sever relationship with the Nationalistic government of China. This new country, it was declared, will stand for the destruction of the old military despotic rule and will stand for the adoption of righteous government at home, and abroad will reject the foolish idea of anti-foreign-
ism and adopt the policy of “the open door” and equal opportunity. Formerly an army of 300,000 soldiers constituted a heavy and needless burden to Manchurian residents. The exactions from the people to maintain such an army and the expenses of war lords constituted an intolerable burden. But now the taxes will be reduced, the money system modified, and other measures taken to promote righteous government as well as the maintenance of peace and order.

Such being the position taken by the new Republic of Manchuria, Japan must help the cause so that she may be able to secure what she has been seeking in Manchuria and in China at large for a long time. All we want is the maintenance of peace and order and freedom for the Japanese to pursue economic activities. We cannot allow Manchuria either to harbor a hostile power or to be in a state of anarchy.

Japan has a special relationship with Manchuria. Historically, economically, politically, geographically, and socially, the Japanese relationship with Manchuria has been more intimate than with any other nation. Let us cite a few instances. During the Russo-Japanese War, Japan lost 100,000 soldiers on Manchurian soil and incurred a very heavy war debt. Japanese investments for the development of Manchuria during the past 25 years amount to the sum of one billion dollars. When Japan went into Manchuria, the population was only 200,000. Today it is 30,000,000. Of this number, 29,000,000 are Chinese who have fled from China proper. From the fact that only 250,000 Japanese have settled in Manchuria during the same period, the opening of Manchuria has little hope for the mitigation of population pressure. What we want is the mutual co-existence of Manchuria and Japan in economic activities. The self-sustaining policy is not appropriate for Japan because she is not able to get all the necessities to meet the demands of her entire population. The development of Manchuria would enable Japan to supplement the deficiencies of her own natural resources.

Japan is suffering rather miserably in the world’s economic crisis. The heavy burden of the army and navy and the cost of the reconstruction work after the great earthquake have created financial difficulties. The great number of unemployed, not only among the physical laborers but also among the intellectual class of people, and the impoverishment of the mass of people naturally have created deep-rooted discontent. Already there is an underground communistic movement of substantial proportions. The safety of the state is imperiled, not only by the invasion of a strong army or navy but also by the disturbances of the stability of its political ideals, social organizations, and the like. Recently, Japan has been forced into a very difficult position created by her close proximity to soviet Russia and the Republic of China. The former is founded on the principle of communism and the latter has a strong leaning toward the principle of communism. If the conditions in Manchuria were
kept as they are under the Chinese regime, there is a great danger of Manchuria becoming communistic territory, a development that would threaten the safety of Japan. The Chinese government would not be able to insure the safety of Japanese residents there and could not prevent the invasion of Japan by dangerous thoughts.

China has never had the concept of nationality. A fundamental element in our concept of nationality is a well-organized government. Different war lords influence the Chinese government for short periods. There is no chance for perpetual peace while China is divided.

To sum up, the imperfections of China's nationality are the fundamental cause of her troubles with Japan. The League of Nations seems almost powerless to settle the troubles between the powers if one of them is lacking in sovereignty and international morality.

For the solution of the Chinese and Japanese problems we would insist on:

(2) Compulsion on the Chinese government to respect existing treaties.
(3) The recognition of the independence of the Republic of Manchuria.
(4) A policy by the powers toward China that will not permit her to use one power against another for the attainment of her diplomatic purposes.

Should America and other Powers cooperate on these four points, the new Republic of Manchuria would be able to make a healthy growth. This would be the best guarantee of permanent peace in the Far East and in the whole world, and would improve the world economic situation.

2. MANCHURIA: THE CASE FOR CHINA

By WILFRED J. HINTON,
Institute of Bankers, London.

I believe that the major tragedy of the Far East is the conflict between China and Japan, and that the bringing about of a rapprochement between the two nations is the most important task of statesmanship in this part of the world.

Let us go back to 1905 as the point of departure. At that time Japan had gained the leadership of Asia by her brilliant and heroic victory over Russia. The Japanese universities were full of Chinese students, Sun Yat Sen was among them teaching revolution and the
overthrow of the Manchus—Japan was, even more than America, the teacher of Young China.

The statesmen of Japan had not been able to secure an indemnity from Russia as part of the spoils of victory, much as they needed it to meet the enormous burden imposed by the war. They had secured control of Korea—to be annexed ultimately, and they had thrust the Russians back into North Manchuria, acquiring from them the Russian rights in the branch of the Chinese Eastern Railway from Chang-Chun to Dairen and Port Arthur. That railway ran through largely empty steppe, in that part of old Manchuria which remained to China after Russia, in 1860, had finally appropriated the Amur Valley and the coast of the Sea of Japan.

This Chinese Eastern Railway had been a tentacle of the Russian State extended into Chinese territory. It had had a government, military guards (though the legality of this latter feature was doubtful), and an irregular strip of territory of varying widths and shape, through which ran the broad gauge permanent way. Its purpose, like that of the Siberian Railway to which it was a cut-off, was colonization and the extension of the Russian empire. Its excuse, in the eyes of the Chinese statesmen who had allowed Russia to build it, was that it brought Russia to the help of China against Japan after the Sino-Japanese War.

This was the tradition to which the Japanese succeeded when they took over the Southern section, but it is not certain that, apart from Port Arthur, they intended to use the railway, at first, as an instrument of political penetration. They even considered for a time a proposal to sell the railway to an American group, but in the end decided to operate it themselves, and thus seek to get a return on their outlay of blood and treasure. They secured from the Chinese Government, in 1905, an agreement to the transfer to them of the Russian rights, with additional permission to join up the system via Mukden, linking with the Korean system and on the other side of the line with the Chinese system. Changing the gauge to standard gauge, they began to develop their property, having until 1923 to enjoy the lease of the Kwangtung territory and, under the Russian agreement, bound to give the Chinese the option of repurchase of the line in 1936 or to allow it to return to them without payment in 1986, if China so chose. They were thus in the position of tenants, successors to the Russians, and they had only a limited time in which to exploit their tenure.

We do not know the intentions of Japan, apart from the agreements she signed, but we must assume that she intended no more than these agreements contain, and that she knew, when she made her great investments in Manchuria, that she was spending money on a leasehold, and not a freehold property. Recently she has claimed that there were certain secret protocols accompanying the 1905 agreement with China, but she has never produced them.
Japan did a wonderful piece of development work. Aided by borrowed capital and by a stream of immigrant Chinese, now constituting almost 29,000,000 persons, she drew large revenues from the railway, carrying the agricultural products of a new land, especially the soya bean. The Japanese were bankers, administrators, soldiers and, less often, merchants.

But if the Japanese were aiming at imperialistic expansion in Manchuria, their failure to settle in competition with the Chinese has doomed that aim to failure. Those who dig the earth inherit it. The empty lands filled up, and the imperial vice-royalty of Chang Tso Lin changed at the revolution into a practically independent state of which he was the first dynastic head. The basis of that state was the 29,000,000 Chinese, located mostly off the Japanese special territories. It began to make somewhat disorderly economic growth—new railways built not without Japanese help, branch lines, and, later, parallel roads. The Chinese maintain that in various ways the Japanese extended their jurisdiction beyond the limits of the agreements. Though relations between Japan and Chang Tso Lin were, on the whole, friendly, it was right and natural that the Chinese should resist these encroachments by such means as they had, and should be unwilling to extend facilities, for the acquisition of large blocks of land by Japanese for purposes of colonization.

But always there was the mollifying effect of the knowledge that this intrusion of a foreign body into the body politic of China was temporary. The most important lease, that of Kwangtung (Port Arthur-Dalny) would expire in 1923. With luck and foreign assistance the railway might be bought in 1936, or, at the latest, would lapse to China in 1986. Some modus vivendi would doubtless have to be found with Japan, but it would be in a negotiation as equals. At that time Yuan Shih Kai was the dictator of China, his government being powerful all over China, though not unchallenged in the South. There was, as there has not been since, a central government for China which could negotiate with Japan.

Then came Japan's tragic mistake. Instead of negotiating when the time came, or a few years earlier than 1923, her militarists hurried her into a policy of dictation to China. In 1915, while the rest of the world, America excepted, was too busy to pay much attention to the Far East, and after Japan had conquered Germany's sphere in Shantung and her fortress at Kiao Chow, China was suddenly robbed of the hope which made the Manchurian situation tolerable. Without receiving any quid pro quo, she was obliged to extend these leases to the end of the century. Nothing need be said here of the other terms of the "Twenty-one Demands," humiliating as these were to China. At the point of a bayonet, she was compelled to abandon her undoubted right to receive the leased territory in 1923 and her option on the railway, for no consideration, except that of not being invaded. America protested that she would not
recognize any special rights thus secured. China bowed to the inevi-
table, protesting, and establishing a day of national humiliation
to keep the feud green forever.

Of course, this was the work of the militarist party in Japan,
which ultimately fell into disfavor after the war, when the liberal
element came into power and, through the Washington Conference,
attempted to win the good will of China by concessions upon all
except the extension of the leases. China accepted these concessions
as no more than her right and reserved her right to raise the re-
maining issues upon a suitable occasion. Japan was not forgiven,
though relations were improved.

Now Japan in this action had behaved no worse than many of
the imperialistic powers which had been her model, but there had
never been any question of any relationship between these countries
and China comparable to that possible between Japan and China;
possible, though not easy, on account of China's pride; necessary, to
secure for China the opportunity and assistance in development which
she needed.

It would appear upon the face of things that, after a genuine
attempt to win Chinese cooperation, and the patient endurance of
many pin pricks and even greater provocation, Japan has reverted
to the policy of 1915—but this matter is under investigation and
judgment, and it would be best, as Dr. Holcombe says, to leave it
until we have an impartial report on the facts.

What is quite clear is that China has never accepted the decision
of 1915 and never will. Boycotts and various lesser annoyances are
only the expression of an attempt to encyst or wall up the intrusive
Japanese interest, and such measures can make those interests worth-
less.

Korea is Japan's Ireland and Manchuria her Egypt. Like Britain
in India, she is faced with a problem of withdrawal, unless she is
prepared to go on and conquer China piecemeal and the world is
content to see her do it. The question at issue, arising out of the
"Twenty-one Demands" and the accompanying notes, is whether a
settlement entirely dictated by force can stand. Chinese sentiment
maintains that it cannot, as the failure of the Versailles Treaty
shows. Japan will make an impossible situation if she leaves no
chance of recovery of effective sovereignty by the Chinese in Man-
churia.
VII. Race Relations

1. HUMAN STUDIES IN HAWAII

By S. D. PORTEUS,
Professor of Clinical Psychology, University of Hawaii.

In 1926, the provision of a grant from the Rockefeller Foundation to the University of Hawaii for a five year program of research made possible the continuance of studies of the biological significance of race. Investigations previously undertaken here were almost wholly psychological in character and were confined mainly to mental test comparisons, together with some estimates of the social characteristics of races and brain capacity measurements of Oriental children. The results of these studies were published the same year in a book entitled Temperament and Race.2

The fact that funds were now made available resulted in an extension of the program of research to a degree not hitherto contemplated. The object of our studies was to collect and analyze data that would help to make possible a scientific answer to a question of universal interest—what is race? These studies were classified in three main divisions, physical anthropology, psychology, and sociology, the intention being to carry out observations independently in each field but in coordination with one generalized program of research. It was early recognized that the sociological observations must be founded on different methods and, indeed, involved a different approach to the problem, being concerned chiefly with cultural changes in the group, racial attitudes, and the like, in all of which environmental factors played the principal part. Anthropology and psychology, however, were both concerned with individuals as biological units making up a race, and cooperation in these fields of research could be more easily arranged. The sociological program, therefore, proceeded under a special grant, raising the amount of the Rockefeller contribution in all to $125,000.

The object of the present paper is to report in brief outline the results of the anthropological and psychological studies carried out during the five year period for which funds were allotted from the Rockefeller Foundation, a period which ended in December, 1931.

Early in 1926, Dr. Frederic Wood-Jones, Professor of Anatomy at the University of Adelaide, South Australia, who is so widely known

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2Report of an investigation on Race Relations, conducted at the University of Hawaii under a grant from the Rockefeller Foundation, and included here at the request of the Editors.

for his work in anthropology and comparative anatomy, arrived in Honolulu to direct the work of the division of physical anthropology. After three years' work at the University of Hawaii, he returned to Australia. The fact of his departure is the excuse for the present writer's attempt to give an account of Wood-Jones's work in conjunction with a report of his own. In the following description, the chronological order of the studies has been followed rather than their natural sequence.

While our ultimate object was to institute various comparisons of the racial groups represented in Hawaii, there seemed to be a great need, as preliminary work, for fundamental studies of man, involving an outline of the probable pathways of his emergence from lower evolutionary levels. With a clearer understanding of the differences between man and his most closely related anthropoid contemporaries in the animal kingdom, we should be better prepared to discover and understand the importance of the differences that exist between members of the divisions of mankind itself. Particularly was this preliminary work necessary before racial differences in cranial morphology could be properly investigated. Such a fundamental study is contained in Man's Place Among the Mammals, published in 1929.3

In this important book, Wood-Jones traces the development of biological thought, as regards the evolution of man, from the pre-Darwinian down to the latest post-Darwinian period. It constitutes what the author calls a stock-taking of theories regarding man's origin—a stock taking which, for the ordered progress of scientific thought, should be made periodically. He formulates his own orientation to the whole problem in a striking pronouncement. "An animal," he says, "regarded from the point of view of structure, is a complex of the basal plan of heritage and the adaptation of habitus. It should always be our endeavor to sort out these two factors in the makeup of an animal. . . . One fundamental structural difference begot of heritage outweighs many structural resemblances begot of habitus." The problem in racial studies is fundamentally the same—the discovery of the important hereditary differences and their assessment in terms of human functioning.

In applying this principle, Wood-Jones finds that there are decidedly important differences "begot of heritage" between the anthropoid ape and man, and adduces the evidence that goes to show that man's divergence from the anthropoid stock must have taken place at an extremely early period.

He shows that the phylogenetic trends of the anthropoids have proceeded in specialized directions and thus are distinct from the evolutionary tendency of man, who has developed along somewhat divergent lines. Consequently the conclusion is warranted that the

earliest human ancestors did not arise from an anthropoid stock. Wood-Jones believes that the evolutionist must go back as far as a primitive Tarsioid stock to find a sufficiently generalized form that would be the common ancestor of man and the anthropoid apes. This is also the position taken up by Elliot Smith, who is in turn quoted by Yerkes and Yerkes in their most recent book, *The Great Apes*.

These conclusions, important as they are for the comparative anatomist and students of evolution in general, may not, at first sight, seem to have such an immediate bearing on our problem of discovering and evaluating racial differences, but in pointing to the fact that some differences may be the result of habitus while others are more fundamental and begotten of heritage, Wood-Jones has laid down an excellent guiding principle for our racial studies. In our psychological investigations, for example, it is our endeavor to separate the factors which are purely environmental, such as restricted opportunities for education, limited social inheritance, etc., from those more fundamental factors of native intelligence, which have as surely set the bounds of progress for a race. We are indebted to Wood-Jones for this clear statement of the conflict between the structural and functionalist school. In our psychological studies, the hereditarian and the environmentalist are at similar odds. The first insists that a race is inferior because of its inherent inability to control its environment. The environmentalist says that the race appears inferior only because it lacks the opportunity for functioning to the extent of its inherent ability. In this conflict of views it is necessary for us to take the middle ground. Changes in environmental pressure on a race may work wonders as regards its progress, provided it has retained its plasticity. Just as certain phyla in the animal world have lost their plasticity and are unable to respond to environmental change, so, too, certain racial groups may remain unresponsive to cultural stimulation. The lack of intellectual plasticity may mean that they are unable to assimilate the social inheritance gained by other groups, so that when faced with rapid changes in environmental conditions they tend to fall behind. Progressive adaptability has, in fact, been made the basis of a definition of racial intelligence. Though the methods of study are totally dissimilar, it is clear that the approach of the physical anthropologists and the psychologists to the problems of racial differences is fundamentally the same.

Structural and functional aspects are conjointly treated in another book, the publication of which is the direct outcome of the Rockefeller Fund program. Considering that neurology and psychology are sciences having for subject matter the same basic physical structures, Dr. Wood-Jones and the writer decided to collaborate in the writing of a book on these subjects. This volume deals with the building up of the central nervous system and sets forth the archi-

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4See *Temperament and Race*, pp. 250 ff.

tectural additions that came about in response to the demand for higher functioning. The steps in development are traced one by one, the false steps and mistakes in brain building being set forth till the ultimate triumph, the evolution of the cortex, came about.

In the more strictly psychological portion of the book, the present writer attempted to trace the parallel between neurological development and behavior from amoeba to man, paying particular attention to the greater complexity of functioning that went hand in hand with the greater complexity of brain structure. The function of the cortex as an organ of choice was specially stressed, and various changes and advances in bodily function were described as being necessary before it was biologically safe to substitute reasoned behavior for instinctive reaction in the animal, and to displace the instantaneous control by the basal ganglia and lower centers of the brain by the delayed reaction of the pallium. For example, it was shown that the functioning of an organ of choice must wait the development of distant receptors, so that the stimulus can be recognized at a distance and the cortex given an interim of time before muscular response is necessary. In this way there can take place a selection of expedients and even a mental rehearsal of the appropriate reactions. The interval between stimulus and response is thus seen to be the basis of the development of intelligence, for if the response is immediate and unfailing it cannot be varied in the direction of improvement. The delay in reaction is thus seen to be all important as regards appropriate reaction. The inadequacy of the synaptic resistance theory as a basis for the learning process is pointed out. It is shown that response to a monotonously recurring stimulus, which, according to the synaptic theory, should facilitate response, is attended to less and less until we come to disregard it altogether, unless because of some increase in relevancy it is again brought to our attention.

A further original theory is developed as the reason for the discussion of the motor and sensory nerve paths in the body, so that the left side of the brain controls the right side of the body and vice versa. The correlation of proprioceptive information regarding the position of the limbs as a necessary basis for the initiation of muscle movements is shown to be more mechanically economical under this arrangement, and that nature has chosen the most convenient pathway of development in this regard is evident.

The relationship of brain studies, such as are described in this book, to racial studies may not at first sight seem obvious, but Wood-Jones and the writer both felt that the observation of racial differences should only be undertaken after a proper consideration of structural and functional relations in the brain itself. In short, in attempting to establish the connections between psychology and neurology we were widening the common ground on which both sciences found a footing. Investigation, we felt, should proceed along the
lines of careful point by point comparisons. No more useful data as to inherent racial differences could be gathered than those pertaining to differences in brain structure, if such could be discovered, but before we could enter into the consideration of this problem the general lines of development must be first understood and an agreement reached on working principles. To this end, therefore, the Matrix of the Mind was a fundamental study.

But this conjoint study had not only general but specific value, of which one striking instance may be given. In considering animal reactions at a low level of brain functioning, we were led to formulate the idea of the relevant stimulus. This may be defined as the stimulus to which, in the experience of the race, it has been proved biologically advantageous for the animal to attend. The sound of a violin being played has no effect on a frog or an assemblage of frogs on a river bank, but immediately there is the sound of a splash in the water all the frogs are, as it were, galvanized into immediate activity. The splash is a biologically relevant stimulus, the sound of the violin is not. Similarly, the blind worm (Anguis fragilis) appears deaf to many sounds, but let the first drop of a shower on the earth be heard and all is activity with this creature. The rain brings out the little gray slugs on which the blind worm feeds, so that by racial conditioning the sound of the rain provides a relevant stimulus, a stimulus to which it at once responds.

The same environment may provide an entirely different range of relevant stimuli to different organisms. The actual environment surrounding a man in a room may be exactly the same as that of a goldfish in a bowl in the same room, but there are hundreds of stimuli which are relevant for the man to each one that is relevant for the goldfish. Hence the number or range of relevant stimuli in a given environment may be made the basis of distinctions in intelligence. In other words, the difference between the lower and higher animal, the stupid and the intelligent man, the superior and inferior race, may be a matter of difference in the number and range of the stimuli which each finds relevant. As we have seen, the delayed functioning of the cortex in man provides an opportunity for him to decide whether the stimulus is relevant or not. The splash in the water which causes all the frogs to dive from the bank may have been entirely irrelevant as regards their immediate safety. It may have been due to the dropping of a nut from a tree, but the frogs have no choice of reaction in the matter. The splash belongs in the class of relevant stimuli to which they must respond instantaneously.

Hence, if we accept the idea of the number of relevant stimuli as the basis of a definition of intelligence, we make insight into one of the most important psychological developments. To see the relevancy of the stimulus and select the appropriate response will constitute intelligent behavior. To one unversed in bacteriology the movement or form of organisms seen under the microscope has no
more relevancy than movements of people around the bowl have for the goldfish. These minute organisms are not, from the standpoint of the biological advantage of this untutored observer, worth attending to. Education is the process of increasing the number of relevant stimuli and is, therefore, an essential part of the process of an increase of intelligence. However, that kind of education is unintelligent, as to which we attend without respect to their relevancy.

