CHINESE NATIONALISM AND ITALIAN FASCISM: A DECADE OF POLITICAL AND ECONOMIC COOPERATION (1928 – 1937)

di Orazio Coco

1. The relations between Italy and China before 1928

At the end of the First World War, relations between the Kingdom of Italy and Republic of China remained confined in the context of economic interests of modest values. In Italy, only a few intellectuals and religious missionaries could in fact be considered experts in Chinese culture and language. Italy obtained, after the signing of the Boxers Protocol (7 September 1901), the concession of Tientsin, but only a small number of Italian residents lived permanently in the city, at that time occupied by the Western Powers. For a long time, it was a community standing in anonymity, with minimal involvement in the local business relations, in comparison with other international collectivities that with great opportunism and commitment had laid the foundations for a long-standing social and economic presence, contributing decisively to the beginnings of China’s industrialization.

Nothing changed the situation until the Washington conference in 1921, summoned with the main objective of discussing arms restraint in the world and through which China finally obtained the return of the Shandong province under its own sovereignty, a territory earlier militarily occupied and administered by Japan, in exchange for the full adoption of open market policy in international trade. A bilateral agreement between China and Japan was achieved, with the support of Great Britain and the United States, and it was signed on 1


2 The agreement was signed on June 7, 1902 for Italy by Count Giovanni Gallina. About the history of the Italian concession V. Fileti, La concessione italiana di Tien-tsin, Genoa, Barabino and Graeve, 1921 and Cesari Cesare, La concessione italiana di Tien-tsin, Rome, Fascist Colonial Institute, 1937.

3 The census conducted through the Italian consulate in Tientsin in 1931 revealed the number of 392 Italians, of whom 331 soldiers, living in the concession of Tientsin, at the time of the highest density of Italian citizens in China. Altogether about 800 Italians resided in China. Records kept in the historical archive of the Italian Ministry of Foreign Affairs, Political and General Affairs (from now MAE DGAP), China archive (1931-1945), folder 3, document signed by consul Luigi Neyrone dated 24 April 1931.

Giornale di storia, 25 (2017)
ISSN 2036-4938
December 1921, just before the treaty of the Nine Powers (Washington, 6 February 1922).\(^4\) Among the countries which signed the agreement was the Kingdom of Italy and Benito Mussolini, during the debate at the Italian house of the representatives, asking for the treaty ratification, in his speech explained that, while he did not believe the promises of peace of that kind of international conferences, the opportunity could propose to the world a brief hope of peace and for that reason the agreement had to be supported.\(^5\) In his speech no sign of solidarity to China was explicitly stated, implying that the situation in the Far East was, for the Kingdom of Italy, still considered a matter of lesser political interest. The agreement recognized the territorial and administrative integrity of China, obtaining the acceptance by the Chinese government of the open-door policy,\(^6\) and represented, from an economic point of view, an opportunity for the Italian industrial companies, constantly looking for new international markets to export their own production. At the beginning of 1927 the Kingdom of Italy and the Republic of China started the renegotiation of the trade agreements signed on 18 October 1866.\(^7\) China's nationalist government, inspired by the desire of freeing the country from the suffocating colonial presence imposed by the "unequal treaties",\(^8\) whose signing the agreement with Italy in 1866 it was considered a legacy, at first unilaterally declared terminated, but after strong resistance from the Italian government, finally agreed to negotiate a new bilateral treaty, this time based on fair and reciprocal conditions.\(^9\)

On 27 November 1928, the fascist government of the Kingdom of Italy and the Nationalist Republic of China signed the new treaty of Amity and Commerce.\(^10\) The agreement was the beginning of a new era of political and economic relations between Italy and China. With the agreement, Italy recognized the principle of tariff autonomy to China and accepted the


\(^5\) Benito Mussolini’s speech to the House of Representatives on February 6, 1923, available on the website of the Italian Senate http://storia.camera.it/regno/lavori/leg26/sed194.pdf.

\(^6\) Open door policy is a concept of foreign policy applied to the international trade. In the case of China, it defined the strategy primarily supported by the United States and Great Britain, which offered free trade opportunities with each country on equal basis, leaving, in China's specific case, the right to independently apply custom tariffs, but without discrimination or special privileges. It is important to recall that after signing the Boxers Protocol, the international Powers also exercised and administered, together with the Chinese authorities, the control of the country's customs revenues.

\(^7\) The Treaty in 1866 was the first signed by the Kingdom of Italy and the Empire of China. The treaty of Friendship and Commerce was stipulated in Shanghai on October 18, 1866 and it was signed by the Italian mission commander, Vittorio Armiijon, who arrived in China with the ship Magenta. About the journey V. Armijion, *Il Giappone ed il viaggio della corvetta Magenta nel 1866*, Genoa, R.I. Sordo-Muti, 1869 and *La Cina e la missione italiana del 1866*, Florence, 1885.


\(^9\) Also see U. Bassi, *Italy and China*, Modena, Bassi e Nipoti, 1929, p. 47, which also reports the diplomatic correspondence of July 11, 1928.

\(^10\) Signed by the Ambassador Daniele Varè and the Chinese Minister Wang Zhengting, published in Italian Gazette n.134 of 10 June 1929. The full text is also reported and commented on in U. Bassi, *Italy and China*, p. 59.
abolition of the right of extraterritoriality, subject to the same decision approved by the Powers signing the Washington treaty. Italy was also among the first countries to recognize those foundations of sovereignty and free determination, that China in those years had claimed with intense diplomatic activity, both at the bilateral level and at the tables of discussion with the main international institutions. In return, Italy obtained the right to free movement of Italian citizens in China. By signing the Agreement as of 1 January 1930, all Italian citizens would be subject to the jurisdiction of China, but in return they would receive the right to reside, trade and possess title to property, even outside of the territories protected by treaties.

The long negotiation of the agreement involved the attention not only of the politicians, but also of the Italian public opinion. Commenting on the debate, professor Ugo Bassi, in those years tenacious a supporter of the strong bond between the two nations, said:

So in the future, we must aim for the Chinese relation to become more effective, and we must look for the friendship of that government - which is overcoming the current state of profound crisis – that we will succeed in achieving and will be very easy, because Italy - it is worth to repeat it - has not wakened deep hatreds in China, like other nations, avid of territories, avid of supremacy: the true friendship of China, and not of this or that party, will enable us to fight with good fortune. The commercial invasion of other nations that only tend to exploit that territory without developing it, if not slowly.

The process of abolishing the extraterritoriality privilege for foreign nationals began in January 1930, but it was delayed in its political path by the obstruction of the diplomatic legations of the other international Powers, more concerned than Italy about the direct consequences for their own resident communities in China, more numerous than the Italian one. Despite the difficulties in implementing the measure for both Italy and China, the mutual recognition in the sphere of jurisdiction contributed to the opening of a dialogue, involving other common interests, primarily economic ones, related to the development of both national economies, as well as strategic political topics of international cooperation. Indeed, China's political recognition among the major nations of the world was also one of the main objectives of the Chinese government foreign policy.

11 The customs tariff autonomy and the extraterritoriality issues characterized the policy implemented in China by the colonial Powers. The right of extraterritoriality was granted to all citizens of the foreign residents in international concessions and remained valid for some States until 1943. About these topics D.Wang, China Unequal Treaties, London, Lexington Books, 2005, and W. Tung, China and the Foreign Powers: the impact and the reaction to the unequal Treaties, New York, Oceana publ. Dobbs Ferry, 1970.

12 Also called Treaty Ports. They were the locations where foreigners were allowed by the Chinese authorities conducting trading activities. The Treaty Ports were the material consequence of the military conflict between China and the European powers, since the First Opium War (1839-1842). They became the legitimate ground for negotiations to obtain exclusive rights, to build and operate infrastructure (new urban settlements, ports, railways), exploiting mineral resources and exercise territorial jurisdiction in strategic areas, without any reciprocity towards China. About this topic D. N. Belfield, The Treaty Ports of China and Japan: A Complete Guide to the Open Ports of Those Countries, together with Peking, Yedo, Hong Kong and Macao, Cambridge University Press, 2012.

13 U. Bassi's lesson at the University of Bologna held on April 26, 1927 p. 34.

14 Diplomatic correspondence is kept at the MAE DGAP, China archive (1931-1945), folder 5. Including the report of the Consulate of Shanghai, dated March 10, 1931, signed by Galeazzo Ciano and the telegraph n.219253 dated 29 May 1931 by the General Director for Foreign Affairs to the Beijing Legation, signed by Mr. Fani.

