In the period between the Japanese occupation of Manchuria in 1931 and the ‘Xi’an Incident’ in December 1936, the two leaders, Chiang Kai-shek and Zhang Xueliang, clashed over the question of national priorities. The Generalissimo believed that Communist power should be defeated first and only later should war be declared on the Japanese, who had chipped away at China’s integrity and had compromised its sovereignty; while Zhang Xueliang thought that the foreign invaders should be evicted from the country first and only then should attention be given to the nature of the emerging Republic.

In the years 1931 to 1934, the Communists built a stronghold in southeastern China and established their first soviet, while the Japanese strengthened their position in Manchuria and began to gain a foothold in northern mainland China, in the provinces bordering the Great Wall. In Manchuria, the Japanese established the puppet empire of Manchukuo, headed by the last Chinese emperor, Pu Yi. By 1936, they were in position to advance southward towards Beijing, and in July 1937 they carried out their plan and invaded the country’s heartland. At the end of October 1934, the Communists, who had withdrawn from their original base under pressure from government forces, embarked on an impressive withdrawal campaign that came to be known as the ‘Long March’, and a year later established a second soviet in Shaanxi province in the north.

These were fateful years in the international arena. In 1933, Hitler came to power in Germany and began undoing the sections of the Versailles Treaty that, it had been hoped, would have maintained international order. Fascist Italy under Mussolini did as it wished and scorned the League of Nations. No power prevented it from occupying Abyssinia. The Civil War in Spain between 1936 and 1939 was another sign of the spreading international lawlessness and turmoil.
At the beginning of 1933, on the basis of a report by a League of Nations delegation headed by Lord Lytton, which investigated the deeper roots of the Manchurian Incident and its unfolding, the League determined that the Japanese forces must evacuate the territory they had occupied. Tokyo refused to accept the decision and withdrew from the international organization in protest. The Japanese army’s occupation of Manchuria now became a fait accompli. Zhang Xueliang’s forces first withdrew to Jehol province and then continued south of the Great Wall. And so the Young Marshal lost his last stronghold in the north (it can be argued that Chiang chose a policy of restraint towards the Japanese while steadfastly fighting the Communists because, among other considerations, it seemed desirable to him to have Zhang Xueliang, an independent warlord, defeated as he posed a future threat to the Generalissimo). In May of that year, a cease-fire agreement, the Tanggu Agreement, was signed between the Japanese forces and the Chinese government. The agreement created a neutral territory south of Jehol province, which now became the border between Manchukuo and China. Actually, the Japanese arrived at the line of the Great Wall and consolidated their territorial gains. From their point of view, this was a great advantage because it reinforced the defense range of the state that they had created – Manchukuo. Henceforth they became a constant military threat to Beijing and the whole of China. Broad sections of the public perceived Zhang as responsible for the fall of Jehol. That charge would eventually be added to his being blamed for the fall of Manchuria itself.

One of the questions that troubled many people at the time and still reverberates to this day is why was there no resistance or resolute fighting against the Japanese in Manchuria? Did the leader, as was later argued, order that the occupiers were not to meet with resistance? A persistent rumor circulated for many years that a telegram to this effect had been sent by Chiang Kai-shek. According to the rumor, the telegram served for years as a sort of insurance policy for the Young Marshal, proving that he had not betrayed the nation in the face of the enemy’s advance, but rather was carrying out an order that he had received from his commander.

A closer look at the issue of the telegram raises several questions. For one thing, there is no evidence of its existence. Even Zhang, who would have supposedly gained from its discovery, himself asserted decades later that the rumors of its existence were ‘nonsense’. The telegram was apparently sent after a Japanese agent was seized and killed by forces led by Zhang Xueling and the Japanese in the province were about to launch a retaliatory operation. According to that version, Chiang warned Zhang