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Report

of

Committee on Examination

This is to certify that we the undersigned, as a committee of the Graduate School, have given Mary Sydney Gold final oral examination for the degree of Master of Arts . We recommend that the degree of Master of Arts be conferred upon the candidate.

Minneapolis, Minnesota

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THE SHANTUNG QUESTION

A Thesis

Submitted to the Graduate Faculty

of the

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by

Mary Gold

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The Shantung Question

- Chapter I. The Value of Shantung to the Chinese
- Chapter II. History of Kiaochoo to 1914.
- Chapter III. China and Japan in the War
- Chapter IV. Kiaochoo Under Japanese Occupation 1914
- Chapter V. Legal Phases of the Shantung Question
- Chapter VI. Liquidation of the Shantung Question.

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CHAPTER I.

The Value of Shantung to the Chinese

A True Chinese Province; Birthplace of Confucius; Cradle of Chinese Civilization; Economic Value; Strategic Value; Relation of Province to the Central Government; Effect of Foreign Influence and the Revolution of 1911; Attitude Today.

CHAPTER I

The Value of Shantung to the Chinese

No other province of the Chinese Republic combines in itself more diverse appeals to the people of China than the province of Shantung. Strategically situated between the North and South, protecting or menacing, as the case may be, the capitol at Peking, nearer to Japan than any other part of China, of untold value in economic resources, this province has a position vital to a people just stirring from a chrysalis of centuries of national indifference.

"The Province of Shantung, of which the leased territory of Kiaochow is a part, and in which the German-built railway, now in Japanese occupation, stretches from Tsingtao to the interior over a distance of 254 miles, contains a population of 38,000,000 inhabitants, who are proud and intensely patriotic. They are part and parcel of the homogeneous Chinese race. They speak and write the same Chinese language and believe in the same Confucian religion as the Chinese people in the

other Provinces of China. They meet every requirement of the principle of nationality: they are indeed the very embodiment of the principle itself.....

"Historically, Shantung is the birthplace of China's two greatest sages, Confucius and Mencius, and the cradle of Chinese civilization. It is, in fact, the Holy Land for the Chinese people. Every year thousands of Chinese scholars, pilgrims of Confucianism, travel to Chufou, in the heart of the Province, to do homage to the revered memory of the illustrious sages. The eyes of the entire Chinese people are focused on this Province which has always played and still plays a very important part in the development of China.¹ There are those who maintain that Confucianism as a religion or philosophy is followed only by the cultured Chinese. Paul Hutchinson, of Shanghai, is quite definite and convincing in his statement that, in spite of the hold of Buddhism, Taoism, and Mohammedanism, and the unparalleled gains of Christianity, Confucianism will for all time never fail to dominate the daily life, conduct, and habits of thought of the Chinese people. He feels that the average Chinese coolie knows as much of Confucius and his teachings as the unlettered European peasant does of the life of Christ and the Bible.² Confucius was buried in 478 B.C. at his birthplace, Kufu, or Chufou. A simple tomb with the inscription "His Spirit's Place: Our Sage Confucius, Here He Lies," marks the place. At Chufou today, Duke Kung, his descendant in the seventy-fifth generation, lives in a little principality of his own.³

¹ "The Shantung Question," The Chinese Social and Political Science Review, Vol.V (a) No.1,2, 1920, p.26.

² Hutchinson, Paul, "The Future of Religion in China," Atlantic, January, 1921, pp.109-112.

³ Far Eastern Review, December, 1914, p.260.

This province is sometimes called the "Cradle of Chinese Civilization" because the ancestors of the Chinese people first found themselves in the rich valley of the Yellow River, between two mountainous districts. They named the region to the East, Shantung, Shan meaning mountains, and Tung meaning East.⁴ At the western end of the central mountain range of the province is Tai Shan, the sacred mountain of China, upon which, fifteen hundred years before Moses received the revelation of Sinai, Fuh, the first of the five great emperors, sacrificed to Heaven. The dragon appeared on the plain below and imparted the secrets which produced the ancient Chinese civilization. Confucius was born at the foot of Tai Shan, and in this part of the province his government reforms were tried out. Always irrenconcilable, striving to reestablish native Chinese rule, the men of the province became leaders in the Empire from the earliest days. Shantung men started the Boxer Rebellion, a protest against interference in local affairs by foreigners. In the light of their history, it is doubtful if, in spite of the patient and reasonable caste of the Chinese mind, they will continue to submit peacefully to Japanese domination.

The traditions and history of the province are interesting and not to be held lightly in regarding a people who care more for some time-honored custom than for a present and highly significant event. But the economic value of this province touches the Chinese people in their most vital spot. Stimulated by the present controversy with Japan, the Chinese have begun to study and investigate the resources they are losing. Their accounts deal principally with these resources as brought to light through the German concessions of 1898. Shantung is chiefly agricultural, producing quantities of wheat, barley, beans, maize, millet, and other grains.

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Walker, Guy Morrison, "The Cradle of Chinese Civilization," Asia, Vol. XIX, 1919, p. 882.

The chief exports are peanuts, strawbraid, bean cake, tussore yarns, cattle-hides, live stock, eggs, fruit, and pongee, or Shantung silk. The imports are principally kerosene, petroleum, papers, cotton goods, cotton yarns, sugar, and dyestuffs. According to the returns of the Chinese Maritime Customs, there has been an increasing demand for kerosene and cotton goods. The effort of a population of 38,347,000, almost equal to that of France, to earn a livelihood in 35,976 square miles, territory only one quarter as large, creates keen economic competition. There is hardly room for the inflow of the surplus population of any foreign country. The province possesses the elements necessary for the economic domination of North China; its large population provides a growing market, while its rich mineral resources and abundance of raw material

5
"Economic Aspects of the Shantung Question," Chinese Patriotic Committee, New York, 1919, pp.5,6.

6
The following list of former German mining concessions, now worked by the Japanese, was made from "Shantung--A Japanese Fishing Pond," Far Eastern Republic, December, 1919, and verified by "The Economic Aspects of the Shantung Question," Chinese Patriotic Committee, August, 1919, pp.11 to 14:

Coal.

1. Poshan Coal Mine, present capacity 700,000 tons annually, used for coke and as ship's coal.
2. Fangtze Mine, estimated by German experts to contain 100,000,000 tons of bituminous coal. Present yield to Japanese 1,000 tons daily. House and kitchen use.
3. Hungshau Mine, annual output 414,000 tons.
4. Weipsien Mine, annual output 199,000 tons of bituminous coal.
5. Yihsien Mine, annual output 198,000.
6. Tawenkow Mine, annual output 72,000.
7. Ichow Mine, annual output 30,000.(Some iron here also.)

(The figures for 3 to 7 were taken from 1914 statistics, which are below present figures not yet available.)

Iron.

Chin-lin-chen Mine, about 5 miles off main line of the Shantung Railway and 180 miles from Tsingtao, deposit estimated by both German and Japanese experts at something like 100,000,000 tons, 65% iron, 23% manganese, 3% phosphorus, 8% sulphur. German annual output of 350,000 tons is now increased by the Japanese.

are conducive to the development of industries. The Bay of Kiaochow, unlike the Peiho of Tientsin, never freezes. Its port, Tsingtao, connected by the Shantung Railway with the Peking-Tientsin-Nanking-Shanghai Systems, is the natural outlet of the products of North China and the principal port of entrance for foreign goods destined for the same regions. ⁷

A study of the map will show that Shantung occupies a distinctly strategic ⁸ position. With Korea already a part of Japan, and Port Arthur, with the remainder of Southern Manchuria under Japanese control, Peking and the important commercial city of Tientsin would be in an isolated situation, should this province fall into the same hands. The western half of Shantung with the Eastern part of its neighbor, Shansi, is the high road between North China and the Yangtze Valley, for here are the Grand Canal and the two principal railroads of China running north and south. ⁹ The Shantung, or Kiaochow-Tsinan Railroad already connects with

⁷ "The Shantung Question," Chinese Social and Political Review, pp. 26-28.

⁸ Driault, Edouard, La Question D'Extreme Orient, (Paris, 1908) p. 312.

⁹ See map of railroads in Shantung. The following list of German railroads now operated by Japan was made from "The Shantung Question," Chinese Social and Political Science Review, March and June, 1920, p. 19, and "Economic Aspects of the Shantung Question," Chinese Patriotic Society, August, 1919.

Railroads constructed and in operation:

Shantung, or Kiao-tsi Railway:

- Main line 256 miles.
- Branches 56 miles.
- Cost \$14,500,000.
- Traffic, in 1913, 900,000 freight tons.
- Passengers over 1-1/4 millions.
- Receipts, in 1912, \$2,400,000.
- Expenses, " " \$1,200,000.
- Dividend, " " 7-1/2 %.

Railroads projected:

- Kaomi to Suchow-Fu, 334 miles.
- Tsinan to Shuntehfu, 241 miles.

In 1909, Germany relinquished her claim to the building rights of the Kaomi-Suchow-Fu line, provided China herself would build the line, using German capital and German engineers, not later than 1915. China had not (Concluded on following page)

the Tientsin-Pukow line, part of the most direct route between Shanghai, Nanking, and Peking. The projected line to Shunteh-Fu in Shansi connects with the main line between Hankow, on the Yangtze, and Peking. Again the projected line from Kaomi to Suchow-Fu joins the Tientsin-Pukow line and Suchow-Fu. These railroads with their valuable connections all terminate finally at the port of Tsingtao. The Bay of Kiaochow commands one of the gateways of North China, Port Arthur the other. Tsingtao is the only feasible site as a port, for the rest of the bay is either a mud bank or a stone wall. At present it contains all the wharves and port facilities, all the railroad and cable terminals, the central telegraph, telephone, post and customs offices, and includes the best, if not the only, business and government sites.

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Herr von Richthofen, the greatest authority on Chinese geology, wrote an article in the Kolonialzeitung of January 6, 1898, describing the mineral resources of the Province and concluding that the Power which possessed Tsingtao would control the coal supply in Northern Chinese waters. During the Chino-Japanese War, war vessels of several Powers were

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(Concluded)

built this line herself in the allotted time. Germany also secured a loan option on any extension of the Chefoo-Weihsien and Tsining-Kaifeng lines. By treaties between herself and China, Japan acquired the following railway concessions during the war:
 Chefoo, or Lemgkow to Weihsien on the Shantung Railroad, in 1915.
 Tsinan-Fu to Shunteh-Fu, in 1918.

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Jenks, J.W., "Japan in Action," North American Review, September, 1919, p.321.

11

China No. 1 (1898)p.21, cited by Asakawa, Kau-Ichi, The Russo-Japanese Conflict, (Boston and New York, 1907) in note, p.101.

anchored in the Bay of Kiaochow, so that the superior position of this port was recognized at least as far back as 1895, by European countries in general.

Before passing to the history of events by which Kiaochow was alienated from China, it is necessary to understand the relation of a province to the central government and also something of the nature of that government. In the second century B.C. the Chinese Empire was divided into provinces, along lines indicated by economic control of land on the part of the principal cities. The system came down through the centuries with few radical changes. The Kings grouped two or more provinces under viceroys who shared the responsibilities of the Emperor and his Council, at times even limiting the power of the central government. In some provinces, the viceroy, in others, the governor, was the direct authority, but usually the two together linked the province to the central government. To the majority of the people, however, the district magistrate was the real government or source of justice and protection. Below the district was the self-governing village, and expanded family unit, the basis of government of China. The village, the district, and even the provinces had their own laws and customs; uniformity was the exception, local regulations the rule.

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Li Hung Chang and Yuan Shih Kai, both viceroys of Chihli, trained an army on European lines, using provincial revenues. Thus they became virtually ministers of war, and the Peking government could not execute a military scheme without their cooperation. In 1895, Marquis Ito said that war with China was only a conflict with the province of Chihli, not with the Empire as a whole.--Cheng, Sih-Gung, Modern China, (Oxford, 1919) p. 123.

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Hornbeck, Contemporary Politics in the Far East, (New York, 1918) p. 36

pendent commonwealth, called upon for contributions of money and grain, but otherwise left alone except for the most inefficient tax-collecting and some rough-and-ready policing around the cities.¹⁴ Thus the state which was centralized in theory was in practice one where local autonomy and laissez faire flourished consistently.¹⁵ In the long history of China there has never been any true absolutism except in the case of a few vigorous and farsighted Emperors, who were able to see that the orders and rules of the central government were obeyed and executed by the provincial authorities.¹⁶ The Peking Government has always been hampered by distance and the difficulties of obtaining inside knowledge of local conditions. Thus devolution of power became a necessity, and in many provinces its beneficial effect is proved by the fact that while reforms were proclaimed by the central government for all provinces alike, the extent to which they were successful depended on the enthusiasm and ability of the viceroy and his cooperation with the provincial gentry.¹⁷ Further, modern reforms have tended to diversify the country; some provinces, owing to geographical situation, are more susceptible to foreign influence, while those far from the sea coast are less progressive. This fact accounts in part for the difference between the North and South, South China having had more contact with the Western nations. In each section, again, province differs from province, and each is separated from the other by a highly diversified system of customs duties, weights, and measured, and other economic barriers.

While China was isolated such conditions were not dangerous, but with the appearance of the foreigner, backed by his government demanding

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Weale, The Fight for the Republic in China, (New York, 1917) pp. 3-4.

15

Hornbeck, Contemporary Politics, p.36.

16

Cheng, Modern China, p.122.

17Same, p. 125.

that the Chinese government control its provinces and people, the theoretical centralization broke down. Its attempts at control were resisted not only because of ancient habits of local independence, but because, as has happened again and again in Chinese history, of the protest of the Chinese people against the corruption and inefficiency of the rulers. The Revolution of 1911, however, has not solved the question of distance, and the life of the average Chinese was affected by that Revolution about as much as that of an American passing through a change of administration. But for foreign influence in the shape of railroads, commerce, and education, and the aggressive advances of an ambitious, pregressive, yet despised neighbor, the Chinese might sleep on entrenched in their multiplicity of differences and sublime distances. The Westerner, accustomed as he is to a government and general environment most jealous of any infringement on the dignity of his country, finds it hard to understand a people who have compromised their sovereignty by treaties and agreements as have the Chinese. The lease of Kiaochow to the Germans in 1898 was only one of somewhat similar concessions made under the Manchu rule, and the Republic has been hardly more successful in combating foreign aggression. In addition to the particular circumstances bringing about the German lease and subsequent events, the general character of the Chinese Government should be kept in mind. However, the Revolution of 1911 was a true revolution in that country accustomed to monarchy for thousands of years became a republic, and attempts to restore that monarchy since 1911 have failed. Those who are familiar with China know that the sentiment of the people is in favor of

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Hornbeck, Contemporary Politics, p.37.

representative government, and that they do not lack the experience necessary for participation in the government. That training is no new acquisition, but the heritage of ages of local government and guild organizations.¹⁹

With the overthrow of the monarch came a growth of national feeling on the part of a small but influential proportion of 450,000,000 Chinese people.

This feeling is gathering strength and is being extended through a network of organizations, such as the Chinese League of National Societies, the Society for the Study of International Relations, the International Labor Union, and the National Students' Union.²⁰

The Student Movement, or series of student strikes,²¹ protests against the Peking Government and its dealings with Japan, and the Japanese boycott, the protest of Chinese laborers and shopkeepers against giving Tsingtao to Japan, are separate movements.

The students' protest is more far-reaching, for the student has his mind on the character of his own government and its need for self-assertion. He feels that China has been too submissive in the past, he desires a more popular control of the government, he is bitterly disappointed with the peace treaty, and he hates and fears the Japanese.²²

One cannot fail to see in the spirit of these young people, men and women, and the utterances of the Chinese delegates to the Peace Conference and the Geneva Congress, a determination that China shall not "eat more bitterness."

19
Bashford, James W., China an Interpretation, (New York, 1916, 1919) pp. 371-378.

20
Wong, Bing Tong, "Awakening of National Opinion in China," Far Eastern Republic, December, 1919, p.25.

21
A full account of the most important of the student strikes, that of May 4th to June 12th, 1919, is given in the editorial paragraphs of Millard's Review, June 14, 1919.

22
Remer, C.F., "The Protest of Young China," Aisa, September, 1919, p.934.

Note: For Railroad and Mining Statistics for 1921 and present economic conditions in Shantung see The Far Eastern Review, February, 1921. 77--115.

CHAPTER II.

The History of Kiaochow to 1914

Cassini Convention, 1896; Claim Relinquished to Germany; The Murder of the Missionaries, Nov. 1, 1897; Seizure and Occupation of Kiaochow, Nov. 14, 1897; Six Demands of Germany; Prince Heinrich of Prussia Visits China; Lease Convention, March 6, 1898; Preoccupation of Europe and the United States; Chinese Attitude; British Attitude; Port Arthur, Kwang Chow-Wan; British Intentions at Wei Hai Wei; Mutual Cordiality on the part of Germany and Great Britain; Secretary Hay and the Open Door; Character of German Occupation: Free Port, Customs, Etc.; Change of Policy after 1905; Tsinanfu; Tsingtao; Railroads; Mines; Situation in 1914; The Germans and the Open Door;

CHAPTER II.

The History of Kiaochoo to August, 1914

The history of Kiaochoo in relation to the so-called "Shantung Question" begins at the time of the Chino-Japanese War, or more exactly in the terms of the Treaty of Shimonoseki, 1895. The Japanese military was extremely disappointed when pressure from Russia, France, and Germany forced Japan to retrocede the Liaotung Peninsula to China. With good reason, Japan blamed Russia, her rival in the East. China was made to feel that she owed something to Russia, and hence the mysterious Cassini¹ Convention of 1896. The text of this supposed treaty was published March 27, 1896, in the North China Daily News, and again October 30, 1896, in the North China Herald. It speaks of the services of Russia at the close of the Chino-Japanese War, and while it is doubtful whether the Convention was ever signed, the promises which it was alleged to contain were put into effect, and high Russian authorities have obtained, or claimed, privileges which cannot be found in other Russo-Chinese contracts, but are² in one way or another indicated in this. Articles 1 to 6 of this alleged Convention relate to railroad concessions in Manchuria, and Articles 8 to

¹ Willoughby, W.W., Foreign Rights & Interests in China (Johns Hopkins Press, Baltimore, 1920,) p.288.

² Asakawa, Kau-Ichi, The Russo-Japanese Conflict, (Boston and New York, 1907,) p.90.

ll to the disposition of certain parts on the Chinese littoral. China agreed to lease Kiaochow to Russia for fifteen years, but Russia, in order to avoid the suspicion of other powers, was not to enter into possession unless there were danger of military operations. At the time, it is said that the Japanese Government had been assured that such a treaty did not exist, but the story is given by a Japanese writer in some detail. When Li Hung-Chang went to represent the Chinese Empire at the coronation of the Czar, he is supposed to have taken with him the draft which M. Cassini, Russian Minister to Peking, had framed. To avoid the suspicions of other powers, the Convention is reported to have been signed at Moscow, instead of at St. Petersburg, and by M. Witte, Minister of Finance, not by M. Labanoff, Minister of Foreign Affairs. Later when the agreement was referred to the Tsung-li Yamen, the Chinese Foreign Office, only the most strenuous efforts on the part of M. Cassini effected the signature by the Chinese Ministers.

Whether this Convention actually existed on paper or not, and what disposition was made of it when Russia stepped aside and left Germany free scope in Kiaochow, is not made clear by the writer, who seems to have the most intimate knowledge of the details of the story. According to Dillon's account, M. Witte wanted the integrity of China maintained, no violence, no annexation, only peaceful penetration. For this reason he

³
Willoughby, W.W., Foreign Rights and Interests, (John Hopkins Press, Baltimore, 1920,) p. 289.

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Asakawa, Russo-Japanese Conflict, pp. 86-88.

⁵
Dillon, E.J., Eclipse of Russia, (New York, 1918,) pp. 244-246.

requested Germany and France to join in making Japan relinquish her claims in 1895. Germany expected some reward, especially after she was excluded from the Russo-Chinese Bank.⁶ Soon after the coronation of Nicholas II, Wilhelm visited Russia and told Nicholas that he needed a port and asked if he had any objection to his leasing Kiaochow. Nicholas, who did not seem to be exactly clear as to where or what Kiaochow was, nonchalantly said he saw no objection whatever.⁷ Muriavieff, ignorant and uncultured, was Foreign Minister, and he knew no reason why Germany should not have Kiaochow and so asked no one. Later Nicholas said it was a nasty trick, but felt that he had given his word, though it was not in writing.

Secure in the Czar's promise not to oppose Germany in Kiaochow, the harbor selected by the German Asiatic squadron as a suitable naval base and maritime harbor in the Far East,⁸ it remained only to find some excuse by which the Chinese Government could be brought to sign this valuable bit of realm over to Germany. The opportunity came in November, 1897, when two Roman Catholic missionaries, Franz Nies and Richard Heule, subjects of Germany, were murdered at Kiachwang, Kuyeh-hien, Tsaochow-fu, in the very province of which Kiaochow was a part. Little has been made of the fact that the murder was committed by robbers who plundered the whole village,

⁶ This came about through the "autonomy of state departments." The Russian Ministry of Finance furnished the capital, organized the Bank as a Russo-Chinese concern, and closed the proposition without consulting the Foreign Office. Thus the Foreign Office was not responsible for an arrangement that had diplomatic as well as financial aspects.-Dillon, Eclipse of Russia, p.244

⁷ Dillon, Eclipse of Russia, pp. 247-248.

⁸ "The Shantung Question," The Chinese Social & Political Science Review, Vol. V(a) No. 1, 2, (1920) p. 16.

and that the Chinese inhabitants suffered as well. The year 1896 had
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been full of outrages and murders of foreign missionaries. Even the
United States had informed China that she "was seriously considering the
question of devising means for the further and more perfect prevention
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of these lamentable outrages against missionaries." Germany demon-
strated how a strong military power intervenes to protect its subjects,
but went much further. Immediately after the murder of the missionaries,
in November, 1897, the war vessels, Kaiser, Princess Wilhelm, Arkona, and
Cormoran, under the command of von Diederichs, appeared in the bay and
landed 600 German marines at Kiaochow. The Chinese garrison was expelled
without much difficulty. Li Ping-heng, governor of Shantung and viceroy-
designate of Szechuan, was held responsible by the Germans for instigating
the murder, and four supposedly guilty robbers were arrested. On November
22, Baron von Heyking, the German Minister to Peking, presented six demands
to the Tsung-li Yamen. The demands and the replies of the Chinese Govern-
ment are set forth in full in a memorial presented by the Yamen to the
Throne, containing the terms and conditions arrived at with the German
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minister in the matter of the lease of Kiaochow. The Chinese accepted
two demands, one for the erection of an honorary Imperial tablet, the
cost to be defrayed by the Chinese Government, condemning anti-missionary
and anti-foreign proceedings, and the second for the payment of an indemnity

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Parliamentary Debates, 4th Series, LVIII (May 16, 1898) p. 364

11

Morse, Hosea Ballou, International Relations of the Chinese Empire,
(London, New York, 1918) III, p. 106.

12

Inclosure in House Document No. 2884, Foreign Relations, 1898, Vol.
1, p. 189.

of 3,000 Taels for each missionary and a sum of 60,000 Taels for the erection of two cathedrals, one at Tsaouchou and the other at Chang-Chia-Chuang. At the entrance to each cathedral tablets were to be placed bearing the following inscription: "This cathedral is erected by the Emperor". Thus German missionaries were to be protected in their worship by the name of the Emperor on the doorstep.

