The Diplomatic relations between China and Japan since Russo-Japanese War

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THE DIPLOMATIC RELATIONS BETWEEN CHINA
AND JAPAN SINCE RUSSO-JAPANESE WAR.

Yue Ming Chun (?) 1916

Western China.
The relations between China and Japan in a political or diplomatic sense are only of modern origin. During long centuries the dealings between these two countries were very unimportant, if not non-existent. 

Nippon, in the first instance, had borrowed from the Middle Kingdom her literature, her arts, her fashions and her philosophies. Thus the kimono is only the Chinese dress of the Tang Dynasty (A.D. 618-907). The written characters of Japan have the stiffness and squareness of a writing in vogue ages ago in China. The glorious colorings of the pottery and lacquer of the Ming period are models for Japanese art, and the philosophies of Japan are those of the great Chinese commentators of Confucius. In a word the people of the Island Empire developed their peculiar civilization by borrowing all the models and ideals from China which they esteemed good and worthy.

The first real conflict between the two countries was when Hideyoshi ordered the invasion of Korea at the close of the sixteenth century. Ming armies crossed the Yalu carrying succor to a vassal state; but they were not able to avert the ruin which overtook the peninsula owing to the frightful nature of the fighting between the Japanese and Koreans. The Chino-Japanese war in 1895 was the next forward move in the Japanese policy of aggression. Success in this war brought to Nippon the realization that she must
become a manufacturing country, and play the same part to the Asiatic mainland that England had played in the past to Continental Europe. A commercial treaty was made between China and Japan; Manchuria was "discovered"; increasing quantities of cotton were received from the Yangtze basin; and great quantities of beans from Korea and the Three Eastern Provinces made their way to Japan.

It was not until the late Russo-Japanese war that the relations between China and Japan increased in political importance and significance. It has wrought a great effect upon the affairs in the Far East, and thus inaugurated a new era in the history of China-Japanese relations. In order to understand the aims of Japan in her relations with China it is necessary, in the first place, to investigate the fundamental causes and issues underlying the titanic struggle waged between Russia and Japan, to seek to understand how the Russian advance to the Pacific had come in conflict with Japan's ambition to establish a hegemony in the Far East, and to investigate what she has acquired as a result of her victory in the struggle.
PART I.

RUSSO-JAPANESE WAR

Chapter 1----Causes of the war.

Chapter 2----What the war conferred upon Japan in China.
PART I

RUSSO-JAPANESE WAR.

Chapter I.

CAUSES OF THE WAR.

For Japan the issues at stake appear to be mainly economical in their nature, because of her immense growth of population, her commercial and industrial development, and her need of raw material for manufactures due to her slow progress in agriculture. In other words she needs "an increased importation of raw materials and food stuffs and an increased exportation of manufactures". Therefore the conclusion seems to be that in case the markets of East Asia be closed the growing population of the Island Empire would be deprived of food, and consequently its national life would be paralyzed. These markets then must be left open. This necessitates the maintenance of the "Open Door" principle in China on the part of Japan, and the maintenance of this principle involves the preservation of territorial integrity of China; because in case of its dismemberment the powers would exercise political and commercial influence in the regions acquired by them to the economic disadvantage of Japan.

The interests of Russia appear to be political and strategical rather than economic in nature, and therefore considered less vital than those of Japan. It is said
that Russia "produces what she consumes and consumes what she produces." In North China the Mikado and the Czar both seek trade and colonization, the difference being, as claimed by Japan, that she insists upon the principle of the open door while Russia whose policy is highly aggressive, opposes it.

Russia's foreign policy is the result of development since the days of Peter the Great who, being concerned with the future expansion of his country, was seriously impressed with the need of access to the sea. Russia produces one fourth of the world's supply of wheat. It is said that oftentimes millions of bushels of Russian grain lay useless while grain in other parts of the world sold for one dollar and half or more a bushel. This apparently is due to the lack of an outlet or an ice free port. Such, if acquired, would mean not only the access of wheat to the world's markets, but above all, it would mean an open avenue for arms, ammunitions, and other military supplies that wheat will pay for.

In her efforts to escape from the perennial grip of ice and snow Russia has tried to "obtain access to the sea in four directions, viz: (1) the Baltic, (2) the Black Sea, (3) the Persian Gulf, and (4) the Pacific Ocean. Her desire for the control of the Baltic Sea has been but partially realized, owing to the rivalry of England, Germany
and Sweden”. Then she turned her attention to the Black Sea, but her attempts to control Constantinople as a means of dispossessing the Turks of their traditional hold upon the "passageway of the Bosphorus and the Dardanelles from the Black Sea to the Mediterranean" was nullified by the powers of Western Europe, especially Great Britain, who also restrained her from obtaining a foothold on the Persian Gulf. Finally her "Warm Water Policy" led Russia to center her efforts of aggression in the Far East, and there she was whipped by the Japanese.

The hostility between Japan and Russia dates as far back as 1790 when the vessels of the latter first appeared in the Japanese waters. In 1798 the Russians attempted in vain to take the Kurile Island from Japan; but in 1806 they succeeded in placing under their control the northern portion of the Island of Sakhalien. These events aroused bitter hatred of the Japanese against Russia, and the Japanese writers appealed vigorously to their brethren to defend their country against the "Wild Eagle of the North". In 1862 and 1867 Russia dealt afresh with Japan in respect to Sakhalien, and in preventing herself from following an aggressive policy during the first few years after the revolution of 1868, which revolution resulted in the elimination of feudalism and the reformation of its institutions, Japan adopted what was known as the "policy of concession".
Consequently by the Treaty of 1874 she ceded to Russia the entire Island of Saghalién, full of potential wealth, in exchange for the sterile Kuriles.

Despite this cession made by the Japanese, Russia was still extending her conquest toward the Far East. This may be accounted for by the fact that after the disastrous Crimean war Russia wished to take her revenge in Asia, for in Far Eastern diplomacy, she declared, the European powers could not compete with her; that Asia seemed to be the line of least resistance to the realization of her dream of sea-coasts and harbors not bound by ice; that the success of Count Nicholas Muravieff in repelling the allied squadron of France and Great Britain with a Russian fleet by way of Amur during the Crimean war convinced the Russian bureaucracy of the absolute importance of Amur River to the interests of Russia; and that "the domination of Saghalién had whetted the appetite of the Russian Government."

Of course there were obstacles lying in the way of the realization of this grandiose policy. While the government was actively at work with such end in view the cool heads of St. Petersburg were not slow to point out the coming jealousy and opposition of Japan and other powers interested in the Far East. The advocates of the forward policy declared that the powers of Western Europe could not keep pace with Russia in Far Eastern diplomacy, and the whole question might be settled by giving them a few crumbs of the bread.
As for Japan she was not worth the finger-bone of a Russian grenadier, and all her boasted progress was nothing more than a thin veneer of European civilization. As the Moscow patriots on the eve of the Crimean war said contemptuously of the allies, "We have only to throw our hats at them", so now the believers in Russia's historic mission in the Far East spoke of their future opponents as "monkeys" and "parrots".

The beginning of Russia's systematic advance to the Pacific via Siberia, dating as far back as 1857, resulted in the conclusion of the Aigun Treaty with China (May, 1858). By this treaty the left bank of Amur and the right bank below the confluence of the Ussuri were conceded to Russia. China was then at war with England and France, and Russia quickly offered to act as mediator between China and the Anglo-French allies. Thus while having won the favor of the Chinese Government she had secured the "Treaty of Pekin, 1860", by which she was given in addition to the region on the left bank of the Amur River all the territory between Ussuri and the Eastern Sea (or Sea of Japan). Russia has obtained possession of the Maritime Province in a more temperate region than she had as yet occupied, and in 1861, had founded on the Gulf of Peter the Great the naval station Vladivostok, now connected by rail with Chita in Transbaikalia and Khabarosk, the capital of the Amur Region. The acquisition of this sea-port had not by any means put an
end to Russia's scheme of territorial aggrandizement, for altho the gulf on which it stands never freezes, a thin layer of ice crust always forms along the shores in December and remains until April. Besides, Vladivostok has not and will never have a well developed hinterland.

After a period of inactivity (1875-1890) the Russian Home Government had learned with complete thoroughness the Far Eastern conditions thru "the visit of the Czarevitch" in that part of the globe in 1891, which led her to realize the importance of southern conquest of the Far East while Japan was only in a state of emergency.

She immediately commenced such conquest by building the Trans-Siberian Railway. The irritation of the Japanese had already reached its climax because of the fact that Nicholas II was then travelling in Japan primarily to study her from a strategic standpoint. Three years later a war broke out between China and Japan, and its unexpected outcome brought about the Treaty of Shimonoseki, April 17, 1895, which stipulated that China should cede to Japan (1) the Liao-tung Peninsula - a southern prolongation of Manchuria jutting into the Yellow Sea, together with Port Arthur and Dairen, (2) Formosa, the valuable camphor producing island and the Pescadores, (3) that China should pay a large indemnity of 200,000,000 taels, and above all, (4) she should grant Korea absolute independence. This afforded Russia an opportunity of ingratiating herself
with China. According to Li Hung Chang's appeal for intervention, she at once persuaded Germany and France to join in a concert to protest against Japan's contemplated occupation of Liao-tung. The three cabinets in a spirit of cordial friendship for Japan, recommended to the government at Tokio that the seizure of the important strategical position would constitute a jeopardy of the peace of East Asia and would be a constant threat to the territorial integrity of China. During the process of negotiations Russia even went so far as to prepare for mobilization against Japan who, enfeebled by her conflict with China, withdrew from the mainland for an additional indemnity of 30,000,000 taels (thus making an indemnity of 230,000,000 taels) and a convention between the belligerents was signed at Pekin on November 8, 1895, for the retrocession of Liao-tung. Russia even considered it advantageous to assist China to pay her war indemnity by issuing a 4½ loan of 400,000,000 francs at Paris July, 1895, payable in thirty-six years, which was intended to cover at least one half of the indemnity.

Ever since Russia's initiative in dispossessing Japan of a foothold of the Asiatic mainland preparation for revenge became a religious duty of the Japanese. She had seen the Siberian Railway extended to the Manchurian border; had viewed with alarm the construction of the Chinese Eastern Railway across Manchuria to its southernmost limits; had seen the Siberian Railway extended to the Manchurian border; had
witnessed, as it were in a night, the rise of the Russian towns and the establishments of Russian emigrants in that vast region; had stood by while the mineral resources and commercial advantages of one of the richest territories in China passed into the hands of Russia; had observed the conversion of Vladivostok, Port Arthur and Dalny into modern fortresses; the increase in the number of Russian warships until they constituted the most imposing fleet of any nation represented in Pacific waters; and the arrival of arms, ammunition and men in large numbers. All at once the arsenals and magazines of the whole empire echoed with "feverish military preparations" for the life-and-death struggle which, as every Japanese statesman saw it, would surely come. It was said that Japan barely had a breathing space, because the coming conflict was not for revenge alone, but also for future expansion as a World Power.