Immediately we enter the field of racial differences the value of the new concept of intelligence is at once apparent. It combines the structural and the functional, the hereditary and the environmental viewpoints. Obviously the number of relevant stimuli attended to will depend on two things: first, how many stimuli a given environment contains and, second, the ability of the individual or the race to respond to them. An inappropriate response is as good as none. If, for example, we bring a race to a new environment or bring a new environment to a race, and both things are possible, we can judge of the intelligence of the response. Western civilization, for example, was brought to the Japanese. It was also brought to the aboriginal Australians. How much did each race find in the way of relevant stimuli in the changed environment? For one group of people, having lost plasticity, the change was too great. The ability to see the relevancy of the new stimuli was lacking and so education and invention and progress passed them by. The Japanese, Chinese, Portuguese, Filipinos, and Porto Ricans were brought to a new environment in Hawaii. How much of an increase in the number of relevant stimuli has each found in the new place of abode? Through the methods of racial psychology, we hope that it will not be necessary to await the ultimate adjustment, but may be possible to predict the degree of intelligent adaptation. So, too, with the individual. If we know the number of biologically relevant stimuli a child can respond to at a given age, we have the means of predicting his future progress. Unfortunately, the tests chosen for examining individual reactions are not themselves always relevant to this purpose.

Having cleared the ground and reached a common basis in the way of working principles, the work of the divisions of anthropology and racial psychology naturally became more specific and divergent, each employing its own special methods. Dr. Wood-Jones turned his attention to the science of human measurements and brought out a hand book of anthropometry, which included a description of the chief landmarks used in measurement, the instruments available, and the methods of using them. The precise definition and localization of the points of measurement is, of course, a necessity in anthropological work and the confusion of methods at present in vogue renders a great deal of work in this field valueless. Uniformity of procedure should be possible by the use of this hand book.6

From this point on, Wood-Jones's studies have a more direct and specific bearing on racial problems. One particularly interesting study dealt with the anthropometric characteristics of the skull of the extinct Tasmanians. The method used was laborious but extremely valuable in its outcome. Using as a basis for measurement dioptographic drawings published by Berry in Melbourne, Wood-Jones drew radii from the central point of the upper border of the external auditory meatus, not only to the main anatomical points on the skull (glabella, lambda, etc) but also at 10 degree intervals, extending them from this center to the periphery of the skull. The length of these radii were then recorded, also the distance of all intersections of sutures or other named points along these radii. Similar methods of measurement were recorded for each of the three normae of the skull. On a series of 50 drawings of skulls, 24,000 of these measurements were taken. By averaging the distances and angles of the radii extending to certain anatomical landmarks, all the actual contours of the average or composite skull of the series could be accurately reconstructed. In this way, for the first time, instead of considering a few average measurements, the student may obtain a definite picture of what the composite skull of a racial series would actually look like. If two racial series are to be compared, the method gives infinitely more satisfactory results than the mere citation and comparison of several measurements and cranial indices, as is the common practice. By superimposing the drawing of the composite skull of one series upon another, comparisons may be made immediately at any number of points on the contour, and the anthropological importance of the sum of the difference may then be realized. The division of psychology participated in this work to the extent of statistically summarizing the measurements.

As an immediate result of this work, Wood-Jones determined that the Tasmanian cranial capacity is considerably larger than had been previously estimated. His figures agree very closely with those Hrdlička obtained from an entirely different series of skulls, a difference of only about 1 mm. separating the two sets of averages of length, breadth, and basi-bregmatic height. The result called forth from the author the statement that "it is probably correct to say that the commonly accepted low average cranial capacity of the two sexes of this race, like the reputed humanly low class features of their crania, have been wrongly emphasized with the result that the Tasmanians have been ascribed a lower place in the human scale than the examination of the cranium warrants."

Pursuing the same methods, Wood-Jones next measured a series of Australian aboriginal skulls. A comparison with the Tasmanians showed again that, as far as cranial capacity and cranial form go, the

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88.
Tasmanians showed marked superiority over the Australians. Here
again the value of the comparative method is demonstrated. Wood-
Jones's conclusion served to throw doubt on the commonly accepted
theory that the Tasmanians represent the original primitive, less
highly developed inhabitants of the Australian continent, driven
south by the present Australians and finding an ultimate refuge
across Bass Strait.

Several occasional papers were contributed by Wood-Jones to
scientific magazines during his stay in Honolulu. One of these dealt
with the distinction between the human hallux and the great toe of
anthropoids. His contention was that opposability is never a feature
of the movement of the human great toe, and he cites the case of
an armless Japanese boy in Honolulu who drew and wrote with the
aid of his toe and who, therefore, exhibited an optimal amount of
great toe movement. While there was a high degree of flexion and
extension, there was no trace of opposability of the big toe, this
emphasizing the characteristic human distinction of the big toe move­
ments as compared with those of the anthropoid apes.

Another paper was based on embryological material gathered in
Hawaii and dealt particularly with the disposition of the hair tracts
in man. Wood-Jones records the appearance of a mid-dorsal hair
whorl in four embryos (three part Hawaiian, one Japanese) a con­
dition which, he says, "has not so far been recorded in the human
subject. It has not been encountered in any of the white races rep­
resented in Hawaii." The sharing of an anomaly by the Oriental
and Hawaiian racial groups may have some bearing on the problem
of Polynesian origin, or, at least, on the Asiatic affinities of the Ha­
wnaiian.

Another short paper deals with cranial architecture as regards
the formation of the pterion and is intended to emphasize the human
distinction from the simian form of this anatomical character.

Of somewhat similar character is the paper describing distinctive
human developments in cranial architecture, particularly referring
to the formation of the postorbital bar and its various articulations
in man and the rest of the primates. On these differences Wood­
Jones lays particular stress and, on the basis of his observations,
believes that the progenitor of Homo sapiens developed frontal lobes
in the brain before the bones of the cranium in the region of the
interorbital constriction had become phylogenetically stereotyped in
their modes of articulation, or, in other words, while the skull was
still in its primitive tarsioid condition. The author, of course, recog­
nizes the need for further careful comparisons and winds up his

9Wood-Jones, Frederic, "The Distinctions of the Human Hallux," Journal of
10Wood-Jones, Frederic, "The Mid-Dorsal Hair Whorl of Man," American Jour­
paper thus: "Not only does much work need to be done on the skulls of large numbers of monkeys and apes, but we require a great deal more information concerning the skulls of some of the races of Man-kind. In particular there is needed an extended study of the negro skull, particularly of the negro foetus, for it is impossible to regard as unimportant the fact than some 16 per cent or more of African negroes show the frontal temporal articulation, which is such a definite specialization of the African anthropoids."12

The finding in a burial cave of a skull of an ancient Hawaiian dog, during an expedition by Dr. Wood-Jones and the writer to the island of Kauai, occasioned another paper.13 The Hawaiian dog was undoubtedly brought into the Pacific area by the Polynesians in their early migrations and hence a careful comparison of its characters with those of the dogs of Melanesia and Asia might be useful in helping to trace the course of Polynesian wanderings.

Wood-Jones points out the peculiar cranial contour of the Hawaiian dog and relates this to the habit of giving it a vegetarian diet and thus causing modifications of its skull growth. Along with these "pet dog" features is associated the possession of carnassial teeth of primitively large size. These observations may be made the basis of comparisons with other native dogs such as the dingo of Australia or the red dog of the Deccan.

At this point, Professor Wood-Jones turned his attention to the Polynesian skull, using the methods of careful inter-racial comparisons of the characters that seemed to be of essential significance. In this work Wood-Jones follows the principles already laid down in Man's Place Among the Mammals and the Matrix of the Mind. The outcome of this work has been the publication of two papers on the non-metrical morphological characters of the Hawaiian skull, both issued since his departure from Hawaii but founded on work done and on material collected here.

In the first of these papers, Wood-Jones sets out on a general discussion of the morphological characters employed in racial diagnosis. Following the principle laid down in Man's Place Among the Mammals, Wood-Jones proposes to limit the racial comparisons of cranial features to those that are non-adaptive. He says, "Probably one of the greatest needs of physical anthropology at the present time is some definite attempt to employ more fully such non-adaptive features as are incapable of precise measurement or even of standardization by existing methods, but which yet have a high value in diagnosis and assessment of different types of human crania. Only in this way may the study of the human skull be rendered in any way comparable to the system by which zoologists are accustomed to

assess the zoological position and affinity of the lower mammals by regard to their cranial characters.\textsuperscript{14} He then takes 29 cranial characters in turn and points out how each may be used in racial comparisons. These are the features which he considers most important in assisting in the diagnosis of racial or tribal characteristics. It will be recognized that this descriptive method, taken in conjunction with the graphic reconstruction method described in Wood-Jones's papers on the Tasmanian and Australian skulls will give a more complete picture of racial cranial characteristics than has yet been provided.

Part II deals with the non-metrical morphological characters of the Hawaiian skull.\textsuperscript{15} The material of this study consisted of 100 skulls, the majority sexed from association of the skull with the pelvic bones, the rest from cranial characters. Most of these skulls were retrieved from cave burials and therefore represent ancient unmixed Hawaiians. Though they came from different islands of the group, they were of uniform cranial type, thus opposing Dixon's conclusion as to distinctions of type between skulls from Kauai and skulls from the other islands. Notes were made of 26 characters of the skulls according to the system previously laid down in Part I of this paper. In each case the percentages of Hawaiian skulls which possess the character described are given. For example, obliquity of the orbit was found in 75 per cent of the cases. It is obvious that this method is very useful for the purposes of discovering racial affinities and differences.

We now come to the psychological division of our studies. The preliminary work contained in Temperament and Race consisted of social judgments of the various races as given by 25 selected observers and, in addition, brain capacity measurements of Japanese and Chinese and also mental test comparisons of the various races represented here. The results, on the whole, were favorable to the Japanese, who excelled in ratings of planning capacity, determination, and stability, were equal to the Chinese in self control and prudence, but inferior to them in dependability and tact. It was noteworthy that the Hawaiians obtained the highest rating in tact or ability to get on with other people. In brain capacity measurements the Japanese exceeded the Chinese at every age. In the mental test comparisons the Japanese held an advantage in Maze test records, which indicates the possession of prudence and planning capacity. In tests of general intelligence or school learning capacity, the Chinese had a slight advantage over the Japanese. Results of these tests were also given for part Hawaiians and Filipinos.

Following this work, the writer began an extensive study of racial mental alertness by means of a test called the Form and Assembling


The results of this investigation have been published as a genetic psychology monograph.\textsuperscript{16}

This study, considering that it was founded on individual examinations, was perhaps noteworthy as regards the number of subjects, over 5,000 being included. The reason for extending this investigation to such large numbers was in the hope that sufficient cases would be obtained to enable us to segregate results by race, age, and sex in sufficient numbers to render the comparisons of statistical significance. When it is considered that the races dealt with included three groups of whites, two in Hawaii and one on the mainland, and in addition Japanese, Chinese, Portuguese, Hawaiians, Chinese-Hawaiians, Portuguese-Hawaiians, North European-Hawaiians, Chinese-white-Hawaiians, and Koreans, and that these were severally grouped by sexes and classified by age from 6 to 20 years of age, it will be recognized that 5,000 cases were not too many.

As regards order of success in performance, the study revealed the effect of geographical or cultural selection, in that the two groups of whites in Hawaii considerably excelled another group of whites of similar educational standing examined in schools in a town in eastern United States and these, in turn, were ahead of the Portuguese. These differences showed the importance of natio-racial differences, the highest and lowest place in the array of results being held by the two branches of the white race.

After the whites in Hawaii, second place was taken by the Japanese, followed hard by the Koreans, third and fourth places being filled by the white-Hawaiians, with the Chinese several points below. However, expressed in terms of intelligence quotient levels, only a few points separated the various racial groups. A little lower in the scale came the Chinese-Hawaiians and then the mainland whites. This study proved that in mental alertness the children of Oriental immigrants in Hawaii excelled white children of a manufacturing and agricultural town in New Jersey. Their excellent performance on the other hand throws in sharper relief the lack of success of the Portuguese. Here cultural differences cannot be invoked to explain the differences in intelligence levels. The Portuguese and Hawaiians are taught in the same schools by the medium of the same language, and their social status is no lower than that of the Oriental children, yet in the tests applied they were considerably inferior.

Taking next into consideration the question of racial hybridism, we find that an excellent showing was made by a group of 65 Chinese-white-Hawaiians, the white mixture in this group being north European. Their average I.Q. was 108, exceeding even that of the Japanese group. There seems to be no other explanation for this excellent record save superior ability in the traits measured by this test.

If the cases are divided into three age levels, 7 to 11, 12 to 15, and 16 years and over, the relative position of the white-Hawaiians and the Chinese-Hawaiians is still the same, the former being somewhat ahead of the latter. As far as this test is concerned, there is no support for the view commonly held in this Territory that the Chinese-Hawaiian is a better racial mixture than the white-Hawaiian. Nor, as regards the position of Hawaiian crosses in general, is there justification for the view that the mixtures are either better or worse than the parent group. Apparently they tend to occupy an intermediate position in each case. With regard to the Chinese-white-Hawaiian mixtures, however, there seems to be a distinct tendency for this tri-cross to approach more closely the white performance and to excel the performance of the other racial hybrid groups. Apparently mixture of blood in a racial group is not per se a disadvantage, notwithstanding assertions frequently made to the contrary. As regards the intermediate position of the other crosses, this is very close to an actual mid-point between the scores of the original or parental groups.

For example, the average I.Q. in the white group in Hawaii is about 112; that of the pure Hawaiians, 93.4. The average of these two scores is 102.7, which is exactly that of the white-Hawaiian mixture. The average of the Chinese and Hawaiian scores is 97.45 and the actual I.Q. score of the Chinese-Hawaiian crosses was 98.5. This intermediate position of the Hawaiian crosses is also demonstrable in physical measurements. Studies by Dr. Clark Wissler, using data collected prior to his death by Dr. Louis R. Sullivan, show that in stature, span of arm, head length, minimum frontal diameter, bigonial width, face height, nose height, transverse fronto-parietal index, and ear height, the crosses occupy an intermediate position whenever differences between the parent stocks occur. In such instances, however, where the two parental stocks approach equality in a measurement, as, for example, in face width of Hawaiian and Chinese, then the Hawaiian-Chinese cross tends to have the same average measurements as the parent stocks. Thus the blending of physical traits in the hybrid seems exemplified on every hand, and there seems every reason to suppose that in mental traits the same thing occurs. Hence if there is any biological basis for the superficially observed differences in temperaments between the races, as, for example, the easy going nature of the Hawaiian, the patient and persistent efforts of the Chinese, and the aggressiveness and initiative of the whites, then the blending of these temperaments should result in an excellent cross.

Under my direction, Dr. C. M. Louttit carried out a study of Hawaiian mixtures at Kamehameha School, using the Binet, Porteus Maze, and Healy Completion tests. His results with this educationally selected group of part Hawaiians bear out practically the conclu-

sions previously obtained. This study was published in the Journal of Applied Psychology.39

For the purposes of this study, the Binet Test results may be taken as reflecting, in the main, school learning capacity, the Porteus Maze Test, mental alertness, prudence, and planning capacity, and the Healy Completion Test, the ability to analyze correctly certain simple social situations. After noting the excellence of the all around response of the part Hawaiians to the tests, Louttit proceeds to the analysis of the scores by racial groups and finds that, in the case of boys, the Chinese-white-Hawaiians take first place in all three tests, again demonstrating the superiority of the tri-cross. The white-Hawaiians take second place in all three tests, while the Chinese are last in the Binet and Porteus Maze but excel the Hawaiian group in one test, the Healy. In the case of girls, the Hawaiian-white-Chinese again take first place in both the Binet and Maze tests, providing further evidence of the superiority of this group. The pure Hawaiians are lowest in each of the test records. As regards this last named group, there is, of course, doubt in a considerable number of cases as to the purity of the blood, and accurate genealogies are now unobtainable. At any rate, the children thus classified are predominantly Hawaiian.

Another study in connection with our program was that made by Dr. T. M. Livesay and Dr. C. M. Louttit on the reaction time of students of different races.40 The results were mainly of negative value, indicating, as might be expected, that responses of this nature are likely to be at or about the same level in all races. Apparently a certain quickness of reaction time is essential to survival and consequently differences tend to be equalized as between groups. However, what advantages there were in visual reaction time were in favor of the Caucasian students, whether male or female, as against the Chinese, Japanese, and part Hawaiians. As regards an auditory stimulus, the Caucasian males equalled the part Hawaiian and excelled the other two racial groups. The female Caucasian students also came first in auditory reaction time. As figures stand, the differences are too small to be considered constant or statistically significant. It would require repeated experiments with large numbers of cases to reach a definite conclusion in this matter. As regards correlation with intelligence as determined by Thorndike Examination scores, the coefficients were highest for the Caucasian group but, even at best, were somewhat low. This study, though it points towards a Caucasian advantage in speed of reaction to a sensory stimulus, must be greatly amplified if valid results are to be expected. The investigators also used a visual choice reaction time test, but this measured something more than mere speed of reaction and its results are difficult to interpret. It must be remembered also that

this study was carried out with an educationally selected group, viz., university students, and that in their case, if there is a relation between reaction times and intelligence, this selection would tend to conceal the racial differences, if any.

Some racial comparisons in intelligence are also included by Dr. Marjorie E. Babcock, Assistant Director of the Psychological Clinic, in a monograph dealing with clinical psychology in Hawaii. As a basis for this study, the test records of 760 cases of different races, who were referred to the Clinic for mental examination, were analyzed. These cases were all problems either from the standpoint of the home, the school, or the community at large. As the period of study extended over several years, there were sufficient cases to enable the author to gauge the social adjustment of the various racial groups by considering the number of each in proportion to the school population.

The results of this analysis were extremely interesting. The Porto Rican group constituted the most serious problem in social adjustment, no fewer than 107 for every 1,000 of the school population of that racial group being referred to the Clinic for examination. The Portuguese, with 79 per 1,000, were second, followed by the Filipinos with 68 per 1,000. The Hawaiian and part Hawaiian groups had 54 cases per 1,000 referred, the Spanish came fifth with 38, the Koreans next with 31, while the Chinese with 17 and the Japanese with 15 per 1,000 occupied the most favorable positions. From these figures it is apparent that the Oriental groups in the Hawaiian population are making considerably the best social adjustment in the community. In attempting to assess the racial progress of a group, we must take these matters of social adjustment into consideration, as well as the intelligence level.

However, Dr. Babcock was able to show that there is probably a connection between social adjustment and intelligence because the order of cases in intelligence levels by the Binet test was practically the same as the order of races in social adjustment. She included in her studies an analysis of the records of a large number of cases by both the Binet and Porteus Maze tests. In the performance test the differences between the groups were less marked than in the Binet.

An extension of this study of Dr. Babcock's is at present being undertaken, the results being as yet unpublished. This consists of a tabulation by race of the intelligence quotients of 4,819 cases examined by the Binet and 4,130 cases examined by the Porteus Maze test. These are all clinic cases and have been referred for examination for a variety of reasons, behavior difficulties and educational retardation being the most common. As in Dr. Babcock's study, these

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cases cannot be considered as other than representing a selected group and are, therefore, not adequate samples of the racial groups as a whole. However, since the numbers are so large, it may be taken for granted that these cases represent a certain grade or level of the population. It is as if we drew a certain line of division through the mental distribution of the races and examined all cases falling below that line. Hence our results may be taken to indicate the comparative mental status of each racial group below this level. It should be supplemented by other studies at average levels of adjustment and, in order to give the whole picture, it should be paralleled with an examination of children of each race above a certain level. In short, before we can complete our comparisons of racial groups, we require the data of variability so as to know to what degree the upper levels of ability are represented in each race.

The order or standing in average intelligence in these referred or clinical cases corresponds extremely well with that obtained in other racial comparisons, using an entirely different selection of subjects. (See Table I.) The average Binet I.Q. of the North European group was ten points higher than that of the next racial group, the Koreans.

### TABLE I.

<table>
<thead>
<tr>
<th>CLINICAL—ALL AGES</th>
<th>ORDER OF RACIAL GROUPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Race</td>
<td>BINET</td>
</tr>
<tr>
<td>Nor. Eur.</td>
<td>252</td>
</tr>
<tr>
<td>Korean</td>
<td>116</td>
</tr>
<tr>
<td>Chinese</td>
<td>638</td>
</tr>
<tr>
<td>Nor. Eur.-Haw.</td>
<td>285</td>
</tr>
<tr>
<td>Chi.-Cau.-Haw.</td>
<td>60</td>
</tr>
<tr>
<td>Japanese</td>
<td>1350</td>
</tr>
<tr>
<td>Chi.-Haw.</td>
<td>268</td>
</tr>
<tr>
<td>Port.-Haw.</td>
<td>140</td>
</tr>
<tr>
<td>Portuguese</td>
<td>608</td>
</tr>
<tr>
<td>Filipino</td>
<td>198</td>
</tr>
<tr>
<td>Hawaiian</td>
<td>419</td>
</tr>
<tr>
<td>Porto Rican</td>
<td>276</td>
</tr>
</tbody>
</table>

This superior performance is to be expected, as the group included a number of bright children and others brought to the Clinic for the purpose of educational classification or for merely minor adjustments. Hence it is probable that the whites should be excluded from the comparisons. The Chinese occupied third place, followed by three groups, equal in performance, namely, the North European-Hawaiian mixtures, or white-Hawaiians, the Chinese-white-Hawaiians, and the Japanese. The Chinese-Hawaiians and the Portuguese-Hawaiians occupied seventh and eighth places respectively, being four and five points lower in I.Q. levels. Then follow in order the Portuguese, the Filipinos, the Hawaiians, and the Porto Ricans. Twenty-seven points in I.Q. level separate the North Europeans from the Porto Ricans.
It would be noted that, as regards the Hawaiian crosses, the Chinese-Hawaiian and the Portuguese-Hawaiian are below the other two groups of mixed racial origin, the white-Hawaiian and the Chinese-white-Hawaiian. The Chinese-Hawaiian group is exactly intermediate between the Chinese and Hawaiian levels. The white-Hawaiians are also intermediate between the parental group, but a little below the halfway point. The Portuguese-Hawaiians, as in the Form and Assembling Test, do not occupy an intermediate position but are equal to the Portuguese group and slightly above the Hawaiians. However, the performances of these two parental or original groups differ only slightly.

