

## THE "MERCURY" AND THE JAPANESE

Aug. 27.

OUR readers will bear us out that we rarely trouble them with the affairs of other newspapers. "Dog doesn't eat dog" is a good maxim; and the incessant mutual pinpricks in which some editors appear to delight is unedifying and must surely rather bore their readers. But there are occasions when it becomes necessary for one newspaper to concern itself with the doings of another, and such occasion now arises in connexion with the recent annual general meeting of the "Shanghai Mercury, Ltd." and subsequent events. It is generally known, we believe, that since early in 1917 a large number of the "Mercury" shares have passed into Japanese hands, which now control more than half the total number. These are represented on the Board of Directors by Mr. T. Sahara. To comply with British law, the "Mercury" being registered as a British concern, there are, or were until recently, two British directors Mr. J. D. Clark and Mr. A. K. Craddock. But as about one-third of the shares are held by an American gentleman, Mr. Carl Crow, the British holding of shares is reduced to something like a sixth of the total.

With the private doings of the Board of Directors we are not concerned; but it may be guessed that Mr. Craddock managed somehow to incur the hostility of the Japanese, for, at the an-

nual general meeting, held, on July 29 last, after Mr. Craddock had been re-elected a director on a show of hands, a Japanese present, Mr. Okomoto, demanded a poll. It was pointed out that, as Mr. Clark was absent under doctor's orders for the summer, the rejection of Mr. Craddock would mean no quorum on the Board and the business could not go on. But the Japanese persisted; the poll was taken, and Mr. Craddock was declared not re-elected. Matters having gone thus far, the Japanese shareholders have now called for an extraordinary general meeting which is to be held to-day. What their precise intentions may be we do not presume to say, but there is good reason to believe that they intend to remove Mr. Clark from the Board and to put in two gentlemen who, while possessing the qualifications of nationality necessary to maintain the theoretical status of the "Mercury" as a British newspaper, might, inferentially, be trusted to fall in with the views of their Japanese colleague.

In passing, it is open to question whether to-day's meeting can legally be held and can achieve anything. No new director was elected at the meeting on July 29 in Mr. Craddock's place; and with Mr. Clark still absent at Kuling, there is no quorum to call a meeting, if indeed the whole status of the Company has not become equivocal. But objections of this nature cannot serve for more than to postpone whatever scheme the Japanese shareholders may have in view. If they wish to recast the Board according to their own fancy, they will be able to do so sooner or later. On the other hand, they cannot make any great changes, in the direction of enlarging the Company's capital for example. Under the articles of association two-thirds of the total number of votes are necessary for any undertaking of that nature, and they control but a little over

half. While Mr. Carl Crow possesses one-third and there is still a residuum of British shares, matters might, at any moment come to a deadlock.

Against this, however, it does appear quite possible for the Japanese interest to control the paper's policy; and this is the point which concerns the general public. The "Shanghai Mercury" is an old established paper, which is generally known and looked upon as a British organ. In these days of assiduous propaganda, it would not be surprising to find paragraphs of a strongly Japanese colour inserted in its columns, which might then be telegraphed about the world as representative of British opinions in the metropolis of the Far East. Here in Shanghai everybody whose views are of importance would understand such paragraphs and discount them; but abroad their effect might be, if not actually injurious, at least very much the reverse of British ideas. There is of course not the slightest reason why Japanese should not own a newspaper in Shanghai or any other town in China, and publish it in English. But let it be known as a Japanese newspaper and be registered as a Japanese concern, not camouflaged as British, when the British shareholders represent but one sixth of its financial interests and possibly even less of its political.