



---

# **THROUGH TURBULENT WATERS**

## **Foreign Administration of the Chinese Maritime Customs Service, 1923–1937**

---

by

Donna Maree Brunero  
Centre for Asian Studies and  
The Department of History

Submitted in Fulfillment of the Requirements  
For the degree of Doctor of Philosophy, University of  
Adelaide, Adelaide, South Australia

February 2000

**It is common knowledge that during the past eight or nine decades the quasi-British controlled Inspectorate of Customs has hitherto been a corner-stone of the British position in China and has been co-equal with the name of England in the Far East. And it should be considered furthermore, that the influence and prestige of the Inspectorate General throughout this period was attained and sustained solely by individual exertions....**

Frederick Maze  
21<sup>st</sup> December 1943

*For my parents,  
Don and Kathleen Brunero*

# Table of Contents

---

TABLE OF CONTENTS.....	iv
LIST OF TABLES AND FIGURES .....	vi
ABSTRACT.....	vii
THESIS SUBMISSION STATEMENT.....	viii
ACKNOWLEDGEMENTS .....	ix
<b>CHAPTER ONE</b>	
<b>Introduction.....</b>	1
Explaining the Customs Service.....	7
Overview of Chapters.....	13
<b>CHAPTER TWO</b>	
<b>The First Seventy Years of the Maritime Customs Service .....</b>	17
The Origins of the MCS .....	18
Robert Hart’s Vision for the Imperial Maritime Customs...	23
The Coming of the Republic: The End of the Customs Golden Age .....	34
A Privileged Life: Foreigners in the Customs Service .....	40
<b>CHAPTER THREE</b>	
<b>The Maritime Customs Service: An Institutional Review.....</b>	53
The Structures of the Customs Service .....	53
Regulating and Rewarding Staff in the MCS.....	62
Financing the Republic .....	68
The Custom’s London Office: Administrative Support, Cultivating “Allies” and Creating the “Customs Man”? .....	79
<b>CHAPTER FOUR</b>	
<b>The Maritime Customs and the Rise of Nationalist Struggle Against Imperialism 1923–1927 .....</b>	98
Gunboats and Revenue: Sun Yat-sen and the Canton Customs, 1923 .....	99
The Diplomatic Body’s “Policy of Procrastination” .....	103
Gunboat Diplomacy in Action.....	107
Where was the MCS in the Canton Controversy?.....	110
The Rise of Anti-Imperialism and the MCS.....	115
The MCS and the Canton–Hong Kong Boycotts of 1925–1926 .....	119
<b>CHAPTER FIVE</b>	
<b>Nationalist Ascendancy and the Customs Service in Turmoil .....</b>	141
The Dismissal of Aglen: A Watershed for the Service .....	141
1927–1929 in Perspective .....	145
The Nanking Incident and its Implications for the Customs Service .....	148
The Succession Crisis Overviewed .....	152

	Edwardes and Maze: The Potential Inspectors General .....	155
	Significance of the Succession Crisis.....	166
	An IG Scorned: Maze and the Politics of Being IG .....	169
	The Maze Administration's First Year.....	173
<b>CHAPTER SIX</b>	<b>Into Calmer Waters: The Proposed Hong Kong–China Trade and Customs Agreement, 1929–1930 .....</b>	<b>177</b>
	An Introduction to Hong Kong–MCS Relations.....	179
	The Proposed Hong Kong–China Trade and Customs Agreement, 1929–1930 .....	184
	A Dead Letter.....	198
<b>CHAPTER SEVEN</b>	<b>Decline of the Maritime Customs Service .....</b>	<b>202</b>
	The Tientsin Customs Seizure: An Overview .....	204
	Tientsin's De Facto Customs Establishment .....	215
	Reclaiming the Tientsin Customs .....	221
	Learning from Tientsin: Compromise at Canton, 1931 .....	224
	Carving Up the Service: The Loss of Customs Houses in the Northeast.....	228
	Manchukuo and the MCS .....	232
	Dairen and the Fukomoto Affair .....	239
	Manchukuo's Move Against the Customs Service (March– June 1932): An Overview .....	243
<b>CONCLUDING REMARKS.....</b>	<b>248</b>	
<b>APPENDIX 1: “A Legion in Far Cathay” by T. Holman, R.N.....</b>	<b>253</b>	
<b>APPENDIX 2: Transcript of Personal Interview with Yvonne King 26 July 1998.....</b>	<b>256</b>	
<b>APPENDIX 3: MCS Confidential Staff Report Form.....</b>	<b>265</b>	
<b>APPENDIX 4: Biographical Glossary.....</b>	<b>267</b>	
<b>BIBLIOGRAPHY .....</b>	<b>281</b>	

# List of Tables and Figures

---

## TABLES

2.1	The Opening of Treaty Ports and Customs Houses .....	21/22
3.1	Selected Commissioners of 1911.....	57
3.2	Revenue and Receipts of the Nationalist Government from 1929 to 1934 .....	72/73
3.3	Total Payments for the Ministry of Finance, 1929–1934.....	73/74
3.4	Revenue of the Maritime Customs Service, 1923–1937.....	77/78
6.1	Coastal Piracies Since 1923 .....	179/180

## FIGURES

2.1	The Imperial Maritime Customs Service Brass Band .....	28
2.2	Sir Frederick Maze circa 1930 .....	32
2.3	Customs Commissioner's Residence, Macao .....	47
2.4	The Lebas Family Entertaining Guests on Verandah .....	47
2.5	Customs Commissioner's Residence, Macao; from road .....	48
2.6	View across Macao, from Commissioner's Residence .....	48
2.7	Customs Cruiser, Macao .....	50
2.8	Guests aboard Customs Cruiser .....	50
2.9	Guests about Customs Cruiser, from another angle.....	51
3.1	Structure of the Maritime Customs Service, circa 1922.....	54
3.2	Flow of Information in the Customs Service .....	55
3.3	Customs Medal for Meritorious Service .....	67
3.4	Customs Revenue and Import/Export Duties in Proportion to Revenue ..	78
3.5	Examination for Prospective Customs Recruits.....	91
3.6	Ranks and Pay of Indoor Staff in 1922.....	94
4.1	Sapajou, "The Real Solution of the China Problem" .....	121
4.2	Hankow Customs House Guarded by British Soldiers .....	124
4.3	Sapajou, "A Very Patient Beast, but Better not Roused" .....	125
4.4	Sapajou, "The Wolves That Keep the Door" .....	127
4.5	Hayley Bell Patrolling the Canton Bund.....	129
5.1	Sapajou, "Still Out of Control—Even in Nanking!" .....	151
7.1	Maritime Customs Revenue, 1930.....	209
7.2	Sapajou, "A Domestic Question—What it is No Use Crying Over" .....	212
7.3	Sapajou, "Heads or Haunches? The Shadow and the Substance" .....	213
7.4	Sapajou, "Thoughts on the Crisis" .....	214
7.5	Sapajou, "More Kidnapping" .....	233
7.6	Percentage of Customs Revenue Collected at Manchurian Ports in 1925, 1927, 1929 and 1931.....	236

## Abstract

---

### **Through Turbulent Waters: Foreign Administration of the Chinese Maritime Customs, 1923–1937**

In modern times customs services are the institutions entrusted with monitoring trade through collecting duties on imports and exports, preventing smuggling and patrolling national boundaries. The Chinese Maritime Customs Service of the Republic was imbued with many of these modern ideas. The Service maintained an extensive network of Customs houses both along China's coastline and inland. It maintained harbours and lighthouses and also established a preventive service to counteract smuggling. The comparisons, however, end here. The Chinese Maritime Customs Service was a uniquely cosmopolitan institution that emerged as a product of the Opium Wars and the Unequal Treaties. Headed by successive British Inspectors General, Sir Robert Hart (1863–1911), Sir Francis Aglen (1911–1927) and Sir Frederick Maze (1929–1943), the Service recruited foreigners to administer the Customs establishments. This dissertation examines the fate of the Customs foreign Inspectorate during the 1923–1937 period. By examining episodes such as the Canton Customs controversy of 1923; the Canton–Hong Kong Boycott 1925–1926; the Customs succession crisis; negotiations surrounding the proposed Hong Kong–China Trade and Customs Agreement 1929–30; the seizure of the Tientsin Customs 1930; and the loss of Customs houses in the northeast to Manchukuo authorities in 1923–1933, the themes of resistance and change are brought to the fore. The foreign administration of the Service encountered growing resistance on the part of the Chinese nationalists and it also faced resistance from the British establishment in China who no longer perceived the Service as an ongoing concern. To ensure its survival the Service had to change and in doing so embrace the Nationalist regime. Although during this period the significance of Customs revenue to the Chinese government and to foreign investors was unsurpassed, the Service itself was undergoing a steady decline as it was pulled deeper into the machinations of China's political sphere without a British anchor for security.

## Thesis Submission Statement

---

This work contains no material which has been accepted for the award of any other degree or diploma in any university or other tertiary institution and, to the best of my knowledge and belief, contains no material previously published or written by another person, except where due reference has been made in the text.

I give consent to this copy of my thesis, when deposited in the University Library, being made available for loan and photocopying.

Donna Maree Brunero

.....  
15<sup>th</sup> September 2000  
(date)

## Acknowledgments

---

This dissertation has taken shape with the support and encouragement of many individuals. My first debt of gratitude is to my supervisors, Dr Carney Fisher and Dr Yen Ching-hwang from the Centre for Asian Studies and History Department respectively. Their guidance and patience helped to make my research a challenging and yet rewarding experience. Both supervisors were generous with their time and often imparted invaluable advice during our consultations, often over a cup of Earl Grey or cappuccino. During the course of one such meeting, Dr Yen recommended I avoid “putting the legs on the snake” (*hua she tian zhu*); I applied to this piece of wisdom to the concluding stages of my work. Dr Fisher and Dr Yen attended to my drafts with a spirit of cooperation and because of this I was most fortunate to have not one but two supervisors. In addition I thank Dr Robert Lee, Dr Kit Liew and Dr Wang Dagang for their continued interest in my development as a scholar since my undergraduate years.

My initial research forays would not have been so successful if it were not for the assistance of subject librarian, Margaret Hosking. Throughout my visits to the Barr Smith Library she was an endless source of information and good cheer.

With the assistance of a university travel scholarship, I was able to spend three months in London, adding to my research materials. During my sojourn I appreciated the assistance of staff at the SOAS Library, London, St Antony’s and Rhodes House Oxford, and in particular, archival staff at the library of the National Maritime Museum, Greenwich. While I was in Oxford Dr Chan Kai Yiu proved an able guide and companion, generously sharing many meals and stimulating discussions. I am deeply grateful to my relatives Peter Davey and Milan Selj for welcoming me into their home for the duration of my time in London.

To have a human touch invariably enriches any history work. In my case I was fortunate to have personal contact with Mr and Mrs Anthony Hewitt and also Mrs Yvonne King. Mrs King generously invited me into her home on two occasions for an extended interview and some delicious meals. Further to this she allowed me to copy a selection of her family photos and shared treasured memories of her years in China.

I sincerely hope that I have been able to do justice to her memories of the vibrant and privileged lives led by foreigners in the Customs Service.

This dissertation is the fruit of my entire university education. I would never have made it thus far, however, without a strong support base of family and friends. I thank my parents Don and Kathleen, my sister Louise and brother Adam for their continual love and encouragement of my studies. In particular I appreciate the fact that they supported my desire to pursue doctoral studies even when it meant moving a long way from our home in Campbelltown, New South Wales. Friends in Adelaide, most particularly Gwen Curnow, Shirley Gordon and Bronwyn Davis have each enriched my years in South Australia. I was fortunate to also have the support of many friends who cheered me on from afar. They included: Masaki Minami, Dennis Appo, Rod Halburd, Rikke Lewinsky, Neil Hare and Jodie Clayton. Their emails, phone calls, letters and occasional visits always brightened my day.

During the past 12 months I have called Lincoln College home, having filled the position of Vice Principal. I am thankful for the supportive environment I have encountered from both the senior staff and the college community as a whole.

Finally, words can never fully express my love and admiration for my husband Leong. He has been a source of strength and inspiration. I will never forget his selflessness when putting aside his own doctoral work to assist in the final preparation of my dissertation.



## CHAPTER 1

### Introduction<sup>1</sup>

The Chinese Maritime Customs Service (MCS) was a creation of China's tumultuous encounters with the West in the 19<sup>th</sup> Century. It was a vital element of the Treaty Port system in China. By the time of the Chinese Republic, however, the Service had become an anomaly. It represented China's humiliation at the hands of the West and yet was a major source of revenue for the Chinese Government. It was a vital Chinese concern but foreigners retained all dominant positions. After 1932, under the leadership of Inspector General Frederick Maze, the Customs Service had embraced a close relationship with the nationalist Kuomintang. In spite of this, the Service perceived itself as representing and advancing British interests in China. This research explores the Maritime Customs Service during the Republic, paying particular attention to the development of this institution. The Service was not static; it had to change to ensure its continued survival in the increasingly nationalistic climate. These changes, however, led to perceptible alterations to the significance of the Service to both Western and Chinese interests. In particular British attitudes towards the Customs underwent a dramatic shift from the time when Britain was dominant in encouraging a multinational gunboat demonstration to defend the Canton Customs in 1923 to its hesitant and unofficial protests to the Manchukuo authorities over the seizure of northeastern Customs houses in 1932. While the British may have generally believed their interests in the Customs had been eroded with the rise of nationalism, the perception within the Service was that the Customs continued to provide a valuable service to British interests in China.

The Opium Wars, which culminated in the forced opening of China and the Unequal Treaties, led to the establishment of a foreign styled, foreign run Customs

---

<sup>1</sup>The quote on the page following the title page of this thesis is from Frederick Maze, letter to Alexander Cadogan, 21 Dec. 1943, The Maze Collection, ms., National Maritime Museum, Greenwich. The Maze Collection is a loose set of documents and other material that have not been previously catalogued. As such it has no official title and the use of the term, Maze Collection, is strictly for the convenience of this thesis. These boxes of materials have, however, now been formally catalogued by me for the Museum in 1997.

## ***Introduction***

---

administration. Conceived by foreign consuls, the Customs Service was devised primarily for the purposes of regulating foreign trade with China. From its inception in the 1860s Britain was the dominant power in this institution. Shaped by the legendary Robert Hart, the Service became a dynamic institution employing many foreigners in the service of China. By time of the Republic, however, the nature of the Service underwent a dramatic shift, arguably the prestige and influence exerted by Inspector General (IG) Hart had been eroded but in its place, the Service had more tangible control over revenue than had ever been intended.

This dissertation explores how and why the Customs survived the transition from Imperial times to the Republic and its encounters with nationalist China. Common themes emerge of resistance and change, the Service encountered growing Chinese resistance to the foreign inspectorate, changing political landscapes both in China and the west, and the resisting of change by some elements of Customs leadership as well as the British Foreign Office and the Diplomatic Body. The burgeoning of Chinese nationalism in the 1920s presented resistance to the basis of the foreign inspectorate in the form of anti-foreignism and anti-imperialism. Inspectors General Aglen and Maze took different approaches to navigating such oppositions and stresses while aiming to keep the foreign inspectorate intact. Aglen attempted to ride roughshod over Chinese concerns, choosing to maintain a close linkage between the British establishment and the Service. Maze, by showing pro-Kuomintang tendencies, caused a rift in this relationship. Largely through Maze's delicate balancing act between Western and Chinese interests and also playing these interests off against each other the Service was able to maintain its integrity. In doing so, however, perceptions of the Service from staff, Western and Chinese interests were irrevocably but inevitably altered. The MCS therefore had a shifting significance to both western and Chinese interests throughout the Republic and this dissertation is an exploration of junctures at which the basis of the MCS is called into question.

The 1920s and 1930s are the overarching timeframe for this research and were particularly turbulent from the viewpoint of China's internal politics. The 1920s are largely marked by the demise of warlordism and the subsequent rise of the Nationalist movement. The Service was both directly and indirectly affected by these developments. Staff found themselves the focus of anti-foreign attacks and Customs houses needed foreign protection to maintain their regular duties. As nationalist forces harnessed anti-foreign feeling with powerful results the foreign powers were

forced to realize a need to reshape their relations with Chinese authorities. Academics such as Nicholas Clifford and Edmund Fung, in particular, have seen this reshaping of policy as part of a gradual Western, and particularly, British decline and retreat from China.<sup>2</sup> Such intimations of diplomatic retreat leads to the question: what was the fate of the foreign-dominated Customs Service in such a climate of gradual withdrawal? Indeed by examining the MCS in specific case studies, the decisive shift in British foreign policy in China (December Memorandum of 1926) can be clearly detected. The success of the Nationalists in establishing their Nanking regime marked the need for the Service to make a dramatic shift in its attitude to Chinese leadership. Physical attacks on Customs houses in Tientsin (1930) and the seizure of northeastern customs houses heightened the sense of isolation for the Customs as it was given little foreign support. Attitudes towards the fate of the MCS shifted from the powers involved being prepared to use force to protect the service to, by 1930, carefully worded expressions of concerns to the Chinese authorities. During the Republic the Customs can be broadly interpreted as reflecting some of the main forces in Sino-Western relations but on closer examination the MCS often diverges from the expected pattern. The most prominent example being its ability to survive until the 1940s when the Chinese had absorbed other foreign-dominated Chinese institutions such as the salt administration.

A dominating theme in this research has been that of Western imperialism but more specifically, British imperialism and its manifestations in China. From the outset China was never a British colony and was never formally adopted into the realm of the British Empire. As a result the presence of British interests in China were not identical to those found in India or Malaya for example. While there was an absence of a formal colonialism, I contend that British imperialism was not passive or missing from Republican China. Britain was able to interfere with or at the least exert pressure over political events in China. The Customs Service was a prime mechanism for exercising such influence. The Service was British dominated and represented not only a large source of revenue for the Chinese Government but was also the main security for foreign loans to China. The MCS, however, has received relatively low coverage in discussions of imperialism and its manifestations in the

---

<sup>2</sup>See Nicholas Clifford, *Retreat from China: British Policy in the Far East 1937–1941* (London: Longmans, 1967) and Edmund S.K. Fung, *The Diplomacy of Imperial Retreat: Britain's South China Policy, 1924–1931* (New York: Oxford University Press, 1991).

## ***Introduction***

---

Republic.<sup>3</sup> One notable exception is that of Jürgen Osterhammel.<sup>4</sup> In his attempts to find a framework for analyzing imperialism in the Chinese context, the MCS and its foreign *de facto* leadership and yet Chinese status is cited as an anomaly to the researcher. However, it was commonly grouped under the banner of imperialism without due attention to its unusual basis. During the Republic the Service was representative of active British imperialism in China and I contend that despite British decline in Chinese affairs the Service remained an avenue for interference.

1923 is a significant starting point for this research as it was in this year that Sun Yat-sen made a move against the Canton Customs. This was the first such threat against the MCS and was the subject of a foreign naval demonstration in defence. The fifteen-year span covered in this research allows for an examination of the MCS in the decline of warlordism and in the Nanking decade. In this period there was also a change of leadership in the Service. The Northern government dismissed IG Aglen and a bitter succession struggle ensued, between the British Foreign Office-approved Edwardes, and the Kuomintang-supported Maze. Maze's success heralded a new direction for the MCS. Under Maze's controversial leadership the Service became closely connected to the Nanking Government and its aspirations. The concluding year for this research, 1937, was marked by the declaration of the Sino-Japanese war, a significant disruption to the functioning of the Service. Therefore, it is a suitable concluding point as after this time, the records for the MCS are incomplete.

Researching the MCS is in essence an exploration of Sino-Western relations and their changing face through the Republic. In this way two broad theories of Sino-Western relations can be placed on the Customs, that of the "oppression" school and "beneficial" school.<sup>5</sup> There has been a move (Rawski for example) for the

---

<sup>3</sup>See Clifford, *Retreat from China*; Fung, *The Diplomacy of Imperial Retreat*; Thomas G. Rawski, *Economic Growth in Prewar China* (Berkeley: University of California, 1989); Britten Dean, "British Informal Empire: the Case of China," *The Journal of Commonwealth and Comparative Politics* 14 (1976): 64–82.

<sup>4</sup>Jürgen Osterhammel, "Semi Colonialism and Informal Empire in Twentieth Century China," *Imperialism and After: Continuities and Discontinuities*, eds. Wolfgang J. Mommsen and Jürgen Osterhammel (London: Allen and Unwin, 1986) 291.

<sup>5</sup>See Osterhammel for an excellent discussion on these divergent approaches to imperialism in China.

## ***Introduction***

---

“marginalization” school to explain western contact with China.<sup>6</sup> Essentially did the MCS act as an agent for oppressing the Chinese economy and society? Did it fulfill a benevolent role of guiding the Chinese into a modern, fiscal system and providing a regular income for the Chinese Government? Was the Customs merely an adjunct to the Treaty Port system? Did its existence and regulatory methods fail to affect anything outside the safe haven of the ports? The anomaly of the Customs Service is apparent when an argument can be made for and against each of these questions.

This research contributes to the areas of Maritime and Republican history. It also has significance in the study arenas of Sino-Western relations during the Republic and that of Treaty Port life and culture. The development of research in China’s maritime history was the subject of a detailed historiographical review by Chi-Kong Lai in 1995.<sup>7</sup> This review confirmed the fact that there are at present few English language works on the MCS. This dissertation attempts to further augment China’s maritime history through a signposting of materials available in English language. Consequently this research draws on, among other materials, the well-documented collections at London University’s School of Oriental and African Studies and also on the less well-known Maze Collection at the National Maritime Museum, Greenwich, the Clementi Papers at Rhodes House Library, Oxford and British Foreign Office and Colonial Office papers from the Public Records Office in London.

This research is largely chronological in structure but does not simply overview the Customs from 1923–1937. Significant events, incidents embroiling the Customs are narrated as examples of dynamic nature of the Service in responding to forces of resistance initiated jointly by changing Chinese and British interests. Far from converging these interests tended to clash, with the Chinese pursuing a dogged stance of nationalism and the British attempting to protect its commercial interests within the context of the civilizing mission. In some cases these tokens of resistance were not split neatly between the Chinese and British, and each party had its own stories of internal dissension and embittered rivalry. These events include:

- The 1923 Canton Customs controversy.

---

<sup>6</sup>Rawski.

<sup>7</sup>Chi-Kong Lai, “The Historiography of Maritime China Since c.1975,” *Research in Maritime History* 9 (Dec. 1995): 53-79.

## Introduction

---

- The Hong Kong–Canton Boycott (1925–1926).
- Customs succession crisis (1927–1928).
- The MCS’ role in the proposed Hong Kong–China Trade and Customs Agreement (1929–1930).
- The Tientsin Customs Seizure (1930)
- The Manchukuo government’s forcible takeover of the northeastern Customs houses (1932).

Examining these selected incidents has twofold significance, areas of Customs history previously obscured are given greater clarity and context; these incidents individually and cumulatively allow the development of an historical narrative on the MCS as representative of foreign interests and presence in China. Customs circulars (both official and semi-official), Annual Reports, and official and private correspondence all contribute to Customs perspective of these incidents. In this way the MCS is given a voice when often it has been overshadowed by Chinese political and foreign consular responses and subsequently overlooked by academics.

The golden era of “Western imperial might” in China can be seen as a lucid and, perhaps, more glamorous prospect for research than the waning star of Western privilege in China, which was feared and then realized in the 1923–1937 period. This thesis, by focusing on the Customs in this much later period, seeks to redress some of the imbalance of academic attention. Only two other English language works deal expressly with the Customs in the Republic: a doctoral thesis by Jean Aitchison entitled, “The Chinese Maritime Customs Service in the Transition from the Ch’ing to the Nationalist Era: an Examination of the Relationship Between a Western-style Fiscal Institution and the Chinese Government in the Period before the Manchurian Incident” and a monograph by Martyn Atkins, *Informal Empire in Crisis: British Diplomacy and the Chinese Customs Succession, 1927–1929*.<sup>8</sup> The present thesis further develops these works as it has a broader scope and examines the Customs in light of Sino–Western relations. In other words the emphasis here is not solely on

---

<sup>8</sup> Jean Aitchison, “The Chinese Maritime Customs Service in the Transition from the Ch’ing to the Nationalist Era: an Examination of the Relationship Between a Western-style Fiscal Institution and the Chinese Government in the Period before the Manchurian Incident,” diss., London University, 1983; Martyn Atkins, *Informal Empire in Crisis: British Diplomacy and the Chinese Customs Succession, 1927–1929* (Ithaca: East Asia Program, Cornell University, 1995).

the Customs as an institution but the historical and political context with which it is presented.

As discussed earlier British influence in the Customs is prominent throughout the Republic. In keeping with the foreign focus in this research, my approach to this topic has largely been through English language sources. I may be criticized for following an Anglo-centric approach to the Customs but must reflect that the MCS was indeed a Western-styled, Western dominated institution and, in many instances, actively protected western interests in China. This is also in keeping with the fact that the Inspectorate of Customs was undisputedly British dominated. For these reason alone, I believe that an Anglo-centric approach is appropriate. MCS documents are generally available in both English and Chinese language and therefore a sole use of English language material still allows the topic to be addressed adequately. Material consulted includes consular, British Foreign Office and Colonial Office reports, and western press in China, the *North-China Daily News* (*NCDN*) and the *North-China Herald* (*NCH*).

## ***Explaining the Customs Service***

The organization of the Customs service has been described in various terms by both its contemporaries and by academics. This section provides a discussion of select interpretations of the Customs with particular reference to the Republican era. This exploration will contribute to determining whether there has been any significant shift in the defining features of the Service in its transition from the Imperial Maritime Customs Service (IMCS) to the Republic and again in its acceptance of the Nationalist's Nanking Government.

Within the Service there appears a continued propensity to describe the organization, and such accounts can be found in letters, memoranda and Customs publications. Among these contributors is S.F. Wright, who was not only a prominent figure in the Customs but has written what remain the most detailed English language accounts of the Customs service.<sup>9</sup> In *Hart and the Chinese Customs* (1950)

---

<sup>9</sup>See S.F. Wright, *The Collection and Disposal of the Maritime and Native Customs Since the Revolution of 1911, With an Account of the Loan Services administered by the Inspector General of Customs*, 2<sup>nd</sup> ed. (Shanghai: Statistical Department of the Inspectorate General Of Customs, 1927); and *China's Struggle For Tariff Autonomy: 1843–1938* (Shanghai: Kelly and Walsh, 1938).