That it is probable that these results represent the racial order of intelligence is shown by the fact that if the Binet results are segregated in the two age periods, that is, cases from 6 to 12 years and cases above 12 years, the order of the racial group is practically the same, the correlation of the two sets of rank orders being .98. (See Table II.)

Again, if the data are divided into two series according to date of examination, that is, those examined before 1928 and those examined after, the rank order of the racial groups again is in extremely close agreement with the previous results, the correlation being .95. In the older group a similar division of the data gives for each set practically the same rank order, the correlation being .98. Thus, we have divided the data in four ways, those above and below a certain chronological age level and those examined before and after a certain date, and, have obtained practically the same rank order in intelligence quotient. To arrive at such harmonious results with the four sets of data surely indicates a high degree of significance in these racial differences, even though they may, in some cases, be small in extent.

With the Maze Test, the rank order of the races is not quite the same as with the Binet. (See Table I.) The Portuguese move down the list, the Hawaiians move up. As the Maze Test examines certain temperamental traits as well as intelligence to a certain degree, a change in rank order is to be expected. The temperament of the Hawaiian is, on the whole, a good deal more stable than that of the Portuguese, and the test results reflect this commonly observed difference. With the improvement in score of the Hawaiian group, the tri-cross (Chinese-white-Hawaiian) also improves its rating, as do the North European-Hawaiian mixtures. The latter occupy a position almost midway between the two parent groups. The Chinese in Maze score equal the Hawaiian, and the Chinese-Hawaiian hybrids have just about the same I.Q. level. The Portuguese-Hawaiian group occupies a position intermediate to the two parent groups.

These results, both with the Binet and Maze tests, provide additional disproof of the theory that crosses are either inferior or
<table>
<thead>
<tr>
<th>Race</th>
<th>BINET 6 to 12 yrs.</th>
<th>NO.</th>
<th>I.Q. Rank</th>
<th>BINET 13 yrs. and over</th>
<th>NO.</th>
<th>I.Q. Rank</th>
<th>PORTEUS MAZE 6 to 12 yrs.</th>
<th>NO.</th>
<th>I.Q. Rank</th>
<th>PORTEUS MAZE 13 yrs. and over</th>
<th>NO.</th>
<th>I.Q. Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nor. Eur.</td>
<td>150</td>
<td>101</td>
<td>1</td>
<td>72</td>
<td>89</td>
<td>1</td>
<td>Nor. Eur.</td>
<td>145</td>
<td>107</td>
<td>Nor. Eur.</td>
<td>66</td>
<td>89</td>
</tr>
<tr>
<td>Korean</td>
<td>92</td>
<td>89</td>
<td>2</td>
<td>24</td>
<td>82</td>
<td>2</td>
<td>Korean</td>
<td>81</td>
<td>93</td>
<td>Korean</td>
<td>22</td>
<td>89</td>
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<tr>
<td>Chinese</td>
<td>437</td>
<td>86</td>
<td>3</td>
<td>291</td>
<td>80</td>
<td>3</td>
<td>Chinese</td>
<td>379</td>
<td>89</td>
<td>Chinese</td>
<td>191</td>
<td>85</td>
</tr>
<tr>
<td>Nor. Eur.-Haw.</td>
<td>171</td>
<td>84</td>
<td>4</td>
<td>114</td>
<td>75</td>
<td>6</td>
<td>Nor. Eur.-Haw.</td>
<td>142</td>
<td>99</td>
<td>Nor. Eur.-Haw.</td>
<td>106</td>
<td>87</td>
</tr>
<tr>
<td>Chi.-Cau.-Haw.</td>
<td>36</td>
<td>83</td>
<td>5½</td>
<td>24</td>
<td>70</td>
<td>4½</td>
<td>Chi.-Cau.-Haw.</td>
<td>35</td>
<td>101</td>
<td>Chi.-Cau.-Haw.</td>
<td>23</td>
<td>88</td>
</tr>
<tr>
<td>Japanese</td>
<td>939</td>
<td>88</td>
<td>5½</td>
<td>411</td>
<td>76</td>
<td>4½</td>
<td>Japanese</td>
<td>734</td>
<td>94</td>
<td>Japanese</td>
<td>353</td>
<td>88</td>
</tr>
<tr>
<td>Chi.-Haw.</td>
<td>172</td>
<td>80</td>
<td>7</td>
<td>96</td>
<td>71</td>
<td>8</td>
<td>Chi.-Haw.</td>
<td>149</td>
<td>93</td>
<td>Chi.-Haw.</td>
<td>88</td>
<td>82</td>
</tr>
<tr>
<td>Port.-Haw.</td>
<td>100</td>
<td>78</td>
<td>8½</td>
<td>49</td>
<td>73</td>
<td>7</td>
<td>Port.-Haw.</td>
<td>92</td>
<td>87</td>
<td>Port.-Haw.</td>
<td>48</td>
<td>83</td>
</tr>
<tr>
<td>Portuguese</td>
<td>349</td>
<td>78</td>
<td>8½</td>
<td>259</td>
<td>70</td>
<td>9½</td>
<td>Portuguese</td>
<td>486</td>
<td>81</td>
<td>Portuguese</td>
<td>234</td>
<td>76</td>
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<tr>
<td>Filipino</td>
<td>147</td>
<td>74</td>
<td>10</td>
<td>51</td>
<td>70</td>
<td>9½</td>
<td>Filipino</td>
<td>114</td>
<td>98</td>
<td>Filipino</td>
<td>48</td>
<td>87</td>
</tr>
<tr>
<td>Hawaiian</td>
<td>272</td>
<td>73</td>
<td>11</td>
<td>147</td>
<td>66</td>
<td>11</td>
<td>Hawaiian</td>
<td>216</td>
<td>91</td>
<td>Hawaiian</td>
<td>147</td>
<td>83</td>
</tr>
<tr>
<td>Porto Rican</td>
<td>190</td>
<td>72</td>
<td>12</td>
<td>86</td>
<td>64</td>
<td>12</td>
<td>Porto Rican</td>
<td>163</td>
<td>78</td>
<td>Porto Rican</td>
<td>78</td>
<td>73</td>
</tr>
</tbody>
</table>
superior to the parent group. In mental, as in physical measurements, they appear to be intermediate.

How do these results accord with others previously obtained? In Porteus and Babcock's studies in Temperament and Race, the order of the races in Binet performance was Chinese, Japanese, Portuguese, Hawaiian. Although the differences were larger in our later investigation, the order of races was the same. In the Maze Test performance, the earlier study placed the races as follows: Japanese, Hawaiian, Chinese, Portuguese. With the exception of the fact that the Chinese are equal to the Hawaiians, the order in the later study is the same. In our last study the correlation between the rank order of the races in the Binet and the rank order in the Maze was .83.

We next turned our attention to what are sometimes called psycho-physical differences, and these were studied by Dr. R. G. Bernreuter, research assistant in the Psychological Clinic, in the races represented in Hawaii. Measurements of left and right grip, vital capacity, back strength, back and leg strength, arm shoulder squeeze and pull, height, and weight were taken, the subjects being 12 year old boys. The result of these comparisons will be published in a forthcoming study. It was our object to discover, if possible, what the physical differences in bodily development found by Sullivan were worth in terms of muscular efficiency.

Extremely interesting results were obtained by Dr. Bernreuter, and these are shown in the accompanying chart. It will be seen that one or other of the two hybrid groups included, the Chinese-Hawaiian and the white-Hawaiian, or Caucasian-Hawaiian, occupied first place in five of the six psycho-physical tests. In four of the six measures the Chinese-Hawaiians were superior to the other cross. As far as muscular efficiency is concerned, the results of the mixture of races have been excellent.

When we consider the inferior performance of the Chinese in these tests, the score of the Chinese-Hawaiian hybrid is remarkably good. In grip, in vital capacity, in leg strength and chest pull, this cross excels the Hawaiians also. For the first time in any of these comparisons we find evidence supporting the view that the cross between two races is superior to both parental groups.

Attention should be called to the consistently inferior performance of the two Oriental racial groups, particularly the Japanese. In four of the measures, grip, vital capacity, leg strength, and back strength, they are at the bottom of the list. Only in the strength of the arm-shoulder muscles, as shown by the dynamometer test, called in the chart “Chest Pull” and “Chest Push,” are they superior to the Chinese. Moreover, they are decidedly below the record of the Filipino boys, who, in weight and height, are close to their level.

Considering the well known industrial efficiency of the Japanese

### CHART 1

**PSYCHOPHYSICAL RACIAL DIFFERENCES**

<table>
<thead>
<tr>
<th>Race</th>
<th>Vital Capacity</th>
<th>Leg Pull</th>
<th>Back Pull</th>
<th>Chest Pull</th>
<th>Chest Push</th>
<th>Weight</th>
<th>Height</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hawaiian</td>
<td>15.3</td>
<td>75.8</td>
<td>15.8</td>
<td>15.7</td>
<td>Hawaiian</td>
<td>39.78</td>
<td>146.1</td>
</tr>
<tr>
<td>Cau-Haw</td>
<td>105</td>
<td>Hawaiian</td>
<td>14.82</td>
<td>Hawaiian</td>
<td>14.78</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Filipino</td>
<td>97.0</td>
<td>71.4</td>
<td>Cau-Haw</td>
<td>15.3</td>
<td>Portuguese</td>
<td>37.03</td>
<td>Cau-Haw</td>
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<td>92.1</td>
<td>81.5</td>
<td>Portuguese</td>
<td>15.2</td>
<td>Portuguese</td>
<td>36.38</td>
<td>Ch-Haw</td>
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<tr>
<td>Chinese</td>
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<td>81.5</td>
<td>Filipino</td>
<td>14.9</td>
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<td>13.37</td>
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</tr>
<tr>
<td>Japanese</td>
<td>76.2</td>
<td>56.8</td>
<td>Japanese</td>
<td>14.0</td>
<td>Japanese</td>
<td>32.68</td>
<td>Filipino</td>
</tr>
<tr>
<td>Japanese</td>
<td>100.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Japanese</td>
<td>11.79</td>
<td>Japanese</td>
<td>31.94</td>
<td>51.67</td>
<td>Japanese</td>
<td>31.16</td>
<td></td>
</tr>
<tr>
<td>Japanese</td>
<td>14.0</td>
<td></td>
<td>Japanese</td>
<td>31.67</td>
<td>Japanese</td>
<td>135.6</td>
<td></td>
</tr>
</tbody>
</table>

**Kilos**

<table>
<thead>
<tr>
<th>Kilos</th>
<th>Cubic Inches</th>
<th>Kilos</th>
<th>Kilos</th>
<th>Kilos</th>
<th>Kilos</th>
<th>Kilos</th>
<th>Kilos</th>
</tr>
</thead>
</table>
and Chinese in Hawaii, these results seem extraordinary. Much of
the labor in the Islands, skilled and unskilled, is carried on by Ja-
panese, yet these tests show that the individuals belonging to this
race are not physically as well endowed as the Filipinos and are
greatly inferior in this respect to the Hawaiians.

Probably this discrepancy in test performance and efficiency in
every day occupations may be best explained on the basis of differen-
ces in racial temperament. The Japanese, poorly endowed as he is
from the physical standpoint, brings determination and industrious-
ness to the task of earning a living, while the more easy going Ha-
waiian takes life so easily that he is ousted by his weaker competitors.
Then, too, we may find in these figures a possible explanation for the
Japanese quest after the white collar jobs. He seeks them partly be-
cause manual labor is, relative to his bodily strength and development,
harder for him than it is for the men of other races in Hawaii.

Another possible explanation of this low position of the Japanese
and Chinese in these tests may lie in the matter of precocity of
physical development. The Hawaiian boy at 12 years is probably
much more mature for his age than are the boys of the Oriental
races. If the latter are late in development, they may improve their
relative position at a subsequent age level. This question requires
further investigation which, it is hoped, may be undertaken shortly.

Some additional work on the subject of psycho-physical efficiency
was carried out by Dr. Bernreuter and the writer using as subjects
Filipinos recently arrived in Hawaii. We examined one group who
had been resident in the Islands for about one year and compared
with them a group of Ilocanos who came from the northernmost end
of the Island of Luzon and who were examined at the Immigration
Station immediately on arrival in Hawaii. The differences were in
favor of the group who had been resident for a year on a plantation
in the Islands, but because the proportions of Ilocanos in each group
were not the same no definite conclusion as to the environmental
effect of living in Hawaii could be drawn. It is hoped, however, to
include this question in a larger study of psycho-physical efficiency
to be undertaken later. The results with the Ilocanos, however, were
very useful as a basis of comparison with the records of Australian
aborigines to be referred to later.

Memory abilities in the various races in Hawaii have been investi-
gated by Dr. C. M. Louttit and the results published in an article in
the Journal of Social Psychology. He used as subjects 12 year old
boys and girls of white, Japanese, Chinese, and Hawaiian or part
Hawaiian ancestry who were attending certain public schools in Hono-
lulu. He also included in the comparisons a group of university
students of different races. There were four memory tests em-
ployed. In the first, a story containing 67 logically related ideas

20Bernreuter, R. G., and Porteus, S. D., Psycho-Physical Measurements of Filipi-
nos. An unpublished study.
(The Marble Statue) was read to the subjects and they were required to write as much of the story as they could remember. The test was then scored on the number of related ideas reproduced. The whites, both boys and girls, came first in these comparisons, possibly on account of greater familiarity with English. The Japanese boys practically equalled the white boys' score, but the Japanese girls were below the white girls. Last place in the comparisons was held by the part Hawaiian group.

The second test used is called a Letter Square Test, in which 12 letters of the alphabet are exposed in a certain order and position for 25 seconds, the subjects being required to reproduce the letters in right order and position. In this test, the whites, both boys and girls, occupy last place instead of first place in the comparison, and the Japanese slightly excel the Chinese. The next test applied was one for auditory span for digits, i.e., the number of digits that can be reproduced when given orally to the subject. Japanese are supposed, on the basis of previous studies here and elsewhere, to be somewhat inferior in this kind of memory. Louttit's study, however, discovered little evidence for this view. Japanese boys were slightly superior to both whites and Chinese boys, while Japanese girls were lowest in the comparison. Hawaiian boys and girls came in first in average performance.

While the differences in auditory memory seem small, it should be pointed out that rote memory improves very slowly in individuals. We may express this otherwise by saying that the units of measurement are very large. The ability to repeat five digits in order has been found to be average for seven year children, according to Binet standardization. The ability to repeat six digits in order is, however, average for 10 year old children. In other words, it takes three years of chronological age to bring about a difference in ability represented by seven digit performance as against six digit performance. Hence the differences in average span may appear small and yet be of considerable psychological significance. For example, between the Japanese and Hawaiian girls' performance there is a difference of .41 of a digit, and this may represent between one and two years of mental age.

The Japanese have, in other studies on these lines, evinced some superiority in visual memory, and this is confirmed by Louttit's results. Boys of this racial group excel the whites by .56 in average score, equivalent to about two years in mental age performance at this level. The Chinese of both sexes were somewhat inferior to the Japanese in this test, while the lowest position was occupied by the part Hawaiian.

As Louttit points out, few of the differences brought to light in this study may be considered statistically significant according to the accepted formula. This does not mean, however, as the reader might infer from Louttit's conclusions, that the differences are not
real. No formula can, of course, say whether a difference in average performance is or is not real. By application of the formula, however, it can be shown that, because of the smallness of the average differences, more extensive investigation involving many more cases will be necessary before it is possible to say whether or not a difference is constant or due to chance selection. Hence, Louttit's results must be regarded as tentative only, and further study will be required before the differences can be regarded as established.

A further inadequacy, involving the procedure rather than the selection of cases, is that in this investigation of auditory and visual rote memory the range of testing was too narrow. The examination began with the presentation of five digit series and only two trials were allowed on each series. It is true that the conditions were the same for all subjects, but a modification of this method might have resulted in a greater spread of the racial scores. In our further studies on this subject the methods will be modified. 24

Wide as is the range of racial representation in Hawaii, the investigation of mental differences here is somewhat handicapped because those differences are, in the nature of things, rather limited. The mental and social status of the various groups tend to be more equivalent because we have no primitive races represented here. Neither the Polynesians in general nor the aboriginal Hawaiian group is by any means primitive. Though the Polynesians were limited, by the dearth of metals, to the use of stone adzes as cutting tools, their material culture was in other respects highly developed. Their houses, canoes, weapons, ornaments, and clothing were, ethnographically speaking, well advanced in comparison with many other native races. Then, too, their rapid assimilation of western education and manner of living indicates an adaptability that is proof of good natural intelligence. The Oriental racial groups, Chinese, Koreans, and Japanese, came from highly developed and long established civilizations. It is true that these individuals were brought to Hawaii as contract laborers and as such were drawn from the lower industrial and social levels. Experience has, however, shown that emigration to Hawaii has opened up, for many of these people, much more favorable opportunities for intelligent functioning, so that ability which must have remained undiscovered or repressed in their home conditions has had here a chance to come to light. The average level of intelligence of these emigrant groups is certainly not low. The Filipinos cannot be regarded as being properly classified with primitive people. As a matter of fact, the lowest group in Hawaii is the Porto Rican, which does not represent a race at all but is of very mixed racial origin.

The student of racial differences is handicapped by the fact that the intellectual status of the groups here has tended towards equalization.

He may discover differences by applying tests and measurements, but because he has no racial scale graduated low enough in the order of intelligence he cannot judge accurately of the importance of the differences when found. It would certainly be advantageous to apply the tests and measurements to a group of people for whom the advantages of nurture have been held at a minimum. The performance of such a primitive race would constitute a kind of measuring or zero point with which other observed performances could be compared. The deficiencies of performance of this primitive race might be so marked as to set at rest all doubt regarding the realities of racial inequality.

No such primitive people being available for study in Hawaii, we had to look across the Pacific to the continent of Australia, which is still peopled in its vast and lonely interior by a race which is popularly supposed to be one of the lowest in the scale of human kind. The Australian National Research Council sponsored this project, the plans for which were worked out in conjunction with Professor Radcliffe Brown of Sydney University. For seven months of 1929 the writer was engaged in these studies, visiting Dampier Land and the Kimberley District in the extreme northwest of the continent, Moore River Native Settlement in the Southwest, and finally the center of Australia. The results of this expedition have been included in a book published simultaneously in England and America during November, 1931. 26

The first two-thirds of the book deals with the physical environment of the natives and their responses to its peculiar demands. It also provides a survey of the customs and social expedients adopted by this people to conserve their social existence, and attempts, by means of a psychological analysis, to set forth the basis of these customs. It is shown that many of the social habits and observances of this people that may seem unreasonable to the civilized onlooker have a definite purpose and value. Interpreted in the light of adaptation to a peculiar environmental condition, they are seen to have a great deal of common sense psychology at the back of them. New explanations are given for the establishment of such customs as initiatory rites, exogamy, totemism, and tribal government by the elders and, at the same time, a picture is given of the daily life adjustments of these savages. The last third of the book contains the actual results of the application of the tests and measurements to the aborigines encountered on these expeditions.

The center of Australia has the typically Australian environment but differs from the northwest in the fact that in the former area the struggle for existence is accentuated by the occurrence of very prolonged and severe droughts. The effect on the natives of the

varying environmental stress constitutes an interesting secondary problem to the determination of the mental status of the aborigines as a whole.

Summarizing only the experimental part of this work, we can say that the response of the aborigines to such tests as the Porteus Maze was not so markedly inferior. Even the most untutored and savage of our subjects took great interest in the test and in some cases made very good records. This was particularly noticeable in the case of several Luritcha, a group of tribes which inhabit the vast desert area of west central Australia, an area which has been crossed several times but never adequately explored by white men. This part of Australia is generally regarded as the most inhospitable region of the continent and its people as the lowest and most degraded of the Australian tribes. The fact that these Luritcha, who knew no more than a word or two of English, could make an excellent record in the Maze showed, in the first place, the applicability of the test and, in the second place, that there is considerable overlapping in the traits examined by the test, since many whites do not make as good a score as several of these individuals succeeded in doing. The capacities necessary to success in the test appear to be predominantly foresight, prudence in planning, and visual alertness. That the feebleminded make such inferior responses in the Maze Test indicates also essential differences between racial backwardness and deficient mentality.

Contrary to all expectations, particularly the assumption of cultural anthropologists, the central Australians, the vicissitudes of whose life in the more arid regions are so much increased, decidedly excelled the natives of the more fertile, well watered, northwest area. The natives of the latter district scored only 10½ years, while the Arunta, in the center, scored a little over 12 years in mental age, an advantage of one and a half years. Hence the sharpening of the struggle for existence does not apparently have the effect necessarily of lowering the mental status of a people. Thus the explanation for any intellectual backwardness of this race as a whole cannot be laid entirely at the door of environmental stress. This is in direct opposition to the idea that, given leisure, refinement in culture and progressive adaptability will necessarily follow in a race. Nature is at least as important or even more important than nurture.