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To the demand that Li Ping-heng be cashiered and dismissed from public service, the Chinese Government replied that that was a question outside of foreign dictation, but Li was forbidden to leave the province until the affair was settled.

The German Government then wanted some guarantee that such an occurrence should never happen again, but China felt that she could not make any such promise, for she was not able to hold the outlaws in check. The Chinese Government refused to pay the expenses incurred by Germany in the occupation of Kiaochow, saying that this was not a reasonable request. To the demand that Germany be given the sole right to construct railways and open mines in Shantung, China replied that this could be given only from Kiaochow to the capital, that shares should be sold to both Chinese and Germans, and that she could allow no encroachment on Chinese territory. For the time being, China also rejected the proposal, kept secret for some weeks, that Germany receive Kiaochow as a naval station. Here the negotiations rested until Germany pressed her demands in a more urgent manner.

At the opening of the Reichstag, December 1, 1897, the Emperor had said that the German Navy was inadequate and had proposed a navy bill.

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Next year the Vatican gave Germany the protectorate over the Roman Catholics in Shantung, thus alienating this province from the "religious sphere of influence of France," which comprised the whole of China.---Snow,A., "The Shantung Question and Spheres of Influence," The Nation, Sept. 20, 1919.

Additional ships, men and field guns were sent out under the command of Prince Heinrich of Prussia, in honor of whose departure, the Emperor gave a banquet at Hamburg, December 18. This banquet was the occasion of his mailed fist speech. When Prince Heinrich arrived, Baron von Heyking presented the demand for the lease of the bay and the surrounding land.

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On March 6, 1898, the Lease Convention was finally signed.

The agreement provided for a ninety-nine year lease of Kiaochow Bay and the vicinity, about 400 square miles, with a neutral zone of 2,500 square miles. Fortifications for the protection of this port and the harbor entrance were to be constructed by Germany. Sovereignty was to remain Chinese, while administration became German. Two railroad concessions also were obtained by Germany. One was for the Shantung Railroad, to run from Kiaochow and Tsinanfu to the boundary of Shantung Province, via Weihsien, Tsinchow, Poshan, Tsechuan, and Suiping; the other was to connect Kiaochow with Ichowfu, whence an extension might be built to Tsinan through Laiwuhsien. German subjects were to be allowed to develop mining property for a distance of 30 li, about 10 miles, from each side of these railways and along the whole extent of the lines. Both German and Chinese subjects were at liberty to invest money in the railway enterprises. Should foreign assistance be necessary, for any purpose whatever in the Province of Shantung, the Chinese Government bound itself to seek German aid first. Agreements for collection of customs were to be made later. By September of the same year Kiaochow

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was opened as a free port.

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Appendix I.

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British and Foreign State Papers, XC, p. 1039.

We have the authority of one of Germany's writers that the acquisition of Kiaochow was the result of a long considered policy on the part of the German Government.¹⁶ At one time this policy was opposed by the German people as wild and expensive, but after the murder of the two missionaries, there was considerable agitation in the German press for the permanent occupation of Kiaochow Bay.¹⁷ On April 27, 1898, Herr von Bülow stated the German position in the Reichstag:

"Mention has been made of the partition of China. Such a partition will not be brought about by us, at any rate. All that we have done is to provide that, come what may, we ourselves shall not go empty-handed. The traveller cannot decide when the train is to start, but he can make sure not to miss it when it does start. The devil takes the hindmost.....In any case, we have secured in Kiaochow a strategic and political position which assures us a decisive influence in the future of the Far East. From this strong position we can look with complacency on the development of affairs. We have such a large sphere of action and such important tasks before us that we have no occasion to grudge other nations the concessions made them. German diplomacy will pursue its path in the East as everywhere else, calmly, firmly, peacefully. We will never play the part of mischief-maker; nor will we play that of Cinderella."¹⁸

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Reventlow, p. 109.

17

Morse, International Relations, p.107.

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China, No. 1 (1897) p.67, cited by Asakawa, Russo-Japanese Conflict, p. 103.

If China hoped to get out of her troubles this time by foreign intervention, she was to be disappointed. The Yamen in the memorial to the throne even advised against allowing any foreign intervention, pointing out that any interference was sure to be self-seeking at heart.

At the time the rest of the Powers were fairly well occupied. Russia had decided to concentrate on objects further north; France was busy with the Dreyfus case, and complications with Great Britain in Egypt were not far off; England herself felt her troubles in South Africa approaching; and the United States was involved with Spain. China resented Germany's show of force to get what she might have had through ordinary diplomatic

pressure²⁰ and Li Hung Chang, who signed the Convention, declared the occupation of Kiaochow by Germany "a flagrant violation of treaties and the law of nations."²¹ To be sure, Prince Heinrich was received at the Summer

Palace with imperial honors, but according to Chinese comment, "He came uninvited and left unmourned."²² The French historian, Cordier, considers

this seizure more largely responsible than those so soon to follow for the Boxer Rebellion which arose in Shantung Province and was supported by the Empress Dowager.²³

Three questions were raised by this lease. Was it an infringement of the territorial sovereignty of China? Could such preference in

19 Foreign Relations, 1898, Vol. I, p.189.

20 China had some time before offered docking and coaling facilities to Germany on the south coast of China. The offer had been declined. Germany had negotiated for a point on Lappa Island, near Amoy, and later in Amoy itself, but nothing definite had come of these negotiations. Asakawa, Russo-Japanese Conflict, pp.101-102.

21 Morse, International Relations, Vol.III, p. 110.

22 Morse, International Relations, III, p. 110, avec les

23 Cordier, H., Histoire des Relations de la Chine avec les Puissances Occidentales, 3 vols., (Paris, 1902) III, p.356, cited by Morse III, p. 110.

railroads and mines be reconciled with the principle of equal opportunity for all? Had a precedent to be used by others been created? In the British Parliament there was some discussion as to whether it would not be advisable to have an alliance with some strong military power, "if the future of China is to be decided without reference to our wishes, and in defiance of our interests." It was also suggested that the Tientsin Treaty of 1858 be printed as Parliamentary paper.²⁴ Some further indication that the lately acquired advantages of Germany were not in accord with the treaty rights of other powers, is shown by the correspondence between Lord Salisbury and Sir Claude MacDonald, British Minister to Peking at the time. However, instead of protesting to Germany, Great Britain directed her protest to China. When the six German demands were first formulated, Sir Claude MacDonald was certain only of the first five and understood that the sixth was for some "material guarantee" of China's good behavior in future. Not until all was settled did he know that the lease of Kiaochow was this material guarantee.²⁵ He advised the Chinese Government to consent to the first four, but said that if they agreed to the fifth, involving railroad and mining rights for Germany, Great Britain must ask for equal treatment under the most favored nation clause.²⁶ Germany was, of course, already in occupation at Kiaochow, and December 1, 1897, Sir Claude MacDonald wrote to Lord Salisbury:

24
Parliamentary Debates, 4th Series, LVIII, May, 1898, pp.407-408, 530.

25
Morse, International Relations, III, p. 113.

26
Same, III, p. 113.

"If German occupation is used only as a leverage for obtaining satisfactory reparation. . . . for the murder of German missionaries, the effect on the security of our own people will be of the best. If, on the other hand, the German object is to secure Kiaochow as a naval station, under cover of their demands for reparation, it is by no means clear that their acquisition of it will prejudice our interests."²⁷

Again, Sir Frank C. Lascelles, Representative of Great Britain at Berlin, said to Herr von Bülow, December 30, 1897, that as far as he knew, the British Government had raised no objection to the German ships going to Kiaochow. Should, however, a demand be put forward to exclusive privileges, or should other countries seek to take possession of Chinese ports, it would probably become necessary for Great Britain to protect her vast in-²⁸terests in China.

It is clear that it is not so much the territorial question as the commercial issue that gave the British Government concern. In the interests of equal opportunity for trade and commerce, Lord Salisbury protested the commercial question for a week, but the affair had gone beyond protest, and he was not prepared to use force when he saw that it was a question of territory as well as of railroads, mines and trade. Germany took steps to quiet Great Britain by the declaration that she pro-²⁹posed to create a free port of Kiaochow, pointing out that she had

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China, No. 1, 1898, p.20, cited by Asakawa, p.107.

28

China, No. 1, 1898, p. 20, cited by Asakawa, p. 107.

29

The Chinese city of Kiaochow, inland 50 kilometers and inside the neutral zone, remained under Chinese jurisdiction; the German port and administration center were at Tsingtao, at the mouth of the bay.

chosen her base far from Hongkong and the Yangtze Valley, and that she intended to administer the new colony according to the successful British system at Hongkong and Singapore.³⁰ By February, Sir Claude MacDonald wrote to Lord Salisbury that a Chinese minister had hinted that China would offer Wei Hai Wei, if England wished. Lord Salisbury replied that England was opposed to the alienation of Chinese territory, and that the offer was premature.³¹ Later events, however, led him to reconsider. One week after the German dash on Kiaochow, Russian ships had arrived at Port Arthur, and the lease of that port for twenty-five years was finally signed May 7, 1898. Though France, in the words of M. Hanotaux, Minister of Foreign Affairs, had "not the slightest intention of imitating Germany in seizing a naval base in China,"³² she negotiated a ninety-nine year lease of Kwang Chow-wan. To balance this French influence in the South, Great Britain was granted the lease of Kowloon, opposite Hongkong, for ninety-nine years, a portion of which had been ceded to her in 1860. The Wei Hai Wei Convention, providing a lease "for as long a period as Port Arthur shall remain in the occupation of Russia," followed, July, 1898. Thus was the old idea of the balance of power carried out by foreign countries on Chinese soil at a time when China was thought to be in a state of disruption.

30
Morse, International Relations, III, p. 113.

31
Same, III, p. 114.

32
Same, III, p. 112.

Wei Hai Wei is situated on the northeastern coast of Shantung, and Lord Salisbury was anxious not to give cause for suspicion to Germany. He designated Russia as the power responsible for disturbing the balance of power and necessitating England's acquisition of Wei Hai Wei. On April, 22, 1898, the following authorized publication appeared in the Reichs-Anzeiger:

"The British Government, in view of the approaching occupation of Wei Hai Wei, has spontaneously intimated to the German Government that it has no intention of impairing or calling in question German rights or interests in the Province of Shantung, or of creating any difficulty for the German Government in that province; and that in particular it has no intention of laying down railroad communications with the interior of the province from Wei Hai Wei, or from the territory which approaches that port."

It is clear that Wei Hai Wei was to be merely a base to which the British fleet might be sent. England is supposed to have felt that she was more or less isolated in China and hence welcomed the presence of the Germans at Kiaochow. The cordial attitude expressed by both countries at this time is the forerunner of the German-English agreement of 1900. However, in 1898, Lord Salisbury made another effort to uphold

33
Morse, International Relations, III, p. 118.

34
Morse, III, p. 119. See also Parliamentary Debates, 4th Series, LIX, June, 1898, p. 45.

35
Reventlow, pp. 115-116.

36
The two governments agreed to uphold the territorial integrity of China, and to observe the principle of the open door in their commercial dealings with that country.

the dignity of Great Britain. He put forth a claim that English companies should have the same rights in regard to railroads and mines in the Yangtze region as Germany had in Shantung, but Germany claimed that she had a special position, and that, while Shantung Province would not be unrestrictedly open to English enterprise, the Yangtze region would still be open to German enterprise. Great Britain was unable to make any such arrangement with Germany as was made with Russia in 1899. ³⁷ Russia agreed not to interfere outside the Great Wall.

The United States was involved in the Spanish-American War, followed by the insurrection in the Philippines at this time. However, what had transpired in China caused some dismay as soon as it was realized that in these spheres of influence there would be discrimination against American investments, engineering and industrial ability, and railroad and mining materials. There has been some effort in the Senate to show that our State Department, through Secretary Hay, actually congratulated ³⁸ the Kaiser in 1898 on the acquisition of Kiaochow. In view of the fact that the German treaty was signed March 6, 1898, and Mr. Hay became Secretary of State September 30, of that year, it is reasonable to suppose that his letter was one of congratulation upon Germany's making a free port of Tsingtao. American sentiment was further expressed in the Hay Doctrine,

37
Morse, International Relations, III, p. 121.

38
Congressional Record, March 4, 1920, p. 3848.

39
or Open Door Policy, enunciated in 1899. Assurances of intention to concur in this policy were received from England, France, Germany, Russia, Italy, and Japan. It is not within the scope of this paper to discuss the extent to which this policy has been successful or unsuccessful. Repeated affirmations and reaffirmations have served to make it familiar, if not effective. For the time being, the Far Eastern question apparently was laid to rest.

There seems little to criticize in connection with the German administration of Kiaochow after the first few years. As has been said, a few months after the signing of the lease, the territory was declared a free port, open on terms of equality to the trade of all nations. In pursuance of the understanding of March 6, 1898, a customs agreement was signed by Sir Robert Hart and the German envoy to China, April 17, 1899, and a second one, December 1, 1905. In 1899, the following arrangement was made:

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This policy as originally defined may be summarized as follows:

Within any so-called sphere of interest, or leased territory, any power may have in China, that power shall not interfere in any way with the customs administration of any treaty port, or with any vested interest; the Chinese Government only shall collect duty at other than treaty ports, and according to Chinese treaty tariff; and no preferential harbor dues or railroad charges shall be laid for the subjects of any power. Practice, however, has expanded the original policy until today it may be interpreted to include abstention from the attempt to monopolize economic opportunities.

1. The Commissioner of Maritime Customs was to be of German nationality, and his appointment to be according to an understanding with the German Legation at Peking.
2. The members of the European staff of Maritime Customs at Tsingtao were to be of German nationality.
3. On merchandise by sea there was to be no import duty, but an import duty according to treaties was to be collected on all goods passing the frontier of the leased territory to the interior of China.
4. Similarly, Chinese produce brought into the territory for export abroad was to pay export duties according to existing treaties.
5. The Maritime Customs office at Tsingtao was to take no part in the collection or administration of tonnage dues, lighthouse, or port dues.
6. Special regulations for the control of the importation⁴⁰ and sale of opium, arms, and explosives were adopted.

By the second agreement, in 1905, the Chinese Customs administration, instead of being pushed outside into Chinese territory, was established at Tsingtao. Ports, docks, and manufacturing districts were made a bonded area, and Tsingtao became a Chinese treaty port.⁴¹ It was further arranged that the Chinese Government should hand over annually, to the German officials at Tsingtao, 20% of the net import duties collected. This sum was to be the Chinese contribution to the expenses of the territory, and,

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Willoughby, Foreign Rights and Interests in China, pp. 141-142

41

Morse, International Relations, III, p. 110.

upon due notice, this arrangement might be changed, if it proved unsatisfactory to either side. The articles placed on the free list at that time have some bearing upon the flow of opium and arms into Shantung Province⁴² at present.

However warlike Germany may have appeared when she seized Kiaochow, she subsequently used it neither for colonization purposes nor for political control. Her idea was commercial exploitation only,⁴³ but Tsingtao was Germany's naval base in the Far East. The logical place for her fleet was the North Sea, and, unless she was prepared to defend this Far Eastern port in time of war, it was useless to expend any great sum of money on fortifications.⁴⁴ This does not mean that Germany did not equip a first class harbor at Tsingtao. A substantial breakwater, granite docks, and a floating dock capable of handling vessels of 16,000 tons displacement were installed. The port became a modern German city, carefully planned and substantially built. Well equipped forts, shops, military departments and barracks gave it the character of a fortified base; but the comparative ease with which it was taken in 1914 indicates that it was never supplied with military equipment equal to that of Port Arthur or Vladivostok.⁴⁵

42 Willoughby, W.W., Foreign Rights and Interests in China, p. 143.

43 Overlack, T.W., Foreign Financial Control in China, (New York, 1919), p.147.

44 Reventlow, p.115. See also Bohler, Georges, "La Politique de L'Allemagne en Extrême-Orient," Questions Diplomatiques et Coloniales, VIII, 1899, p.592.

45 Hornbeck, Stanley K., Contemporary Politics in the Far East, (New York, 1918), p. 296.

The English point of view is given by Putnam Neale, writing in 1907. He notes the progress made by the Germans in the East and says that only a few months before Germany had attempted to get a lease in the South to consolidate her trade with the Straits Settlements, Java, Sumatra, and Siam. He points out that fortifications were progressing at Tsingtao, and a fresh detachment of artillery had been sent out; that the Reichstag had been invited to send a deputation to see how well the money had been spent at the port; and that the German cable from Shanghai to Yap, connecting with the Ladrone and Caroline Islands, provided a cable connection around the world other than British.⁴⁶

There had been some indication that the Germans were asserting themselves politically at first. The entire management of the railroads was kept in their hands, German guards being installed for their protection. A German postoffice was also established. But by the end of 1905, a change in policy had taken place.⁴⁷ The German troops which had remained in

46

Weale, Putnam, (B.L.Simpson), The Truce in the East, p.444.

47

The Russo-Japanese War relieved Germany from danger on her Eastern front and at the same time permitted a redistribution of the British squadrons. British naval power was concentrated in the Atlantic, the British Channel, and the North Sea. The China fleet was also denuded of battle-ships. The year 1906 was not only the year of Germany's third naval law, but both the years 1905 and 1906 were full of socialist activity, labor conflicts, and opposition to colonial expenditure. The attention of Germany was being concentrated in the Near East, where work on the Bagdad Railroad was progressing. In November, 1906, in the Reichstag, von Bülow said that Germany should cultivate friendly relations with Japan by showing that she had only commercial intentions in China, and by respecting the principle of the open door. ---Annual Register, 1903, p. 35, 1905, pp. 281-298, 1906, pp. 284-304; Schmitt, Bernadotte Everly, England and Germany, (Princeton, 1918), pp. 179-180.

48
Kiaomi and Kiaochow since 1900, were withdrawn in accordance with a
convention concluded November 28, 1905⁴⁹ between the Chinese Governor
of Shantung Province and the German Governor of Tsingtao, thereby recog-
nizing the right of China to police that section of the railway lying in
the zone, as well as the remaining portion of the line westward to
Tsinanfu. A Chinese police station was established at Kiaochow, and the
policing work was taken over by China. The German barracks at the two
garrison towns were sold to the Chinese Government. It was in this year
that the Chinese Customs was established at Tsingtao to function much as
elsewhere, and the German postoffice was handed over to the Chinese.⁵⁰
The Germans seem to have been met half way by the Chinese Government, which
of its own free will established commercial, or open, areas at Tsinanfu,
Weihsien, and Choutsun. At Tsinanfu⁵¹ they built roads and provided for
sanitation and policing. The city soon became a commercial and residential
center, where Chinese and foreigners, mostly Germans, are said to have lived
amicably and to the profit of both sides.⁵² The German Government was

48
These town are inside the 50 kilometer zone, but outside the leased
territory.

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Appendix II.

50
This postoffice is said to have been operated at a loss--Weale, Truce
in the East, p. 443.

51
Julean Arnold, in The Far Eastern Review, December, 1914, says that
Tsinanfu, next to Tientsin, has become the commercial center of North China
since the completion of the Shantung Railroad, in 1904.

52
Hornbeck, Contemporary Politics, p. 297.

generous in its expenditure of money on the development of the new colony at Tsingtao. In 1903, 50,000,000 marks had already been spent, and the annual expenditure averaged about 14,000,000 marks from that time on. An increasing proportion, but never more than half, of this was paid from the

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local revenues. This money was spent for excellent roads in and about
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the city, for afforestation there and outside in the province, and for schools, including a German High School with well equipped laboratories and library. The German and Chinese Governments agreed to share equally in the support of this High School, and China for the first time was given a share in the administration of a foreign educational institution in China.

55
The population in 1913 at Tsingtao was 60,500; in the Leased Territory, 192,000; in the Zone, 1,200,000. Of these 4,470 were Europeans, and of this
56
number 3,806 were Germans.

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Hornbeck, Contemporary Politics, p.298

54

An excellent example was set for the Chinese provincial administration, which has made efforts to develop the work further.

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The German census of 1913 gave a total population for Tsingtao of 60,484, divided as follows: Americans and Europeans (mostly Germans), 2,069; German military, 2,401; Chinese, 55,672; Japanese, 316; Koreans and other Asiatics, 26. --- Arnold, Julean, Commercial Handbook of China, Vol.I, p.611.

56

Hornbeck, Contemporary Politics, p. 298.

Germany had acquired the right to construct a railroad from within the Leased Territory to Tsinanfu. The lease provided that Germany should pay for all the land expropriated for special purposes and was simply a franchise from the Chinese Government which was to be put into effect by a Sino-German stock company, with private capital under rules and regulations of the German Government.⁵⁷ A syndicate headed by the Deutsche-Asiatische Bank was organized in Berlin to incorporate the Shantung Railroad Company and to apply for the concession from the German Government. There was no allotment of official shares, nor was capital subscribed by the German Government; the shares were for public subscription, and Chinese capital could participate.⁵⁸ The road was opened June 1, 1904, and proved to be profitable. The same cannot be said of the mining operations undertaken by the Shantung Bergban Gesellschaft at Fantse, Hungshan, and Kinglinchen. In 1912, the company turned out 600,000 tons of coal, employed 60 Germans and 7,000 Chinese, but had never paid a dividend.⁵⁹ Accordingly, February 5, 1913, the Mining Company transferred all its rights and liabilities to the Shantung Eisenbahn Gesellschaft, which thereupon became

57 This is the only railroad of which China has not secured the right, sometime or other, to assume sole control. ---Overlack, p.145.

58 "Status of the Shantung Railroad," Far Eastern Review, November, 1914, p.185

59 Hornbeck, Contemporary Politics, p.298.

the owner of the mines as well as of the railroad. The railroad and mining situation in 1914, is summed up in The Chinese Social and Political Science Review for March and June, 1920, (Page 19):

".....Germany possessed certain railway loan options in respect of Shantung Province. By an exchange of notes of December 31, 1913, China granted Germany an option to finance and construct and supply material for two lines of railway, one from Kaomi to a point on the Tientsin-Pukow line, tentatively fixed at Hanchuan, and the other from Chinan to a point on the Peking-Hankow line between Shunteh and Sinhsiang; while Germany, on her part, relinquished her options in respect of the Tehchow-Chenting line and the Yenchow-Kaifeng line, as well as the concession granted in the Convention of March 6, 1898, to build a line through the Southern part of Shantung Province; and also agreed to ratify the Mining Areas Delimitation Agreement of July 24, 1911, concluded between the Governor of Shantung Province and the Mining Company. Subsequently by an exchange of notes June 10, 1914, Germany obtained a loan option on any westward extension of the Chinan-Shunteh line, on the Chefoo-Weihsien line, and the Tsining-Kaifeng line.

"Under the Mining Areas Delimitation Agreement of July 24, 1911, mentioned above, Germany's mining rights in Shantung Province, which, according to the Convention of March 6, 1898, extended 15 kilometers, or 10 miles, on each side of the railways then to be built in the Province, were greatly curtailed. The Shantung Mining Company relinquished under this agreement all her mining rights except the Tsechman and Fantse Collieries and Kinglinchen Iron Mine. The areas of these three mining properties

retained were surveyed and defined with an option for German subjects to supply capital, engineers, materials, and machinery, if needed for mining operations within the areas relinquished."⁶⁰

The general political situation in the German sphere in China is characterized by Hornbeck:

"Since the original seizure of Kiaochow, the Germans had made no additional attempt to extend their territorial holdings or special privileges in China. They had not undertaken to extend their administration over Shantung--- or even over the Railway Zone. The Shantung Railway Company had never attempted to assume a political status and perform political functions. The German Government had not sought to stretch the terms of the Convention of 1898. There had been no creating of issues and demanding of immediate settlement such as has characterized the progress of the Japanese in Manchuria. German subjects had not exceeded their plainly stipulated rights; they had not invaded the interior; they had not become engaged in personal and police conflicts with the Chinese.