## *Introduction*

---

Wright presents the reader with a plethora of descriptions of the nature of the IMCS and the MCS. While these comments range from the empirical and insightful to those that are simply grandiose and overstated, however, Wright's work always reflects the Customs in a positive light. Initially Wright presents the Customs as "...an organisation controlled by the Imperial—and not the provincial—authorities collecting revenue at all the open ports for the disposal of the Central Government, controlling foreign trade in accordance with treaties ratified by that Government, and in all other matters carrying out the orders of that Government...."<sup>10</sup> Within this description of the IMCS there is not even any tangible mention of the essential Western element in the Service. In a later description, moreover, Wright alludes to the injection of foreign supervision into the Service as causing aggravation to the Chinese, but even so this reflection still casts a positive glow on the MCS:

the essential feature of the plan was the injection of the element of foreign supervision into a Chinese Government body, an injection which undoubtedly has wrought great and lasting benefit, but which has also acted as an irritant both internally and externally.<sup>11</sup>

Case studies of events such as Sun Yat-sen's attempts on the Canton Customs in 1923, the Canton boycotts of 1926–1927 and the seizure of the Tientsin Customs house in 1930 (in Chapters 4 and 7 respectively), confirm that the "foreign element" in the Customs was not merely an irritant but served as a catalyst for such incidents. In an example of overstatement, Wright depicts the Customs as being a precursor to the League of Nations, commenting:

For over eighty years the Service stood as a signpost on the road to international understanding and co-operation. ...In a world to be purged from the evil aggressiveness of perverted nationalism the example and experience of China's Customs Service indicate inspiring possibilities for the future.<sup>12</sup>

While fellow MCS staff, gratified by such comparisons, may have warmly received Wright's reflections on the Customs, the Service was not an early League of Nations.

---

<sup>10</sup>S.F. Wright, *Hart and the Chinese Customs* (Belfast: W. Mullan, 1950) 6–7.

<sup>11</sup>Wright, *Hart and the Chinese Customs* 103.

<sup>12</sup>Wright, *Hart and the Chinese Customs* 7.

## ***Introduction***

---

The cosmopolitan nature of the Service does not imply, *ipso facto*, that it was therefore an organization striving for a brotherhood of nations.

Regardless of an evident bias, Wright's reflections are significant in that they provide a contemporary's analysis of the Service. Further to this Wright's work provides an insight to how the Service perceived itself to stand in relation to China and the Treaty Powers. Had Wright's work not followed a standard line accepted among the top echelons of the Customs there is little doubt that it would have even made it to publication stage. In a letter to Bowra, the Non Resident Secretary of the London Office, the censorious tone of IG Francis Aglen's message cannot be mistaken:

Tell Stanley Wright to be very careful when discussing finance either with the Hongkong Bank or with the Foreign Office. His book is really a very wonderful piece of work and reflects the greatest credit on him, but it was a description of my doings and whatever he says he must be careful not to speak beyond the book.<sup>13</sup>

Clearly any work endorsed and prefaced by the Inspector General was expected to fulfill certain expectations of maintaining a standard discourse on the nature of the Customs. Wright's work on the Customs remains significant for researchers, therefore, not merely for its exhaustive attention to detail but significantly for the insights it provides as to what constituted accepted representations of the Customs in the 1920s.

In his studies of Treaty Port China, John King Fairbank presents the IMCS as lying at the heart of the Treaty Port system and, therefore, of Sino-Western relations. In an attempt to encapsulate the Sino-Western relationship Fairbank coined the term synarchy denoting a symbiotic cooperation between China and foreigners. This was distinct from the dyarchy recognized to exist in British India. Succinctly synarchy was presented as synonymous with a joint administration and as a distinctly Chinese phenomenon.<sup>14</sup> In *Chinese Thoughts and Institutions* (1957)

---

<sup>13</sup>Francis Aglen, letter to Cecil Bowra, 17 May 1926, Letter Series Z, Library of the School of Oriental and African Studies, London.

<sup>14</sup>The following works trace Fairbank's own development of the synarchy thesis: John King Fairbank, *Trade and Diplomacy on the China Coast: The Opening of the Treaty Ports 1842–1854* (Cambridge: Harvard University Press, 1953); "Synarchy Under the Treaties," *Chinese Thought and Institutions*, ed. John King Fairbank (Chicago: University of Chicago Press, 1957); "The Early Treaty System in the Chinese World Order," *The Chinese World Order*:

Fairbank explores the existence of synarchical relationships throughout China's history that took place before initial Western contacts with China. Western presence in China is situated as following these precedents of synarchy. In essence Fairbank contends that the Treaty Port arrangement was not simply enforced by the West, but was a compromise of sorts by both the Ch'ing court and the West. This placed the Westerners within an accepted, traditional framework of power relations where their actions could, to some extent, be limited and monitored. In illustrating synarchical relationships Fairbank cites the Ch'ing court's absorption of potential "invaders" into a synarchical relationship. The conquering Manchus were absorbed into the existing order, although, at the highest level.

In the case of Western contact with China, however, Fairbank contends that the corresponding Confucian thought which accompanied the concept of synarchy (namely the centrality of China in the world order) was essentially denied through the Western concepts of nationalism and this caused the disintegration of synarchy and the rebuilding of Chinese political thought. Undoubtedly the overthrow of the Ch'ing and this initiation of a Chinese Republic were accompanied with a form of Western-adopted ideals of democracy and nationalism. According to Fairbank, with the coming of the Republic came the disintegration of synarchy. This argument leads to a necessary questioning of whether the customs (considered such a prominent example of synarchy) was recast in the Republic and, if so, how this was achieved and with what result.

Faribank cites the Imperial Maritime Customs administration as the most striking example of synarchy in modern China. Foreign commissioners of Customs, employed by the emperor of China, worked in a parallel relationship with Chinese staff of the native customs. Importantly, until 1911 the commissioners calculated and collected the customs revenue but did not receive or handle the funds. Thus synarchy remains one of the most widely accepted descriptions of the Maritime Customs Service. During the early Republic responsibility for handling revenue was increasingly directed into foreign hands. This shift in responsibilities weakened the possibility for the continuation of this synarchical relationship. Synarchy infers a balance of relations albeit stronger position of the West offset by weakened Chinese. The removal of Customs revenue responsibility, however, solely into the

---

*Traditional China's Foreign Relations*, ed. John King Fairbank (Cambridge: Harvard University Press, 1968).

Commissioners and then the IG's domain in 1917 disturbed the balance hitherto existing between the Commissioners and the Superintendent of Customs. Revenue was placed under the command of the foreign Inspectorate and therefore the IG. This arrangement directly countered the concept of synarchy with its underlying theme of "cooperation." In redirecting funds the foreign element of the Customs experienced more direct control over the Service than ever before. While Sir Robert Hart may have enjoyed an esteemed position in Chinese affairs that was not equaled by his predecessors, Aglen and Maze, this esteem was replaced in 1911 by substantial influence and control over funds.

The Customs Service of the Republic then poses difficulties to the historian when attempting to situate it within Fairbank's synarchy thesis. Moreover Fairbank never dealt with the application of synarchy to the Customs in the context of the Republic. While this does not imply that the model is obsolete in analyzing the Customs, it gives no indication that it can simply be plucked from the IMCS and applied to the MCS. Some researchers, however, presuppose the universality of this theory in describing the Customs throughout its existence without sufficient analysis to determine its suitability. In Atkin's *Informal Empire in Crisis* a chapter is titled "Synarchy and Revenue" but there is little exploration of the implications of the Customs as a synarchy.<sup>15</sup> Significantly Atkins describes the Customs as a synarchy and locates it within the context of British informal empire in China, which is another contentious area.<sup>16</sup> The Customs was synonymous with the unequal treaties and Western privilege in China and may have possible place within studies of cultural and financial imperialism in China. The "informal empire" theory, however, may be granting too much credence to desired perceptions than to the reality. IG Maze describes the Customs as "an outpost of British empire"<sup>17</sup> but this does not

---

<sup>15</sup> Atkins 41–51.

<sup>16</sup> Certainly the Customs Service was a mechanism for foreign influence and potentially, interference in China's affairs. The informal empire theory and its application to China nevertheless rests uneasily with many academics. Work by Britten Dean and Jurgen Osterhammel for example, both express reservations when applying such paradigms to China. See: Britten Dean, "British Informal Empire: the Case of China," and Osterhammel, "Semi-Colonialism and Informal Empire in Twentieth Century China."

<sup>17</sup> Nicholas R. Clifford, "Sir Frederick Maze and the Chinese Customs, 1937–1941," *Journal of Modern History*, 37.1 (March 1965) 20.

## ***Introduction***

---

confirm the Custom's place within such a formal framework, but rather reveals Maze's perception of the Service and of his role as Inspector General.

In her thesis on the Customs Service, Jean Aitchison focuses on the Service as a Western fiscal organization and explores its development and adaptation from the Ch'ing to the Republic. Subsequently the Customs is posited within Max Weber's critique of rational bureaucracy.<sup>18</sup> Aitchison argues convincingly that this critique can be applied to the Customs with a measure of success but stresses that Hart, at the time, had no such model on which to have planned the Service. Certainly the Customs was a highly centralized and well-disciplined service that followed a strict hierarchy for the efficient undertaking of predetermined goals and duties. In Max Weber's "Authority and Legitimacy" the structures of a rational bureaucracy are outlined with loyalty to office stressed as being above that of the personalities.<sup>19</sup> The Customs appears to fit such a model in this sense as, for example, when IG. Aglen was dismissed in 1927 after a long running stalemate with China's Nationalists, staff and the Service continued to function and simply awaited the installment of a new head. Had personal loyalties dominated the Service, the organization would have collapsed. The leadership of Hart, though, reveals something of the patron-client relationship often seen as common to Chinese business and politics. Hart was also accused of nepotism and had family members in the Customs, notably his nephew, Frederick Maze who became IG in 1928. While nepotism is generally considered undesirable in the West, such close familial connections remain a feature of Asian businesses and societies even today.

Aitchison only touches briefly on the issue of extraterritoriality when comparing the Customs Service to the native customs, the purpose of which was to reveal the efficiency of a modern bureaucracy as opposed to a traditional native institution. She attributes some of the native customs inefficiencies to a lack of extraterritoriality; essentially the MCS could function with little fear of opposition from the Chinese or traders. Extraterritoriality then was an important feature upon which the organization of the Customs hinged. Foreign staff could carry out their duties in the knowledge that they possessed certain impunity from any Chinese discontent. IG Aglen expresses an awareness of the importance of extraterritoriality

---

<sup>18</sup>Aitchison ch. 4.

<sup>19</sup>Max Weber, "Authority and Legitimacy" *Politics and Society: Studies in Comparative Political Sociology*, ed. Eric A. Nordlinger (Englewood Cliffs: Prentice Hall, 1970) 35–44.

to his continued position in the Customs saying, “[u]ltimately, of course, everything depends on my extraterritorialised status, and if Great Britain gives that up I could not hold my post and should not attempt to do so.”<sup>20</sup> The privileged existence of foreigners in China then must be accounted for when attempting to classify the Customs Service. Privilege played a major part in ensuring the Service’s functioning; foreigners could carry out their duties without fearing reprisals.

The organization of the Customs Service has presented sometime conflicting possibilities for researchers, further complicated by the changing status and situation of the service in the Republic. In this work I situate the Customs within a rational bureaucracy, however, the ideals that Fairbank attributes to synarchy may be seen as overriding factors. A Weberian bureaucracy features elements such as ideals of meritocracy, employee training, service careers, responsibility to the position and loyalty to office. This is complimented by Fairbank’s synarchy (if in thought more than practice), which presents ideals of cooperation for the common good, a theme advanced within the Customs throughout the republic era. In reality, of course, Customs employees believed they were doing good for China; they were doing what the Chinese were unable to do for themselves. Hence the Customs is described as the “best friend” of China.

## *Overview of Chapters*

This work comprises 8 chapters, chapters 1 through 7 followed by a concluding commentary. Chapters 2 and 3 are thematic in their approach, in contrast to chapters 4, 5, 6 and 7, which follow a roughly chronological order. In this manner chapters 2 and 3 can be seen as giving the context and laying the framework for the case studies that occur in all subsequent chapters.

Chapter 2 examines the Imperial Maritime Customs Service (IMCS) and its development over its first seventy years. By exploring the genesis of this institution and the forces of imperialism that influenced its formation, a greater appreciation and understanding of the nature of the Maritime Customs Service in the 1923–1937 period will be possible. In particular, this chapter focuses on the vision IG Robert Hart held for the Service and the spirit with which he envisaged all staff should

---

<sup>20</sup>Francis Aglen, letter to Cecil Bowra, 26 May 1926, Letter Series Z.

operate. Complimenting this overview of the IMCS and its development is a pictorial account of the privileged life led by foreign members of the Custom's indoor staff. In presenting this personalized account of what China Service meant for Customs employees and their families, I direct attention to the human element of the Service and give a glimpse of what it was like to work at one of the Customs stations. This pictorial account is largely based on memoirs of Customs staff and also an interview with Mrs. Yvonne King, a woman who grew up in the Customs and married a Customs man. This chapter sets the scene for understanding the origins and nature of the Service and importantly, the lives led by the foreigners who were accepted into the elite indoor staff.

Chapter 3 is an institutional review of the Service and contains three distinct sections. By focusing on the MCS as an institution I examine the structures, economic functions and support mechanisms of the Service. The first section reviews to structures of the Customs, its hierarchies, the channels for dissemination of information, and the rules and regulations with which the staff were guided in their duties. In particular the role of the Commissioner as the vital link between the IG and the Customs house is highlighted. The second section examines the finances of the Customs as a revenue generator for the Chinese government but also as a security for foreign loans to China. The Customs had a vital role in "financing the republic." The third section of this chapter deals with the London Office of the Customs, its role as administrative support, the Non Resident Secretary's active cultivation of potential "allies" sympathetic to the cause of the MCS and the role of the London Office in the recruiting of indoor staff. This chapter, then, is clearly thematic but in covering the bureaucratic, economic and support mechanisms of the MCS, the events of the 1923–1937 period can be better appreciated.

Chapters 4, 5, 6 and 7 explore incidents involving the Customs and the Nationalist movement. Chapter 4 covers 1923–1927 and focuses on two specific incidents when the functioning of the Customs is threatened. The first occurred in 1923 when Sun Yat-sen made claims against the Canton Customs house, the second in 1926–1927 when the Canton Customs were again threatened by the virulence of the Hong Kong–Canton boycotts. In exploring these two incidents, I pay particular attention to foreign responses to Customs appeals for assistance. In light of the demands placed against the Customs by Sun's Canton regime, and then the later blockades in Canton, there was the emergence of the Customs as representing a foreign imposition on the Chinese.

## *Introduction*

---

The Northern Expedition and subsequent Customs succession fracas have been termed a crisis for Britain's informal empire. Although the informal empire treatise may be a shaky proposition when applied to Republican China, British influence in the MCS was certainly facing a considerable threat. As the Nationalist platform had focused on unification and anti-imperialism, the Customs were seen as representative of the oppression of the Treaty Powers. Therefore in Chapter 5 I explore the perception of the decline of the MCS as represented through the controversial installment of Frederick Maze as Inspector General. This succession crisis was more than a mere personality struggle; it encapsulated the battle between two different visions for the Customs during the Nanking decade and beyond. Maze's installment as IG was, for the British Foreign Office, evidence of their loss of the Service to the KMT. Ironically, though, Maze saw his role as IG was not only to serve the Chinese but also to protect British interests in China.

Chapter 6 focuses on the extensive but ultimately unsuccessful negotiations surrounding the Hong Kong–China Proposed Trade and Customs Agreement of 1930. IG Maze played a significant role in advancing Chinese demands to the colonial authorities of Hong Kong. In the course of this chapter I examine the motivations for reviving these negotiations that have often been unsuccessfully presented and, in doing so, highlight the significance of this new direction for the Customs Service. A dominating theme throughout negotiations between the Nationalists and Hong Kong authorities is a British fear that the Chinese were harnessing the Customs as a vehicle through which they could realize their nationalistic ambitions. These negotiations marked a significant shift in the Service's direction. By showing himself to be sympathetic to KMT aspirations Maze sought to ensure the survival of the foreign Inspectorate in the nationalist climate of the Nanking Decade.

The early 1930s marked what would lead to the virtual disintegration of not only the physicality of the service, but also the integrity of this institution. In chapter 7 three distinct incidents are explored. The first, the Tientsin Customs Seizure, outlines the takeover of this Customs house by the warlords Feng Yu-hsiang and Yen Hsi-shan. The second examines a similar threat against the Customs by a breakaway faction of the KMT that established another nationalist government in Canton; this time, however, complete takeover was avoided. Instead a compromise was affected and while revenues were surrendered to the Southern regime, the Customs structures remained intact. The third section examines the impact

## *Introduction*

---

Japanese aggression in the northeast had on the Customs houses there. The creation of Manchukuo signaled the inevitability of the takeover of Customs houses in this region. This review addresses the extent to which the crisis occurring in the Customs can be interpreted as a reflection of wider geopolitical implications.

## **CHAPTER 2**

---

# **The First Seventy Years of the Maritime Customs Service**

The Imperial era of the Maritime Customs was a golden age for the service. Guided by the astute visionary, Robert Hart, the Customs filled a vital role, operating in the breach between the Ch'ing court and foreigners in China. The coming of the Republic, however, appeared to signal the end of the Customs but in fact brought significant changes to the Service that meant it had more control over revenues than previously. The Imperial Maritime Customs Service (IMCS) was created alongside the treaty port system of foreign encroachment into China and became a valued revenue source for the Chinese and a security for foreign interests in China. This chapter examines the origins and guiding principles of the IMCS and its transition into the Republic. The chapter concludes with an overview of the 'human face' of the Service; a largely pictorial review of life in China for foreigners in the Customs indoor staff. Memoirs and an interview serve to create a picture of the privileged existence enjoyed by foreigners in the MCS but most particularly, the elite existence of the indoor staff.

The IMCS was a central feature of the treaty port era. Initial Treaties signed after China's defeat by the British in the first Opium War, namely the Treaty of Nanking, 1842, opened five ports (Shanghai, Canton, Foochow, Ningpo and Amoy) to foreign trade and residence. Shortly after plans were set in motion for the creation of a western style Customs service. This Service, created in the shadow of the decline of the Ch'ing court and the turmoil of the Taiping rebellion, not only expanded rapidly but also continued to function throughout most of the republic until 1949. This chapter outlines the origins of the Customs Service in China and more importantly, examines the vision with which it was created.

## ***The Origins of the IMCS***

...the service was called into being for the express purpose of enforcing the impartial administration of China's treaty tariff at a moment when civil strife, lawlessness on land and sea, mercantile defiance of authority, and corrupt practices of both traders and officials had made that tariff, and the customs procedure enjoined by the treaties, "more honoured in the breach than the observance."<sup>1</sup>

This excerpt was the way in which Customs employee Stanley Wright described the origins of the IMCS. The IMCS was created as a result of the Opium Wars and the Taiping Rebellion and it was intended to replace the pre-existing Chinese Customs system. This system was unregulated and the bane of foreign merchants in China. Arguably the irregularity of Customs in China, which left foreign traders at the mercy of often unscrupulous and arbitrary dealings by the Chinese was one of the catalysts for the Opium Wars.

The intrusion of the Western powers along the coast of China provided a further external irritant (adding to the internal problems of rigid social strata and ethnic discrimination) for the massive upheaval of the Taiping rebellion. Pirates and bandits were pushed inland and to the river systems largely as a result of the new foreign presence, and this further exacerbated social distress. This rebellion in turn gave opportunity for further Western (but particularly British) interference in Chinese affairs. The Taipings, led by Hung Hsiu-ch'uan, a member of the Hakka ethnic minority who became embittered by his experiences of unsuccessful civil service exams adopted the doctrine of Christianity as a spiritual and revolutionary force. In this way, the presence of foreign missionaries in China had also had some effect. Hung had re-interpreted Christian texts and was convinced of his destiny as the younger brother of Jesus to campaign for the salvation of China.<sup>2</sup> The Taiping campaign against the Ch'ing court threatened the dynasty's control for almost 15 years (1850-1864) and in their bid to establish their own kingdom (the so called Kingdom of Heavenly Peace), the Taipings ravaged huge areas of the nation and

---

<sup>1</sup>S.F. Wright, *China's Struggle For Tariff Autonomy: 1843-1938* (Shanghai: Kelly and Walsh, 1938) ix.

<sup>2</sup>Jonathan D. Spence, *God's Chinese Son: The Taiping Heavenly Kingdom of Hong Xiuquan* (London: Harper Collins, 1996) 46-50. This section deals with the dreams and delirium that Hong experienced and that he later interpreted as evidence of his divine destiny.

crippled trade.<sup>3</sup> A Taiping capital was established in Nanking on 8 March 1853. The Taipings did not just oppose the Ch'ing court but also many of the precepts of Confucianism. Customs chronicler, Wright, reflected on the final bloody overthrow of the Taiping Heavenly kingdom, which saw the

final extinction of those semi-Christian ideas, their early profession of which had at first misled so many missionaries and well wishers. Whatever the Taiping rebellion may have been, or aspired to be, as a regenerating force in religion and politics, there can be little doubt that economically it was a devastating blight.<sup>4</sup>

The overthrow of the Taipings did not, however, mark the end of difficulties for the beleaguered Ch'ing court.

Other rebellious groups sprang up from the wake of the Taipings. One such secret organization called the "Three Dot" Society attacked and captured Shanghai in 1854.<sup>5</sup> The disruption to trade led the foreign powers to look at alternatives to Chinese administration of trade in the treaty ports. They sought some way of enforcing control over the existing Chinese customs system that was intrinsically corrupt and had been severely disrupted by the Taipings. The foreign powers wanted a say, preferably the biggest, in the taxes and duties imposed upon them.

A conference held at Shanghai on 29<sup>th</sup> June 1854, attended by the Taotai of Shanghai and the British, American and French consuls, drew up the plans for a Western-style customs system.<sup>6</sup> They envisaged a system in which there would be three Inspectors of Customs, one nominated by each of the British, American and French consuls respectively. From the outset it appeared the consuls had little real influence in the creation of the customs, as it was the Taotai who appointed the Inspectors. This is deceptive as on further examination of the document it becomes clear that the consuls selected the appointees:

---

<sup>3</sup>See J.S Gregory, *Great Britain and the Taipings* (Canberra: Australian National University Press, 1969) for an interesting review of British (and other Western) reaction to the Taiping Rebellion.

<sup>4</sup>S.F. Wright, *Hart And The Chinese Customs* (Belfast: W. Mullan, 1950) 89.

<sup>5</sup>Sir Frederick Maze, *The Chinese Maritime Customs Service: a brief synopsis of its genesis and development, circa mid 1940*, Document no. N3125 National Maritime Museum, London 2.

<sup>6</sup>*United States Policy Towards China: Diplomatic and Public Documents, 1839-1939*. Selected and arranged by Paul Hibbert Clyde, (New York: Russell and Russell, 1964) 30-34.

In the appointment of the head inspectors, and the organisation of the whole auxiliary department, it has been agreed as the best mode of guarding against any future difficulties and sources of complaint, and at the same time ensuring, by the better knowledge of persons, a proper selection, that the consular representative of each treaty power shall select and nominate, for appointment by the taoutae, one inspector...<sup>7</sup>

In this way, the consuls controlled the most significant process in establishing the new Customs administration; the Taotai's role was a token one. This new institution was regarded with a certain amount of consternation amongst foreign traders; they believed it was unfair that only Shanghai had such strict customs procedures. It was envisaged, however, that if this system in Shanghai were successful, it could then be extended to the other ports in due course.

In early 1859 the Imperial Commissioner for Foreign Affairs at Shanghai appointed Horatio Nelson Lay, former British Vice Consul and interpreter, as Inspector General of Customs (IG). Lay travelled to each of the Treaty Ports with the objective of establishing a standardized Customs system throughout China, based on the Customs system in Shanghai operating in each of these ports. In September that year, British Minister to China F.W.A. Bruce wrote to the British consuls in the Treaty Ports and encouraged them to give Lay any assistance he should need. Bruce reasoned:

Her Majesty's Government consider this system as the best means of introducing order and regularity on the Commercial intercourse of Foreigners with China, and of protecting the revenue of China, and the interests of honourable merchants from the abuses of contraband and trade.<sup>8</sup>

The customs system was extended to Canton in October of the same year.<sup>9</sup> It was at this time that Robert Hart resigned his consular post and embarked on what was to become a distinguished career in the Customs service. Hart took up the position of Assistant Commissioner at Canton.<sup>10</sup> Since the suitability of this Customs service

---

<sup>7</sup>Clyde, *United States Policy Toward China*, Minutes of a conference Held At Shanghai, June 29, 1854. Section 3, 31.

<sup>8</sup>F.W.A. Bruce, letter to British Minister to China for attention of all British consuls, 28 Sept. 1839, *Documents Illustrative of the Origin, Development, and Activities of the Chinese Customs Service*, vol. 6 (Shanghai: The Statistical Department of the Inspectorate General of Customs, 1940) 70. Hereafter these volumes will be referred to with an abbreviated title of *Documents* followed by Volume details.

<sup>9</sup>Hoppo Hung, translation of letter to C.A. Winchester, 13 Oct. 1859, *Documents*, vol. 6 71.

<sup>10</sup>Robert Hart, letter, 27 May 1859, *Documents*, vol. 6 69–70.

having been proven in Shanghai, the push for the expansion of this system rapidly followed the Treaty of Tientsin (1858) and the opening of more ports to foreign traders, these were followed by further extension of customs control. As shown in table 2.1 Customs houses were established after the ports had been opened to foreign trade for a few years. There was a flurry of Customs houses opening in the years following Lay's appointment as IG with 11 outposts established between 1854 and 1863. From 1864 until 1876, however, (when Hart was the newly appointed IG following Lay's fall from grace) there were few Customs houses opened. This 12 year period was marked as one of consolidation for the new institution rather than further expansion. Again, after another surge of Customs establishments in 1877 (4 customs houses established) there was a 12-year hiatus. Expansion of Customs outposts was consistent from 1889 through to 1907. Clearly, Customs outposts were established in direct response to the ever-expanding contact of foreign traders along the China coast and along the river systems.

Lay's leadership of the IMCS was short-lived, his dismissal largely a result of Chinese resentment against his attempts to increase his influence in Chinese affairs. When on leave in London, Lay sought to fulfill a government request to raise a flotilla to fight against the Taipings. Ideally this flotilla would then be used by the IMCS to combat piracy and smuggling. In doing so he overreached his authority. In an agreement, signed in London in January 1863, Captain Sherard Osborn was appointed commander of the European-Chinese fleet for four years. As commander he was directly answerable to Lay, who nominated himself as acting on behalf of the Chinese Emperor.<sup>11</sup> This agreement, moreover, emphasized that Lay held ultimate control for all orders given and that it was understood that Osborn would not accept instructions from any other channel. This included directives from the Chinese Emperor unless Lay conveyed them to his commander. Article five of the agreement was particularly offensive to the Chinese. It stated that Lay, "upon his part, engages to refuse to be the medium of any orders of the reasonableness of which he is not satisfied."<sup>12</sup> Lay's manoeuvering for greater influence in Chinese affairs was unmistakable in the text of the agreement and naturally raised Chinese suspicions and resentment.

---

<sup>11</sup>H.N. Lay and S. Osborn, agreement, 16 Jan. 1863, *Documents*, vol. 6 133–134.

<sup>12</sup>Lay and Osborn 133–134.

