

Retreat to Formosa

The top news about China came last week, not from the Communist-overrun mainland, but from Taipei, capital of the island of Formosa, and from Moscow.

Chiang Kai-shek fled from the mainland to Taipei after the Nationalists lost the South China province of Yunnan.

Meanwhile, the Communist hero of the hour, the Hunan peasant's son, Mao Tse-tung, went to Moscow to receive the congratulations of Josef Stalin and briefing from the Kremlin on how to consolidate gains and what steps to take next.

Last Redoubt. Chiang's choice of Formosa as a hideout was no out-of-the-hat selection. It was to Taipei that he went after his "retirement" as Nationalist President early this year. And even after he returned to the mainland for a final attempt to rally his whipped forces, trusted aides remained behind to make Formosa a fortress for Chiang.

Chiang sent 40,000 picked troops to serve as a nucleus for a Formosan defense army which now has grown to about 300,000 men. This army was trained by Gen. Sun Li-jen, who helped American Gen. "Vinegar Joe" Stilwell liberate Burma. The Gimo's son, Maj. Gen. Chiang Ching-kuo, bosses the Formosan branch of the Kuomintang.

Money is no object. Most of Nationalist China's \$300 million reserve of gold and silver bullion is cached on the island. What is left of the Nationalist Air Force also is based on Formosa. It has access to 50 airfields, 10 of them big enough to handle Flying Fortresses.

Historic Isle. Blockade-proof, but not invasion-proof, Formosa (see map) is about twice the size of New Jersey. It lies 85 miles off the mainland. Four hundred years ago Portuguese explorers named it "Ihla Formosa," which means "beautiful island." The treaty of Shimonoseki, ending the Sino-Japanese war, awarded it to Japan in 1895. The Japanese changed its name to Taiwan (Terraced Bay), helped farmers increase outputs of rice, tea, sugar, pineapples, etc. The surplus was shipped to Japan for home consumption.

The Japanese opened Formosa's mines, tapped forests, built roads and railways. They developed Taipei into a "little Tokyo" with modern buildings. They gave Taiwan a standard of living second only to Japan's in the Far East.

They also turned the island into a great air base from which, eight years ago this month, Nipponese bombers launched an attack on Luzon which destroyed American air power in the Pacific until Navy carriers got into the fight in 1944.

Formosa

After the surrender of Hirohito, the Allies agreed to let China run Formosa until a peace treaty with Japan was signed. Chiang's first appointee as Governor of Formosa was an unhappy choice. He picked Gen. Chen Yi, who had a long record of corruption as a mainland administrator.

Looting Toot. This Oriental carpet-bagger brought with him a staff equally corrupt and they launched a campaign of systematic looting. They took over businesses and farms, set up monopolies which bought produce at below-market prices to be sold in mainland black markets.

Chen's corruption and mismanagement brought wild inflation. The islanders got less and less to eat and to wear. Those who protested were jailed. In February 1947 Formosans revolted but Chen's troops put down the uprising, killing 10,000.

In a belated effort to appease the islanders, Chiang removed Chen and put a civilian, Wei Tao-ming, former ambassador to the U.S., in his place. Early this year, Chiang replaced Wei with a former chief of staff, Gen. Chen Cheng.

Border Jump? Mao's southwestern armies stand at the border of French Indo-China. Some observers think they may go to the aid of Ho Chi Minh, a Moscow-schooled stooge of the Kremlin, who has been fighting the French in Indo-China for three years. But Mao would lose more than he would gain by such a maneuver. It would kill off his chances for recognition by the British, now close at hand, and eventually by the U.S. and the United Nations.

Formosa seems a more logical target, since it has what Communist China needs most: food and raw materials like coal (the Formosan reserve is 400 million tons).

The future of Formosa undoubtedly will be discussed at Moscow by Mao. But officially his visit to the Russian capital, his first trip outside his native China, is to pay tribute to Stalin on his 70th birthday (Dec. 21). Mao's visit has great propaganda value, for it permits the Russians to swing the spotlight away from the rebellious Tito to a Communist hero abroad who has remained faithful.

Mao played along with the strategy and made it clear that he does not aspire, at least openly, to be the "Tito of the Far East." At a welcoming reception for him in Moscow's Yaroslavl station, he said: "For many years the Soviet people and the Soviet government have repeatedly given aid to the cause of the liberation of the Chinese people. These acts of friendship . . . will never be forgotten."