"There was in the later years of German presence in Shantung little of which, from the point of view of the open door policy, complaint could be made. For ten years past the Germans had done practically nothing calculated to complicate the politics of the Far East, and, except commercially, they disturbed no peace in the Far East but the peace of mind of Japanese expansionists. Judged upon the basis of substantial accomplishment, successful and just administration, and real contribution to the economic and social

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The Agreement for Delimitating Mining Areas in the Province of Shantung may be found in the Appendix, No. III.

welfare of the people who fell within the range of their influence, none of the powers holding bases on the China coast can offer better justification for its presence than could the Germans."⁶¹

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Hornbeck, Contemporary Politics, pp.298-299.

CHAPTER III

China and Japan in the World War

China's Difficult Situation at the Outbreak of the War; Her Problem of Neutrality; Negotiations for Retrocession; Japan's Ultimatum to Germany ; Japan's Declaration of War and the Landing of Troops; Extension of Japanese Military Operations Westward; Surrender of Tsingtao; China's Attempt to Abolish the War Zone; Her Second Proposal to Enter the War; Severing of Diplomatic Relations; Civil Strife and Declaration of War; Chinese Laborers and Food Supplies Sent to the European Front; War Participation Board; Military and Naval Agreements of 1918; Supplementary Military Agreement; "Arms Contract"; China's Military Inefficiency; Allied Protest to China; Estimate of China's War Contribution; Japan's Active Participation; Comparative Study of Conflicting Opinions as to the Value of Japan's Contribution.

CHAPTER III.

China and Japan in the World War

The decision of the Peace Conference in favor of Japan has been a great disappointment to China and the subject of much controversy.¹ Both China and Japan feel that they have made contributions to the cause of the Allies which, taken with other considerations, entitle them to a favorable hearing. The two countries played a very different part in the war and each has tried to belittle the contribution of the other. As compared with Japan's active participation in the Far East, China's history during the war drew little attention beyond an occasional newspaper picture of Chinese coolies in France or fragments of information about civil strife in China.

China's situation at the outbreak of the war was by no means a simple one. No treaty placed any obligation upon her to enter the struggle on either side; in fact her treaty relations were such as to require her to be equally friendly to all the belligerent powers and to give equal protection to their nationals residing on her soil. Of the Western Powers, China probably considered Germany and the United States her best friends: Germany because of the character of her administration

¹ "What the Chinese Think of the Shantung Reservation,"
Millard's Review, Dec. 6, 1919, p. 6.

at Kiaochow and of her adherence to the Open Door policy; the United States because of her disinterested policy in Chinese affairs. The United States was not in the war and Germany was. China's nearest neighbor, Japan, was allied with Great Britain who had declared war on Germany and Germany as well as the Allies had territorial holdings in China. Only what Germany had at Kiaochow, however, was in danger from hostile attack, for Germany in the past decade had shown little intention of using this port for offensive measures and she was totally outnumbered by the Allies in military and naval strength in the Far East.

The ideal solution would have been Chinese neutrality and the retrocession of this leased territory to China. China had previously declared her neutrality when the war broke out in Europe. Her declaration² was sincere but foolish and empty, as it was impossible to carry out. As relics of the Boxer troubles, 9000 foreign troops were in North China and none of these could move without crossing neutral territory.³ German reservists used the Tientsin-Pukow Line as well as the Shantung Railroad, and also the inland waters of China near Shanghai. If China refused the use of her transportation facilities she was hostile to Germany; if she consented she was hostile to the Allies.

For Japan the war meant opportunity. Alive to this feeling on the part of Japan, Yuan Shih Kai and the Chinese Government took steps to secure the neutrality of the leased areas in addition to that of the country as a whole. China therefore proposed the neutralization of all her territory

²British Foreign and State Papers, CVIII, p. 807.

³ Piggot, Sir Francis, "China's Problem of Neutrality," Nineteenth Century, March, 1915: p. 543.

leased to belligerent powers and the limiting to a specified region of any military operations to be waged on her soil. The proposition was acceptable to both Great Britain and Germany.⁴ The former realized that the neutralization of Wei Hai Wei would be no great strategical loss as long as she still retained Hong Kong. The latter knew that she would probably lose Tsingtao anyway to the British, French, and Russian navies if not to Japan. The German legation at Peking was receptive in regard to the proposal because a refusal would draw Japan into the war immediately. Tentative steps were taken by the United States to get the powers to comply but events moved too rapidly.⁵

In the mean time negotiations between China and Germany leading to the retrocession of Kiaochow were taking place.⁶ Germany was considering the possibility of "interning" Kiaochow, that is, of handing it over to China for the period of the war, thus removing it from the field of possible hostilities.⁷ She was willing to agree that the German squadron remain away from Tsingtao, that the small gun boat and torpedo boats in the harbor be interned, that the Shantung Railroad be neutralized until the end of the war, and that she would refrain from hostile operations if Japan remained neutral.⁸ However there was no time for further negotiation, for

⁴ Elliot, "The Shantung Question," American Journal of International Law, Vol. 13, 1919, p. 706.
Also see Millard, T.F., Democracy and the Eastern Question (New York, 1919) pp. 86-87.

⁵ Millard, Democracy and the Eastern Question, p. 87.

⁶ North China Herald, September 12, 1914. Cited by Tyau, M.T.Z. Legal Obligations Arising Out of Treaty Relations between China and Other States (Shanghai, 1917) p. 86.

⁷ Hornbeck, Contemporary Politics, p. 287.

⁸ Reid, Gilbert, "Neutrality of China," Yale Law Journal, December, 1915, p. 123.

on August 15, Japan sent an ultimatum to Germany making the following demands in the interest of the peace of the Far East:

First, that she withdraw immediately from Japanese and Chinese waters German men-of-war and armed vessels of all kinds and disarm those which could not be withdraw;

Second, that she deliver on a date not later than September 15 to the Imperial Japanese authorities, without condition or compensation, the entire leased territory of Kiaochow with a view to the eventual restoration of the same to China.

The ultimatum further stated that if the above terms were not accepted by noon, August 23, the Japanese Government would take such action as it deemed necessary.

Realizing from the quick turn that events had taken, that absolute neutrality would be impossible, Yuan Shih Kai proposed to Sir John Jordan, the British Minister at Peking, that Chinese troops should participate in the taking of the German holdings in China. The proposal was communicated to Japan, but it is believed that neither Russia nor France was approached.⁹ Japan was opposed to China's participation, and Sir John Jordan discouraged taking such action without consulting the representatives of Great Britain's allies.¹⁰ When no response came from Germany by August 23, Japan declared war,¹¹ and she and Great Britain, without the assistance of

9 Millard, Democracy and the Eastern Question, pp. 95-96.

10 Same.

11 There is some difference of opinion as to whether Japan declared war in response to a request from Great Britain, or on her own initiative. There is some authority for believing that the British Government

China, cooperated in the taking of Tsingtao. The first contingent of 20,000 Japanese troops disembarked September 3 at Lungkow, situated on the north coast of Shantung, 150 miles north of Tsingtao and in Chinese territory. The troops marched across the peninsula, occupied the cities and towns along the way, seized the Chinese postal and telegraph offices, and requisitioned labor and supplies. The British force, under General Barmardiston, landed within the leased territory, at Laoshan Bay, September 23, in time to participate in the first engagement. Japan maintains that military necessity compelled her to approach Tsingtao from the North, as there were German and Austrian gunboats in the harbor, and the Shantung Railroad was being used by the German garrison of 13,000 to transport recruits and supplies from the interior.¹² Gilbert Reid, the Director of the International Institute of China, says that the menace to the peace of the Far East was "a mere figment of the brain," and that the claim of military necessity was an "absurdity", for less than 5,000 Germans, in a poorly fortified garrison, were facing Japanese and British men-of-war, with 30,000 Japanese soldiers equipped for action, while Japan's whole army was within a few hours' call. He

11 (Concluded from preceding page)

attempted to dissuade Japan from such action.--Hornbeck, p.286.

On August 24, Count Okuma cabled the following to the New York

Independent: "....Every sense of loyalty and honor obliges Japan to cooperate with Great Britain...Japan has no ulterior motive, no desire to secure more territory..." The Annual Register for 1914 (p.413) makes the statement that Japan entered the war because Great Britain applied for assistance.

Viscount Ishii has denied the assertion that Japan came into the war because of the Anglo-Japanese alliance, and maintains that Japan was moved by higher than mere contractual obligations.---Willoughby,

Foreign Rights and Interests, p. 901.

See Comp. Study. Chapter III..

12 Kawakami, Japan and World Peace, (New York, 1919), p. 11.

characterizes the attack as based upon political not military necessity.¹³

The Chinese opinion is given by Tyau who says that the allies need not have attacked Tsingtao at all if they had been willing to negotiate with China regarding its internment or the removal of the German occupant.¹⁴ An American writer also thinks that it is very doubtful whether it was necessary for Japan to step in at all. He concedes the fact that Tsingtao was a well fortified naval and military base, with about 3000 soldiers and a small but powerful fleet, and that an Austrian cruiser was present on Far Eastern Waters. Against this he points out that Great Britain had more troops in the Far East than Germany; that Russia had 80,000 men at Vladivostok; and that the Entente Allies had sufficient naval strength to outmatch Germany without the assistance of Japan.¹⁵

Further attempting to safeguard her neutrality and following the precedent set in the Russo-Japanese War, China declared the area where military operations had already begun a war zone.¹⁶ This zone extended from the sea to a point on the railroad east of the Weihsien station, approximately 100 miles west of Tsingtao. Japanese troops were to observe these limits and not to encroach westward. China was attempting to forestall German protests by declaring that she would not be responsible for acts of hostility committed inside this area. Very soon, however, Japanese military forces occupied the

13. Reid, "Neutrality of China", Yale Law Journal, Dec. 1915, p. 125. The following figures are given in the Annual Register, 1914, p. 414: Japanese, 28,980; Germans 5,000.

14. Tyau, M.T.Z., Treaty Obligations between China and Other States, (Shanghai, 1917) pp. 77-80.

15. Hornbeck, pp. 285-286.

16. In declaring the War Zone, China was advised by Dr. Ariga, the Japanese legal advisor of the Chinese Government.

Weihsien station and rapidly took over the entire 256 miles of the Shantung Railroad, including the capital, Tsinaufu. The seizure of the Sino-German railroad and the requisitioning of supplies meant taking Chinese property, the property of a neutral. Before the fortress of Tsingtao actually fell, Shantung Railroad employees¹⁷ began to be replaced by Japanese staffing drawn from the South Manchurian Railroad. The mining properties were also seized and operated by the Japanese.

In the joint attack on Tsingtao, the British troops were subject to the orders of the Japanese commander-in-chief, General Kamio and to him the German garrison capitulated on November 7. The cost of the Kiaochow expedition was probably somewhere between \$25,000,000¹⁸ and \$30,000,000, a sum about one half the value of confiscated property.¹⁹ After taking the city, the Japanese Government announced the discovery of evidence which for the defense of the city made it necessary to take all but about 100 Germans as prisoners to Japan²⁰ where the generous treatment accorded them in contrast to the treatment of Japanese in Germany has brought upon Japan the brand of being pro-German.²¹ At Tsingtao, the business houses, factories, residences, and real estate vacated by the Germans, fell into the hands of the Japanese. In less than two weeks more than 5000 Japanese had come into the

17. Under German control, of the total of 55 stations, there were but 5 European station masters; of 16 round houses, but 5 were under European control; at the chief work shops maintained at Syfang, the force consisted of 700 Chinese under 16 Europeans headed by an engineer of the German state railways.--Hodge, Charles, "The Case from the Documents", Asia, September, 1919, p. 938.

18. Kawakami, Japan and World Peace, p. 8.

19. Crow, Carl, Japan and America, (New York, 1916) p. 268

20. Crow, Carl, Japan and America, p. 265

21. Kawakami, Japan and World Peace, p. 13.

city and taken up residence.²² In December 1917, the total Japanese population in Shantung province numbered 25,104, while in the spring of 1914 there were only a few hundred.²³ The German census in 1913 gave 316 Japanese, and the Japanese census of 1919 gave 49,313, for the city of Tsingtao.²⁴ The fall of the fortress terminated actual military measures of both belligerents. China, therefore, attempted to restore conditions in Shantung. She evidently expected to deal with Japan as she had with Germany and accordingly made the following requests:

1. The withdrawal of Japanese forces from the interior of Shantung.
2. Their concentration in the Kiaochow leasehold.
3. The removal of the light railway from Lungkow to Chantien.
4. The removal of the military telegraph wires strung on Chinese poles.²⁵

Unable to persuade the Japanese government to accede to her request, China revoked the declaration providing for a war zone and January 7, 1915, notified the British and Japanese ministers to this effect. The Japanese minister replied that "the revocation was 'improper, arbitrary, betraying in fact, want of confidence in international good faith and regardless of friendly relations' and that the Japanese Government would not permit the movement and action of the Japanese troops in Shantung to be in any way affected by the action of the Chinese Government."²⁶ These words used by

22. Crow, Japan and America, p. 265.

23. Arnold, Commercial Handbook, Vol I, p. 611

24. Same.

25. Hodges, Charles, "The Case from the Documents," Asia, Sept. 1919, p. 938.

26. "The Shantung Question", Chinese Social and Political Science Review, Vol. V (a) No. 1, 2, (1920) p. 23.

the Japanese may sound harsh and Prussian in tone now, but at that time Japan was fighting the Prussians and German methods in Europe made these words, scarcely noted beyond the China Sea, sound weak and even justifiable.

In 1914, Japan, with the acquiescence of Great Britain,²⁷ had been successful in opposing China's taking part in the military operations against Tsingtao. China again signified her wish to enter the war on the side of the allies. This time Yuan Shih Kai consulted the ambassadors of France, Russia, and the United States, as well as Great Britain. The first three are said to have been favorably inclined.²⁸ November 23, 1915, the British, French and Russian ministers at Tokio had an audience with Viscount Ishii, Minister of Foreign Affairs, and requested Japan to join in an invitation to China to enter the war. It was at this time that Viscount Ishii said that he "could not view with equanimity the organization of an efficient Chinese army and the economic liberation of 400,000,000 souls".²⁹ Japanese consular officials at Shanghai, Hankow, and Canton were directing propaganda against Yuan's plan to join the allies, and the Japanese press, known to be subject always to government supervision, attacked Great Britain as the originator of the plan.³⁰ Japan would have had us think that Yuan was merely trying to further his ambition to become emperor, that China as a whole did not wish to enter the war, and, further that the Chinese did not desire Germany to be beaten so completely that there would be no restraining influence upon the British advance in the Far East.³¹ China's anxiety to enter the war in 1915 was the result of the Twenty One Demands which made China's

27. Millard, Democracy and the Eastern Question, pp. 95-96.

28. Same, p. 98.

29. Same, p. 99; Willoughby, Note, p. 399.

30. Coleman, Frederic, The Far East Unveiled, pp. 17-19.

31. Kawakami, Japan and World Peace, pp. 126--127.

chances of participation in any peace negotiations in regard to Kiaochow very doubtful.³² Japan, in turn, opposed China's entrance in the war because she wished to negotiate for, not with, China in the final settlement.

As the war progressed in 1916, China, not unlike the other countries, began to feel that a German victory was a probability. She may have felt that such a victory might be more advantageous for China than one for the allies who so clearly favored Japan.³³ Japanese newspapers were full of suggestions of German victory and there was a rumor that Japan and Germany might come to an understanding as Japan and Russia had done.³⁴ At the same time the United States was represented as an ineffective military power whose lead would be dangerous to follow.³⁵ However, when the news reached Peking, February 4, 1917, that the United States had severed diplomatic relations and was calling upon other neutrals to join, President Li Yuan Hung,³⁶ the Premier, Tuan Chi-jui, and the son of Wu Ting Fang³⁷, Minister of Foreign Affairs, met with Paul S. Reinsch, the American ambassador, to discuss the situation. The President and Tuan were cautious, the former perhaps for reasons natural to his character, the latter, supposedly under Japanese influence. What worried China was her 1915 agreement with Japan and she wanted formal assurances that the United States would support her claims to Shantung if she broke with Germany. Unfortunately the cables were broken

32. See Chapter III.

33. Millard, Democracy and the Eastern Question, p. 103

34. Elliot, p. 709

35. Millard, Democracy and the Eastern Question, p. 103

36. Yuan Shih Kai died June, 1916 and Vice President, Li Yuan Hung, automatically succeeded him.

37. Wu Ting Fang was ill at the time.

but verbal assurances to that effect were given by Mr. Reinsch.³⁸ Japan was no more in favor of China's entering the war than in 1915 and the Japanese minister urged Li Yuan Hung not to take such action,³⁹ but the influence of press correspondents and foreign advisors at Peking,⁴⁰ with that of Wellington Koo urging from Washington, swung China's decision. On March 14, 1917, China severed relations with Germany. The Tokio Government immediately approved in terms which gave the impression that it was upon her advice that this step was taken by China.⁴¹

38. Thomas F. Millard testified that he had this account from Dr. Reinsch himself.- Senate Hearings, pp. 442--443. John C. Ferguson also stated that, "within my own knowledge," the United States promised to support China.--Same, p. 561. See also, Latourette, "China, the United States and the War", League of Nations, Vol. II p. 162; Elliot, p. 709.

39. A rather conclusive proof, and one supporting C. Thomas Wong's contention in Paris that Japan blocked China in her desires to break with Germany, is the fact that the secret treaty signed by France and Japan, March 3, 1917, contains the following clause:

M. Briand demands, on the other hand, that Japan give its support to obtain from China the breaking of its diplomatic relations with Germany, and that it give this act desirable significance.

40. Millard mentions Dr. G.E. Morrison of the London Times, Samuel Blythe, and Dr. J.C. Ferguson, -Democracy and the Eastern Question, p. 110.

41. Millard, Democracy and the Eastern Question, p. 113.

The declaration of war was delayed until August by a combination of internal and external conditions. Li Yuan Hung, while honest in intention and acceptable on the whole to both the radical or Southern and the conservative or Northern factions, was, unlike Yuan Shih Kai, incapable of vigorous and decisive action. Feng Quo Chang, a former follower of Yuan, but not unfavorable to the liberals, was vice president. Tuan Chi-jui was still premier. The parliament, which Yuan had dismissed in 1913, reconvened and began to draft the permanent constitution. All seemed to be going with harmony unusual in China when the break between the United States and Germany awakened the factional struggle. It is true that up to this time China had been somewhat pro-German, due to her resentment toward Japan, the propaganda of German residents, and admiration amounting to fear of Germany's great military power.⁴² On the other hand, she regarded the United States as her best friend and some of her progressive leaders sympathized with the dominant aims of the Entente as defined by President Wilson. Her leaders also had hopes of concessions from the allies which they intended to bring up at the peace table.

Unfortunately the question of declaring war became involved with the internal constitutional struggle which reached a crisis in the spring and summer of 1917⁴³ and the two issues have been confused in such a way that the Chinese people have been accused of being opposed to entering the war. The Northern, or military and conservative party, was in favor of amending the constitution in such a way as to give to the executive more freedom from the supervision of Parliament and at the same time to curtail the powers of the

42. Latourette, K.S. "China, United States, and the War", League of Nation, II p. 182.

43. For a fuller account of this internal dissension see the Annual Register, 1917, pp. 292-297; also Latourette, League of Nations, II, pp. 181-185

President. The Southern, or liberal party, was supporting the Republican Constitution. Tuan Chi-jui, Premier and leader of the Northern faction, was in favor of the declaration of war as was also President Li Yuan Hung. Parliament and the Southern faction desired to support the President but did not wish to support Tuan and the reactionary military governors. On May 2, the President had the courage to dismiss Tuan. Tuan refused to accept his dismissal and demanded the dissolution of Parliament. He was supported by the governors of Anhui, Shantung, Chihli, Shansi, Fengtien, Hupeh, Honan, Chekiang, and Fukien. Tuan maintained that Parliament was unwilling to declare war; the truth is that Parliament was willing but not until Tuan accepted his dismissal.⁴⁴ Thoroughly intimidated Li dismissed Parliament on June 13. In the meantime he had summoned General Chang Hsun of Anhui to come to Peking. Chang Hsun and his robber band arrived in the city, not to support Li, but to stage a drama, the restoration of the Manchus. Li resigned in favor of Feng Quo Chang and Tuan Chi-jui drove out Chang Hsun, restored the Republic, and again became Premier, the real ruler of China. August 13, after a full consultation between the President and the Cabinet,

44. The opposition to Tuan was not wholly because of his constitutional policy. It was thought that he was ambitious to make himself President or Dictator of China.--Annual Register, 1917, p. 293. In spite of the fact that he favored China's declaring war upon Germany when Japan was known to be opposed to such action, Tuan was accused of being pro-Japanese. To strengthen his position and the influence of his party he needed both the money and support of Japan.--Millard, Democracy and the Eastern Question, pp. 140, 144, 178-179; Willoughby, Note, p. 396.

Tuan brought about the formal declaration of war.⁴⁵ The dismissed Parliament which had taken up headquarters in Canton, could not join in this declaration, though in theory the Southern leaders were in favor of war in spite of the fact that such a step would mean a gain in prestige to the party in power.

Though the declaration of war was not ratified by Parliament, the Chinese people did not doubt that they had become a part of the struggle. While still a neutral China had given permission to Great Britain and France to send officers in to Shantung and other provinces to recruit laborers. From Wei Hai Wei and Tsingtao, 175,000 Chinese laborers were sent to France and England where they dug trenches, worked in munition factories, and did many other kinds of labor.⁴⁶ Numbers of them were killed and wounded but this fact did not prevent others from hoping that they might be allowed to take part in the fighting instead of being limited to contributing only their labor.⁴⁷ China also made large shipments of rice, eggs, and other staples to the Allies.⁴⁸

45. Samuel Blythe's story, "The First Time in Five Thousand Years," Saturday Evening Post, April 28, 1917, is cited as a first hand account of how "half a dozen Americans, headed by Paul S. Reinsch, the American minister to China, and assisted by two Australians of exceptional ability" secured the Chinese declaration of war.--Latourette, "China, the United States and the War", League of Nations, II, p. 185

46. The distribution of labor battalions, according to a report received by the Chinese Legation in Washington, October, 1918, was as follows: with the British 125,000; with the French 40,000; with the Americans 6000; and in Africa and Mesopotamia 4000.--Wheeler, W.R. China and the World War, (New York, 1919.) p. 151

47. Statement of Dr. J.C. Ferguson, Senate Hearings, p. 581.

48. Wheeler, p. 151.

It was unfortunate that, in spite of the protests of foreign powers, the factional struggle in China continued. A so-called War Participation Board, the ostensible purpose of which was to direct military operations which China might undertake as a belligerent in the Great War, had been organized after China entered the war. However, funds, which might have been spent for "organizing a defensive army so as to fulfil its cooperative duties...in participating in the war", were actually used to support the Northern military party in its contest with the Southern or Constitutional party.⁴⁹ September 28, 1918 was a fatal day in Chinese history; on that day, China not only made additional railroad concessions in Shantung to Japan, but also signed the War Participation loan contract with Japan. This undertaking was declared to be in accordance with the Sino-Japanese Military and Naval Agreements of May, 1918.⁵⁰ These agreements may be briefly summarized as follows:

Each country pledged itself to respect the prestige and interests of the other and both were to be on an equal footing. When action should become necessary, the officials and citizens of both countries were to adopt a friendly attitude toward each other in the military areas; that is, the Chinese were to place no impediments upon the movements of Japanese troops and the Japanese were to respect the sovereignty of China and were to place no hardships upon the Chinese people within the military areas. The Japanese troops were to be withdrawn as soon as military operations should cease. If it should be necessary to send troops outside Chinese territory, this should be jointly undertaken. In order to facilitate military operations every form of cooperation was provided for in both the military and naval agreements.