**Table 2.1 The Opening of Treaty Ports and Customs Houses.**

Year Opened as A Treaty Port	Place	Customs Established
1842	Shanghai	1854 <sup>i</sup>
	Ningpo	1861
	Foochow	1861
	Amoy	1862
	Canton	1859
1858	Newchuang <sup>ii</sup>	1864
	Chefoo	1863
	Chinkiang	1861
	Swatow	1860
	Kiungchow <sup>iii</sup>	1876
	Nanking <sup>iv</sup>	1899
1860	Tientsin	1861
1861	Hankow	1862
	Kiukiang	1861
1876	Ichang	1877
	Wuhu	1877
	Wenchow	1877
	Pakhoi <sup>iv</sup>	1877
1887	Lungchow <sup>v</sup>	1889
	Mengtsz <sup>v</sup>	1889
1890	Chungking <sup>vii</sup>	1890
1896	Shasi	1896
	Soochow	1896
	Hangchow	1896
	Szemao <sup>viii</sup>	1896
1897	Samshui	1897
	Wuchow <sup>ix</sup>	1897
	Tengyueh <sup>x</sup>	1900
1902	Kongmoen <sup>xii</sup>	1904
1903	Changsha <sup>xii</sup>	1904
	Moukden <sup>xiii</sup>	1907
	Antung <sup>xiv</sup>	1907
	Tatungkow <sup>xv</sup>	1907
1907 Opened in 1907 by treaty but styled "self- opened" in Japanese Treaty	Manchouli	1907
	Hailar	
	Tsitsihar	
	Aigun	
	Harbin	
	Kwanchengtze (Changchung)	
	Kirin	
	Ningkuta	
	Hunchun	
	Sansing	
	Sinminfu	
	Tiehling	
	Tungkiangtze	
	Fakumen	
	Fengwangcheng	
	Liaoyang	

### "Self-Opened" Places

Year Opened as a Treaty Port	Place	Customs Established
1898	Chinwangtao Yochow Santuao Woosung <sup>xvi</sup>	1902 1898 1899
1905	Tsinan Chowtsun Weihsien	
1907	Nanning	1907

**Source:** Adapted from "List of Treaty Ports, Etc., in Chronological Order" in Robert E. Bredon, circular no. 1501 (second series), *Documents*, vol. 2 646–648.

<sup>i</sup>The first IG was appointed in 1859.

<sup>ii</sup>While officially opened in 1858, Newchuang wasn't opened to trade until 1864.

<sup>iii</sup>Nanking was not opened until 1899.

<sup>iv</sup>Lukikow, Wusueh, Hukow, Anking (Ngankin), and Tatung (shasi afterwards a treaty port) were opened in 1876 as Yangtze stages or ports of call. Woosung, a "self opened mart" in 1881 was also a Yangtze port of call.

<sup>v</sup>Lungchow was not opened until 1889.

<sup>vi</sup>Mengtsz was not opened until 1889.

<sup>vii</sup>Chunking was not opened until 1891.

<sup>viii</sup>Szemao was opened in 1897.

<sup>ix</sup>Kumchuk, Shiuinh and Takhing were opened as West River Stages or ports of call. Kongmoon was also included but later became a treaty port.

<sup>x</sup>Tengyueh was not opened until 1900.

<sup>xi</sup>Kongmoon was not opened until 1904. Paktohow, Lotinghow and Dosing were opened in 1904 as West River stages. Yungki, Maning, Kowkong, Kulo, Wingon, Howlik, Lukpo, Yutshing. Lukto and Fungchun were opened in 1904 as West River passenger stations.

<sup>xii</sup>Changsha was opened in 1904.

<sup>xiii</sup>Moukden was opened in 1907 but was styled "self-opened" in American and Japanese treaties.

<sup>xiv</sup>Antung was opened in 1907 but was styled "self-opened" in American treaty.

<sup>xv</sup>Tatungkow was opened in 1907 but styled "self-opened" in American and Japanese treaties.

<sup>xvi</sup>Woosung's status was modified from a port of call.

Lay's intention to wield power through this flotilla disquieted the Chinese leadership. In response to the contentious articles, negotiations were held between both Lay and Hart and the Chinese authorities. Prince Kung communicated with Bruce:

As China would thus have spent several millions of revenue without obtaining an atom of power, his [Lay's] arguments (in support of the agreement) were rebutted, and in the place of it five other articles were drawn up.<sup>13</sup>

Apparently Lay was not satisfied with the redrafted articles and in a move displaying either great arrogance or great foolishness, returned to his original agreement with Osborn. The Chinese greeted this impudence with amazement. Prince Kung questioned, “[h]ow is it that he [Lay] presumes to disobey an Imperial Decree, looking upon it as mere child's play?”<sup>14</sup> After a series of discussions in which Lay would not yield, he was dismissed from the service on 15th November 1863.<sup>15</sup> Hart was immediately appointed IG. Lay was given a four-month period to settle the affairs of the Customs but was already removed from his post.<sup>16</sup> It is noteworthy that the foreign powers did not get involved in this decision to remove Lay but respected the Ch'ing court's right to dismiss him.<sup>17</sup> Prince Kung welcomed Hart's appointment, warmly commenting that his prudence, tact and experience were well known to both Chinese and foreigners interested in the Customs. Nevertheless he issued a warning to him saying, “it would behove you to be still more careful and diligent, so as to justify your present appointment.”<sup>18</sup> Clearly Hart would need to call all his skills for diplomacy into play as he proceeded to begin the creation of the IMCS that was to endure for the next 80 years.

---

<sup>13</sup>Prince Kung, “Translation of a dispatch from Prince Kung to Sir F.W. Bruce on Sherard Osborn fleet,” 25 October 1863, *Documents*, vol. 6, 136

<sup>14</sup> Prince Kung, *Documents*, vol. 6, 137.

<sup>15</sup>For a detailed account of the early years of the Customs see Wright, *Hart and the Chinese Customs* 250.

<sup>16</sup> Prince Kung, dispatch to Robert Hart, 15 Nov. 1863, *Documents*, vol. 6, 143–145.

<sup>17</sup>By the Republic the British Foreign Office had a much closer relationship to the MCS and was directly involved in a succession struggle to appoint their approved candidate as IG. See Chapter 5.

<sup>18</sup>Prince Kung, *Documents*, vol. 6 145.

## ***Robert Hart's Vision for the IMCS***

True friend of the Chinese people  
Modest, patient, sagacious and resolute  
He overcame formidable obstacles and  
Accomplished a work of great  
Beneficence  
For China and the world.<sup>19</sup>

So read the inscription on the plinth of the statue of Hart erected by a grateful  
foreign community on the Bund in Shanghai in 1914.

Hart, considered the founder of the IMCS, was a giant figure, straddling both worlds of China and abroad. His private papers have been painstakingly compiled, making it possible to assess not only his vision for the Customs Service but the role that he fulfilled as Inspector General.<sup>20</sup> Hart was personally responsible to the Tsungli Yamen and the Chinese Court for the efficient running of the service and hence often roved from port to port to ensure procedure was strictly adhered to.<sup>21</sup> Under Hart's watchful guidance a regulated Customs service was fully established in China. The thoroughness of his task was reflected in the fact that the MCS was still in existence in the 1940's despite the huge convulsions that the Chinese nation had undergone since the founding of the republic.

Hart's work as IG earned him the trust and admiration of Chinese Government, but in his career he amassed more personal power than the Chinese had ever envisaged when the IMCS was created.<sup>22</sup> This can be seen most clearly in Hart's quasi-diplomatic role as intermediary between the foreign powers and the Chinese court. The Chinese often entrusted Hart with confidential tasks. Hart, in turn, would rely on trusted colleague, James Duncan Campbell and his London connections to assist with these duties. An example of this was in October 1874 when

---

<sup>19</sup>Plates of the Statue of Sir Robert Hart, Shanghai. Taken from inscription on the West face of statue of Hart, erected in 1914 on The Bund, Shanghai in. Chinese Maritime Customs Service, *Decennial Reports, 1912–1921* (Shanghai: Inspectorate General of Customs, 1924)

<sup>20</sup>Robert Hart, *The I.G. in Peking: Letters of Robert Hart, Chinese Maritime Customs 1868–1907*, eds. John King Fairbank, Katherine Frost Bruner and Elizabeth MacLeod Matheson (Cambridge: Belknap Press, 1975).

<sup>21</sup>Wright, *Hart and the Chinese Customs* 286. This was Rule 10 of the Tientsin treaty rules of Trade.

<sup>22</sup>Albert Feuerwerker, "The foreign presence in China," *Republican China 1912–49*, vol. 12, part 1 of *The Cambridge History of China*, ed. John King Fairbank (New York: Cambridge University Press, 19XX).

Hart was instructed to acquire a gunboat for the Chinese.<sup>23</sup> Hart wrote to Campbell regarding his task and directed him to "ascertain most quietly and confidentially" the cost to supply a steamer with one gun. Hart stressed in this letter, "I don't want anyone to know that China contemplates anything of the kind."<sup>24</sup> By enlisting Hart's assistance with such delicate matters, the Chinese court showed that they trusted Hart's judgment and more importantly, had no doubts as to his loyalty. Much of Hart's skill lay in his appreciation of the need for confidentiality and his thoroughness in attending to such requests.

In an 1864 circular to all Commissioners, Hart outlined what he saw as the guiding principles by which the IMCS should be operating.<sup>25</sup> This document is critical for understanding the aims and ambitions of the IMCS in its relationship with not only the Chinese but also the foreign powers. In the circular's 24 points Hart detailed the various aspects of running the IMCS and what it should strive for in its status in Chinese affairs. This was written in response to failings and unsettling occurrences that Hart had noted during the first three years of the Service. Hart stressed the importance of Sino-Western relations for ensuring the smooth running of Customs establishments. He advised employees to remember that:

The Inspectorate of Customs is a Chinese and not a Foreign Service, and that, as such, it is the duty of each of its members to conduct himself towards Chinese, people as well as officials, in such a way to avoid all cause of offense and ill-feeling.<sup>26</sup>

Such comments were designed to encourage an acceptance of the foreign Inspectorate by the Chinese; this was vital to the longevity of the service. Furthermore, if such advice had been followed, it would have ensured that the IMCS was on a more intimate footing with the Chinese than merchants and the foreign consuls.

Hart turned a considerable amount of attention to the Commissioners at the ports, seeing them as the vital element in ensuring the ports were running smoothly. In 1864 there were only 12 Commissioners but by 1912 this number had jumped to

---

<sup>23</sup>Hart, 2 Oct. 1874, letter 115 of *The I.G. in Peking*, vol. 1 182.

<sup>24</sup>Hart, 2 Oct. 1874, letter 115 of *The I.G. in Peking*, vol. 1 182.

<sup>25</sup>Robert Hart, "The Customs Service, the spirit that ought to animate it, the policy that ought to guide it, the duties it ought to perform; general considerations and special Rules [sic.]," 21 June 1864, *Documents*, vol. 1 36–47.

<sup>26</sup>Hart, "The Customs Service, the spirit that ought to animate it" 36–47.

40.<sup>27</sup> They were reminded that they were not only responsible to the IG but also to the Chinese Superintendent of their Port. They filled an advisory role with the Superintendent and were discouraged from trying to push themselves forward at the expense of the Chinese. Hart wrote, “[t]he more the Commissioners keep in the back-ground, the better will it be for the duties they have to perform, and the less will be the chances of their becoming objects of ill-feeling.”<sup>28</sup> Hart reasoned that it was not unusual for a Commissioner to have more knowledge of foreign trading practices than a Superintendent but imparting this knowledge needed discretion. Commissioners were also encouraged to keep good relations with consular staff and with the mercantile community. Hart exhorted his staff to “aim at the perfect” in fulfilling their duties.<sup>29</sup> Clearly this document contains many of the key elements he wanted to see in the IMCS: loyalty to duty; a rapport with Chinese and foreigners alike; and willingness to improve their work. The continued existence of the service was reliant to a certain extent on its maintaining good relationships with the Chinese and being beyond reproof.

Despite Hart’s principles for the foreigners and Chinese to work together for the common good of the IMCS, the Chinese staff of the Service were not treated in a particularly egalitarian manner.<sup>30</sup> Chinese employees in the Customs were numerically greater than their Western counterparts, for example by 1912 there was a roughly a ratio of 7 Chinese staff to one foreigner. Chinese employees did not fill any responsible positions within the elite indoor staff until after 1928 and then, the Nanking government took this initiative. The 1895 and 1907 Service Lists of the Customs reveal that there was an increase in the overall number of staff, both foreign and Chinese. In 1895 there were 735 foreigners and 3471 Chinese in the Service; by 1907 this had expanded to 1387 foreigners and 12,389 Chinese.<sup>31</sup> There is

---

<sup>27</sup>H.G. Montague Bell and H.G.W. Woodhead, eds. *The China Yearbook 1912*, (Nendeln Liechtenstein: Kraus Reprint, 1972) 81. Hereafter, *The China Yearbook* will be abbreviated to CYB.

<sup>28</sup>Hart, “The Customs Service, the spirit that ought to animate it” 39.

<sup>29</sup>Hart, “The Customs Service, the spirit that ought to animate it” 42.

<sup>30</sup>This immediately brings to mind Fairbank’s synarchy thesis and the spirit of cooperation on which it is theoretically based. The Customs Service may indeed have had a synarchical relationship with the foreign and Chinese powers but within the Service this was not the case.

<sup>31</sup>Chinese Maritime Customs, *Service List 1895* (Shanghai: Statistical Department of the Inspectorate General of Customs, 1896) and Chinese Maritime Customs, *Service List 1907* (Shanghai: Statistical Department of the Inspectorate General of Customs, 1908).

little discernable difference however, in the level of positions held by Chinese. In both Service Lists Chinese staff are treated as a separate entity to foreign staff. The indoor staff ranking of posts is as follows:

Inspector General  
Commissioners  
Deputy Commissioners  
First Assistants  
Second Assistants  
Third Assistants  
Fourth Assistants  
Clerks  
Miscellaneous<sup>32</sup>

In the 1895 Service List the highest level in which Chinese employees are listed in is that of Clerks, of which there were on 6 Chinese principal clerks, 184 lower level clerks and 300 writers and miscellaneous staff.<sup>33</sup> In 1907's Service List this pattern remained largely unchanged. There were however, 10 Chinese holding Assistant positions and 515 clerks.<sup>34</sup> Despite this small concession towards the career aspirations of a small number of Chinese staff, this brief comparison of 1895 and 1907 illustrates the dominance of foreign employees in the Customs. According to Wright, the role of these Chinese clerks initially was to act as go-betweens and translators for the foreign staff who were unable to speak Chinese. More important perhaps, Chinese clerks helped the Service cut its running expenses "by entrusting the less important kind of routine office work to natives on moderate salaries"<sup>35</sup> (Such a hierarchy was not unusual in any British colony at this time). Apart from their superior ranking in the IMCS, foreign staff had a privileged position in the Service because, although they worked for the Chinese government, they still enjoyed the right of extraterritoriality. This meant they were not answerable to Chinese law but would be tried by their own national court. The KMT abolished this privilege after 1928.

Hart discouraged his staff from the temptation of 'going native' or adopting the culture and habits of the native Chinese populace. He reminded them that they were

---

<sup>32</sup> Chinese Maritime Customs Service, *Service List 1895*

<sup>33</sup> Chinese Maritime Customs Service, *Service List 1895*.

<sup>34</sup> Chinese Maritime Customs Service, *Service List 1907*.

<sup>35</sup> Wright, *Hart and the Chinese Customs* 270–271.

representatives “of a civilization of a progressive kind” and accordingly should not hesitate to raise Chinese interests in this civilization.<sup>36</sup> He did stress though, that any such action must be placed after the commitment to work for the Chinese government and that ideally they should lead through example. Such comments are not without a certain amount of irony. During his early years in China Hart had a Chinese common law wife and three children from this relationship. In Hart’s early China career then he obviously succumbed to the temptation of ‘going native’. His relationship appears to have been kept quiet and Hart sent his wards to England for their education.<sup>37</sup> Indeed Hart at one point expressed concern that he might be blackmailed by those who knew about this early liaison but hastened to declare that he wouldn’t buy silence from any man.<sup>38</sup> Hart’s own indiscretions during his career may have added impetus to his warnings for Customs employees.

The role of foreign Customs staff as promoters of western values and culture in China was evident through Hart’s passions for music. The IMCS brass band, which Hart trained and nurtured during his spare time, is an example of these two principles in action. As in figure 2.1 the Band is shown to be attired in an interesting fusion of costumes, with only the musical director and a proud-looking Hart in western dress. Through this band, which consisted solely of Chinese employees, Hart was advancing the ideals of western culture. Whether he was conscious of this civilizing aspect of his hobby is uncertain. This can be interpreted as a sign of the connection between the IMCS and the grander, imperialist, civilizing mission of foreigners in Asia. Certainly, the whole brass band movement had emerged in Britain in the 1800s and was closely associated with the protestant working class ethos.<sup>39</sup> Hart’s band therefore reflected a current trend of popular entertainment in the West.

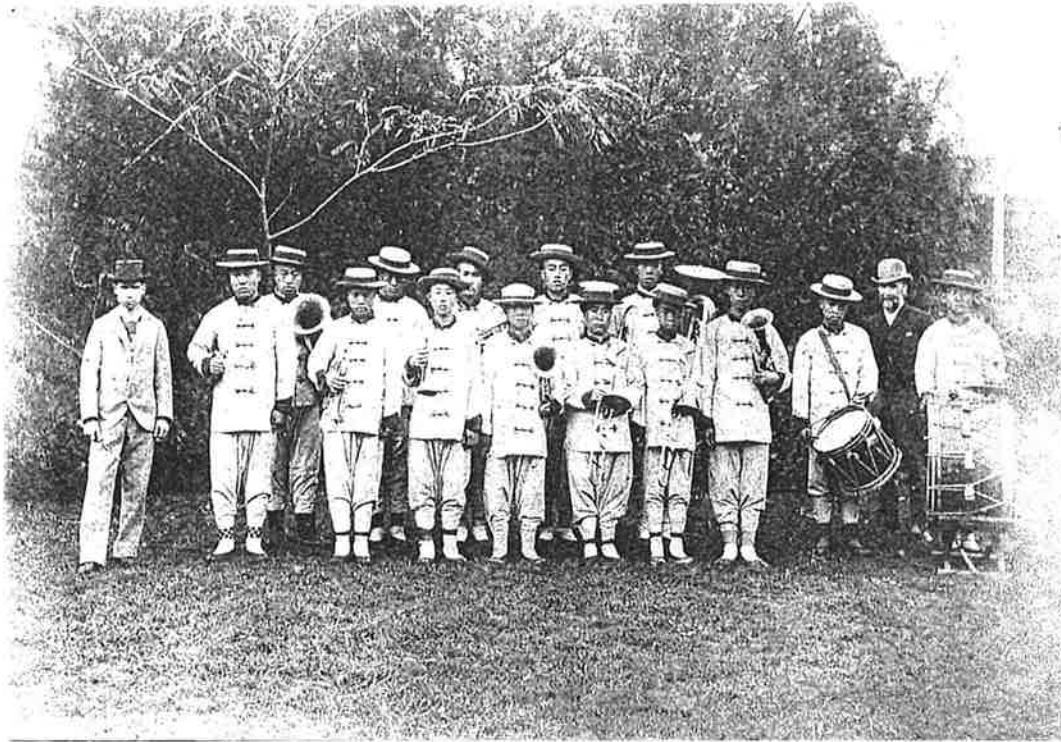
---

<sup>36</sup> Wright, *Hart and the Chinese Customs* 37.

<sup>37</sup> Hart details his plans for his children’s education, he envisaged his daughter, Anna being schooled on the continent and his sons, Herbert and Arthur he wanted sent to Clifton Hall where they could be trained for the Indian Civil Service. Hart asked Campbell for his assistance in these matters. Hart, 5 June 1875, letter 124 of *The I.G. in Peking*, vol. 1 192–193. Hart mentions his wards again in 23 Nov. 1875, letter 138 of *The I.G. in Peking*, vol. 1 205–206 and 21 June 1881, letter 333 of *The I.G. in Peking*, vol. 1 376–377.

<sup>38</sup> Hart, 21 June 1881, letter 333 of *The I.G. in Peking*, vol. 1 376–377.

<sup>39</sup> See D. Bythell, “Class, Community and Culture: The Case of the Brass Band in Newcastle,” *Labour History: A Journal of Labour and Social History* 76 (November 1994) for a good introductory work on the successful transplanting of brass bands from England and into the Australian context.



**Figure 2.1 The Imperial Maritime Customs Brass Band.** (Robert Hart is second from right.)  
Reproduced courtesy of the National Maritime Museum, Greenwich, UK.

Consular jealousies had been evident since the inception of the IMCS and did not abate with Hart's appointment as IG. The British were perceived to dominate the customs with their recruits. American representative Anson Burlingame complained in strong terms to Sir Frederick Bruce, British Minister to China, about this in 1900. Furthermore Burlingame reported to the US Secretary for State that he distrusted British intentions in the matter of dominating the Customs and also their "seeming control of the Treaty Ports."<sup>40</sup> He had to admit, though, that he was aware Lay had been attempting to make the service more cosmopolitan through his selection of recruits. He also conceded that when Hart, who had been filling the IG position for Lay, requested recommendations of American for the Service, that he was unable to find anyone suitable. Clearly resentment against British predominance of the IMCS was rife, if unwarranted. Possibly umbrage against the British in the IMCS was a carry-over of general resentment against their prominence in the Treaty Ports in general. The profile of senior staff in 1864 exemplified the grounds for suspicions of the British. The nationalities of the Commissioners were as follows: 5 British, 3 American, 3 French and 1 German; this further fueling complaints of British

---

<sup>40</sup> Ansom Burlingame, dispatch to US Secretary of State, 20 June 1863, *Documents*, vol. 7 60–61.

predominance.<sup>41</sup> In the early days of the IMCS however, there appears an element of inevitability with regards British prominence. Not only were the British leaders in Sino-Western relations, but also they possessed a larger number of men who had the essential Chinese language skills. Apart from their complaints, the other powers had little mechanism for usurping British position in the IMCS or its China relations. In spite of all this, the Service had quite a cosmopolitan staff and encouraged the learning of the Chinese language for all its young foreign recruits. Although they were fewer in the Service, from Hart's era onwards, foreign employees exercised major control.

Hart relied on James Campbell to assist in vetting potential recruits. They were usually recommended to the Service by acquaintances of Hart or the old China Hands. Candidates then sat an examination and, if successful, were appointed to posts in China for training.<sup>42</sup> While there was a considerable amount of banter about Service integrity, the IMCS attracted its share of adventurers and opportunists. An example of this is included in the memoir of a Customs employee from Britain, C.A.S. William. He came upon a poem entitled, "A Legion in Far Cathay," when he was cleaning out his desk, which provides an intriguing and entertaining view of the IMCS (See **Appendix 1**). This poem paints a vivid picture of the cosmopolitan nature of the Customs Service and of the diversity of reasons and backgrounds of the men who were attracted to its ranks. It also mentions some of the varied duties experienced by Customs staff, and through the descriptions of chasing pirates, encountering smugglers and having had a life at sea, it is most likely that the subjects of this poem were the outdoor staff, or the most junior of the indoor staff. Poems such as this illustrate a little of the adventurous spirits that were attracted to life in the Service. A.H. Rasmussen, who joined the outdoor staff in 1905, described the IMCS as the "Foreign Legion of the Far East."<sup>43</sup> He commented:

There were men from every imaginable stratum of society: remittance men, drunks and sober men, gentlemen and rascals, ignorant and highly educated men. Love of adventure had attracted some of them to the Service; others were

<sup>41</sup>Chinese Maritime Customs Service, *Decennial Reports 1922–31* (Shanghai: Statistical Department of the Inspectorate General of Customs, 1933) 84.

<sup>42</sup>Hart, *The I.G. in Peking*. An examination of Harts letters reveals much about the recruiting system employed, and also, discusses the success or failure of potential recruits. See chapter 3, section on the London Office for a detailed discussion on the recruiting process.

<sup>43</sup>A.H. Rassmussen, *China Trader* (London: Constable and Company, 1954) 16.

probably fugitives from justice, hiding under assumed names, and some like me, had joined from necessity.<sup>44</sup>

Rasmussen's romanticized reflections give the impression that many men in the Service had pasts they may have wanted to avoid. The comments contained in this reminiscence and the above poem, lends weight to the image of the Customs being riddled with unscrupulous staff. Such reflection of the motley nature of the Customs employees may further explain Hart's issuing of circulars outlining the ideal spirit of the Service.

In a bid to prevent the Customs employees from developing close ties with, and therefore vested interests in any one port, Hart regularly rotated staff around to minimize these temptations.<sup>45</sup> He was also known to utilize the threat of transfer as a method of disciplining his employees.<sup>46</sup> This system however, was not always foolproof and staff indiscretion often caused Hart concern as any such breaches gave impetus to growing Chinese demands for the removal of foreigners from the Service. Hart often confided his problems with staff to Campbell. In a letter of 1869 he described one of his Commissioners as a "quarrelsome, pigheaded fellow" who was a great clerk but a "frightfully bad Commissioner."<sup>47</sup> Concerns over staffing appear to have been ongoing. In another instance, Hart wrote to Campbell:

My troubles! Did you hear about one of the last of them? I had given Halket his promotion and made him Dep. Comr at F'chow. So he had to leave S'hai, and in handing over charge of the pay office, it came out that he had for a year and a half back been appropriating Customs' money, and that he was short of *over 30,000* taels! We got 7000 out of him. The remaining 23,000 are not forthcoming, and I am personally responsible.<sup>48</sup> (emphasis in original text)

This was not an isolated case as at the same time this was written, another 3 members of staff were facing dismissal for breaches of conduct or inefficient customs

---

<sup>44</sup>Rassmussen, *China Trader* 16.

<sup>45</sup>Hart, 29 May 1887, letter 602 of *The I.G in Peking*, vol. 1 665. "We have several changes coming on now: Drew takes leave, Mc Kean becomes Stat. Secy., Palm goes to S'tow, Ohlmer becomes audit Secy., Spinney Dpy Cmr at Canton..."

<sup>46</sup>Paul King, *In The Chinese Customs Service: A Personal Record of Forty-Seven Years* (New York and London: Garland Publishing, 1980) 245.

<sup>47</sup>Hart, 25 Mar. 1869, letter 8 of *The I.G in Peking*, vol. 1 49.

<sup>48</sup>Hart, 26 Apr. 1873, letter 53 of *The I.G in Peking*, vol. 1 105-106.

practice.<sup>49</sup> Hart was responsible for reclaiming the embezzled funds and he lamented that Consular officials often made his task difficult. Despite the good service the Customs was fulfilling for the Chinese Government, not all of Hart's employees adhered to such ideals.

