

RED TERROR IN SOUTH CHINA.

NEW ATROCITIES.

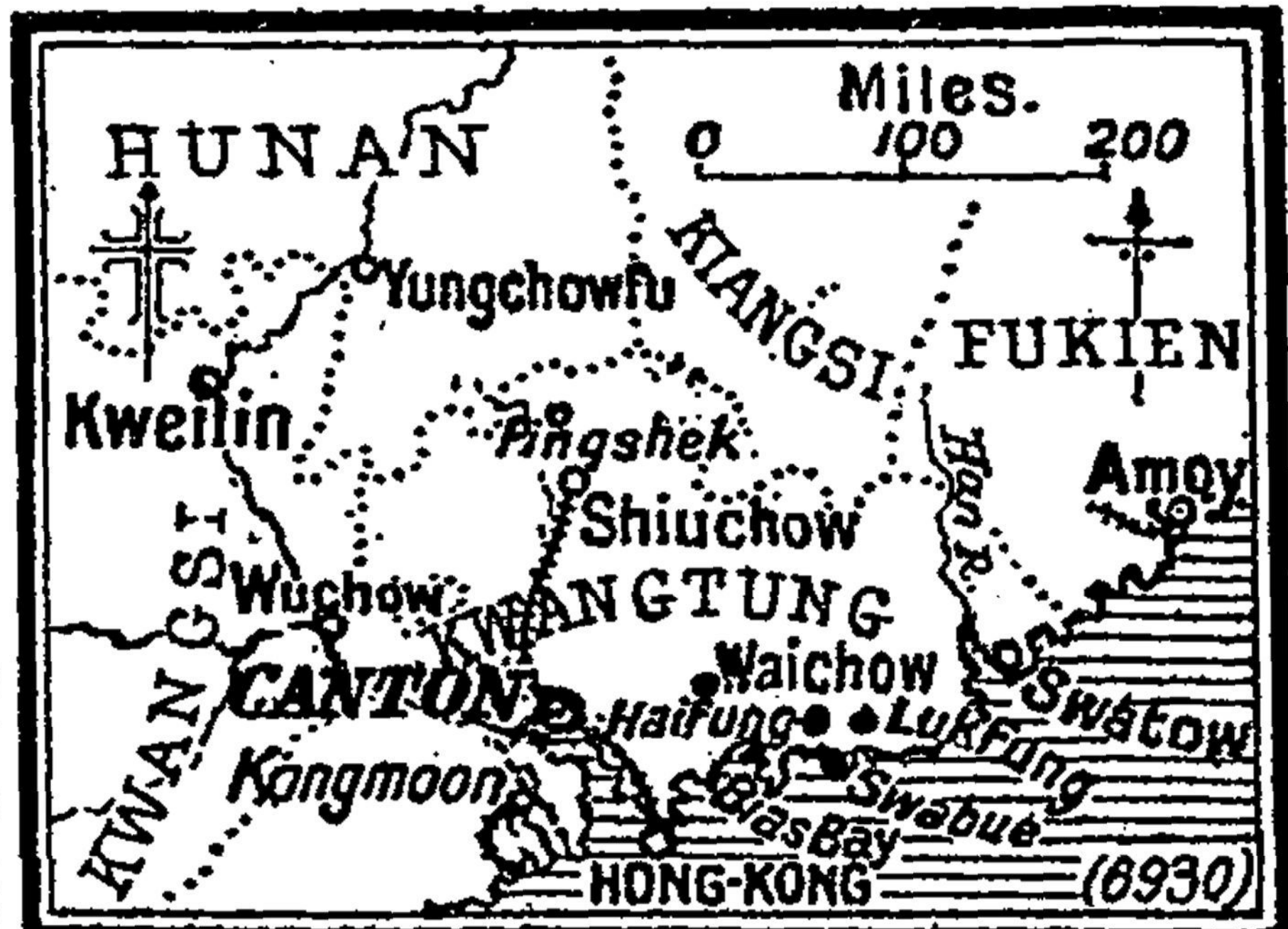
CANTON COMMUNISTS EXECUTED.

(FROM OUR CORRESPONDENT.)

HONG-KONG, FEB. 8.

Reports from all parts of the Province of Kwangtung give alarming accounts of Communist activities, but it is not yet certain how much is plain banditry.

In the East, at Haifung and Lukfung—where it was recently reported the Red Terror had been responsible for the massacre of 10,000 victims—the Soviet continues to function, and there are frequent reports of atrocities. Bandits are threatening Waichow, between Canton and Haifung, and wealthy inhabitants are fleeing from the town. In the North the Reds, allied with defeated Hunanese troops, seized Pingshek, but it is reported that they have since been driven out by General Fan Shek-sang's Yunnanese troops, who are now demanding money from Canton, without which their continued service for Li Chai-sum, the restored dictator of Canton, is considered



doubtful. In the South the Reds have seized Pinghoi, and unconfirmed reports state that they have also captured Hoihow and are threatening Kongmoon, 50 miles south of Canton.

In spite of frequent arrests and executions the Communist agitation continues intensively in Canton itself. Pending a solution of the financial problem, Li Chai-sum seems content to hold Canton and Swatow. General Chen Ming-shu has arrived at Canton from Swatow, and is being offered the chairmanship of the Provincial Government.

* * The struggle for power in Canton and Kwangtung, which in the last three months has produced many changes, seems likely to be renewed with the arrival in Canton of General Chen Ming-shu. This Fukien commander was formerly an adherent of General Chiang Kai-shek, the Nanking Generalissimo. Following Chang Fat-kwai's *coup* in Canton in November (when Chang Fat-kwai seized power in the absence in Shanghai of Li Chai-sum), General Chiang Kai-shek was urged by Canton merchants to allow General Chen Ming-shu, who had quarrelled with Chang Fat-kwai, to enter Canton with his troops. After the sanguinary Communist interlude in December, Li Chai-sum re-established his position, largely as the result of the intervention of the Yunnanese General Fan Shek-sang, who declared in his favour. The rebellious troops of Chang Fat-kwai, although they were described on January 27 as having been dispersed, continued to give trouble. General Chen Ming-shu's troops were engaged against them near Swatow, but Li Chai-sum apparently placed so little trust in them that they were invited "to transfer themselves" to Canton and give way to Li's own picked troops. Finance is not the least of the difficulties with which Li is faced. When Chang Fat-kwai decamped he removed the bank-note reserve from the Canton Central Bank, two of the officials fleeing to Hong-kong with £130,000 of the bank's money. This, they pleaded when arrested, was being transferred to the Nanking Government, and on this plea the extradition of the officials to Canton was refused.