15 The Republic of China was also a member of the Society of Nations since July 16, 1920.
2. Chiang Kai-shek and Nationalism in China

The nationalist government ruled China since 1927, under the leadership of general Chiang Kai-shek (蔣介石, Jiāng Jièshì, 1887-1975). The Generalissimo, as he was called at home and abroad, was a military leader, obsessively committed in introducing discipline and organization, also in governmental areas. Chiang recognized the political and economic limits of his government and for the same reason he did not hesitate to seek the advice of international experts. Unlike other leaders of contemporary totalitarian regimes, Chiang was not a man with pathological megalomania, but he was certainly a military with rigid rules and great ambitions. The nationalist government was hostile to Western imperialism and devoted its energies primarily to build the country's political unity, to restore security and pride to the nation. Chiang considered himself the heir of Sun Yat-sen, the founder of the new nationalist party (国民党, Guómǐndāng) and the father of modern China, who sought to continue the ambitious project, although not possessing the political charism of his mentor.

Chiang was impressed by the energy emanated by the fascist ideology, especially in the economic field, and he was interested in deepening the knowledge of its principles and methods, also considering its application in China, as a possible response to the country's serious economic issues. The Generalissimo clearly understood the difficulties of introducing into the political environment of China ideological canons belonging to a foreign culture that had nothing to do with the traditional culture of his people. He was fascinated by the transformation ability of fascism, but also concluded that the ideology should be adapted to China's reality, associating it with the principles of Chinese traditionalism, which had deep roots in the classical philosophy of Confucianism, the model that inspired and made powerful Middle Kingdom among the nations in Asia. The close connection between the Chinese nationalist party and the ideals of European fascism was also related to some elements in common with Sun's thoughts. Those ideological similarities contributed to a more rapid diffusion of the political and economic vision of fascism. The word fascism entered the current use of republican China in the early 1930s (法西斯主义, Fàxīsī zhǔyì), while the international propaganda carried out by the Italian government was more intense.

---

16 Chiang Kai-shek (1887-1975) began his career alongside Sun Yat-sen becoming commander of the Whampoa military academy and at the death of Sun, he became the leader of the Guómǐndāng party. About the political life of the Generalissimo, see A. Young, China's Nation Building Effort (1927-1937), Stanford University Press, 1971, p. 12ss. and E. Lloyd, The Abortive Revolution, Harvard University Press, Cambridge Massachusetts, 1990 pp. 140-180. The books written by general Chiang (in particular China's Destiny, published in 1943) reveal the purpose of his political and economic mission as a continuation of Dr. Sun’s project, with the aim of transforming China in an independent country, strong and with dignity equal to that one of all the other international Powers. Chiang's ambitions were therefore confined within the limits of Nationalism and China's territory. See J. Taylor, The Generalissimo: Chiang Kai-Shek and the Struggle for Modern China, Cambridge, MA, Harvard University Press, 2009.

18 In an article written by F. Wakeman, the author examines the period of Nationalism and defines the experience as "Confucian Fascism". F. Wakeman, A Revisionist View of the Nanjing Decade: Confucian Fascism «The China Quarterly» n. 150, June 1997, pp. 395-432.

19 Founded by Sun Yat-sen in 1919 under the name of Zhōngguó Guómǐndāng 中国 国民党.

20 About this topic, M.H. Chang, Fascism and Developmental Nationalism, Berkeley, University of California, 1985 p. 27.


In the early 1930s Italian fascism and Mussolini were at the apex of international fame. Publications in several languages about Italy and its leader were also published in China, particularly those celebrating the economic achievements of Italy. The Italian fascist regime was the first to emerge in a leadership position among the authoritarian governments in Europe\(^\text{23}\) and Chiang found a source of inspiration in it, without however neglecting to build ties with representatives of other similar political and ideological experiences occurring in Germany and Japan.

The Italian fascist and the Chinese nationalist governments had a common hostility towards the spread of communism. On this political topic, the two governments shared their views and this facilitated further dialogue on other important aspects of mutual interest. Contact between the two governments happened when Chiang was President of the Republic of China, starting from 1927, but which was not possible in previous years. In fact, in contrast to the Italian experience and in line with the political strategy pursued by Sun in China, at the beginning of the nationalist movement, the government sought the cooperation of the country's various political ideologies, including the Marxist one, in the sole and indispensable primary purpose of unifying the nation. In that context, Sun also believed that it was possible to form a political alliance with Soviet Russia, which he admired for its political enthusiasm and revolutionary vigor, able to attract the most qualified minds of the two countries\(^\text{24}\) and to spread a sense of unity and patriotism in China as well. In the early years of the political propaganda, intellectuals and brilliant students of all political orientations, actively and ideologically, committed themselves to the patriotic cause, but with the death of Sun in 1925, the different political currents inevitably parted (1927)\(^\text{25}\) and only the most intransigent wing, mainly supported by the army, continued supporting Chiang. The Generalissimo openly opposed all the communist-inspired political formations until December 1936,\(^\text{26}\) when the circumstances related to the military conflict against Japan created the necessary conditions for a new phase of cooperation with the political rivals.

The political hierarchy of the nationalist government began a radical transformation, to such an extent that modern Chinese historiography calls the period between 1927 and 1936 as the political phase of the fascist ideology in China.\(^\text{27}\) Chinese nationalism and Italian fascism also shared similar political attitudes. As in the Italian experience, at the beginning of his political career, Chiang encouraged the establishment of a party-supporting organization called the Blue Shirt Society (藍衣社, Lán yī shè),\(^\text{28}\) consisting mainly of military veterans, also known as the practice society of the three principles of the people (三民主義, Sānmín


\(^{24}\)As evidence of the first Chinese nationalism’s political attitude, E. Lloyd recalls that M. Borodin led the Soviet mission to China at the request of Sun Yat-sen himself and gave a political organization to the Guómíndăng party according to the model adopted by the Russian Communist Party (E. Lloyd, *The Abortive Revolution* [1990], p. 3).

\(^{25}\)The most cruent episode of repression was that one of the massacre of Shanghai on April 12, 1927, from which began the conflict with the communist factions in the country.

\(^{26}\)On 24 December, 1936, a united front was created by Zhōngguó Guómíndăng (nationalist party) and Zhōngguó Gòngchǎndǎng (Communist Party).


\(^{28}\)E. Lloyd defined the Blue Shirts «One of the most influential and feared political movements in China during the 1930s», *The Abortive Revolution* (1990), p. 31.
The Blue Shirts interpreted the role of defenders of the nationalist party and represented a clear emulation of the organizations established in Italy and in Germany. The choice of the blue color was symbolic, as it identified the people of the Han Dynasty and the blue and white colors were from the ones adopted by the Guómíndāng. The movement supported Chiang's political line, acknowledging the General as the leader with the necessary qualities to lead the country, calling the associated to show loyalty and obedience, in accordance to the (Confucian) principle of respect for the hierarchy. In a speech directed to the Blue Shirts, the Generalissimo expressed his point of view about fascism:

What China needs today is not an ism that discusses what kind of ideal future China will have, but a method that will save China at the present moment [...] Can Fascism save China? We answer: yes. Fascism is what China most needs.

After the establishment of the nationalist government, the Blue Shirts became an instrument of repression of the political, not only Marxist, resistance within the country. The members of the organization, predominantly comprised of activists with military professional origins, played an important role in repressing the political dissent. They operated outside the legality and many of the members were considered violent activists, who adopted the torture methods, systematically to eliminate uncomfortable evidence or to extort confessions. As the Mussolini para-military associations, established in 1919 and called Fasci di Combattimento (also known as the Black Shirts), in the same way, the Chinese Blue Shirts were anti-liberal and anti-communist, opposed to left and right orthodox ideologies, and therefore generally anti-political in their principles and in their actions. General Chiang allowed the adoption of fascist tendencies not only within the military organization, but also in the system of the government administrations.

The Blue Shirts found a role within the government institutions, starting from the 1930s. Public officials and military officers were equally exposed to the influence of thinking and working methods, and the typical behavior of the fascist associates was deeply absorbed in the culture and in the personal attitudes, particularly during the various training missions organized in Europe. Finally, intellectuals, especially those educated according to the canons of traditionalism, found access to study material relating to fascism in Europe, becoming the means of propaganda and information disclosure.