In Hart's voluminous letters to Campbell the issue of a uniform for the indoor staff of the IMCS was raised on several occasions.<sup>50</sup> The main incentive for the creation of such uniforms was Hart's desire that staff could appear before Chinese officials in similar official dress and that in doing so, they would also be recognizable by rank.<sup>51</sup> Hart was determined that while elaborate (and pseudo-military) uniforms were suitable for Customs representatives in Europe, something much simpler was appropriate for the indoor staff in China. In discussing the perception of the Customs within China, he asserted:

An inch of gold lace on the trousers is out of the question.... We're a cross between diplomatists, gaugers, and mercenaries. Our position is a delicate one, and any extravagance in dress would only make us ridiculous.<sup>52</sup>

The uniform sported in Europe by Customs representatives included an elaborate sword. In Hart's discussion of the uniform, one is given the impression while Western in basic style it was intended to have a certain 'Chinese flavour'. He envisaged his staff sporting a French style cap with a knob and tassels on top of the hat.<sup>53</sup> The colour of the knob would determine rank: red for the IG, blue for Commissioners and deputy Commissioners and white for the clerks. There was to be Chinese style buttoning in the jacket front.<sup>54</sup> In one description Hart enthused that the uniform should be "diplomat style", providing an interesting reflection on the extent of powers that the Customs Service possessed in directing Chinese actions

---

<sup>49</sup>Hart, 26 Apr. 1873, letter 53 of *The I.G. in Peking*, vol 1 105-106.

<sup>50</sup>See Hart, 9 Oct. 1873, letter 66 of *The I.G. in Peking*, vol.1 127–129; 18 Oct. 1873, Letter 67 of *The I.G. in Peking*, vol. 1 130–132; 28 Jan. 1874, Letter 78 of *The I.G. in Peking*, vol. 1 145; 3 Feb. 1874, letter 79 of *The I.G. in Peking*, vol. 1 146; 4 Apr. 1874, letter 87 of *The I.G. in Peking*, vol. 1 152; and 18 July 1874, letter 107 of *The I.G. in Peking*, vol. 1 173.

<sup>51</sup>Hart, 18 Oct. 1873, letter 67 of *The I.G. in Peking*, vol. 1 131.

<sup>52</sup>Hart, 2 Aug. 1873, Letter 60 of *The I.G. in Peking*, vol. 1 116.

<sup>53</sup>Hart, 9 Oct. 1873, letter 66 of *The I.G. in Peking*, vol. 1 127–129. Hart included some sketches of the uniform in this letter.

<sup>54</sup>Hart, 9 Oct. 1873, letter 66 of *The I.G. in Peking*, vol. 1 127.



Figure 2.2 **Sir Frederick Maze circa 1930.** Reproduced courtesy of the National Maritime Museum, Greenwich, UK.

and, importantly, the Customs perception of itself. It is doubtful whether the uniform for indoor staff ever came into fruition as there are no pictures of this uniform and little mention of it in the post-Hart era. It is possible though, that Hart's nephew, Sir Frederick Maze, who became IG in the late republic, was wearing a prototype of the official frock coat when awarded his knighthood in 1930 (See Fig. 2.2). The frock coat was described by Hart as having "braid or frogs or a distinctive ornament on the collar"<sup>55</sup> and the jacket worn by Maze appears to be accordingly ornate. The

---

<sup>55</sup>Hart, 18 Oct. 1873, letter 67 of *The I.G. in Peking*, vol. 1 131.

embroidery on the jacket features a motif of river reeds and rushes and, therefore, is distinctively nautical in its flavour.<sup>56</sup>

The duties fulfilled by the Customs need exploration, as over time the significance of the MCS underwent considerable change with the coming of the republican period in China. Duties of the IMCS included application of customs tariff and collection of revenue, cargo appraisal, navigational aids (coastwise lights and charts) and the publication of trade statistics.<sup>57</sup> With the absorption of the postal service into the customs in 1896, Hart became the IG of Customs and Posts.<sup>58</sup> The staff required administering these dual services rapidly increased. Part of the revenue collected covered the expenses of the Service. In fact, in the earliest years of the Customs existence, there was little revenue left over after covering the cost of maintaining the daily expenses of the Service. As revenue increased then foreign loans were serviced with the surplus being at the Chinese governments discretion.

The Customs Service could be considered an outlet for British interests and interference in China. Certainly the British were the dominant trading power with China and had led the way in concluding treaties with the Ch'ing court. With a British Inspector General and numerically larger representation than any other foreign power in the Customs, the Service was an understandably vital British concern. Hart alluded to this when discussing an incident where a Customs employee (Assistant Examiner Roberts from Shanghai) was involved in the confiscation of stolen opium but when later subpoenaed he followed the Customs Commissioners orders not to divulge information. This was seen as a direct challenge to the demands of the British court and Roberts was, therefore, jailed. Hart discussed the ramifications this might have upon British interests:

China will not care to argue out this affair for us, but it will be another in addition to many already existing for ceasing to employ British subjects. From the point of view of comity England should meet China at this point and from the point of view of British interests, should also avoid doing what will cause China to eject British subjects from the Customs' Service: The Customs' Service

---

<sup>56</sup>It is unclear whether this was the indoor staff's formal uniform or whether it was the uniform sported by Customs representatives in Europe. It was also possibly the IG's uniform, which Hart mentions as having more braid than on the Commissioner's jacket. See Hart, 1 Feb. 1878, letter 195 of *The I.G. in Peking*, Vol.1 263. Yvonne King, on inspection of the photo did not recognize the uniform.

<sup>57</sup>Bell and Woodhead, CYB 1912, 80.

<sup>58</sup>Maze, *The Chinese Maritime Customs Service* 5.

as it exists may be said to constitute a very real and a very important British interest in itself.<sup>59</sup>

Similar sentiments were expressed by later Inspector Generals of Customs, which will be examined in subsequent chapters. British interests in the Service cannot be denied, however, and are evidenced most clearly through the 1898 understanding between the Tsungli Yamen and Sir Claude MacDonald, British Minister to China, which stipulated the IG would remain a Briton.<sup>60</sup> This was conditional on Britain remaining predominant in the China trade. Should Britain be replaced as leader in this respect, the Chinese were not then bound to employ another British IG.

## ***The Coming of the Republic: the End of the Customs Golden Age.***

The IMCS viewed the instability of the Ch'ing court, besieged by internal corruption, Western imperialist pressures and social turmoil, with trepidation. The growth of the form of nationalism adhered to by Sun Yat-sen and his supporters was perceived as a threat to the existence of the Customs service. Hart pessimistically prophesied that:

The Customs will go on forever and the foreign element will be retained as long as it is useful, subordinate, and wanted, but Chinese supremacy will be felt and will grow in form and fact, and the foreigner will die out...<sup>61</sup>

While the foreigner did not “die out” of the customs service, the coming of the Republic, the decentralization of power and the rise the Kuomintang with their anti-imperialist sentiment posed considerable threats to the fabric of the service. With the presence of Westerners in China came the dissemination of Western science, technology, culture and, importantly, ideology. The Self-Strengthening Movement (1861–1895) with the motto “learn the superior techniques of the barbarians to control the barbarians” was an essentially superficial attempt at embracing western

---

<sup>59</sup>Hart, 14 Sept. 1883, letter 435 of *The I.G. in Peking*, vol. 1 486.

<sup>60</sup>Tsungli Yamen, dispatch to Sir Claude MacDonald, 10 Feb. 1898, *Documents*, vol. 6 597–598. This document outlines that the Inspector General of Customs shall be a Briton as long as British trade predominates.

<sup>61</sup>Hart, 9 Sept. 1906, letter 1417 of *The I.G. in Peking*, Vol. 2 1517-1518.

technology.<sup>62</sup> While intrinsically limited in scope and vision it was still arguably the most enduring response to the Western presence in imperial China. Led initially by Prince Kung, the first reforms were of a diplomatic nature. The creation of a foreign office, the Tsungli Yamen, directly affected the IMCS as the Service was answerable to this office. This movement also saw the construction of arsenals and shipyards for example, which were generally run by foreigners, relied on foreign materials and produced poor quality goods. A rising force in China at the turn of the century and beyond was that of the young western educated Chinese students. It was from this influence that Sun Yat-sen, the leading Nationalist figure of China emerged.

The Boxer Rebellion of 1900 was a popular response to the frustration and resentment of foreign intrusion into China. The siege of Peking and the loss of foreign lives and property left the Western powers shaken by the enormity of Chinese popular resistance. In the ensuing Peace Protocol of 1901, the treaty powers claimed reparations for their losses. These indemnities were secured against the customs revenue after paying for the upkeep of the Service itself. Tariffs were set at 5% *ad valorem*. This setting of tariffs guaranteed the Service revenue but at the same time benefited traders and disadvantaged the Chinese government, as they were unable to adjust these tariffs over time.<sup>63</sup> The return of tariff autonomy became a major platform for the Kuomintang and its nationalist movement.

The revolution of 1911 had far reaching significance on the Customs Service. Physically and mentally exhausted after many years of unstinting service, Hart travelled to London on leave in 1908 and Francis Aglen, his deputy, was placed in charge. Hart never returned to China. Another change in 1911 to the IMCS concerned the Chinese Imperial Post office, which had been created under the Customs auspices in 1896 and became an independent service this year.<sup>64</sup> In reality it was only a matter of time that this service should become a separate entity and Officiating IG Aglen praised the Chinese Government:

---

<sup>62</sup> Immanuel C.Y. Hsü, *The Rise of Modern China*, 4<sup>th</sup> ed. (New York: Oxford University Press, 1990) 261–294.

<sup>63</sup> See Wright, *China's Struggle For Tariff Autonomy*, for a detailed study of China's tariff development.

<sup>64</sup> S.F. Wright, *The Collection and Disposal of the Maritime and Native Customs Since the Revolution of 1911, With an Account of the Loan Services administered by the Inspector General of Customs*, 2<sup>nd</sup> ed. (Shanghai: Statistical Department of the Inspectorate General Of Customs, 1927) 36.

By deferring the act of separation until the ripe fruit was ready to drop from the parent tree, the Chinese Government has shown its wisdom and the confidence it has reposed in its Customs advisers.<sup>65</sup>

In particular Aglen brought attention to the fact that the IMCS had created a postal service that was adapted to the “requirements of the East” but also embodied many western practices.<sup>66</sup> In this way, the postal service reflected the ideals of its founding source, the IMCS.

The most significant event in 1911 was the succession of a new IG. Hart’s deteriorating health had prompted him to retire from active service in the Customs but he retained the official title of Inspector General of Customs until his death on 20th September 1911.<sup>67</sup> As a sign of respect for Hart, all Customs flags were flown at half-mast, and by Imperial Edict Hart was posthumously awarded the title of Grand Guardian of the Heir Apparent, a distinction never bestowed on any other foreigner.<sup>68</sup> The legendary works of Hart in the Service were memorialized through the erection of a statue on Shanghai's prestigious waterfront location, the Bund, in 1914. The statue had been erected partly by means of subscriptions by members of the MCS and the postal service but largely through the funds of the ratepayers of Shanghai's international settlement.<sup>69</sup> At the official unveiling ceremony, Customs officials and consular staff were among those who paid tribute to Hart's distinguished China career. The tribute also emphasized the important intermediary role Hart played in Sino western affairs. T. Raaschou, Consul General for Denmark, was responsible for the unveiling of the sculpture and the *NCDN* reported his address to the crowd. In his speech he praised Hart as a revered figure in not only China but in the West. Raaschou waxed eloquently:

No figure stands out more conspicuously on the background of the great historical events and great developments in this country during the last half century than the man whose memory we are honouring today, the late Sir Robert Hart. Modest, unassuming even reticent though he was, the greatness of

---

<sup>65</sup>F.A .Aglen, circular 1802, 30 May 1911, *Documents*, vol. 3 16–17.

<sup>66</sup>Aglen, circular 1802, 30 May 1911 16–17.

<sup>67</sup>F.A. Aglen, circular 1844, 26 Sept. 1911, of *Documents*, vol. 3 36–37.

<sup>68</sup>Aglen, circular 1844, 26 Sept. 1911 36–37.

<sup>69</sup>“Sir Robert Hart's Statue,” *North-China Daily News* 26 May 1914. Hereafter, this paper will be referred to as *NCDN*.

his work and the all-important part given him in the international politics of the country served to focus the attention on him, not only in China and his own native country but from time to time in almost every other country.<sup>70</sup>

Hart's contributions to foreign interests in China and his dedication to his Service were remembered through the erection of this statue. There was no mention, however, of any Chinese being present at this event.

Officiating IG, Francis Aglen succeeded Hart. The succession of Hart's leadership by officiating IG Francis Aglen<sup>71</sup> had not been without its share of dilemmas. For many years Hart's brother in-law, Robert Bredon, had waited anxiously in the wings for his appointment, only to be thwarted by Hart's reluctance to relinquish his post and by dislike on the part of British authorities (and if the truth be known, by Hart as well).<sup>72</sup> Clearly, the post of IG was considered one of great significance and changes to leadership caused considerable angst during their transitional phases. Succession related turmoil commonly occurred throughout the history of the Service and the top post of IG was inevitably the focus of much jockeying for position.

In the early years of their administration Aglen and his new London Secretary, Paul King, would most certainly have discovered themselves dwelling in the shadows of Hart and Campbell whose legendary personas cast formidable shadows over the Customs, even after their deaths. However King's memoirs of Customs life discussed how different in temperament and outlook the new successors were when compared to the legendary figures of Hart and Campbell:

The new I.G was far less prone to "fireworks" and "stunts" of political origin, and I did not have to waste any time trying to guess what he would do next, for I knew, broadly speaking, that he would act reasonably and be satisfied with my attempts to do likewise.<sup>73</sup>

According to King, the post Hart era heralded a much more consistent leadership. Hart had been considered a law unto himself and his tendency towards nepotism the subject of criticism.

---

<sup>70</sup>"Sir Robert Hart's Statue."

<sup>71</sup>F.A. Aglen, circular 1851, 25 Oct. 1911, *Documents*, vol. 3 39.

<sup>72</sup>Chan Lau Kit-Ching, "The Succession of Sir Robert Hart at the Imperial Chinese Maritime Customs Service," *Journal of Asian History* 9.1 (1975): 1-33.

<sup>73</sup>King, *In The Chinese Customs Service* 283.

World War One had a lasting impact on the Customs Service. The Service was seriously depleted of staff who left to enlist to fight the war in Europe. Aglen instructed the MCS that neutrality rules were to be enforced, owing to the fact that China had declared itself neutral in the conflict. Staff who wished to return to take up arms were instructed to tender their resignation with the Service, there was a possibility of re-employment however, in the event they later returned to China.<sup>74</sup>

Reflecting upon this Paul King comments:

I could not help but see that the wholesale exodus of young men from their jobs in China was a tactical mistake.... "They also serve who only stand and wait," and the negligible quantity—from the numerical point of view—of British youths, who left their jobs in China and Japan, did more than "their bit"—though they could not see it in that light—towards weakening British grip on Far Eastern trade.<sup>75</sup>

Clearly, the perception held here was that it was vital for the British to maintain its dominance in trade with China. In reality the Japanese whose trade with China continued to grow were rapidly outstripping that of the British. As Shanghai was the most economically vibrant of the Treaty Ports it is valuable to examine reports of trade according to nationality from the 1912–1921 series of Decennial reports.<sup>76</sup> British trade represented 54.8% of annual revenue in 1912, America 0.8%, France 2.8% Germany 8.1%, Japan 19.4%, Chinese 9.1% and Miscellaneous 5.0%. In the war years the most striking difference is the British and Japanese results. In 1918 Britain represented 31.0% and the Japanese increased to 45.5%. After the war British percentages rose again to 47% in 1921 and the Japanese declined to 29%. This indicates the opportunities the Japanese were able to make during the war years, no doubt increasing King's conviction that Western staff were needed to remain in the Customs.

In the years following the 1911 revolution, the political situation in China was significantly disturbed and there were concerns over the fate of the Customs revenue. As a result revenues were placed in the respective Commissioners' hands as the imperial officials had fled from their posts. The IG then assumed responsibility

---

<sup>74</sup>F.A. Aglen, "War, European of 1914," 8 August 1914, *Documents*, Vol. 3 199–200.

<sup>75</sup>King, *In The Chinese Customs Service* 276.

<sup>76</sup>Chinese Maritime Customs Service, *Decennial Reports, 1912–1921* (Shanghai: Statistical Office of the Inspector General of Customs, 1924). Table showing the distribution of trade of Shanghai among the various nationalities, annual percentage of revenue collected under each flag, 1912–1921.

for these revenues. A loans and indemnity service was then administered from Shanghai.<sup>77</sup> Hence until well into the 1920's revenue surplus was directed into foreign banks. This was justified in the Customs as protecting revenue but was importantly a guarantee that foreign indemnities and loans would be serviced. The three banks designated for this appropriation were the Russo-Asiatic Bank, the Duetsch- Asiatische Bank and the Hong Kong and Shanghai Banking Corporation. Due to faltering international relations in the case of the German bank and national crisis in the case of the Russian bank, all revenue was placed in the Hong Kong and Shanghai Bank, a British owned financial institution.<sup>78</sup> This further accentuated the extensive dominance the British played in the Customs administration.

During Yuan Shih-kai's tenure as the first President of the Chinese Republic, he kept rivalries and ambitions in check and subservient to his regime. His death in 1916 was a catalyst for the visible decentralization of political and military power many of these rivalries broke to the surface of the new government. Factionalism occurred as in many instances Yuan's former protégés sought to strengthen their control and power base. This led to a rapid decentralization of power in China, with rival forces gathering provincial power bases in a bid to assert their dominance and to claim national sovereignty. The phenomenon of warlordism had emerged in China and would bring chaos for over a decade.

For the warlords, the potential revenue offered by the Customs would have been a tantalizing prospect, should they be successful in establishing the dominance of their own regime. It is curious then, that there were not seizures of the customs by warlords until the events at Tientsin and Canton in 1930 and 1931. We may hypothesize that at this point in time the intrusion and presence of the Treaty Powers in Chinese affairs were a formidable deterrent. As Sun Yat-sen discovered in 1923, "gun boat diplomacy" was still within the repertoire of the Western powers dealings with China, in the years preceding this they would most certainly have been prepared to deploy such forces against any warlord who threatened the customs revenue.

From this initial survey of the origins and development of the Customs Service, the dominance of Western but particularly British interests in its creation are a significant factor. The extent of British concern with the customs is apparent

---

<sup>77</sup>F.A. Aglen, memorandum, 28 Jan. 1917, *Documents*, vol. 7 233–235.

<sup>78</sup>Wright, *The Collection and Disposal* 21.

throughout the Republican period. The writings of the Service are the subject of romanticized renderings, especially by Wright, but in reality Hart's achievements were great in gathering a disparate staff and attempting to channel them towards very lofty and noble ideals. The Customs' employees, however, are revealed as not always the impeccable characters Hart would have desired. For the IMCS integrity was of paramount importance, without it the foreign inspectorate had little justification for its continued existence. The chaos of the early republic foretold the beginning of what would become an ongoing process of change for the Service. The Customs was forced to come to terms with the rapidly shifting Chinese political landscape in order to ensure its own survival.

For the Chinese the Customs Service was to become the focus of resentment as the Western powers in it exerted considerable influence over revenue and also kept the Chinese within the service at a subservient level. The desire for tariff autonomy and control over surplus revenue were platforms that were adopted by Chinese nationalists in their campaigns to free China from foreign imperialist interests. The Nanking government's plans for a strong, united China did not have room for such a Western dominated service, a remnant of the early Treaty Port era. Hence the 1923–1937 period provides a fascinating study of the Nationalists reaction against the Customs Service.

### ***A Privileged Life: Foreigners In The Customs Service***

There is a tendency to think of the Maritime Customs Service only as an organization designed to regulate and monitor trade, even though life in it was more than collecting revenue. The overall impression from Customs reports is one of a mundane and routine bureaucracy, dealing with cargoes and tariffs. This is only a partial view. If the Service were all about tariffs and trade, it was equally about dealing with merchants, uncovering smugglers, making sure your Chinese 'boy' did not take advantage of you, and doing the rounds of dinner parties. For foreigners working in the Service's indoor department, the most elite part of the service, there was glamour to their careers and a lifestyle, which it may be argued, exceeded that which they may have enjoyed if they were in the British customs service. Commissioners and their senior staff mixed freely with consular staff of all nations and also with the representatives and power brokers of the large foreign merchant and banking firms. Life in the MCS opened a window for them to the exotic wonders

of China and also to the often-bedazzling social scene of the treaty ports. They felt pride in belonging to the MCS and in the service they were doing for the Chinese. The senior staff were not merely foreigners in China; they both represented the Chinese Government and served international interests.

Yvonne King, née Le Bas (1913–), was born when her father, a Customs employee (who went on to become a Commissioner) was stationed in Lungchow.<sup>79</sup> Yvonne and her siblings grew up in the Customs Service. Taking her involvement with the Service beyond her childhood years, Yvonne married a Customs man, Harold King in 1931. As a result the first 37 years of her life were largely spent in China and intimately connected to the Customs. Her recollections teamed with other reminiscences of Customs men and consular staff provide a glimpse, albeit dimmed with the passing of time, of the privileged lives led by those in the upper echelons of the Service. The following pages include a pictorial account of life in the Customs and reveal the important distinction that indoor staff did not just work for the Customs they ‘lived’ the whole Chinese Customs experience.

## FAMILY LIFE AND THE CUSTOMS

Being in the Customs was a bit like having a large family scattered around, up and down the China coast, as well as in many inland cities. There was always news of various members and of their doings, transfers, promotions and so on.<sup>80</sup>

While there was a sense of camaraderie, of extended family between indoor staff in many cases, their family lives were rather fragmentary. Life in the Service did not lend itself to a settled existence. Employee stints at each Customs house was transitory and it was therefore difficult to establish lasting friendships. Often wives and children would return to Europe for long periods of time while husbands would remain at their Customs posts. The Service made allowances for men with families but often children were brought up and educated away from China.

Since indoor staff were rotated from port to port with reasonable frequency, families encountered disruption as they resettled themselves after each move. Anthony Hewitt wrote of his wife, Elizabeth’s (née Bell) early itinerant childhood as having no sense of permanency. Writes Hewitt, “Elizabeth never experienced the

---

<sup>79</sup>Much of this personal information is drawn from Yvonne King's memoir, *A Variegated Life*, unpublished ts., c.1990. Other detail is from a personal interview with Yvonne at her Box Hill home in Victoria on 26 July 1998.

<sup>80</sup>King, *A Variegated Life* 19.

security of a family house.”<sup>81</sup> To further illustrate the frequency of these moves, an overview of Yvonne King’s China experiences is useful. The following is adapted from the chapter index of her memoirs and gives good indication of the places she has lived in:<sup>82</sup>

- Lungchow 1913
- St Servan 1914–1917
- Chingwangtao 1917–1920
- St Servan 1920–1921
- Verneuil s/Avre 1921–1922
- Shanghai 1922
- Macao 1922–1923
- Paris 1923–1925
- Macao 1926
- Peking 1926–1928
- Chefoo 1928–1930
- Hankow 1930–1933
- Shanghai 1933–1936
- England 1936–1937
- Wei Hai Wei 1937–1939
- Shanghai 1939–1943
- Lungwha Internment Camp 1943–1945
- Tsingtao 1945–1946
- England 1946–1948
- Saigon February 1948
- Canton 1948
- Amoy 1948–1949
- Hong Kong 1949–1950

As this list illustrates, indoor staff and their families only spent a few years at one port before moving on. Time spent in Paris and elsewhere was sometimes part of leave entitlements. There were some instances, however, where Yvonne’s father remained behind in China. Perry Anderson’s reflection on his father, James Carew O’Goram Anderson’s Customs career (1914–1942) also shows a similar pattern of constant travel throughout China.<sup>83</sup> James Anderson’s ports of duty included Mukden, Chekiang (Ningpo), Peking, Chungking, Shanghai, on Leave, Mengtze (Yunnan), Shanghai, Lungchingtsun (Manchuria), Hongkong, Hainan, Pakhoi, on Leave, Kunming, Swatow, on Leave, Shanghai and Lungchow. These ports are listing

<sup>81</sup> Anthony Hewitt, *Children of the Empire* (Kenthurst: Kangaroo Press, 1995) 22. Anthony’s wife Elizabeth was the daughter of Colonel Hayley Bell, Commissioner in the Customs.

<sup>82</sup> Adapted from the index of King’s, *A Variegated Life*.

<sup>83</sup> Perry Anderson, “A Belated Encounter: Perry Anderson retraces his father’s career in the Chinese Customs Service,” *London Review of Books*, 30 July 1998: 5–10; 20 Aug. 1998: 28–34.

in roughly chronological order and allow an indication of the way in which Customs staff travelled to the extreme reaches of Customs outposts, each time encountered substantially different conditions.

Customs employees were generally not married when they were sent out for their China service. In fact, marriage in the early years of service may even have led to an employee's dismissal.<sup>84</sup> Life in China could become tumultuous or even dangerous. Wives would face such conditions alongside their men, as the Customs regulations reminded all. Health risks were exacerbated for women facing childbirth and raising a young family, as medical facilities were not always available.<sup>85</sup> A life in the Service meant leaving family at home and travelling to the unknown.

Once married, employees could bank on suitable accommodation being provided for their wives and families as they were transferred from port to port. Generally there were Chinese servants who "went with the house."<sup>86</sup> Servants consisted of a boy,<sup>87</sup> cook, coolie, wash-amah and gardener.<sup>88</sup> For couples with a young family, it was relatively simple to find amahs (or Chinese nannies) to help in caring for the children. Mrs Le Bas hired two amahs to help care for her five children. One of these was originally employed as a wash amah, but became a valued addition to the family and stayed with the Le Bas family for around sixty years, caring for the next generation of children.<sup>89</sup>

Family life in the MCS could be difficult if accommodation was not considered suitable and appropriate education for the children was not available. Governesses were often employed to give the children a good foundation for their future schooling. The appointment of governesses was, however, not always as straightforward as families would have liked. Yvonne King writes about her first governess:

---

<sup>84</sup>See Chapter 3 section on the London Office for a discussion of the entry requirements for candidates.

<sup>85</sup>Yvonne King's daughter, Sally, was born in Shanghai (circa 1933). Her son, Richard, was born in Weihaiwei (circa 1937-1938). At the time of her second pregnancy, however, the Sino-Japanese war had broken out and Yvonne could not return to Shanghai for the birth. While there were no medical facilities available for Yvonne, she felt fortunate her son was delivered by a doctor of the British Navy who was stationed just off Weihaiwei. King, *A Variegated Life* 76-77.

<sup>86</sup>King, *A Variegated Life* 71.

<sup>87</sup>This terminology referred to the male servant entrusted with running the day-to-day aspects of the household, budgeting for groceries and supervising the other servants. Having a good "boy" was essential to the smooth running of any foreign household in China.

<sup>88</sup>King, *A Variegated Life* 71.

<sup>89</sup>King, *A Variegated Life* 5-6.

Mademoiselle Morange, it appears, was a most attractive young lady and Mother and Father had a difficult time coping with the many male admirers who flocked to the house hoping for an introduction or left notes asking her to contact them. Hence, one of the last things Father said to Mother before we left was "for goodness sake, the next governess you bring out, make sure that she is a really ugly one!"<sup>90</sup>

According to Yvonne, her Mother was indeed faithful to her Father's instructions as the next governess she employed was very plain!<sup>91</sup> Upon reaching secondary school age, children were generally sent to be educated either in Britain or Europe.<sup>92</sup> Unlike many of the other Customs families, the Le Bas family did not send all their children home to the continent for an education. In 1920, when the three eldest children were roughly 9, 10 and 11 years old, the family returned to France to arrange for their schooling. Yvonne and her sister Jacqueline had some schooling in France but were considered too young to be left there when their parents returned to China. As a result they travelled with their parents and were educated at the various foreign schools around the ports.