The loan of 1896 which was intended to relieve China from the enormous indemnity exacted by Japan, brought Russia into close financial relations with China. Her next step therefore, was to facilitate the execution of the loan, and to more definitely connect the Russian and Chinese financial and commercial interests. Such being the end in view there was established between Pekin and St. Petersburg the so-called Russo-Chinese Bank which in reality was
intended to promote Russian commercial and political designs in Eastern Asia. The agreement was concluded in September, 1896, providing for the connection of the Transbaikal and South Ussuri lines by building a railway thru Manchuria. It also provided for the organization of the Chinese Eastern Railway Company under the management of a board whose nominal head was the Chinese minister at St. Petersburg, but whose real head, the vice president, was under the supervision of the Russian minister of finance. The general terms of the agreement were "that the shareholders should be Russians and Chinese only; that the railway should be begun within twelve months and completed within six years; that, on the expiration of eighty years from the completion of the line, the railway, together with all its property, should pass without payment to the Chinese government, which was not to be held responsible for any losses which the company might sustain during that period; and that the Chinese government was to have this right, at the expiration of thirty-six years from its inauguration, to take over the railway on due payment to conclude the actual cost thereof, together with all interest thereon". In view of the fact that there was a large marauding population in the region thru which the projected railroads were to run the agreement also provided for the protection of the laborers and works. Thus under the disguise of policing the lands Russia introduced an army of occupation. Again the agreement stipulated that "during the eighty years of Russian management
all commodities carried between China and Russia by the railway should pay in China duties one third less than the ordinary import and export duties in that empire."

Naturally, Russia did not help China for nothing. The road to Vladivostok via Manchuria was now open (1896). We have seen that Vladivostok is not ice-free the whole year round, and Russia had longed to carry out her "warm water policy ever since the reign of Peter the Great. In March of 1898 an opportunity presented itself. Germany had secured from China a 99-year lease of the port of Kiaochao, which Russia had earmarked for herself, together with the exclusive rights of exploiting the potential wealth of Shangtung and the privileges of building railways in that province", as an indemnity for the murder of two German missionaries spies by a Chinese mob in the preceding year. Russia at once made a plea to China, demanding as a set-off against the loss of Kiaochao a lease of Port Arthur which was to be open only to the Chinese and Russian warships, and Dalny which on the other hand, was to be an open port excepting that portion used for naval purposes. China, being in a state of military unpreparedness reluctantly granted such lease on March 27, 1898. This was immediately followed by the British request for the lease of Wei-hai-wei at the mouth of Gulf of Pe-chi-li, and by the French lease of Kwang-chau-Wan under the guise of restoring the "balance of power" in the Far East.

The grandiose scheme of Russia was carefully
laid, and for a time it was favored by circumstances. In 1900 the "Boxer Uprising" broke out in North China; and Russia, availing herself of this opportunity, dispatched a large force to Manchuria, and even seized the treaty port of Hiaochwang, placing it under her own civil administration. It seemed, for a moment, as if the policy of "pacific infiltration" which she had pursued for several generations might be supplanted by an "expeditious mode of annexation". On August 14, 1900 Groderkoff, the Governor-General of the Amur province, wrote to his home government saying, "fifty years ago the Russian flag was raised at the mouth of the Amur, on its right bank, and laid the foundation of our possessions on that great river. Now, after hard fighting, we have taken possession of the right bank, thus consolidating the great enterprise of annexing the whole of the Amur to Russia's dominions, and making that river an internal waterway and not a frontier stream, whereby free and unmolested navigation of that artery thru one of the vastest regions of the Empire has been secured."

So dexterous was the diplomacy of Russia, that, as a means of appeasing the diplomatic world, she at once dispatched a circular note to the World's Great Powers on August 28, 1900, announcing the military occupation of Manchuria had been only dictated by the necessity of checking the advance of the China rebels, and she would not fail to withdraw her troops from the territory if "the action of other Powers does not place any obstacle in the way of such a measure".

A force of 12,000 Russian railway guards was sent to protect the Manchurian railways; troops withdrawn from Pekin were sent to Manchuria; and a large naval force was sent to strengthen her own position on the Pacific. Then in the  "Alexieff-Tseng Agreement" concluded in November of the same year Russia claimed that China should comply with the following demands before she would be allowed to resume the civil government of Fengtien. (1) that she should disband the Chinese soldiers and hand over the war ammunitions to the Russians; (2) that all fortifications at Fengtien other than those occupied by the Russians should be immediately dismantled; (3) that order and peace should be maintained by the local civil authorities; (4) that, in case of emergency, the Chinese government was to apply for additional reinforcement from Russia alone.  

This agreement, tho not ratified, astonished the whole circle of great powers, and at the same time China owing to her military unpreparedness sought to resist the pressure by appealing to the rival powers. This led Great Britain, the United States, Germany and especially Japan to make strong protest at Pekin. But the St. Petersburg Government continuously insisted that China meet her demands, in spite of her repeated assurances that the military occupation in southern Manchuria was only temporary in its nature, and that its object was simply to pacify the disturbances in the vicinity of the Russian frontier and not at all mingled with any interested motives. In
the agreement between Count Landerff and Yang-Yu (February 1901) it was further provided that in addition to the terms laid out in the "Alexieff-Tseng Agreement" the number of the mounted and foot police which China was to organize should be fixed by Russia; that China should not concede mining, railway, and other privileges to another Power without the consent of St. Petersburg in countries adjoining Russia, i.e. Manchuria, Mongolia, Terbogati, Ili, Kashgar, Yarkond, and Kloten; that China should not herself construct a railway in those countries without Russia's consent; that if she wanted to employ foreign subjects to discipline the soldiers in North China she should employ those of Russian nationality; and that no territory in Manchuria besides Huichwang be leased to any other power or powers. It was, of course, difficult for a nation so peace-loving as China to remain firm without any tangible and moral support of other powers. Upon her appeal to the friendly states (or I would rather say superficial friends) Japan and Great Britain protested vigorously against the conclusion of such agreement on the ground that such an act was contrary to the principle of solidarity which then united the Powers, and an individual convention with one Power would materially lessen the capacity of China to meet her obligation toward all the Powers. As a result China refused to sign the convention even in a modified form, and Russia declared that the evacuation of Manchuria could only be accomplished after the affairs in
China had been restored to their normal state.

The negotiations had only been suspended for a time. Early in October M. Lessar, the then Russian ambassador at Pekin, prepared another convention concerning the question of Manchuria, in which Russia proposed the following: The Empire of Russia "agreed to evacuate Manchuria in three years" if there are no repetitions of disorder, and the conduct of other nations does not hamper; that the Agreement of April, 1899, with the Russo-Chinese Bank be adhered to; that China undertake to protect the railways and Russian subjects in Manchuria, for which purpose mounted and foot soldiers (the numbers to be determined by agreement with Russia) might be stationed in lands other than those assigned to the Railway Company, provided that the use of artillery be excluded and that the troops of no other nationality be employed; that subjects of no other nationality be permitted without the consent of Russia to build railways or bridges in southern Manchuria. Besides, another proposal was added about January, 1902, which insisted that China herself exploit Manchuria and develop the industries therein. In case of financial exigency application for loan should under any circumstances be made to the Russo-Chinese Bank, and if the latter should for any reason decline to tender such assistance she might be permitted to make similar application to other Powers.

The real motives of Russia in connection with these demands can be easily seen. She sought to obtain the
the exclusive right of building railways, and the exploita-
tion of natural resources in Manchuria. This effort was view-
ed with great concern by other Powers vitally interested in
the commercial and industrial enterprises in China. A reaction
at once followed. Straining every nerve to resist Russia's
gaining influence too near its shore Japan lined up with Eng-
land and the United States and vigorously protested against
these demands. Mr. John Hay, then Secretary of State of the
United States, reminded Russia of the principle of the "open
door", and that such agreement constituted a breach of the
treaty stipulations concluded between China and the Powers.
As a result of this protest Russia ceased to press China with
these demands, and promptly accepted the counterproposals made
by the latter (April 8, 1902) in which she agreed to withdraw
all her forces from within the limits of Manchuria. This was
primarily due to the conclusion of the Alliance between Great
Britain and Japan at London, January 30, 1902. The treaty of
Alliance, which was defensive in its nature, expressly stated
that the High Contracting Parties, anxious to maintain the
status quo in the Far East, mutually recognized the territor-
ial integrity of China and Korea. They declared themselves to
be entirely uninfluenced by any aggressive tendencies in either
country, and that it would be admissible for either of them to
take such measures as might be indispensable in order to safe-
guard their interests if threatened by the aggressive action
of any other Power, or by disturbances arising in China and
Korea. If either Great Britain or Japan, in the defense of their respective interests as above described, should become involved in war with another Power, "the other High Contracting Party will maintain a strict neutrality and use its efforts to prevent other Powers from joining in hostilities against its ally; and if in the above event any other Power or Powers should join in hostilities against that ally, the other High Contracting Parties will come to its assistance, and will conduct war in common, and will make peace in mutual agreement with it". This agreement was, as a matter of fact, the outcome of the events which had taken place during the past two years in the Far East and of the part taken by both England and Japan in dealing with them. It was actuated by the similar views of the two contracting parties, and existed, according to Dr. Asakawa, "for the purpose of effectively safe-guarding the interests acquired by the two Powers on the common ground".

The conclusion of the Anglo-Japanese Alliance was quickly followed by the Agreement between China and Russia respecting Manchuria (signed at Pekin, March 86, 1902). The terms of the Agreement may be better set forth by quoting the exact words of the document itself which reads as follows:

"His Majesty the Emperor and Autocrat of all the Russias, and His Majesty the Emperor of China, with the great object of re-establishing and confirming the relation of good neighborhood, which were disturbed by the rising in the Celestial Empire of the year 1900, have appointed their Plenipoten-
tiaries to come to an agreement on certain questions relating to Manchuria. These Plenipotentiaries, furnished with full powers, which were found to be in order, agreed as follows:

ARTICLE I.

His Imperial Majesty the Emperor of Russia, desirous of giving fresh proof of his peaceable and friendly disposition toward His Majesty the Emperor of China, and over looking the fact that attacks were first made from frontier posts in Manchuria on peaceable Russian Settlements, agrees to the re-establishment of the authority of Chinese government in that region, which remains an integral part of the Chinese empire, and restores to the Chinese government the right to exercise therein governmental and administrative authority, as it existed previous to the occupation by Russian troops of that region.

ARTICLE II.

In taking possession of the governmental and administrative authority in Manchuria, the Chinese government confirms, both with regard to the period and with regard to all other Articles, the obligation to observe strictly the stipulations of the Contract concluded with the Russo-Chinese Bank on the 27th August, 1896, and in virtue of paragraph 5 of the above mentioned Contract, takes upon itself the obligation to use all means to protect the railway and the persons in its employ, and binds itself also to secure within the boundaries of Manchuria the
safety of all Russian subjects in general and the undertakings established by them.

The Russian Government, in view of these obligations accepted by the Government of His Majesty the Emperor of China, agrees on its side, provided that no disturbances arise and that the action of other Powers should not prevail, to withdraw gradually all its forces from within the limits of Manchuria in the following manner:

(a). Within six months from the signature of the agreement to clear the southwestern portion of the Province of Mukden up to the River Liao-che of Russian troops, and to hand the railways over to China.