A supplementary Military Agreement, signed September 6, 1918, provided that, in the military operations to be conducted in Siberia to aid the Czecho-Slovacs and to drive out the Germans and Austrians, the Chinese military forces should be under the direction of the Japanese commander.⁵¹

49. Willoughby, p. 422

50. A semi-official text of this agreement may be found in Wheeler, pp. 127-144. See also Willoughby, pp. 423-425.

51. Willoughby, p. 427.

Early in 1918, China had entered into the "Arms Contract" with Japan, according to which the latter was given the preferential right to supply China, that is, the military party with arms and ammunition to the amount of Yen 40,000,000.⁵² In this agreement China also promised to engage Japanese officers as instructors for the training of Chinese troops.⁵³

Asider from any ulterior motive that Japan may have had either in China or in Siberia,⁵⁴ it is clear that China's military activities could not be dissociated from those of Japan and that little independent action could be expected from her even if other conditions had been favorable. The agreements were the result of the selfishness of the military chiefs who needed Japanese money to further their designs. The result was that civil strife and the unscrupulous methods of those who were directing the government, prevented China from taking an effective part even in Siberian affairs.⁵⁵ Thus it came about in October 1918, that the Allies complained to Peking that German intrigue was still in progress, that alien enemies were left at large, and that remissions of the Boxer indemnity were being spent in prolonging civil strife rather than in winning the war.⁵⁶

52. Same, p. 423.

53. Same, p. 423.

54. Same, p. 423.

55. Latourette, League of Nations, II, p. 186

56. The full text of these remonstrances may be found in The Nation, International Relations Section, January 25, 1919, p. 149. It has been said that this protest, while addressed to China, was meant fully as much for Japan, that there was evidence that Japan was evading the enemy trading regulations (See Parliamentary Debates, 5th series, LXXIII, 1915, p. 1146) in China and that Japanese were the principle purchasers of German property.-Millard, Democracy and the Eastern Question, p. 329.

In passing judgment on China's part in the war it should be remembered that the European War broke out only three years after the Chinese Revolution in 1911, and that the last ten years have been the most crucial period of China's history. Instead of being helped and encouraged by the Western Powers, she was called upon to assist them in a struggle in which she had no vital interest. To become an effective military power at the time of the French Revolution, France had to be transformed from a republic into an empire ruled by one man. China tottered on the verge of such reaction but the Republic won in the struggle and the country as a whole was little disrupted as Russia has been since 1917. Had Yuan Shih Kai lived and been successful in making himself emperor, the civil strife between the North and South might have been averted. China, freed from internal problems, might have been able to organize an effective military force. As yet, however, the resources of China have scarcely been more than tapped by taxation, and her treaty agreement and financial obligations to foreign powers further limit her revenues. Japan had money to lend but was more interested in keeping China ineffective than in assisting her in any constructive policy. China's contribution of cheap and willing labor released 175,000 fighting men. Other countries also have taken pride in helping to feed the armies in Europe. But perhaps China's greatest help was negative in character, the fact that she was on the side of the Allies and not on the side of the Germans.

There is little doubt that Japan was considered very active during the war. It is, however, difficult to come to a safe conclusion as to exactly what she contributed to the allied cause as a whole. For this purpose a comparative study may produce a medium approximating a true representation. In the left column are quotations from American friends and

legal advisors of China.⁵⁷ In the right column are quotations from Japanese writers who are considered reliable sponsors of the Japanese point of view.⁵⁸

"Most of her statesmen have asserted that Japan came into the war upon the side of the Allies because of her obligations to Great Britain under the Anglo-Japanese Treaty of Alliance. Others however, including Viscount Ishii, Ambassador to the United States, have denied this, and asserted that Japan was moved to declare war upon Germany by higher than mere contractual obligations."-Willoughby, p. 901.

..."Many intimations that Great Britain wanted Japan to keep out... known to be resented by British subjects in the Far East...France and Russia felt the same...British legation at Peking for neutrality... suppressed by acquiescence of British Government in Japan's participation....Great Britain did not instigate but was forced by Japan to acquiesce...equally responsible... Imperial Rescript declaring war avoids stating that Great Britain had asked Japan but succeeds in giving that impression."-Millard, p. 91-96.

Japan's part was not necessary to get the small German squadron out. Russian, Great Britain and France were fully capable of doing this themselves. The German squadron had actually already been withdrawn and Tsingtau no longer played a part.

"On August 3,...Sir Conyngham Greene, the British Ambassador to Japan...requested an interview with Baron Kato, the Foreign Minister. At this conference the British Ambassador informed Baron Kato that his Government was compelled to open hostilities against Germany and desired to ascertain whether Japan would aid England in the event of British interest in the Far East being jeopardized by German activities... Baron Kato, on August 4, called upon the British Ambassador and told the latter that Japan would not evade the responsibilities which she had assumed in entering the alliance with England.

"At this time Japan did not expect to be called upon to declare war at once. But on August 7, the British Ambassador asked for an interview with Baron Kato and told the Foreign Minister that the situation had developed in such a manner as would oblige Japan's immediate entrance upon the war."-Kawakami, p. 3,4.

"In response to the British request, Japan sent an ultimatum to Germany on August 15, 1914, demanding.... Ichihashi, p. 906.

"Early in November, Japan had captured the important forts (Tsingtau) and the Germans surrendered. We need not now speak of how Japan chased the Germans out of the Far East and the South Sea regions"-Same.

⁵⁷The quotations are from Willoughby, W.W., "Japan's Political Ethics," Asia, September, 1919; Millard, T.F. Our Eastern Question; Elliot, E.B. "Shantung Question", American Journal of International Law, Vol. 13, 1919; and Ferguson, John C., Statement before the Committee on Foreign Relations United States Senate, in 66 Congress, 1st Sess. Senate Doc. 106, Hornbeck, S.K. Contemporary Politics in the Far East.

⁵⁸The quotations are from Kawakami, K.K., Japan and World Peace; and from Ichihashi, Yamato, "Industrial Plight of Japan", Asia, September 1919.

The same arrangement could have been made for its protection as is provided at Peking by the Legation Guards or Shanghai by the S.V.C. The taking of Tsingtau was a "drama composed by the hopeless resistance of a few thousand isolated Germans to an overwhelming army of Orientals"- Millard, p. 88-101

..."Kiaochow was never given the military equipment or aspects of a Port Arthur or a Vladivostok- as the comparative ease with which it was recently taken shows."- Hornbeck, p. 296.

Japan could have limited her operations to the German zone, instead she chose to land her troops at Lungkow, 150 miles north, seized 256 miles of railroad, and took control of the telephones, telegraph, and post roads.-Elliot, p. 706.

..."the fact is that Japan ceased all active military operations after she had secured possession of Tsingtau and such of the South Pacific Islands as she was able to seize before they could be taken over by the Australians or New Zealanders."-Willoughby, p. 901.

"Japan during the war continued to furnish war vessels for patrol and convoy purposes in the Far East and in the Mediterranean, but this was not a costly service to her, and so far as the author has been able to learn, there is no certain evidence that a single enemy submarine was destroyed by the Japanese naval vessels thus employed."-Willoughby, p. 901

"The campaign against the German territory...was no easy task for Japan ...Had Japan delayed her action against Kiaochow, it was more than probable that the Germans would have raised a large army of Chinese in Shantung, captured the arsenal at Techow...virtually seized the whole of that province, and thus compelled the Government at Peking to declare war upon the Entent Powers...The fortification was reputed to be one of the most formidable in the Orient...Against this stronghold Japan sent 30,000 men...Meyer Waldeck had at his disposal...13,000 men, of whom 3,000 were German trained"-Kawakami, p. 8-10

On land the Japanese advance was made extremely difficult by rain and flood... All Shantung was a mud slough...retarding the Japanese and British forces... Through sloughs of mud the Japanese reached Kiaochow Bay, and further inland seized a station of the German railway line leading up 300 miles to the provincial capital of Tsinan-fu. This railway was seized for all its length, because the German garrison had been using it in receiving reservists, war materials, and food supplies"... Kawakami, p. 10-11.

"In the first year of the war, the Japanese navy took charge of the Eastern seas as well as the Pacific and Indian Oceans. In this task Japan used a strength twice as large as the British Eastern and Australian Fleets prior to the war...Japanese men-of-war protected the coast of Australia, New Zealand, and British Columbia, and kept safe the lines of transportation from Hong-Kong to Vancouver, Sydney and Singapore to Suez and Zanzibar. The great fleets of transports, which bore Australian and New Zealand troops...were usually convoyed by Japanese warships... without the co-operation of the Japanese fleet the hunting down the Emden and destruction of von Spee's ships off Falkland Island...would have been infinitely more difficult... "As soon as the Pacific and Indian oceans were cleared of German ships,

Japan supplied unseaworthy ships to the United States for transports and when asked to send troops refused or demanded too heavy compensations-Millard, Nation, Sept. 20, 1919.

"Not until after America came into the war did Japan enforce an effective trading-with-the-enemy act. Throughout the war she profited enormously by the sale of munitions and other products to the Allies, and her shipowners reaped enormous returns from the high charter and freight rates they were able to exact. How hard a bargain Japan was able to drive with the United States when asked to supply ships for the allied cause is well known"-Willoughby, p. 901.

"Though thus profiting so greatly by the war, the Japanese people were unwilling to submit to allied commercial regulations, which though dictated by extreme military necessity, happened to operate prejudicially to their own trade and commerce. This dominance of self interest in Japan was shown by the bitter attack which the Government controlled newspapers made upon her ally, Great Britain, when that country was fighting for her life with her back to the wall. Almost equally loud were the Japanese complaints when the United States found it necessary, as a war measure, to place restrictions upon the export of steel."-Willoughby, p. 902.

"It is indeed the sober truth that during the war, and especially during 1917, the Allies did not have a firm confidence in the loyalty of Japan. Japan had twice refused to agree that China should come into the war upon the side of the Allies, and

Japan sent to the Mediterranean Sea a cruiser and three flotillas of submarine destroyers."-Kawakami, p.14-15.

"In April, 1918, she agreed to turn over to the United States 66 ships aggregating 514,000 tons. Of that number 24 ships, with a total tonnage of 150,000, were immediately chartered by the American Shipping Board."-Kawakami, p. 17.

"In response to the Russian appeal, Japan invoked all her industrial resources, employing every available mill and factory throughout the country...Japan had to turn away orders from China, her chief and permanent market...Nor was it the Russians alone whom Japan supplied with arms..." Kawakami, p. 16.

"In this transaction the Japanese Government had to pay Japanese shipowners \$9,000,000, the difference between the inter-allied charter rates and the rates paid by the Shipping Board"-Kawakami, p. 17.

"Japan's financial contribution to the winning of the war must perforce be small, for she is a poor nation. Yet her loans to England amount to \$265,000,000. To France she advanced \$77,500,000 and to Russia \$127,000,000. To this should be added \$110,000,000 representing Japanese foreign loan bonds and company debentures redeemed in foreign markets"-Kawakami, p. 17.

..."It is true that in the early stage of the war Japan did not favor China's participation. But by the dawn of

when her consent to this accession to the Allied cause was finally given it was because it had been purchased at a high price, namely, the agreement that at the end of the war Japan should retain the German rights in Shantung and the Pacific Islands north of the Equator"-Willoughby, p. 902.

1917 opinion was unanimous in favor of China's entrance into the war. Japan was no exception. That was perhaps because China had become the hot bed of German propoganda. Now China hesitated. The Allies remitted the Boxer indemnity and made other concessions to China. Yet she did not declar war against Germany until August 14, 1917".-Ichihashi, p. 907.

If it is difficult to make any great showing in regard to the participation in the war on the part of either China or Japan, their diplomatic contributions were by no means small. With these diplomatic contributions the Peace Conference was most particularly concerned. Again it is interesting to compare the Chinese and Japanese view in regard to the decisions at Paris:

"In this instance China feels that she has been robbed of her rights in Shantung by one nation, originally by Germany, and those rights transferred to Japan, and that all the other nations have come along and joined in approval of what seems to her an infamous act; and among those Powers that are approving it is the Nation which she has always counted as her most disinterested friend, the United States."-Ferguson, Senate Hearings, p. 568.

"The Japanese people who had already seen two defeats of their nation at Paris, began to fear that Japan was about to experience a third. First, they expected the unconditional transfer of the Marshall and Caroline Islands...Second, Japan was anxious to have the principle of racial and national equality recognized."-Ichihashi, p. 908.

"Of all rebuffs Japan has met at the peace table that was most discouraging...for this proposal to eliminate racial discrimination was primarily the proposal of sixty million souls of the Mikad's Empire."-Kawakami, p. 46.

CHAPTER IV.

Kiaochow under Japanese Occupation, 1914-

Tsingtao Opened to Trade January, 1915; Maritime Customs Dispute; Twenty One demands; Protest of the United States; Agitation in British Parliament; Japan's Version; Secret Treaty with Russia, 1916; Secret Treaties of 1917; Lansing-Ishii Agreement; Japan's Civil Administration in Shantung; Railroad Agreement of 1918; Character of Japan's Administration in Shantung; Japan's Explanation; Question of the "Open Door" at Tsingtao.

CHAPTER IV

Kiaochow Under Japanese Occupation, 1914--

The War has come to an end, the Peace Conference has finished its work, and Kiaochow is still under Japanese occupation. Military operations ceased in November, 1914, and in January, 1915, Tsingtao was opened to trade. Previous to that time a Japanese line of steamers had been allowed to use the port, while the vessels of no other country were allowed to enter.¹ The same policy became evident with reopening of the Maritime Customs Office. Under German tenure, it will be remembered, the Chinese Customs Administration had control of the customs at Tsingtao. It was supposed, then, that Japan would not expect privileges greater than those which the Germans had had. Japan, on the other hand, attempted to appoint some forty Japanese subjects to administer the Chinese Maritime Customs at this port.² In a series of proposals and counter proposals Japan showed clearly that the only satisfactory arrangement would be a Japanese commissioner with a full Japanese staff.³

1. Hornbeck, Contemporary Politics, pp. 291-292

2. Chinese Social and Political Science Review, Vol. V (a) No. 1,2, (1920) p. 23.

3. Hornbeck, p. 293

She rejected three plans which provided for the joint administration of the customs by British and Japanese. Such a joint arrangement was desired by China and seemed logical because Great Britain had participated in the conquest of Kiaochow. Japan's demands were extraordinary in the light of the following facts: Kiaochow, though in German and Japanese occupation, has never ceased to be Chinese territory and the customs revenue minus 20% for local purposes went into the Chinese treasury. This customs revenue is security for the payment of the Boxer Indemnity which China owes to the Powers. The Chinese Customs Service, moreover, is internationally officered and new appointees are placed in minor offices while precedent right of promotion is reserved for those who have been longest in the service.⁴

Japan was either interfering with the sovereignty of China or with the rights of other Powers in China. The Inspector-General, a British subject, though anxious to be conciliatory with an ally, would not consent to Japan's pretensions and the question remained unsettled for several months while the negotiations over the Twenty One Demands of 1915 were going on.⁵ Finally in August of that year, as the result of diplomatic pressure on the part of Great Britain,⁶ Japan signed an agreement which provided for increased Japanese representation in the Customs Service but made the following stipulations:

1. The Chinese Maritime Customs shall resume its functions at Tsingtao.
2. Business shall be conducted, pending a settlement of Tsingtao affairs after the war, in accordance with the arrangements made

4. Same.

5. Same, p. 294

6. Willoughby, Foreign Rights and Interests, p. 144.

by Germany, except that Japanese officials shall be employed instead of Germans.

3. The Japanese military government shall hand over the Customs property, archives, and funds, etc., acquired at the time of the occupation of Tsingtao.
4. The Japanese military government shall hand over the revenue collected since the occupation, less the proportion due to the local government, in accordance with the arrangement made by Germany.

When China had attempted to bring the existence of the war zone to an end, militaristic forces in Japan demanded that the government pursue a rigid policy in China. Whether as a result of this pressure or of an aggressive policy already decided upon⁸, on January 18, 1915, Japan presented the Twenty One Demands to China.⁹ Group I, relating to Shantung, required that China give full assent to all matters upon which the Japanese government might hereafter agree with the German government in regard to the disposition of all rights, interests, and concessions which, by virtue of treaties or otherwise, Germany possessed in relation to the province of Shantung--in other words, all German holdings were to be handed over to Japan. In addition, China was to promise that she would not lease to other countries any territory on the coast of Shantung--a promise that she had never made to Germany. Further Japan required China to grant her the right to construct a new railway in Shantung from Lungchow to Weihsien. China had for some time been planning to construct the line

⁷ Far Eastern Review, August 1915, p. 100

⁸ Hornbeck, Contemporary Politics, p. 302

⁹ Appendix IV. See American Journal of International Law, Supplement Vol. X No. 1. (Reprinted from the Peking Gazette, May 27, 1915, and the Far Eastern Review, May 1915, as authoritative English translation.)

herself and she had also decided to give no further railway concessions to foreign powers for she had seen that railroads in Russian and Japanese hands were not economic instruments alone but could also be used for political ends.¹⁰ She was willing to use foreign engineers, and to borrow foreign capital in the building of her lines but the lines themselves were to be distinctly Chinese. The war, however, had given Japan her opportunity, and, while the other powers were occupied elsewhere, she must make the best of it. To this end, she had to develop a policy or rather two policies, one calculated to meet the ideals of the West, the other, quite different, but of a character which Japan considers justifiable in dealing with a backward country such as China. The two countries were at peace when Mr. Hioki, the Japanese minister presented these demands directly to the President, Yuan Shih Kai, instead of to the Wai-Chiao-Pu as was customary. The negotiations went on for several weeks¹¹ until Japan delivered an ultimatum to China,

10 Hornbeck, Contemporary Politics, p. 313

11 The following details concerning the negotiations in regard to the Shantung Group may be found in China's Official Statement, see page Note 15.

February 2, China agreed to the first article of the Shantung Group, maintaining however that this related to the post bellum settlement and should be left for discussion at the peace conference.

Failing in this she attempted to get Japan's assurance that she would restore the leased territory of Kiaochow, as she had promised, as soon as China assented to Article 1, and that Japan would recognize China's right to participate in the negotiations between Japan and Germany.

China also proposed that Japan assume the responsibility for the indemnification of the losses resulting from the military operations of Japan in and about Kiaochow, while China was still a neutral in the war.

In order that the status quo ante bellum in the Province of Shantung might be restored, China proposed that Japan withdraw her civil and military administration from outside the leased territory.

February 22, China agreed to the second demand of the Shantung

May 7, 1915, declaring that if a satisfactory reply were not received by 6 P.M., May 9, the Japanese Government would take such steps as she should deem necessary.¹² This ultimatum, allowing the Chinese Government fifty-one hours, with the presence of Japanese naval and military forces in the neighborhood of Shantung province¹³ forced the Minister of Foreign Affairs, Lu Cheng-tsiang to sign the treaty May 25. This signature was obtained under protest¹⁴ and the Chinese Government sent communications to that effect to all the Treaty Powers, disclaiming all responsibility in regard to conflicts with existing treaties.¹⁵ Of the powers only the United

11 (Cont.)

group--not to cede or lease to any power any territory or island on the sea border of Shantung.

February 29, China agreed to give Japan the preference, provided Germany abandoned the privilege, to supply the capital for the railway from Chefoo or Lungkow to connect with the Shantung Railroad, should China decide to build the line with foreign capital.

March 3, China agreed to open certain important cities in Shantung as trade marts under regulations approved by the Japanese Government.

12 Appendix IV

13 Statement of E.T. Williams, Senate Hearings, Foreign Relations, 66th Congress, 1st Sess. Doc. 106, p.622

14 Statement of J.C. Ferguson, Same p. 562

15 The Official Statement by the Chinese Government Respecting the Line-Japanese Negotiations Now Brought to a Conclusion by China's Compliance with the Terms of Japan's Ultimatum Delivered on May 7, 1915, may be found in full in Senate Hearings, Foreign Relations, 66th Congress, 1st Sess. Doc. 106, pp 601-608, also in Millard, Our Eastern Question, Appendix R, pp 473--495. In conclusion the Chinese Government made the following statement:

To the profound regret of the Chinese Government, however, the tremendous sacrifices which they had shown themselves ready to make, proved unavailing, and an ultimatum was duly delivered to them...

As to the allegations made in the ultimatum against China, the Chinese Government hope that the foregoing outline of the history of the negotiations constitutes a clear, dispassionate, and complete reply.

In considering the nature of the course they should take with reference to the ultimatum, the Chinese Government was influenced by a desire to preserve the Chinese people, as well as the large number of foreign residents in China, from unnecessary suffering, and also to prevent the interests of friendly powers from being imperiled. For

States protested,¹⁶ but European papers contained severe criticism of the Twenty One Demands themselves, as conflicting with the principle of the Open Door and equal opportunity, as well as of the method of presentation and of the undue pressure exerted.¹⁷ There was considerable agitation in

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these reasons the Chinese Government was constrained to comply in full...but in complying the Chinese disclaim any desire to associate themselves with any revision, which may thus be effected, of the various conventions and agreements concluded between other powers in respect of the maintenance of China's territorial independence and integrity, the preservation of the status quo, and the principle of equal opportunity for the commerce and industry of all nations in China.

16 Identical notes were sent to Peking and Tokio:

"In view of the circumstances of the negotiations which have taken place or which are now pending between the government of China and the government of Japan and the agreements which have been reached as a result thereof, the government of the United States has the honor to notify the government of the Chinese Republic (the Government of Japan) that it cannot recognize any agreement or undertaking which has been entered into, or which may be entered into between the governments of China and Japan, impairing the treaty rights of the United States and its citizens in China, the political or territorial integrity of the Republic of China, or the international policy commonly known as the Open Door policy".--Millard, Our Eastern Question, pp. 163; Democracy and the Eastern Question, pp. 94-95; See also Congressional Record Feb. 18, 1915, p.4053.