For the single men in the Customs, families in the Service often provided the comforting reminders of home. Yvonne King recalled that in Peking (1926–1928) there seemed to be no shortage of young men dropping in to enjoy the homely atmosphere of her parent's house. She writes:

...there was always something happening and the gramophone was kept busy! Besides, our dear Mother, I have to add, was the original, authentic motherly type and so she "adopted" quite a few of them, having an idea that they were rather homesick, many having only recently arrived from England, France or wherever!<sup>93</sup>

Families like the Le Bas' clearly offered a refuge from loneliness and homesickness for the single employees of the Service. It is probable that the presence of such families also served to moderate some of the less desirable behaviour of the young

---

<sup>90</sup>King, *A Variegated Life* 22.

<sup>91</sup>King, *A Variegated Life* 22.

<sup>92</sup>See Williams, *Chinese Tribute* 62 and Hewitt, *Children of the Empire* 34–37. These accounts both deal with the fact that children were sent home to be educated rather than remaining in China with their parents.

<sup>93</sup>King, *A Variegated Life* 34.

recruits. As Perry Anderson reflected, a concern was that young men often “found solace” with local tea girls or concubines.<sup>94</sup> Paul King also alludes to such entanglements occurring as China presented a strange environment with no “visible morals” for young recruits.<sup>95</sup> No doubt Customs families provided a restraint on any possible unruly behaviour among the single men.

Summer holidays were spent either house boating, touring, or at Customs holidays bungalows.<sup>96</sup> These bungalows were located at the ‘resort’ area of Peitaiho, ideally located some eighty miles from Peking. Yvonne King recalls that during her father’s appointment to Peking in 1926–1928:

Our two summers were spent by the sea at Peitaiho. The Customs had three bungalows there and as ours was the largest family, we got the big one with a tennis court. It was great fun for us and all the various friends who came to stay for their holidays.... To get to Peitaiho, we took a train ride of about two hours from Peking, got off at a little town and from there transferred to a small train which took about an hour to get to the beach.<sup>97</sup>

Holiday surroundings such as these must have provided a pleasant change from the grim Customs compound at Peking. Tennis, horse riding, paper chase and hunting parties were other activities staff enjoyed in their leisure time.<sup>98</sup> When allowed a year long-term leave, after every five years of service, Customs employees would voyage home to the UK or to Europe.

Customs Commissioners were provided with spacious and comfortable accommodation. This allowed not only a family to live there happily but permitted the Commissioner to entertain and to act as hosts for visiting dignitaries. Yvonne King described the Commissioner’s house at Chefoo as “large and rambling with a messy garden and a tennis court.”<sup>99</sup> This house also had an annex with two bedrooms, a study and bathroom. James Anderson’s first wife, the novelist Stella Benson, described their house at Pakhoi as “almost palatial,” and it was set in a

---

<sup>94</sup>Anderson “A Belated Encounter” 7.

<sup>95</sup>King, *In the Chinese Customs Service* 18.

<sup>96</sup>King, *A Variegated Life* 34–35; Williams 58.

<sup>97</sup>King, *A Variegated Life* 34–35.

<sup>98</sup>Hewitt, *Children of the Empire* 23; King, *A Variegated Life* 46–47; and Williams 129–142.

<sup>99</sup>King, *A Variegated Life* 41.

large compound filled with flowering trees and shrubs.<sup>100</sup> The Customs Commissioner's house in Macao gives a good indication of the conditions enjoyed by the more senior staff. (See Figs. 2.3–2.6). This house was newly built when the Le Bas family moved into it in 1926. It had spacious grounds, generous verandahs and a tennis court; it also boasted a billiard room.<sup>101</sup> This residence not only made an impressive mark on the streetscape, it also commanded exceptional views across Macao's harbour.

Indoor staff enjoyed good social standing throughout the Treaty Ports and often Commissioners were in close contact with the legations. The diaries of British Minister to China Sir Miles Lampson often gave reference to social engagements with Customs staff, illustrative of their standing in Treaty Port society.<sup>102</sup> Williams reflected on his contact with Lampson:

I have memories of many delightful receptions given by him in the magnificent Chinese open pavilion opposite to his official residence. Here I mixed with a thoroughly cosmopolitan throng of diplomats and military officers in uniforms glittering with decorations, and ladies and children attired in brilliant colours.<sup>103</sup>

One would suspect that only the more senior indoor staff would be invited to such functions. In his role as Deputy and then Acting Commissioner at Tientsin, Williams writes of often calling on gunboats when they visited port and of the hospitality he was always shown.<sup>104</sup> In return he would invite the naval officers to tennis parties or to go out for picnics or shooting trips. Anderson described his parents' time at Kunming as "a golden age in family legend" being filled with fêtes, children's parties and social engagements.<sup>105</sup> Thus the Customs Commissioners in particular took a lead role in social gatherings for the foreign community in their respective port or outpost.

---

<sup>100</sup> Anderson, "A Belated Encounter" 29.

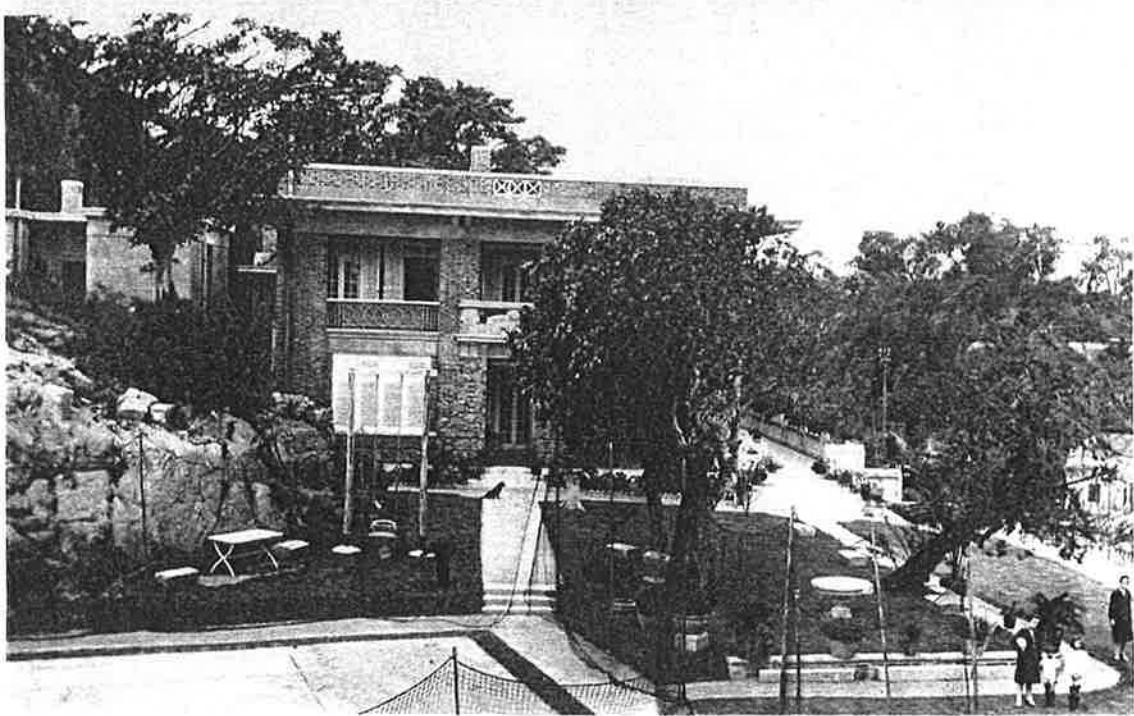
<sup>101</sup> King, *A Variegated Life* 29.

<sup>102</sup> *The Killearn Diaries*, the diaries of Sir Miles Lampson First Baron Killearn. Customs people listed among guests at a dinner party, 20 Nov. 1929. Other references include 15 Nov. 1927 and 12 May 1930.

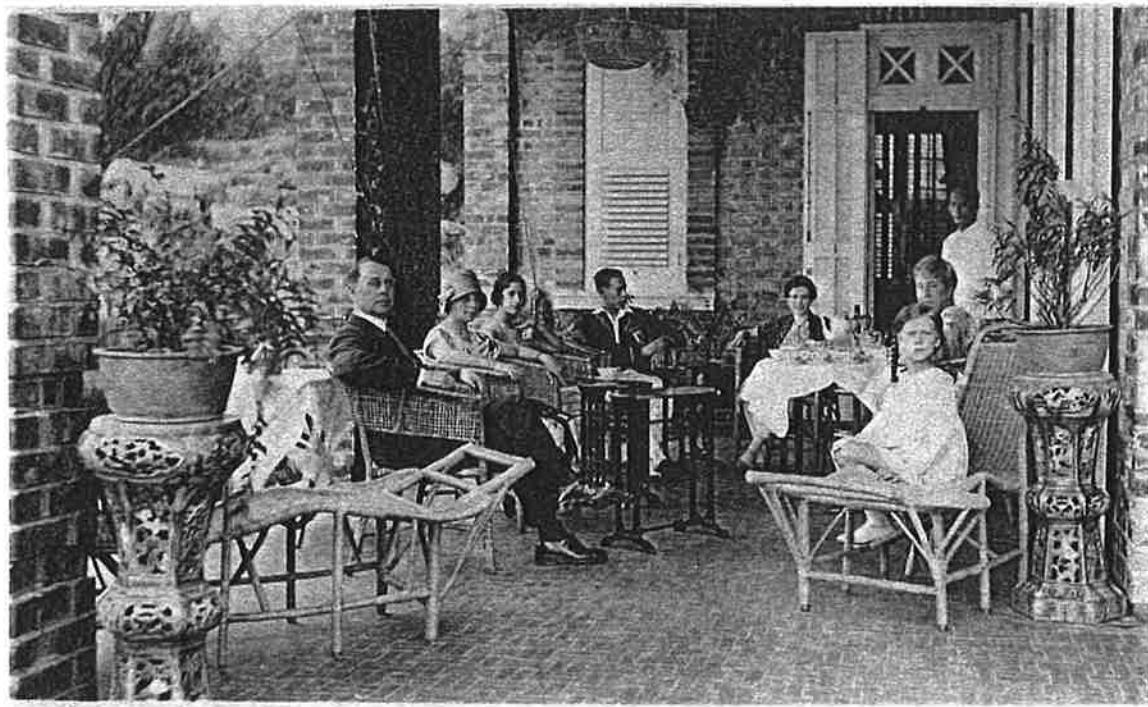
<sup>103</sup> Williams, *Chinese Tribute* 78.

<sup>104</sup> Williams, *Chinese Tribute* 64.

<sup>105</sup> Anderson, "A Belated Encounter" 30.



**Figure 2.3 Customs Commissioner's Residence, Macao.** (Note the tennis court in foreground.)  
Reproduced courtesy of Mrs Yvonne King.



**Figure 2.4 The Lebas Family Entertaining Guests on Verandah.** (Mr Lebas is at left.) Reproduced courtesy of Mrs Yvonne King.

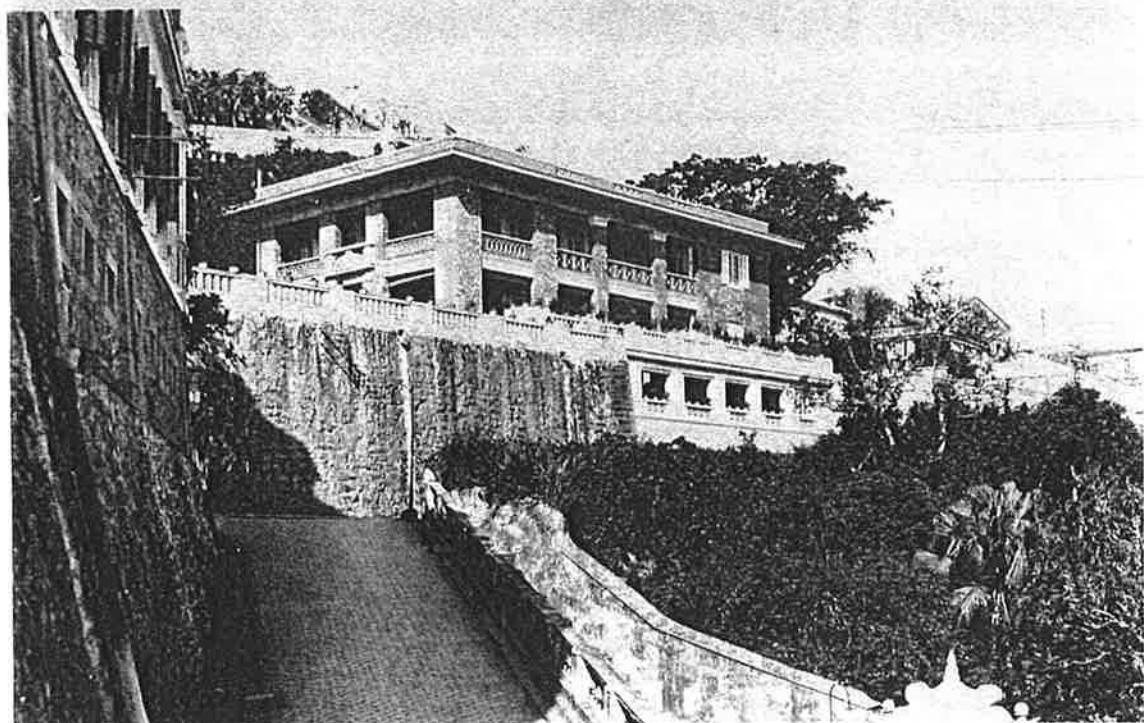


Figure 2.5 Customs Commissioner's Residence, from Road. Reproduced courtesy of Mrs Yvonne King.



Figure 2.6 View Across Macao, from Commissioner's Residence. Reproduced courtesy of Mrs Yvonne King.

While Customs Commissioners could mix freely with consular staff and merchants, there was, however, an unspoken hierarchy in the order of precedence each group should expect. Yvonne King recounted a story of when she and her husband were stationed in Amoy. A visiting Admiral invited them to a dinner on his British battle ship. She explained:

We were asked to go on board to dinner together with people like the Hongkong bank and from Butterfield and Swire and all those people. Now the British consul in Amoy at the time didn't have a wife or at least his wife was in England or something and this was typical, but I was only twenty-nine or thirty at the time and I was rather sort of overcome because I had to sit at the right of the Admiral, you see, and all the other older women were sitting at the lower part of the table. This struck me very much you know, the fact that the Customs were always before any merchants but after the consular people.<sup>106</sup>

This was also the case with Yvonne King's Mother, whom she remembered sitting to the right of the consular host. Such reminiscences reflect the hierarchies of the social groups the MCS mixed with.

Customs cruisers were often employed not only in preventive work but also for social purposes. Commissioner Colonel Hayley Bell would often take his family out in one of the Customs armed merchant cruisers for a picnic at one of Hong Kong's bays.<sup>107</sup> Customs launches were also employed for hosting larger groups of the foreign community. Guests could be invited by the Commissioner to enjoy a day on the water, considered a rare treat (See Figs. 2.7–2.9). As pictured the Commissioner would commonly host other employees, both foreign and Chinese, consular staff and other dignitaries for a cruise and picnic. Yvonne King explains the photos of the picnics on the cruiser as "one way of entertaining, everybody thought it was wonderful to have a day on a Customs cruiser with food, drinks and everything else...."<sup>108</sup> Obviously, this would also have served as a good public relations exercise for the Customs Commissioner. Expenses for such outings were covered by an entertaining allowance from the Inspectorate.

Williams also fondly recalled leisure outings. When stationed at the outport of Kongmoon in South China, he enjoyed many picnic parties on the Customs launch

---

<sup>106</sup>King, personal interview.

<sup>107</sup>Hewitt, *Children of the Empire* 23.

<sup>108</sup>King, personal interview.

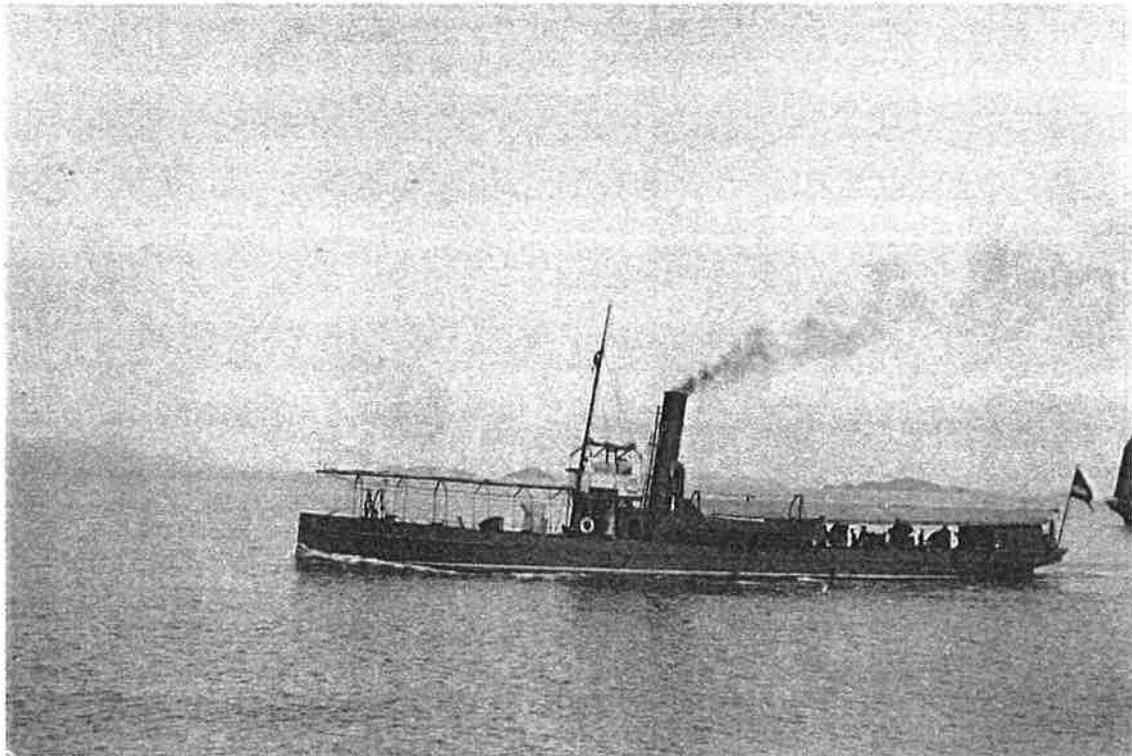


Figure 2.7 **Customs Cruiser, Macao.** Reproduced courtesy of Mrs Yvonne King.

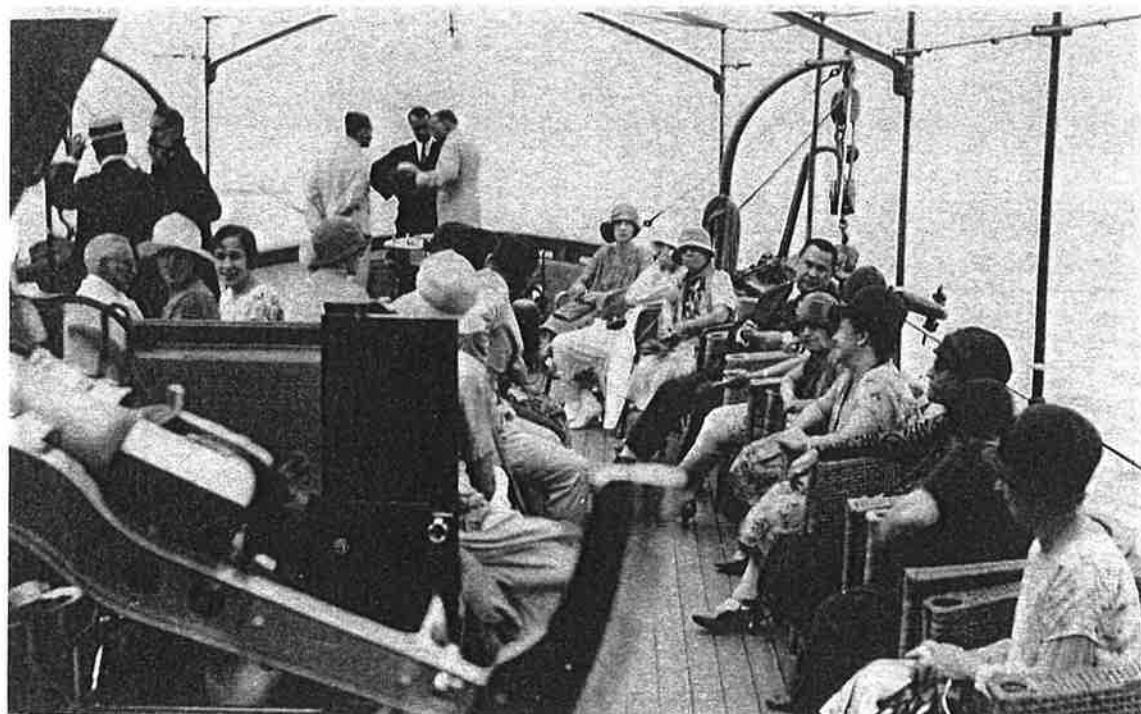


Figure 2.8 **Guests Aboard Customs Cruiser.** (Commissioner Lebas is standing center middle and Mrs Lebas is third from right.) Reproduced courtesy of Mrs Yvonne King.

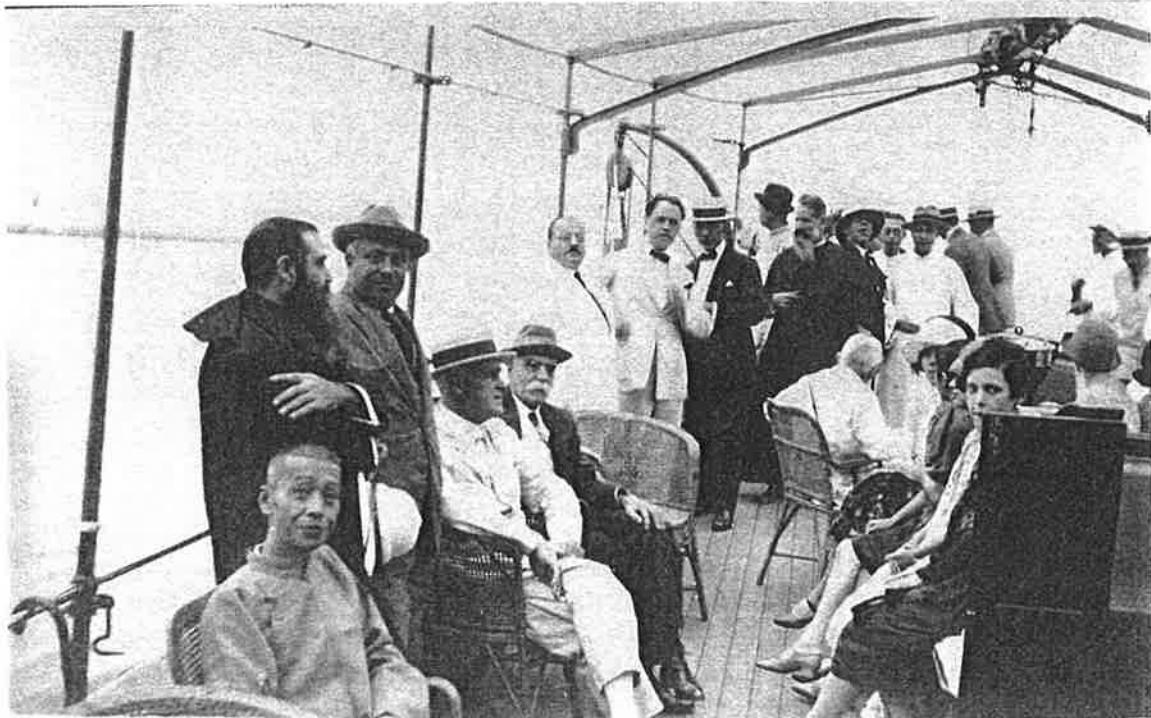


Figure 2.9 Guests aboard Customs Cruiser, from Another Angle. Reproduced courtesy of Mrs Yvonne King.

while making visits of inspection along the river.<sup>109</sup> He mentioned later buying a sailing-houseboat, which his family used for picnics and shooting trips.<sup>110</sup> Similarly, inspection trips to lighthouses often meant a day of adventuring and picnicking for the families of the Commissioner. Yvonne King reminisced:

...I can remember it was a terrific treat for us to go on one of these Customs cruisers and go down and spend a day on one of these lighthouses...the lighthouses were in a lot of countryside and we used to have a picnic and spend the day and, of course, for kids it was terrific fun to climb to the light at the top.<sup>111</sup>

So for the indoor staff and their families, life at the ports was rarely isolated or dull. Even at the smaller posts the foreign community was commonly close knit and in this way there was always a steady stream of social engagements and activities to partake of.

This brief interlude provided a glimpse of a lifestyle long since vanished along with Treaty Port China. Those fortunate to be enlisted into the indoor staff of the Customs service enjoyed privileged lives in the ports. Despite the often-harsh

<sup>109</sup>Williams 52.

<sup>110</sup>Williams 58.

realities of an underdeveloped environment, Customs employees led a comfortable life, residing in well-equipped, spacious homes attended by servants. They moved in the elite social circles of the treaty ports. In many ways then, Customs staff were sheltered from life in China.

---

<sup>111</sup>King, personal interview.