(b). Within further six months to clear the remainder of the Province of Mukden and the Province of Kirin of Imperial troops.

(c). Within the six months following to remove the remaining Imperial Russian troops from the Province of Hei-lung-Chiang.

ARTICLE III.

In view of the necessity of preventing in the future any recurrence of the disorders of last year, in which Chinese troops stationed on the Manchurian frontier took part, the Imperial Russian and Chinese Governments shall undertake to instruct the Russian military authorities and the Tsing-Taung, mutually to come to an agreement respecting the numbers and the disposition of the Chinese forces until the Russian forces have
been withdrawn. At the same time the Chinese Government binds itself to organize no other forces over and above those decided upon by the Russian military authorities and the Tsang-Tsungs as sufficient to suppress brigandage and pacify the country.

After the complete evacuation of Manchuria by Russian troops, the Chinese Government shall have the right to increase or diminish the number of its troops in Manchuria, but of this must duly notify the Russian Government, as it is natural that the maintenance in the above-mentioned district of an over large number of troops must necessarily lead to a reinforcement of the Russian military force in the neighboring districts, and thus would bring about an increase of expenditures on military requirements undesirable for both States.

For police service and maintenance of internal order in the district outside those parts allotted to the Eastern Chinese Railway Company, a police guard, under the local Governors ("Tsang-Tsungs"), consisting of cavalry and infantry, shall be organized exclusively of subjects of His Majesty the Emperor of China.

ARTICLE IV.

The Russian Government agrees to restore to the owners the Railway Shanhaikwan-Newchwang-Sinminting, which, since the end of September 1900, has been occupied and guarded by Russian troops. In view of this, the Government of His Majesty the Emperor of China binds itself:
1. In case protection of the above-mentioned line should be necessary, that obligation shall fall exclusively on the Chinese Government, which shall not invite other Powers to participate in its protection, construction, or working, nor allow other Powers to occupy the territory evacuated by the Russian.

2. The completion and working of the above-mentioned line shall be conducted in strict accordance with the Agreement between Russia and England of the 16th April, 1899, (No. 104), and the Agreement with the private Corporation respecting the loan for the construction of the line. And furthermore, the Corporation shall observe its obligations not to enter into possession of or in any way to administer the Shanhaikwan-Newchwang-Sinminting line.

3. Should in the course of time, extensions of the line in Southern Manchuria, or construction of branch lines in connection with it, or the erection of a bridge in Newchwang, or the moving of the terminus there, be undertaken, these questions shall first form the subject of mutual discussion between the Russian and Chinese Governments.

4. In view of the fact that the expenses incurred by the Russian Government for the repair and working of the Shanhaikwan-Newchwang-Sinminting line were not included in the sum total of damages, the Chinese Government shall be bound to pay back the sum which, after examination with the Russian Government, shall be found to be due.
The stipulations of all former Treaties between Russia and China which are not affected by the present Agreement shall remain in force.

The Agreement shall have legal force from the day of its signature by the Plenipotentiaries of both States.

The exchange of ratifications shall take place in St. Petersburg within three months from the date of the signature of the Agreement.

For the confirmation of the above, the Plenipotentiaries of the two Contracting Powers have signed and sealed two copies of the Agreement in the Russian, French, and Chinese languages. Of the three texts, which, after comparison, have been found to correspond with each other, that in the French language shall be considered as authoritative for the interpretation of the Agreement.

At the same time M. Lessar handed a note to the Chinese Plenipotentiaries, on behalf of the Russian Government, declaring that "the surrender of the civil government of Mukchwang into the hands of the Chinese would take place only after the withdrawal from that port of the foreign forces and landing parties and the restoration to the Chinese of the town of Tien-ts'in, then under international administration", and that if the Chinese government, in spite of their positive assurances, should, on any pretext, violate the above conditions, the imperial government would no longer consider itself bound by the provisions if the
Manchurian Agreement, nor by its declaration on this subject, and would have to take all responsibility for all consequences which might ensue.\(^3\)

Even the comparatively mild terms of this agreement imposed upon China some conditions difficult to fulfill. On the contrary, according to the tenor of the agreement, the Chinese Empire would in eighteen months from the date of signature regain all her lost sovereign rights in Manchuria. The convention seemed to confirm Russia’s avowed love of peace and her declared unwillingness to jeopardize China’s territorial integrity. About the end of the first six months (October 8, 1902) from the conclusion of the agreement Russia withdrew her troops from the southwestern portion of Mukden up to the Liao River and handed back all the Railway outside of the Great Wall to the administration of Peking. It is true that some troops must have been sent back to “European Russia”, but others were transferred to different stations in Siberia, including the strategically important Nikolay near the eastern border of Manchuria and still others to Mongolia where Russian forces were reported to have suddenly increased, until in December they were said to have numbered about 27,000. In other words, the main part of the evacuation was merely the transferring of Russian troops from Chinese towns and settlements to the developing Russian quarters within the limits of Manchuria; and the troops were not withdrawn but were transformed into railway guards. Mukhwan was not restored to China in spite of
the fact that the conditions formulated by M. Lessar in his NOTE VERBALE had been fulfilled. Its evacuation was declared indefinitely delayed under the pretext of a few trivial reasons, until the Russians were driven out of this important treaty port by the Japanese.

As April 8, 1903, the date set for the evacuation of the Province Kirin and that part of the Province of Shangking which lies east of the Liao-ho, was drawing near the disposition of the Russian forces showed that not even a nominal withdrawal was intended. Not only did the troops remain, but, with the consent of Admiral Alexieff, they also cut timber on both sides of the Yalu River, and even went to Yong-am-po on the Korean side of the Yalu. Furthermore, Russia in the meantime imposed upon China seven demands, which were rejected by the Chinese Government, thru her Charge d’ Affaires at Pekin. The authentic version of these demands reads as follows:

"1. No portion of territory restored to China by Russia, especially at Hw-ochwang and in the valley of Liao-ho, shall be leased or sold to any other Power under any circumstances; if such sale or lease to another Power be concluded, Russia will take decisive steps in order to safeguard her own interests, as she considers such sale or lease to be a menace to her.

"2. The system of government actually existing throughout Mongolia shall not be altered, as such alterations will tend to produce a regrettable state of affairs, such as the uprising of the people and the disturbances along the Russian frontier; the
26.

"3. China shall engage herself not to open, of her own accord, new ports of towns in Manchuria, without giving previous notice to the Russian Government, nor shall she permit foreign consuls to reside in those towns or ports.

"4. The authority of foreigners who may be engaged by China for the administration of any affairs whatever, shall not be permitted to extend over any affairs in Northern Provinces (including Chili), where Russia has the predominate interests.

"In case China desires to engage foreigners for the administration of affairs in Northern Provinces, special offices shall be established for the control of Russians; For instance, no authority over the mining affairs of Mongolia and Manchuria shall be given to foreigners who may be engaged by China for the administration of mining affairs; Such authority shall be left entirely in the hands of Russian experts.

"5. As long as there exists a telegraph line at Niu-chwang and Port Arthur, the Niu-chwang-Peking line shall be maintained, as the telegraph line at Niu-chwang and Port Arthur and throughout Sheng-king Province is under Russian control, and its connection with her line on the Chinese telegraph poles at Niu-chwang, Port Arthur, and Peking is of the utmost importance.

"6. After restoring Niu-chwang to the Chinese local authorities the customs receipts there shall, as at pre-
sent, be deposited with Russo-Chinese Bank.

"7. After the evacuation of Manchuria, the rights which had been acquired in Manchuria by Russian subjects and foreign countries during Russian occupation shall remain unaffected; moreover, as Russia is duty-bound to insure the life of the people residing in all the regions traversed by the railway, it is necessary, in order to provide against the spread of epidemic diseases in the Northern Provinces by the transportation of passengers and goods by railway trains, to establish at Niu-chwang a quarantine office after the restoration of the place to China; The Russian civil administrators will consider the best means to attain that end. Russians only shall be employed at the post of Commissioner of Custom and Custom Physician and they shall be placed under the control of the Inspector-General of the Imperial Maritime Customs. These official shall perform their duties conscientiously, shall protect interest of the Imperial maritime customs, and shall exhaust their efforts in preventing the spread of those diseases into the Russian territory. A permanent Sanitary Board, presided over by the Customs Tao-tai, shall be established. The foreign Consuls, Commissioner of Custom, Custom Physician, and Agent of the Chinese Eastern Railway Company shall be Councilors of the Board. As regards the establishment of the Board and the management of its affairs, the Customs Tao-Tai shall consult with the Russian Consuls, and the Customs Tao-Tai shall devise the best means to obtain funds nec-
These demands such as comprising "the non-alienation of Manchuria to any other power," the status quo in Mongolia", and drastic measures of closing the former territory against economic enterprise of all foreigners" except the Russians brought vigorous protests from Japan, the United States, and Great Britain, whose straight forward foreign policy was expressed as follows: "To open China impartially to the commerce of the whole world, to maintain her independence and integrity, and to insist upon the fulfillment of treaty and other obligations by the Chinese Government which she has contracted toward us."15

When the date set for the final evacuation of Hei-lung-Kiang (October 8, 1903) arrived the Russians were occupying practically the whole of Manchuria except the west bank of Piao-ho. They were still in possession of the important port of Huichwang, and had actually reoccupied Mukden which was said to have greatly exasperated public feeling in the Mikado's Empire against Russia. When the peace time loving Chinese sought to resist the pressure by leaning on the rival Powers she found them to be little better than broken reeds. France could not openly oppose her ally; the Kaiser had reasons of his own for consulting the Czar; while Uncle Sam and John Bull, the avowedly opposing the scheme as dangerous to their commercial policy, were not prepared to go to war in defense of their common policy. It seemed that by patience, generuity, diplomatic dexterity, and spontaneous infiltration Russia might ultimately
attain her ends. But a surprise was in store for her. There was one power which recognized that her own vital interests were at stake and was ready to undertake in defense of them a live- and - death struggle; and for her the Manchurian question possessed a grave significance, for if the three Eastern Provinces fell into the hands of Russia her own territory would be threatened, and her hope of exploiting the Asiatic mainland and of annexing Korea would be frustrated. Japan had been smarting under the humiliation of her expulsion from Liaotung Peninsula in 1895, and watching with keen interest every move in the game of international politics, meanwhile confining her efforts to resisting the advance of Russian influence into Manchuria and Korea, and supporting diplomatically the Powers who were upholding the principle of the "open door". She had been making military and naval preparation for revenge ever since 1895; and now that day was at hand when the Western Powers would not prevent the realization of Russia's grandiose scheme. Against the danger of isolation she was protected by her alliance with Great Britain (concluded in 1902), and she felt assured that with Russia alone she was quite capable of dealing single-handed. All at once she passed from the defensive to the offensive, and demanded that Russia evacuate Manchuria immediately. Her position was briefly and graphically described in a dispatch telegraphed to Mr. Kurino, then Japanese minister to St. Petersburg, instructing him to open negotiations as follows:
"The recent conduct of Russia in making new demands at Pekin and in tightening her hold upon Manchuria has led the Imperial Government to believe that she has abandoned her intention of retiring from the Province. At the same time her increased activity upon the Korean frontier is such as to raise doubts as to the limits of her ambition. The unconditional and permanent occupation of Manchuria by Russia would create a state of things prejudicial to the security and interests of Japan. The principle of equal opportunity (the open door) would thereby be annulled, and the territorial integrity of China impaired. There is however a still more serious consideration for the Japanese Government. If Russia were established on the flank of Korea she would constantly menace the separate existence of that Empire, or at least exercise in it a predominant influence; and as Japan considers Korea an important outpost in her line of defense, she regards its independence as absolutely essential to her own repose and safety. Moreover the political as well as commercial and industrial interests and influence which Japan possesses in Korea are paramount over those Powers; she cannot, having regard to her own security, consent to surrender them to, or share them with another Power".