17 Annual Register, 1915, p. 295

the House of Commons as to whether this treaty would not injure British commercial interests in the Yangtze Valley and Southeast China and whether the "earmarking of any province in China for the special or sole industrial exploitation by any one nation was consonant with the Anglo-Japanese Agreement", in which the two Powers agreed to maintain the Open Door and the independence and territorial integrity of China.¹⁸ Japan's show of force--60,000 troops in China--also occasioned some feeling and the Government was asked to put itself on record as protesting but the ministry of Foreign Affairs could see no necessity for doing so.¹⁹ Japan maintained that, as China was unable to protect herself, it was the right and duty of Japan to see to the proper disposition of the leased territory and German concessions in the hinterland, that the object of the campaign and the fruits of victory might be safe guarded.²⁰

Having successfully negotiated the Twenty One Demands, eliciting a protest only from a nation which she considered a military power of second rank,²¹ Japan proceeded to strengthen her position along other lines. In the spring of 1916 she informed M. Sazanoff, the Russian Minister of foreign affairs, that the German ambassador at Stockholm had twice suggested peace

18 Parliamentary Debates, 5th Series, LXX, 1915, pp. 1237-1238
" " " " " " pp. 1719-1720
" " " " LXXI " pp. 156--158

19 Same, LXXI, p. 960, p. 1657.

20 Iyenaga, T. "The New Chino-Japanese Treaties," Review of Reviews, September 1915, p. 338.

21 Millard, Democracy and the Eastern Question, p. 49.

between Germany, Russia, and Japan. M.Sazanoff replied that he should gladly listen to Germany's peace proposals on condition that they should be simultaneously made to Russia, France, England, and Japan. By the suggestion of the German alternative²², Japan was able to conclude a new secret treaty with Russia to the effect that the vital interests of both "require the safeguarding of China from the political domination of any Third Power whatsoever, having hostile designs against Russia or Japan". Article 6 of the treaty stipulated that the agreement must be secret. The question is, who is this "Third Power" figuring both in the Twenty One Demands and in this Russian Agreement? One writer gives his opinion that these stipulations were aimed obliquely at the United States. For years the American Asiatic squadron had used Chifu as a base for summer practice and several times a project for the United States to lease that port for a naval base or coaling station had been mooted.²⁴

The Russian Agreement lapsed on account of the Revolution but in the spring of 1917 Great Britain and France were committed to the policy of supporting Japan in her claims to the German rights and privileges in Shantung.²⁵ Thus by the fall of 1917 Japan's only obstacle, diplomatically speaking, was the United States, which by that time had become involved²⁶ in the European War. In November came the Lansing-Ishii Agreement.

22 Millard, Democracy and the Eastern Question, p. 64

23 Same.

24 Millard, Our Eastern Question, pp. 150-151.

25 See Appendix V. Similar agreements were signed by Russia and Italy.

26 Appendix VII

Mr. Lansing, ignorant of promises made to Japan by France and Great Britain,²⁷ with his mind on the "Open Door" in general, was somewhat at a disadvantage in talking with Viscount Ishii who knew all there was to know and had his mind on "special interests" in Shantung in particular. China is the subject of the agreement but not a party to it. It is sufficient to say that the United States thereby recognized Japan's principle that territorial propinquity meant a "special interest" in China while she and Japan guaranteed the territorial integrity of China and equal opportunity in trade and commerce for all nations. The State Department of the United States declared that a new principle of non-interference in China similar to Pan-Americanism had been introduced.²⁸ Unfortunately, the English words, "special interests", translated into Chinese and Japanese mean "vested interests, suzerainty, or proprietorship".²⁹ The Japanese press said that the United States had conceded Japan's overlordship or "paramount" interest--which was just the point that Secretary Lansing had said the United States could not accept.³⁰ However, in case of disagreement over the words, Vicount Motono, Foreign Minister of Japan, said his country would be in a better position to effect her interpretation.³¹ Although

²⁷ Senate Hearings, pp 215--216

²⁸ Same, p. 226. See also, Elliot, "The Shantung Question", American Journal of International Law, Vol. 13, p.713.

²⁹ Elliot, p. 713

³⁰ Elliot, p. 715. Senate Hearings, p. 229.

³¹ Elliot, p. 715, Senate Hearings, p. 231

China believed from her own experience that the United States was forced by the exigencies of war and by pressure from her allies to agree with Japan,³² she could hardly remain silent and thus seem to acquiesce in Japan's interpretation. The Chinese Legation issued a declaration in the nature of a protest, November 12, 1917, to the effect that China would not allow herself to be bound by any agreement entered into by other nations.³³ However, a country that has parted with some of her sovereign rights already, such as Customs control, extraterritoriality, etc., makes little impression by protesting and that is all that China had the power to do.

In the meantime, what was going on in Shantung? In October, 1917, under Imperial Ordinance No. 175, Japan established a civil administration at Tsingtao.³⁴ Attached to it were civil bureaus at Fangtse, Chantien, and Tsinaufu. All of these are Chinese cities lying outside the leased territory and the 50 kilometer zone. The Shantung Railroad and Mines were put under a department of the civil administration. As this administration penetrated further into the interior of the province friction between the Chinese and Japanese resulted. The policy of garrisoning and transporting trainloads of goods duty free under the stamp of military supplies, coupled with the exploitation of the hinterland by Japanese immigrants³⁵ was too much for even the peace-loving Chinaman. Meanwhile, the Japanese Government was calling upon China to suppress the resulting disorder. Finally China, fully realizing the cause of the disturbances and her own impotency to quell them, bargained away more railway concessions for the sake of attaining immediate peace. A provisional agreement was

³² The Chinese masses believed that Viscount Ishii "shook his fist" in the faces of Mr. Wilson and Mr. Lansing and forced them to recognize Japan's paramountcy in China.- Millard, Democracy and the Eastern Question, p. 167.

³³ Senate Hearings, p. 232. Appendix VII

³⁴ Hodges, "The Case from the Documents", Asia, Sept. 1919, p. 939

³⁵ Same; see also Cheng, Modern China, p. 252

signed September 24, 1918, providing for a Japanese loan for the construction of two railroads to connect the Shantung Railroad with the Tientsin-Pukow and the Peking Hankow lines. In exchange for these concessions, vital to her economic domination, Japan was willing to trade her garrisoning, except a contingent at Tsinan, along the Shantung Railroad, and to abolish the existing civil administration in Shantung. An advance of 20,000,000 Yen was made, but the final agreement has not been signed.³⁶ Charles Hodges, Assistant Director of the Far Eastern Bureau, who spent seven months in research work for the United States Government, says that he investigated the status of Japan in Shantung the year following this agreement. He found the Japanese building new barracks to provide for an increase of the garrison at Tsinan, thus offsetting the withdrawal of troops along the line. Towering above these solid stone structures was the Japanese wireless stretching for 200 yards down the railroad zone and connecting Japan with her own wireless at Hankow, 600 miles up the Yangtze. In regard to the civil administration, he talked with Dr. Akiyama, civil governor of Tsingtao, who sent him to the railroad administration. The officials there were frank in showing him how new lines were to be pushed westward as strategics demanded and how China did not enter their calculations as an obstructive factor.³⁷

Joseph Timmons, war correspondent and member of the Universal Service during the war, shortly after his return from Europe was sent out to China to make a close study of the situation.³⁸ His reports as publish-

³⁶ "The Shantung Question," Chinese Social and Political Science Review Vol. V (a) No. 1, 2, (1920) p. 25.
See Appendix, VIII.

³⁷ Asia, September 1919, p. 939

³⁸ China Press (Shanghai) February 2 -10, 1920
Some of the headlines will indicate the character of the material,

ed by the China Press are merely rather inflammatory confirmation of the milder though positive statements of Thomas Millard. The latter, a well known publicist and friend of China, gives us the Chinese side in a chapter called "The Corruption of a Nation".³⁹ To bear out his title

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"Shantung Doan Sealed Unless Powers Halt Japanese Encroachment."

"Japan Closes Tsingtao Port and Insists that China Help Keep It So."

"Gigantic Land, Mine, and Industrial Grab from Chinese Owners".

"China Robbed of Huge Sums in the Salt Gabelle."

"At Tsinaifu Invade Settlement Set Aside for Foreign Residents On Condition That They Do Not Engage in Manufacturing and Promptly Start Factories; Acquire Land By Intimidating Chinese Property Holders."

"Japanese Promote Chaos in Shantung as Excuse for Rule."

39 Millard, Democracy and the Eastern Question, Chapter VII.

he gives the following list of Japanese enterprises in Tsinaifu in 1919.

Drug Shops	63
Houses of Prostitution or "Touching up Stations"	22
Notions and Small Goods	38
Hotels and Inns	13
Banks doing Business	3
"Banks"	3
Hospitals	3
Railroad Offices (Not Stations)	2
Barracks, etc.	3
Schools	3
Residences	26
Flour Mill	
Dessicated Egg Factory	
Cinema Theatre	
Postal and Telegraph Office	
Railroad Station	
Wireless	
Railroad Coal Syndicate	
Consulate	
Total Japanese Enterprises	194
Without Residences	168
Percentage of total without Residences, that is Drug Shops and Houses of Prostitution	50%
Small Shops and Enterprises	32%
Military, Government, and Railroad	7%
Actual Commercial Enterprises	8%
Remaining Percentage	3%

The percentage of legitimate business enterprises is very small. The 63 Drug Shops mean that Japan is refastening the opium trade on China and carrying on an illicit trade in morphia.⁴⁰

⁴⁰ Contraband opium and morphia have become common articles: "It has been estimated that no less than 12 tons of morphia and 65 of opium were smuggled into Shantung in 1918 alone."--Statement of Liang Chi-chao, Senate Hearings, p. 647.

Millard holds the Lansing-Ishii Agreement responsible for the change from the cautious methods of the first three years of the war to the policy of 1917 and 1918.⁴¹

Against the "Corruption of a Nation" may be set a chapter by a Japanese writer, K.K. Kawakami. Under the title "The Japanese Advance in China", he talks about the satisfactory relations resulting from the Lansing-Ishii Agreement and says that self-preservation is Japan's motive in expanding in China. To solve her population problem, Japan must become an industrial nation and this necessitates getting iron and coal from China.⁴²

While it is ridiculous to deny to Japan every fair opportunity of a market in China as well as a source of raw materials lacking at home, it has been pointed out that where Japan exercises political control, the tendency is for foreign trade other than Japanese to decline.⁴³ The full significance of this possibility is appreciated when it is realized that even if Japan should restore the leased territory of Kiaochow, as she has promised, she would still retain control of the railroads and principal mines of the province as well as all the valuable commercial sites at Tsingtao, the port of entrance for North China. Under the four conditions stipulated, Japan would actually acquire all that Germany formerly enjoyed while seeming to restore the right to China.⁴⁴

41. Democracy and the Eastern Question, p. 173

42. Kawakami, Japan and World Peace, Chapter X
See Economic Map of Shantung Province, Chapter I. The Shantung Railroad taps rich iron and coal deposits.

43. "Economic Effect of the Extension of Japan's Sphere of Influence in China", Far Eastern Review, May 1915, pp. 487--491. The distinct purpose of this article in 1915 was to show that what had happened elsewhere would in all probability happen in Shantung. This view of Japan is flatly contradicted by George Bronson Rea in two articles in the same paper in February, 1921.--"Shantung, 1921" pp. 77-84; "The Far Eastern Review and the Shantung Question", pp. 114-115.

44. Article I, Group I, of the Treaty of 1915, was supplemented. (see next page)

If this port was valuable to Germany,⁴⁵ of how much greater value must it be to Japan situated as she is on the doorstep of Shantung.⁴⁶

44. (Cont'd.)

by an exchange of notes respecting the restoration of the leased territory of Kiaochow subject to the following conditions:

1. The Whole of Kiaochow Bay to be opened as a commercial port.
2. A concession under the exclusive jurisdiction of Japan to be established at a place designated by the Japanese Government.
3. If the foreign powers desire it, an international concession may be established.
4. As regards the disposal of the buildings and properties of Germany and the conditions and procedure relating thereto, the Japanese Government and the Chinese Government shall arrange the matter by mutual agreement before the restoration.

The following distinction should be noted:

"In a leased territory the lessee may station troops and erect fortifications, but in a concession he may not. It is not clear whether Japan will withdraw her troops and remove her batteries in Kiaochow, when it is converted into a Japanese Concession, but in the Agreement between China and Japan signed September 1918, Japan only undertook to withdraw her troops from the districts along the Tsingtao-Tsinanfu Railway and not those in Tsingtao. If she may still station troops in Tsingtao, when it is restored to China its position will not differ from that of a piece of territory leased to Japan. In fact, Japan would in that case profit by making Tsingtao her Concession and not her leased territory, because she would enjoy all the rights for an indefinite period, whereas under the lease she would only enjoy them till the end of 1997, when the original lease to Germany will expire."-Cheng, Modern China, Note p. 248.

45. Hauser, H. "Études sur les colonies Allemandes". Questions Diplomatiques et Coloniales, VIII, 1899, p. 342.

46. See Chapter I, pp. 4-8.

CHAPTER V

Legal Phases of the Shantung Question

Statement of the Situation and Question; Analysis of the Lease
Convention of 1898--a Lease not a Cession, Temporary and not Trans-
ferable, as a Treaty Liable to Abrogation by War; Japan's Side of
the Argument; China's Side of the Argument; Value of the Arguments.

Chapter V

Legal Phases of the Shantung Question

What was the question of Kiaochow in 1898 had become the question of the Province of Shantung in 1919. In 1914, Japan conquered the Germans in Kiaochow and asserted her right of succession to German rights there. Anticipating the peace settlement, Japan strengthened her claims by the Treaty of 1915 with China, the secret treaties with the Entente Powers in 1917, and the agreement of 1918 with China. To complicate the situation, in 1917 China declared war on Germany and formally abrogated all her treaty agreements with that country. However, the former German rights in Shantung were not considered as having reverted to China but were awarded to Japan by the Peace Conference. As a result China refused to sign the Peace Treaty. The Shantung Question at present is that of whether the decision at Paris was legally or morally just or both, and since it is unsatisfactory to China what can be done to make it so. The legal phases of the question can be determined best from the documents themselves.

Analysis of the Lease Convention of 1898¹

In 1898, Germany forced China to sign the Convention respecting

1 This convention may be found in Hertslet, E.P. Treaties, Great Britain and China, (London, 1908) No. 59, p. 350; Rockhill, W.W., Treaties and Conventions with or concerning China and Korea, (Washington, 1904) p. 45; (Concluded on following page)

the Lease of Kiaochow, of which only the following clauses need to be considered in this connection:

Art. I. His Majesty the Emperor of China, guided by the intention to strengthen the friendly relations between China and Germany, and at the same time to increase the military readiness of the Chinese Empire, engages, while reserving to himself all rights of sovereignty in a zone of 50 kilometers (100 Chinese li) surrounding the Bay of Kiaochow at high-water, to permit the free passage of German troops within this zone at any time, as also to abstain from taking any measures, or issuing any ordinances therein, without the previous consent of the German Government, and especially to place no obstacle in the way of any regulation of the water-courses which may prove to be necessary. His Majesty the Emperor of China, at the same time, reserves to himself the right to station troops within that zone, in agreement with the German Government, and to take other military measures.

Art. II. With the intention of meeting the legitimate desire of his Majesty the German Emperor, that Germany, like other powers, should hold a place on the Chinese coast for the repair and equipment of her ships, for the storage of materials and provisions for the same, and for other arrangements connected therewith, his Majesty the Emperor of China cedes to Germany on lease, provisionally for 99 years, both sides of the entrance to the Bay of Kiaochow. Germany engages to construct, at a suitable moment, on the territory thus ceded, fortification for the protection of the buildings to be constructed there and of the entrance to the harbor.

Art. III. In order to avoid the possibility of conflicts, the imperial Chinese Government will abstain from exercising rights of sovereignty in the ceded territory during the term of the lease, and leaves the exercise of the same to Germany with (specified) limits...

Art. V. Should Germany at some future time express the wish to return Kiaochow to China before the expiration of the lease, China engages to refund to Germany the expenditures she has incurred at Kiaochow, and to cede to Germany a more suitable place. Germany engages at no time to sublet the territory leased from China to another power.

In spite of the fact that this treaty is a lease convention, that German tenure is limited to 99 years, and that the sovereignty over the territory in question is reserved to China, several writers classify it as a "disguised cession." A French writer observes that the 19th Century is marked by cessions where the "cessionaire" acquires not the sovereignty but only

1 (Cont'd)

Senate Hearings, p. 585; Nation, September 20, 1919; Das Staatsarchiv, Vol. 61, No. 11518, p. 3; Chinese White Paper in the Chinese Social and Political Science Review, Vol. V (a) No. 1, 2. pp. 36-41

the possession, occupation, and administration of the territory.² Although the sovereignty is reserved, it is permitted to consider these acts as cessions of territory, disguised for the moment, but destined, after a transitory period, to be transformed into avowed cessions.³ To this class, it has been maintained, belongs the cession on lease, by which a state abandons for economic or military purposes, during a limited time, the right to administer a certain region, the consequences being identical with those of a disguised cession, amounting to annexation.⁴ As illustrations of this kind of cession the following examples are given: cessions obtained by European powers in Africa and China and the cession that the United States obtained in Panama⁵--a classification which makes no distinction between the lease limited in duration, the lease in perpetuity, and the protectorate.

A number of English writers agree with this version. Westlake says that such cessions require the unrestricted use of the soil for fortresses and other purposes, warlike and pacific; that restoration at the end of a specified time is unlikely; and that the French term "disguised cession" is applicable and expresses the practical opinion of both Germany and Russia.⁶ Hershey gives the lease of Kiaochow to Germany as an illustration of "cessions which have been aptly described as disguised or indirect cessions."⁷ Cobbett calls such transactions "for the most part only alien-

2. Nys, Ernest, "L'acquisition du territoire et le droit international", Revue de Droit International, Vol. 36, 1904, p. 376.
3. Rivier, A., Principes du droit des gens, I p. 180, cited by Nys in same.
4. Gérard, Louis, Des cessions déguisées de territoires en droit international, Vol. 36, 1904, p. 580.
5. Gérard, Louis, Des cessions déguisées, Revue de Droit International, Vol. 36, 1904, p. 580.
6. Westlake, J., International Law, (Cambridge, 1910, 1913) I, pp. 133-134.
7. Hershey, A.S., Essentials of International Law, (New York, 1912) p. 184.

ations in disguise."⁸ In each case these statements have been qualified by such words as "unlikely", "practical", "aptly", for the most part," indicating that the writers are seeking to reconcile the legal status of the regions with the political ambitions of the lessee governments. Ronald F. Roxburgh includes Oppenheim as among those who agree with the "disguised cession" theory, but even Oppenheim's earlier statements are very definitely qualified:..."all these cases contain practically, although not theoretically, cessions of pieces of territory."⁹ Furthermore, the latest edition of Oppenheim, edited by Roxburgh,¹⁰ contains such a well defined legal statement in regard to such leases that it becomes impossible to cite him as authority for this view:

"Two or more fully sovereign states on one and the same territory are an impossibility. The following four cases, of which the Law of Nations is cognizant, are apparent, but not real, exceptions to this rule...

"The third case is that of a piece of territory leased or pledged by the owner-State to a foreign Power. Thus, China in 1896 leased the district of Kiaochau, to Germany, Wei-Hai-Wei and the land opposite the island of Hong Kong to Great Britain, and Port Arthur to Russia...all such cases comprise for all practical purposes, cessions of pieces of territory, but in strict law they remain the property of the leasing state. And such property is not a mere fiction, as some writers maintain, for it is possible for the lease to come to an end by expiration of time or by rescission..."¹¹

8. Cobbett, Pitt, Cases and Opinion on International Law. (London, 1909) p. 110.

9. Oppenheim, L., International Law, First Edition, I pp. 220-221. Second Edition, I p. 233. (Italics are the writer's.)

10. Roxburgh, R.F., International Conventions and Third States. (London and New York, 1917) pp. 108-109.

11. Oppenheim, Third Edition, (London, 1920) I pp. 308-309.

In regard to the German Lease Convention John Bassett Moore has drawn attention to the fact that "the English versions that have been published...are not accurate. They are even more favorable to Germany than the German text of the agreement, while the Chinese text is distinctly less favorable to Germany than is the German text." He goes on to say, "From this it is easy to infer that, in the case of those who have sought to treat the Chinese leases as 'disguised cessions', the wish has been father to the thought. Personally, I am not inclined to accord to governments, any more than to individuals, the benefit of the doubt in the interpretation of instruments the acceptance of which they impose upon others by force."¹² This opinion may be considered with the statement: "The general position assumed by the powers is not that sovereignty has passed, but that the jurisdiction to the extent named in the treaty of cession has passed to the leasing power."¹³ The actual status of the treaty is not to be derived from citations of political opinion based upon practice, but from a strict legal construction of the lease as such. In any case, the attitude of the lessor state should be a determining factor in the analysis of a lease convention. The Chinese interpretation is given by Tyau:

"Now, these leases constitute a species of international servitudes, and so will be construed strictly against the beneficiary states. 'These and such like privileges or disabilities are the creatures, not of law, but of compact....They conform to the universal rule applicable to 'jure in re aliena! Whether they be customary or contractual in their origin, they must be construed strictly. If, therefore, a dispute occurs between a territorial and a foreign power as to the extent or nature of the rights enjoyed by the

12. Letter to the writer, March 25, 1921.

13. Naval War College, International Law Situations, (Washington, 1903) p. 32.

latter within the territory of the former, the presumption is against the foreign state, and upon it lies the burden of proving its claim beyond doubt or question."¹⁴

Tyau speaks of the Chinese leases as resembling one another in their essential features, the suspension of the territorial sovereign's administrative rights for the duration of the tenancy and the express reservation of the lessor's sovereignty.¹⁵ Wen-Sze King takes the same view as Tyau in regard to the nature of a lease and also bases his contention that the Chinese interpretation should be conclusive, on Hall. The reservation of sovereignty, in his opinion, is no fiction because the lease is likely to be terminated on the expiration of time or by retrocession, and the stipulation is expressly for the sake of safeguarding the title against a claim to secure permanent occupation.¹⁶ China has never considered that her lease to Germany was the same thing as the permanent cession of Hong Kong to Great Britain

14. Tyau, Treaty Obligations, p. 68, citation from Hall, W.E., International Law, pp. 158-159.
15. Same, p. 66. There is, however, some difference between the rights and privileges granted to Germany and those granted to Russia in the Liaotung Peninsula in 1899. Article IV of the Russian lease provided that the entire military command of the land and naval forces and equally the supreme civil administration should be given over to the Russian authorities and no Chinese military forces should be allowed on the territory. Even in the neutral zone Chinese troops were to be admitted only with the consent of the Russian authorities. In the German lease the right to station troops within the zone and to take other military measures was reserved to China. Kiaochoo subsequently became a free port but Port Arthur remained solely a naval port, only Russian and Chinese vessels being allowed to use it. Talienwan or Dalny, with the exception of part of the port which was to have the same status as Port Arthur, was opened to the trade of all countries.
16. King, Wen-Sze, "Lease Conventions between China and the Foreign Powers," Chinese Social and Political Science Review, December 1916, Vol. I. pp. 24-37. For example the leases under which the German Concessions at Hankow and Tientsin were held, were abrogated by the Peace Treaty of 1919. Section II, Article 132.

in 1842, and that the reservation of sovereignty and the time limit were included merely to save her feelings.

That the arrangement was considered temporary by both China and Germany is indicated further by Article V of the Treaty of 1898. While Germany wished to hold a port on the Chinese coast it was not necessary that the place should always be Kiaochow, therefore provision was made for its transfer in exchange for a more suitable place. The same article limits the powers of Germany in still another direction:

"Germany engages at no time to sublet the territory leased from China to another power".