## *Chapter 3*

---

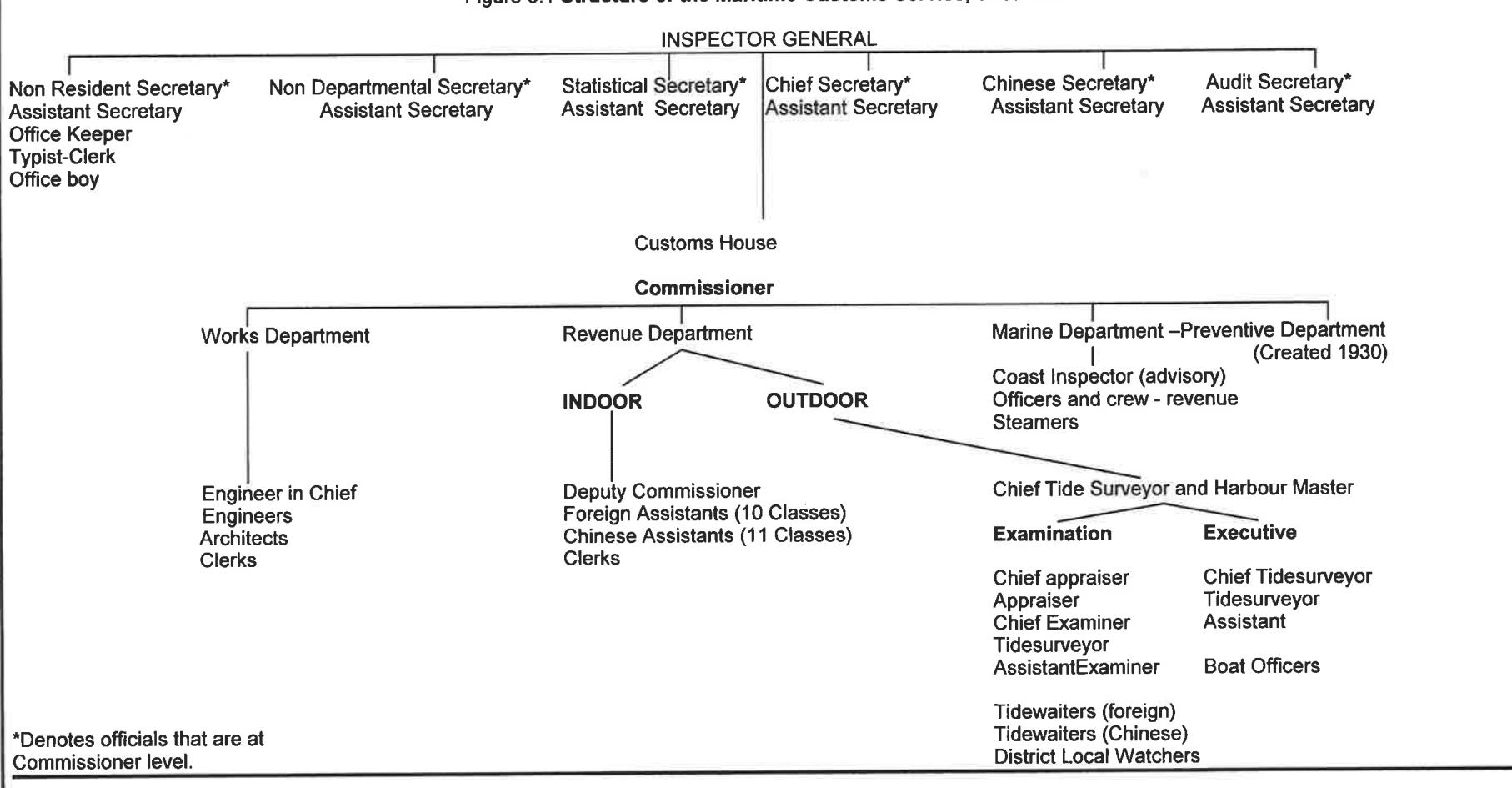
# **The Maritime Customs Service**

## *An Institutional Review*

Throughout the history of the Chinese Republic, the Maritime Customs Service (MCS) is described in various institutional terms. It is regarded as the basis of the Chinese economy, and was presented by its contemporaries as the closest model to a civil service ever achieved in modern China. In this chapter I examine the Customs in these terms, namely as a bureaucracy and fiscal organization. This follows from my discussion of representations of the Service in Chapter 2. This chapter is divided into three sections: an examination of the structures of the MCS, an economic review of the Service and its significance to both the Chinese and foreign interests, and an exploration of the London Office of the Customs and its unique role in perpetuating and protecting foreign interests in the Service. By understanding the MCS as an institution, its interaction with events in the 1923–1937 period can be better appreciated.

### ***The Structures of the Customs Service***

During the early Republic, the Customs Service possessed three major divisions: a Revenue Department, a Marine Department and a Works Department. A later addition was the Preventive Department, established in 1931 in response to reports on the widespread smuggling on the China coast. Despite the expansive scope of the MCS, it remained extremely centralized as an organization. Control for the direction of the Service rested solely in the hands of the Inspector General (IG). In theory the IG was answerable to the Chinese Government but for the early part of the Republic (1912–1926), this was not evident in the leadership of IG Aglen and only became a more conscious action by IG Maze (IG from 1928–1943). By examining the physical structures of the Service and overviewing general Service procedures the importance of the Commissioner's role in the running of this institution comes to light.



Source: Information taken from Chinese Maritime Customs Service, *The Origin and Organisation of the Chinese Customs Service* (Shanghai, Statistical Department of the Inspectorate General of Customs, 1922). Also Letter discussing the structure and possible reform of the London office. M.O. Law, Letter to F.W. Maze, circa June 1930, The Maze Collection, ms., National Maritime Museum, Greenwich.

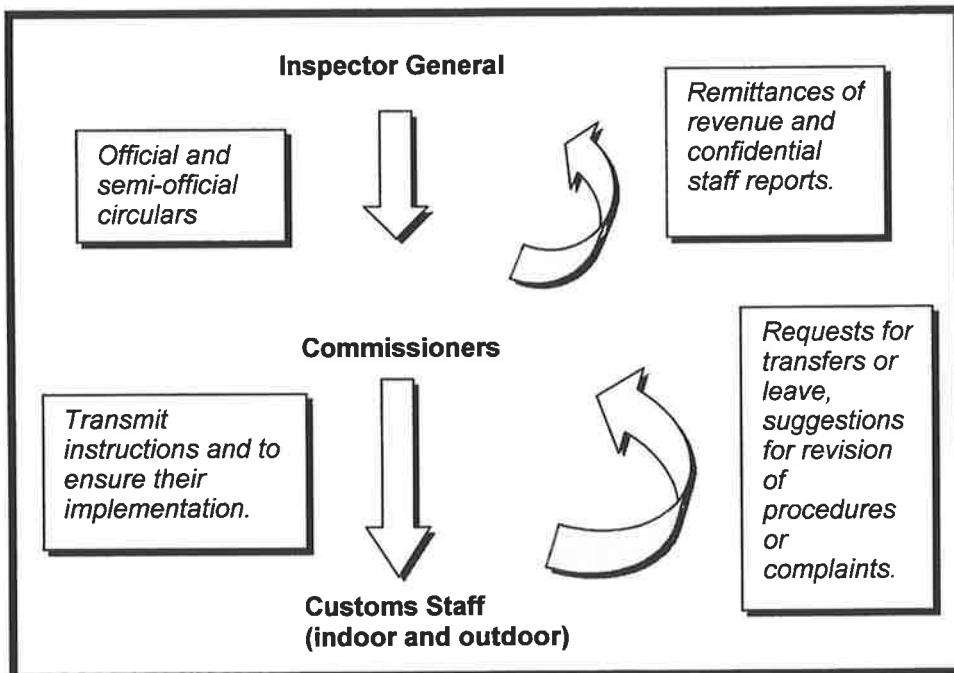


Figure 3.2 Flow of Information in the Customs Service.

Attempting to outline the structures of the Service is deceptively challenging.<sup>1</sup> Moreover the MCS, while appearing unified, had two major schisms intrinsic to its structure. These were the obvious division between foreign and Chinese staff and also the divide between indoor and outdoor staff (See Fig. 3.1). In this representation of the structures I have drawn on Customs publications that discuss the structures of the Service in both 1922 and in 1936.<sup>2</sup> Charts of the various departments in the Service give some idea of the scale of this organization. Diagrams of the Service allow, in particular, a sense of the hierarchy in this institution. The IG was at the top of the Service with his Commissioners forming the important basis for the dissemination of orders and the daily running of the ports. The flow of information in the MCS can be represented in figure 3.2.

<sup>1</sup>Jean Aitchison, *The Chinese Maritime Customs Service in the Transition from the Ch'ing to the Nationalist Era*. diss., School of Oriental and African Studies, London University, 1983 87. In her dissertation, Aitchison provides a representation of the Customs Structure as in 1875. Apart from falling outside the timeframe of this research, there are several ambiguities within this representation. While the definition of such an organization is not an easy undertaking and Aitchison outlines the different branches of the service successfully, what is omitted is a sense of the hierarchy of such an institution.

<sup>2</sup>Chinese Maritime Customs Service, *The Origin and Organisation of the Chinese Customs Service*, (Shanghai: Statistical Department of the Inspectorate General of Customs, 1922); Chinese Maritime Customs Service, *Chinese Maritime Customs: Staff Organisation and Control* (Shanghai: Statistical Department of the Inspectorate General of Customs, 1936).

This schematic indicates the type of information passed through the Customs and also provides an example of the flow of information in the Service. The central arrows depict the passing of official and semi-official circulars from the IG to the Commissioners who then, in turn, were responsible for conveying instructions and making sure policies were implemented. The arrows on the right of the diagram reflect the way in which requests or complaints by the staff were generally directed to the Commissioner of their port and then on to the IG if necessary. The Commissioners were also responsible for ensuring regular remittances were made to the IG and also that he was supplied with staff reports. As is illustrated the Commissioner held an important position in both implementing the IG's instructions and also remitting funds and reports to the Inspectorate.

Commissioners fulfilled a centripetal role in the functioning of the Customs Service. In fact, the Commissioners were immediately under the IG in terms of seniority in the Service as well as flow of command. The Secretaries appointed to various departments under the Inspector General were of, and shared, Commissioners ranking. The Commissioners employed at Customs houses acted, not merely as an overseer of Inspectorate instructions, but were the vehicles through which information and directives were disseminated to their staff. Essentially the Commissioners acted as the IG's representative and the local chief. They were the vital link that maintained the unity of the Service through the management of the Customs ports and their loyalty to the Service and, most importantly, to the IG. In matters concerning revenue, the Superintendent of Customs (a Chinese) was consulted. In matters pertaining to the recruitment, training, promotion of and/or disciplining of staff, the Commissioner was obliged to defer to the IG's authority.

Appointment to the position of Commissioner was generally the culmination of around 20 years service (see **Table 3.1**). This table provides an indication of the length of service generally undertaken by customs staff before they can reach the level of Commissioner. The one notable exception in this table is that of Fredreick Maze, nephew of Robert Hart, who became IG in 1929. Maze had only been in the Service for nine years before his appointment as Commissioner. Prospective Commissioners were appointed from the indoor staff. Ports, however, varied in size and therefore had significance to the Customs. Newer Commissioners were generally appointed the smaller establishments to gain some experience before being entrusted with the running of the larger ports. Smaller ports included postings to

**Table 3.1 Selected Commissioners of 1911**

Name	Nationality	Date of First Appointment	Date of Appointment to Commissioner
H.M. Hillier	British	August 1872	April 1896
P.H. King	British	January 1874	April 1900
C.A.V. Bowra	British	October 1886	March 1903
F.W. Maze	British	January 1897	November 1906
A.H. Harris	British	July 1883	September 1908
J.H. Macoun	British	May 1888	March 1910
J. Acheson	British	July 1874	April 1911

**Source:** Chinese Maritime Customs Service, *Service List, 1911–1913* (Shanghai: Statistical Department of the Inspector General of Customs, 1914).

Lungchow, Mengtze, Shashi, Wenchow and Yatung for example.<sup>3</sup> As a direct result more senior Commissioners administered Shanghai, Tientsin and Canton.<sup>4</sup>

The collection of tariffs and duties flowed from the Commissioner in each Customs house to the Inspectorate. The outdoor staff examined cargoes and prevented smuggling by searching vessels. The indoor staff examined traders' paperwork and assessed and collected the tariffs due. They administered and kept record of the import and export trade of the ports.<sup>5</sup> The Commissioner oversaw the collection of tariffs within his Customs establishment. After settling pre-agreed accounts for the running of the Service and sundry expenses, the net revenue was forwarded to the Inspector General's account in Shanghai. Funds were remitted on a weekly basis at the larger ports and generally twice monthly for smaller ports.<sup>6</sup> This tight reign over accounts reinforces the highly centralized structure of the Service.

<sup>3</sup>Chinese Maritime Customs Service, *Service List 1911–1913* (Shanghai: Statistical Department of the Inspector General of Customs, 1914) 184.

<sup>4</sup>The need for more senior Customs Commissioners at ports such as Shanghai and Canton may also be a reflection of the need to respond to growing anti-foreign unrest that was emerging during the mid 1920s. The need for a Commissioner with a good grasp of the complexities of the China situation, and strong determined character, not easily intimidated became increasingly necessary for the smooth running of the Customs houses.

<sup>5</sup>Chinese Maritime Customs Service, *The Origin and Organisation of the Chinese Customs Service* 10.

<sup>6</sup>S.F. Wright, *The Collection and Disposal of the Maritime Customs Revenue since the Revolution of 1911* (Shanghai: Statistical Department of the Inspectorate General of Customs, 1927) see chapter 1.

Any problems or discrepancies occurring in the accounts could be detected rapidly and redressed, justifying the presentation of the Customs as generally being very efficient and reliable. Furthermore the regular removal of funds to the Inspectorate reduced the possibility of demands being made against the funds accumulating at any one Customs house.

The indoor staff were the elite of the MCS. The essential difference between indoor and outdoor staff being that the former underwent a thorough examination and vetting process before taking up a China appointment while the latter were more likely to be drawn from the pool of foreigners living in the treaty ports.<sup>7</sup> They enjoyed a much more exclusive existence than the outdoor staff and as discussed in the previous chapter, mixed socially in consular circles. They also benefited from being given more generous concessions with regards their pay and leave allowances. Part of this elitist mentality came from the fact that they were removed from the physically arduous tasks of examining cargo. Yvonne King reflected:

The outdoor staff were the people who actually met the ships and went through your luggage and when the big ships brought in cargo, huge lots of cargo, well the outdoor staff went on board and did the actual sorting of the cargo.... The indoor staff were purely in the office... unless there was some special occasion or something and then they may have gone and boarded a ship or something but it was the outdoor staff that did that.<sup>8</sup>

In her recollections she also spoke freely of there being a sense of snobbery on the part of the indoor staff towards their outdoor counterparts. The two groups of staff had their own distinct social circles and generally did not intermix.<sup>9</sup> Attention to redressing this disparity is discussed even during the Imperial Maritime Customs period in the letters of Morrison of Peking.<sup>10</sup> In 1917 Morrison wrote that if any Chinese institution needed reform it was the Customs administration "with its excessive pay of the indoor staff and the wholly inadequate pay of the outdoor

---

<sup>7</sup>See following section on the London Office for details of the recruiting process.

<sup>8</sup>Yvonne King, personal interview, 26 July 1998.

<sup>9</sup>King, personal interview.

<sup>10</sup>G.E. Morrison, letter to E. Taylor, 17 Apr. 1917, G.E. Morrison papers, Mitchell Library, Sydney.

staff.”<sup>11</sup> Through readings of the Customs documents in the 1920s and 1930s, it is apparent that even the lowest position in the indoor staff was a more esteemed appointment than that of those relegated to the arduous outdoor examination and assessment of goods on the docks.

A.H. Rasmussen’s *China Trader* provides an interesting insight into the experiences of a member of the outdoor staff of the Customs. Foreign outdoor staff were generally drawn from sailors and adventurers who had been lured to the East. Rasmussen, himself a sailor, had arrived in Shanghai in 1905 with only \$5 (1os.) and was reassured by acquaintances that he would have no difficulty gaining employment in the IMCS.<sup>12</sup> While relieved at his appointment as a probationary Tide Waiter, Rasmussen was extremely conscious of the low status of outdoor staff. He wrote:

My elation was not in the slightest dampened by the fact that I had put my foot on the very lowest rung of the social ladder. Caste among the Europeans was a reality that no one could escape and the outdoor staff in the Customs were almost like the untouchables in India, and nearly as low as the Eurasians. The indoor staff in the administrative offices were, on the other hand, very high on the social scale. Fortunately, an ex-sailor has few, if any, social aspirations, and I had none.<sup>13</sup>

While this extract may be exaggerated for literary effect, the humble position of outdoor staff in the Service clearly contrasts with that of the indoor staff. Rasmussen gives the impression that treaty port society had its own distinctive hierarchies and that outdoor staff in the service made up almost a subclass of foreigners.

Illustrative of this disparity between the indoor and outdoor staff, C.A.S. Williams, a Customs Commissioner, includes in his memoirs an excerpt from the Treaty Port press outlining a humorous account of the day in the life of an Assistant Examiner.<sup>14</sup> This account is worth quoting at length as underlying tensions can be

---

<sup>11</sup>Morrison, letter to Taylor.

<sup>12</sup>A.H. Rasmussen, *Chinese Trader* (London: Constable and Company, 1954) 3–4.

<sup>13</sup>Rasmussen 5.

<sup>14</sup>C.A.S. Williams, *Chinese Tribute* (London: Literary Services and Production, 1969) 11–13.

evidenced beneath the satirical tone of the work. Williams attributes this extract to the *Shanghai Mercury*:<sup>15</sup>

A PAGE FROM THE DIARY OF AN ASSISTANT EXAMINER

PART I

8 a.m.: Stepped on the toes of Indian watchman, who returned compliment, both trying to sign joint Attendance Book simultaneously. Apologized for being in the way.

9 a.m.: At Wharf Office, Chief Examiner handed me one hundred Import Applications with one hand, while reading morning paper with other.

9.10 a.m.: Climbed one thousand steps to top of go-down in company of one hundred native brokers, bamboo coolies, spies and informers, also one weigher and one scale, invented by Confucius, guaranteed to confuse at point blank range.

9.15 a.m.: Wiped five gallons of perspiration from brow with old gunny bag.

9.20 a.m.: Swallowed five catties of dust.

9.25 a.m.: Swallowed five million microbes.

9.30 a.m.: Examined bag of black pepper. Junior Assistant's instructions to carefully count and measure contents noted.

9.35 a.m.: Blinded by pepper.

9.40 a.m.: Pushed by party of brokers and fell into cask of molasses.

9.45 a.m.: Pushed by second party of brokers and fell into barrel of coal-tar.

9.50 a.m.: Pushed by a third party of brokers and fell into a bale of fly cotton.

9.55 a.m.: Tore six new holes in uniform.

10 a.m.: Finished opening, counting, weighing, measuring, classifying and valuing one thousand nailed cases of miscellaneous merchandise.

10.05 a.m.: Showed special ability by slipping on oyster and falling down steps from top of go-down to bottom without breaking anything but record.

10.10 a.m.: Returned to office and pulled C.E. by the whiskers to wake him up.

11.50 a.m.: Finished calculations.

Noon: To tiffin.<sup>16</sup>

As entertaining as this account is, the Assistant Examiner's afternoon (Part II) was even worse than his morning! While attempting to assess an export of beans the Assistant had to slap the coolie, the weigher and the broker for trying to fiddle the scales. Much to his horror, the Inspector comes on board, counts the beans and on finding one too many, makes a report to Peking. After "weighing ten thousand bags of beans" and returning to the office to find the Chief Examiner asleep, the Assistant is amazed by the news that the IG had given his Chief a raise for his efficiency. The Chief Examiner says to the long-suffering Assistant: "You do der growling; I get der

---

<sup>15</sup>See Frank H.H. King, ed. *A Research Guide to China Coast Newspapers, 1822–1911* (Cambridge: Harvard University Press, 1965) 29-30. This provides a brief outline of the *Shanghai Mercury* which was an English language newspaper that had evolved from other pre-existing presses in 1890.

<sup>16</sup>Williams 11–12.

ingrease in der salary! Bleuse growl some more ain't it? [sic]" The Assistant ends his day by accepting the bribes he had previously refused and giving "vent to [a] blood-curdling Out-door Staff growl."<sup>17</sup> This is a very satirical piece, but the humour would have fallen flat if it did not contain some reality. Assessing the cargo would have been physically demanding and, in some cases, dirty work: a direct contrast with the administrative tasks carried out by the indoor staff at each port. And from Customs circulars and other documents, there appears to have been continual concern over corruption in the Service. Throughout the late 1920s the Customs encountered disturbances that bore direct relation to outdoor staff, the Chinese in particular, being disgruntled with their treatment. Such resentments resulted in strikes and attempted union actions.<sup>18</sup>

The disparity between Chinese and foreign staff was also noticeable in the MCS. It was not until 1929 that the idea that Chinese could fill equal posts to foreigners gained any currency. This was due to a combination of factors: the new leadership of IG Maze, who was sympathetic to Nationalist aspirations, and the directives of the KMT to see the end of foreign staff in the Service.<sup>19</sup> Tensions, however, lingered on. Williams writes of being disgruntled when made joint charge of the general office at Kiukiang, a small port on the Yangtze. His Commissioner was a German and had been most disappointed not to receive a German assistant, who he believed would have been more efficient than any Briton. Williams bore the brunt of this dissatisfaction, and as he details, "[the Commissioner] put me in joint charge of the general office with a Chinese clerk—an indignity which I think it would be hard to beat!"<sup>20</sup> Williams' mortification was on two counts: first, that he had previously been in charge of a general office and therefore was being compelled to take a backward step; and second, that he was made to work with a Chinese clerk.

---

<sup>17</sup>Williams 12–13.

<sup>18</sup>These strikes and other unrest will be discussed in later chapters and placed within the context of growing Chinese nationalism and also of anti-foreignism that erupted in the boycott of Canton in 1926–1927 for example.

<sup>19</sup>These moves towards a "Sinification" of the Service are covered in Chapter 5 "Nationalist Ascendancy and the MCS in Turmoil."

<sup>20</sup>Williams 56–57.

## Regulating and Rewarding Staff in the MCS

Commissioners were entrusted with the responsibility of ensuring their staff were adequately trained. IG Aglen discussed this at length in a customs circular of 1924. He stressed that it was important that indoor staff regularly changed responsibilities around the office to ensure they developed the necessary administrative skills for all aspects of their work. This cultivation of versatility, he reasoned, would enable staff to fill vacant posts with a minimum of disruption:

I consider it a grave reflection on Commissioners when they are compelled to report—as is much too often the case in the last Confidential Reports to hand—that such and such a man “has not performed” (several classes of duties) “at this port” after a stay of several years there.<sup>21</sup>

Aglen encouraged Commissioners to regularly inspect their subordinates’ work and to set examinations for them, in a bid to ensure that they understood the principles on which they were operating. He emphasized that this principle should be applied even more so to the Chinese indoor staff as they were moved in-between ports much less frequently than their foreign counterparts and therefore did not have as many opportunities.<sup>22</sup>

As part of their employment, all foreign Assistants were expected to learn the Chinese language. To encourage this, each Assistant, during his first six years was given an allowance of \$10 per month to employ a native teacher. Examinations were administered regularly to monitor progress. There were three certificates, A, B, and C, set at varying points in the Assistant’s career (C: 3 years in China, B: not later than 5 years and A: optional). Results in these determined the rate of promotion. Assistants who made little effort to learn Chinese were dismissed. Similarly those who had not progressed were liable to have their promotions withheld. It was envisaged that all Assistants would attempt Certificate A, although it was optional. Only Assistants who held Certificate A were considered for the rank of Deputy Commissioner or Commissioner. Williams, who like many employees devoted much

---

<sup>21</sup>F.A. Aglen, circular 3483, 11 Mar. 1924, *Documents Illustrative of the Origin, Development, and Activities of the Chinese Customs Service*, vol. 4 (Shanghai: Statistical Department of the Inspectorate General of the Customs, 1940) 3–6. This series will henceforth be referred to as *Documents*.

<sup>22</sup>Aglen, circular 3483, 11 Mar. 1924, *Documents*, vol. 4 3-4.

time to the study of Chinese did not, however, believe that it greatly benefited his upward mobility in the Service.<sup>23</sup> He recorded a dinner conversation that revealed uneasiness within Customs circles that learning Chinese would affect one's mental balance:

At a dinner-party given by one of my colleagues, his wife remarked to me: 'My husband *never* studies Chinese. He says people who study Chinese invariably go mad!' Then, hastening to cover up her *faux pas*, she added: 'Of course, you are an exception to the general rule!'<sup>24</sup>

Williams claims to have known one Customs employee who, in a bid to improve his Chinese skills, had pasted Chinese characters all over the walls of his bedroom and "lived in a continual atmosphere of complicated brushwork."<sup>25</sup> He went mad and had to be invalidated home. On the way back to England this fellow refused to speak anything but Chinese, furthermore, he refused to bathe as he explained the Chinese rarely did.<sup>26</sup> While knowledge of the Chinese language could lead to promotion, employees had to take care not to "go native."

Outdoor staff also came under scrutiny from the Commissioner. IG Aglen encouraged all Commissioners regularly inspect the work of the outdoor staff. He commented:

Periodical visits should be paid to the wharves, jetties, godowns, and other places where Examiners work; books, samples, etc., inspected, methods of examination investigated, advice given, criticism or censure administered where slackness or bad work is revealed...<sup>27</sup>

In the larger ports, however, the Deputy Commissioner or another senior employee handled these inspections. By continually regulating staff Aglen believed any problem employees could be identified with reasonable speed and then either be cautioned or dismissed.

---

<sup>23</sup> Williams 70.

<sup>24</sup> Williams 69.

<sup>25</sup> Williams 69.

<sup>26</sup> Williams 69.

<sup>27</sup> Aglen, circular 3483, 11 Mar. 1924, *Documents*, vol. 4, .5.

The Commissioner or senior staff recorded their inspections in detailed confidential reports on each employee.<sup>28</sup> After the Commissioner's approval these reports were submitted annually to the Inspectorate each December. The reports provided the Inspectorate with an indication of each man's ability, character and his qualifications. Employees' work abilities and also personal traits such as whether he was trustworthy, tactful, industrious, intelligent, respected, discreet, good tempered and well mannered were scrutinized (See **Appendix 3**). A general scale of reference regulated all reports; in this way comparisons of staff performances could be made more accurately. Decisions on transfers and promotions were made on the basis of these reports. In the case of an unfavourable report the employee was notified and given the opportunity to either amend their actions or to answer any allegations. In this way there was some redress for employees.

With staff hired from such a diverse and broad base, the Service had to maintain a strict code of conduct. In the passages taken from "A Page From the Diary of an Assistant Customs Examiner" (see p. 60) it is possible to read about the temptations experienced by outdoor staff to take bribes. We have read that at the end of the day, despite his good intentions at the start, the Assistant is prepared to accept the payouts.<sup>29</sup> Corruption appears to have been a continual concern for the Service and from Hart's time onwards there were numerous cases where dishonest staff needed to be dismissed. One problem among the outdoor staff was that foreigners were recruited from a varied background and often held sympathies with traders and smugglers. Rasmussen gives an example of these conflicting loyalties. He explains that while at Chinkiang, he often went out on preventive patrols at night as he was tempted by the rewards given to those who uncovered salt smuggler activities and also by the adventure.<sup>30</sup> Other staff would turn a blind eye to salt smuggling as they didn't want to risk their personal safety. Rasmussen writes of the thrill in pulling up alongside seas going junks, which had eyes painted on their bows (a superstition), and jumping on board. He comments:

---

<sup>28</sup> Chinese Maritime Customs Service, *Chinese Maritime Customs*.2. See Appendices 2–5 for examples of the outline of reports.

<sup>29</sup> Williams 13.

<sup>30</sup> Rasmussen 17.

They were mostly trading junks with their papers in order, and if they did carry a moderate amount of smuggled stuff occasionally I let them keep it. The sailor in me was still very much alive, and I had a sneaking regard for people who had the good sense and decency to give their ships eyes to see with. It was for this reason I often closed my own to many irregularities.<sup>31</sup>

Thus staff interpreted Customs regulations to suit their own purposes. Rasmussen's patrolling for smugglers was more to alleviate his boredom than to see Customs regulations carried out. Staff sympathies with smugglers and also their reluctance to antagonize these organized groups would have constituted a great concern for the Customs administration.