In accordance with this view of the situation, Baron Komura, Japanese minister of Foreign Affairs, instructed Mr. Kurino to inform Count Lamsdorff, Russian Minister of Foreign Affairs, that the Japanese Government desiring to re-
move from the relation of the two empires every cause of future misunderstanding, would be glad to enter with the Imperial Russian Government upon an examination of the condition of affairs in the regions of the extreme east where their interests meet, with a view of defining their respective special interests in those regions; and that if this suggestion meets with the approval of the Russian Government, Japan would be prepared to present their views to St. Petersbyrg as to the nature and scope of the proposed understanding.

Altho Count Lamsdorff accepted Japan's proposal with apparent cordiality the idea of general discussion was not at all welcome. The policy of the Russian Government was to keep the whole situation until it had consolidated its position in Manchuria and on the Korean frontier to such extent that it could dictate its own terms in any future arrangement. It, however, consented to an exchange of views, but in order to ensure that the tightening of its hold on the territories in question, should proceed pari passu with the diplomatic action; it made an extraordinary departure from ordinary procedure, entrusting the conduct of the affair not to Count Lamedorff and the Foreign Office but to Admiral Alexeyev the newly appointed viceroy of the Far East, in whom was vested the control of all civil, military, naval and diplomatic affairs relating to that part of the world. The negotiations went on from August 12, 1903 to February 6, 1904, during which period neither party retreated a step from the positions originally taken up. What Japan
insisted on obtaining was the privileges of the "open door" (altho her motives are now fundamentally different) and the right of settlement in Manchuria which Russia obstinately refused. She was soon convinced that the forward policy of the Colossus was not to be stopped by paper barricades. Japan suddenly broke off diplomatic negotiations with Russia. On February 8, 1904, the Japanese attacked the Russian squadron, and thus began one of the greatest wars in the history of the world.
Foot-notes for Chapter I.


3 Hershey's International Law and Diplomacy of the Russo-Japanese War. pp.3.


Foot-notes. Chapter I.


12 Modern Russia, p.236, Gregor Alexinsky.

13 For the text of the treaty, see U.S. House Doc., 54th Cong. 1st sess., Vol.1. pp.200-203. For the French text, see Appendix to La Guerre Sino-Japonaise, by N. Ariga

14 See Russian note to Japanese Government in Lawrence's War and Neutrality in the Far East, pp.11.

15 A Russo-Chinese Empire, pp.184, Alexandre Ulare.

16 For the statutes of the "Agreement" see Weale, Reshaping of the Far East, II. pp.444 ff. App. D.

17 The port of Kia-Chao, in this connection, was to have been leased to Russia by the terms of Cassini Convention. For text of the convention see the appendixes to Weale's Reshaping of the Far East and Beveridge's Russian Advance.

18 The lease of Hei-Lai-wei with the approval of Tokio, "was to remain in the possession of England so long as Port Arthur which has been leased for 25 years - subject to renewal by mutual agreement - remained in the hands of Russia". See Asakawa, Chap.4: Weale (the appendixes) Beveridge, chap. 9. For text in French see Cordier III., chap. 10.

19 Citation in Asakawa, Chap. 6, pp.145.

20 Hershey, chap.1, pp.18. Similar assurances were given to the Washington Government that Russia had no territorial designs in China. See U.S. Documents, of 56th Cong., 2d sess. (Foreign relations, 1900). pp.394-380.
Foot-notes. Chapter I.

21 This is to apply to the Russian political resident whose headquarters was at Mukden.

22 For the text of this convention see Blue Book on China, No.2, (1904) Nos. 14, 25 and 42.


24 This term was afterwards reduced to two years.


26 Russia agreed to withdraw forces from Manchuria in the following manner; (a) "Within six months from the signature of the agreement to clear the southwestern portion of the province of Mukden up to Liao River of Russian troops, and to hand over the railways to China; (b) Within the following six months to clear the remainder of the province of Mukden and the province of Kirin of Imperial Troops; (c) Within the six months following to withdraw the remaining imperial Russian troops from the province of Hei-lung-kiang. For text, see Parliamentary Paper, China, no.2 (1904). pp.36. Reprinted in Hertslet's China Treaties, Vol.1, pp.509-512.


29 Hertslet, China Treaties, Vol.1, no.90, pp.509-12.

30 See Hershey, introduction, pp.32.

31 Asakawa, Chap. 14, pp.234.
Foot-notes. Chapter 1.

35 "At the conclusion of the Agreement of April, 1901, M. Lessar delivered a note verbale to the Chinese Gov. stating that Nui-chwang would be restored as soon as the Powers terminated their administration of Tientsin, and that if the latter did not take place before October 8, then Nui-chwang would be surrendered to China in the first or second month after that date. The rendition of Tientsin was accomplished by the Powers on August 15, but the restoration of Nui-chwang not only did not follow it, but seemed to be indefinitely delayed". See Asakawa, Chap. 14, pp. 237-238.

36 The trivial reasons presented by the Russian authorities one after another were: (1) that "one or two foreign gun-boats were present in the harbor. (2) that the Chinese refused to agree to the constitution of a sanitary board; and (3) that the Chinese Tao-tai detailed to receive back the civil government of the port had not arrived from Mukden where, it has been discovered he had been detained by against his will". Asakawa, Chap. 14, pp. 238. China, No. 2 (1904), pp. 38-42. Ibid., Nos. 72, 74, 75, 111, 112. Ibid., Nos. 131, 132. Ibid., Nos. 70, 122, 130, 131.


38 China, No. 90, (1904), Landowne to Herbert (April 28).

39 See Asakawa, Russo-Japanese Conflict, Chap. 18, pp. 296-299.

40 Count Lansdorff had very often said to Mr. Aurino, "an understanding between the two countries was not only desirable, but was the best policy". "Should Russia and Japan enter into a full understanding" said he, "no one would in future attempt to sow the seeds of discord between the two countries''. This is quoted in Asakawa, Russo-Japanese Conflict, Chap. 18, pp. 299.
Chapter 2.

What the War conferred upon Japan in China.

The victory of Japan over Russia has radically changed the conditions in Manchuria. For the purpose of studying the altered situation it is necessary to examine the Russo-Japanese Treaty of Peace signed in Portsmouth, N.H., September 5, 1905, and various other documents having some direct bearing on that treaty. The treaty provided for the simultaneous evacuation of Manchuria by both Japan and Russia; for the transfer to Japan by Russia with the consent of China, of the lease of Port Arthur, and of the port of Ta-lien, and also the railroad between Chang-Chun and Port Arthur, together with the coal mines in said region belonging to or worked for the benefit of the railway. It was also provided that the two contracting parties engage to exploit their respective railways in Manchuria exclusively for commercial and industrial purposes and in nowise for strategic purposes, with an understanding that this restriction does not apply to the railway in the territory affected by the lease of Liao-tung.

We shall presently see the properties obtained by Japan as a result of the war are as follows:

(I) She has secured the lease of Port Arthur, Talien, and the adjacent territory, and all rights, privileges and concessions connected with or forming part of such lease. The area of the leased territory covers the whole
of that portion of Liaotung peninsula lying to the south of an imaginary line drawn from the north of A-tang-Bay on the west coast of Liaotung (passing thru the ridge of A-tang Mountain, the mountain being included in the leased ground) to the east coast of Liaotung near the north side of Pi-tzu-wo Bay. To the north of the boundary thus fixed there is a neutral zone, in which China retains her jurisdiction, but relinquishes the right of quartering troops. The term of the lease is fixed as twenty-five years, of which seven years had elapsed under Russian administration, so that at the end of eighteen years from the time of its transfer (December 29, 1905) Japan should withdraw from the peninsula in accordance with the stipulations of the Russo-Chinese Treaty of Lease which she pledged to adhere to.

(2) Next is the acquisition by Japan of the Railway between Chang-chun on the north and Talien on the south, covering some 436 miles, and the three branch lines as follows: (a) Nan-Kuailing to Port Arthur (28 miles), (b) Ta-shih-Chiao to Yinkow (14 miles), and (c) the branch to the Fushun coal field (34 miles). Thus we see the Railways ceded to Japan by Russia amounted to 512 miles, the cost of which was about 76,222,000 rubles. These railways together with their appurtenances must be handed over to China without compensation at the expiration of eighty years from the day of the opening of traffic (in 1903), according to the agreement concluded between Russia and China in September 1896. However the Chinese government
has the right to take back these lines at the expiration of thirty-six years from the opening of the traffic on refunding the concessionaire all the outlays made on them.

(3) In addition to the railways transferred by Russia Japan has secured from China "the right to maintain and work the military railway line constructed between Antung and Mukden and to improve the said line so as to make it fit for the conveyance of commercial and industrial goods of all nations." The duration for which such right is conceded is fifteen years from date of completion.

(4) In consequence of the Chino-Japanese Agreement of 1905 a joint stock company was organized for the exploitation of the forests in the regions on the right bank of Yalu, composed of Chinese and Japanese capitalists. The shares are equally divided between them.

Furthermore Japan solicited the Chinese Government to open the following cities and towns in Manchuria as places of international residence and trade:

In the Province of Shengking:-
Fenghuangcheng, Liaoyang, Heimintum, Tieling, Tung-xiang-tsu and Sakumen.

In the Province of Kirin:
Changchun, Kirin, Harbin, Ninguta, Hungchun and Shanhsing.

In the Province of Heilungkiang:
Teitsihar, Hailar, Aigun (Aihun) and Manchulir.
Newchwang and Dalny had already been ports of international trade and commerce for several years prior to the war, while Antung, Tatun-Xow, and Mukden were opened in October 1903, as a consequence of the joint request of Japan and the United States.

A moment's glance at the map of North China reveals the importance of these selected places. While soliciting China to open these ports Japan no doubt had taken into consideration, not only the commercial viewpoint, but also the strategical. From the strategical point of view the Japanese considered that the above-mentioned towns or cities, especially Aigun, Hungchun, Manchuli, Hailar, and Hinguta (five frontier or semi-frontier posts), when transformed into markets of international commerce, would present themselves as serious handicaps in the way of Russia's future aggression upon the "Three Eastern Provinces".
For French text, see Hertslet's China Treaties, Vol. 1, pp. 608-613.

The northern boundary of the neutral zone commences on the West coast of Liao-tung, at the mouth of Haichou River, passes north of Yu-yu-Chang to the Ta-yang River, and follows the left bank of that river to its mouth, which is included in the neutral territory. See Hertslet's China Treaties, Vol. 1, pp. 509.