3. The beginning of political, economic and cultural collaboration

There is no historical evidence that Mussolini and Chiang ever had the opportunity to meet each other, but their governments certainly collaborated through their representatives, in sharing common interests and projects, building a deep and unprecedented relationship in the

---

29 The Three Principles of the People (i.e. Nationalism, Democracy and People's Condition) is the title of the most famous political publication of Dr. Sun Yat-sen (Sānmín zhǔyì, 三民主义), published in 1924, as collection of speeches in conferences held in Canton. The principles are also mentioned in the political will of the statist, written on March 11, 1925, the day before his death. A translation published by China Publishing Company, Taipei, 1984 is available in Italy.

30 About this topic, D. Chung, p. 3 and M.H. Chang. pp. 6ss.

31 Blue and white colors are also representative of the Chinese tradition of heaven and earth.


33 The military organization, considered an elite association, reached 10,000 members in 1935, although it is possible that many members were not directly registered or otherwise belonged to similar associations (E. Lloyd, p. 56).
history of the two countries. The political figure, who most contributed to the political approach of the two parties, was indeed the count Galeazzo Ciano (1903-1944), son-in-law of Mussolini. Since 1930, Ciano was appointed consul general in Shanghai and had a diplomatic role during the period of negotiations, following the Japanese invasion of Manchuria (19 September 1931 - 27 February 1932), during which the foreign community in Shanghai, living in the international settlement, located in the heart of the city, was involved in the military events. During the development of the conflict, the fascist government decided to send a rescue military mission, using military ships (including the Italian cruiser Trento and the destroyer Espero).

In 1931, the Society of Nations set up a commission of inquiry (led by Lord Victor Bulwer Lytton) with the aim of investigating the responsibilities of the events. The conclusions summarized in the final report were made public, when Japan had already consolidated its presence in the territory of Mānzhōuguó. The commission, while working for a neutral pacification among the conflicting parties, reported that the Japanese military reaction was without a valid reason and contrary to the agreements of the previous international treaty signed in 1928. The report of 24 February 1933 concluded that the responsibility of the facts could not be attributed with absolute certainty and, as instead affirmed by Japan, there was no substantial point in identifying the Japanese action as an act of self-defense. Hence the commission declared the occupation of China's sovereign territory as illegitimate. The failure of the political and legal recognition of the new government of Mānzhōuguó caused Japan's to withdraw from the Society of Nations on 27 March 1933. It was a decision, which destabilized the political and military equilibrium in the Far East and directly influenced also the political relations between Italy and China.

Ciano was one of the commissioners of the Society of Nations in charge for investigating the facts and co-chaired the position of president of the Shanghai diplomatic representative's committee, which examined the events that took place during the days of the Japanese occupation of the city. Ciano’s work was appreciated by the international representatives and

---

34 Ciano developed his diplomatic activity in China from May 1930 to June 1933. He was appointed consul general in Shanghai, where he arrived in May 1930, immediately after the marriage with Edda (April 24, 1930), daughter of Benito Mussolini. The following year he received the credentials of plenipotentiary ambassador in Beijing (where he had been secretary of the legation from 1927 to 1929, under the ambassador Daniele Varè). He returned to Europe during the World Economic Conference held in London, where also the Chinese minister T.V. Soong attended, who later came to Italy during an official visit. The documentation of the Italian journey is kept in MAE DGAP, China archive (1931-1945), folder 30. The life of Ciano in Dizionario biografico, Treccani, vol. 25, 1991.

35 It began with Mukden's incident, a plot likely coordinated by the Japanese intelligence service along the South Manchuria railway, a company run by Japanese companies at that time.

36 The Commission included the Count Aldovrandi Marescotti and other delegates representing France, the United Kingdom, the United States and Germany. About the conclusions also read Bartoli Domenico, La crisi della Cina, Milan, Institute for International Political Studies, Milan 1938, p. 170. Documentation about the facts of Shanghai is contained in MAE DGAP, China archive (1931-1945), folder 11, which also contains a full report on the events, which had been sent by the Shanghai legation to the Ministry of Foreign Affairs (dated 19 April 1932) and a telegram about the press comments, dated February 20, 1932 (signed by Ciano).

37 The War Renunciation treaty was signed on August 27, 1928, with the aim to avoid other conflicts and it was promoted diplomatically by Aristide Briand (French) and Frank Kellogg (American), whose names gave the name to the agreement.

38 About the relations between Italy and Japan, V. Ferretti, Il Giappone e la politica estera italiana 1935-41, Milan, Giuffrè publisher,1995.

39 Ciano prepared two reports on behalf of the League of Nations, then published by the Committee of Diplomatic Representatives in Shanghai and dated 6 and 12 February 1932. The documents in MAE DGAP, China archive (1931-1945), folder 11.
the fascist government was euphoric about the diplomatic success of his mission, to such an extent that Mussolini elevated him to the position of plenipotentiary minister. In the three years spent in China, Ciano became an influential personality, who widely proclaimed and promoted the successes and the principles of fascism, especially in the social and cultural circles in Shanghai. He spread knowledge of the fascist corporative system, even at an academic level, by bringing some Italian professors to China to lecture in the main universities. Between 1931 and 1934, the Italian government sent illustrious representatives of culture and experts in science, law and engineering to China, among them, in 1932, Alessandro Sardi, president of the Istituto Luce, in order to promote the film-making industry and education. On 20 October 1932, the Italo-Chinese League was founded, chaired by professor Emilio Bodrero, and established with cultural intentions, aimed at improving the mutual understanding of the traditions of the two nations. In the summer of 1933, the Italo-Chinese League was incorporated into ISMEO (Italian Institute for the Middle and Far East), chaired by Giovanni Gentile, which inherited the cultural purpose of the former institution, but with the addition of the scientific purpose, making it also a promoter of interesting publications about Asia. The two institutions also played the role of promoters in the study of the Chinese language and culture in Italy, facilitating communication between the intellectuals of the two countries and supporting, with scholarships, the missions of young Italians and Chinese to complete their journey of education.

In December 1932, a fascist corporative law course began at the Chinese university of Soochow. Professor Attilio Lavagna, from the Italian region Piedmont and counselor of the Italian Supreme Court of Justice, was in China from October 1933 until October 1935 to devote himself to the new Chinese criminal code, which then came into force in June 1935. He also worked at the reorganization of the ministry of justice and the new Chinese constitution project. Finally, he taught at the Academy of Magistrates in Nanjing. When he returned to Italy, Chiang appointed him as honorary legal adviser. In the early 1930s, the lawyer Benito Mari was commissioned to draw up a project for the modernization of the silk (natural) industry in the Che-Kiang region (浙江, ZhèJiāng). He created an experimental farm for sericulture, but the initiative did not succeed because the Italian industries dissociated themselves from the project and Mari returned to Italy by the end of 1934 for health reasons. In 1935, an industrial initiative was planned for the construction of an artificial silk plant. The project involved the “Società Generale Italiana della Viscosa” together with the diplomatic authorities and the China Development Financial Corporation, a government financial institution investing in Chinese industrial initiatives. After months of negotiations, the project was abandoned because the parties could not reach a sustainable agreement and was instead assigned to a competing American company. Other Italians stood out for capacity and entrepreneurship in China. Angelo Omodeo, an internationally renowned engineer, was sent to China in October 1934 on behalf of the Society of Nations, together with other engineers, to study a solution to the frequent floods of the Yangtze River and Pietro Gibello Socco, an engineer and entrepreneur, was among the supervisors of the railway network in Manchuria.

---

40 The documentation concerning the ISMEO, the Italo-Chinese League and the relations with China are kept at MAE DGAP, China archive (1931-1945), folder 34, in notes sent to the Prime Minister's Cabinet by the Government Council, dated 28 June 1933, which reports the purpose of the two institutions and their representatives. About the ISMEO activity also read V. Ferretti, *Politica e cultura: origini e attività dell’ISMEO durante il regime fascista* «Storia contemporanea», a. XVII, n. 5, October 1986.

Socco then retired and died in Harbin (Manchuria) in 1943. The intense propaganda of the fascist government and the mutual economic interests helped to reciprocate initiatives by the Chiang nationalist government. Starting from 1933 and during the period of diplomatic activity of Ciano (May 1930 to June 1933), the Generalissimo sent missions of his own representatives to Italy, to conclude trade agreements and familiarize with the foundations of fascist ideology.