It was a noteworthy fact that in almost every test used the central natives excelled the northwestern group. The Form and Assembling Test (Porteus), though unsatisfactory for general anthropological use, being scored on speed of reaction, brought to light a superiority in ability in one of the aboriginal groups, a year of mental age score separating the central from the northwestern natives. Here again visual mental alertness is apparently better developed in the desert dwellers. The low average score, (8.67 years for the northwestern, 9.64 for the central natives) may be in large part attributed to the
fact that the aborigine, in attacking any of his own problems, never
hurries and cannot entertain the idea of working against time. To
him accuracy is much more important and, hence, his comparative
failure in speed tests is easily understandable.

To Form Board tests, such as the Goddard, the same objection
applies. The scores of the Australian were low in comparison with
white norms, yet they exceeded the performance of most of the
groups of primitive peoples examined by Woodworth in 1905. Again,
the central, or Arunta group, excelled by almost a year of mental
age the northwestern native.

However, it was in auditory rote memory that the greatest defi-
ciency of the natives was brought to light. The memory span of the
aborigines for numbers was less than that of a six year old white
child. When syllables, as found in aboriginal place names, were
used as a memory test, the span of rote memory was no better. These
results could only be matched by the performance of mentally de-
ficient children of our own race. The central group again exceeded
the northwestern by a half year of mental age score. This deficiency
of rote memory indicates an inability on the part of the aborigine to
assimilate more than the rudiments of white education.

Mr. Russell Leiter, Research Assistant in our program of racial
studies in Hawaii, has collected data on rote memory for Caucasian,
Chinese, and Japanese children.26

Taking only one of his age groups as a sample, we find that 12
year old white boys have a memory span of 6.7, Chinese of 6, and Ja-
panese of 5.85 digits. These records may be compared with the Aus-
tralian span of about 3.8 digits. Aboriginal adults have only half
the rote memory mental age span of whites at nine years of age. In
auditory memory, then, we are forced to conclude that the Australians
are markedly deficient and that their mental evolution has taken a
different course from ours.

This is indicated more fully when the differences in rote memory
are examined. Relatively to white standards, the aborigines have
very much better visual memory than auditory. They remember
things they see relatively much better than things they hear. Their
mental age score was from two to two and a half years better in a
test in which visual memory played a predominant part in success.
Since both the visual and the auditory rote memory tests were stand-
ardized by age, a similar score could be expected in each test. If a
racial group has an advantage in an adequately standardized test,
the only conclusion possible is that they have a relative superiority
in this test.

A parallel investigation of visual memory in racial groups was
also carried out by Mr. Russell Leiter in Hawaii.27 The Japanese in

26Leiter, R. G., Auditory Rote Memory of Racial Groups in Hawaii. An un-
published study.

this test excelled both the white and Chinese groups, reversing the situation that was found in auditory memory tests. Notwithstanding all that has been said to the effect that there are no qualitative mental differences, the variation in memory development in different races to the degree indicated by these results is surely not adequately stated by saying that differences are only quantitative. The statement that there are no qualitative racial differences is one that is frequently repeated but apparently with little understanding of its meaning. The writer is frank in confessing that to him it conveys very little significance. If it means that the mental traits of all races can be subsumed under the same categories, such as memory, observation, attention, and the like, then the statement is self evident. If it involves a denial that the manner of mental functioning can vary in racial groups, that would be going far beyond the available evidence on the subject. It is true that all individuals of whatever race memorize, but if it can be shown that relative inferiority in one kind of memory is accompanied by relative superiority in another kind of memory in a particular racial group, then it seems reasonable to say that the quality of memory differs in the two races. This seems to be the actual situation.

We have previously noted the marked inferiority of the Australians in auditory rote memory in comparison with the races represented in Hawaii. In visual memory, however, the Australians are by no means as markedly deficient. While their auditory memory record was only at about a 5.8 year mental level, in visual memory they averaged over 8 years. According to Mr. Leiter’s results, there is not a marked increase in performance in this test from 9 years onward.

The Thurstone Hand Test with the Australian aborigines was also used but with rather unsatisfactory results, due to the fact it did not hold the attention of any subjects sufficiently well and towards the end of the examination a random response was shown. Unfortunately, little comparative data from other sources on this test were available. The central group again excelled the northwestern natives in average score. Another test was one of visual estimation of the number of dots in an inch square, when these increased by fives from 5 to 85. It is really a judgment of mass, as it is impossible to count the dots. Some excellent records were made by aborigines, showing that judgment of this kind may be well developed in people without much idea of numbers. Most Australian languages have no terms for numerals beyond five or six.

In Hawaii, according to tests given by Dr. C. M. Louttit, a group of Chinese students made on the average of 5.9 errors and part Hawaiians 4.9 errors. This may be compared with the central Australian average of 13 errors and the northwestern of 14.4 errors.

28Louttit, C. M., Student’s Performance in Dot Estimation Test. An unpublished study.
Under my direction, Miss Alice Webb examined 599 children of different races in Hawaii by this test and found a steady decrease in errors from 15.65 at 9 years to 8.91 at 14 years. The Australian performance was, according to these results, at about a 10 year white level. The fact that university students, according to Dr. Louttit’s results, had so much better records than the 14 year old children would show either that the test is correlated with intelligence or else that ability increases quite significantly beyond the level of 14.

In my testing program, I determined to include at least one special test in which, because of its nature, the aborigines would have an equal chance with whites. In other words, I determined to select a test from the aboriginal cultural environment instead of the white. Within the range of mental testing should be some problem discoverable in which the aborigine would be on equal or even better terms with the white. Bearing in mind the well known skill of the natives in tracking, I took photographs of eight individual aboriginal footprints in sand and made a test by printing a series of photographic prints of the footmarks, the problem being to match the duplicate prints with the original photographs. Mr. Ralph Piddington, Research Fellow in the psychology division at the University of Hawaii, who was sent over by the Australian National Research Council for training in the field of mental testing, applied this test to 125 school students, all white, who were in attendance at high school in Hawaii. He found their average number of correct responses in matching 20 pictures of the footprints to be 15.57 as against the aboriginal record of 15.47. Here was at least one test in which the natives equalled the performance of educated whites. They might, perhaps, have been expected to excel the whites’ performance, but it must be remembered that they were quite unfamiliar with photographs and the photographs may be much more difficult to match than the actual footprints.

The Goodenough Drawing Test was also applied to three groups of aboriginal children in widely separated localities in Australia. Here again the central natives demonstrated their superiority over the children of the more northern tribes and also over the children in the well settled southwest, where contacts with civilization were much more numerous. The full bloods in one group excelled the half-castes, indicating the fairness of the test for all classes of subjects. This test proved to be one of the most interesting of the whole series. The child is asked to draw a man, without any further suggestion or instruction from the examiner. Marks are then allotted for the details included in the drawing, proportion of limbs, articles of clothing, etc. Notwithstanding the fact that some of the children examined had never seen a white man until three months prior to the exam-

ination, the results were surprisingly good, indicating the comparative freedom of the test from cultural influences.

In addition to these mental measurements, tests of grip, vital capacity, back strength, back and leg strength, and arm shoulder strength were given. The results of these, while interesting, can hardly be summarized here. It will suffice to say that in leg strength the aborigines were considerably better than whites but were particularly low in arm shoulder strength. Apparently racial habitus has had marked effect in developing muscular efficiency of different kinds in different races. Noteworthy also was the fact that the index of sitting height is lower for the Australians than for any other race for which I have records. Either the cumulative effects of natural selection or acquired characteristics have played a part in making the Australians particularly long-legged in proportion to their body length.

With regard to the psycho-physical measurements, interesting comparisons were made with the group of Ilocanos previously measured by Mr. R. G. Bernreuter. Though greatly inferior to the Australian aborigine in point of general physique, the Ilocanos had relatively much better back strength and strength of grip than the aborigine, again showing the cumulative effect of environmental habitus, since the Ilocanos are an agricultural people while the Australians are entirely a race of hunters and gatherers. Details of these comparisons cannot be presented here but are to be found in the book, The Psychology of a Primitive People, by the writer.

Space will not permit of an account of brain capacity and other measurements taken of the aborigines, and for information regarding these recourse must be had to the volume just mentioned. We may, however, note the interesting fact that in brain volume the Australian aborigines were markedly low, somewhat higher than the Veddas of Ceylon, but in comparison with the Caucasians about the level of 13 year old boys. The averages obtained in this study approached very closely those recorded by the writer and Dr. R. J. A. Berry in a monograph on brain capacity and its relation to intelligence.30

The number of aboriginal subjects included in my Australian study ranged around 100 for most of the tests and measurements. This may seem a small number, but to get into contact with 100 Australian aborigines necessitated on my part more than 16,000 miles of travel in Australia, to say nothing of an additional 9,000 miles to and from Honolulu. Train, coastal steamer, motor truck, lugger, and camel at one time or another comprised the means of transportation, and in some parts of the country travel was by no means easy. This may explain in large part the dearth of subjects and the limited range of the testing program.

The 30 studies summarized above complete the full list of work.

accomplished in the Department of Psychology and Physical Anthropology, carried out during the five year period for which money was provided by the Rockefeller Foundation Fund for the University of Hawaii. The studies are, in many cases, necessarily inconclusive, since the problems involved are too far reaching to be dealt with finally in a five, or even a 10 year program. At the same time appreciable progress has been achieved and already the amount of information on the problems of racial differences has been measurably increased.

In addition to a large number of minor studies, there are two major projects as yet uncompleted. In the field of physical anthropology, Mr. Lessa, under the direction of Dr. H. L. Shapiro, is carrying out a territory-wide survey, particularly of the part Hawaiian mixtures, using a comprehensive series of physical measures and anthropological observations. Some thousands of cases have already been recorded and the work is still in progress. In cooperation with the Division of Psychology, Seashore tests of musical ability are also being applied to these cases. There are still several years of work in prospect before this anthropological survey will approach completion.

Mr. Russell Leiter is engaged in the other major project, that of developing a series of performance tests which shall be entirely independent of written or spoken instructions. The object is to evolve a series of tests which will be self explanatory. Forty tests of this nature have been assembled and are being tried out for inclusion in a scale. Some entirely new principles in test procedure are involved and when the work is completed a new instrument of anthropological research will be available. Owing to its independence of the language factor, it should be possible to apply this series of tests to a number of racial groups. Results on a large number of Chinese children have already been collected, and if our program continues over another period similar results will be obtained for Japanese, part Hawaiians, and whites. In this way a double object will be achieved. The scale itself will be developed, and, at the same time, comparisons of interracial status will be made by its means.

In addition to these larger studies, further work is contemplated with the Dot Estimation Test, the Footprint Matching Test, and the memory tests. In connection with the last named, a comprehensive plan of examining memory abilities of the various races is projected. The writer is at work on a test which will, it is hoped, form a valuable addition to the list of character tests. It is intended to gather comparative data on the races in Hawaii with this test when completed.

In the collection of the psychological and psycho-physical data of these studies, the total number of cases individually examined reached the respectable total of 15,206. The number given does not include any group mental tests and is also exclusive of an additional 3,000,
to whom physical measurements alone were applied. From these figures it may be judged that considerable headway has been made during the five years in the collection and analysis of data. Critical notices and reviews of some of the more important books and monographs have appeared in the scientific magazines of five continents.
VIII. Religion and Education

1. RELIGION AND THE MODERN SPIRIT

By KENNETH J. SAUNDERS,
Formerly of the Pacific School of Religion.

"Words," says Confucius, "must be made to fit things." It is a counsel of perfection. They hardly ever do. For like the Chinese characters of which he was thinking, they are at best symbols. But his was an age of transition like ours, and he strove to cling to old values which were being lost. At such times words are themselves changing their meaning and much hangs upon redefining them. A philosopher now in the Orient has written a book called "The Meaning of Meaning," and has decided to write another on "The Meaning of Meaning of Meaning." He finds ample illustration in the long history of Asia of this continual change. Each generation must try to keep pace with the words it uses, and ours is playing strange tricks with words. We hear soldiers described as "militarists" when they very seldom are, and "humanist" may be anything according to the context.

The word "modernism" is also in this fluid condition, and in the same book it is used to mean several different things. Mr. Lippmann in his Preface to Morals uses it here of the scientific spirit of experimentation and there of the very unscientific spirit of city-dwellers, in whose minds "whirl is king." It's adjective "modern" is in even worse case. When applied to art, it sometimes means something very like "primitive," as the modern age harks back to such primitives as African fetishes. Modern music has developed largely through a return to medieval folksongs, breaking away from classical models recognized as bonds. So modern furniture may be anything which is not imitative of a classical past, which seeks beauty in structural efficiency, and refuses to cover up the fine texture of its wood. This is, of course, the essence of old Japanese architecture and furniture, and what makes it modern for us is the spirit of revolt and experiment, the spirit of honesty. We are bluntly honest in uncovering other things, too, but so was Terence, and so were Elizabethans and Caroleans.

The furniture of the mind is more slowly adapted to changed conditions, and we often find a very unmodern mind lodged in a body which flies in aeroplanes and uses all the machinery of modern life to its own medieval ends. To belong to the age of invention is not

\[1\] Delivered in the series of evening public lectures.
necessarily to be modern. Nor is the modern spirit merely that of the "invention of invention," as Mr. Lippmann suggests.

Mr. Ford is modern indeed in his own sphere, a pioneer and innovator, but he has been mid-Victorian in his paternalism, medieval in his anti-Semitism, antediluvian in his attitude to art. We are all partly modern and partly un-modern; a man who understands the social and economic trends of his time may live in a medieval house, like William Morris, and seek the expression of medieval beauty in the modern world.

If honesty and experimentation are key words of the modern age, another is "partnership." It is deep-rooted in the natural order. Einstein says, "There is partnership between time and space," and biology recognizes that the successful insects and animals are the cooperative ones. Man must catch up with nature. Partnership is gradually taking the place of paternalism in the family, in the school, in government, in business, and in race relations.

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It is this attitude which is changing so much of our thinking about sex, and Mr. Krutch's The Modern Temper deals largely with this changing emphasis. This attitude of respect and cooperation is a religious attitude, one of reverence. It is opposed to those very things which many, Mr. Krutch among them, hail as the hallmarks of modernism. They are "humanists" in the strict sense that they oppose any theistic view of the universe, which they call loveless as well as godless, whereas a nerve of partnership is to be found in the old view of a democratic god who, having made the rules of the universe, yet allows his creatures freedom to break them. All such attempts as Mr. Lippmann's to superannuate theocracy must fail, for it is rooted in those very fastnesses of "high religion" which he finds most modern. Thus, though he denies it, the Fourth Gospel accepts the divine will as its foundation, and gives itself to the description of the creative reason at work among men. Buddhism, which he rightly takes as another type of high religion, postulates a universe lawful to the core; it soon developed into the cult of an eternal Buddha, whose children and servants men are, free to accept or to refuse law and worship.

The truly modern spirit is very far, too, from being determinist. "I may be an ass," says a modern scientist, "but I am not an automaton;" it is unscientific to deny freedom to man, and to attribute it to the primitive atom. The determinist position is untenable, and no great physicist was ever a materialist. From Bacon to Clerk Maxwell, Kelvin, Eddington, and Einstein, students of matter have seen very clearly that, as Jeans puts it, "the universe looks more like a great thought than a great machine." And great biologists know too much about the mechanism of life to be mechanists. They see the

""God," said a grandson of William James at the age of eight, "is the self-starter."
amazing coordination—"wheels within wheels"—of this machine of ours.

As to the revolt against law—there is nothing very modern about that. Man, like the rest of nature, is subject to law; he alone resents it. But it is clear that democracy is at stake in the present lawlessness. And cynicism, like pessimism, is a symptom not of the modern temper but of an ancient distemper which attacks flabby societies. The iron enters their souls as it leaves their arteries. Work and duty are the best tonics for this anaemia.

It is tabus which the modern man must get rid of, not sanctions; and much modernism is concerned with this sloughing off of inhibitions. Just as American Protestantism made so much of sex in its ethics, so American modernism is a new protestantism, making revolt against outworn tabus its very citadel. But while a revolt against shams in this field is timely and healthy, experimentation is neither.

The modern man will be in sympathy with this revolt, but he will not lightly throw overboard those things by which society has advanced, to seize at every new fashion. He will recognize that it is impossible to be modern in everything; but will seek truth, trying to understand new movements such as those in psychology, mathematics, and physics—still hidden from our philosophy departments for the most part, however modernist they may have seemed a few years ago. He will ask the humanist, "Have you taken man as your measure, or only a part of man?" and will confront the later pragmatists with their founder in America. He will insist with William James that "the mystic has massive historic vindication," and recognize that out of this strange experience of certain gifted minds have come some of the most astonishing revolutions in history.

The atmosphere today is more friendly to religion than it has been in the past 200 years. We are beginning to understand that our heritage consists indeed of three great component parts—the gifts of Greece, and of Israel, and the scientific spirit and its application to human betterment which is their offspring:

We owe all we are to
"Hellas the nurse of man complete as man"
And to "Judea pregnant with the love of God."
To Greece the mother-country of the mind, and to Israel the mother-country of the soul.

The Jewish quest for God established an ideal of social righteousness which we are far from having realized; the Greek quest for truth and beauty still shines as a beacon before us. And these two find their fulfilment in Christianity, which is so far from being exhausted that there is still a sting in Nietzsche's aphorism, "There was only one Christian, and He died on the cross." Yet, while our business world and our international and interracial conduct are very
far from being Christian, there is much that is Christian in the unselfish service and the spirit of detachment of the man of science, of the doctor, the nurse, the teacher, and there are patches of Christian living in Christendom.

There is a noble passage in Pupin's autobiography, From Immigrant to Inventor, in which we find his illiterate but cultured Serbian mother bidding him, when he had absorbed all he could at Columbia, go on and sit at the feet of the "saints of Cambridge." What a true scale of values is here and what insight. For Columbia had not then established its claim to be "one of the seven great hilltops of the world," and Cambridge was already noted for the great line of torchbearers, the physicists. These were her "saints." They have lately reminded us that we live in a world which must be conceived rather as a great mind than as a great machine; and long before this the great Newton said that a scientist was like a child picking up pebbles on the shore of eternity. When we study God's universe we find everywhere the marks of his handiwork, so that the greatest of our living mathematical philosophers says that "God is the poet of the universe," and the most scientific of our poets said that if God withdrew his attention the cosmos would crumble into dust.

But opposed to this view there has been that of many biologists, who took over their physics at second-hand, failing to realize that terms like matter and energy are only shorthand labels, and built up a materialistic philosophy which in most enlightened countries is now dead as the dodo, but lives on in many American schools and colleges. The mechanistic psychology is also, I think, elsewhere in its death-throes. Leaders like Adler of Vienna are insisting that the idea in the mind is what determines man's destiny. This he says is far more potent than heredity or the physical environment. It is amusing, too, to find Bertrand Russell among the prophets, insisting on the many subjective elements in the minds of the mechanists: animals in American laboratories behave with the restless energy of Americans, those in German laboratories with the methodical thoroughness of the Teuton. And we may pause to point out that it is this temperamental element which determines the prophecies of the men of science. To a Huxley the world is intolerably old, to a Jeans it is running down, to a Millikan it is cheerfully recreating itself with shouts of hallelujah in the form of cosmic rays, which are the birth cries of new material recreated in inter-stellar space. Mathematicians and scientists are, in fact, like theologians and poets, human beings, and life is the teacher of us all. Life still depends a good deal upon the liver, even that august organ the liver of the man of science.

A great audience which had paid a high price for its seats gathered lately to hear Bertrand Russell on "How to be Happy." With great charm and simplicity, he preached a mid-Victorian sermon under four headings: (1) have a nice wife, (2) beget healthy chil-
dren, (3) find a good job, (4) leave the world better than you found it. In addition, we have prophets like Meiklejohn touring the country and telling us that the real way to go forward in American education is to go back to the college of the Middle Ages, the ages of faith as we call them, when religion was a business. Now business has become religion, and it isn't a very satisfactory one. He advises us in a word to make religion the basis of everything, the atmosphere as well as the subject of scientific study. And here I would put in one more plea, that it be not segregated as if it belonged to a few freaks, but be given its proper place in the curriculum, in history, in literature, in art, in philosophy, even in economics.

Of the other points in Dr. Meiklejohn's program, modesty forbids a Cambridge man to speak; yet he rejoices to see the tutorial system retaining its place, and residential colleges arising in New England. So you may get back the real religious values of the ages of faith, when young men are not lectured to by illiterate doctors of philosophy but talk over life's problems with wise tutors, and gather in college chapels—the laboratories of the soul—and have a positive working ideal of life set before them.

Let us go back to saner views in many fields. We are reminded by brilliant writers like Zimmern that history "repeats itself if we let it," and we are beginning to realize that man does not live by bread alone. In the industrial world we are reaping the nemesis of setting the machine above the man, and learning through bitter experience that the human values are the real values. It looks as if the facts of over-production were going to drive us, where socialism would have led us, to the five day week, and even Henry Ford is discovering that men cannot be turned into machines. They may easily be turned into anarchists.