The Autung-Mukden Railway amounts to 159 miles. The right of reconstruction is conceded to Japan by agreement in the China-Japanese Treaty signed at Pekin, Dec. 22, 1905.

All these places have now been opened to trade.
PART II.

CHINO-JAPANESE RELATIONS SINCE THE WAR.

Chapter 3-------The Balkans of the Far East.

Chapter 4-------Japan's policy in Manchuria.

Chapter 5-------The aims of Japan.
Chapter 3.

The Balkans of the Far East.

It is only within the last two decades that Manchuria has become the focus of great political ambitions and desires. The advent of Russia with its bold policy of railway and mining developments stimulated international interest as well as international jealousy. This international interest, or jealousy, has raised the question as to how to dispose of this salubrious and fertile region, with an area to that of France and Germany combined; and has given rise to many attempts to read a satisfactory solution of the many questions affecting the interests of the Powers.

Manchuria, and its inhabitants, have played a very conspicuous part in the history of China. It was in 1644 that the Manchus accomplished the downfall of the "Ming dynasty," and assumed, from that time on the supreme power for about two and a half centuries in spite of frequent revolutions within and persistent territorial and commercial aggressions from without. "While the Manchus were engaged in a struggle that was to give to them the throne of China, the traditional policy of Russia which ever since has been to free herself from the grip of ice and snow and to extend southwards toward the sun, found its inception. Marauders crossed the frontier, settling
in Northern Manchuria, and, as the result of a prolonged conflict with the Chinese, the treaty of Nerchinsk was concluded in 1889. This treaty, and the later treaty of Aigun defined the boundaries of the two empires, and in 1860 a supplementary treaty was concluded at Pekin which settled the frontier questions between the two countries. For thirty-five years (1860-1895) Manchuria enjoyed tranquility in that it was not concerned with external aggression, but when Japan insisted upon the cession of the Liaotung peninsula as a result of her victory over China in 1895, she undoubtedly had in mind the extension of her influence in southern Manchuria on a large scale, and aided by the careful investigations of her agents in all parts of the country she was better informed than any other foreign country concerning the internal conditions and the value of the potential resources waiting for exploitation.

Manchuria is today the scene of one of the keenest commercial struggles that has ever witnessed in the world. In other words it is today to the Far East what the Balkans have for so long been to Europe; it is the focus of great political designs and international interest; and here the issues are moving toward a culmination which may cause another life and death struggle.

Since the termination of the war three political powers have striven for supremacy in Manchuria, each animat-
ed by widely differing motives, yet compelled temporarily under circumstances to compromise their antagonisms. These are China, Russia, and Japan. China, the recognized sovereign of the region, attempts, with all her efforts, to accomplish a resumption of her governmental functions; while Japan and Russia are, to a certain degree, the actual sovereigns, basing their authority upon military occupation. "Only semi-chaotic conditions" said Millard, "could prevail under such circumstances; but efforts of the three nations each to have its own way and secure to itself the greater advantage have developed much of significance; and other interested nations, while abstaining from action likely to annoy or embarrass the recent belligerents, have been keenly alive to what is going on. Each power wants to obtain control of the territory more on account of its industrial and commercial possibilities than its military importance.

The area of Manchuria, tho never correctly ascertained, is about three times as large as the United Kingdom of Great Britain and Ireland. Until within the past fifty years it was a little known land; even the Chinese themselves paid scant heed to its commercial possibilities. In "pre-treaty days" there were no travellers ever visiting the port of Mukden, and, besides, for many years after it had been declared open trade progressed but slowly. It was thought that Manchuria would never offer a great market for foreign goods. It was toward the end of the third decade that the awakening came.
All at once it began to appear that a bright commercial future lay before Nuchwang. The year 1890 showed a notable increase in trade, which was perhaps due to a careful valuation of commodities which was introduced in that year, and to an actual increase in the body of merchandise. The following years undoubtedly gave still larger results, and the decades 1892 to 1912 were remarkable for a series of mercantile developments perhaps unparalleled in the history of the "China-trade." The very aspect of the place underwent a rapid change, the mud village of the sixties grew into a rich and populous town, with fine shops, magnificent buildings, and large factories. It will be realized that the sleepy bean mart of the old days has passed away forever. For many years it has been the policy of the Chinese government to keep North Manchuria undeveloped, but in the eighties there were signs of a change of view. These were seen in the fortifications of the northern frontier, and in the encouragement which was given to immigrants to take up unoccupied land in the Three Provinces. People continued to pour in, more land was cultivated, and more grain produced. The soil gave forth abundantly; there was a large supply of agricultural products to be disposed of. Transport, tho difficult and expensive, was not hampered, and at the moment when there was superabundance of supply there arose in Japan a great demand for the staple productions. The discovery of the Japanese market for beans and beancakes was the most potent economical factor in
the development of trade in southern Manchuria.

Of all the vast territories that China contains Manchuria is looked upon as the one possessing the best conditions for immediate exploitation on a large scale. The Russians were the first to begin exploitation in earnest, and as a result of the Russo-Japanese war the attention of the whole world has been drawn to one of the most interesting friends of international enterprise. Altho the Chinese have been at last seriously awakened to a realization of the potential value of the resources of Manchuria and have done much within recent years to encourage emigration to that region there is little prospect that in the immediate future the natives will be able to derive any considerable share of the fruits of the enterprise that is in progress in their midst. Viewed from every standpoint of natural advantage, Manchuria offers an attractive field for the investment of capital. Altho the climate is essentially dry and endurable, nevertheless there are magnificent waterways draining enormous areas of fertile plains. On the northern boundary flows the great Amur, which is navigable for steamers of slight draught along nearly the whole of its length. Through the heart of Manchuria flows the Sungari, which is navigable for a distance of over six hundred miles, while its principal tributary, the Nonni, affords an excellent waterway for small craft for a distance of four hundred miles above the point of confluence. In the south the Liao River, which flowing into
the Gulf of Liaotung is navigable for junk traffic to the extent of two hundred miles of its course, while on the northwestern border of Korea is the famous Yalu, of sufficient depth to admit of the passage of steamers drawing eight feet as far as the important town of Antung.

As far as the water-way communication is concerned Manchuria is ice-bound for four months during the year, which is therefore a serious drawback to the commercial development of the country. Before the vast resources of Manchuria can be reached to any measurable extent the problem of communication must be solved. Japan, realizing that Manchuria needs an adequate railway system more than anything else, lays claim to the exclusive right to supply this need in the south, but she is not financially able to assume the undertaking of extensions on a large scale. Unless an adequate system of land communication can be supplied the progress of Manchuria will suffer to no small extent. It is calculated by Prof. Parker that should Manchuria ever be developed to its fullest possibilities, its products, both in quality and quantity, would be as famous in the world's markets as the wheat of Canada and the cotton, corn, and beef of the United States. Before this stage of development can take place it is necessary, according to Dr. Parker, that there should be good roads to connect with the railways and waterways. "With good roads, and better transport facilities", says Mr. Cloud (see foot-note 8), "new markets would be reached,
the cost of production and marketing would be reduced more than one-half, production be stimulated, and the land of Manchu would enter upon an era of prosperity and progress scarcely second to that enjoyed by the inhabitants of the trans-Mississippi plains during the past thirty years. Furthermore it is estimated that the Sungari and the Nonni drain an area of thirty million acres unsurpassed for the richness of its soil by any other grain bearing tract in the world. Opinion is unanimous that Manchuria is destined to become the granary of the Far East. But it must not be imagined that its prosperity is altogether bound up with agriculture. It will in the future hold a prominent place among the greatest timber-producing regions of the world. The whole region between the Yalu and Hun Rivers, known as the Laoling range, is one vast tract of land covered with dense forests, and the belt of timber extends in unbroken succession thru the province of Kirin and the basin of Sungari far north over the Changpai mountains. In the province of Hei-lung-Chiang there are millions of thickly wooded acres; and the lumber industry in which both Chinese and Russians engage, flourishes within easy distance of the railway to Harbin. It is apparently because of the timber producing lands in the basin of Yalu that the attention of the world as well as that of Japan has been focused upon Manchuria. In fact the Russian exploitation of these forests was one of the principal causes that led Japan to wage war with Russia.
The principal kinds of timber produced in the Yalu Basin are pine, fir, oak, walnut, elm, larch, and cypress; and the average of all these varieties is estimated in value at about one million or more sterling a year. The Japanese have established a number of saw-mills and a few paper mills. At present the lumber industry has almost passed its stage of infancy, but it is the opinion of many competent judges that the products of the Yalu forests will take the prominent place they deserve in the markets of the world.

The mineral resources in Manchuria are superabundant. They have not as yet been seriously exploited the results already obtained from the working of gold, iron, coal, silver, copper, lead, and soda justify the belief that there is untold potential wealth covered by the soil of this vast territory. Gold is found practically everywhere throughout the length and breadth of the three provinces, but the richest deposits are found on the right bank of the Amur River, the line of demarcation between Siberia and Manchuria. In Fengtien gold is known to exist at two places in the Liangtung Peninsula, in the east near the city of Tung-hua-hsien, a few miles to the north of Ma-erh-shan, between the Yalu River and the Chang-pai-shan mountains. In Kirin it is found forty miles to the north east of Hunchun, near the Russian frontier, in the bed of a tributary of the Tumen, still further north in the valley of the Sui-fen River, which flows into the Amur Bay on which Vladivostock
stands, sixty five miles west by north of Hunchun in another tributary of the Tumen, on the banks of the Upper Sungari and tributaries, and seventy miles to the east of Saneing - a town at the junction of the Sungari and the Hurka or Hutan River - near the headwaters of a river which flows into the Sungari to the north of that town. No doubt gold is found in other parts of Manchuria, but the above are the best known centers. Iron, coal, and soda are extensively worked. It is only within the Japanese sphere of influence, i.e. southern Manchuria, that mining developments are at present in progress. When the Russians were in occupation of this territory they paved the way for these developments, but they as yet, have not sufficiently recovered from the disastrous effects of the war to enable them to begin a serious exploitation in the far north. Japan was quick to take full advantage of the valuable mining rights conceded to her in the provision of the Treaty of Portsmouth. The Fushan and Yentai coalfields are today regarded as the most profitable of all the various undertakings conducted by the South Manchurian Railway; it is expected that the total output from these two mines will eventually reach 5000 tons daily. The Fushan mine is undoubtedly one of the richest coalfields in Eastern Asia. Seams of 50 and even 100 feet of coal of excellent quality have been found, and it is estimated that the total deposits available for exploitation amount to considerably over 400,000,000 tons.
It is clear that awaiting development in Manchuria are resources of enormous value. These resources are not necessarily restricted in character. Their variety may be judged from the following list, showing the different business enterprises, for which there are promising opportunities:

1. Bean-oil manufacturing.
2. Utilization of bean refuse.
3. Silkworm raising.
4. Saké brewing.
5. Salt refining.
6. Flax manufacturing.
7. Flour milling.
8. Tanning.
10. Canning industry.
11. Silk spinning.
12. Weaving.
13. Forestry.
15. Stock raising.
17. Transit and carrying business.