The Custom's code of conduct also covered non-Service activities. As a result Customs employees were "not allowed to engage in trade or to interest themselves either directly or indirectly in the importation or exportation of merchandise."<sup>32</sup> Furthermore they were forbidden to receive any remuneration for services without the IG's written permission. The staff were also required to abstain from expressing political views or criticism in public.<sup>33</sup> Particular offences listed by Maze in a 1929 circular were:

- (I) (a) Absence from duty without leave;  
(b) Being intoxicated when on duty;  
(c) Collusion with Customs Brokers (or applicants) to the detriment of revenue interests;  
(d) Disobedience of legitimate orders or other forms of similar gross insubordination;  
(e) Prosecution for debt, etc.;  
(f) Gross immorality;  
(g) Malversation;<sup>34</sup>  
(h) Persistent unpunctuality;  
(i) Unauthorised publication of office matters  
(j) Being asleep on duty;  
(k) General incompetence;
  
- (II) (a) Disrespect towards superior officers;  
(b) Negligence;  
(c) General slackness in the performance of duties;  
(d) Uncleanliness [sic] and slovenliness in the care and wearing of uniform;

---

<sup>31</sup>Rasmussen 18.

<sup>32</sup>Chinese Maritime Customs Service, *Chinese Maritime Customs* 17.

<sup>33</sup>Chinese Maritime Customs Service, *Chinese Maritime Customs* 17.

<sup>34</sup>Malversation refers to the corrupt handling of public or trust money.

- (e) Criticism of superiors or of Government Service matters in the public press, either in interviews or in personal contributions, or in addresses which are public or which may be or are communicated to the public;
- (f) Malingering.<sup>35</sup>

The punishment for offences in list (I) was dismissal. Offences in list (II) led to the suspension of employees while reports were investigated. The Commissioner was responsible for the censure or suspension of staff guilty of, or charged with, misconduct.<sup>36</sup> Any such action, however, became the subject of a report and the more serious cases were referred to the IG.

Problems of corruption were not only isolated to the ranks of the outdoor staff. The indoor staff were constantly transferred from port to port in a bid to prevent them from forging any ties with local merchants or foreign traders. Neutrality and aloofness from the business world was the ideal. Yvonne King recalled instances where both her father and husband received lavish gifts:

I can remember as a little girl Chinese merchants and things sending my parents huge and beautiful presents. I mean they weren't always very expensive presents but sometimes my mother used to get some jewellery sent and mostly they were expensive, bloody expensive, baskets of fruit... but I was always struck because my Father would never accept this and would always send it back. You know it broke my heart and I thought, "why can't we have all of those beautiful mangoes or you know, fantastic oranges" which you didn't get very much of in China in some of the places. And you know my father would just say, "we can't accept things that we haven't bought". The same when my husband was in the Customs, although by then it wasn't quite so obvious. I don't remember quite so much but especially at Christmas we'd all be sent, if it wasn't anything very expensive like if it was a basket of small bits of fruit or if it was some very beautiful flowers, we would then accept that but anything like jewellery or chinaware or expensive things, we would always return and that is because we didn't want to feel indebted to anyone.<sup>37</sup>

Such gifts could have tempted indoor staff to enter networks of favours or guanxi (relationships) with Chinese merchants.<sup>38</sup> Such a culture of doing 'favours' would have seriously compromised the position of Customs staff. One would suspect

---

<sup>35</sup> Malingering refers to pretending illness to escape duty. F.W. Maze, Appendix 16, 22 April 1929, *Chinese Maritime Customs* 63–65.

<sup>36</sup> Chinese Maritime Customs Service, *Chinese Maritime Customs* 16.

<sup>37</sup> King, personal interview.

<sup>38</sup> Guanxi refers to the active cultivation of relationships that may be useful to oneself at some point in the future. John Bryan Starr, *Understanding China* (London: Profile Books, 1997) 76.



Figure 3.3 Customs Medal for Meritorious Service

that Yvonne King's experiences discussed in this passage were not isolated cases and hence, the Customs rules about remaining distanced from trade had very real implications for deterring staff from any conflict of interest.

The MCS was not only punitive in its treatment of staff but also had a detailed system for the awarding of meritorious or loyal duty. Two awards are mentioned in the guide to staff organization and control, those of the Financial Medal and the Chinese Customs Medal for Meritorious Service.<sup>39</sup> They awarded the Financial Medal to staff who had made contributions to the financial affairs of the Chinese Government. It was open to any employee from the finance department but also to others who had made a contribution to the government's financial dealings. It was awarded to staff who had, for example, served meritoriously for more than five years, or authored special financial publications, or were responsible for discovering a case of smuggling which resulted in a seizure of goods valued at more than \$10,000.<sup>40</sup> There were nine divisions of Financial Medals, 1<sup>st</sup> Class (3 Grades), 2<sup>nd</sup> Class (3 Grades) and 3<sup>rd</sup> Class (3 grades). The Medal for Meritorious Service was designed as recognition of staff who had served 25 years of continuous and distinguished service. It had three grades, Gold, Silver and Bronze (see Fig. 3.3). Both medals were conferred by The Ministry of Finance at the recommendation of the IG. The

<sup>39</sup> Chinese Maritime Customs Service, *Chinese Maritime Customs* 57–63.

<sup>40</sup> Chinese Maritime Customs Service, *Chinese Maritime Customs* 57–60.

government conferred other awards. These rewarded loyal service and also motivated junior staff.

The structure of the Service entrusted the Commissioners with great responsibility for the everyday maintenance of the Customs as a fiscal institution. In the following section the economic realities of the MCS during the 1923–1937 period are explored. It is arguable that without such a highly centralized structure, the Customs would never have weathered the turmoil of the early republic. By relying on loyal and experienced Commissioners, the IG could be assured the Customs best interests were always foremost.

## ***Financing the Republic***

As a well-organized fiscal institution, the MCS was an invaluable source of revenue for the Chinese Government. With its immense revenue potential, the Service was intimately tied to the general financial health of the Republic. By the 1920s and 1930s, not only was the MCS an important revenue source but it also provided a security against which internal and foreign loans could be issued. In the following section the role of the MCS in the finance of the Republic will be examined, with particular reference to the Nationalist era. This focus not only corresponds with the main concerns of the following chapters, (the MCS and the rise of the Nationalists in China) it is an acknowledgement that prior to KMT success, any budgetary forecasts from warlord government regimes were scarce and of dubious accuracy. The MCS was a large proportion of the Government's revenue and figured prominently in the Nationalist's budgetary aspirations. In this way the Service encouraged a loan dependency cycle that plagued Nationalist China.

The MCS was established with two purposes. It assisted in the regulating of trade to benefit both Chinese authorities and Western traders and also provided the Chinese Government with a regular source of revenue. In many Customs documents of the 1920s and 1930s a continual rhetoric emerges, one that reinforced the image of the Customs as a prolific source of revenue for China. IG Aglen often reflected on the developments of the institution during his leadership. The development of the Service as a major revenue source was, in Aglen's perception, closely linked to the finances of the Chinese government and also foreign interests in China. He outlined:

It seems to me that the Service has gone through two stages and is on the eve of a third. At first it was a purely Chinese institution maintained and supported by the Government because we supplied a certain income which the Gov.[sic] found very useful. Then the loans came and we became a foreign interest with the Chinese Gov.'s interest still predominant: the Indemnity gave the foreign Governments a financial interest in us; the revolution which gave us control of revenue and loan service, transformed us into an unofficial foreign *Caisse de la dette*, a position full of anomalies, but on the whole suitable to the times.... The last stage in this development has been reached owing to the virtual cessation of central Gov. authority and the necessity of carrying on administration with borrowed money. The Customs is now an imperium in imperio<sup>41</sup> practically independent in matters of Government finance but in the last resort asking not rather Chinese Gov. but on this foreign powers.<sup>42</sup> (Emphasis Aglen's)

Within this Z Letter, Aglen discusses the Boxer indemnity and other foreign loans between the Ch'ing court and the foreign powers that were secured against the Customs. He also touches on the development during post-revolutionary turmoil where after 1917, Custom revenue was placed into foreign banks and only after loan and indemnity payments were met, did the Chinese government receive any surplus. By the 1920s the Hong Kong and Shanghai Banking Corporation was the sole custodian of the Customs account.<sup>43</sup> Aglen was aware of the ambivalent position of the Customs in China with relation to Chinese and Western interests in the Service. His comments allude to the existence of interdependency between the Chinese, the MCS and Western interests in China.

Literature on the Nationalist era presents a widely divergent picture of the Nationalists attempts at handling the struggling Chinese economy, and while not necessarily agreeing as to whether the Nationalists were a success or a failure, the existence of a deficit problem, fuelled throughout the Nanking decade is widely recognized. In his work, *The Government and Politics in Kuomintang China 1923–1937*, Hung-mao Tien examined the institutional developments (or in many instances the lack of) implemented by the Kuomintang government during the Nanking decade. In the course of this study, Tien draws attention to the deficit of the government as it channelled funds into its military and debt service.<sup>44</sup> Preceding

---

<sup>41</sup>Imperium in imperio refers to an independent authority claimed or exercised within the jurisdiction of another authority.

<sup>42</sup>Francis Aglen, letter to Guy Acheson, 28 Feb. 1922, Letter Series Z, Library of the School of Oriental and African Studies, London.

<sup>43</sup>Wright, *The Collection and Disposal* 21.

<sup>44</sup>Hung-Mao Tien, *Government and Politics in Kuomintang China, 1927–1937* (Stanford: Stanford University Press, 1972) 84-85.

Tien's work Douglas Pauuw's article, "The Kuomintang and Economic Stagnation, 1928-37," discusses the deficit of the government and its focus on the military as a means for achieving tangible unification of China.<sup>45</sup> Different research by Rawski, Endicott, Wright and Osterhammel also contribute to the picture of Nationalist China as a financially tenuous period compounded by internal dissension and world depression.<sup>46</sup> The budgetary reports referred to in the following pages illustrate the scope of China's financial dilemmas. Receipts for each year are heavily bolstered by loans, this in itself being the contributing factor towards the government's deficit problems.

The foreign powers had a vested interest in the development and progress of the Nationalist Government. During the Republic British officials and merchants continued to cling, albeit naively, to the dream of China's unlimited market that one-day, may be opened.<sup>47</sup> For their investments to develop, however, they needed a relatively stable environment; something that Chiang Kai-shek's government appeared to promise once it was fully established. In the *China Yearbook (CYB)* of 1931, there is a commitment on the part of the Nationalists to strive for greater stability of their economy and the financial rehabilitation of the nation. The financial report reads:

Foreign lenders will not seriously discuss loans to China unless China has balanced its budget, or has adopted and is carrying into effect a programme of readjustment which will result in stabilizing the finances within a reasonable time.<sup>48</sup>

---

<sup>45</sup>Douglas S. Paauw, "The Kuomintang and Economic Stagnation, 1928-37," *Journal of Asian Studies*, 16 (1956-7): 213-220.

<sup>46</sup>Thomas G. Rawski, *Economic Growth in Prewar China* (Berkeley and Los Angeles: University of California Press, 1989); Stephen Lyon Endicott, *Diplomacy and Enterprise: British China Policy 1933-1937* (Vancouver: University of British Columbia Press, 1975); Tim Wright, "Coping with the World Depression: The Nationalist Government's Relations with Chinese Industry and Commerce, 1932-1936," *Modern Asian Studies*, 25.4 (1991): 649-674; Jürgen Osterhammel, "Imperialism in Transition: British Business and the Chinese Authorities, 1931-37," *The China Quarterly*, 98 (June 1984): 260-286.

<sup>47</sup>P.J. Cain and A.G. Hopkins, *British Imperialism: Crisis and Deconstruction 1914-1990* (London and New York: Longman, 1993) 236.

<sup>48</sup>"Appendix IV Financial Statement for 1929-30," *CYB 1931* 702.

Further to this T.V. Soong the Finance Minister warned that while loan projects were receiving popular attention, they would take considerable time to bring to fruition, even though at the outset they may have appeared "within the realm of practical finance."<sup>49</sup> The overwhelming message in such comments is the recognition that there was no easy solution to China's budgetary problems.

The foreign powers wanted the repayment of their loans and indemnities and this encouraged intervention in China's finances. The loan consortium that emerged just after 1911 and existed throughout the Republic is a prime example of active foreign involvement in China's finances. This consortium, consisting of representatives of Britain, Germany, France and America, was created to avoid inter-rivalry between the principal lending groups to China and to present a "united front" to the Chinese treasury. This group, however, had British Foreign Office backing from the outset and was closely allied with political ambitions. As Kann shrewdly observed, "as a matter of fact politics became closely intermixed with finance."<sup>50</sup> One such avenue through which Britain could ensure its interests was the MCS. While the MCS was indeed a Chinese institution it operated under a foreign IG and it represented a vital security for foreign loans to China.<sup>51</sup>

Even though the Customs Service and the Chinese Government used modern (Western) accounting methods and therefore can be accredited with a certain amount of accuracy, it should be recognized that these reports were mainly for foreign consumption. Financial reports were submitted to the *CYB* by the Minister of Finance but were not always issued or received promptly. The *CYB* for the 1923–1937 periods regularly devoted a chapter to the financial situation of China. The material contained in these chapters often consists of a proposed budget (in the years prior to the Nationalists ascension to government) and/or a financial statement of revenue and expenditure for the previous fiscal year (1<sup>st</sup> July–30<sup>th</sup> June). A commentary by a Western 'expert' or observer accompanied such reports. As will be seen in the following tables, Customs reports and government reports as to revenue do not necessarily correspond. This can be largely attributed to the fact that figures

---

<sup>49</sup>"Appendix IV Financial Statement for 1929–30" 702.

<sup>50</sup>E. Kann, "Chinese Government Loans," *CYB* 1934 547.

<sup>51</sup>Cain and Hopkins, *British Imperialism; Crisis and Deconstruction* 250.

were compiled separately by the Ministry of Finance and by the MCS' Statistical Department.

Table 3.2 draws on the official reports provided to the CYB by the Ministry of Finance. The MCS represented the largest proportion of the Government's revenue for each year. It ranged from 42% to 54% of total revenue. Any large disruption in the functioning of the Service therefore would conceivably have a direct effect on the financial state of the government. The actual amount of revenue from the Customs increased significantly from 312 million in 1931 to 369 million in 1932 and after this declined slightly to around the 352 million mark. This increase was undoubtedly influenced by the introduction of revenue and interport surtaxes in 1931.

From the report on 1933 to that of 1934 there was a minor decrease in Customs revenue (0.13 million) and as a proportion of net total revenue, there was a decrease over these years. In 1933 the Customs represented 52.5% of total revenue but in 1934 it had dropped 10% to 42.5% of the total. A dramatic increase in the net proceeds from borrowing from 1933 to 1934 of around 67 million (from 16.8% to 21.7%) was responsible in part for offsetting the Customs significance. Clearly there were a greater number of loans taken out and bonds issued in 1934. Also in this year revenue from salt tax and proceeds from consolidated taxes increased.

Table 3.2 illustrates that the two other substantial sources of revenue for the government came from salt taxes and proceeds from borrowing. These sources combined contributed around 40% of total revenue. In 1931 salt and proceeds from borrowing represented 367.19 million (51.5% of total revenue); this revenue in fact exceeded that of the Customs (43.8%). 1931 was the only year in which the Customs was dramatically overshadowed by the revenues of salt and borrowing. The National government did not receive all of the proceeds from salt taxes however as a proportion was allocated to each province. The fact that net proceeds from borrowing represented between 16.8% and 30.3% of total revenue emphasizes the scale of China's deficit problem. 1931 was the high point of government borrowing with revenue from loans doubling in value from 1930. Another source of revenue that was not listed in official reports was that of the cultivation and sale of opium. While this was illegal in theory, in practice it was officially condoned and provided a valuable income to the government and provincial leaders.<sup>52</sup>

---

<sup>52</sup>Endicott 21; Rawski 31.

**Table 3.2 Revenue and receipts of the Nationalist Government From 1929 to 1934.**

Year <sup>a</sup> /Revenue (in millions)	Customs (% of total)	Salt (% of total)	Consolidated <sup>b</sup>	Net Proceeds from Borrowing <sup>c</sup> (% of total)	Other <sup>d</sup>	Cash Balances at beginning of year	Less: Revenue Refunds <sup>e</sup>	Net Total
1929	179.14 (41.2%)	29.54 (6.8%)	-	100.14 (23%)	125.60 <sup>f</sup>	-	1.82	434.44
1930	275.54 (51.1%)	122.15 (22.7%)	-	100.94 (18.7%)	86.01 <sup>g</sup>	-	45.64	539.00
1931	312.99 (43.8%)	150.48 (21.1%)	53.33	216.71 (30.3%)	44.13	-	63.17	714.47
1932	369.74 (54%)	144.22 (21.1%)	88.68	130.01 (19%)	29.92	-	79.67	682.99
1933	352.53 (52.5%)	158.07 (23.5%)	79.60	112.62 (16.8%)	50.63 <sup>h</sup>	-	80.73	671.92
1934	352.40 (42.5%)	177.37 (21.4%)	104.98	179.95 (21.7%)	84.73	27.09	67.83	828.71

Revenue is shown in millions. Percentage figures (%) show proportion of Customs revenue in total revenue for the year.

**Source:** Data is drawn the Ministry of Finance's "General Statement of Cash Receipts and Payments" provided in the CYB 1931 698–699; CYB 1932 434–435; CYB 1934 493–494; CYB 1936 386; CYB 1938 469–470.

<sup>a</sup>Fiscal years ending 30<sup>th</sup> June 1929, 1930, 1931, 1932, 1933 and 1934.

<sup>b</sup>According to 1931 and 1932 reports, Consolidate Taxes include rolled tobacco tax, flour tax, cotton yarn tax, match tax and cement tax. In 1933 and 1934 this also included Cured tobacco Tax. CYB 1934 492–493.

## **Revenue and receipts of the Nationalist Government (continued)**

---

<sup>c</sup>This included domestic bonds, treasury notes and bank loans. *CYB 1934 492–493.*

<sup>d</sup>Other comprises of tobacco and wine taxes, stamp tax, provincial revenue, dividends on government owned bank stocks, government railways and miscellaneous other receipts. *CYB 1934 492.*

<sup>e</sup>This accounted for both the revenue services and refunds. *CYB 1936 386.*

<sup>f</sup>This category includes rolled tobacco and kerosene, tax collected by the provinces, tobacco and wine, stamps, flour, parcel post, mining tax, unclassified revenue, miscellaneous revenue, and the refund of expenses and advances. *CYB 1932 434.*

<sup>g</sup>As there was no grouping of “consolidated taxes” this category then includes rolled tobacco Tax, tobacco and wine tax, stamp tax, flour tax, remittances by provincial governments, profit from the operation of the Central bank and miscellaneous. *CYB 1932 428.*

<sup>h</sup>In the financial report for 1933 there is an increase in tax categories (they also appear in 1933). Stock exchange tax and bank-notes tax are among the additions to receipts. *CYB 1938 469.*

Table 3.3 displays the main areas of Government expenditure. The two most significant demands on existing finances were clearly military expenses and loan servicing. Military expenses ranged from 43.6% to 47.7% of total government spending. Such high levels of expenditure serves to indicate how highly militarized the KMT remained, and alludes to the ongoing difficulties Chiang faced when attempting to curb the size of China's armed forces. Attempts to reduce the military and therefore, associated expenditure, led to rifts with many of the warlords who had joined the KMT forces during the Northern Expedition.<sup>53</sup>

Military expenditure placed significant strains on the government's finances. In the CYB for 1934 there was an awareness of the problem such exorbitant spending on the military was causing the government. The report reads:

The Ministry of Finance during the last few years has maintained in season and out of season that if military expenditures could be kept within reasonable limits the budget could be balanced and a marked improvement in the national standing would result. That this prediction came true despite foreign aggressions, communist uprisings and natural calamities must occasion the greatest gratification to members of the Government.<sup>54</sup>

This report was written as a preface to the general statements of the government for 1931 and 1932. As illustrated in the table, in 1932 there was indeed a decline of around 7 million on military expenditure but there was also a general decline in practically every other category. In 1932 there was almost 30 million less revenue from the outset, therefore, it is not surprising that the military was affected along with every other area of spending. This decline in military spending is superficial as proportional expenditure on the military actually increased. Moreover, in 1931 military spending represented 43.6% of total expenditure and this in fact increased to 44.5% in 1932, peaking at 47.7% of total expenditure in 1933. While the Government may have made the semblance of curbing spending on the military, it remained an increasingly significant proportion of total expenditure.

Loan servicing was the second main demand of Government revenues. This constituted from 24.4% to 35% of total expenditure. In each balance of payments not only did the government have a substantial, ongoing loan repayment commitment, it

---

<sup>53</sup> An example of this resulted in a revolt by Yen Hsi-shan and Feng Yu-hsiang in 1930 and is discussed in detail in Chapter 7.

<sup>54</sup> CYB 1934 492.

Table 3.3 Total Payments for the Ministry Of Finance, 1929–1934

Year <sup>a</sup> /Payment <sup>b</sup>	Party <sup>c</sup>	Civil Expenses <sup>d</sup> (net)	Military expenses (%)	Transfers to local authorities from Salt Inspectorate	Transfers to special funds account (Salt)	Loan Service (net)	Indemnity (net)	Net payments to reserves	Cash Balance	Less: Suspense Items for Prior years	Total
1929	4.04	34.10	209.54	-	-	121.31	58.66 <sup>e</sup>	6.77	-	-	434.42
1930	4.62	51.47	245.45 (45.5%)	35.57	-	159.00 (29.5%)	41.25	1.66	-	-	539.00
1931	5.07	59.96	311.65 (43.6%)	47.53	-	241.03 (33.7%)	48.5	.65	.09	-	714.47
1932	3.92	56.41	303.78 (44.5%)	47.79	.79	238.75 (35%)	31.09	.46	-	-	683
1933	4.76	77.97	320.67 <sup>f</sup> (47.7%)	37.25	.57	169.54 (25.2%)	40.51	2.15	27.09	8.59	671.91
1934	5.59	98.89	372.90 <sup>g</sup> (45%)	23.00	.94	202.60 (24.4%)	41.68	23.52	59.59	-	828.71

Revenue is shown in millions. Percentage figures show proportion of Military and loan expenses in relation to total payments for the year.

**Source:** Data is drawn from the Ministry of Finance's "General Statement of Cash Receipts and Payments" provided in the CYB 1931 698–699; CYB 1932 434–435; CYB 1934 492–494 and CYB 1936.385–386.

<sup>a</sup>Fiscal year ending 30<sup>th</sup> June 1929, 1930, 1931, 1932, 1933 and 1934.

<sup>b</sup>All figures are in Standard Dollars (St.\$).

<sup>c</sup>Nationalist Party expenditure.

## **Total Payments for the Ministry Of Finance (continued)**

---

<sup>d</sup>Civil Expenses included National Government Council, Executive, Legislative, Judicial, Examination and Supervisory Yuans and their respective subsidiary organs. Furthermore the category encompasses famine relief and subsidies to provincial and local governments. *CYB 1936 386.*

<sup>e</sup>This included advances for Capital of Central bank St.\$20 million. *CYB 1932 435.*

<sup>f</sup>Including payments made in prior years of 58.81 million. *CYB 1938 469.*

<sup>g</sup>Including payments made in prior years of 46.38 million. *CYB 1938 470.*

also continued to issue bonds and to take out loans, both internal and foreign. Such detail reveals the serious deficit problem the government was struggling to control. Foreign loan consortiums, as discussed earlier in this section, were clearly in a powerful position by virtue of the Chinese government's continuing cycle of indebtedness. The foreign powers, knowing that the bulk of revenue was absorbed by military and loan repayments with little left over for civilian expenses, were aware of the possibility that the Government may be tempted to rashly spend loans for day to day budgetary purposes rather than long term goals.<sup>55</sup> Certainly military expenditure and loans took anywhere from 70% to 80% of government revenue. Such large commitments left only 20% of revenues available to the government.<sup>56</sup>

A great proportion of China's foreign loans were secured against the Customs. suggests the closely interwoven connection between Western interests in China and the role of the MCS in the Republic. Foreign loans to China were deeply influenced by international politics, "the implication in this is that, while China's obligations are direct to the actual banks or syndicates advancing the money, these obligations are nevertheless regarded by the Powers interested as a matter of vital concern in their general policy towards China."<sup>57</sup> The securing of foreign loans against a foreign dominated Customs service lends further credence the idea of the Customs as centripetal to the practice of Western imperialism in the Republic. In 1931, the loans secured against the MCS included:

Chinese Imperial 4% Gold Loan. Issued in 1895 this £15 ,820,000 loan was still being repaid in the 1930s.

\*Chinese Imperial 5% Gold Loan 1896, £16,000,000.

\*Chinese Imperial 4.5% Gold Loan 1898, £16,000,000.

Loans initiated during the Republic.

\* 5% Reorganisation loan 1913, £25,000,000.

\* 5% Gold Loan 1925 (Balance of French Boxer Indemnities converted into bonds), G. \$43,893,900.

\* Chinese Republic 6% Gold Loan of 1928, US \$5,000,000 (Balance of Belgian Boxer Indemnity converted into bonds for railway development and education facilities in China).<sup>58</sup>

---

<sup>55</sup>Endicott 21.

<sup>56</sup>Endicott's research supports the figures in Table 3.6 as he discusses that military and loan expenditure accounted for 80% of total expenditure. Endicott 21.

<sup>57</sup>Wright, *Collection and Disposal* 70–71.

<sup>58</sup>CYB 1931 352–353.

These loans were not the only secured loans made by foreign powers to the Chinese government but the most substantial loans were all secured against the Customs. Through this the Customs was not merely a revenue generating institution for the Chinese government but rather, was integral in generating revenue for the foreign powers, albeit in an indirect manner. This revenue was realized in the form of a security for foreign loans and also an assurance of regular repayments of foreign interests. Importantly, the prerogative for the payment or defaulting of loans was not left to the Chinese government; instead the Customs managed this as one of their main concerns.

The *CYB* 1938 provides a small table indicating the value of outstanding foreign loans and the revenue sources against which they were secured:

Against Customs Revenue	£25,710,885 and U.S. \$28,990,150
Salt Revenue	£7, 037,362 and U.S.\$6,605,500 and Yen 45,478,400
Sundry Securities	£6,866,046 and U.S. \$22,200,000 and Frs. 100,000,000 <sup>59</sup>

These figures are indicative of the relative enormity of the loan obligations that had been entrusted on the Customs when contrasted with that of the Salt revenue in particular. Again, this does not take into account internal bonds that had been released against the Customs as a security.