Hsiang-hsi Kung (1881-1967), a member of the Guomindang Executive Committee, minister of industry and brother-in-law of the Generalissimo, joined one of those high-level meetings in Rome. In February 1933, Kung met with the Pope and Mussolini. Returning to China, the Chinese minister expressed his favorable impressions directly to Chiang. During that mission, the first foundations for economic and military cooperation were laid, formal contacts began for the preparation of a training mission, designed to improve the preparation of the Chinese military air force and considered of strategic importance by Chiang. The air force mission was later formalized through a diplomatic request that was delivered to the Fascist government on 10 April 1933, along with a purchase order of military aircrafts FIAT and Caproni, for a total amount of about lire 100 million. During the second official mission, Tse-Ven Soong (1894-1971), finance minister and governor of the central bank, also brother-in-law of the Generalissimo, arrived in Italy during a long trip scheduled in conjunction with the World Economic Conference held in London, but also strategically planned to meet at high-level European governments. In London on 1 July 1933, the Chinese representative signed with the Italian finance minister Guido Jung (1876-1949) the agreement that sanctioned the end of the long question of the Boxers' indemnity between Italy and China.

42 The facts concerning the Italians mentioned in this essay are documented in MAE DGAP, China archive (1931-1945), folder 34 (mentioned ISMEO and Italo-Chinese League, in a note to Benito Mussolini dated June 28, 1933 and information concerning Alessandro Sardi), envelope 35 (presence of foreigners, in particular German militaries in China) and envelope 45 (silk industry project, examined in the communication from the Italian Embassy in China to the Ministry of Foreign Affairs and signed by Ambassador Lojacono and dated April 17, 1936 with correspondence also concerning the lawyer Mari).

43 Kung Hsiang-hsi (1881-1967, Kông Xiângxi) was one of the richest and powerful man of republican China. He was of Protestant faith. Born in 1881 in Shānhǎi he completed his studies in the United States (Yale). Kung was a loyal ally of General Chiang, also for family reasons, being the brother-in-law of the Generalissimo, having married Ai-ling Soong, Major Sister of Mei-ling, Chiang Kai's wife-shek. He was later appointed minister of industry and then finance minister, after the resignation T.V. Soong, in turn, brother-in-law of Chiang Kai-shek. A brief biographical note is kept at MAE DGAP, China archive (1931-1945), folder 30.

44 The mission took place from 5 to 10 February 1933.

45 MAE DGAP, China archive (1931-1945), folder 34. Letter sent by minister Kung to Ciano dated 10 April 1933. It also includes the foreseen budget of expenditure, including the remuneration of staff of the mission on behalf of Italy. It was proposed to fund the investment with the residual amount of the Boxers indemnity (Ciano's message to Minister Guido Jung, dated May 30, 1933).

46 Soong Tse-ven (1894 – 1971, Sòng Ziwèn) was one of the three brothers of Mei-ling Soong, the last wife of Chiang Kai-shek. The story of the Soong family is remarkably intertwined with the history of modern China, through the tale of the Soong sisters who married, in circumstances and coincidences probably unique in history, respectively Sun Yat-sen (Ching-ling Soong), Chiang Kai-shek (Mei-ling Soong) and Kung Hsiang-his, minister of industry in Chiang's Government (Ai-ling Soong). S. Seagrace, The Soong Dynasty, London, Cox and Wyman Limited, 1996.

47 The agreement was kept secret and the documentation is now archived in the MAE DGAP, China archive (1931-1945), envelope 30 (including the agreement signed in London on July 1, 1933). The document stated the final payment of the indemnity to Italy, with the commitment to allocate the amount, partly paid to the Banca Italiana per la Cina (headquartered in Tianjin), partially payable in three months and the balance conferred to the Chinese Government's as a bank loan to be delivered for the purchase of Italian goods in exchange for repayment, after about twenty years of negotiation, of the share of Italian outstanding credit in the Skoda financing. Skoda's loan involved financial institutions of six countries (Italy, France, Switzerland, Great Britain,
He then traveled to Italy from 3 to 14 July, where he also met Mussolini (13 July), before traveling to Switzerland and then from there reaching Germany. During the meeting in Rome, Vittorio Emanuele III awarded Soong with a medal of honor. The mission was crucial for the future relations between the two governments, which considered cooperation in other fields of national interest, from economic trade to cultural exchange, but above all, as strongly requested by Chiang, for military support. On that occasion, the agreement for the construction of an Italian aircraft manufacturing plant in Chinese territory was finally reached.

The benefits of these, mainly economic, deals were based on the mutual sharing of interests and objectives for the benefit of the respective countries. On one hand, Chiang and his members of government found convenient to join forces with an emerging Power, politically allied and with minimal interests or colonial ambitions in Asia, to improve their economic development and military defense capabilities. On the other hand, Mussolini and Ciano understood the opportunity for the entire Italian industry to penetrate a large market with great potential demand of goods and services. The missions of the Chinese nationalist government intensified. In September 1933, a Chinese military delegation led by Lieutenant General Chen Chin-yun arrived in Italy with the aim of visiting some military sites and observing the armament technology of the Italian military air force. In October 1933, engineer Ho Chee-Kin, mining manager of the Guǎngdōng region, arrived in Milan with the aim of visiting the most important industrial sites of Lombardy. In November, the engineer Ming Ting Young arrived in Italy to visit reclaiming sites. Among the most prominent Chinese personalities in the press articles of the period emerged the profile of the Chinese Catholic priest YU Pin, a graduate in political sciences at the university of Perugia, who accompanied some of the most important Chinese delegations during the 1930s. In the same years were also established in Italy the consulates of China in Rome, Genoa, Milan, Trieste and Venice.

Mussolini’s appreciation for the genuine esteem reserved by Chiang added strength to the political relation and to the mutual and open collaboration, as evidenced by this telegram of August 1934:

I ask Your Excellency to meet the Generalissimo personally, to thank him for his expressions of esteem and to tell him that I agree with his contentment and his work in general to implement his government plans in lines with the Italian politics, this will only give undoubted advantages to the two countries. By adapting China’s requirements to the principles of the Fascist State, the body of the Republic will be strengthened, able to acquire real control over the whole country and meet the needs of defense in foreign policy. The importance of these results, that can generate even greater Italian-Chinese collaboration, certainly does not escape to Chiang Kai-shek, who knows how such collaboration is conducted with the most friendly sentiment and spirit of equality […] finally Your Excellency will warn, in a very reserved and prudent way, Chiang Kai-shek about the serious suspicions of intent between Germany and Japan, well-substantiated suspicions, I would say almost about the nature of things, as it is natural that Germany wants to loosen Russian pressure at the eastern

Belgium and Czechoslovakia). The Skoda financing events are summarized in MAE DGAP, China archive, folder 1 and 3 (report of February 7, 1931 from the Shanghai consulate signed by Ciano). F. Tamagna, Italy’s Interests and Policies in the Far East, New York, Institute for Pacific Relations, 1941.

The Gran Croce Mauriziana, documentation in MAE DGAP, China archive (1931-1945), folder 30 (including several articles of the Japanese press, among them the Japan Times of July 14, 1933).

Later planned and built at Náncháng with a mission that began a few months later. It was the most important Italian investment realized in China in the pre-Communist period.