It only remains to be added that meat, food, fuel, and labor can be obtained in abundance. That Japan
has so far not failed to take advantage of the special posi-
tion which her political influence has enabled her to ac-
quire, is seen in the fact that ever since the termination
of the war with Russia she has succeeded in establishing
twenty-seven bean-oil factories, sixteen brick factories,
one cement factory, seven iron works, eight lime factories,
and three salt farms. It is evident that Japan will have a large
share in the development of the rich mineral fields in South-
ern Manchuria, and her position in that region will remain
strong until the time comes when a rejuvenated China may expel
her from the mainland.
Foot-notes.

Part II.

Chapter 3.


2 This is taken from Millard's "The Far Eastern Question", pp.166.

3 The Japanese estimate the area at 379,095 sq. miles; other authorities estimate it 400,000 sq. miles. Lancelot Lawton, Vol.II, pp.1116.

4 Mr. Butnam Weale who travelled extensively in this region, says in his book, "The coming struggle in Eastern Asia"; that this amber-colored Sungari River which connects the two Pacific coasts routes together is so full of water in spring and summer that it would be possible to sail a shallow-draught vessel straight from the upper Yanteze and the Amur by way of Vladivostok reaching to Sungari and Harbin in a very few days steaming. In other words he adds, it is possible to travel three thousand miles by water from the heart of Central Manchuria to the heart of China. See Putnam Weale's "The Coming struggle in Eastern Asia". pp.131.

5 Professor Parker of Minn. Univ. who was employed by the Chinese Gov. after the Russo-Japanese war to establish an agricultural college and experimental station at Mukden made a special study of the local conditions. His opinion is supported by Mr. F.D. Claud, who has been Vice-Consul-General at Mukden. Lawton, Vol.II, pp.1121-1122.


7 This is the opinion of Lancelot Lawton and Sir Alexander Hsie, who has traveled in all parts of Manchuria.

8 This is given in Lancelot Lawton's Empires of the Far East, Vol.II, pp.1147.
Chapter 4.

Japan's Policy in Manchuria.

It is a matter of common knowledge that the abundance of potential wealth of Manchuria, the possibility of its becoming one of the granaries of the world, and the immensity of its fertile plains were among the principal causes that led Japan into the war with Russia. She has, for a long time, looked forward to an opportunity for absorbing Manchuria, but has always posed as the Champion of the Open Door. It was in consequence of this attitude that she gained the sympathy and support of Great Britain and the United States. Previous to the war, anxious to obtain sympathy in Europe and America, she avowed her detestation of the selfish policy of Russia. She pretended to be seriously shocked at the mere thought that the integrity of China was endangered and the principle of the Open Door threatened. In effect she communicated with the financial markets of London and New York saying: "If you will lend us the money we will readily sacrifice thousands of lives in waging a crusade against the wicked Moscovites, and should we gain the victory we will restore Manchuria to our old friend and neighbor, China, and thus render secure for all time the sacred doctrine of the "Open Door". But, to the amazement of all, she changed her attitude immediately after the battle was won. Japan argued that the "Family of Nations" surely could not expect her to adopt a policy in the South more honest - or to speak with strict accuracy, less dishonest -
than that pursued by Russia in the North. She said "we wish it to be clearly understood that as soon as Russia sets us an example in the fulfillment of treaty obligations, we will follow". Lastly, in her efforts to justify her attitude and her actions, she pleaded that as she had expended much blood and treasure she was entitled to make the most of her opportunities in Manchuria. The measure of the reward to which she is entitled is well defined in the Treaty of Portsmouth, and as far as Manchuria is concerned, besides the possession of the leased territory of the Liaotung Peninsula and the railroad between Chang-chun and Port Arthur, she cannot lay claim to any special rights. It may be urged that Japan has not acquired these possessions, without first consulting China, but it would be idle to claim that all the actions of the Japanese in Manchuria which have been the subject of foreign complaint find sanction at Pekin. On the other hand there is every reason to believe that Japan was taking advantage of the weakness of China and pursuing an exclusive policy.

The alleged rights of Japan in Manchuria vary greatly in character, but a majority consist of real estate and other vested interests. For the purpose of classification they may be discussed under two heads, viz: rights or interests which the Japanese claim to have inherited from the Russians, and rights and interests which they claim to have acquired since their occupation of the country. When rights
which have been inherited from the Russians are mentioned
one naturally thinks of the South Manchurian Railway (Chin­
ese Eastern Railway), which is provided for in the treaty.
But, the railway and the lease of Dalny and Port Arthur are
by no means the limit of Japan's claims.

Besides the railway, Japan claims that all
concessions formerly held by Russia revert to her, and has
established herself in possession of them. They chiefly con­sist of mining and timber concessions. Even be fore peace was
declared mining experts in the employ of the Japanese Gov­
ernment were set to work in southern Manchuria and along
upper Yalu, to make an examination of the mineral resources
of the country; while after the termination of hostilities,
undoubtedly, this prospecting was continued on a wide scale.
Not only are all mines formerly opened or prospected by the
Russians in southern Manchuria now in the hands of Japanese,
but so also are many to which the Russians never make a
claim. During Russian occupation beside land and buildings
purchased from Chinese residents of the country, much real
property was occupied under circumstances which savor ed
strongly of appropriation. Such actions of the Russians were
strongly criticized by Tokio, and the moral need for someone
to intervene in behalf of China was pointed out by the Ja­
panese press. The Chinese government also protested at these
illicit actions, and succeeded in a number of instances in
compelling restitution, or securing payment for the owners. When the Japanese succeeded in expelling the Russians, much of such property fell into the hands of themselves. In other words the shoe is now on another foot, and the Japanese government shows a disposition to claim as a legitimate inheritance what it formerly objected to Russia's taking. Japan's argument seems to be that "the robber's spoils belong to the man who drives him off". China has taken issue with her repeatedly, pointing out that many of Russia's alleged privileges are property rights never were recognized as valid by China, but on the contrary, were strenuously disputed. In this category China places all coal and other mines formerly operated and claimed by Russia, and much of the real estate included in and adjacent to former Russian settlements along the railway. Moreover in regard to some former Russian concessions, Japan is inclined to stretch them farther than the Russians themselves ever attempted to do.

Chinese property fared no better under the Japanese occupation than under the Russian. The unfortunate residents of Manchuria found themselves confronted by a similar and far greater acquisition of public and private property by the Japanese. This is best seen in the Japanese settlement of Antung and Newchwang. Antung, situated near the mouth of Yalu, was almost the first in Manchuria to be occupied by the Japanese army. Soon after the Japanese
occupied this town, early in 1904, steps were taken to create a Japanese settlement. When the war ended a thriving settlement was already established, with shops and other activities that usually are to be found in Japan. It was found that practically all the river front available for wharfage and shipping purposes had been secured by Japanese. Nearly the whole of this property had been in dispute. Japan contended that the land was regularly purchased from the proper owners, and paid for. This seems to be true in a prima facie sense; but many owners now assert that they were forced to part with their property, and that they did not receive the money appropriated by the Japanese government.

A similar case occurred at Neuchwang, a treaty post which was the only one fully opened in Manchuria when war began, and which was occupied at times by both belligerents. When the Russian government built a branch of the Chinese Eastern Railway from Lashihchio to Neuchwang, the Neichwang terminus was placed on the river bank nearly three miles above the city, where a small village grew up around the station. When the Japanese occupied Neuchwang, they established a large army base at the railway station. As the land previously occupied by the Russians was not sufficient for Japanese purposes, large additions were requisitioned by the army. A macadamized road was built from the city to
and beyond the railway station. At the time when construction of this road was commenced, it was spoken of as a military necessity and so regarded by the "Family of Nations"; but, after peace was declared, work on the road was continued and extended, and the whole of the large tract lying between the city and the station, by the river, was laid out in cross-streets for a Japanese settlement. Japan contends that this property was secured by ordinary purchase, but, as at Antung, many former owners now claim that they were induced to sell by coercion.

Conditions as illustrated by property disputes in Antung and Newchwang are universal, in some degree at least, throughout all parts of Manchuria where Japanese administration has been and is applied. Not only has the Japanese Government, thru its regular officials, acquired, under equivocal circumstances a large amount of what formerly was Chinese and private property; but hundreds of instances are known where Japanese subjects have been supported by their government in acquiring the property against the protest of the owners.

Of the innumerable cases where the inhabitants of Manchuria claim to have been forcibly and wrongly deprived of their property, one of considerable importance is that of the timber industry along the Yalu river. Those who followed the diplomatic recriminations which immediately preceded the late war may recall that alleged improper Russian aggressions in the Yalu timber region was made a ground of complaint by Japan. It was contended by Japan that Russian claims to timber
concessions on both banks of the Yalu were, in effect, fraudulent, and constituted a direct, and further aggression upon both Chinese and Korean territory which Japan could not tolerate.

Japan has not here, as in other places, absolutely demanded the timber concession in Manchuria formerly claimed by Russia; but she caused to be inserted into the supplementary agreement to the convention with China (December 22, 1905) relating to Manchuria a clause providing for the organization of a company to exploit forests on the right bank of the Yalu, the Korean side now being absolutely controlled by Japan. Long before this agreement was signed the Japanese had taken possession of the properties in question and have since been using them as their own, regardless of the wishes of native inhabitants; and the clause referred to seems to give a color of legality to Japan's past and present actions.

When the Japanese army occupied the Yalu region, the military authorities at once took possession of this industry, and have since retained complete supervision of it. Tentative attempts have been made to satisfy the Chinese interested in the lumber business in the Yalu region, by offering to include them in a corporation to be organized under the terms of the treaty; but the Chinese certainly have not wanted to be included in the proposed company, for they feared that it would be conducted by the Japanese chiefly for their own interest. The commercial reputation of the Japanese in the Far East is today such that most people, if not all, hesitate to become associated with them in enterprises except under conditions which insure equity and
honest administration.