A rising tide of indignation is going to make it impossible for the president of a great company to pocket $9,000,000 while competent workmen are turned away, and the public conscience is at last stirring as it discovers balance-sheets where "oil-tug" means "private yacht for president" and "travel expenses" means "Lincoln car for sedentary vice-president."

If J. T. Adams is right and he surely is, the American epic is the rise of the common man, and he is going to claim his heritage in no uncertain tones. This is a religious ideal, and it explains Abraham Lincoln, the true American saint, the common man raised to the region of genius.

The atmosphere, then, is more friendly to religion than at any time during the past 200 years. It is respectable intellectually, as it is urgent economically, to bring back the view of human society as a family of God. Indeed, we may say to the economists that "the earth is the Lord's and the fullness thereof," and to the politicians that unless nations learn to ration the raw materials of the earth there is no prospect that our civilization will survive. That is what
the Christian religion teaches. It insists that the great things can only be bought at a great price, that you cannot have your cake and eat it, that if you want peace you must build for peace. The scramble for markets and the cut-throat methods of big business landed us in the Great War, and we seem to be getting ready for a bigger and better one. But from this Christianity offers to save us. It offers the moral leadership of the world to a nation which will take great risks and make great sacrifices. It reminds us that the Kingdom of God, which is the sum of the ideal values, must claim our first loyalty. People who do not recognize these ideals cannot be called modern people, however freely they may use our mechanical conveniences. One can fly in an airplane to a meeting of the Ku Klux Klan as easily as to an international conference—and we all know how the telephone can be most irreligiously abused. But these mechanisms are grand servants if they are bad masters; let us control them for great social and religious ends. Even Gandhi is realizing that progressively. Reviling our machine civilization, he goes under the surgeon's knife, enjoying the benefits of chloroform, speaks over the radio to millions and teaches his very modern philosophy of "partnership all round" by gramophone records and loud speakers. Hu Shih, the prophet of China, goes further and, in his enthusiasm for our applied science and our betterment of conditions for the masses, is in danger of forgetting the many noble reinforcements which our Graeco-Hebraic civilization may find in ancient China. "You praise Nature; why not harness her in your service?" asked a second century thinker, whom he quotes, and state socialism was very fully employed in the interests of the peasants when the Normans were conquering England. We get from ancient China a very lofty ideal for our business civilization:

Development without domination;
Activity without acquisitiveness;
Production without possessiveness.

In India, "detachment" is the central teaching of the Gita. Alas, it inspires the young anarchist no less than the gentle Gandhi, and we must seek a truer criterion today. I suggest that in partnership we may find the hallmark of our times; the age of paternalism is past, and in partnership, which is the spirit of brotherly love, we are able to find a key to unlock many doors. It will enable us to run our families, our business, and our politics as we cannot run them without it. It is the spirit which Gandhi is seeking to inculcate in India and Kagawa in Japan.

The true hallmarks of the modern spirit then are these:
1. The spirit of inquiry and the fearless search for truth. This is as modern as the Greeks.
2. Revolt against tradition. There is a great deal of this in the Hebrew prophets and the Greek tragedians and comedians.

3. The desire to get rid of shams and the frankness of its coarseness, but these are not new. They are at times marks of fatigue in creativeness and of cynicism.

4. As for the spirit of experiment, this is largely good, but there are certain fields in which experiment is disastrous, and here the wisdom of the ages must be allowed to speak. For the rest, religion asks nothing better than experiment. It is based on experience, which is nothing but the process of becoming expert by experiment. The Mystics are the real experts in religion.

5. The spirit of detachment, which is so admirable in the man of science, is taught by the higher religions. It is the “single eye” and the uncalculating spirit of Jesus and the sermon on the mount.

6. Partnership. This is a key which religion itself offers and it fits many locks.

7. As to the “invention of invention,” there is a confident spirit in better things yet to be and a faith in man’s ability to master his environment, which are religious.

Religion insists there is no God higher than truth, that men are of more importance than machines, that the spirit of service is better than the desire for profit, that he is the greatest among men who serves most, and that without sacrifice no great achievement is possible. Above all, it emphasizes personality, its rights, privileges, and duties. For us the best expression is in the life and teachings of Jesus. It is the experience of the Church at its best that in Him there is neither bond nor free, Jew nor Greek, male nor female; that is, that the problems of sex, class, and race are potentially solved by the spirit of mutual respect and reverence which we learn best from Him. Religion was to Him the love of God and of man. It is to all of us the spirit of loyalty to the highest—the sense of wonder and of mystery—the search for reality and beauty: “the attempt to see life steadily and to see it whole.”
2. THE PUBLIC SCHOOL AS A MEANS OF INTERNATIONAL PEACE AND UNDERSTANDING

By DR. LESTER M. WILSON,
International Institute, Columbia University.

Public education has never before been subjected to such widespread criticism as it is at the present moment. The interested public and professional educators unite in accusing the schools of failure. In my opinion much of this accusation is unfair, not because I believe that the schools are accomplishing successfully all that is expected of them, but because I am convinced that impossible tasks have been handed over to the schools, tasks which schools cannot rationally be expected to accomplish, and in attempting to accomplish which they are forced to neglect their legitimate functions. The schools have unprotestingly allowed society to hand over to them for solution problems which should be solved by the united effort of all existing social agencies and, many of them, by the creation of new institutions.

Too much blind faith in schools exists in the world. This faith has no parallel in history save the old faith in witchcraft, charms, and incantations. Society has expected education and more education to solve social problems with the same unreasoning faith that was once placed in a horse chestnut carried in the pocket as a safeguard against rheumatism. Citizens have eased their consciences as to civic responsibilities by voting generous support for schools, with no clear idea of how schools were to accomplish the social purposes desired. And our awakening has been rude. We are discovering that indiscriminate schooling—schooling unplanned in relation to other established institutions—is giving new social problems, resulting in disastrous dislocations.

I start my discussion with these assertions because I do not wish any one to believe that I give assent to the implication that schools are to be made responsible for bringing about peace and international understanding. If those engaged in commerce—newspaper editors and writers generally, international bankers, makers of motion pictures—refuse to work sincerely toward international cooperation, if they persist in creating international and inter-class stresses which make for war, then as a teacher I protest against the schools being charged with the impossible task of making stable peace.

I want also to insist upon a further limitation. Our so-called public schools are, in many parts of the world, not excluding America, far from being public schools. The name implies that their control is in the hands of the public, that their policy shall be shaped with public, general welfare in mind.

Delivered as an evening public lecture, July 14, 1932.
This is a pleasant illusion, but is far from the fact. Public schools are under the control of all sorts of selfish groups which have narrow and special interests more at heart than they have the public welfare, or of timid people who fear to estrange or to antagonize any vested interest, however vicious, by allowing schools to attack social problems directly. Public schools cannot exercise any very effective social leadership in a situation where anti-social groups are strongly entrenched. They are controlled by public opinion which may be thoroughly bad or may be intimidated. The schools must share with an enormous number of other agencies the task of creating public opinion in favor of peace between nations and justice, and understanding between groups. Neither in the school room nor in his activities as a citizen does the teacher dare seriously to antagonize powerful vested interests. Tax-supported schools will be public schools only when they are set free to serve the public good.

With these limitations made clear, I am ready to go on to point out the impressive part which schools can play in bringing order out of our present social chaos, a confusion both domestic and international.

The fundamental premise with which I shall start is that the world is suffering more from the activities of fools than of knaves. There are so many more of them and they are so much harder to convert. Most of the suffering and misery in the world today results not from the evil intent of malicious people. It is the unforeseen result of processes set in motion by people in perfectly good faith, but without foresight of the consequences. At worst, it is in its major part due to lack of foresight of the degree of disaster which conduct known to be at least somewhat questionable would bring. This lack of foresight has arisen from failure to take into account pertinent data in reaching decisions, a failure due in large measure to ignorance of those data and in part to miscalculation of their relative importance.

In so far as social disorder—which manifests itself, inter alia, in war and international friction—results from ignorance, the task of correcting that disorder is a proper task for the schools to undertake.

I shall consider briefly the areas of ignorance which contribute, I believe significantly, to social and international misunderstanding, collision, and confusion.

The first of these areas of ignorance has to do with the actual degree to which the world today is bound up in an interdependent social and economic order and the nature and inescapable consequences of this interdependence. The facts are clear, interesting, and convincing to any one who takes the trouble to discover them. Yet these actually important facts and their significance play no major role in the curricula of our schools. The study of text books used for teaching history and geography—practically the only social sci-
ences taught below the university level—in the schools of nations in the Pacific area, made under the direction of Dr. Livesay, shows how completely the effort in these studies is devoted to the local situation.

Dr. Arthur Hauck, known to many of you, made, two years ago, a somewhat similar study in respect to Canada and the United States. He followed the suggestion made by the committee here to whose study I have just referred. He tested seniors in Canadian and United States high schools as to their knowledge about, and attitude toward, respectively, the United States and Canada. His findings were: abysmal ignorance and almost universal indifference. If ever two groups of people were bound up in a single interdependent life, those two are Canada and the United States. Yet of the vital facts of this inseparable union the schools are making no successful effort to make their pupils aware. Dr. Harold Rugg has published a series of social study texts which are supposed to represent a marked advance over older texts in the breadth of pertinent information to be taught to American children as needed for their social guidance. Yet he practically dismisses Canada with a footnote.

What can schools do to promote international peace and understanding? At least they can acquaint children with the facts of the world in which we live—facts which lead unmistakably to the conclusion that we are living internationally, that we are bound up in a world order, that the welfare of one individual, of one nation, is inextricably bound up with the welfare of all others. This is a task well within the competence of the school.

The second area of ignorance to which I referred is ignorance of social and economic principles. Any high school boy will laugh at you if you propose to run a 100 horse power motor on current supplied by a 50 horse power generator. He knows it can't be done. His knowledge of physics is sound, though it may be limited. But whole nations, such as Great Britain under the Labor government, to draw an illustration safely far from home, attempted for years to run a social program on an economic basis no less unsound. Any high school student will tell you that it is nonsense to think that a given quantity of water will take an unlimited quantity of salt into solution. But we are doing nothing to forewarn that same high school student that super-saturated social solutions are as unstable as physical ones. We continue a policy of giving to increasing numbers of young people a type of education which makes their successful absorption into the social order hard or impossible. It is our sober judgment, I believe, that the economic motive has been enormously and disastrously exaggerated. Yet schools, so far as I am aware, are making no real effort to shift the emphasis in other directions.

I realize that to elementary and secondary school pupils it is impossible to give adequate preparation to make them independently able to solve the complicated social and economic problems that confront us. But neither does the science instruction in schools of
these levels make practicing scientific technologists of them. What it does do, I believe, is to teach them the fact than an enormous world of phenomena is subject to scientific investigation, to discriminate with some skill between what is obviously unscientific and what is sound scientifically, and, more important than either, to realize the importance of appealing to competent technologists for guidance in the fields where scientific principle is involved. In America we are, perhaps more than anywhere else in the world, inclined to have enormous faith in "common sense." How we got this faith under frontier conditions is too long a story to recount. We have broken with this tradition in the world of science. We rely not upon common sense, but upon specialized knowledge in medicine, in law, in engineering. But we still rely upon "common sense" in our determination of social and economic policies.

What I am arguing here is that our public schools shall go at least deeply enough into social and economic studies to convince pupils of the gravity, the importance, of social and economic issues, and of the need for more than "common sense," the need of highly specialized guidance, in dealing with them.

And this brings us naturally to the third area of ignorance which gives rise to the stresses, the crises, the misunderstandings both between nations and between other social groups which find their interests in conflict.

Where shall we turn for sound social and for trustworthy economic guidance? Who has the specialized knowledge needed for the solution of our social and economic problems? It is easy to dismiss sociology as the "science that tells us things we already know in language that we can't understand." We are bitterly disillusioned in our belief that because bankers deal with tremendous sums of money they must be sound economists. We may, in despair of better guidance, insist that all we can do is to fall back upon "common sense." But I am persuaded that, while there is a notable lag in our knowledge of social phenomena as compared with our scientific information in other fields, there is an even wider lag in the degree to which what is known is made use of. There is much more verifiable knowledge available than is made use of in respect to taxation, housing, police organization, population control, cooperative effort, and a host of other social phenomena. The difficulty lies not so much in deficiency in the available knowledge as in the lack of its utilization. We are ignorant of our need of sound social and economic leadership and are unaccustomed and unready to submit to such leadership. I have already expressed the conviction that the prime outcome of more adequate instruction in social science in the public schools will be the realization of the need for such leadership. The demand for such leadership will have its repercussion in the stimulation of research in these fields. We have spent and are spending enormous sums in scientific research in biology, physics, chemistry, and their allied
applied developments. Research in social sciences must be greatly expanded as part of our program of public higher education.

I have said nothing about creation of international good will, the development of sentiment against war, and the creation of wholesome attitudes toward social problems of domestic and world-wide significance. I have neglected these because I have small faith in them compared to my faith in the efficacy of adequate information. Sentiment is too easily upset and good will too subject to unreasoning fluctuations. I believe we will get further by presenting those facts which make clear that international cooperation is a vital necessity if we are to avoid chaos, than we could by creating sentiment for such cooperation. In other words, I return to my original thesis, that we are shaping our social order on less than world-wide lines because of ignorance, not from malice or ill will. If such be the case, the influence toward international peace and understanding which can be exerted by dispelling that ignorance is of prime importance. And the part to be played in that task by the agency to which we have entrusted the task of combating ignorance, the public school, cannot be overestimated.

3. HEALTH EDUCATION AS A WORLD MOVEMENT

By DR. C. E. TURNER,
Massachusetts Institute of Technology.

Education in health has come to be recognized by the public health profession as a life saving procedure comparable to sanitation and immunization. The modern public health movement, which began with the work of Louis Pasteur about 1865, had its first development in the discovery of vaccines and immunizing processes. From 1888 to 1910, chief emphasis was placed upon the rapidly developing field of sanitation, by means of which water supplies were purified, milk and other foods were safeguarded, and sanitary engineering was applied to the disposal of municipal wastes. A distinct advantage of sanitation as a life saving agency lies in the fact that it can be effectively applied by an intelligent government to even an unintelligent population.

Since 1910 public health has turned in increasing degree to the use of general education with reference to health and diseases, because we recognize that many diseases can be prevented only by intelligent action upon the part of the individual. In the Philippine Islands the two most common and important diseases are tuberculosis and beriberi. Neither of these is controllable through sanitation or immunization. Both will be controlled, if at all, by the education

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1A public address delivered August 4, 1932.
of the individual in the selection of his diet and the proper organization in his mode of life. This is, in part but only in part, an economic problem, for the missing elements in the diet can be added at slight additional expense.

To be sure, we have increased the expectation of life in the United States from 28 years at the time of the revolution to 59 years in 1925, but further analysis shows that this has been accomplished primarily by reducing the infant mortality and by practically eliminating certain communicable diseases which are controllable through sanitation or immunization. The expectation of life for the person who has reached the age of 30 has not been reduced. Nervous diseases, cancer, and certain organic diseases of adult life are increasing. There is no doubt that the average length of life could be increased by another 10 years if the general public would secure that health knowledge which it might reasonably be expected to possess.

This discussion will omit many of those important activities of health departments and other agencies for the health instruction of the general public. We shall consider only the health education program of the public school. The modern health education movement began in the United States during the World War, when the Child Health Organization of America popularized the need for such a program. This movement is now extending its influence to most parts of the world.

The modern health education movement is a health training program which places primary emphasis upon health behavior, supplying from year to year the underlying health knowledge according to the age level and interest of the children. It has enlisted the great body of classroom teachers in the health training of children, and they are the only people in the school system who are in sufficiently continuous contact with the child to carry through the training program which is necessary for habit formation. It has replaced the learning of unrelated physiological facts by activities leading to habit formation.

Health education has contributed one other important development, namely, the interrelating of special health services, medical, dental, nurses, nutrition, and physical education, to each other and to the work of the classroom teacher.

Health has always been accepted as a fundamental objective of education. The ancient Hawaiians trained their boys to secure those foods the race had found helpful and beneficial, to build the strong bodies through running, swimming, and other activities, to build houses for protection, and to adopt those social customs which were believed to be for the best interest of the race. The fundamental purpose of education has always been to equip the individual to live healthfully in the environment in which he is placed. It is logical
and sensible that we should train the boys and girls of today for a healthful existence in the modern age of increasing complexity.

Our children see before them the factory system. The foods of the world are available to them and they are not likely to choose wisely unless they are instructed. The day is lengthened by the electric light, excitement is increased, the amount of knowledge which our children are expected to acquire is in excess of that demanded by any previous generation. Contrast, if you will, the amount of information which we are demanding that the Hawaiian children shall secure with the educational demands which were placed upon their grandfathers. Many children are expected to learn a second or a third language, music, dancing, or some other special skill. Some of the children in these Islands are having a school day which runs almost from 6 in the morning to 6 at night. Such a program compares with that in the early and terrible days of child labor. It is unreasonable and unfair to the child. There is every reason why this program should be changed, especially since it is probable that the child could accomplish as much mentally in a shorter day as in the present program. The public school must recognize the program of its children outside of school hours and adapt its program and its periods of rest and play to those conditions.

It is apparent that many elements in modern civilization lead children toward unhygienic living and that it is incumbent upon man today, as it always has been in the past, to train children for healthful living in the kind of lives which they are to enjoy. The improvement in individual health arising entirely from hygienic living at the Tuberculosis Preventorium, at military training camps, and in athletic training quarters furnishes striking evidence of the relationship of the health habits and health status. Studies at the Massachusetts Institute of Technology have demonstrated that the habits of children can be improved through classroom procedures. These studies have further shown that the children who improved their mode of living because of the health education program grew appreciably better in both height and weight than did a control group of children whose habits were not improved. There are many scientific evidences to show that diet and mode of living have a fundamental effect upon the stature and physique of the individual.

You may ask why this responsibility of health training should fall upon the school. It is because health is one of the most important elements in the education of the individual, because youth is the time of habit formation, because the school has the child through a large part of the day and is in a position to provide the kind of training needed to influence behavior. It is because the best homes have the right to expect that their children will find the school upholding the same health standard which the home is trying to establish, and because children from less fortunate homes must get health training at school if anywhere. It is because the school is
the only way of reaching the whole population within the financial
limitations of the public purse. It is because actual experiments have
shown that health education is sound and practical public school pro-
cedure, contributing to health and contributing to general education
instead of detracting from it.

The school is the authoritative center of knowledge and there the
child is one of a group of children among whom customs are developed
and the force of public opinion is operative. It is not surprising that
the public schools should undertake health training. It is surprising
that they should have waited so long in doing so.

What has been the progress of the movement to date? The first
organized training of health education workers began in the United
States about 1920. In 1922 one of the foundations brought 15 stu-
dents from Belgium to study health education. These young women
are now at work in the organization of health education programs
for Belgian school children. In the last 10 years nearly every
teachers college in the United States has introduced a course in
health education to equip the classroom teacher to meet this respon-
sibility. Half of the states and territories now have a director of
health education. The child health demonstrations of the common-
wealth fund at Athens, Georgia; Murfreesboro, Tennessee; Fargo,
North Dakota; and Salem, Oregon, as well as the earlier Red Cross
demonstration at Mansfield, Ohio, have demonstrated health education
values in different parts of the country. Continuing researches have
been underway at the Massachusetts Institute of Technology and in
other universities dealing with methods and the measurements of re-
sults. New curricula or courses of study have been prepared by state
departments of education and by school departments of the largest
cities. Summer school courses and extension courses for teachers in
training have reached from 50,000 to 100,000 teachers and principals.

Private agencies like the National Tuberculosis Association and the
American Child Health Association have conducted research and have
demonstrated health education activities in all parts of the country.
In Europe the Junior Red Cross, as an unofficial agency, has assisted
schools in developing health education programs. To an increasing
extent, governmental agencies are developing health education. Dr.
Ralph Crowley, Director of School Health for England and Wales,
has recently issued a health education outline. In Germany Dr. Curt
Adam, Director of Health Education, is giving increased attention to
the school program. The progressive education movement is develop-
ing health as a fundamental activity.

The health section of the World Federation of Education Asso-
ciations has a nationally known professional person in each of 22
different countries as a representative of its continuing committee.
These workers keep in touch with each other and with research
activities in various countries. At present these 22 countries are
engaged in bringing together available information upon four central
topics under the direction of the health section. These central topics are: teacher training, school medical inspection, play activities in relation to health, and diet in relation to race and climate. The World Federation has accumulated the most complete statement of the games of different children of the world which has ever been compiled. An analysis of these games from the standpoint of physical and mental health is bound to be significant. Diet, also, has been one of the most significant factors in developing racial differences.

International activities of this sort are having a definite influence upon the health of school children. Many of the recommendations of the health section for the World Federation have been adopted by administrative authorities in education. The League of Nations has asked the health section to prepare a program for the schools of the world. The League has accepted, approved, adopted, and published this basic program. At present the League is planning for lectures in Paris in health education to which directors of school health from various countries in Europe can be sent.

Turning to the area of the Pacific, we find no less activity. In the last three years the Philippines have appointed a director of health education, instituted extensive training for teachers in service, and established training courses in health education at the University of the Philippines.