The biography and documents concerning the work of Monsignor YU Pin in Italy are collected in the historical archive of MAE DGAP, China archive, folder 34.
borders. If the Generalissimo considers prudent to replace military advisers and turn to Italy, we will be happy to meet him in this field as well.\textsuperscript{51}

4. The mission of the Italian air forces in Nánchāng (1933 - 1937)

As concrete representation of the interests and potentials of this rapid and effective political and economic approach, special mention should be made of the mission of the Italian military air force at Nánchāng. Initially composed of the colonel Roberto Lordi (1894-1944)\textsuperscript{52} and the officer Nicolò Galante, the delegation departed from Naples on 7 September 1933 aboard the ship \textit{Conte Rosso} and arrived in China in October 1933, with the task of training pilots of the aviation force of the Republic of China (中華民國 空軍, \textit{Zhōngguó Mínguó Kōngjūn}). The mission was stationed at Nánchāng, in today's Jiāngxī province. Other Italian members of the mission arrived later and the group reached the number of ten officers and four military assistants until 1937, the year of the beginning of the Sino-Japanese conflict, which caused the end of the mission. A few months after the departure of colonel Lordi, in 1934, the Italian Aeronautical Consortium for China\textsuperscript{53} was established with headquarters in Milan and Shanghai, whose economic purpose was to mediate the production and the purchase of Italian military aircrafts. The consortium was firmly wanted by Mussolini to prevent the Italian companies from doing business in direct competition among them. Engineer Luigi Acanfora was appointed managing director. The military initiative began and developed in competition with a similar American mission, established and operated since 1932 in Hānkōu, in Húběi province and led by colonel John H. Jouett. The US aeronautical mission used Hawk training aircraft, produced by Curtiss-Wright,\textsuperscript{54} considered economically and technically well-equipped, but at the beginning the Italian initiative received the highest appreciation from nationalist government. The direct intervention of the Italian government (which was, instead, lacking in the American mission, which was totally a private initiative), the investment, partially assisted by the payment through the remaining settlement of the Boxers indemnity, and Mussolini's permission to use the military resources in the conflict against the communist resistance, made the project closer to the expectations of general Chiang himself. It was no coincidence that in April 1934 the aviation headquarters of the nationalist government moved to Nánchāng and from that base began the missions against the communist resistance. Lordi was appointed by the Generalissimo as aeronautical adviser. Chiang also did not spare praise and demonstrations of confidence to the Italian officer on more than one occasion.

The success of the mission allowed signing contracts for the purchase of Breda, Fiat, Caproni and Savoia-Marchetti aircrafts used for military training in China.\textsuperscript{55} Chinese pilots

\textsuperscript{51} Telegram dated August 1934 written by Benito Mussolini and sent to the Italian consulate of Shanghai, MAE DGAP, China archive (1931-1945), folder 35.

\textsuperscript{52} The documents of the aviation mission in China are kept at MAE DGAP, China archive (1931-1945), folder 54.

\textsuperscript{53} It consists of four Italian companies (Breda, Caproni, Fiat, and Siai). The facility called S.I.N.A.W. (Sino-Italian-National Aircraft Works) was also financially funded by the Banco di Napoli with a 75% guarantee of the Italian State. Details in Scaroni Silvio, \textit{Missione militare aeronautica in Cina}, Ufficio Storico Aeronautica Militare, 1970, p. 47.

\textsuperscript{54} Also quoted in the telegram sent by the Italian Embassy in Washington to the Italian Foreign Minister dated 15 September 1933, MAE DGAP, China archive (1931-1945), folder 54.

\textsuperscript{55} A squadron of CR 32, one of Breda 27, one of Caproni 111 and one of Savoia Marchetti S.72 were purchased for a total amount of several tens of millions of lire (1934 currency). Orders and supplies are contained in MAE DGAP, China archive (1931-1945), folder 35 and 45.
and engineers were sent to Italy to study the Italian language at the Oriental University of Naples, with scholarships offered by the ministry of the Italian colonies. As proposed by the Italian military mission, the Nanjing University opened aeronautical engineering courses conducted by Italian aeronautical engineers. At the same university, FIAT, among the largest beneficiary of the purchase orders, also delivered a wind tunnel.

Meanwhile, in June 1935, the mission of colonel Jouett at the American base of Hânkǒu ended and the contract was not renewed, giving the clear impression that Chiang Kai-shek personally favored the Italian initiative. But at the moment of the most evident success, for controversial reasons, Mussolini gave the order to withdraw Lordi from the command of the mission. The decision shook the political relations with Chiang. The mission was then assigned to general Silvio Scaroni and Lordi was repatriated and sent to retirement with the rank of brigadier general.

Scaroni recalled in his memoirs the words of Mussolini's uneasiness, when he entrusted the general with the task, saying: "If you cannot do better, carry the scrap of the mission with dignity." Scaroni began his mission in China after having completed a challenge that was reported with glamour by the international newspapers. He flew from Rome to Shanghai after a total of 70 hours, traveling 14,500 km and landing on 4 August 1935 with a Savoy-Marchetti S.72 of the latest generation at the Shanghai Airport, presenting the aircraft to Chiang, as a gift from Mussolini. Despite the demonstration of determination and courage, Scaroni at the beginning did not have the same trusting relationship that Chiang had shown to Lordi. In his diary of the mission, the Italian officer reported his concerns for the delicate relationship and described the deep disagreement between Chiang and Mussolini, apparently never formally healed. The Generalissimo complained the serious defect of formal behavior, attributed to the fact that he was not previously informed of the change:

The Generalissimo told me in all the letters. For him Mussolini had done an undeserved wrong [...] The Generalissimo had chosen my predecessor as his chief advisor for the Chinese aviation, but he could equally be able to choose any other foreign officer, leaving aside the Italian Aeronautical Mission as much as the similar American mission. It was a strictly personal matter of the Generalissimo.61

Nánchāng's Italian plant was completed with materials arriving to China with several shipments from Italy and partly purchased also with a long-term financial operation, financed

---

56 About the American mission, A. Young, China Nation-Building Effort, 1927-1937, Stanford University, 1971. References concerning Chiang Kai-shek's dissatisfaction with Colonel Jouett are at p. 355.
57 Scaroni in his diary did not specifically mention the reasons, but he recalls that he was invited to clarify by Mei-ling Soong, Generalissimo's wife (S. Scaroni, p. 27). G. Borsa, Tentativi di penetrazione dell'Italia fascista in Cina 1932-1937, «Il Politico», vol. 44, No. 3, September 1979, explains that the reasons of the return to Italy were related to an investigation into corruption allegations concerning military supplies, in which the Chinese minister of Kung was also involved.
58 S. Scaroni (1893-1977), a military pilot during the First World War, was decorated with the gold medal for military valor. He continued his career in military aviation as a military attaché at the London and Washington embassies. After the experience of Nánchāng, serving Chiang Kai-shek's government, he was general of the air force divisions during World War II, and at the end of the conflict he withdrew to private life, devoting himself to the publication of his diaries. He died in Milan in 1977.
59 The sad epilogue of Roberto Lordi's life saw him protagonist in the episode of the Fosse Ardeatine in Rome. He voluntarily consigned himself to the Germans to protect another person accused of conspiracy in January 1944 and he was also shot on March 24, 1944. He was awarded the Gold Medal to the Military Valor. About Roberto Lordi also G. Borsa, Tentativi di penetrazione dell'Italia fascista in Cina 1932-1937.
60 S. Scaroni, Missione militare aeronautica in Cina, p. 12.
61 Ivi, p.18
by the Banco di Napoli. Italian engineers and workers were sent to China and the aircraft production began in 1937, but as early as 1936, the political support of the Chinese nationalist government to the Italian project seemed to be losing in consistency and not just with reference to the Lordi issue. Several times, Mussolini and Ciano had to intervene directly to urge Italian diplomacy in China, in order to obtain reassurance on China's intentions regarding the aeronautical base. Documents in diplomatic archives reveal frequent misunderstandings about supplies considered of low quality, but the Chinese position was also (or mainly) attributable to the fact that the nationalist government was alerted by the beginning of informal political contacts and the beginning of economic cooperation between the Italian government and the Japanese Mâ­nzhōguó.

When the issue of the invasion of Ethiopia (October 1935) was brought to the center of international diplomatic attentions and the Society of Nations formally intervened to ask Italy to take a step back, the relations between the two countries reached the crossroad of strategic choices in the matter of political alliances. As reported by Scaroni, the finance minister Kung approached him advising to send a personal telegram to Mussolini, without passing the information to the Italian ambassador, Vincenzo Lojacono, and ask the Duce to resolve the Ethiopian question as soon as possible, according to the Society of Nations, with the aim of avoiding encouragement for new aggressive actions by Japan. The request was not followed by Scaroni. The mission continued until 1937, not without difficulty and misunderstandings, but the Italian officers never lacked the commitment and the dedication requested for the purpose of their mission, for which they were sent to China. Among them the captain Enrico Cigerza, who, in addition to the role of instructor, was also assigned to the duty of personal pilot of Chiang and performing various delicate missions with the Generalissimo.