The beginning of Japan's direct commercial activity in Manchuria did not wait upon conclusion of the war. It was pointed out, before hostilities terminated, that thousands of immigrants and commercial agents were tramping upon the heels of Japanese armies. The Japanese residents in Manchuria mostly consist of adventurers of small means, mixed with not a few vagrants and men engaged in shamful business. The majority of these people are on the look-out to enrich themselves at the expense of other Japanese residents, while some of them are engaged in defrauding the native inhabitants. It has often been stated, however, that the Japanese are unable to establish themselves firmly owing to small economic panics occurring from time to time. As a matter of fact the economic depression has led to an exodus from Manchuria. As a means of remedy a certain responsible authority - the Government of Tokio drafted a memorial in 1905 on the colonization of Manchuria which was submitted to the government. The gist of the memorial is as follows:

"The colonization of an unopened country must be carried out on a fixed policy. All the advanced countries of Europe have a fixed policy of colonization, while Japan has no fixed policy. The immigrants have so far been batches of laborers unworthy of the appellation of real settlers. Now that a vast tract of land in Manchuria and Korea is open for the expansion of the Japanese, it is evidently an urgent necessity to establish firmly a fixed colonization policy. Setting Korea aside,
the government has so far done nothing in regard to the colonization of Manchuria, but allowed it to take its natural course. The immigrants have not received any special facilities from the railway and steamship companies in connection with their passage, while abnormal rent has been charged by the South Manchuria Railway Company, if they desired to settle. In these circumstances it is no wonder that the immigrants find it difficult to settle in the country. The colonization policy of European countries consists in granting special facilities to intending immigrants, that is, granting a fixed subsidy, allowing discount on railway and steamship freights, or granting them a piece of land to settle upon. The methods must be adopted to encourage colonists to go to Manchuria. The Russian colonization policy in the Far East might be allowed with advantage. The Russian Government grants intending colonists a sum of 400 roubles, together with free passage and the grant of a free lease of certain tracts of land. The different circumstances existing render a modification necessary, but the Russian method may be adopted as a basis. For the prosecution of the colonization policy as above delineated an outlay of about Y 20,000,000 spread over several fiscal years is perhaps impracticable under the present strained condition of finance, but the government would not be paying too dear a price for utilizing the results of the war which cost Japan a sum of about Y 2,000,000,000. Such an appropriation must be considered as an unavoidable expenditure.
As a result of this memorial the legislative bodies of Japan have adopted a somewhat fixed policy. Special inducements with direct encouragement and frequent assistance of the government, were offered to the Japanese desiring to emigrate to Manchuria. Rosy reports of prospects there were circulated in Japan, and this and the low transportation rates offered had a material effect in swelling the tide of emigration. It is known that many of these emigrants of certain classes, particularly traders, were given free transport for themselves, and belongings; the presumption being that where such persons were carried free the government in some way compensated the shipping companies. Several special excursions were made, thousands of so-called students given a free trip to Manchuria, and opportunity to remain there if they wished. Although some effort was made to induce a good class of emigrants to take advantage of these offers, the average, judging from those seen in Manchuria is very poor falling below the normal social level in Japan. It is no unfair charge that Japan has been making Manchuria as well as Korea a dumping ground for her undesirable elements, and that she has made no good impression upon the commercial life of the country under consideration.

The chief use to which Japanese shipping companies were put was in bringing Japanese goods to Manchuria. These goods have been brought under various conditions. In the beginning it appears that Japanese traders were charged a low rate of freight on their merchandise, but even with this help they failed to prosper as the government wished, and showed signs of discouragement. In order to firmly establish Japanese commerce on a definite
basis steps were taken to give them further assistance. The government called some prominent financiers and merchants into consultation, and a some what extraordinary program was advanced. Also there was formed an organization known as the "Manchuria Export Guild" for the purpose of directing an energetic campaign to monopolize the foreign trade of Manchuria. It included most of the great commercial guilds in Japan, such as the Osaka Boseki, Miye, Boseki, Kanakin, Seishoku, Tenima, Ormomo and the Okayama Boseki. It was announced that the Yokohama Specie Bank, the government's fiscal agent in Manchuria, was to lend its cooperation. The purpose of Japan respecting trade in Manchuria was summed up in four articles as follows:

"Article 1. The government to guarantee a loan of 6,000,000 yen at 4 per cent, to be advanced to Japanese merchants doing business in Manchuria, to assist them in establishing a trade for Japanese goods.

"Article 2. Japanese goods destined for Manchuria to be delivered upon credit under certain limitations.

"Article 3. The Chinese Eastern Railway Company (south Manchurian Railway) to carry such goods free, or at one half the usual rate, for one year.

"Article 4. Maritime freights in Japanese ships carrying Japanese goods to Manchuria to be free, or at one-half the usual rate for one year."

Few will deny that although a government may legitimately undertake to advance its national commerce by such methods as are above outlined and that although merchants may be allowed
a rate of interest below normal, the difference must be paid by
some one, and to say that goods are carried free does not mean
that it costs nothing to convey them. It means, without ques-
tion, that those ordinary expenses attendant upon the transac-
tion of business temporarily are shifted from certain classes
of the community to others; the presumption being that the cost
of the experiment will be merged into general taxation. Or there
lurks in the project a design in some way to load the cost up-
on elements external to the nation.

The Chinese Eastern Railway, mentioned in Article
3, is that part of the south Manchurian Railway ceded by Rus-
sia to Japan, and extends from an interior point to Dalny and
Newchwang. Altho the railway from Antung and Moukden was not
stated as being included in the arrangement it is utilized like
railways in Japan and Korea. Thus all of the several routes of
transportation between Japan and Manchuria penetrating into this
region, are controlled over their entire length by the govern-
ment at Tokio. By these lines goods from Japan can reach the in-
terior of Manchuria over four different routes, as follows:
(1) By ships to Port Arthur or Dalny, and thence by rail to the
interior points; (2) by ship to Newchwang, and thence by rail;
(3) by ship to Antung, and thence by rail; and (4) by ship to
Fusan, and thence by rail to Antung. The railway thru Korea is,
in fact, seldom used for this purpose, as water transportation
is usually cheaper than land.

Since the right of a nation to regulate its in-
ternal affairs is unquestioned it may not be feasible for the
"Family of Nations" to control the regulations Japan makes regarding the operation of railways in Korea, assuming that she is absolute sovereign of the latter. If Japan wishes, in countries under her sovereignty, to carry Japanese goods free of charge, and to impose a heavy tariff on foreign goods, in order to encourage home industries, she could at most be accused only of action contrary to the principles of "International Ethics"; but it is difficult to see just how international objection can be made logically, since many states resort to devices fully as unfair with the same general object. But Japan's position in Manchuria is not, in the least, recognized as sovereign; it is assumed merely to be temporary and preliminary to complete restoration of the sovereignty of China. It is clear that Japan's railway interests are on an entirely different basis from those in Japan and Korea. In Manchuria her governmental functions do not and should not apply. In many treaties concluded between China and foreign states it is understood that railways must give equal facilities to goods of any nationality. It is further understood that no nation should be discriminated against in favor of another. Most observers of the course of events in the Far East during the last ten years will recall John Hay's successful effort in declaring the "principle of the open door". If China and foreign states did not recognize this principle we probably would see a German railway in China favoring products in its tariff rates; a French railway carrying French goods cheaper than British, German and American; an English railway
giving rebates to British shippers while charging a straight rate to their competitors. Suppose in the United States the Pennsylvania system gave to German goods a lower rate than to British, French or Austrian; that the Gould system favored the British; that the lines controlled by Mr. Hill were owned by the French Government, which permitted all goods from France to be carried for less than goods originating in England and Germany or even America. Would not such a condition result in commercial chaos, to say nothing of possibilities for international friction growing out of it? John Hay saw what such a situation would mean, and tried to forstall tendencies toward it in the Far East. Nothing then, can be clearer than that Japan's position as a railway operator in Manchuria is as a corporation, not as a government; and as a corporation she should be amenable to the laws and treaties of China. Japan may operate railways as a government in Japan and Korea, but in Manchuria she should conduct them as a corporation.
Foot-notes.
Part II. Chapter IV.

1 This is quoted by Lawton in his "Empires of the Far East". Vol.II, pp.1153.


3 See Articles V and VI, Portsmouth Treaty, the London Times (Weekly) for Oct. 20, 1919, pp.659-60.


5 Antung had been occupied and administered by the Japanese for more than fifteen months before the end of the war.

6 Millard's, "Far Eastern Question". pp.190-194.

7 See Asakawa. pp.239, 335, 283, 292-295.

8 For text, see Hertslet's China Treaties. Vol.1. pp.396. Article X.

9 This is taken from North China Herald and Supreme court and consular gazette, January 20, 1909.


Chapter 5.

The aims of Japan.

To those who have been watching the trend of Far Eastern politics and intrigue for the last ten years the political and economic aims of Japan ought to be apparent. Politically she aspires to establishing a hegemony in the Far East by means of strengthening her military and naval superiority in the Pacific. Economically in view of the fact that China is the richest nation of the whole world in potential wealth and resources she seeks to obtain an exclusive exploitation, besides acquiring commercial markets. Japan is convinced that both aims — political and economic — should go hand in hand, and each is dependent on the other. Such are, of course, her fresh ambitions and new outlooks as the result of the Russo-Japanese war.

Japan, as she told the world in order to enlist sympathy of the Powers, went to war against Russia to preserve the independence of Korea, to maintain the "open door" in Manchuria, to assure the territorial integrity and political autonomy of China. Korea is now annexed to Japan, the "open door" in Manchuria is closed tightly, and Japan's course in the last year in attempting to bring China completely under her heel is too recent an event to be forgotten.

Japan's success in depriving Germany of Kiaochao was not received with elation by the Chinese people, but
instead it was received with apprehension, because to them, the
fall of the leased German territory into the hands of the Japanese meant nothing other than the Nippon domination of the whole province of Shantung. On August 15, when the Tokio Government sent an Ultimatum to Germany demanding the withdrawal of German warships from the Far East and the evacuation of Kiaochow, with a view to eventually restoring the territory to her neighbor, the people in China were very skeptical as to the real purport of the wording of the Ultimatum, and felt sure that Japan might have some ulterior motives.

The pretext of the Japanese in sending the Ultimatum to Germany, which demanded the handing over of Kiaochow to Japan, was based upon the fact that a Russian steamship was captured by German war vessels, thus menacing the peace of the Far East. If the Japanese were really upholders of peace in the Orient, why did they not adopt a peaceful method and be peaceful herself, by exhorting the Germans not to carry the war into China Seas, and by demanding that neither Great Britain nor France, nor Germany should fortify the leased or ceded territories along China's coast? Japan took Germany's fortifying Tsingtau as an evidence of the violation of China's neutrality, which incident the Japanese were not slow to utilize in demanding its evacuation. But this was not an act of violation, because fortifying that territory was one of the terms in the Treaty between China and Germany in 1898. China though militarily weak, need not lean on her neighbor to enforce her neutrality
especially as this neighbor violates her neutrality at every turn. Even granting the propriety of the Japanese demand on Germany, there would be more reason in demanding that Germany, for the present, should restore Kiaochao to China, pending the final settlement after the war is over, because Tsingtau is a leased but not a ceded territory and the contracting parties may abrogate the treaty or modify its terms, as occasioned by circumstances. Japan's violation of China's neutrality is well known to all, and the world is aware that the Japanese attack on Tsingtau was solely for the benefit of their own people. Many times their violations of China's neutrality were explained away in terms of military necessity, until their troops had gradually occupied the whole line of the Kiaochao-Tsinan Railway. China was only too weak to give her aggressive neighbor a check.

Those who are conversant with Japanese diplomacy know that Japanese do not take pains in keeping their promises. Their official declarations and terms of treaties are nothing but scraps of paper. Japan did announce that Kiaochao would eventually be restored to China and did give assurances to the Washington Government about its restoration. But when the German combatants had surrendered and the Japanese were in secure possession of Tsingtau this was officially denied. We doubted the sincerity of Japan when the note was sent to Berlin; and Japan's conduct during the siege of Kiaochao and after its fall spelled aloud the doom of Shantung Province. It will be remembered that Japan had refused to recognize China's war zone, and all her
actions had been taken without any consideration of the zone. She had carried out her military operations on the assumption, apparently that she might use any part of Chinese territory she wished. As a matter of fact the war zone was futile and no longer had any reason to exist. Accordingly the Chinese Government announced that it had been abolished - which from a military point of view was to the advantage only of Japan, just as its establishment had been. But it soon developed that the she had refused to recognize the zone, she would not overlook the fact that it had been abolished. A few Japanese soldiers remained within its boundaries, and it was assumed that the action of China in abolishing the zone was a hint that these soldiers should be removed, in her attempt to seek a quarrel with China, Japan construed this as an insult; and the Japanese press which is in close touch with the Foreign Office raged and raved over the incident, and insisted that China pay dearly for the "insult" and pay at once.