China has sent Dr. C. C. Chen to America to be trained, and he is now back in China organizing experimentation and demonstration activities in health education. Last year a second man, Dr. Chu, has been studying in the states. At present Dr. Chen is working with the mass education movement. Eventually one of these men will direct health education in schools and the other will direct popular health instruction.

At present Japan has Nozu studying school hygiene in America, preparatory to accepting a chair in this subject at the Imperial University. In Ceylon the Department of Health has asked the Department of Education for an able educator and school administrator. Mr. De Saran, after spending some months in America, has become Director of Health Education, working with both departments. Educators and sanitarians in Australia, Siam, India, and other countries are at work in this field.

Here in the Islands definite health progress has been made during the last few years. Tradition, superstition, and the ancient concepts of the different races still hold back the children of the territory from attaining maximum health. Teachers are earnestly and conscientiously at work upon this problem. Health specialists from the Department of Public Instruction and the Department of Health have given valuable aid to teachers. Summer school courses at the Normal School and Teachers College have given assistance to several hundred teachers in planning sound and practicable programs.

While we have been discussing the subject as a social and edu-
cational movement, it is in reality a very human relationship between an intelligent, thoughtful, enlightened, and friendly teacher and the individual child. This program is a tribute to the high quality of the teaching profession. It is a service to the children of the world, a service which is so important and of such a nature as to transcend nationalistic thinking. It is an activity through which the professional leaders of many lands, in working together, are making an important contribution in cementing international friendship, a movement which is most important to you because it affects the happiness of your boys and girls and the children you love.

4. HAWAII AS A CENTER OF PACIFIC AND ORIENTAL STUDIES

By DR. WILLIAM H. GEORGE,
Dean of the College of Arts and Sciences, University of Hawaii.

On account of its unique geographical position, midway between continental United States and the Orient, the University of Hawaii devotes more than usual attention to studies of the geography, languages, literature, history, government, philosophy, religion, and art of the lands bordering the Pacific.

The university offers courses in the geography of the Pacific basin and in the geography of Hawaii. Geography is basic to all the social sciences and it is fast becoming humanized, so as to include not a little economics, race psychology, and international relations.

Courses are offered in the Chinese, Japanese, and Hawaiian languages. For graduation from the College of Arts and Sciences with the degree of Bachelor of Arts, students are required to take three years of one of these languages or two years of French, German, or Spanish. Few Caucasian students have elected to study the Oriental languages, but we hope to interest increasing numbers in these important subjects.

The university offers courses in Chinese history, Chinese civilization, Japanese history, Oriental religions, and Chinese philosophy, which are popular not only with students of Oriental descent but with Caucasian students as well. Courses in the history of the Pacific region, the history of Hawaii, the government of Hawaii, Pacific problems, political science, racial psychology, and race contacts in Hawaii complete the offerings of the university in classroom instruction in Pacific affairs.

In addition, the University of Hawaii sponsors a continuous pro-

1Delivered at a faculty conference on schools and colleges.
gram of anthropological research dealing with the peoples of the Pacific, headed by Dr. Harry L. Shapiro, whose studies take him and his assistants from Hawaii to the interior of China.

Our objectives in the field of Pacific affairs are three: first, to carry on a continuing program of research in geography, language, literature, history, government, philosophy, and religion; second, to do a good job of teaching in this field; and third, through our research and teaching, to make some contribution to the promotion of international understanding and good will in the Pacific basin. It is true that a university should not be a center of propaganda, and the University of Hawaii has no desire to carry on propaganda. On the other hand, our research and teaching should not be done in a vacuum. We are placed in the center of the Pacific, and we should represent the central pier of a bridge, one span of which would extend from continental United States to Hawaii and the other span from Hawaii to the Orient, over which would flow an endless stream of traffic in ideas and good will. It is our hope that the School of Pacific and Oriental Affairs, emphasizing as it does the importance of the Pacific area, will contribute much toward this understanding and good will which is the foundation of lasting peace.

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5. MEANS OF DEVELOPING CLOSER RELATIONS BETWEEN THE UNIVERSITIES OF THE OCCIDENT AND THE UNIVERSITIES OF THE ORIENT

By DAVID L. CRAWFORD,
President of the University of Hawaii.

For bringing universities of the East and the West into closer relationship I have three concrete suggestions. The first is largely a matter of facilitating something that is already under way. Graduate students ought to migrate more across the Pacific, and this World Federation could well set up machinery to facilitate and direct the migration so that it may be something more than wandering. A central office somewhere in the Pacific area should be established to which any graduate student could write for information as to the best places for him to go for certain objectives. This ought to be more than a mere office full of catalogs. It ought to be presided over by a person who makes it his or her job to become really acquainted with what the various universities and research institutions around the Pacific can offer in the way of facilities for foreign students.

Given before the Department of Colleges and Universities of the Pacific Regional Conference of the World Federation of Education Associations, Honolulu, T. H., July 27, 1932.
Undergraduate migration should ordinarily not be much encouraged, except in the case of American born youngsters of Oriental parentage who desire to return to the land of their parents to live. Such individuals would benefit from spending their younger and more impressionable years in the country where they are to live. These, however, are an inconsequential number in proportion to the whole and need not concern us unduly at this time.

Student migration across the Pacific thus far has been very much from one direction. Chinese and Japanese students in large numbers have been seeking education in American and European universities, but very few Caucasian students have gone to the Orient for such a purpose. A few have done so in recent years and have profited richly, some going singly and some in small groups. It is not necessary that degrees be sought by these migrating graduate students and for that reason it is less essential that the language of the country be thoroughly mastered. The chief objective is that ultimately there shall be a wholesomely large number of educated people in a country who know other countries across the Pacific in a more intimate way than comes from tourist travel. For example, eight young men from a California college spent a year as graduate students in Japan and China, seeking no degree, but identifying themselves for a month or several months with one institution and then transferring to another, and so on. Their purpose was to study sociology and economics and they sought out the professors of these subjects and those advanced students who showed an interest in meeting foreign students. Or the matter may be approached more seriously and the graduate student may register as a candidate for a degree. Many Oriental students have American and European degrees. Why not reciprocate and have Oriental degrees sought by westerners?

If the answer is made that very few Oriental universities can offer sufficient attraction to draw American and European scholars as degree candidates, then I say that it is time we corrected the situation. In at least a few universities in the Orient a western scholar ought to be able to study for a degree without mastering an Oriental language. If Tsing Hua or Yenching in Peiping and the Imperial University in Tokyo would announce a new plan whereby western students would be admitted for graduate study in certain specified departments without requiring a mastery of the language of the country and would offer some sort of advanced degree, I am sure that the response from the West would be surprising. And it would do much to build up a better understanding of the East by the West. This is something tangible the W.F.E.A. can foster.

The second proposal concerns professors. There is a moderately extensive movement of professors across the Pacific, but it is haphazard and not capitalized, nor does it follow any plan. Many from the Orient go to the West as graduate students or to lecture, but
most of those who go from the West to the Orient go as sightseers only and do not have any close contact with student life.

A central clearing house should be at work somewhere in the Pacific area to gather and disseminate information about professors who are travelling on sabbatical leave or furlough so that universities in their path could take advantage of their coming. Efforts should be made to develop a plan whereby professors on leave could be invited on visiting appointments to universities across the ocean. What if language barriers do exist! Interpreters can be provided. Take them in socially as well as educationally. It will prove an excellent antidote for race prejudice.

It would not cost much to have an agent in the Orient, one in the Antipodes, and one in western America all working through a central office, and this office in close touch with the International Education Institute in New York. This latter organization might function in the Pacific if its eyes were not fixed so firmly on Europe. Latin America receives good attention but the Orient very little.

The third proposal is of a different nature and has something of the zest of the impossible, the tang of that which most people would say can't be done. Let us rewrite the school textbooks of the Pacific countries, with less emphasis on national pride and prejudice and more emphasis on truth which knows no national lines. We could scarcely de-nationalize them, and would not wish to do so even if it were possible, because the world is not yet ready to slough off nationalism. But our school textbooks go too far and something must be done to correct the situation.

The proposal is this. Create a small board or committee whose function would be to make an examination of the more important textbooks of all Pacific countries and note all passages which are not in accordance with the truth and especially those which seem to have a malicious intent of stirring up hatred or prejudice against another nation. Such passages would first be referred to a national education association in the country concerned, and if in due time that should fail to bring a correction of the evil, then resort would be had to general world-wide publicity, and nothing is quite so effective a corrective agency as public ridicule.
IX. Hawaiian Affairs

MEMORANDUM ON THE FUTURE OF HAWAII

By W. R. FARRINGTON,
Former Governor of Hawaii.

What is the purpose of American government? Your answer to this question largely determines your forecast on the general subject of the future of the Territory of Hawaii.

In order properly to present my viewpoint, it is appropriate to sketch briefly certain constant features of the background of Hawaii.

Always, in canvassing the past, one finds that there has been international tension. Think of the period when the Hawaiian flag was hauled down by a British admiral, the British flag raised in its place. While the news of this incident was being transmitted to London, an American warship entered Honolulu harbor. The King of Hawaii was received on board the American warship, the Hawaiian flag raised and saluted. The act of the British admiral was repudiated by his government. The Hawaiian flag was restored. A warship from France bombarded the fort at the entrance of Honolulu harbor. This was done to enforce certain demands. Japan made demands upon the government of the Republic of Hawaii regarding the treatment of some of its immigrants. A whole shipload had been turned back and refused landing. In the late 'forties an American Secretary of State found it necessary to issue a declaration that any interference with the government of Hawaii by foreign nations would be regarded as an unfriendly act toward the United States.

Always there has been commercial and industrial tension resulting from the transition from one form of industry to another. Think of the sandalwood days, the first industry of Hawaii. Associated with this is the trade that came to Honolulu as a result of the fur traders travelling between the Pacific coast of America and Asia. Then came the whaling days when the great whaling fleets made their winter ports at Honolulu and at Lahaina. Then came the struggle with early agriculture, seeking a profitable product and seeking a market. I recall a conversation some 20 years ago with a man who had made a success in the sugar industry. He stated that the industrial and commercial conditions in Hawaii had moved in cycles. At that time he predicted the sugar cycle was about to close.

Always there has been religious tension. The Hawaiians had

1An address delivered at a luncheon conference of the faculty of the School of Pacific and Oriental Affairs.
lost confidence in their idols. They had overthrown the priesthood and the idols when the American missionaries from New England arrived. The acceptance of Christianity is one of the great romances of the Pacific. But there was competition and sharp feeling between the Protestant missionaries and the Roman Catholic missionaries, who arrived later. The Anglican Church missionaries from England were insistent on their place in the general religious scheme. In later years came the Mormons. At the present time the Buddhists hold a very prominent position in the religious picture.

Always has there been an intense desire for education. Think of the high chiefs and chiefesses who were anxious to go to school when the missionaries reduced their language to a printed form. This high ambition was passed on to the commoner. One result was that when the time came for the annexation of Hawaii to the United States, the supporters of that movement pointed with particular pride to the fact that the percentage of literacy among the people of Hawaii was higher than that in the sovereign state of Massachusetts. The ambition to learn through the medium of equipment furnished by schools has been a distinctive characteristic not only of the native people but among all the immigrants who arrived in the various waves of agricultural labor supply.

Always there has been governmental tension. Consider the events from 1820 to 1855. During those years a nation changed from barbaric feudalism to a limited monarchy, independent and internationally recognized by all the nations of the earth. All this was accomplished in the midst of an international play for possession of the Islands. The Hawaiian king maintained the individuality of his position, accepted the counsel of wise leaders, organized and reorganized his government, carried his own people with him, and kept the foreign element fairly well balanced—all this was done without a drop of bloodshed either in civil or international conflict. Then, passing on from the year 1854 when one of the great kings passed away, the integrity of the monarchy was maintained until finally the republic was organized as a result of the movement for annexation to the United States. Also bear in mind that, previous to 1854, King Kamehameha III had in process of negotiation a treaty of annexation of Hawaii to the United States. The State Department at Washington hesitated over the provision that Hawaii should be admitted as a state. While the negotiations were going on, Kamehameha III died. His brother, who then came to the throne, leaning less definitely to the United States, caused the treaty to be withdrawn.

Always there has been political tension, personal and factional. Throughout it all, self-government in Hawaii has been religiously preserved. It is difficult to picture the great variety of competing elements that centered in Honolulu, always the capital of the nation during the years of what might be termed modern development. There were traders, whalers, missionaries, national emissaries, all these
influencing and woven into the natural political divisions among the native Hawaiians in their support of the different chieftain groups.

Always there has been labor tension. Immediately upon the ratification of the reciprocity treaty in 1876, immigration of additional workers became a necessity. With this came contract labor, the contract labor under which a penal clause operates to land a man in jail if he does not fulfil the contract. After this had been in practical operation for many years, free labor came overnight. Here is a situation of radical changes. During this time the character of the laborers changed. First Chinese, a few Polynesians, then Portuguese, then Japanese, small groups of other Europeans, and finally the Filipinos.

Always there has been the tension between the old and new, the conservative and the liberal. This has run through the policies that deal with labor, with politics, with religion. One of the most striking practical examples has been the advance of the application of science to agriculture and the management of the agricultural properties. My personal memory goes back to the days when the plantation managers laughed to scorn the “test tube fellows” who were supposed to be able to teach them how to grow better sugar cane. Included in this has been the tension of doubt and despair, loyalty and hopeful vision. This includes tariff problems, labor problems, diversified agriculture, land ownership, homesteads and the development of the American scheme, new industries, schools and their proper sphere, education for labor in the field or white collar job the University, and so on.

Always has there been tension between two distinct types of view and methods of development. These I define as the European system or the American system. My friend, Mr. Cromie, owner of the Vancouver Daily Sun, has given the best definition. He describes the European point of view or standpoint as militant and political. The American point of view as economic and social. To my mind this division is a very definite one. Hawaii, thus far in its life, has very definitely moved forward on a definite American plan. In my opinion, it represents a laboratory example of what the American scheme of development will bring out. I think of it as the Pacific program, as distinguished from the Atlantic program.

Always there has been freedom from social caste on race lines within Hawaii. Here, in my opinion, is the key to the success of the past and on this depends the success of the future. It is true that Hawaii in all its development has never had a race issue as that word or phrase is understood on the mainland of our country. We have no racial division in our schools, either public or private. One of the glories of Hawaii is the record of as absolute an equality of opportunity regardless of race as can be found any place in the world. Bear in mind that, when constitutional government was organized, the Hawaiian was placed in the position of being the ruling power. In
my opinion, Hawaii represents the only instance in Polynesia, or the only instance of any other aboriginal race, where the native people have maintained their independence and moved on a basis of absolute equality to full citizenship in one of the greatest nations of the world.

Always, Hawaii has had the tension of revolutionary movement. This is not confined to politics. I have witnessed at least three revolutions in the sugar industry during my life in the Islands. By revolution I mean complete change of the attitude and programs of the plantations' general scheme of management in relation to the people, the methods of housing the labor, dealing with certain landed areas, transportation, and application of machines to agricultural industry.

The isolated position of Hawaii, 2000 miles away from the nearest land, has made possible the concentration of all the influences that have to do with the people, industries, and government so that the effect can be studied in laboratory form. There were outside influences but they took a long time to get here. Consequently, Hawaii worked out its own destiny on an independent basis and far enough removed from outside contacts to allow one to see the wheels go round, so to speak.

Summing up these factors of tension that have been with us always, we find that always there has been fear of social revolt. Never was the fear realized. Always fear of political revolt. Never was the fear realized. Always fear of industrial disaster. Never was the fear realized. Always fear of a racial clash. Never was the fear realized.

The estimate that one makes as to the future of Hawaii depends very much on his point of view as to the purpose and aim of American government. I believe in the American scheme as distinguished from the European plan of action. I believe the American program is synonymous with self-government. Again, what is the test of good government? What is the record of Hawaii?

Generally speaking, we would say that where a governmental unit or the legislative bodies pass laws that respond to a general public demand and that demand, generally speaking, is constructive, such a section enjoys good government.

Hawaii in all its vicissitudes stands with a very excellent record of honesty in public office. There have been dishonest officers. Those officers have paid the penalty by going to jail and their punishment has been reasonably prompt. In public works there has been freedom from graft. There is not and never has been organized graft within any unit of the Territory. It is generally accepted and conceded that the people of the Territory have received good value for every dollar that they have expended.

When forecasting the future, it is absolutely essential that anyone who wishes to do so with reasonable accuracy and freedom from prejudice must remember that Hawaii has been under the sys-
tem of American education 100 years. So many people make the mistake of assuming that American ideals in education and industry and religion and commerce began with the annexation of the Islands in 1898. English was the language of the public schools long before annexation. There has always been complete social equality among the races, not only in public schools but in private schools. There has been no racial segregation. Taxpayers have contributed liberally toward public education, and philanthropy has expended its money with lavish hands on private schools. The movement for greater attention to agricultural industry in the curriculum of the schools has been in progress for the last 20 or 25 years. The pace has been quite as rapid and the result has been quite as practical in Hawaii as it has in any part of the mainland of our country. In all the list of revolutions that have taken place in the Islands, there is none more pointed and none which has greater bearing on the future of the Islands than the change, gradual at first and now very definite and aggressive, on the part of the management of the various agricultural properties toward the employment of young people, the citizens growing up within the territory. For the last three years the definite, outspoken policy of the Hawaiian Sugar Planters' Association has been to give employment whenever possible on the sugar plantations of the Territory to the citizens who come from our public schools. This is accompanied by a studied effort to make conditions as satisfactory as possible. Too many people think of our agricultural conditions in terms of 25 and 30 years ago, when the laborers or workmen lived in barracks. I think I am quite within the bounds of accuracy when I say that there is not a single plantation housing its people in barracks today. Every family has an independent house of its own. Often you will hear criticism of what the youngsters from the schools do or do not do. Managers in any industry do not like to change. There were complaints when the Japanese laborers came. They were new and not so good as the Chinese. Later the Japanese who had become acquainted with the work were referred to as representing the ideal laborer. Then came the Filipinos. From all sides were complaints of what these people did not do. Now all managers are fulsome in their praise of the Filipino laborer. On this same basis one hears criticism of the boys that come to the agricultural fields from the public schools. But following the history of the past, there is a steadily increasing flow of good reports on these boys who not only have a willingness to work but a stake in the country, a desire to establish a home and a better training to enable them to do the work that has to be done.

In looking to the future of Hawaii, I think the day is not far distant when the agricultural industry of these islands will be manned by our own citizens. Certainly the number required from outside sources will be very materially reduced.

Hawaii's cooperative marketing organization is a most interesting
and valuable study in itself. We here, under the pressure of necessity, have had in operation what amounts to the same kind of cooperative that the United States government has been endeavoring to maintain and establish throughout the various agricultural districts of the country. The service of large amounts of capital, heavy and expensive machinery, and a thorough marketing organization is made available to the agriculturists of small means through the cultivating contract and what amounts to a profit-sharing scheme of production. Always the workman is sure of a home, medical attendance, food for his family and an opportunity to make a living wage. The changed attitude of many of the agricultural managers is as marked as a religious conversion at a Methodist camp meeting. Men who a few years ago laughed at the thought of these boys ever giving attention to sugar plantation work, are now among the enthusiasts who point with pride to the number of citizens employed in cultivating contracts on their properties. The enthusiasm is sincere and the cooperation to assure the success of the boys from the schools is very practical and effective. The Future Farmers' organization, developed in the public schools among the boys interested in agriculture and taking an active part in agricultural work in connection with their studies, both during the school term and vacation, increased from a membership of 71 to approximately 800. This is merely mentioned as a barometer of what has been and what may be expected. The movement toward employment of our own citizens in the sugar industry and in the pineapple industry takes on some of the character of a revival. It is an intensely practical and thoroughly worth while movement.

One hears much of there being no land in Hawaii for the farmer, that sugar plantations own all of it. This is not true. Some sugar plantations are made up entirely of independent homestead holdings. Very little virgin land, like that of the great West, may be obtained from the government. There are plenty of independent holdings. The count in 1928 was 2,869 homesteads that may not under the law be acquired by corporations or aliens.

Between 1876 and 1896, the government of Hawaii leased large tracts of agricultural land for long terms and at a low figure. The European system of land leasing has been and is more general in Hawaii than any other part of the United States. Much public revenue is derived from the lease of lands and the lease of water privileges for irrigation.

At the time of annexation, Hawaii's land laws were continued under Act of Congress. These public lands are administered by the Territorial Land Commissioner in cooperation with a Public Land Board. Every public land transaction to be complete must have the approval of the Governor, who alone is given discretionary authority.

Large areas of public land under corporate control, under long lease, had been cultivated to sugar cane. As these leases expired,
following annexation, there was a widespread demand that the public land be cut up and turned over to small farmers for homesteads.

Then followed the offering to American citizens, resident in Hawaii, of small plots of land in these highly cultivated sugar cane areas. Sugar plantation lands that had been developed under lease were cut up and sold in small lots to citizens expected to be homesteaders. It was a move for the small man as against the sugar corporation.

The Territorial land laws provided most liberal terms for this homesteading. There being many applicants, the land being improved land, the allotments were a lottery. There was no restriction that the successful applicant should be a farmer or that he should live on the land. Thus, corporation directors in some instances became homestead applicants, were successful in the lottery, and turned the land over to the corporation.

This, of course, caused much controversy. The spirit of the law was defeated.