About the historical events, concerning the subsequent alliance signed between Italy and Japan, historiography has interpreted the agreement as a choice of Mussolini and Ciano, determined by the search for a reliable ally in the conflict against international communism and in line with the political decision to unite, with another committed government, the political destiny with Berlin. On the other hand, General Chiang, for the sake of the own national defense, had already shown signs of compromise with communism, in strong contrast to the rigid intransigence shown at the beginning of his mandate, as leader of Chinese nationalism. This new evidence was confirmed after the facts of the rebellion of Xiān, the

---

62 Mussolini's telegrams addressed to the Italian Ambassador in Shanghai, dated January 1936 [...]. «I repeat again that, what has so far made our country for China, justify an absolute right to ask at least a clear and unequivocal position from that government, whose undeniable difficulties related to regime of sanctions (against Italy) can represent a propitious circumstance to confirm our repeatedly expressed friendships» and Ciano's communication to the secretary of State, Giuseppe Valle, dated 28 July 1936, MAE DGAP, China archive, folder 56.

63 Highlighted by the documentation contained in MAE DGAP, China archive (1931-1945), folder 30. Report about a meeting held in Geneva with Manchukuo's financial advisor, Arthur Edwards, dated 22 February (signed by G. de Rossi) and communication of the fascist general confederation of the Italian industry to the General Affairs Policy Department of the Ministry of Foreign Affairs, with the title "the development of industrial activity in Manchukuo", dated April 1, 1933, which also reports the visit of Edwards to Milan and meetings with Italian companies (mentioned FIAT, Breda and Marelli).

64 S. Scaroni, Missione militare aeronautica in Cina (1970), p. 21

65 Ivi, p. 29. The author also reported that in December 1936 captain Cigerza was the pilot, who brought back the Generalissimo to Nanjing from Xian, where he was held captive by the military rebels commanded by Chiang-hsue-liang.

66 The episode happened in December 1936. The Generalissimo was arrested by one of the so-called "warlords", Chiang-hsue-liang, and released only after accepting the compromise to unite the front with the Communists against the Japanese invaders. Chang Kai-shek described the episode as the greatest humiliation of his life. The
episode that forced him to consider an alliance of national unity with Mao's communist forces against the Japanese invaders. The events of Xiān irrevocably changed the prospect of cooperation between the Republic of China and the Kingdom of Italy. It was decided by the Italian side that the political and economic alliance should no longer be considered exclusive.

With reference to this topic, the Italian historian Valdo Ferretti also presented his own interpretation of the agreement with Japan, mentioning that the Italian government needed to sign it for the benefit of its foreign policy, in order to balance Germany's dominant position in the anti-communist alliance, but also to weaken Britain's global position, to gain strategic advantage in areas of shared interest, especially in the Mediterranean Sea, and finally for economic reasons, as Japan was at that time an aggressive commercial trade competitor in Ethiopia. It was also evident that signs of commercial dialogue between Italy and Japan were already existing before the departure of the last Italian missions to China. Diplomatic documents reveal that the fascist government already began the dialogue with Mānzhōuguó in 1933. Representatives of the territory occupied by Japan came to Italy to conclude trade contracts with the major Italian industries, despite the explicit call of the Society of Nations to the member states not to recognize or support the Mānzhōuguó as an independent State. On the other hand, this attitude of compromise was in line with the Italian government's policy towards the Asian countries, according to which the economic benefits were always the main objective to be achieved. About this strategy Mussolini and Ciano repeatedly sent clear guidelines to diplomatic missions in the Far East, giving instructions to continue encouraging and supporting economic cooperation with all the relevant trading partners. However, correspondence of the Italian diplomatic historic archive shows that for the Chinese nationalist government the facts that occurred in Ethiopia in October 1935 were indeed decisive. In reconsidering the political relations between the two countries, Chiang's government was against the act of aggression in Ethiopia and therefore on the opposite front of the Italian colonial ambitions in Africa. China could not justify Italian action, as it was defending its sovereignty from the Japanese invasion by calling for international support.

Japan who had previously withdrawn its delegation to the Society of Nations in 1933, Italy, in 1935, reacted with equally strong sentiment against the international community. For the

---

For example, the communication sent by Benito Mussolini to the Italian Embassy in Shanghai dated December 26, 1935 «it is advisable to keep positions acquired to make them profit, when the situation will be normal again. These directives are inspired by the concept of defense and possibly the development of our interests in China, not that of giving anti-Japanese character to our actions». MAE DGAP, China archive (1931-1945), folder 45.

A list of diplomatic communications from the Italian Embassy in China and directed to the Foreign Minister explaining the Chinese position, one of which dated 29 October and a second one dated 3 December 1935 (Protocol 1993/465) and signed by Ambassador Lojacono, explaining «From a political point of view it is undeniable that the Chinese Government, made its own consideration and found that Italy's friendship cannot give tangible benefits during the sanctions phase and instead that it is most useful to approach the British led coalition of Geneve group». MAE DGAP, China archive (1931-1945), folder 45. About the issue concerning the Italian aggression in Ethiopia, G. Samarani and L. De Giorgi, Le relazioni tra Cina ed Italia nel Novecento, p. 69.
same reasons, the two countries, long in a state of mutual distrust, found other arguments to strengthen the political alliance. From that moment on, a number of important decisions finally changed the geo-political scenario of the international alliances. On 18 November 1936, the emperor of Japan officially recognized the title of emperor of Ethiopia to Vittorio Emanuele III. In 1936, Italy and Japan decided on the simultaneous opening of consular offices in Addis Abeba (representing Japan) and Mukden, capital of Mânzhōuguó (Italian diplomatic representation), an episode that was obviously interpreted as the sign anticipating the recognition of Mânzhōuguó. On 24 December 1936, Chiang concluded the National Unity Agreement with the Chinese Communist Movement, to oppose the Japanese invasion. Those latest decisions were crucial for the definitive political decisions taken by the two nations.

Despite the international events that led to the political divergence, the economic relationship between Italy and China continued following its own path, in consideration of the mutual convenience in maintaining the economic alliance. The two countries kept open the diplomatic dialogue, continuing to attribute honor to each other and their diplomatic and economic missions continued to travel in the two directions until the early 1937s. In the spring of 1937, American colonel Claire J. Chennault was called to supervise the developments of Chinese military air force. On 21 August 1937, China and the Soviet Union signed in Nanjing the non-aggression pact. On 29 November, the Mussolini government, which in the meantime repeatedly supported the legitimacy of Japanese interests in the Far East, recognized Mânzhōuguó, de facto bringing to end also the economic relations with nationalist China. In commenting on a harsh critique by a Chinese acquaintance, who was disappointed by Italy, Ciano replied:

Italy’s attitude towards China remains ever friendly, and we sincerely desire the prosperity and progress of your country. By not encouraging China in an uncompromising rigidity, destined to remain in a state of platonic protest, Italy intends to serve the interests of the Chinese people more effectively than other countries have done, countries which, after having urge China to resist, merely for the sake of safeguarding their own selfish and imperialistic interests, are now causing newspapers inspired by themselves, to appeal to the Chinese Government to face the fact of the defeat it has suffered and accept peace at any terms, however onerous.

In December, Soviet military aircrafts began to arrive at Nánchāng airport. On the 8th of that same month, Ciano telegraphed the order of returning the entire mission group from Hong Kong (then embarked on 19 December) aboard the steamer Victoria, when already xenophobic movements were targeting the last remaining Italians, particularly religious missionaries. On 15 December, representatives of the Chinese government informed the last

---

73 In April 1936, the Order of the Crown of Italy was awarded to the Major of Chinese air force Sun Tun Kan and in September Ciano was awarded the First Order of the Red Jade Order. MAE DGAP, China archive (1931-1945), folder 56.
74 A. Young, China Nation-Building Effort, 1927-1937, p. 355.
75 Letter written by Ciano and dated December 1937 addressed to Chen Kung-Po (Chinese Press and Propaganda Minister) MAE DGAP, China archive (1931-1945), folder 61. It follows the letter dated 30 November 1937, in which Chen Kung Po affirmed: «I never thought that your country would give China such a death blow at this critical moment in recognizing Manchukuo. You told me time and again Italy would observe the strict neutrality, even everything would be strictly neutral. What do you think of this recognition?».
76 Note dated December 5, written by Scaroni, Missione militare aeronautica in Cina, p. 72 «Captain Cigerza tells me that two hundred Russian military officers with thirty fighters were arriving yesterday at the military airport of Nanchang [...] Today, the Russians are allied to China and come to replace us. It is in the same airfield that we have created mainly to fight them».
77 Ivi, p. 73
representatives of the Sino-Italian Aircraft Works that the nationalist government had decided to take over the plant and the Italians were invited to leave the command. The economic and financial dispute over the expropriation of materials and machinery followed. The nationalist government, as declared by the finance minister Kung, argued that the plant's activities were only suspended for circumstances of force majeure.

