

## CHINA'S LAST LAND LINKS THREATENED

The Japanese government has concentrated in the last weeks on an attempt to cut the trade routes into southern China. Japanese inspectors are stationed at key points in Indo-China and Kwangchowwan to control the traffic from those areas to Yunnan and Kwangsi. Pressure being brought to bear on Great Britain has resulted so far in the reported proposal to close the Burma Road to arms traffic during the summer rainy season, when under any circumstances commerce is severely restricted. The Hongkong authorities have been told that they must stop the passage of "contraband" through the colony. At the moment, therefore, one of the main issues in the Far East is the importance of these so-called lifelines to China.

The *Far Eastern Survey* has from time to time issued reports on the few remaining entrances into China. Recent information throws more light on the present situation. The Burma Road now accounts for an average of 6,000 tons of monthly imports into the unoccupied areas, and it is estimated that this amount will be multiplied threefold in the future. Various problems, however, such as the establishment of sufficient gas stations and adequate repair facilities, have not as yet been solved. At present the Chungking government is operating 2,000 trucks with a capacity of two and a half tons each. Shipments can be rushed from Lashio to Kunming, a trip of 500 miles, in five days but the average journey is probably nearer seven; in addition two or three days are needed for unloading cargo at Rangoon and sending it to Lashio by rail. One of the difficulties of using the highway as a major supply route is the cost of transportation. In fact the distance is so great and the terrain so mountainous that charges for shipments by air are only 50% higher than those via the land route; it is not unusual to send valuable ores from China to Rangoon by plane.

According to all reports the commerce now going over the Burma highway is of Russian and American origin. The Russian products are said to be munitions including antiaircraft and antitank guns and airplanes. The Universal Trading Corporation purchases from the

United States, which last year amounted to over U.S.\$19 million, consist of automobile equipment, petroleum products, electrical equipment, metals, textiles, medical supplies and general machinery.

As to Hongkong, although the quantity of goods passing through the colony to free China has been smaller than that going by way of Haiphong and Rangoon, it nevertheless represents a significant amount. Exports from Hongkong to Macao, Kwangchowwan and Indo-China rose from Hk.\$57 million in 1938 to Hk.\$129 million in 1939. It is generally assumed that this increase is due to the fall of Canton and that commodities are now traveling by this roundabout route into the unoccupied areas. The largest gain is in shipments of textiles from the British colony to Kwangchowwan, which reached Hk.\$27 million in 1939 as compared with only Hk.\$1.8 million in the previous twelve months (there are indications that much of this increase is in materials used for army uniforms). Hongkong exports to Indo-China have shown marked advances in oil, metals and vehicles. Oil purchases, consisting mainly of gasoline, were valued at Hk.\$0.3 million in 1938 and Hk.\$4.2 million in 1939. Vehicles, which were formerly a negligible factor in this trade, accounted for Hk.\$9 million last year and included 970 trucks and 1,308 chassis for trucks.

The main question is still how long free China can continue to exist once the few remaining land links are cut off. One prominent Chinese authority has just estimated that even if all of China's connections with the outside world are severed, the Chungking government has accumulated enough stores of necessary provisions to last one year.

(See in previous issues: "An American Loan to China in Operation," Mar. 13, 1940; "China's Lifelines and the Indo-China Frontier," Feb. 14, 1940; "New Rail Links in Unoccupied China," Jan. 17, 1940; "Soviet Aid to China Under the 1939 Agreement," "Britain's China Stake on the Eve of European War," Sept. 27, 1939; "Yunnan-Burma Road Enters Trial Stage," June 21, 1939; "War Hastens Chinese Railway Activity," Mar. 1, 1939; "China Driven to New Supply Routes," Nov. 9, 1938; "France Takes Inventory in China," Sept. 28, 1938.)

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