China is a large country with an enormous population. Modern China is governed by a comparatively small class of the population, by the educated men of the nation, altogether about five million in number, comprising approximately one and onequarter per cent of the entire population. The vast majority of the Chinese people are poor and ignorant, and are mercilessly exploited by this small ruling class that dominates not only the political, but also the industrial, the commercial and the social world. Chinese education culminates in a great, very difficult competitive civil service examination, with particular emphasis on classical subjects. Chinese officials have been, from immemorial times, picked by these competitive examinations, the educated class thus furnishing not only the political rulers, but its military officials as well. By this same system Chinese tradition condemned the masses to a life of complete political ignorance and indifference. By the same token the Chinaman has become an intense individualist, and indifferent as he is to ordinary political problems, he will bitterly resent and direct any tangible interference with his personal life and comfort. Where this is attempted the persons immediately concerned will frequently take recourse to a sort of individualistic collectivism, that has more than once proven to be an effective weapon against governmental encroachment. In this connection we recall the experience of the officials of a certain Manchurian town who were responsible for the levying of a business tax upon local merchants. The latter organized a boycott against their inconvenient officials and their families that was so complete that even the water-carriers refused to supply them with the necessary drinking water. So thoroughly was this boycott carried out that the officials were forced to relent, and the tax was revoked. Nor is this an isolated case. In spite of their individualism, the Chinese, especially the traders and business men, have an exceptionally strongly developed collectivist sense and show a marked spirit of co-operation when it comes to pursuing some point of mutual advantage. In their dealings with foreign traders they have been able to outwit the shrewdest Yankees and John Bulls. It is practically impossible for a foreign merchant to deal directly with Chinese business men. All business at the Chinese treaty ports is conducted through the medium of compradors, brokers who form a solid combination that has successfully kept up the prices of goods intended for exportation, while forcing down prices of goods that are brought into the country. In this respect the Chinese merchant has more effectively resisted the exploitation of foreign merchant capital than his Japanese neighbor.

As a people the Chinese are contented and adopt themselves easily to the most adverse conditions. As a matter of age-long tradition they are slow to adopt new ideas and methods. Chinese education is based upon an intense worship and adoration of the past, and this inordinate pride in the glorious past of the Chinese nation has made the whole nation more or less impervious to the teachings of a more modern world. Then too, the average Chinaman has little or no intercourse with the world outside. Foreigners in China are found only in the treaty ports. And even here they rarely come into contact with the people. The Chinese language is enormously complicated and difficult to learn. There are very few foreigners who can understand the Chinese tongue and master the language. And even after he has learned the language, the foreigner is usually limited to a single province, for in the various parts of China the people speak in dialects that are so radically different from each other, as to form an impossible barrier for communication even among Chinamen themselves.

In spite of their slow, dull, plodding natures, the Chinese are shrewd, acute business men, and this strongly developed sense of business acumen will prove China's greatest asset in the coming struggle for national recognition. We have mentioned before the strongly communistic sense of the Chinese people. This is due, to a degree, to the ancient examples of collectivism that still persist in Chinese life. The villages are still conducted upon a sort of communist system of families. The trades are strongly dominated by guilds whose ancient regulations are still strictly adhered to, rude and crude though some of them may be. The severest punishments are meted out to those who infringe upon guild regulations. Thus, for instance, in some guilds it is a practice that every member bite the man who has committed a breach of regulations. For the aggressiveness of the Chinese business man we can hardly find a better example than the astonishing growth of the Chop Suey houses right here in the city of New York. Ten years ago these Chinese eating places were practically confined to the Chinese colonies, in New York as elsewhere. Today they are a prominent institution in American restaurant life, and many thousands are being fed daily in this city in eating houses that bear witness to the business efficiency of the Chinese people.

Although China is probably the richest country in the world, its people are exceedingly poor. All classes of China, the well-to-do as well as the poor, are extremely economical. But when once