Upon this clause, as well as upon the nature of the lease, the Chinese base their conclusion that Kiaochow is not transferable, that no third state can step into the place of the lease without the consent of the lessor.¹⁷

Dr. J.C. Ferguson, legal advisor to the Chinese Government, in his testimony before the Senate Committee on Foreign Relations, drew attention to the German text of this paragraph of Article V:

"Deutschland verpflichtet sich, das von China gepactete Gebiet niemals an eine andere Macht weiter zu verpachten."

As a literal translation of this clause he gives the following:

"Germany obligates itself never to extend further the leasing process as respects the territory leased from China, to any other state."¹⁸

The choice of the words, "extend further the leasing process" is rather more than literal, is lacking in clearness, and no more advantageous to China than the English text of the treaty which uses the word "sublet". While striving to remove all possibility of a legal transfer of this territory to Japan,

17. King, Wen-Sze, "Lease Conventions", Chinese Social and Political Science Review, I, 1916, pp. 32-33; see also "Japanese Treaties", Chinese Social and Political Science Review, II, 1917, p. 50

18. Senate Hearings, p. 584; see also Snow, Alpheus, "Shantung question and Spheres of Influence," Nation, Sept. 20, 1919.

these translations fail to take transfer after conquest into account.

In view of the fact that China makes use of this clause in her case against Japan a more practical as well as permissible translation is here suggested:

Germany binds herself never to give over to another power, the territory received from China.

Such a translation seems more consistent with China's attitude toward any transfer of territory which she has leased or even ceded¹⁹ to another power. She maintains that transfer without her consent has never occurred or been contemplated.²⁰

Even Japan has shown that she considers the arrangement as temporary.

Baron Makino made the following statement at Paris:

"Japan is now pledged to return to China this harbor and port, built with German money, together with the territory of Kiaochow which China will receive 80 years sooner than she could possibly have received it."²¹

A further proof that Japan regards these leases as leases is in the fact that after the Russo-Japanese War she felt obliged to secure China's confirmation of the transfer of Liaotung. The same was true in 1915 when Japan in the Twenty One Demands required China's consent to the contemplated transfer of Kiaochow from Germany to Japan.

The conclusion drawn from the analysis of the document, a conclusion consistent with the Chinese interpretation, is that in 1898 Germany acquired a temporary lease, not a permanent cession, that China retained the sovereignty over the territory, and that if at any time Germany during the 99 years was to

19. March 26, 1887 Macao was ceded to Portugal but was not to be alienated by Portugal without the consent of China.-Morse, International Relations, II, p. 387. In 1917, Portugal sold Macao to Japan, Annual Register, 1917, p. 299. Information as to whether the consent of China was obtained or not has not been found.

20. Senate Hearings, p. 558.

21. Elliot, American Journal of International Law, Vol. 13, p. 722.

Practically the same statement is made in Iyenaga's Memorandum, Senate Hearings, pp. 1037-1038.

cease to occupy this territory, it was to go back to China before a third power should receive any right to it.

A point of considerable legal interest, though academic in view of China's own attitude as to her rights of abrogation, is that of the character of the Lease Convention of 1896 as liable to cancellation or simply suspension by war. China included in her Declaration of War on Germany and Austria-Hungary, a definite clause abrogating all agreements and conventions with those countries.²² In this, the Chinese Government followed the example of Spain at the outbreak of the Spanish American War. China based her action upon the unanimous opinion and advice" of two eminent French international lawyers, of the most eminent Russian jurist who was known to the President of the Board of Foreign Affairs, who had formerly been Minister in St. Petersburg; of an eminent Dutch jurist of Holland, and of an eminent international jurist from Belgium, and based her claim on the advice which was given to her by those jurists, that is, that her declaration of war against Germany, notwithstanding her contract which had already been made in 1915 with Japan, of itself vitiated not only the German lease but also the treaty with Japan."²³

International law recognizes the termination of existing treaties between belligerent powers²⁴ but in the sense of suspension during war of those that are described as transitory.²⁵ Oppenheim states that there is some difference of opinion as to what kind of treaties are annulled by war and that there is no uniform practice. He makes the following distinctions:

22. Appendix VI

23. Statement of Dr. J.C. Ferguson, Senate Hearings, p. 565.

24. Moore, J.B. International Law Digest, V, Sec. 779, p. 375.

25. Willoughby, Foreign Rights and Interests, Note p. 392. See also Wheaton, Elements of International Law, Fifth English Edition, Edited by C. Phillipson, (London, 1916) p. 368.

1. War cancels political treaties, not set up for a permanent condition of things.²⁶
2. War does not cancel treaties expressly set up for a case of wars, such as the neutrality of certain ports of territory.
3. Political or other treaties setting up a permanent condition of things are not annulled but the treaty of peace may make changes.
4. Non-political treaties not intended to set up a permanent condition of things are not cancelled by war but may be suspended or annulled by the parties.²⁷

In 1912, the Institute of International Law voted the following resolution:

War automatically terminates agreements of international association, treaties of protection, control, alliance, guaranty; treaties concerning subsidies, a right of security or sphere of influence, and generally treaties of a political nature.²⁸

The Lease of 1898 was not a transitory treaty because it was not perpetual in nature,²⁹ and therefore it was not merely suspended by war. On the other hand, if the treaty were classified as political in nature, on the basis of the fact that the lease gives political jurisdiction, according to Oppenheim, its temporary character would make it liable to cancellation. If it should be considered as non-political in nature, not cancelled by war, but capable of being suspended or annulled by the parties concerned, China's formal abrogation would still hold.

By this method of definition and analysis, the legality of China's abrogation if considered in relation to the Treaty of 1898 alone, may be established. The weakness of the abrogation after Japan's conquest of Kiaochow

26. This is also the opinion of Bonfils, Henry, Mamel de Droit International Public, (Paris, 1908) pp. 641-642.

27. Oppenheim, II, pp. 107-108.

28. Resolutions of the Institute of International Law, Edited by James Brown Scott, (New York, 1916) pp. 171-172.

29. A good example of the transitory treaty is the Treaty of Frankfurt of 1871, which provided for the annexation by Germany of the former French province of Alsace and Lorraine.

and China's consent to the Treaty of 1915 will be discussed later.

Japan's Side of the Argument

Japan bases her claim to the German rights and privileges in Shantung province on legal arguments. Her strongest point is that she conquered the German holdings and that China herself in 1915 agreed "to give full assent to all matters upon which the Japanese Government may hereafter agree with the German Government relating to the disposition of all rights, interests, and concessions, which Germany by virtue of treaties or otherwise, possesses in relation to the province of Shantung." The 1915 Treaty was virtually a contract of China not to destroy, as she did in her Declaration of War, what Japan was therein authorized to secure at the Peace. In 1917 the Entente Powers promised to support Japan's claims in regard to the disposal of Germany's rights in Shantung at the Peace Conference after the war.³⁰ On the basis of what China had agreed to in 1915, Japan in 1918 was able to obtain additional concessions in Shantung which had formerly been granted to Germany in 1915.³¹ Japan's success at Paris demonstrates the advisability of having arrangements fairly definitely settled before coming to a peace conference.

China's Side of the Argument

China has attempted to prove that Japan's position is illegal by advancing several arguments. In the first place she maintains that the Japanese conquest was illegal because Kiaochoo was Chinese not German territory, being only leased to Germany while the sovereignty was reserved to China, and that Japan had no right to invade a lease which is quasi-neutralized.³²

30. Appendix V.

31. "That China was acting in good faith to execute the terms of the Treaty of 1915, with no intention of abrogating it, is clearly shown by the conclusion of the agreement of 1918"-Iyenaga, "Memorandum on Shantung," Senate Hearings, p. 1037.

32. "The status of a lease is quasi-neutralization, exempt from hostile attack, by virtue of the fact that the lessee's title is imperfect inalienable, and non-transferable, and that the vanquished lessee is unable to cede it or transfer it to the victor. Nemo plus juris in alterum transferre potest, quam ipse habet."-Tyan, Legal Obligations, p. 75.

China does not admit that, by allowing Germany to fortify Tsingtao, she had lost her right to protest if force were used by a third power to destroy these fortifications. By Article I of the Treaty of 1898, these fortifications were "to increase the military readiness of the Chinese Empire" as well as to benefit Germany. Furthermore, Japan in making this conquest, did not confine herself to the leased area but carried on military operations in territory about which there was no more question as to neutrality than there was in regard to Belgian neutrality. The seizure of the Shantung Railroad was a seizure not of German government property but of a private Sino-German corporation.³³ Japan's successful operations against Tsingtao had left her a military occupant without definite title to the territory as long as the war continued. According to the Lease Convention of 1898, the title was not transferable but, China maintains, had there been no such express provision in the treaty, from the nature of the lease itself as a contract,³⁴ the territory could not be transferred to another power regardless of China's right to choose whom she might wish to have so close to her own people. China is not unlike a huge apartment house occupied by various families as well as by that of the proprietor himself. It is very doubtful whether one family, without the consent of the proprietor, could sublet an apartment to a family notoriously unacceptable not only to him but to many of the others.

In regard to the Treaty of 1915, by which China consented to any disposition that Japan and Germany might wish to make, the Chinese argue that the agreement is invalid because the consent of China was obtained under duress or protest, and that Japan showed her comprehension of the weakness of her

33. Senate Hearings, p. 631. See also "Status of the Shantung Railroad," Far Eastern Review, November, 1914, p. 185; Same, February, 1921, pp. 87-88; Overlach, Foreign Financial Control in China, pp. 143-146.

34. Statement of Dr. J.C. Ferguson, Senate Hearings, p. 556.

position by negotiating the secret treaties of 1917 with Great Britain, France, Italy, and Russia. The treaty of 1915 was not only an attempt on the part of Japan to settle during the war matters which should be left for the final peace treaty but neither this treaty nor the subsequent agreement of 1918 was ratified by the Chinese Parliament.³⁵

China's third and strongest argument is that her Declaration of War abrogated the lease, causing its reversion to China. In addition, she claims that the Treaty of 1915, depending on that of 1896, was likewise abrogated.

Finally China calls attention to the fact that in Japan's ultimatum to Germany in 1914, Japan included a promise to return Kiaochow to China, a promise not accompanied by any limiting conditions such as appear in the exchange of notes in 1915. These conditions provide for arrangements by mutual agreement in regard to German property before the restoration and from past experience in regard to Korea and Manchuria, China is unwilling to trust to Japanese promises of this sort.³⁶

The Arguments Compared

In evaluating the arguments, the conclusion is that while Japan's legal position has all the appearance of being invulnerable, there are certain undeniable weaknesses. The Japanese contend that Article V of the Lease Convention refers to a peaceful transfer or sublease and is not applicable to a

35. Article XXV of the Constitution of the Republic of China provides that the President shall make treaties; but should the articles therein change the territorial situation, or increase the burden of the citizens, the consent of the legislature is required.-T'yan, M.T.Z. China's New Constitution and International Problems, (Shanghai, 1920) p. 84.

36. Addison, James Thayer, "Value of Japanese Promises", New Republic, September 17, 1919, pp. 202-205; see also Millard's Review, December 13, 1919.

forcible transfer such as she obtained by conquest.³⁷ In this contention she places rights of conquest above treaty rights thus weakening her own legal case which is based largely upon the sanctity of treaties. If her conquest was in itself a complete and valid transfer of the territory, why should Japan have used military and naval forces to coerce China in 1915? On the point of violation of neutrality, Japan points out a distinction between the status of China and that of Belgium; Belgian neutrality was guaranteed by the powers while that of China was not. She maintains that, as China was not able to protect her neutrality which was being violated by Germany, Japanese intervention was justified.³⁸ She disregards the fact that negotiations between Germany and China were in progress by which Germany as a menace to the peace of the Far East would have been eliminated.³⁹

China claimed duress is invalidating the treaty of 1915 but Japan professes to have done nothing more than Germany did in 1898 and rests upon the legal point that such a claim is a bar only when applied to the agents and not to the country itself.⁴⁰ Discounting the fact that two wrongs do not make a right, Japan fails to realize that while her show of force does not affect the validity of the treaty it indicates that her acquisition of Kiaochow was not complete but still in process of conquest.

37. As a precedent Japan points to the transfer of the Russian Lease of the Liaotung Peninsula to her in 1905.

38. Garner, J.W., International Law and the World War, (London, New York, 1920) II pp. 240-241.

39. See Chapter III, p. 36.

40. Lawrence, Principles of International Law, (London, 1905) p. 327. See also Hershey, A.S. "The Shantung Cession", American Journal of International Law, Vol. 13, p. 531; Westlake, I, p. 279.

To prove that China's abrogation of the lease is ineffective Japan again refers to her conquest and the treaty of 1915⁴¹ as having destroyed all German rights before China's declaration of war. She asserts that China showed that she intended to abide by the Treaty of 1915 because she entered into a further agreement in 1918.⁴² This agreement, however, was never ratified by the Chinese Parliament and has been repudiated by the people of China.⁴³ A point of ratification has little influence with Japan; she considers the Peace Treaty effective without China's signature,⁴⁴ for although in law a peace treaty determines all matters in dispute during war, China in 1915 and the signatory powers in 1917, contracted away all legal rights to protest. Though the Chinese Government has not officially protested against Japanese control since 1917, through fear of the iron heel of Japan, the attitude of the Chinese people has exhibited itself unquestionably in the Student Movement and the boycott of Japanese goods.

As to her promises to return Kiaochow, Japan relies on the exchange notes in connection with the Treaty of 1915 rather than her promise of 1914,⁴⁵ Under these conditions she would return only the leased territory of Kiaochow

41. Japan might also use the argument, as Germany has, that the Declaration of War was invalid because it was not ratified by the Chinese Parliament.- Latourette, League of Nations, II, p. 185. See Tyan, China's New Constitution, p. 84. However, Japan is said to have acknowledged the force of this abrogation in 1918 when she stated that the railroad concessions granted to Germany in 1913 were made invalid by China's declaration of war on that power.-Wood, G. Zay, "Shantung-a Japanese Fishing Pond," Far Eastern Republic, Nov. 1919, p. 149.
42. See Chapter IV, p. 65.
43. Willoughby, Foreign Rights and Interests, p. 394. Cheng, Modern China, p.252
44. "Official Status of the Shantung Question", Statement issued by the Japanese Minister of Foreign Affairs, Tokyo, June 15, 1920, Far Eastern Review, February, 1921, p. 85.
45. On November 7, 1914, Mr. Suzuki, the Vice-Minister of the Navy, gave a statement to the Tokio press:"While the European war continues, Tsingtao will be administered by Japan. At the conclusion of the war Japan will open negotiations with China." In December, Baron Kato declared in the Diet that Japan had made"no promise whatever with regard to the ultimate disposition of what she had acquired in Shantung." Restoration after a campaign was not contemplated. In Japan's ultimatum to China, May 7,1915, (Concluded on following page)

and retain in perpetuity an exclusive Japanese settlement at Tsingtao, as well as the economic concessions throughout the Province.⁴⁶ For justification Japan points to the presence of several other foreign leaseholds and settlements in China as well as railroads under foreign management and claims that as compared with other foreign nations her right is unimpeachable because of the propinquity of her territory to that of China.⁴⁷ The United States, according to the Japanese interpretation of the Lansing-Ishii agreement, guaranteed this claim of Japan in 1917, but neither the United States nor China, who is the subject of, if not a party to, the agreement, admits the significance of Japan's interpretation.⁴⁸

45. (Cont'd)

she declared that in taking Kiaochow she had made immense sacrifices in blood and money, therefore there was not the least obligation to return the place to China.-Hornbeck, pp. 289-290.

46. Just what Japan's actual intention is in regard to settlement in Tsingtao is not clear. In August, 1919, Viscount Uchida, Japanese Minister of Foreign Affairs, made the following statement at Paris:

The Japanese Government have, moreover, under contemplation proposals for the re-establishment in Tsingtao of a general foreign settlement, instead of the exclusive Japanese settlement which by the agreement of 1915 with China they are entitled to claim.

With regard to this possible abandonment of an exclusive Japanese Settlement at Tsingtao there have been no further developments. Viscount Uchida's statement upon this point aroused much adverse criticism in the Japanese newspapers and from his political opponents in Japan.-Willoughby, p. 409. It seemed probable that Japan contemplated an international settlement in addition to her own exclusive settlement but George Bronson Rea says that such is not the case, that Japan wishes an international settlement only. "Far Eastern Review and the Shantung Question", Far Eastern Review, February, 1921, p. 114.

47. Iyenaga, "Memorandum", Senate Hearings, pp. 1037-1038.

48. Senate Hearings, p. 229; Elliot, p. 713; See China's Protest, Appendix VII.

On the other hand, there is more strength in China's legal position than is evident on the face of things. At no time during the war did she willingly consent to Japan's claims to Shantung based upon her conquest in 1914. When China entered the war as one of the Allies, all questions arising out of the struggle which affected her, were thrown into the general collection awaiting settlement at the peace. Hence, when in her Declaration of War she abrogated the German lease, she was also justified in extending this abrogation to the Treaty of 1915, which not only depended upon that of 1898, but was an attempted settlement of a question arising out of the war. In her effort to try every possible argument which might apply, China failed to concentrate on her strongest legal points but introduced some of questionable value and others which were moral rather than legal in application.

The moral side of her argument is admittedly more forceful than the legal. Because she was an ineffective military power, she was forced to sign over leases to the strong Powers of the West. Based on force, all these leases are subject to revocation at any time that China should be strong enough to impose her will. On the basis of her negotiations with Germany in 1914, China will not admit she was unable to thrust Germany out and that the peace of the Far East was in danger; neither will she admit any justification of Japan's arrogant and opportunist methods throughout 1914 and 1915, in disregarding her sovereignty and neutrality.⁴⁹ Furthermore

49. China is not without support in this contention as is shown by the discussion in 1915 in the House of Commons. The question of legality as well as morality was raised. Attention was called to the fact that Japan's demands arose out of the war and that the question should be settled at the time of making peace. The treaty was called a breach of the Anglo-Japanese Alliance which provided for consultation when it was necessary to safeguard the rights or interests of either side. The alliance also provided that there should be no separate agreement to the prejudice of the independence and territorial integrity of China, guaranteed in the Preamble. The presence of 60,000 Japanese troops on Chinese soil and the drastic time limit in Japan's ultimatum were severely criticized.- Parliamentary Debates, 5th Series, LXXI, 1915, pp. 159 and 1659.

Japan is not the only power open to China's criticism. While seeking her aid and using every form of persuasion to get her to enter the war on their side, the Entente Powers betrayed China by agreeing to support Japan at her expense.⁵⁰ However, if the question of the Shantung settlement is to be reconsidered as is suggested in the next chapter, the force of China's moral position should not be allowed to overshadow her rightful if less striking legal claims.

50. These agreements became known to the Chinese Government for the first time at Paris in 1919.-Senate Hearings, pp. 215-216. In spite of the fact that, as late as March 4, 1918, Mr. Balfour, when asked in the House of Commons whether President Wilson had copies of all treaties, etc. secret or public, to which Great Britain had become a party since August 4, 1914, replied that President Wilson was kept fully informed, both Mr. Wilson and Mr. Lansing state that they also received their first information at Paris. Mr. Lansing particularly states that Viscount Ishii gave him no such information in 1917.- Parliamentary Debates, CIII, 1918, p. 169; Senate Hearings, pp. 215-218.

CHAPTER VI

Liquidation of the Shantung Question

Circumstances Surrounding the Signing of the Peace Treaty;
Japan's Promises to Return Kiaochow; Possible Reconsideration by the
League of Nations; Advisability of Negotiating with Japan; Special
Obligation of the United States; What China May Rightfully Expect.

Chapter VI

Liquidation of the Shantung Question

There are two possible ways of considering the Shantung Question - as an isolated question or as one of world politics. That the Chinese should isolate the issue is consistent with their character and history. That the Paris Peace Conference should have considered it as a question of world politics is equally natural. While Great Britain, France and Italy were held to their secret agreements with Japan, President Wilson stood alone in sincerely trying to fulfil China's expectation that the United States would protect her interests at the Peace Conference.¹ Mr. Lansing says that the Shantung decision, "chargeable to secret negotiations" was made almost at the last moment as a result of confidential interviews and the threat of Japan to withdraw from the Conference and to refuse to sign the Treaty. President Wilson was convinced that Japan meant what she said and his anxiety was increased by the departure of Signor Orlando and Baron Sonnino. Japan agreed not to insist upon racial equality and promised to restore Kiaochow to China in the near future.² Though this promise

1. Senate Hearings, p. 526.

2. Lansing, Robert, The Peace Negotiations, (Boston, New York, 1921) pp. 243-245.

was technically verbal in nature and was not confirmed in writing in the Peace Treaty but was recorded only in the procés verbal distributed to the members of the Council, President Wilson relied on Japan's good faith.³ There was no pretense at the time that this decision was the result of error or of a lack of understanding of the legal issues involved.⁴ On the other hand, President Wilson frankly said that it was unfortunate that Great Britain and France were bound by their promises of 1917, but that as the war had been fought to establish the sanctity of treaties, it seemed as if they would have to be observed.⁵ Lloyd George and Clemenceau were unwilling to accept the contention that as a result of China's abrogation of the Treaty of 1898 no German rights existed at the time of the Peace Conference and consequently these treaties supporting Japan's claims in regard to Germany's rights in Shantung were no longer binding.⁶ Mr. Lansing characterizes the methods of Japan at the Conference as "blackmail". One illustration was an indirect threat of war on the United States. After the President and the American Commission showed that they were opposed to the demands of Japan and in sympathy with Dr. Wellington Koo, the spokesman of the Chinese delegation, Mr. Lansing received a call from one of the Japanese delegation. The purpose of the call was to inform him that should Japan fail in her demands, the United States would be held responsible.⁷ Japan was evidently sure of the other members of the Council.

3. Lansing, Robert, The Peace Negotiations, (Boston, New York, 1921) pp. 243-245. See also Senate Hearings, pp. 520-521.

4. Lansing, p. 247.

5. Senate Hearings, p. 621.

6. Lansing, p. 252.

7. Lansing, pp. 244-253.

With the advice of Dr. James Brown Scott, the international law expert of the American delegation, China proposed that the German rights be transferred to the Five Powers in trust for China.⁸ Japan, however, was unwilling to compromise; she felt that, since she had repeatedly announced her intention to restore Kiaochow to China, any interference with that process would be a reflection upon her honor.⁹ Thus, in spite of the fact that general sentiment was against her, Japan was successful in having the following clauses made a part of the Peace Treaty.

"Art. 156. Germany renounces, in favor of Japan, all her rights, title and privileges - particularly those concerning the territory of Kiaochow, railways, mines and submarine cables - which she acquired in virtue of the treaty concluded by her with China on March 6, 1898, and of all other arrangements relative to the province of Shantung.

All German rights in the Tsingtao-Tsinanfu Railway, including its branch lines, together with its subsidiary property of all kinds, stations, shops, fixed and rolling stock, mines, plant and material for the exploitation of the mines, are and remain acquired by Japan, together with all rights and privileges attaching thereto.

The German state submarine cables from Tsingtao to Shanghai and from Tsingtao to Chefoo, with all the rights, privileges and properties attaching thereto, are similarly acquired by Japan, free and clear of all charges and encumbrances.

Art. 157. The movable and immovable property owned by the German State in the territory of Kiaochow, as well as all the rights which Germany might claim in consequence of the works or improvements made or of the expenses incurred by her, directly or indirectly, in connection with this territory, are and remain acquired by Japan, free and clear of all charges and encumbrances.