The production of the industrial site continued, as in the other Sino-American and Sino-German plants, but the Japanese, regardless for the declared friendship with Italy, that still co-owned the plant, bombed several times the airport and the industrial location. The highest example of the decade of collaboration between fascism and nationalism ended so, with moral and unpaid debts, another example of those who openly exposed the fragility of political and military alliances in the years before the Second World War.

All the other Italian military initiatives launched in those years in China, simultaneously ended. Among them the naval mission, led by captain Luigi Notarbolo, who arrived in China in 1935, as advisor to the Generalissimo on matters of naval defense and assisting in ordering material to be handed over to the Chinese military navy. The Italian officer devoted himself to the study of the naval defense along the Yangtse River and to the reorganization of the Submarine Mines College, to improve the defense of the river. The military plan consisted in heavy artillery placement on the two banks of the river and the use of navy torpedos to be purchased in Italy. The investment was approved by the nationalist government, but there was no time to realize the project, as it was suspended at the beginning of the conflict with Japan. The purchase order of torpedo armed motorboats and other material of Italian origin was suspended and then assigned to the British and American companies. Also, the naval mission reached Hong Kong to return to Italy on 2 January 1938.

5. The mission of Alberto de' Stefani (March - October 1937)

In 1937, shortly before the Second Japanese invasion of China, Ciano authorized a last Italian mission, as requested by the Chinese government, by Alberto de' Stefani (1879-1969), a liberal, academic economist in Italy and a former minister of finance (1922-1925), who was appointed high commissioner for economic and social affairs to the direct order of Chiang. The memoirs written by de' Stefani left historical records with interesting details about the nature of the collaboration between the Italian and Chinese governments and the personality of the Generalissimo. De' Stefani left Italy on 6 March 1937, embarking with the family and the consul general, Iginio Magrini, chosen to become chief secretary of the mission, from Naples on board the steamer Victoria of Lloyd Triestino. Before leaving the

---

78 MAE DGAP, China archive (1931-1945), folder 75 (report dated 30.3.1936) and Giorgio Borsa, p. 410.
79 Note dated 21 October 1936 written by the Ministry of Foreign Affairs (signed by Ciano) to Alberto de 'Stefani, kept in the historical archives of the Bank of Italy (now Bdi), archive of Stefani (mission in China, folder 27).
80 Alberto de 'Stefani was the most important political and economic figure to visit China after Ciano. De' Stefani, a militant of early years in the fascist movement and a top-level representative in the party, became the official economist of Fascism. He was one of the first economist joining the liberal economic school, also called authoritarian, and he was honored to have brought the Italian state budget again into balance and to start restructuring the public administration. He was finance minister and treasurer from 1922 to 1925.
81 Ciano was appointed foreign minister in 1936. The documents of de 'Stefani's mission are today collected at the Bank of Italy's historical archive.
82 Press Release dated 6 March 1937 issued by the Royal Academy of Italy, Bdi, de’ Stefani archive (mission in China, folder 27).
economist was received by the highest authorities of the kingdom, including Mussolini and the foreign minister Ciano, to whom de' Stefani asked:

I wish to know if I can consider my mission in China as performed in the interest of Italy and as a milestone of the historical developments of our [fascist] revolution in the world [...] I need to know if the formation of an organized and powerful Chinese state, which constitutes a great political and military force in the Far East, is in line with Your Excellency's directives. ⑧³

Ciano declared to consider the mission at the service of Italy and fascism, ⑧⁴ for this reason de' Stefani would be appointed minister of State. In reply to the second question, however, Ciano briefly stated that the priority objective was to favor an agreement between China and Japan, countries with which Italy established, for strategic reasons, good relations. Ciano added that he wanted to be constantly informed of the situation in China and of its evolution and reminded de' Stefani that Italy, like the other international powers, did not recognize either «in matter of jurisdiction nor in fact» ⑧⁵ the legitimacy of the constitution of a Mānzhōuguó independent from China. Clarifying the programmatic goals and the role of 'informer' of the facts, de' Stefani could then start his mission in China.

The first meeting with Chiang took place on 30 March 1937 in Hángzhōu. On that occasion, the senior advisor met with the highest government authorities and a few days later embarked on an exploratory trip in the territory of China. On 23 June, de' Stefani met Chiang again at his summer residence in Kuling, ⑧⁶ presenting the general the first report on the administrative reforms he intended to propose. ⑧⁷ During the meeting, the Generalissimo asked for the first impressions of the high commissioner in relation to the status of the country and the expected development of his mission. De' Stefani suggested starting immediately the transformation from the local government reorganization and the peripheral tributary system, considered both strategic for the support of state funds and at that time very inadequate. At the same time, he recommended the centralization of the control of the two administrative systems through the creation of a high national commissioner ⑧⁸.

The entire project was accompanied by notes about the implementation of a new ethical culture in the workplace, based on the professional preparation of the staff and according to the traditional principles of the sense of duty and of the public interest, that Chiang himself constantly recalled in his public statements. To create an effective taxation system, de' Stefani proposed the establishment of a land registry, for the fair determination of the taxable income, to be determined in relation to the different social conditions and recommended a regular revision of the taxable values every five years. De' Stefani also suggested the reorganization of the indirect tax system, starting with the stamp duty, ⑧⁹ of easy and immediate implementation, which would replenish the administration's treasury, making it self-sufficient. The project overall had the immediate and full support of Chiang.

⑧⁴ Notes of de' Stefani dated 12 December 1936 (BdI, de' Stefani archive, folder 27).
⑧⁵ The quote is mentioned in de' Stefani’s memoirs (note written on 12.12.1936). The recognition of Mānzhōuguó by the Italian Government took place on November 29, 1937.
⑧⁶ Location in Lushān Qū district in Jīngxī province, still remembered to have been the favorite destination of the Chiang family.
⑧⁷ Overall six reports dated 21 April, 6 June, 23 June, two reports of 25 June and last one July 31, issued when the Sino-Japanese conflict had already begun (July 7, 1937) and related to the supreme mobilization government body suggested by de' Stefani as a national coordinating organ. All the reports are kept at BdI, de’ Stefani’s archive (Mission in China, folder 27).
On 13 July (the Sino-Japanese conflict had just begun), the high commissioner in a speech, addressed to the senior hierarchies of the armed forces, publicly explained the principles of his mission in support of the reorganization of the State administrations and seized the opportunity to reiterate Italy's solidarity to China:

As Italian, I have no reason not to desire your prosperity and your reborn greatness. I do not need to worry about your dream, which everyday becomes reality, autonomy and economic prosperity, are conditions of your strength and political independence and addressing a message to call for the support of the civilian commitment of the entire population, explained to the military the value of the reform he was preparing.

When the public money is well employed in national and general utility, the nation will be able to use a greater share of its resources and now (instead) dissipated possibilities. It will increase its coefficient of efficiency. National income will increase in products and services: the poor can be less poor and the rich, for the increased collective wealth, may also be richer. This is the wealth of the nations. Fulfillment of tax duties lead a greater amount of national work towards the constructive aims of the Revolution, it activates money circulation and stimulates growth [...] China is rich, enormously rich. His wealth, most of his wealth, is still buried. But its great wealth, what many consider a cause, or the cause of your poverty, is the abundance of work. Such abundance will become the cause, the condition, the guarantee of your wealth and your power.

On 17 July, the high commissioner again met Chiang to discuss the organization of the government in a state of war. He was asked for an opinion on how to administer and organize resources with efficiency during the war conflict. De' Stefani suggested that the powers were immediately to be given to the leader of the nation and that it was necessary to institute a “supreme body of mobilization”, of which the Generalissimo would be the leader, with tasks also concerning the government of the economy. Again, in that occasion Chiang asked the specific and usual question about the position of Italy and de' Stefani replied assuring that Mussolini and his government continued to firmly support peace in China. The Generalissimo therefore asked de’ Stefani to convince Mussolini to intervene in person in the matter of the conflict and the concept was reiterated, with greater emphasis, by the intervention of the first lady, Mei-ling Soong, in the concluding greeting of the evening:

Generalissimo has deep faith in Mussolini, when Conte Ciano was Italian Minister in China there was unusual friendship between the two countries. And to the Italian General Adviser Mr. Scaroni of the China National Aviation Committee, we never conceal anything from him, this is sufficient to show how Chinese is truer to Italians than to other nationals. I hope you will restate the Generalissimo’s statement to Mussolini, that we may have his highly esteemed support.