During the administration of Governor Frear, the third governor following annexation, the homestead law was made more restrictive. No citizen may purchase public land if he owns more than 80 acres of land in the Territory. The purchaser of public land may not dispose of his purchase to an alien, to a corporation, or to a citizen owning more than 80 acres of land in the Territory. Most valuable lands in the heart of successful sugar plantations passed to individual ownership and today remain under individual ownership. Sugar cane to be sold to the mill remained the source of profitable revenue to the small homestead owner. He was not skilled in cane culture.

The situation was met and continues to be met by a cane cultivating contract made between the homestead owner and the sugar mill corporation. This form of contract was framed under the auspices of the Territorial land department and to be effective must have the approval of the governor. Such contracts generally run for 15 years. So it may be said that the corporations control many of these sugar land homesteads because, for the present, sugar cane is the only profitable crop.

But the principal point is that the independent owner of the homestead may move onto the land any time he pleases. He may dispose of the land to another, and that purchaser may cultivate and develop his land in cooperation with the sugar mill. This he may do under an agreement for the purchase of his sugar cane approved by the Territorial government.

Not all the homesteads sold to individuals from public lands of Hawaii have been sugar lands. The original pineapple lands of Wahiawa on Oahu were homestead lands from the public domain. Californians were the first settlers. There are corn lands in Kula, Maui, and ranch lands for cattle raising.

Since 1892, 4,154 homestead lots from the public domain of Ha-
wai`i have been sold or allotted to individuals. The Organic Act, following annexation went into effect in April, 1900. The greater portion of these homestead lots have been sold since 1900.

Today Laupahoehoe plantation on Hawaii is practically made up of 379 independent homestead areas. Of this number, 265 lots, with an average of 13.7 acres per lot, were sold by the government under restriction; that is, under the deed they may not be sold to an alien, a corporation, or a person holding more than 80 acres of land in Hawaii.

We are now developing the citizen farmers that were theoretically supposed to exist when the lands were originally cut up.

I have taken Laupahoehoe as an example. Hakalau plantation on Hawaii is largely made up of homesteads. Waiakea on Hawaii is all homestead land, except possibly 200 acres. The Wailea Milling Company is a homestead cooperative. The cane land is all homestead owned and the homesteaders are interested in the mill. On Olaa plantation there are 129 homestead lots, averaging 50 to 60 acres each.

Some of the richest lands of this character are on Kauai. In the Kapaa and Wailua sections are 258 such homestead lots totaling 5,452 acres. There are some of the most attractive homesites imaginable. The lots average 19.2 acres in Kapaa and 35 acres in Wailua. The sugar cane cultivating contracts are with the Makee Sugar Company. On every principal island of the Territory are homestead lands thus protected in the interests of the small land owner and farmer.

It is possible, however, for the young citizen farmer growing up in our schools to look forward to purchasing one of these homesteads, thus establishing himself on a land area that he owns and may cultivate.

Under the present day policy of the Sugar Planters’ Association, of fostering the employment of citizens, and the policy of the schools of fostering vocational training in agriculture, I look forward to homestead lands of this character eventually falling into the hands of American citizens of Hawaii who are sugar cane farmers.

Hawaiian homesteading under the Hawaiian Homes Commission came into being by an Act of Congress approved in 1921.

Certain specified public lands are set aside for homestead settlement by Hawaiians. “Hawaiian” is defined in the law as a person with 50 per cent Hawaiian blood.

Income from certain public land leases and water leases is set aside to finance the administration of the Hawaiian Homes Commission. The Governor is the chairman. Three of the five members must be Hawaiian. The administration is entirely independent of the Territorial Land Department.
The Commission selects the land to be opened and selects the homesteaders from among those applying. After having been allotted land, the homesteader may borrow from the Homes Commission funds up to $3,000. This money may be used only for housing and farm equipment. It draws interest at 5 per cent and is repaid in amounts that will amortize the loan in 30 years. Some of these homesteaders have already paid up their loans. Not all have borrowed the full $3,000.

The land is occupied under a 99 year lease. The title to the land remains with the Territory. Once the homesteader pays up his loan he may transfer his property to another Hawaiian, but the fee simple title always remains with the Territory.

Under this law, homestead farms of from 20 to 40 acres have been allotted on Molokai.

What are known as town lots have been granted Hawaiians at Kaunakakai, Molokai; Keaukaha, Hawaii; and Nanakuli, Oahu. The town lot allotments vary from one-half acre to an acre. They are intended for Hawaiian workmen employed nearby in industry, using these for homesites. At Keaukaha, near Hilo, these lots served to get Hawaiians out of the tenements. The Keaukaha settlement is among the most successful. The people were allotted the land and earned the money to build their homes. No money was loaned.

The general scheme of the Hawaiian Homes law is copied from settlement plans carried out under government auspices in the state of California and the Australian commonwealth. Private organizations have developed on the same lines in Wisconsin.

Now we come to the race question, in politics and in government. Most of the fears on this subject are forced upon us by people from outside the Territory. Those who have not been here cannot believe that we have no race issue in Hawaii. They are unacquainted with the present and they are not informed as to the background. Three generations of boys and girls who have attended school where no race discrimination has been shown, who have attended Sunday school, who have played in neighborhood groups on a basis of racial equality, boys and girls brought up under such conditions are not likely to develop any serious race complex when they establish homes and become citizens directing the affairs of government.

I have lived in these Islands 37 years. I came here during the days of the Republic. When annexation took place and the Organic Act of the Territory was being framed, there was a sharp division as to whether the citizens of the Territory should be allowed the American privilege of manhood suffrage. Previously in these Islands there always had been a property qualification. The conservative element felt that a property qualification was necessary. What might be termed the liberal or radical American element was in favor of full-fledged American privileges. The Congress of the United
States granted manhood suffrage. There were many predictions that this would result in a condition somewhat like that of the reconstruction period in the South. That prediction was not realized. The first election, following close upon the revolution through which the whole governmental scheme was changed, furnished an opportunity for radical speech and high tension prejudices. The first delegate to Congress was undoubtedly elected on a racial and revolutionary platform. The first session of the first Legislature during the administration of Governor Dole was rather hectic, but this Legislature passed the appropriation bill and, after letting off steam, settled down to practical business.

Since that time I believe it may be said with absolute truth that no man has ever gone out in the political field of the Territory of Hawaii on a direct racial platform and met any other result than defeat. The candidate who makes his fight on strictly race lines is defeated before he starts. That is the condition in the territory today. I think it is a healthful condition, one of the best possible evidences of the continued capacity of our people to govern themselves and meet every issue as it comes up with a judgment well balanced toward all sections of our citizen population.

The person who looks over the racial classifications of our population and figures the election results on a racial basis is ignorant of actual conditions within the Territory.

Look over the practical results as evidenced by the membership of the boards of supervisors of the various islands or counties of the Territory. Take the City and County of Honolulu, with officials elected at large by the voters of the Island of Oahu. The total vote on Oahu is in round numbers 32,500. The Hawaiian or part Hawaiian voters include 11,600; Portuguese, 4,300; Chinese, 3,500; Japanese, 3,000; and general Caucasians, including all those who have come from the mainland and have resided here long enough to vote and all those not included in the previous classifications, 9,800. Note that the largest unit in the group on this Island is the Hawaiian and part Hawaiian. Certainly neither the Portuguese, Chinese, nor Japanese classifications have a sufficient number to control or even make a fair showing on a strictly racial basis. Those under the heading of general Americans have not enough votes to control.

Leroy Bush led the ticket for supervisor in the last election. He is a local boy, born of parents who came here from California, educated in our public schools, a graduate of the University of California, in business in Honolulu. Another supervisor is Sylvester Correa, born in the Islands, educated in our own schools, who has children who are going to the public schools, and who is employed in one of the publishing establishments. He is part Hawaiian, part Portuguese.

Supervisor Denison has resided in the Territory for more than 25 years. He is prominently connected with railroading and always active in civic affairs. He was first appointed to the board to fill a
vacancy and made his first step in politics at a general election two years ago. Supervisor Guard was born and raised in the Islands, has been prominent in business and active in community affairs. He is another active business man of the type on the mainland that keeps out of politics because it is impossible for good men to be elected. He ran well toward the head of the ticket. John Hughes has resided in the Islands nearly 40 years. He was born in Ireland. For years he was a skilled workman associated with the Oahu Railway shops. He has been elected to the Legislature and twice elected to the Board of Supervisors for the City and County of Honolulu. Manuel Pacheco has been many times elected supervisor for the Island of Oahu. He also served in the Territorial Senate. Politics is a side issue with Mr. Pacheco, though he has been in public life for fully 20 years. He is a skilled binder by trade, a man of family, with children and grandchildren. Supervisor Sing, born and brought up in the Islands, a graduate of the public schools, is connected with the advertising department of The Star-Bulletin. Mr. Sing is the second citizen of Chinese ancestry to be elected to the Board of Supervisors. He has been prominently associated with the National Guard, is a veteran of the Great War and a member of the American Legion.

Looking over this group who serve the people of the Island of Oahu and the City and County of Honolulu, you see no suggestion there of a race line drawn by the voters making up the 32,500 who were registered on the Island of Oahu at the last election. With 4,300 voters of Portuguese ancestry, certainly no one could be elected by a straight Portuguese vote. With 3,000 voters of Chinese ancestry, certainly no citizen of Chinese blood could be elected by a straight Chinese vote. These men have been elected because of their standing in the community. The boys born and brought up in the Islands have been supported by a cross-section of their schoolboy associates and also by a cross-section of the business community from the chief executive of the corporation down to the janitor.

The Mayor of the City and County of Honolulu, George F. Wright, was born and brought up in Honolulu, educated in the public schools and, before giving his undivided time to the responsibilities of the mayor's office, was carrying on a successful engineering business. His opponent in the election, and a man who had served two terms as mayor of the City of Honolulu, was John H. Wilson, part Polynesian, an engineer and a contractor, a graduate of Stanford University and a classmate of Herbert Hoover at that university. The treasurer of the City and County of Honolulu, D. L. Conkling, was born in California. He has resided in the Islands more than 30 years and has been re-elected to the office of Treasurer for approximately 20 years. The County Clerk, David Kalauokalani, is Hawaiian. He recently celebrated the twenty-seventh anniversary of his service as Clerk of the City and County. The Auditor of the County, Mr. Bicknell, is a descendant of one of the early missionary
families. He has held the office by general election for more than 25 years.²

If there were any such race antagonism as has been suggested by those people outside of Hawaii looking in, men of this type could not be successful at the polls.

I have taken the officials of the City and County of Honolulu as a typical example of what the varied racial electorate of Hawaii does.

People tell us, when they look over the racial figures, that the people of the Territory of Hawaii are in danger of a great racial upheaval. The fact is that they do not know what they are talking about. They know nothing of the background of the people, of the citizens of these Islands. They do not take into account the fact that racial caste does not exist in the schools of the Territory and does not exist in the social and political life of the Territory. It would be idle to say that people of certain racial groups do not ask their immediate friends to vote for them. There are school groups that back school alumni candidates. But those school groups represent a cross-section of the racial ancestry of all of the people of the Islands. Generally speaking, the Hawaiian and part Hawaiian are given the right of way. Always there has prevailed a general sentiment that this is their country and they are entitled to first consideration, when they have special ability and integrity. But this does not take on the nature of a racial antagonism. The success of a candidate at the polls depends upon his ability to speak convincingly and to demonstrate by his record that he has capacity to represent the people of his community in a position of trust. No race has a monopoly of all the competence or of incompetence.

Hawaii is a normal American territory, developing along normal American lines. The only difference is that the races mingling here are a bit different from those that mixed and mingled to make up Atlantic state populations.

As far back as 1854, Hawaii aspired to be a state. Kamehameha III applied for statehood. The people still hold to that ambition. To think of any other ultimate form of government would be to suggest that the government of these islands is to be not American but European. That should be unthinkable.

²Although several changes in city officials were made at the election in November, 1932, after this article was written, the representation by races is approximately the same.
X. A Curriculum of Pacific and Oriental Affairs

NOTES ON LECTURE COURSES AND SEMINARS

By CHARLES E. MARTIN,
Director of the School of Pacific and Oriental Affairs.

The papers appearing in this publication were given in the form of evening lectures, luncheon conference discussions, and faculty symposia. Some reference, however, to the substance of the day-to-day work of the School of Pacific and Oriental Affairs is justified. It is hoped that in some future volume the members of the faculty of the School may collaborate in a joint presentation of the main currents of Pacific Area thought. In this paper, brief reference is made to the lecture courses and seminars, which, after all, formed the basis of the continuing work of the School.

I. Lecture Courses.

1. Courses in economics. Due to the current world situation, and the depressed economic condition of the nations of the Pacific, special stress was given world and regional economic conditions by authorities from all parts of the world. No attempt was made to single out the Pacific as a region apart, having no contact with world economic forces. In fact, the opposite tendency prevailed.

(a) International Economic and Commercial Relations of Pacific Countries was the general subject of lectures given by Professor Wilfred J. Hinton, of the London Institute of Bankers. After relating the Pacific Area to the world economy and after giving the background of British Imperial Colonial policy, Mr. Hinton discussed, in order, the nature of economy, the production and trade, and the commercial policies of Canada, Australia, and New Zealand. He also emphasized the colonial empire in the Pacific, in its application to Malaya, Hongkong, Fiji, Samoa, and Papua. The Economic Conferences of the Empire, with special reference to the Ottawa Conference background, received attention. The French and Dutch colonial empires were discussed as examples, respectively, of “closed” and “open” imperial policies. The Japanese economy, from every angle, and the economic problems facing China today found a place in these comprehensive lectures. Problems of banking and exchange, the silver question, and the conflicts of economic systems and ideas in the Pacific were the final subjects of Professor Hinton's lectures.
A general summary of them may be found in the public lectures by Mr. Hinton appearing in this volume.

(b) Trade in the Pacific Area, given by Dean Henry F. Grady, of the University of California, dealt generally with the exchange of commodities between Pacific countries, and with forces and factors which facilitate or impede the flow of trade. It dealt specifically with export problems, means of communication, and with both private and official means for the encouragement and protection of foreign trade in this area.

(c) Economic and Social Trends in Japan formed the subject of a daily course of lectures offered by Dr. Kokichi Morimoto, of the Kyusu Imperial University, Hokkaido, Japan. Dr. Morimoto issued a complete outline-syllabus of his lectures for the special benefit of his non-Japanese students. He discussed the many-sided social changes now going on in Japan and the economic conditions of the Japanese people, with special reference to efficiency standards of living, on which subject Dr. Morimoto is a distinguished authority.

2. Courses in political science. In politics as well as economics, the School stressed the Pacific and World situations, on the theory that economic betterment and improvement must be put into effect, in the main, through political action. The main factors in the political scene were presented, giving a certain unity to the disordered political conditions of our Pacific world.

(a) Leading Pacific and World Governments were discussed by Professor William Bennett Munro, of the California Institute of Technology. The internal political organization of states must be understood before a sound basis is laid for international relations. Representative types of government were considered, especially those of the United States, England, and the British Commonwealth of Nations.

(b) The Political Development of China was the subject of lectures by Professor A. N. Holcombe, of Harvard University, who is the author of two books on the subject. The course of the republic was traced from its beginning, and the life and work of Sun Yat Sen was discussed. The ideals of the Revolution, and the structure of the new government, together with a study of the Kuomintang and a consideration of the personalities of the Revolution, closed this interesting course of lectures.

(c) Principles and Problems of American Diplomacy was a course offered by Dr. Charles E. Martin, of the University of Washington. The foreign policies of the United States were classified as to regions, (1) general and European; (2) Latin American; and (3) the Far East and the Pacific. Different policies were found to apply in these different regions, but they are not necessarily inconsistent, due to the demands and requirements of the regions concerned. Special attention was given our Far Eastern and Pacific policies. For the
latter half of the course 20 criteria of a sound foreign policy and its administration were assigned for class research and discussion. This method of class discussion based on research had a genuine appeal to this class, many of whom were graduate students.

3. Courses in Oriental Studies. With the School stressing affairs of the Orient, work in this department was given, and is expected to increase from year to year. Its aim is to consider Oriental culture and civilization apart from economic and political considerations.

(a) Comparative Oriental Religions and Cultures was the title of the lectures given by Dr. Kenneth J. Saunders. Papers were assigned, dealing with the religious ideals of Asiatic civilization. The course consisted of ten lectures on India, eight on China, and five on Japan, whose culture is largely derivative from these other nations. Two public lectures were given, one on the art of India as illustrating these ideals, and one on the art of the Far East, chiefly Buddhist. The course emphasized the great importance of Indian thought in understanding the rest of Asia, and dealt with the political, social, and cultural developments as well as with the religious ideals.

(b) Chinese Civilization, given by Professor Shao Chang Lee, of the University of Hawaii, proved to be one of the most popular and most significant courses. It dealt with all aspects of the Chinese view of life, and with the origin and development of the institutions of China, social, racial, cultural, religious, and economic. Emphasis was also laid on the contact of Chinese civilization with Western cultures and with other Oriental cultures. The laboratory method followed by Mr. Lee in conducting visits to Chinese community centers did much to make the course an unusual one. The main outlines of Mr. Lee's course are found in his paper entitled "The Rebirth of an Old Civilization," included in this volume.

4. Courses in Education. The meeting of the World Federation of Education Associations in Honolulu, and its cooperation with the School of Pacific and Oriental Affairs, led to much consideration of the international and comparative aspects of education. Many courses directly bearing on this subject were offered in the summer session of the Teachers College, under Dean Wist's direction. One course, Education and Nationalism, given by Dr. Lester M. Wilson, of the International Institute, Teachers College, Columbia, was included in the formal offering of the School. It dealt primarily with the purposes which national groups hope to serve through school systems on a nation-wide scale. The outstanding problems of the social order in various nations were discussed—and the impracticability of the solution of many of them by less than international agreement was considered—together with those elements of nationalism and individualism which make such international action difficult. Among the special topics discussed were: (a) The fundamental assumptions of democracy as a working form of social organization, and its inherent weakness; (b) current fallacies as to the possibilities of the
school in the solution of social problems; (c) the uneven progress of democracy; (d) the function of leadership; (e) the necessary modifications of the current conceptions of individual and national independence in the world today; (f) the development of willing submission to necessary controls; (g) types of school procedures and their intended and actual results; and (h) the economic and social implications of universal, extended education.

5. Courses in History. A course in European and American Expansion in the Pacific was given by Dr. Paul S. Bachman, of the University of Hawaii. He surveyed the development of colonies and dependencies in the Pacific, and discussed the comparative colonial policies and the territorial interests of the several powers. Political unrest on the part of dependent peoples was given special attention. This course had special point on account of the research in dependencies of the Pacific now being carried on by the Institute of Pacific Relations.

6. Courses in Psychology. Race Psychology, setting forth the relation between intelligence and racial differences as revealed by the investigation of racial groups, with particular reference to the situation in Hawaii, was offered by Professor Stanley D. Porteus, of the University of Hawaii. Attention was also given to the social customs, the organization and characteristics, and the effect of physical environment upon the racial psychology of a primitive people. Mr. Porteus's review of research work in this field is presented in his valuable paper appearing in this volume.

7. Courses in Sociology. The Social Aspects of Race Contacts were presented by Dr. Romanzo Adams, of the University of Hawaii, who has conducted many sociological investigations among racial groups in Hawaii. It dealt with social inheritances, conditions of contact, the persistence of old culture elements, and the problems of racial inter-marriage and amalgamation.

II. Seminar Courses

The afternoon seminars were conducted somewhat in the nature of round tables, offering some opportunity for general discussion. Each seminar was presided over by a member of the School of Pacific and Oriental Affairs. In some cases, two members conducted a seminar jointly. Other persons of maturity attended some of the seminars, thus assuring a competent and representative leadership, and the discussion of all points of view. The aim of the seminars was to arrive at an understanding of the problems affecting the Pacific area, through the medium of guided discussion. The success attending the seminars proves that advanced studies can be carried on in Hawaii with excellent results. The work of the School will tend more and more in the direction of seminar and round table discussions for the advanced and competent students and symposia for the faculty.
1. Seminar on the Process of Government. This seminar was offered by Professor William Bennett Munro, whose account of his seminar is as follows:

"The seminar on the Process of Government divided its work into three parts, namely: the procedure involved in the making of a law, the execution of a law, and its ultimate enforcement by the courts. Two meetings of the seminar were devoted to each of these topics.

"The procedure involved in the making of a law was carefully followed from the initial suggestion of a legislative idea to the ultimate enactment of finished legislation at the hands of a law-making body. The discussion centered, first of all, upon the embryo project in the public mind with special attention to the means of molding public opinion. Every law begins with the birth of an idea in somebody's mind. Then comes the work of propagating this idea in other minds, which involves a campaign of education, the building up of propagandist organizations, and the using of the customary channels of publicity. Half the work, or more than half the work, of getting a law enacted is frequently accomplished before the bill gets its first reading in the legislative chamber.

"Some time was devoted to a comparison of propagandist methods, both old and new. Among the topics discussed by the seminar were the declining influence of the newspapers in politics, the possibilities involved in radio broadcasting, and the various types of organization which now-a-days carry on lobbying activities of various kinds. In this connection the technique of lobbying came in for its share of attention. A brief study of several more powerful lobbies in different countries was made, for example, the Trade Union Congress in Great Britain and the Farm Bureau Federation in the United States.