Art. 158. Germany shall hand over to Japan within three months from the coming into force of the present treaty the

8. Senate Hearings, p. 620.

9. Millard, "China's Case at the Peace Conference", Millard's Review, July 17, 1920, p. 7.

archives, registers, plans, title-deeds and documents of every kind, wherever they may be, relating to the administration, whether civil, military, financial, judicial or other, of the territory of Kiaochow.

Within the same period Germany shall give particulars to Japan of all treaties, arrangements or agreements relating to rights, titles or privileges referred to in the two preceding articles."¹⁰

With the terms of the Treaty should be considered Japan's promises to return Kiaochow made in 1915 and at the Conference. Her promise to return Kiaochow "in full sovereignty" to China necessitated negotiations with China on the basis of the conditions agreed to in 1915. This was made clear by Baron Uchida at Paris and Premier Hara endorsed his statement as the policy of the Japanese government.¹¹ Up to the present, 1921, China has remained obdurate in her refusal to negotiate with Japan.¹² Her delegates at the Peace Conference were told that she would eventually secure justice from the League of Nations.¹³ At the time the Chinese envoys expressed little confidence in the League of Nations,¹⁴ but since then China has become a member of the Council of the League and has more hope.

10. For the text of the Peace Treaty see American Journal of International Law. Vol. 13, Supplement, 1919, p. 151.

Also Senate Document No. 156, Sixty-Sixth Congress, First Session.

11. Elliot, p. 729.

Also Makino's statement in Senate Hearings, p. 620.

12. See the Far Eastern Review, February, 1921, p. 85 for the "Official Status of the Shantung Question", a statement issued by the Japanese Minister of Foreign Affairs, Tokyo, June 15, 1920. Japan states that she desired to open negotiations and January 24 signified her intention to withdraw the guards on the Shantung Railroad if China would organize a police force to take their place. No answer was received before May 22 when China replied that she would send police but would not negotiate. China requested that Japan withdraw her military establishments within and without the leased territory. Japan replied that she would not do so until China entered into formal negotiations as the military establishments were only one point among several.

13. Millard, "China's Case at the Peace Conference", Millard's Review,

The clauses of the Covenant which may have application to the Shantung Question are X, XI, XV, XIX, and XXI.¹⁵ By Article X the members of the League undertake to respect and preserve as against external aggression, the territorial integrity and the existing political independence of all members of the League. Application of this article would mean only preserving China and Japan in their "existing" situation as defined by the Peace Treaty, by which Japan has a definite position in Shantung. Under Article XV, the question might be brought for settlement by conciliation before the Council of the League as a possible war issue, "a dispute likely to lead to a rupture". The Council might keep the

July 17, 1920, p. 8.

14. Same.

15. Article X. The members of the league undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all members of the league. In case of any such aggression or in case of any threat or danger of such aggression, the Council shall advise upon the means by which this obligation shall be fulfilled.

Article XI. Any war or threat of war, whether immediately affecting any of the members of the league or not, is hereby declared a matter of concern to the whole league, and the league shall take any action that may be deemed wise and effectual to safeguard the peace of nations. In case any such emergency should arise, the Secretary General shall, on the request of any member of the league, forthwith summon a meeting of the Council.

It is also declared to be the friendly right of each member of the league to bring to the attention of the Assembly or of the Council any circumstance whatever affecting international relations which threatens to disturb either the peace or the good understanding between nations upon which peace depends.

Article XV. If there should arise between members of the league any dispute likely to lead to a rupture, which is not submitted to arbitration as above, the members of the league agree that they will submit the matter to the Council. Any party to the dispute may effect such submission by giving notice of the existence of the dispute to the Secretary General, who will make all necessary arrangements for a full investigation and consideration thereof. For this purpose the parties to the dispute will communicate to the Secretary General, as promptly as possible, statements of their case, all the relevant facts and papers; and the Council may forthwith direct the publication thereof. (cont'd)

15. Contd.

The Council shall endeavour to effect a settlement of any dispute, and if such efforts are successful, a statement shall be made public giving such facts and explanations regarding the dispute and terms of settlement thereof as the Council may deem appropriate.

If the dispute is not thus settled, the Council either unanimously or by a majority vote shall make and publish a report containing a statement of the facts of the dispute and the recommendations which are deemed just and proper in regard thereto.

Any member of the league represented on the Council may make public a statement of the facts of the dispute and of its conclusions regarding the same.

If a report by the Council is unanimously agreed to by the members thereof, other than the representatives of one or more of the parties in dispute, the members of the league agree that they will not go to war with any party to the dispute which complies with the recommendations of the report.

If the Council fails to reach a report which is unanimously agreed to by the members thereof, other than the representatives of one or more of the parties to the dispute, the members of the league reserve to themselves the right to take such action as they shall consider necessary for the maintenance of right and justice.

If the dispute between the parties is claimed by one of them, and is found by the Council to arise out of a matter which by international law is solely within the domestic jurisdiction of that party, the Council shall so report, and shall make no recommendation as to its settlement.

The Council may in any case under this article refer the dispute to the Assembly. The dispute shall be so referred at the request of either party of the dispute, provided that such request be made within fourteen days after the submission of the dispute to the Council.

In any case referred to the Assembly all the provisions of this article and of Article XII relating to the action and powers of the Council shall apply to the action and powers of the Assembly, provided that a report made by the Assembly, if concurred in by the representatives of those members of the league represented on the Council and of a majority of the other members of the league, exclusive in each case of the representatives of the parties to the dispute, shall have the same force as a report by the Council concurred in by all the members thereof other than the representatives of one or more of the parties to the dispute.

Article XIX. The Assembly may from time to time advise the reconsideration by members of the league of treaties which have become inapplicable, and the consideration of international conditions whose continuance might endanger the peace of the world.

Article XXI. Nothing in this covenant shall be deemed to affect the validity of international engagements such as treaties of arbitration or regional understandings like the Monroe Doctrine for securing the maintenance of peace.

matter as a political question in its own hands, referring single points for judicial opinion; as a legal question it might submit it to the opinion of the Permanent Court whose decision must be endorsed by the Council; or the Council might refer the matter to a non-political committee, or again to the Assembly of the League.¹⁶ The general intention of the Covenant seems to be to give the widest possible scope for every form of inquiry, discussion, and mediation, and at the same time to reserve the right of ultimate decision to the Council. As a member of the Council, Japan might contend that her special position in China was a "regional understanding" in itself, recognized by several nations and particularly by the Lansing-Ishii Agreement which in turn is also a "regional understanding". The validity of such understandings is guaranteed by Article XXI of the Covenant. It is said that there are more than twenty known "regional understandings" about Asia, involving all the Great Powers except the United States and that the existence of several others is suspected.¹⁷ The Lansing-Ishii Agreement could hardly be called an asset to the United States, but the other small powers would be loath to have their regional understandings weakened. The issue again becomes one of world politics. Even should the Council declare the matter for international consideration could its members consistently agree upon a decision against the rights of Japan in China while other foreign powers still retained their concessions in that country? Could China hope that the Council would agree upon a solution which would be any more satisfactory than what she might

16. Pollock, Sir Frederick, The League of Nations, (London, 1920) pp. 142-143.

17. Millard, "China's Case", Millard's Review, July 17, 1920, p. 9.

get through direct negotiation with Japan?¹⁸ On the other hand if Mr. Lansing is right in his opinion that if President Wilson had insisted upon justice for China at Paris, Europe would have compelled Japan to recede from her position,¹⁹ would not the same thing be true in case of action by the League of Nations or even of an Association of Nations?

Though settlement by conciliation seems problematical, China still has recourse to Article XIX which should be considered with Article XI. The former provides that the Assembly may from time to time advise the reconsideration by members of the league of treaties which have become inapplicable, and the consideration of international conditions whose continuance might endanger the peace of the world. The latter authorizes every member of the League to call the attention of the Council or the Assembly to conditions appearing likely to endanger the peace. By these articles, China should not only be able to have the decision of the Peace Conference reconsidered but also the Treaty of 1915 which she has come to believe more important than the Peace Treaty itself.²⁰ From the first China has expressed a doubt whether a league created by the same body as created the Treaty and in conjunction with the Treaty, would reverse its terms, especially as the ruling force of one would be the ruling force of the other.²¹ Both A. Lawrence Lowell and Sir Frederick Pollock acknowledge the weakness of these articles. Mr. Lowell says of Article XIX:

"It gives power merely to discuss and suggest, and is part of the Assembly's function of debating international relations,

18. What China may expect from such negotiations is discussed later in this chapter.

19. Lansing, p. 244.

20. Dewey, John, "The Far Eastern Deadlock", New Republic, March 16, 1921, p. 71.

21. Millard, "China's Case", p. 8.

especially such as may threaten war."²²

Sir Frederick Pollock says of both Articles XI and XIX:

"The weakness of these articles, taken separately or together, is that they do not provide for any systematic revision or consolidation of the law of nations. That is a work which ought to be taken in hand and for which only the League is competent. It is not a matter to be dealt with in haste, and it may well be that in the long run we shall gain by waiting patiently for some years."²³

China is an eminently patient nation but in the meantime she sees Japan in possession and daily strengthening that position; Japan chafes under the Chinese boycott and the adverse criticism of public opinion; the chances of a peaceful solution become fewer and fewer.²⁴

While waiting for the League to take action, China might be wise to negotiate with Japan. It is reported that, in the near future, China will approach Japan with a view to the cancellation of the Treaty of 1915, known as the Twenty One Demands.²⁵ In this move she has a right to expect the support of the Western Powers who have in one way or another guaranteed the principles of the Open Door, the territorial integrity and the political independence of China.²⁶ The obligation of the United States

22. Lowell, A. L., "Articles XVII-XX", The Covenant, by W. H. Taft, G. W. Wickersham, A. L. Lowell, H. W. Taft. (New York, 1919) p. 133.

23. Pollock, League of Nations, pp. 162-162.

24. Close, Upton, "Should China Negotiate". Millard's Review, March 13, 1920, p. 62.

Tong, Hollington K. "Resurrection of the Shantung Question", Millard's Review January 31, 1920, pp. 414-415.

25. Dewey, "The Far Eastern Deadlock", p. 71.

26. July 3, 1900, Hay Doctrine.

Oct. 16, 1900, Anglo-German Treaty.

1901, Japanese and American Protests against the Development of Russian Influence in Manchuria.

Jan. 30, 1902, Anglo-Japanese Treaty.

Mar. 3, 1902, Joint Declaration of France and Russia.

Aug. 12, 1905, Anglo-Japanese Treaty replacing that of 1902.

1905, Assurances received by the U.S. from Austria-Hungary, Belgium, Germany, and Great Britain.

(Cont'd)

in this relation is particularly binding, while at the same time her position is particularly advantageous. In 1915 the United States was the only Power which formally protested against the Twenty One Demands and in backing up that protest she is not shackled by any interest or sphere of her own which might be endangered should the whole question of foreign rights in China come up. With this cancellation is a starting point, the cancellation of all the limitations on China's sovereignty might be effected.²⁷

Acknowledging the advantages of foreign trade and intercourse, which will ultimately open up her resources to China herself as well as to outside powers, China would not desire the elimination of all the concessions and privileges of these countries. What she asks is that the

Sept. 5, 1905, Portsmouth Treaty.

July 30, 1907, Convention between Japan and Russia.

June 10, 1907, Franco-Japanese Arrangement.

1908, Root-Takahira Agreement.

July 4, 1910, Russo-Japanese Convention.

July 13, 1911, Anglo-Japanese Alliance.

1917, Lansing-Ishii Agreement.

27. This question might very properly and advantageously be considered by the League under Article XIX. The Shantung question in that case would become part of a larger issue. The process would of course take time both in the formulating of a plan in executing its provisions. In regard to extra-territoriality, for example, the Powers might arrange to assist China as she has already been assisted in her opium problem, by a system of rewards in proportion to progress on her part. - See T'au, "How the Powers Can Assist the Chinese to Abolish Extra-territoriality." Far Eastern Republic, June, 1920.

concessions granted shall be so safeguarded as not to derogate from her sovereignty; as for example, a permanent exclusive Japanese settlement at Tsigntao or permanent economic concessions, ostensibly under private management but actually administered by the Japanese Government.²⁸

If one may trust the latest available reports Japan is not insisting on all the conditions specified in 1915. While determined that no one power shall ever get the German rights in Shantung, Japan sincerely desires an international settlement at Tsingtao, not in addition to but in place of the exclusive Japanese settlement planned in 1915.²⁹ It is suggested that as Japan is willing to take this step, and as she has already pooled the Kaomi-Tsochow and Tsinan-Shuntehfu extensions in the consortium, she might be willing to internationalize the Shantung Railroad. Whether this arrangement came as the result of Siro-Japanese negotiations or of the work of the League of Nations, it would go far toward restoring the balance of power in China which was destroyed in 1914 by the Japanese and German interests being combined. Though China would not have obtained what she really wanted, the power of Japan, which to the Chinese is a very real and ever present menace, would have been limited, and

28. The conditions under which Japan proposed to restore Kiaochow have been aptly characterized by G. Thomas Wang - a case of handing back the "shells without the oysters". - "Case of China", Outlook, June 25, 1919, p. 324.
29. Rea, G. B., Editorial in Far Eastern Review, February, 1921, p. 114.

China would have won something more than the crumbs from the table.³⁰

30. The Peace Treaty provided for the restoration of the astronomical instruments (which Germany had already offered to return - Reid, G. "China's Rights at the Peace Table", Journal of International Relations. Vol. 10, No. 1, July, 1919, p. 87), the abrogation of the leases under which the German concessions at Hankow and Tientsin were held and the remission of the German portion of the Boxer-Indemnity. Japan gave a verbal promise to return China's "full sovereignty" which legally she had never lost.

APPENDIX

I

CONVENTION BETWEEN THE GERMAN EMPIRE AND
CHINA RESPECTING THE LEASE OF KIAOCHOU*

Signed at Peking, March 6, 1898

(Translation)

The incidents connected with the Mission in the Prefecture of Tsaochoufoo, in Shantung, being now closed, the Imperial Chinese Government consider it advisable to give a special proof of their grateful appreciation of the friendship shown to them by Germany. The Imperial German and the Imperial Chinese Governments, therefore, inspired by the equal and mutual wish to strengthen the bonds of friendship which unite the two countries, and to develop the economic and commercial relations between the subjects of the two states have concluded the following separate Convention:

Article I

His Majesty the Emperor of China, guided by the intention to strengthen the friendly relations between China and Germany, and at the same time to increase the military readiness of the Chinese Empire, engages, while reserving to himself all rights of sovereignty in a zone of 500 kilom. (100 Chinese li) surrounding the Bay of Kiaochou at high water, to permit the free passage of German troops within this zone at any time, as also to abstain from taking any measures, or issuing any

*Das Staatsarchiv, vol. 61, No. 11518. Kiaochou was declared a free port on September 2, 1898. See Reichsanzeiger, September 5, 1910.

any ordinances therein, without the previous consent of the German Government, and especially to place no obstacle in the way of any regulation of the water-courses which may prove to be necessary. His Majesty the Emperor of China, at the same time, reserves to himself the right to station troops within that zone, in agreement with the German Government, and to take other military measures.

Article II

With the intention of meeting the legitimate desire of His Majesty the German Emperor that Germany, like other Powers, should hold a place on the Chinese coast for the repair and equipment of her ships, for the storage of materials and provisions for the same, and for other arrangements connected therewith, His Majesty the Emperor of China concedes to Germany on lease, provisionally for ninety-nine years, both sides of the entrance to the Bay of Kiaochou. Germany engages to construct, at a suitable moment, on the territory thus ceded, fortifications for the protection of the buildings to be constructed there and of the entrance to the harbor.

Article III

In order to avoid the possibility of conflicts, the Imperial Chinese Government will abstain from exercising rights of sovereignty in the ceded territory during the term of the lease, and leaves the exercise of the same to Germany within the following limits:

- (1) On the northern side of the entrance to the bay:

The peninsula bounded to the northeast by a line drawn from the northeastern corner of Potato Island to Loshan Harbor.

- (2) On the southern side of the entrance to the bay:

The peninsula bounded to the southwest by a line drawn from the

southwestermost point of the bay lying to the south-southwest of Chiposan Island, in the direction of Tolosan Island.

(3) The Island of Chiposan and Potato Island.

(4) The whole water area of the bay up to the highest water-mark at present known.

(5) All islands lying seaward from Kiaochou Bay which may be of importance for its defense, such as Tolosan, Chalienchou, etc.

The High Contracting Parties reserve to themselves to delimitate more accurately, in accordance with local traditions, the boundaries of the territory leased to Germany and of the 50 kilom. zone round the bay, by means of Commissioners to be appointed on both sides.

Chinese ships-of-war and merchant vessels shall enjoy the same privileges in the Bay of Kiaochou as the ships of other nations on friendly terms with Germany; and the entrance, departure, and sojourn of Chinese ships in the bay shall not be subject to any restrictions other than those which the Imperial German Government, in virtue of the rights of sovereignty over the whole of the water area of the bay transferred to Germany, may at any time find it necessary to impose with regard to the ships of other nations.

Article IV

Germany engages to construct the necessary navigation signals on the islands and shallows at the entrance to the bay.

No dues shall be demanded of Chinese ships-of-war and merchant vessels in the Bay of Kiaochou, except those which may be levied upon other vessels for the purpose of maintaining the necessary harbor arrangements and quays.

Article V

Should Germany at some future time express the wish to return Kiaochou Bay to China before the expiration of the lease, China engages to refund to Germany the expenditure she has incurred at Kiaochou, and to cede to Germany a more suitable place.

Germany engages at no time to sublet the territory leased from China to another Power.

The Chinese population dwelling in the ceded Territory shall at all times enjoy the protection of the German Government, provided that they behave in conformity with law and order; unless their land is required for other purposes, they may remain there.

If land belonging to Chinese owners is required for any other purpose, the owner will receive compensation therefor.

As regards the reestablishment of Chinese customs stations which formerly existed outside the ceded territory, but within the 50 kilom. zone, the Imperial German Government intends to come to an agreement with the Chinese Government for the definite regulation of the customs frontier, and the mode of collecting customs duties in a manner which will safeguard all the interests of China, and proposes to enter into further negotiations on the subject.

Sections II and III

(Never really made public by the German Government.)

I. The Chinese Government sanctions the construction by Germany of two lines of railway in Shantung. The first will run from Kiaochou and Tsinan-fu to the boundary of Shantung Province via Weihsien, Tsinchou, Poshan, Tsechuen, and Suiping. The second line

will connect Kiaochou with Chinchou, whence an extension will be constructed to Tsinan through Liawu-hsien. The construction of this extension shall not be begun until the first part of the line, the main line, is completed, in order to give the Chinese an opportunity of connecting this line in the most advantageous manner with their own railway system. What places the line from Tsinan-fu to the provincial boundary shall take en route is to be determined hereafter.

II. In order to carry out the above-mentioned railway work a Chino-German company shall be formed, with branches at whatever places may be necessary, and in this company both German and Chinese subjects shall be at liberty to invest money if they so choose, and appoint directors for the management of the undertaking.

III. All arrangements in connection with the works specified shall be determined by a future conference of German and Chinese representatives. The Chinese Government shall afford every facility and protection and extend every welcome to representatives of the German Railway Company operating in Chinese territory.

Profits derived from the working of these railways shall be justly divided pro rata between the shareholders without regard to nationality. The object of constructing these lines is solely the development of commerce. In inaugurating a railway system in Shantung Germany entertains no treacherous intentions toward China, and undertakes not to unlawfully seize any land in the province.

IV. The Chinese Government will allow German subjects to hold and develop mining property for a distance of 30 li from each side of these railways and along the whole extent of the lines. The following places where mining operations may be carried on are particularly specified:

Along the northern railway from Kiaochou to Tsinan, Weihsien, Posanhsien, and various other points, and along the Southern Kiaochou-Tsinan Chinchou line, Chinchou-fu, Laiwu-hsien, etc.

Chinese capital may be invested in these operations, and arrangements for carrying on the work shall hereafter be made by a joint conference of Chinese and German representatives.

All German subjects engaged in such works in Chinese territory shall be properly protected and welcomed by the Chinese authorities, and all profits derived shall be fairly divided between Chinese and German shareholders according to the extent of the interest they hold in the undertakings.

In trying to develop mining property in China, Germany is actuated by no treacherous motives against this country, but seeks only to increase commerce and improve the relations between the two countries.

The Chinese Government binds itself in all cases where foreign assistance, in persons, capital, or material, may be needed for any purpose whatever within the Province of Shantung, to offer the said work or supplying of materials in the first instance to German manufacturers and merchants engaged in undertakings of the kind in question.

In case German manufacturers and merchants are not inclined to undertake the performance of such works or the furnishing of materials, China shall then be at liberty to act as she pleases.

The above agreement shall be ratified by the Sovereigns of both the contracting states, and the ratifications exchanged in such manner that, after the receipt by Berlin of the Treaty ratified by China, the copy ratified by Germany shall be handed to the Chinese Minister in Berlin.

The foregoing Treaty has been drawn up in four copies, two in German and two in Chinese, and was signed by the representatives of the

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two contracting states on the 6th of March, 1898, corresponding to the
14th day of the second month in the twenty-fourth year Kuang-hsu.

(Great Seal of the Tsung-li Yamen.)

The Imperial German Minister,

(Signed)

BARON VON HEYKINS,

LI HUNG-CHANG (in Chinese),

Imperial Chinese Grand Secretary,

Minister of the Tsung-li Yamen,

etc., etc.

WENG TUNG-HO (in Chinese),

Imperial Chinese Secretary, Member

of the Council of State, Minister

of the Tsung-li Yamen, etc., etc.

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II.

CONVENTION BETWEEN CHINA AND GERMANY RESPECTING THE
WITHDRAWAL OF GERMAN TROOPS FROM KIAOCHOW AND
KAOMI, NOVEMBER 28th, 1905
(Translation)

The Emperor of China has appointed Yang Shih-hsiang, Civil and Military Governor of Shantung, and the German Emperor, Van Sennern, Civil and Military Governor of Kiaochow, who after communicating full powers and finding them in due form have agreed upon the following articles.

Whereas the German Emperor has, for the purpose of promoting friendly relations, agreed to withdraw the troops stationed at Kiaochow and Kaomi, the following articles are hereby concluded.

Art. 1.---The German troops at Kiaochow shall withdraw immediately after this Convention has been signed.

Art. 2.---One fourth of the German troops stationed at Kaomi shall withdraw immediately after the signing of this Convention, and another fourth, within two months therefrom. The remaining troops shall withdraw within the next two months during which period barracks and stables shall be so speedily built in Tsingtao that the said troops may withdraw altogether within this time-limit. But in case the said works cannot be finished within

the two months, a complete withdrawal shall nevertheless be effected--- there shall be no further extension of time.

Art. 3.---From the date of the signing of this Convention, no matter whether the German troops at Kiaochow and Kaomi have completely withdrawn or not, the railways within the surrounding zone shall completely be under the supervision and protection of the Chinese local authorities and police officers. The police officers shall despatch so many policemen as they deem fit but not more than two hundred and forty, to be evenly stationed at various sections; all matters relating thereto shall be conducted according to the police regulations prevailing beyond the surrounding zone. At some place near the city of Kaomi there shall be established a police office with a police force of not more than one hundred men who shall, by turn, attend to their duty in the protection of the railway and in the suppression of disturbances that may arise. But if China should station troops in the said place, all matters relating thereto shall be governed by the Kiaochow Lease Convention.