Over the next few weeks, de' Stefani offered financial advice to the treasury department, suggesting support for government finances, issuing short-term treasury bills and a close monitoring of the currency system, whose volatility was the main cause of concern in the persistence of a conflict. The Italian economist met on several occasions T.V. Soong, at that

---

90 The second Sino-Japanese conflict (the first one occurred in 1894-95) began on 7 July 1937 following the incident at the Marco Polo Bridge (near Beijing) and ended on September 9, 1945.
91 Speech to the high hierarchies of the State, held in Lushen on July 13, 1937, BdI, (Mission in China, folder 34).
92 Report dated July 31, 1937 (Mission in China, folder 27). Also mentioned in different correspondence and notes, for example in the following personal note dated August 3, 1937.
93 Summary of the conversation transcript written by de’ Stefani’s interpreter and dated 17.7.1937, BdI, de’ Stefani’s archive (Mission in China, folder 30).
time vice president of the Republic. At the meeting on 26 July 1937, the two continued to discuss how to stop financial speculation during the war period. De' Stefani suggested preparing the government to intervene on the market by repurchasing, if necessary, national treasury bills, backing up its quotation, in case of excessive fall in market prices, and at the same time inviting generating steady revenue through tax levies from other tributary sources, of which de' Stefani himself had prepared a detailed project to be presented to Chiang. The financial plan was introduced by de' Stefani with an explanatory memorandum (dated the same day of the meeting with Soong, 26 July 1937). It was then practically applied with a first issue of treasury bills (of a total value of 100 million Chinese dollars), while the entire new tax planning schedule was presented to Chiang's attention personally by the commissioner.  

De' Stefani's mission, which at the beginning had a one-year term contract, terminated earlier due to the war events. In commenting about the mission of de' Stefani, general Scaroni stated that the minister failed to achieve all the goals of the project he had set for, because he also found the strong opposition from the network of the Chinese finance magnates, pursuing their own interests at the expense of those of the country. After his return to Italy on 23 October 1937, the high commissioner continued his correspondence with the Generalissimo.

In a letter urged by Chiang's collaborators, de' Stefani explained the delicate political moment in Europe:

> The esteem and the benevolence of Y.E. assure me that He wish reading my thoughts and that He will trust my impartiality. After Italy's exit from the Society of Nations, decided by the Grand Council of Fascism on December 11, European political equilibrium has been changing, for the directives of many of the states belonging to the League of Nations. To these changed directives in foreign policy, which consist of greater freedom of action of individual European States vis-à-vis the League of Nations, must be added the growing development of the authoritarian regimes, in opposition to parliamentary regimes and the struggle against Communism and capitalism and the accentuation of anti-Semitic politics [...] 1) the victory of the anti-communist national faction in Spain [...] 2) the new orientation of anti-parliamentary, anti-communist and anti-Semitic Romanian policy 3) the growing friendly friendship relations of Yugoslavia with Italy and Germany [...] 4) the initiative of the Netherlands for the recognition of the Italian sovereignty over the Ethiopian Empire - which Ireland has already provided [...] 5) the statement by the Swiss Government of its absolute neutrality in relation to the pact of the Nations [...] prove clearly, beyond the rapid diffusion of the principles of Fascist and the Nazi domestic policy, the weakening of the Society of Nations, as a guarantee for the European and world political equilibrium [...]. England's freedom of action, even in the protection of its non-European interests, is limited [...]. England, on the other hand, cannot count on North American cooperation, given the negative attitude of the United States, which would not be prepared for military naval intervention [...]. This analysis suggests that a frank-Anglo-American direct, political and military intervention in the Far East is unlikely and perhaps even impossible [...]. I have pondered about the developments that this may have on the events in the Far East and I think it is appropriate that any condition of pacification, considered acceptable, should be morally guaranteed in its terms and in its observance by forces outside the conflict and enjoying the confidence and the contending parties.

---

96 Letter written by Alberto de’ Stefani and sent to Chiang (no date), BdI, de’ Stefani archive, Mission in China, folder 30. Communication was solicited by general Tsiang Pa Lie and delivered by de’ Stefani himself to Sih Kwang Sien, when the latter was leaving Italy. About the experience of de’ Stefani in China also G. Samaran and L. De Giorgi, Le relazioni tra Cina ed Italia nel Novecento, pp. 71-74.
In the letter it was evident the reference to the favorable moment for the authoritarian regimes of Italy and Germany, anticipating new and unpredictable political scenarios, but de' Stefani, in line with the continued indications of Mussolini and Ciano to the entire diplomatic body, maintained an open position to a compromise and indicated Italy as reference point in the prospect of future peace negotiations. Ciano himself confirmed that political line a few days later in a note in his diaries, dealing with the situation in China:

15 November 1937 - A long conversation with Chen Kung-Po [...] I expounded the following thesis. Japan will overwhelm you militarily and the democracies will not give you any practical assistance. Your only salvation is to be found in direct negotiation through the mediation of Italy and Germany. And the sooner is better. I gathered that the Chinese are relying upon the vast size of their country, but they forget that China’s vital points are on the sea or on the rivers and that the Japanese navy can operate unopposed. I have sent a telegram to Chiang Kai-shek setting out my point of view.97

The fact that frequent correspondence continued to travel between the two governments through diplomatic channels meant that they still were searching the way to control their reaction, before reaching a final political alignment that would inevitably lead towards opposing alliances. In fact, when the events happened, Italy had already made the strategic decision and signed the alliance pact with Germany and Japan (6 November 1937),98 while China’s political strategy was increasingly undecided, increasingly linked to the system of fragile alliances and international sympathies that Chiang had built, but without any concrete diplomatic or military support from any Power. Still remains a significant testimony the fact that in the period between the events in Ethiopia (October 1935) and the subsequent warning of the Society of Nations to Italy, until the recognition of Mâňzhōuguó (29 November 1937),99 the two countries continued finding a way of collaboration, even outside the border of the international rules.

In this context, the documentation of de' Stefani’s mission has a historical value of information and direct and chronological testimony. It explains in fact the degree of close cooperation that the representatives of fascist Italy established and continued keeping with China, receiving appreciation by the political establishment and, above all, by Chiang, with whom the direct dialogue clearly never lacked. Many of those illustrious personalities, who came to China with a difficult task to accomplish, in an unknown and difficult environment, returned to Italy without any recognition, except for the gratitude of the Generalissimo. Another aspect of interest in de' Stefani’s mission was that the same minister sought in his diaries to describe the personality of Chiang's political man, not only through the meticulous transcription of meetings, but also by bringing in Italy the direct testimony of the Generalissimo, man of humble beginnings and committed to his military career, usually not to be seen frequently in public appearances. De' Stefani’s archive also preserves a translation of the book written by Chiang, The Destiny of China, dated 1944,100 probably a single printed copy (never published in Italian), which presents his thought and political project.

The book was originally published in China in 1943 and later printed in the United States in 1947. Chiang presents in it the historical and political themes taken from the writings of Sun, above all those ones concerning the national humiliation by the Western Powers. The text, though not original in political contents, reveals clearly that Chiang identifies himself as

98 Ivi, p. 28
99 Ivi, p. 38
100 Translated by Fausto Tomassini and Kao Shang-chung, Bdl, de' Stefani archive (Mission in China).
the natural heir and continuator of Sun’s project. Even though he does not attribute to himself the vocation of the political man, as his political mentor, who is called the "Father of Homeland", the Generalissimo claims to be endowed with the same invincible will, devoted entirely to the mission of transforming China into an independent, strong and with equal dignity State, as the other international Powers.

For Italy, the memories’ collection written by de' Stefani is today the final testimony of a decade (1928-1937) of intense ties, not only political, but also economic and cultural, in which, although in a historical moment characterized by divisions and nationalism, the two governments found the opportunity to develop a deep and exclusive collaboration.