"Then the class turned its attention to the process by which a bill receives its consideration at the hands of the legislature. There was a discussion of bill drafting, with special emphasis on legislative reference bureaus. The methods of framing bills in France and Great Britain through the use of administrative experts were explained. Attention was called to the increased use of experts in the framing of legislation at the various American state capitols. In spite of all this, we still have in the United States a great deal of defective bill framing, with resultant litigation and serious embarrassment to the parties affected.

"The consideration of measures by legislative committees is an interesting study when the practice of several countries is contrasted. In this seminar an entire session was devoted to a comparison of committee procedure in the parliaments of Great Britain, France, Germany, and Japan, as well as in the Congress of the United States.

1Statement submitted by Dr. Munro.
The different procedures as respects public and private bills in Great Britain were fully gone into. The differentiation in France between government measures and propositions introduced by private members was looked into. There was considerable discussion of the various methods by which legislative committees are constituted and organized. This linked itself up with the problem of keeping legislation in touch with executive responsibility. In Great Britain, for example, the political party which controls the ministry obtains a majority on every important committee in the House of Commons. By that means it is able to secure a favorable report on virtually all measures with which the Cabinet is concerned. In the French Chamber of Deputies, the same end is sought but not always obtained. There each political group in the Chamber is entitled to its proportionate share of representation in every important committee. The system of organizing committees in the German Reichstag affords no definite assurance that committee reports will synchronize with the wishes of the chancellor and his ministry. In the Congress of the United States, as everyone knows, there is no certainty that the judgment of House or Senate committees will be synonymous with the wishes of the administration. It frequently happens, as at the last session of congress, that the political party which is opposed to the president controls the majority in one of the chambers. In that case it controls the committees and determines the committee reports.

"In most national legislatures a favorable committee report guarantees the enactment of a measure without substantial change. This is not the case in the national government of the United States. Even when the administration and the two chambers of congress are controlled by the same political party, it frequently happens that bills reported by committees are torn open by both houses and emerge into final enactment with few of their original provisions unimpaired. A striking example was afforded by the new tax bill at the last session of congress. This measure, originally framed with the assistance of the treasury, was strongly supported by the appropriate House committees and by the leaders of both parties. Nevertheless, the most important provisions of this measure were discarded by the House as a whole, and when the tax bill had made its way through the Senate a conference committee representing the two houses met to adjust divergences of opinion, which were very wide, and in the end the measure bore a very faint resemblance to the original bill. It satisfied nobody, and its defectiveness in balancing the budget remains to be seen.

"Following the discussion of committee work, some attention was given to legislative debates, their nature, limitations, and declining effectiveness. It is interesting to compare typical speeches made in the great legislative chambers of the world. They show a wide range of difference. There seems to be a consensus of opinion that legislative debates have relatively little influence upon the passage
or defeat of measures on the floor. The fate of most bills is determined before any real debating takes place. It hinges upon the committee report in some countries, and upon the decisions of the legislative leaders in others. Debates now-a-days serve mainly as a channel whereby a representative can address his constituents at the public expense. The expense to the United States is very large.

"The class then considered the status of executive assent in various countries. In Great Britain, as is well known, the royal assent is never refused; nor could it be withheld in any case without provoking an immediate conflict between the king and his ministers. For, obviously, no important measure can ever get through the British parliament if the king's advisers are strongly opposed to it. If they are opposed they should fight the measure on the floor of the house rather than let it pass its various stages and then advise His Majesty to refuse assent. From the nature of things, therefore, the royal assent in Great Britain is and must always be a pure formality. In France, the system is only slightly different; for, while it is true that the organic laws of France permit the president to refer back a measure to the Senate or Chamber of Deputies, it has become an unwritten law that he must not do so but must promulgate every properly enacted measure that reaches his desk. The reason for this is the same as in England; namely, the place to stop a measure which deserves executive veto is on the floor of a legislative chamber rather than in the chief executive office. Under the new German constitution, the president of the Reich has a good deal more discretion in the matter of withholding his approval of laws. The articles in the Weimar constitution bearing on this point were carefully gone over. The process is a little involved and hardly needs explanation here. But in essence it gives the German president the right to invoke a referendum of the people on measures which he does not approve if such measures have been passed by anything less than a two-thirds vote in the German parliament.

"Among the chief executives of the principal countries, the President of the United States has by all means the largest discretion in the matter of withholding assent to laws. His power of qualified veto, as set forth in the Constitution, is explicit, and, as everyone knows, he exercises it whenever he thinks the interests of the country so demand. The passage of bills over a presidential veto is by no means a rare occurrence. On the other hand, it is not so common as many Americans believe it to be. Under the two-party system, it is never likely to be a very common occurrence.

"In the third section of the course, the discussion centered upon the place of the judiciary in the process of making the laws effective. Some time was spent in considering the question whether the judiciary in any country affords an adequate legal sanction. It was the judgment of the class that public approval of the law is a far more powerful sanction than any fear of judicial penalties and that the
latter ought to be needed only in the case of flagrant non-cooperators. Under the system of trial by jury, with juries representing a cross-section of the people, the laws must be kept in close tune with public opinion or the system of enforcement is likely to break down. Indeed, one of the strong arguments for the jury system is its service in this regard."

2. Seminar on the Chinese Revolution. Professor Arthur N. Holcombe, of Harvard University, conducted this round table. His description of work is here set forth:2

"The object of this seminar was to study the Chinese Revolution in the light of the materials furnished by the four conferences of the Institute of Pacific Relations; namely, those held at Honolulu in 1925 and 1927, that at Kyoto in 1929, and that at Shanghai in 1931. The object was not so much to arrive at conclusions concerning the origin, course, and possible results of the revolution but rather to evaluate the material as afforded by the deliberations at these conferences for the use of students of the Chinese revolution. With this in view, the problems which confront the student of the revolution were analyzed as follows: first, the material basis of the revolution; second, the financial basis of the revolution; third, the psychological basis of the revolution; fourth, the political basis of the revolution; fifth, the educational basis of the revolution.

"One of these problems was assigned for study each week. Each member of the seminar was assigned a specific topic falling within the general scope of the subject for the week and was directed to examine the published proceedings of the four conferences with a view to ascertaining to what extent the discussions as reported illuminate the above described revolutionary problems. Members of the seminar were instructed to disregard other materials except data papers published by the Institute of Pacific Relations for the information of members of the conference, in so far as the published proceedings of the conferences showed that such data papers had actually been read by the delegates and utilized in connection with their discussions.

"The study of the material basis of the revolution turned upon the following specific questions: first, can China produce the increased wealth per capita which is essential for effecting the change from a medieval to a modern culture state? and second, how long will it be before China can support the activities of a modern culture state? In connection with these questions, members of the seminar were directed to inquire also into the following: the comparative cost of government in the West and in China; the average income and the standard of living in the West and in China; the present development of productive capacity, with respect to natural resources, capital goods, human resources, and the prerequisites for further develop-

2Statement submitted by Dr. Holcombe.
ment. The active members of the seminar were instructed to consider whether the delegates to any of the conferences or the series of conferences, regarded as a whole, tended to reach a consensus of opinion. The investigations of the members of the seminar seemed to show that the industrial revolution is proceeding at increasing speed but that the development of industrial capacity to the point necessary for supporting a modern culture state will require a great investment of capital, much greater than has yet been available for Chinese industry.

"The program for the investigation under the head of the financial basis of the revolution turned upon the problem of financing the industrial revolution in China. The specific questions investigated by the active members of the seminar were as follows: What quantity of capital is needed in the near future? What quantity is available in China from Chinese sources? What is the amount of existing foreign investments and what security has been provided for them? Can China borrow the needed capital abroad and, if so, upon what terms? Do Chinese revolutionary leaders propose to offer the terms which seem to be necessary to secure the desired capital at this time? The investigations of the members of the seminar showed that the discussions of these topics by the members of the conferences throw very little light upon the main questions. Certain data papers provide valuable information concerning the amount of foreign investments and the nature of the security therefor, but the discussion of the security to be provided for further international loans left much to be desired.

"The study of the psychological basis of the revolution turned principally upon the following questions: first, is political capacity a racial trait? and, second, have the Chinese more or less of it than the people of the so-called Powers? Specific members of the seminars covered the following questions: (1) What opinions favorable to the political capacity of the Chinese were expressed by delegates at the conferences? (2) What reasons were offered in support of such opinions? (3) To what extent were contrary opinions advanced by delegates? (4) What reasons were offered in support of such opinions? (5) Is nationalism necessary for a modern state, and what are the prospects for its growth in China, and what is political capacity if not a racial trait? The investigations of members of the seminar show that little attention has been paid to any of these questions by the delegates to the conferences so far as revealed by the reported proceedings.

"The next session of the seminar was devoted to the political basis of the revolution. The problem was formulated in the following manner: What political conditions have been deemed by the delegates to the conferences to be prerequisites for: (1) the abolition of the conventional tariff and the grant of tariff autonomy? (2) the abolition of extraterritoriality? (3) the rendition of concessions and set-
tlements, especially Shanghai? (4) the abolition of freedom of navigation in Chinese territorial waters? and (5) the abolition of the Legations Quarter at Peiping and the improvement of Chinese position in respect to the diplomatic machinery of the Pacific areas? The investigations of the active members of the seminar showed that these topics had been the subject of much discussion at the various conferences. They did not show much tendency towards a consensus of opinion. On the contrary, differences of opinion remained at the end of the fourth conference, much the same as at the beginning of the first, except with respect to the first question which was disposed of by the grant of tariff autonomy two years ago. The investigations did show, however, that the Chinese delegates had defined their position with increasing clarity and that the issues between China and the Powers were becoming much better understood. It appeared, however, that the settlement of these questions would depend not upon the logic of argument by such men as delegates to the conferences but rather upon the logic of events.

"The final meeting of the seminar was devoted to a study of the educational basis of the revolution. It appeared that the deliberations of the conferences revealed very little consideration of this question. There was some vague discussion of education for international understanding and of the relations between the machine age and traditional culture in China and also of the influence of foreign missions upon Pacific relations, but the discussions were not brought to any definite conclusion, and in general furnished unsatisfactory material for the study of this most important aspect of the revolution.

"The final conclusion of the active members of the seminar with respect to the value of the published proceedings of the conferences was inconclusive. Two of the active members were of the opinion that the published proceedings are not of much value to the serious student of the problem of China. The other three active members held a more favorable opinion. Some members of the seminar thought the proceedings would be more valuable if the principal speeches of the delegates were reported more extensively and if the authors of the more important statements before the conference could be identified from the record. Others of the active members, on the other hand, were of the opinion that the reports of speeches by delegates could not be made much more precise and instructive without defeating one of the purposes of the conferences, which is to promote the fullest and frankest interchange of opinions among the delegates. These members of the seminar believed that the delegates would not speak as fully and as frankly if their remarks were to be published at length. On the whole, the conclusion was that the published proceedings were of chief value in calling attention to the data papers and emphasizing those portions of them that are most helpful to students. Further than that the reported proceedings are valuable
in showing in certain cases the attitudes of delegations from certain countries, but the discussions as reported do not show, in most cases, such tendency towards agreement as might be expected from persons of the kind who attend these conferences as delegates and, consequently, do not relieve the student of the necessity of an independent examination of the available data with a view to the formation of an independent judgment. In other words, the discussions at these conferences seem to be of much more value to the delegates than to students who may subsequently examine the record."

3. Seminar on the Diplomatic Relations of the Pacific. Dr. Charles E. Martin, of the University of Washington, and Director of the School of Pacific and Oriental Affairs, was in charge of this seminar. The seminar sought to discover the essential facts which underlie a few of the major problems of the Pacific area, and on the basis of those facts, to arrive, through discussion, at some conclusions regarding their possible solution or adjustment. All major points of view were presented and considered, after which, by means of round table discussion, an attempt was made to reconcile them. The seminar, of course, dealt solely with a few major political problems of the Pacific. Factual reports were required of each seminar member every week on some special phase of the subject for the week's study and discussion. The first half of the seminar period was spent in a discussion of the facts of the international situation studied, while the second half of the period was given over to a discussion of possible solutions, with certain questions submitted as giving direction to the discussion.

The first regular session considered the international problem of Manchuria. After laying a factual background, the following questions were discussed and answered by seminar members:

(1) Is China merely a territorial sovereign in Manchuria?  (2) Are Japan's interests purely economic, or are they partly political?  (3) Should the treaties be abandoned as measures of unjustified redress or should the parties negotiate with respect to changes?  (4) Has the course of the League in relation to the controversy been effective?  (5) Has the United States, through the "Stimson Doctrine," contributed to peaceful settlement?  (6) The status of Manchoukou: (a) Will it be recognized?  (b) Will China ultimately consent to this arrangement?  (c) Is it maintained through Japan's solicitude and for her benefit?  (d) If so, is Japan merely following the practice of other states?

The League of Nations Commission Report was not published at the time. However, the conclusions of the seminar were strikingly similar to the findings of this commission, and bear out the statement of Dr. C. Walter Young that any body of reasonable men would probably reach approximately the same conclusions.

The next meeting of the seminar discussed the International Set-
tlement at Shanghai. With Judge Feetham's Report to the Shanghai Municipal Council as the foundation of the study, the following problems were presented for discussion:

(1) Do the Land Regulations furnish, as often charged, an unauthorized, unrepresentative, unworkable, and reactionary system of government for modern Shanghai? (2) In view of the preponderant Chinese population, should the Chinese residents be given a majority of members on the Shanghai Municipal Council? (3) Should the School System of the Settlement be made to conform in policy and method with prevailing Chinese systems, on the ground that Chinese students are mainly taught or for any other reason? (4) On the basis of the Feetham Report findings, should the status quo be maintained or is there no need for a change? (5) If a change should be made, should the International Settlement be immediately handed over to the Chinese? Should Chinese jurisdiction become exclusive and absolute forthwith? (6) Or should there be a gradual modification of foreign control, with a transfer of authority to the Chinese over a transition period?

(7) If the answer to No. 6 is yes, should there be a definite program and policy of rendition, worked out in detail between the interested parties, or should the work of transfer await definite proof on the part of Chinese residents that government will be carried on efficiently and well, and that the rights and interests of foreign subjects will be protected? (8) Should rendition, immediate and complete, or partial and gradual, be eliminated from consideration as a possible solution, with the understanding that the government of the Settlement shall become more democratic and that, in the administration of the disputed area, the interests of the Chinese will be taken increasingly into account? (9) If rendition is to be immediate and complete, what new form of government is to be substituted? How will the interests of foreign governments, admittedly great, be protected? (10) If partial and gradual, what powers and functions should be immediately transferred, jointly exercised, and expressly reserved? (11) If reform and change is necessary and inevitable, must former treaties be revised, and new ones negotiated? If so, should the negotiations be on a bilateral or a multilateral basis? Can the Chinese, having in mind their present policy and declarations regarding foreign settlements and concessions, logically treat with respect to any scheme of continuing, even for a brief time, the present regime? (12) To what extent is the International Settlement analogous to the International City of Tangier* (13) Did Japan, by independent action, have the right to use the International Settlement as a base of operations against outside Chinese Territory? Against the Chinese within the Settlement? Does she or any country have a right to use the territory of the Settlement for hostilities

against another state having an interest there? Should such terri-
tory be neutralized, and therefore immune from all hostile attack?

The seminar agreed that there should be a gradual modification
of Chinese control, with a transfer of authority to the Chinese cover-
ing a transition period. The status quo could not be maintained, nor
could there in justice be an overnight change in the government of
the International Settlement. Rendition, then, instead of being
immediate and complete, should be partial and gradual, and should
be worked out in the interest of justice to all parties concerned.

The third major problem of the seminar covered the subject of
extraterritoriality. The seminar considered the following problems:

(1) Is the practice of extraterritoriality in China, the only independent
country where it prevails, in derogation of her sovereignty? Is it
humiliating to her national pride? (2) Has the system increased the
courts and diversified control to the point of making substantial
justice difficult or uncertain or impossible? (3) Have the foreign
courts resulted in (a) a national bias in administering the laws?
(b) avoidance of jurisdiction and escape from justice on account of
dual citizenship? (c) a weak administration due to inefficient and
untrained officials of the court? (d) uncertainty as to the law to be
applied? (4) To what extent, if at all, does the control of different
areas in China by competing military factions hinder the administra-
tion of justice and delay the lifting of extraterritorial treaty pro-
visions? (5) Is the Chinese judiciary free from other departments
of government? Is it a separate department of government? An
independent department? If not, what steps have been taken to
improve the situation? What steps remain to be taken? (6) What
recent progress has been made in Chinese jurisprudence? Have
criminal, commercial, or civil codes been drafted and adopted? If
so, are they in effect? May one count on their substantial applica-
tion? (7) Should extraterritoriality be continued permanently? If
so, as it now exists, or with substantial modifications? (8) If it
should be abolished, should it be done forthwith, or gradually? (9) If
abolished gradually, what form should the modifications take? (a) a
definite time limit? (b) limitation of jurisdiction as to areas? (c)
limitation of jurisdiction as to the subject matter, i.e., criminal
cases, civil cases, and different kinds of legal disputes? (d) limita-
tion of jurisdiction as to persons and parties involved in disputes?
(e) total abolition by some countries, modified abolition by others?
(10) Should the present treaties be superseded by new treaties ac-
ceptable to the treaty powers, or should executive abrogation be
sufficient? What guarantees should China give? Should they be
merely an improved administration of justice, officially noted by
the powers, or should such guarantees be conventionalized and secured
by treaties? (11) What is the political effect of China’s unilateral
abrogation? The legal effect? The moral effect? (12) Should
the negotiations in the future be bilateral or multilateral? Should
this be determined by China? by the powers acting in concert? or by the powers acting alone, consulting their separate interests?

Here also, it was agreed that the gradual abolition of extraterritoriality should be carried out, but that the interests of the treaty powers, as well as the interests of China, must be consulted. Unilateral abolition by China was understood to be not in keeping with international covenants and with international justice; while the powers could afford to treat with respect to the termination of their consular jurisdiction, and could, through a cooperative spirit, aid the Chinese to arrive at their desired goal. The stigma of this limitation on the sovereignty of China was clearly understood, and was agreed upon as a condition which should soon pass away.

The final meetings of the seminar dealt with the peace machinery, institutions, and conventions, which extend to the Pacific area. The League of Nations, the Permanent Court of International Justice, the International Labor Organization, the Disarmament Treaties, the “Four Power Pact,” the Kellogg Anti-War Pact, the Pact for the Limitation of Naval Bases in the Pacific, and the Nine Power Treaty concerning China were discussed briefly in their Pacific applications.

The following problems were considered: (1) Should the League of Nations and cognate world organizations extend their sphere to the Pacific? (2) Should there be a League of Pacific States? (3) Should there be a special and permanent machinery for the maintenance of peace in the Pacific? (4) Should there be continuation conferences in the future, such as the Washington conference? (5) Is ordinary diplomatic intercourse sufficient to maintain the peace of the Pacific area?

All five of these alternatives were discussed. There was not agreement on any one method, which discloses the unsettled state of mind as to the method of keeping the peace of the Pacific. Perhaps the League’s handling of the Manchurian situation will throw light on the question.

4. Economic Problems of the Pacific consisted of the discussions led by Professor Hinton and Dean Grady. All angles of economics in this quarter were discussed, with special reference to the tariff in the United States, the silver question in China, the five year plan in Russia, the gold standard in Japan, and the imperial problems of the British Commonwealth of Nations. Maladjustment and depression in the Pacific were discussed. No set plan of discussion was followed as closely as in the other seminars, and fewer conclusions were sought for and reached. The seminar directors preferred informal discussions and explanations of relevant situations, without any attempt to solve them.

5. Civilizations of the East and West was the title of the seminar conducted by Dr. Kenneth J. Saunders. His statement declares:*

*Statement prepared by Dr. Saunders.
The seminar met five times, and ten papers were prepared upon the ethical ideals of East and West. The first evening was devoted to a discussion of the sources of idealism in the Western world and in Asia. The second evening was devoted to a discussion of China and its ethics, and the coming of the West was illustrated by a very careful study of Dr. Hu Shih, the most representative modern Chinese leader of thought. The third evening was devoted in the same way to Hindu ethics, and Mr. Gandhi was taken as a mirror of the changing ideals of India. The fourth evening was given up to Japan with the figure of Kagawa, novelist and socialist leader, as reflecting a Christian reinterpretation of old Japanese ideals. In the final session, the topic was “Scientific and Christian Ideals and their Sources.” If the West is to contribute scientific methods and the application of science to life to Asia, it is also likely to contribute Christian idealism.

The 20 members of the seminar were largely local Christian leaders, but there were one able Japanese Buddhist and two Chinese students who made valuable contributions.

6. The final seminar, conducted by Dr. Stanley D. Porteus, of the University of Hawaii, dealt with Race Relations in the Pacific. It was an advanced study of the social problems of race relations and contacts in the Pacific. It considered especially the problem of mixed bloods, and the problem of Pacific races, with Hawaii as a laboratory. The details of Dr. Porteus's research can be found in his excellent paper, “Human Studies in Hawaii,” published in this volume.

The work of the round tables has been described more fully than that of the courses, for the reason that a conspectus of the general courses is given in the form of the popular evening lectures. The best work of the session was done in these round tables, where master and disciple met in frank and open discussion of advanced problems relating to the Pacific. Their work is less spectacular but more important, and will form the basis of future research should they be continued. It is the foundation on which any successful school must build.