Art. 4.---All the works which Germany has constructed in Kiaochow and Kaomi, such as barracks, stables, drill grounds, roads, waterworks, and the like, together with the foundations thereof, houses and the fixtures attached thereto cost, calculated at their original prices, \$496,388.48. From this amount are to be subtracted \$5,000 as rent paid for the German Government by the Chinese Government, \$21,388.48 expended for annual repairs and considered as representing the annual diminution of the value of properties, and \$70,000 as extra reduction; the net price will then be \$400,000 at which the said properties will be purchased by and reverted to China under a separate agreement. The price of the buildings shall be paid off in four installments within two years from the day when the

barracks at Kiaochow and Kaomi are handed over. After their purchase or reversion all the buildings shall be reserved for educational and other public uses.

Art. 5.---In case German should, in accordance with the Treaties, require passage for her troops through Kiaochow and Kaomi, and stay there for a few days, a few weeks' notice will be necessary, in order that a vacant place may be assigned for their temporary stay, free of charge.

Of this convention there shall be made four copies in Chinese, and four in German, identical in sense; and after they have been signed, two copies each of the Chinese and German texts shall be filed at the office of the Governor of Shantung, and the other two copies each of the said two languages, at the office of the Civil and Military Governor of Kiaochow, for reference, transmission, and observance.

The second Day, eleventh Moon of the Reign of Kwanghsu corresponding to the 28th of November, 1905.

Signed: YANG SHIH-HSIANG
VAN SEMMERN.

III.

AGREEMENT BETWEEN THE PROVINCIAL AUTHORITIES OF SHANTUNG AND THE CHINA - GERMAN MINING COMPANY FOR DELIMITING MINING AREAS IN THE PROVINCE OF SHANTUNG, JULY 24, 1911

For the purpose of defining the mining rights of the Sino-German Company along the railways in Shantung Province and concluding a working arrangement the Provincial Authorities of Shantung and the Mining Company have mutually agreed upon the following Articles:

Art. 1.---The Shantung Mining Company reserves for its exclusive exploitation the Fangtze and Tzechwan mining areas and the mining districts from Chinlingchen along the Kiaochow-Chinan Railway in a northerly direction for a distance of 30 li to Changtien.

2. The Company is to prepare maps showing the boundaries of the mining areas it designates for exclusive development. These maps are to form an important part of this Agreement. All mining properties within the specified areas are to be exclusively exploited by the Company and no Chinese undertakings are permitted therein.

3. With the exception of the delimited areas set aside herein for exclusive development by the Mining Company within 30 li (15 kilometers) on both sides of Kiaochow-Chinan Railroad now in operation, the Tientsin-Pukow Railroad now under construction, and the

Kiaochow Pukow railroad recently surveyed are hereby cancelled.

4. Tzechwan Hsien and Poshan Hsien being within the 30-li zone of mining rights, the Company originally intended to exploit it by itself. Now as an act of special friendship the Company hereby relinquishes its claim to Poshan mines. The Tzechwan mining area beginning on the south at Ta Kwei Shan passing Lungkow Chen in a north-westerly direction and reaching the eastern boundary of Tzechwan, is hereby likewise relinquished to the Chinese for their free exploitation. The remaining areas in this region shall, in accordance with Article 1, belong to the mining areas of the Company.

5. The 30-li zone of the Fangtze mining area in Weihsien touches the boundaries of Changlo and Ankiu Hsiens and includes parts thereof. The Company surrenders voluntarily, as a further evidence of goodwill, its claim to the northwestern district of Ankiu Hsien. It retains, however, its title to Chinshamwa mining area in Changlo Hsien to the extent of 10-li from Fangtze mine in a straight line.

6. For the purpose of delimiting mining areas Provincial Authorities of Shantung and the Mining Company have jointly drawn up following maps:

1. Tzechwan mining area and the mining area from Chinlingchen to Changtien.
2. The southern section of the Tzechwan mining area.
3. Mining areas in Weihsien and Changlo Hsien.
4. General map showing all mining areas delimited by this Agreement.

Art.2.---1. Within the mining areas relinquished by the Mining Company in the three Hsiens of Changkiu, Tzechwan, and Poshan along the Kiaochow-Chinan Railway Chinese are not permitted to undertake development

of the biggest mine therein before the year 1920, but they shall be at liberty to do so after that year.

2. In the mining areas reserved by the Company all Chinese mining shafts that are now in a working condition shall be stopped within one month from the date of a formal exchange of the texts of this Agreement duly approved by the Chinese and German Governments.

3. The Chinese Government is still to accord protection to the works of the Company in accordance with the provisions of the Mining Agreement concluded in the 26th year of Kwang Hsu, corresponding to the year 1900 A.D.

4. Should the Chinese Government and merchants be short of capital for the exploitation of the mines in the districts relinquished to China by this Agreement, they shall approach German capitalists for loans. If foreign materials and machinery are needed, they shall purchase them from Germany. If foreign engineers are to be employed, they shall engage German engineers.

Art. 3.---To meet the expenditures hitherto incurred by the Company for prospecting mines, fixing boundaries, and purchasing lands, the Chinese Government agrees to pay to the Company \$210,000 Mex., the said sum being payable within one year from the date of this Agreement in two installments. After Signing of this Agreement the Company shall immediately turn over to the Chinese Government all maps and papers relating to the prospecting of these mines and all lands purchased by the Company.

Art. 4.---Chinlingchen iron mine is to be exploited according to the Mining Regulations, of the 26th year of Kwangshu (1900). If China desires to establish iron smelting works near the mine, a joint stock company may be formed, with a capital of something like 500,000 taels.

Regulations therefor are to be drawn up separately at the proper time.

This Agreement is executed in quadruplicate copies in the Chinese and German languages, found identical in sense, together with four sets of maps of the mines, to be held by the contracting parties.

Third year of Hsuan Tung, 6th month, 29th day,

corresponding to the 24th day of July, 1911.

Delimitation Commissioners of the Imperial

Chinese Government, namely:

Signed: SU, Commissioner for the Promotion
of Industrial Affairs at Muken.
YU, Expectant Taotai of Shantung.
Managing Director of the Chino-
German Mining Company.
German consul General at Chinanfu,
Shantung.

IV.

TWENTY-ONE DEMANDS AS SIGNED WITH GROUP V WITHDRAWN

The treaties and agreements were signed on May 25, 1915, Lou Tsenghsiang, then Chinese Minister of Foreign Affairs, one of China's representatives at the Peace Conference, and Eki Hioki, Japanese Minister to China, acting for their respective governments. The original twenty-one Demands with the famous Group 5 articles, which were withdrawn from this final treaty, were presented January 18, 1915. The documents which are signed follow:

THE FIRST TREATY---RESPECTING SHANTUNG

His Excellency the President of the Republic of China and His Majesty the Emperor of Japan, have resolved to conclude a Treaty with a view to the maintenance of general peace in the Far East and the future strengthening of the relations and friendship and good neighborhood now existing between the two nations.

Article 1---The Chinese government engages to recognize all matters that may be agreed upon between the Japanese government and the German government respecting the disposition of all the rights, interests, and concessions which, in virtue of treaties or otherwise, Germany possesses vis-a-vis China in relation to the province of Shantung.

Article 2---The Chinese engage that in case they undertake the construction of a railway connecting Chefoo or Lungkow with the Kiaochow-Tsinan railway, they shall, in the event of Germany's surrendering her right of providing capital for the Chefoo-Weihsien railway line, enter into negotiations with Japanese capitalists for the purpose of financing the said undertaking.

Article 3---The Chinese government engage to open of their own accord as early as possible suitable cities and towns in the Province of Shantung for the residence and trade of foreigners.

Article 4---The present treaty shall take effect on the day of its signature.

Following the signing of the above treaty the Chinese Foreign Minister made the following written declaration to the Japanese Minister at Peking:

The Chinese Government will never lease or alienate, under any designation whatever, to any foreign power any territory within or along the coast of the Province of Shantung or any island lying near the said coast.

The Chinese Foreign Minister made also the following formal declaration:

I have the honor to state that the cities and towns to be opened in accordance with the stipulation of Article 3, of the treaty, respecting Shantung Province, signed today, will be selected, and the regulations therefor will be drawn up by the Chinese government, and will be decided upon after consultation with the Japanese Minister.

RESTORATION OF KIAOCHOU

The Japanese Minister made the following declaration to the Chinese Foreign Minister:

When, after the termination of the present war, the leased territory of Kiaochou Bay is completely left to the free disposal of Japan, the Japanese Government will restore the said leased territory to China under the following conditions:

1. The whole of Kiaochou Bay to be opened as a Commercial Port.
2. A concession under the exclusive jurisdiction of Japan to be established at a place designated by the Japanese Government.
3. If the foreign Powers desire it, an international concession may be established.
4. As regards the disposal to be made of the buildings and properties of Germany and the conditions and procedure relating thereto, the Japanese Government and the Chinese Government shall arrange the matter by mutual agreement before the restoration.

THE MAY, 1915, ULTIMATUM TO CHINA

Relative to this Group V and to the general attitude of the Japanese in these negotiations, the Official Communique issued by the Japanese Government from Tokio on May 7th, explaining the ultimatum of the 6th, closes with the following sentences:

"The Japanese Government deeply regret to perceive from the attitude of the Chinese Government that it is no longer any use to continue the present negotiations. Nevertheless, being desirous, with a view to the maintenance of peace in the Far East, to make every effort to bring the negotiations to a satisfactory conclusion and thus to avoid complications in the situation, the Japanese Government, taking fully into account the wishes of the Chinese Government, decided with great forbearance, to leave out of the present negotiations and reserve for future discussion all items specified in Group V of the amended draft, except that relating to Fukien, about which an agreement has been reached. The Japanese Government instructed their Minister at Peking on May 6th that, in conveying this decision to the Chinese Government he should earnestly advise them to give due regard to Japan's sentiment of accommodation and conciliation and express after careful consideration their assent without delay to the Japanese amended draft and at the same time announce that the Japanese Government expect from the Chinese Government a satisfactory response to this advice not later than six p. m. on 9th May."

V.

SECRET COMPACTS REGARDING SHANTUNG

My Dear Excellency:

With reference to the subject of our conversation on the 27th ultimo, when your Excellency informed me of the desire of the Imperial Government to receive an assurance that on the occasion of a Peace Conference, His Britannic Majesty's Government will support the claims of Japan in regard to the disposal of Germany's rights in Shantung and possessions in the islands north of the equator, I have the honor, under instructions received from His Britannic Majesty's principal Secretary of State for Foreign Affairs, to communicate to you the following message from His Britannic Majesty's Government:

His Britannic Majesty's Government accede with pleasure to the request of the Japanese Government for an assurance that they will support Japan's claims in regard to the disposal of Germany's rights in Shantung and possessions in the islands north of the equator on the occasion of the Peace Conference; it being understood that the Japanese Government will in the eventual peace settlement treat in the same spirit Great Britain's claims to the German islands south of the equator.

I avail myself of this opportunity, M. le Ministre, to renew to your Excellency the assurance of my highest consideration.

CONYNGHAME GREENE.

His Britannic Majesty's Ambassador.

To His Excellency Viscount Ichiro Motono,
His Imperial Japanese Majesty's Minister for Foreign
Affairs.

To which Viscount Motono replied:

The Japanese Government is deeply appreciative of the friendly spirit in which your Government has given assurance and happy to note it as fresh proof of the close ties that unite the two allied powers. I take pleasure in stating that the Japanese Government on its part is fully prepared to support in the same spirit the claims which may be put forward at the Peace Conference by His Britannic Majesty's Government in regard to the German possessions in the islands south of the equator.

Three days later Motono sent the following notes to the French and Russian Ambassadors in Tokyo:

The Imperial Japanese Government has not yet formally entered into conversations with the Entente powers concerning the conditions of peace I propose to present to Germany, because it is guided by the thought that such questions ought to be decided in concert between Japan and the said powers at the moment when the peace negotiations begin. Nevertheless, in view of recent developments in the general situation, and in view of the particular arrangements concerning peace conditions, such as arrangements relative to the disposition of the Bosphorus, Constantinople, and the Dardanelles, being already under discussion by the powers interested, the Imperial Japanese Government believes that the moment has come for it also to express its desires relative to certain conditions of peace

essential to Japan and to submit them for the consideration of the Government of the French Republic.

The French Government is thoroughly informed of all the efforts the Japanese Government has made in a general manner to accomplish its task in the present war, and particularly to guarantee for the future the peace of Oriental Asia and the security of the Japanese Empire, for which it is absolutely necessary to take from Germany its bases of political, military, and economic activity in the Far East.

Under these conditions the Imperial Japanese Government proposes to demand from Germany at the time of the peace negotiations the surrender of the territorial rights and special interests Germany possessed before the war in Shantung and the islands situated north of the equator in the Pacific Ocean.

The Imperial Japanese Government confidently hopes the Government of the French Republic, realizing the legitimacy of these demands, will give assurance that, her case being proved, Japan may count upon its full support on this question.

It goes without saying that reparation for damages caused to the life and property of the Japanese people by the unjustifiable attacks of the enemy, as well as other conditions of peace of a character common to all the Entente powers, are entirely outside the consideration of the present question.

The reply of the French Ambassador follows:

The Government of the French Republic is disposed to give the Japanese Government its accord in regulating at the time of the peace negotiations questions vital to Japan concerning Shantung and the German

islands in the Pacific north of the equator. It also agrees to support the demands of the Imperial Japanese Government for the surrender of the rights Germany possessed before the war in this Chinese province and these islands.

M. Briand demands on the other hand that Japan give its support to obtain from China the breaking of the diplomatic relations with Germany, and that it give this act desirable significance. The consequences of this in China would be the following:

First---Handing passports to the German diplomatic agents and consuls.

Second---The obligation of all under German jurisdiction to leave Chinese territory.

Third---The internment of German ships in Chinese ports and the ultimate requisition of these ships in order to place them at the disposition of the Allies following the example of Italy and Portugal. According to the information of the French Government there are fifteen German ships in Chinese ports totaling about 40,000 tons.

Fourth---Requisition of German commercial houses established in China; forfeiting the right of Germany in the concessions she possesses in certain parts of China.

Russia and Italy also gave their acquiescence in this matter, correspondence between Japan and Italy being exchanged at Rome, not in Tokyo.

VI.

CHINA'S DECLARATION OF WAR ON GERMANY AND AUSTRIA-
HUNGARY, AUGUST 14, 1917

On the 9th day of the 2nd month of this year (February 9, 1917), the Government of the Republic addressed a protest to the German Government against the policy of submarine warfare inaugurated by Germany, which was considered by this Government as contrary to International Law, and imperilling neutral lives and property, and declared therein that in case the protest should be ineffectual this Government would be constrained, much to its regret, to sever diplomatic relations with Germany.

Contrary to our expectations, however, no modification was made in Germany's submarine policy after the lodging of our protest. On the contrary, the number of neutral vessels and belligerent merchantmen destroyed in an arbitrary and illegal manner was daily increasing, and the lives of our citizens lost were numerous. Under such circumstances, although we might yet remain indifferent and endure suffering with the meagre hope of preserving a temporary peace, in so doing we would never be able to satisfy our people who are devoted to righteousness and sensible to disgrace, nor could we justify ourselves before our sister States which have acted without hesitation in obedience to

the dictates of a sense of duty. Both here and in the friendly States, the cause of indignation was the same, and among the people of this country there could be found no difference of opinion. This Government, therefore, being compelled to consider its protest as being ineffectual, notified the German Government on the 14th day of the 3rd month last of the severance of diplomatic relations and at the same time the events taking place from the beginning up to that time were announced for the general information of the international public.

What we have desired is peace; what we have respected is International Law; what we have to protect are the lives and property of our own people. As we originally had no other grave causes of enmity against Germany, if the German Government had manifested repentance for the deplorable consequences resulting from its method of warfare, it might have been expected to modify that policy in view of the common indignation of the whole world. That was what we have eagerly desired, and it was the reason why we felt reluctant to treat Germany as a common enemy. Nevertheless, during the five months following the severance of diplomatic relations, the submarine attacks have continued exactly as before. It is not Germany alone, but Austria-Hungary as well, which has adopted and pursued this policy without abatement. Not only has International Law been thereby violated, but also our part of bringing about a better state is now shattered.

Therefore, it is hereby declared that a state of war exists between China on the one hand and Germany and Austria-Hungary on the other, commencing from ten o'clock of this, the 14th day of the 8th month of the 6th year of the Republic of China.

In consequence thereof, agreements, and conventions heretofore concluded between China and Germany, and between China and Austria-

Hungary, as well as such parts of the international protocols and international agreements as concern only the relations between China and Germany and between China and Austria-Hungary are, in conformity with the Law of Nations and international practice, hereby abrogated. This Government, however, will respect the Hague Conventions and its international agreements respecting the humane conduct of war.

The chief object in our declaration of war is to put an end to the calamities of war and to hasten the restoration of peace. All our citizens will appreciate this to be our aim. Seeing, however, that our people have not yet at the present time recovered from sufferings on account of the recent political disturbances and that calamity again befalls us in the breaking out of the present war, I, the President of the Republic, cannot help having profound sympathy for our people when I take into consideration their further suffering. I would never have resorted to this step which involves fighting for the very existence of our nation, were I not driven to this unavoidable decision.

I cannot bear to think that through us the dignity of International Law should be impaired, or our position in the family of nations should be undermined, or the restoration of the peace and happiness of the world should be retarded. Let the people of this entire nation do their utmost in this hour of trial and hardship in order to safeguard and develop the national existence of the Chung Hua Republic, so that we may establish ourselves amidst the family of nations and share with all mankind the prosperity and blessings drawn from our common association. Let this proclamation be published in order that it may be generally known.

S E A L O F T H E P R E S I D E N T

Peking, the 14th day of the 8th month, the 6th year
of the Chung Hua Republic (August 14th, 1917)

Countersigned by:

TUAN CHI-JUI,
Premier and Minister of War.

LIANG CHI-CHAO,
Minister of Finance

WANG TA-HSIEH,
Minister of Foreign Affairs.

LIU KWANG-HSIUNG,
Minister of Navy.

TANG HUA-LUNG,
Minister of the Interior.

LING CHANG-MING,
Minister of Justice.

FAN YUAN-LIEN,
Minister of Education.

CHANG KUO-KAN,
Minister of Agriculture and Commerce.

TSAO JU-LIN,
Minister of Communications.

VII.

THE ISHII LANSING NOTE

The despatch of the Secretary of State of the United States embodied in the State Department announcement of November 6, 1917, of the Ishii-Lansing agreement read as follows:

DEPARTMENT OF STATE

Washington, Nov. 2, 1917.

Excellency:

I have the honor to communicate herein my understanding of the agreement reached by us in our recent conversations touching the questions of mutual interest to our Governments relating to the Republic of China.

In order to silence the mischievous reports that from time to time have been circulated, it is believed by us that a public announcement once more of the desires and intentions shared by our two Governments with regard to China is advisable.

The Governments of the United States and Japan recognize that territorial propinquity creates special relations between countries, and consequently the Government of the United States recognizes that Japan has special interests in China, particularly in the part to which her possessions are contiguous.

The territorial sovereignty of China, nevertheless, remains unimpaired, and the Government of the United States has every confidence

in the repeated assurances of the Imperial Japanese Government that while geographical position gives Japan such special interests, they have no desire to discriminate against the trade of other nations, or to disregard the commercial rights heretofore granted by China in treaties with other Powers.

The Governments of the United States and Japan deny that they have any purpose to infringe in any way the independence or territorial integrity of China, and they declare, furthermore, that they always adhere to the principle of the so-called Open Door or equal opportunity for commerce and industry in China.

Moreover, they mutually declare that they are opposed to the acquisition by any Government of any special rights or privileges that would affect the independence or territorial integrity of China or that would deny to the subjects or citizens of any country the full enjoyment of equal opportunity in the commerce and industry of China.

I shall be glad to have your Excellency confirm this understanding of the agreement reached by us.

Accept, Excellency, the renewed assurances of my highest consideration.

ROBERT LANSING

THE DECLARATION OF THE CHINESE GOVERNMENT CONCERNING
THE NOTES EXCHANGED BETWEEN THE GOVERNMENTS OF
THE UNITED STATES AND JAPAN, DATED NOV-
EMBER 12, 1917

The Government of the United States and the Government of Japan have recently, in order to silence mischievous reports, effected an exchange of notes at Washington concerning their desires and intentions with regard to China. Copies of the said notes have been communicated to the Chinese Government by the Japanese Minister at Peking; and the Chinese Government, in order to avoid misunderstanding, hastens to make the following declaration so as to make known the views of the Government.

The principle adopted by the Chinese Government towards the friendly nations has always been one of justice and equality; and consequently the rights enjoyed by the friendly nations derived from the treaties have been consistently respected, and so, even with the special relations between countries created by the fact of territorial contiguity, it is only in so far as they have already been provided for in her existing treaties. Hereafter the Chinese Government will still adhere to the principle hitherto adopted, and hereby it is again declared that the Chinese Government will not allow herself to be bound by any agreement entered into by other nations.

VIII.

EXCHANGE OF NOTES BETWEEN THE CHINESE MINISTER AT
TOKIO AND THE JAPANESE MINISTER FOR FOREIGN
AFFAIRS RESPECTING ADJUSTMENT OF
QUESTIONS CONCERNING SHAN-
TUNG, SEPTEMBER 24th,
1918

(Note from Baron Goto to the Chinese Minister
at Tokio).

Tokio, September 24, 1918.

Monsieur le Ministre:

The Japanese Government, mindful of the amiable relations between our two countries and out of a spirit of friendly co-operation, propose to adjust all the questions relating to Shantung in accordance with the following Articles:

1. Japanese troops along the Kiaochoo-Chinan Railway, except a contingent of them to be stationed at Chinanfu, shall be withdrawn to Tsingtao.
2. The Chinese Government may organize a police force to undertake the policing of the Kiaochoo-Chinan Railway.
3. The Kiaochoo-Chinan Railway is to provide a reasonable

amount to defray the expense for the maintenance of the above-mentioned police force.

4. Japanese are to be employed at the headquarters of the above-mentioned police force at the principal railway stations and at the police training school.

5. Chinese citizens shall be employed by the Kiaochow-Chinan Railway Administration as part of its staff.

6. The Kiaochow-Chinan Railway, after its ownership is definitely determined, is to be made a Sino-Japanese joint enterprise.

7. The civil administration established by Japan and existing now is to be abolished.

The Japanese Government desire to be advised of the attitude of your Government regarding the above-mentioned proposals.

Signed:

SHIMPEI GOTO.

His Excellency, Mr. Tsung-Hsiang Chang, etc.

MR. TSUNG-HSIANG CHANG, TO THE JAPANESE MINISTER FOR
FOREIGN AFFAIRS

Tokio, September 24, 1918

Monsieur le Ministre:

I have the honor to acknowledge the receipt of Your Excellency's note stating:

The Japanese Government, mindful of the amiable relations between our two countries and out of a spirit of friendly co-operation, propose to adjust all the questions relating to Shantung in accordance with

the following Articles...

(Quotes Items 1---7 as contained in the note of the Japanese
Minister of Foreign Affairs).

In reply, I have the honor to state that the Chinese Government
are pleased to agree to the above-mentioned Articles proposed by the
Japanese Government.

Signed:

TSUNG-HSIANG CHANG

His Excellency, BARON SHIMPEI GOTO, Etc.

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