China, alarmed at this unexpected development, immediately cancelled the order abolishing the war zone; but this failed to mollify Japan, as she had been seeking cause for a quarrel too long to overlook this opportunity. The result was the presentation of the now well-known demands, which revealed for the first time the program with which Japanese statesmen entered the war. It was the opportune time for Japan's aggressive plans. China has been protected in the past largely by the "Hay Doctrine" which was agreed upon by the Powers. With England,
France, Germany and Russia fighting in Europe, Japan was left practically a free hand. Germany was powerless; England's hands were full; Russia was satisfied by a secret agreement with Japan which gives Russia a free hand in Mongolia; and France was too hard pressed at home to pay any attention to affairs in China. There remained only the United States, which, tho the originator of the "Open Door", is pledged only to pacific means to support it. Japan deliberately ignored the many treaties guaranteeing the Chinese integrity and the principle of equal opportunity by placing on China such demands as, if accepted in full, would have made her a subject nation of Japan.

The demands were dispatched on January 18, 1915, and during their discussion, which lasted more than three months Japan abandoned all pretense of a friendly attitude toward China, who, being both weak in army and navy, was obliged to accept a part of the demands. As a result Japan has unjustly secured from China many valuable rights and privileges which not only close the commercial door to other nations, but also threaten China's freedom as a nation. The following demands of Japan have been accepted by the Chinese Government.

1) "China agrees in advance to assent to any arrangement which may be arrived at between Germany and Japan regarding German rights and concessions in Shangtung Province". In other words Japan seeks to debar China from a hearing at the peace conference after the war, when the disposition of Shangtung will be decided.
(2) "China agrees not to cede or lease to any Power any portion of Shantung and Eastern Mongolia for the residence of foreigners.

(3) "The leases of Port Arthur and Dalny which were to expire in 1923, are extended to 1997. The lease of the South Manchurian Railroad is extended from 1936 to 2002 and of the Antung-Mukden Railroad to 2007". It was possible that China, at the expiration of these leases would have found it possible to redeem this property. The new terms put this beyond the possibility of accomplishment or of regaining her complete sovereignty in this generation.

(4) "Japanese acquire the right of free residence and travel in South Manchuria, also the right to lease land for business and agricultural purposes". This is one of the most abominable demands made upon China, for while the Japanese have acquired the right of free residence and that of land ownership they also retain the right of extra-territoriality. This serves to extend the Japanese administrative machinery throughout all parts of Southern Manchuria, for the residence of a single Japanese in a district of the province gives the Japanese consul power over the local police and tax system. By means of the right of residence and land ownership Japan is aiming at making south Manchuria her actual province.

(5) "Japanese subjects are to be allowed to open gold, coal, and iron mines in mine districts in Manchuria.

(6) "Japanese capitalists are granted a monopoly in all railroad construction in south Manchuria and Eastern Inner
Mongolia and in all loans with South Manchurian and Eastern Inner Mongolian taxes as security.

(7) "Japanese are to be employed by the Chinese Government as advisers or instructors on political, financial, military or police matters in South Manchuria.

(8) "The complete control of the Kirin-Changchun railroad (an important feeder of the South Manchuria system) is given to Japan.

(9) "The Japanese are promised ultimate domination of the Han Yeh Ping Company (the Krupps of China). Hitherto there have been quite a number of proposals to make this important steel mill a state enterprise. China now pledges herself in advance to consent to any agreement for cooperation which later may be reached between Japanese capitalists and the owners of the company; she agrees not to make the concern a state enterprise, not to confiscate it, nor to allow it to use any foreign capital other than Japanese.

(10) "China agrees not to cede or lease any bay, harbor, or island along the coast of China to any Power, and agrees not to use foreign capital in the construction of a dockyard, coaling station for military use, or a naval base on the coast of Fukien province. This term of the agreement compels China to leave the coast line of this important province defenseless, because at present China is not financially able to carry on construction of this sort without the aid of foreign capital."
The demands, which China did not accept and will never accept at any cost, includes:

"(1) Employment of influential Japanese as advisers to the Chinese Government.

"(2) Japanese churches, schools, and hospitals to be granted the rights of owning land in the interior of China.

"(3) Joint administration by Japanese and Chinese of the police in important places in China.

"(4) China to purchase fifty per cent or more of her war munitions from Japan or establish in China a Sino-Japanese arsenal which is to employ Japanese technical experts and purchase Japanese material.

"(5) Japan to have the right to construct railroads which with existing lines would establish a system from the Wu-Han cities (the location of the plant of the Han Yeh Ping Company) with coast outlets at Hangchow and Swatow.

"(6) A monopoly for Japanese capitalists in the development of Fukien province.

"(7) The right of Japanese missionaries to propagate Buddhism in China".

Now what do these demands indicate? They indicate Japan’s "Real Motives" - the motives of self-aggrandizement at the expense of weaker nations. In the case of her occupation of Manchuria she agreed that it was necessary for her to secure territory where she could send her surplus population. These false assumptions are, to my surprise, accepted almost the world
over. It is incorrect to say that Japan is overpopulated in a territorial sense, for a large area of the territory of Japan proper is sparsely populated, and nearly half of the arable land of Japan proper is uncultivated. Evidently it is not the lack of land that impels Japanese to emigrate; it is a desire for economic and commercial betterment. Besides Manchuria has long been part of China, and large parts of China are even more densely populated than Japan. This being so, it should not be admitted that it is right for Japan to take Manchuria (as she did Korea) on that ground. If it comes to right, then China's right should supersede Japan's, for China's need for her own undeveloped possessions is fully as great. If the legality and ethics of the question are to be considered at all, then China has a better and a more justifiable claim.

As can be seen above the demands of Japan do not alone relate to Manchuria and Eastern Mongolia, they also apply to a large part of the country. Through part ownership of the Haneyhpeng Coal and Iron Company she hopes to control China's greatest industrial undertaking and to provide against her own dearth of iron from one of the greatest, if not the greatest, deposits of iron-ore in the world. Thru this partial control she seeks to dominate nothing less than China's supply of war ammunition, which she provides herself when she needs it. Japan demands the validation of an entirely new sphere of interest in Fukien, opposite Formosa - her island colony, which constituted part of her booty in 1935, as a result of her vic-
tory in the Chino-Japanese war. And from the mines and founda-
ties in Central China to her prospective "sphere of interest" in
this province she demands a new system of railways cutting thru
the heart of the British trade-belt and "special concession
preserve" south of the Yang-tse River.

In general the demands of Japan mean that she
intends: (1) to convert the province of Shangtung into a Japan-
ese sphere of influence, (2) to make South Manchuria and Eastern
Mongolia Japanese provinces; (3) to obtain a monopoly of the
vast mineral wealth of the Yangtse Valley; (4) to gain control
of China's war munitions, the policing of important Chinese terri-
tory and an upper hand in the control of China's political, mil-
itary and financial affairs. She was merely making haste to se-
cure in advance what she might be unable to get if she waited
till the war was over. She seeks to expand not at the expense
of China alone, but at the expense of every power as well. It
is said that in Southern Manchuria the "British and American
trade has been steadily declining ever since that part of China
passed under Japanese control. It has been driven out in a great
part by Japanese competition, supported by preferential customs
and railway rates, shipping bounties, and successful resistance
to paying China's internal taxes. Japan's methods constitute not
only a violation of the "open door" principle but also a most
serious transgression of the principles of international ethics
and morality, for her competition takes the form of a system of
rebates, not only in freight and steamer rates, but in remission
of duties and charges which are assessed against all other nations.

The same procedure is being rapidly re-enacted at Tsing-tao. The prerogatives of the Germans are being increased and accentuated by the Japanese, where the Germans used Chinese currency and the Chinese language the Japanese have rigidly insisted on their own. The German-Chinese railroad, with only about a hundred German employees, and the rest Chinese, has been entirely manned by Japanese.

Such are the examples of the Japanese peril in the Far East, which sooner or later will affect even the whole civilized world. Japan's participation in the war means that she expects large compensation. In other words it means that the Allies, having no assets to give Japan that would be worth anything to her, might, as the Japanese statesmen see it, allow her to take her chief pay from China. Moreover Japan well knows that China is a peace-loving nation, and seems to be sure that she will keep peace at any cost. The latter does not necessarily follow in China's attitude toward Japan; for, altho the Chinese love peace, they are not cowards. As a last resort China will do all within her power to resist injustice and Japan's encroachment upon her autonomy and territorial integrity. If this be not true, why are "the ordinary run of the Chinese people so profoundly moved that in a single week in February 1915, as many as twenty-five hundred telegrams were received by the Government in Pekin from hundreds of provincial towns and small
villages in every part of the republic, urging China to put the last ounce of her energy into withstanding the demands of Japan?"
The view of China is best expressed in the blunt words of Liang Chi-Chao, a Chinese statesman: "The guilt of Belgium is that she failed to follow the example of Luxemburg; the guilt of China is that she has failed to follow the example of Korea--------If she shall force us to the last resort, it will be better if we are shattered into fragments as a piece of jade than that we shall keep ourselves together as a piece of brick".

Last, China has stood for peace for ages, and by her love of peace has contributed to the future welfare of the world more than any other nation. "The one great nation," says Harding, "whose potentialities for peace in the hour when she should have influence and respect throughout the world are unquestionable and profound, she should not be cut off from those vital opportunities, now when the world is seeing at last how greatly desirable is a civilization committed by every agency possible against the horrors of another great war. To the interest of fair play is joined the interest of peace; and both are bound up for the world in the preservation of the integrity of China against whosoever shall assail it".
Foot-notes.

Part II. Chapter 5.

1 The term of fortification reads, "Germany engages to construct, at a suitable moment on the territory thus leased, fortifications for the protection of the buildings to be constructed there and of the entrance to the harbor". See treaty between China and Germany respecting the Lease of Kiaochao to Germany, Section I. Art. II., Hertslet's China Treaties, Vol.1. pp.351.

2 The terms of the Anglo-Japanese Alliance declares as one of its objects: "The preservation of the common interest of all Powers in China by insuring the independence and integrity of China and the principle of equal opportunity for the commerce and industry of all nations in China. In the American Japanese understanding of 1908 the fourth article reads: "They (Japan and the United States) are also determined to preserve the common interests of all powers in China, by supporting by all specific means at their disposal, the independence and integrity of China and the principle of equal opportunity for commerce and industry of all nations in that empire". World's Work. September 1915. pp.533-534.


4 The coast of Fukien can be reached in a few hours from the Japanese colony of Formosa.
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