Internal loans were similarly secured against Customs revenue. The *CYB* 1934 provides a compilation of the internal loans issued during the Republic and through this presentation it is possible to identify and isolate those loans that were reliant on the security of the Customs. The value of loans authorized and issued between 1928 and 1933 against the Customs totaled in excess of 2 billion dollars.<sup>60</sup> The sheer size of these loans has two significant implications. First the amount of these loans illustrates the heavy reliance the Chinese Government was placing on the Customs, not to merely generate revenue but to provide the security for the floating of large internal loans. Second the Customs revenue was reliable enough to provide security for such amounts but it could never realistically be capable for the repayment of such

---

<sup>59</sup> CYB 1938 502.

<sup>60</sup> E.Kann, "Internal Loan Issues Outstanding on Jan 1 1934," *CYB* 1934 558–560.

debts. Presumably though, the releasing of bonds would have been directed at the foreign consortium and also, towards wealthy Chinese investors.

In the preceding sections of work the existence of interdependency between the Chinese government and the Customs was established. The implication of this connection leads to a recognition of the subtle dynamics of Western imperialism in action. Through the Customs the Chinese were able to gain most importantly, security for foreign and internal loans. The foreign basis of the Customs in turn provided an extra element of security for the foreign powers and therefore their investments. Through this Chinese dependency foreign investors could gain some ascendancy in China's economic affairs. Certainly, the indebtedness of China and the need to secure repayment implied the potential for foreign intervention in Chinese affairs. There was a definite dependency cycle established between the government and the foreign powers through the nationalists' deficit. The Customs represented a significant source for the government, even more so because it was a stable organization.

### **THE REVENUES OF THE MCS**

After having examined the significance of the Customs to the national government's finances, it is essential to explore what constituted the revenue of the Service. Statistics featured in CYB and in the Customs Annual reports are the primary mode for assessing the economic performance of the Service. Inconsistencies are apparent within these statistics and cross checking any suspected inaccuracies is difficult. Changes in units, which the Customs employed for their evaluation purposes, occur in 1932 from Haikwan Tael to Gold Unit for countries and commodities and in 1933 from the Haikwan Tael to the Fa pi, or Standard Dollar St\$. These currency changes present conversion difficulties when presenting revenue from 1923–1937. Hsiao Liang-lin's data sourcebook, *China's Foreign Trade Statistics, 1864–1949*, a compilation of material from Customs reports and trade statistics does not actively address the currency changes although they are documented in the text. Instead Hsiao includes up to three different currency units within even a single table.<sup>61</sup> In an

---

<sup>61</sup>Hsiao Liang-lin, *China's Foreign Trade Statistics, 1864–1949* (Cambridge: Harvard University Press, 1974) see Table 1. "China's Foreign Trade: imports and Exports 1864–1941, 1946–1948"22–4 and Table 5. "China's Maritime Customs Revenues, 1864–1941, 1946–1948" 132–134 as examples of Hsiao's presentation of Haikwan taels, dollars and gold yuan within each study.

attempt to standardize the figures provided in the documents, a conversion rate from Standard Dollars to Haikwan taels is applied. This conversion rate was provided by the Customs but this only addresses some of the ambiguities inherent in these figures. Rates of inflation are not easily available for this research and therefore even though figures are standardized they should only be read as broad indicators of general trends.

As illustrated in table 3.4 the figures for the Customs Revenue for the 1923–1937 period reveal constant growth. There was an increase of almost 350% from 1923 to 1937. This growth, however, was not steady and in 1931 there is a dramatic peak in the total of Customs revenue (totalling St\$ 385,002,673) due in part to the initiation of the collection of interport duties and the famine or flood relief surtaxes. With the heart of the Yangtze inundated and regions afflicted by famine, the government purchased 450,000 tons of American wheat on three to five years credit (and 4% interest) the total debt for this being US\$9.2 million. Further outlay for shipping the wheat to afflicted areas forced the government to issue bonds. When these failed to sell, however, due to uneasiness on the market caused by Japanese aggressions, the government called for 10% surtax on all goods (except those that were specifically exempted).<sup>62</sup> The 1931 total was, as a result, a dramatic 137% increase from the total registered for 1930. This would also have been a result of the Nationalists having gained tariff autonomy and having had increased their tariffs accordingly.

Import and export duty constituted the largest sources of revenue for the Customs. Figure 3.4 depicts the ratio of import and export duties in proportion to total revenues. From this it is clear that import duties were the predominant source of funds for the Service. Import duties grew at a dramatic pace from 72 million in 1928 to 314 million in 1931. In contrast export duties remained relatively low, peaking at 55 million in 1930 and in fact declining from 1931 onwards. These two duties confirm the significance of the Service in moderating and controlling trade to and from China; the MCS had an undisputable role in monitoring China's trade.

---

<sup>62</sup>CYB 1934 497.

Table 3.4 Revenue of the Maritime Customs Service, 1923–1937

Year	Import Duty	Export Duty	Coast Trade Duty <sup>a</sup>	Interport Duty	Transit Dues <sup>b</sup>	Tonnage Dues	Revenue Surtax	Famine or Flood Relief Surtax <sup>c</sup>	Total
1923	50.64	35.32	4.13	-	5.00	3.74	-	-	98.94
1924	59.37	36.05	3.97	-	4.85	4.19	-	-	108.43
1925	56.66	38.28	4.12	-	5.73	4.07	-	1.33	110.19
1926	66.77	40.92	4.35	-	5.16	4.52	-	3.60	125.32
1927	54.38	39.67	3.87	-	4.88	4.28	-	0.07	107.16
1928	72.47	42.16	4.21	-	4.85	4.62	-	-	128.27
1929	167.10	56.54	5.66	-	3.85	4.95	-	-	238.11
1930	211.64	55.38	6.30	-	3.25	4.84	-	-	281.41
1931	314.69	47.83	-	15.65	-	5.24	-	1.60	385.00
1932	236.29	26.78	-	20.65	-	4.27	5.07	19.02	311.98
1933	265.61	23.24	-	18.00	-	4.40	14.13	14.14	339.52
1934	260.22	24.70	-	16.97	-	4.30	14.22	14.24	334.65
1935	250.17	20.73	-	13.21	-	4.32	13.53	13.56	315.52
1936	254.54	24.47	-	13.68	-	4.03	13.94	13.97	324.63
1937	261.29	29.07	-	20.15	-	3.22	14.58	14.59	342.90

Figures in millions of Standard Dollars St.\$

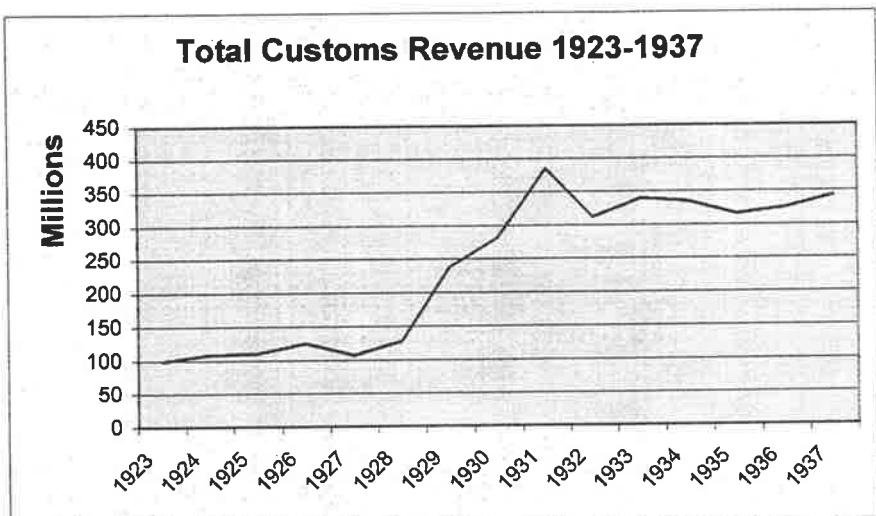
The above table is presented in Standard dollars, using the officially set exchange rate of Hk,Tl 100 = \$155.80 to calculate the 1923-1925 figures and to randomly check other figures.

Source: Maritime Customs reports and CYB 1934.

<sup>a</sup>On 1 January 1931 Coast Trade duty was abolished. CYB 1931 699.

<sup>b</sup>On 1 January 1931 Transit Dues were abolished. CYB 1931 699.

<sup>c</sup>This was a 10% Customs Surtax on all goods (except those exempted) to contribute to the cost of famine relief along the Yangtze. CYB 1934 497.



**Import and Export Duties in Proportion to Total Customs Revenue**

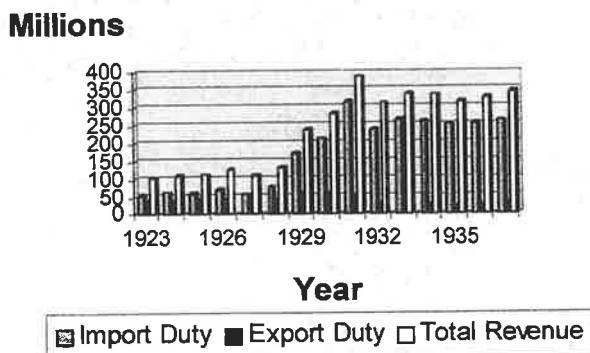


Figure 3.4 Customs Revenue and Import/Export Duties in Proportion to Revenue. (Adapted from Table 3.4.)

As the revenue of the Service increased, the calls made on this source were twofold. They involved maintaining the Service and also contributing to Chinese government interests. Wright's detailed work on the MCS provides a thorough account of not only the claims on the revenue but also the disposal of the Customs surplus. He discusses the "first charges on the revenue" namely, all expenditure necessary to maintain the service in full, all costs incurred in the collection and banking of the revenue. This also encompassed "special appropriations for the upkeep of the service and allied interests or as grants to the Government for

specified objects which have been *approved by the Diplomatic body*" (emphasis added).<sup>63</sup>

Clearly the foreign powers held considerable interest in China's finances and most particularly in the fate of the Service. This is understandable considering the Customs high profile in China's financial health. As can be seen in the preceding section, the Customs, over time, came to represent a significant force for the economic prosperity of China. It played a vital role in financing the republic and provided a secure source for foreign loans. Foreign powers could rest easy in the knowledge that the Customs would always look out for their interests because a hard-working foreign Inspectorate was firmly at its helm.

## ***The Custom's London Office: Administrative Support, Cultivating 'Allies' and Creating the 'Customs Man'?***

[The London Office] acted as a kind of stationery and supply office for the whole Service, also as an information bureau and an examination center. That much was known of it. But a large part of its work was highly confidential, and all who joined it were under a pledge of secrecy not to divulge, under the severest penalties, what was done. It was a hush-hush office.<sup>64</sup>

In a reflection of the foreign composition of the MCS, the Service from the 1870s maintained a London Office. As alluded to in Robert Campbell's comment above, the office served a diverse number of roles in supporting the MCS not just administratively but it was responsible for a lot of the 'behind the scenes' promotion of the Service. The London Office (LO) vetted the majority of recruits for the indoor staff who were then sent off to serve in China. This section examines the LO and the roles it played in supporting and perpetuating foreign interests in the MCS. While touching on the LO in the early IMCS era, the following examination will focus on the 1920s and 30s. In doing so, the anomalies between the perceived and actual role of the Office in the London diplomatic community will surface. The LO can also be seen as crucial in establishing or at the least, perpetuating, an image of the ideal

---

<sup>63</sup>Wright, *Collection and Disposal* 35.

<sup>64</sup> Robert Campbell writing about his father's service as Non Resident Secretary in the London Office in Robert Ronald Campbell, *James Duncan Campbell: A Memoir by His Son* (Cambridge: Harvard East Asian Monographs, 1970) 19.

Customs man through the encouraging of an *esprit de corps* for the Service. This office remains an intriguing aspect of the MCS, its existence alone providing further evidence of the British dominance of the Service.

The Legendary IG Robert Hart was responsible for the establishing of the LO for the Customs with a Non Resident Secretary (NRS) in 1873. The office was located in 26 Old Queen Street Westminster. The functions of this London outpost of China's Customs Service are largely unexplored in academic works; likewise the relationship between the IG and the NRS remains shadowy. This obscurity may be due in part to the perception of the peripheral role played by this office in relation to the Customs establishments throughout China. Such perceptions are deceptive, the LO constituted a significant link for the MCS and its British supporters, the import of which should not be underestimated.

The establishing of the NRS in London emphasized the ascendancy of British interests in the Customs Service. The actual location of the office was within the heart of London's diplomatic and administrative centre, Westminster. This office was certainly not a minor concern, located in a nondescript area; instead it was situated in one of the most prestigious areas in London. The mere existence of an NRS, indicates a continuance of an imperialistic agenda amongst the Customs staff. In many ways this dependency on having a presence in Britain lends itself to Fairbank's synarchy treatise. In the creation of a London Office the development of a synarchical relationship was being played out.

An important source for examining the LO and its relationship with the Service in China are the correspondences between the IG and the NRS known as the "Z" series letters.<sup>65</sup> The Z series were intended to enable a free discussion of matters that could not have been properly addressed in semi-official correspondence. Aglen wrote about the purpose and his treatment of the Z series to Bowra in 1924, "as you know, I file them in my office; they do not go over to the other side."<sup>66</sup> The confidentiality of these letters for the IG and NRS alone is stressed here. The assurance that the letters would not be "sent to the other side" poses two

---

<sup>65</sup> Francis Aglen, letters to Guy Acheson and Cecil Bowra, 7 Jan. 1921–23 Dec. 1924, Letter Series Z, Library of the School of Oriental and African Studies, London; Francis Aglen, confidential correspondences with Guy Acheson and Cecil Bowra, 2 Jan. 1921–7 June 1926, Letter Series Z, Library of the School of Oriental and African Studies, London. These are unpublished letters held in the abovementioned institutional library.

<sup>66</sup> Francis Aglen, letter to Cecil Bowra, 16 February 1924, Letter Series Z.

possibilities. The first (and most immediately obvious) would be their confidentiality from the Chinese, while the second may have been the foreign powers in China. In several instances within these letters, Aglen expressed particular distrust of the British representatives in China and also those claiming to be "China experts" in Britain. He believed that even a few months away from China would make a person lose touch with the dynamics of the internal situation and that while men like Sir John Pratt could speak of their experiences in China, they should not be regarded as authorities on the current situation.<sup>67</sup>

## **ADMINISTRATIVE SUPPORT**

Hart's motivations for establishing a London branch of the Customs were influenced by the practicalities of having a London agent to handle Customs affairs. James Campbell, who had been in London for several years due to ill health, had proven himself to be an asset in Hart's eyes by handling such sensitive matters as the contentious von Grumpach case.<sup>68</sup> Therefore in August 1873 Hart discussed the possibility of an arrangement with Campbell that would make the need for an agent unnecessary. He outlined to Campbell:

I must remember that, from the way you have acted during the last two years at home, it is evident you would, in other important ways, be useful to me as a man who knows China (as you do), and no one could be fully employed and usefully employed except a man thoroughly trusted by me (as you are) and personally loyal to me (as I fully believe you to be).<sup>69</sup>

Hart stressed the need for a man he could not only trust but that importantly had personal loyalty to the IG. This reflects to some extent the tensions that had been

---

<sup>67</sup> Francis Aglen, letter to Guy Acheson, 25 Oct. 1922, Letter Series Z.

<sup>68</sup> Hart had appointed von Grumpach as professor of mathematics and astronomy at the new college in Peking. However after his dismissal by Hart on the grounds of unsuitability for the position, von Grumpach took Hart to the Shanghai court on grounds of wrongful dismissal and won. Campbell was integral in arranging the challenging of this ruling in the Privy Council. The success of this challenge established the IG as not responsible to British courts when acting lawfully as a Chinese employee. Wright devoted Chapter XII to this case and introduces von Gumpach : "he turned out to be not an instructor but a litigious obstructionist and a seeker of notoriety." S.F. Wright, *Hart and the Chinese customs* (Belfast: W. Mullan, 1956) 238. For a brief review of Campbell's role see Campbell, *James Duncan Campbell* 17.

<sup>69</sup> Robert Hart, 31 Aug. 1873, letter 63 of *The I.G. in Peking: Letters of Robert Hart, Chinese Maritime Customs 1868–1907*, eds. John King Fairbank, Katherine Frost Bruner and Elizabeth MacLeod Matheson, vol. 1 (Cambridge: Belknap Press, 1975) 122.

placed on the Customs by the British diplomatic body during its early years, these pressures culminating in several challenges to the authority of the Customs establishment in China. As IG Hart had the need for a London contact that would not only offer support to the Inspectorate but who also could be relied on to defend the best interests of the service.

The selection of Campbell's official title as NRS had implications on what direction the London establishment would take. While Hart had initially considered calling Campbell Supply Secretary or Chinese Commissioner, he discarded both as being understated and too grandiose respectively. He was aware of the need to select a title that would neither restrict Campbell's activities nor bring him under critical scrutiny from Diplomatic or Chinese circles.<sup>70</sup> Hence he chose the title NRS. Campbell's role would be twofold: buying and forwarding supplies and attending to confidential work delegated by the IG. Through this simple outline of the duties of the NRS there were indications that the LO could, in time, further expand the scope of its activities according to the needs of the Inspectorate. The fluidity of this establishment is evident when its origins are examined against the LO of the 1920s and 1930s. With the coming of the Republic and the death of Hart, there came inevitable changes in the direction and the role of the LO.

The LO was a small administrative establishment. Although it is difficult to ascertain, it appears that only a typist-clerk, office keeper and office boy supported the NRS. While Hart was the originating force behind this office, his letters often betray reluctance to continuing to commit funds to the upkeep of such an establishment. The Office contributed to strain placed on the Customs funds and was discussed in Hart's letters.<sup>71</sup> The staffing of the LO appears to not have dramatically changed in size during the course of its existence but in later years often a new recruit to the Service would spend some time as an assistant in the office before being sent to China. The LO did not expand dramatically as the MCS developed, it remained a small operation only employing the basic minimum of staff.

---

<sup>70</sup>Hart, 20 Jan. 1874, letter 76 of *The I.G. in Peking* vol. 1 142.

<sup>71</sup>Hart writes, "...we are being so hard put to it that the question of the existence of the L.O. again is likely to come up: as it is, anybody here would volunteer to go there for half your pay and everybody is growling over gold being paid to men in London while in China they only get silver. Of course I know what a valuable man you are and how well you work, but economy may force another I.G. to bring you to a port in China and reduce expenditure - if not stop it altogether - in London." Hart, 29 Jan. 1894, letter 918 of *The I.G. in Peking*, vol. 2 960-962.

Ironically even with the increasing significance of the Chinese Customs revenue during the mid years of the Republic (when compared to the struggle Hart's establishment often had to meet indemnity and loan commitments), the LO faced threats to its continuation in the 1920s. In this period, Aglen headed the Service and the existence of the LO came under intense scrutiny, both in Britain and China. An income tax ruling in 1924, which Aglen was unsuccessful in negotiating for an exemption, meant that Customs staff in London were taxed according to British law.<sup>72</sup> He wrote:

The Foreign Office may be able to help us. They understood the situation, or at any rate it can be explained to them, and, seeing how much depends on the Customs and what a very considerable British interest it is, they might be able to bring some weight to bear in the direction of freeing us from embarrassment. But when all is said and done we cannot expect that Great Britain will alter her laws for our benefit...<sup>73</sup>

Aglen concluded that it may be possible to use a bluff that the LO would relocate to either Paris or Washington but that this would not eliminate the fact that the MCS wanted to retain a recruiting office in London regardless of the outcome of the tax ruling. From the sentiments in Aglen's letter and the way the Service worked around the inconvenience of these taxes, it is apparent that the LO was considered indispensable to the Service.

This income tax ruling caused concern for LO employees, since their China based colleagues had no such taxes. This income tax was considered by the NRS and London staff as a disadvantage when working at the LO which, along with the higher cost of living, was exacerbated by the fact that staff were often not given choice in their appointment to this post. In correspondence between Aglen and Bowra such issues were addressed and it appears that the staff at the LO were accorded special treatment by the Service. Their wages were safeguarded against rises in the exchange and they were also accorded a rent allowance.<sup>74</sup> In response to the income tax ruling, there was an examination of the numbers of staff at the LO and also the composition of the staff. Aglen suggested the possibility of recruiting

---

<sup>72</sup>See Cecil Bowra, letter to F.A. Aglen, 17 June 1924, Letter Series Z; and F.A. Aglen, letter to Cecil Bowra, 27 May 1924, Letter Series Z.

<sup>73</sup>Aglen, letter to Bowra, 27 May 1924, Letter Series Z.

<sup>74</sup>Aglen, letter to Bowra, 11 Mar. 1924, Letter Series Z.

permanent staff from London and thus allowing the MCS staff to return to China. Bowra, however, sounded a note of alarm at this prospect, as he believed there must be at least a second in charge that was from the Service. He replied to Aglen:

I am inclined to think that on the whole (and even if the service has to pay his income tax for him) it would be better to have as No 2 here a China-trained man who knows China and the Service, Otherwise the burden on the N.R.S. [sic] would be an unduly heavy one, as he would have to interview personally everyone who wants to know anything about China or Service conditions—a formidable task, and leaving him little time for anything else, in view of the constant string of callers here.<sup>75</sup>

Should the NRS fall ill or take leave, Bowra was convinced that an able and experienced Customs man was needed to fill the void.<sup>76</sup> Despite these discussions, no further action along these lines was taken. This inaction was possibly due to a tacit understanding between Aglen and Bowra that employees outside the Service did not have an adequate understanding of the MCS and would therefore be inappropriate representatives.

The issue of employing local staff in the LO came under scrutiny again during the IG-ship of Maze. A review of the LO, submitted by M.O. Law to Maze (circa 1930) outlined in detail the cost of running the office.<sup>77</sup> It also suggested possible measures to reduce not only expenses but also, the number of China staff being retained in London when locally employed staff could as easily fill their jobs. After approximating the annual cost of running the LO at around £5,444. Law proposed downsizing that he predicted would reduce the running costs to £2,782 annually. He suggested that the NRS lived on the premises to cut down rental allowances.<sup>78</sup> Whether or not this was acted upon is unclear, however, it is significant that the IG solicited such reports.

---

<sup>75</sup> Bowra, letter to Aglen, 17 June 1924, Letter Series Z.

<sup>76</sup> Bowra, letter to Aglen, 17 June 1924 Letter Series Z.

<sup>77</sup> M.O. Law, confidential and private report to F.W. Maze, c.1930, The Maze Collection, National Maritime Museum, Greenwich.

<sup>78</sup> "The London Office house is a very old one with no very modern up-to-date conveniences but it is in a very desirable part of London and no man could think it undesirable to live in the house or district." Law, confidential and private report to Maze.

## CULTIVATING ALLIES

During the Hart and Campbell era, the LO fulfilled roles more suited to a Chinese legation. Moreover, the LO of the IMCS era could be seen as both presenting and representing China in Europe. In 1873 it organized a Chinese display at an exhibition in Vienna, and until 1905 continued to make successful representations in exhibitions in the West. The IMCS presented the arts, produce, and industries of China at these exhibitions. Wright comments that they helped “the world to understand and appreciate better the life and culture of the Chinese people.”<sup>79</sup> Campbell often coordinated such displays, and in this manner the IMCS was part of the colonial desire to represent Asia to Europe.

Campbell as the NRS also played an integral role in negotiating understanding between France and China over disputes relating to Tonkin in 1885 and then the subsequent *Feihoo* affair. In October 1884 the French Navy arrested Customs Cruiser *Feihoo* while it was patrolling and inspecting lighthouses on the South Coast. Hart sent Campbell to Paris to head the negotiations for *Feihoo*'s release and in doing so to also address issues surrounding the Sino-French differences over Tonkin.<sup>80</sup> When engaging in such negotiations, Campbell's role can be interpreted more as a diplomat than a mere secretary of supplies. Such far reaching influence, however, was not enjoyed by the LO in the 1920s and 1930s as China's legation in London was well established and in a reflection of the Nationalists' rise in China (looked on with a certain amount of regret and trepidation by some MCS staff and old China hands), the legation could well manage its own affairs. Campbell's memoir laments the end of the days when the Chinese legation in Britain had taken its lead from the LO.<sup>81</sup>

In the 1920s and 1930s the LO gave the Customs Service an important connection with affairs in Britain and more importantly, an opportunity to raise the profile of the Customs in the eyes of British business and political leaders. A discussion between Aglen and Bowra, who became NRS in early 1924, with regards

---

<sup>79</sup> Wright, *Hart and the Chinese Customs* 401. This representation of the China by the Western dominated Customs may be attributed to the trend of Orientalism, the creating of images of the “exotic other” as discussed by Edward Said.

<sup>80</sup> Wright, *Hart and the Chinese Customs* 517.

<sup>81</sup> Campbell 28–29.

the role of the LO is telling not only for what it reveals but what it infers through omission. Aglen writes:

I was quite sure that when you got home you would have many proposals to make and that the opinion you formed here about the London Office would undergo very considerable modification, but I think you have jumped from one extreme to the other. If I remember rightly in our conversations here the idea you had about the London Office was that it was rather an unnecessary adjunct and that what it does could equally well be done by a paid Commission Agent. I never took that view myself. On the other hand *I do not desire that the office should in any way assume any representative functions. Acheson may have been somewhat shy and timid, and King may not have been all that was desired, but what I want the office to be is what it was in Hart's time - an aid and assistance to me in London and in no way competitive, either socially or officially, with the Chinese legation.*<sup>82</sup> [emphasis added.]

This letter reconfirms that the LO had in the past offered a challenge to the Chinese Legation and alludes that serious competition did in fact remain through its network of contacts. In response to these comments Bowra was forced to beat a tactful retreat, claiming that the views he expressed were an exercise in telling Aglen what others thought, rather than his own conclusions on the role of the LO.<sup>83</sup> Bowra was conscious of underlying tensions between the LO and the Chinese legation. In his memoirs he described the Chinese legation in London as "eyeing us [the LO] with jealousy" and that he had realized "any attempt at self-assertion on our part would have made difficulties for the IG in Peking."<sup>84</sup> Clearly throughout the Republic, tensions existed between the LO and the Chinese legation. Disruption to this uneasy relationship would have fuelled Chinese resentment against the foreign inspectorate.

Despite claims and instructions from Aglen to the effect that the LO should retain its former support role, the Office was simultaneously cultivating a network of "allies". These contacts reached into the echelons of the British Foreign Office, banking circles and Parliament:

There are one or two people that we must keep in touch with but they are extremely few and, so far as I know, the only ones who are specially important are: the Bank, Sir John Jordan, the Far Eastern Department of the Foreign Office, Admiral Learmouth, Trinity House, and perhaps it would be a good

---

<sup>82</sup> Aglen, letter to Bowra, 4 Mar. 1924, Letter Series Z.

<sup>83</sup> Bowra, letter to Aglen, 27 Mar. 1924, Letter Series Z

<sup>84</sup> Cecil A.V. Bowra, *Memoirs of C.A.V. Bowra, 1920–1932*, ms., Manuscripts Collection, Library of the School of Oriental and African Studies, London 438.

thing to get to know the people in the Overseas Department of the Board of Trade. Then there are, of course, Ambassadors whom one has previously known in Peking; they are always disposed to be friendly and it does no harm to call on them if they are appointed to London. But I don't want any pushing of the London office in a social way; I much prefer people to come to us and for our having a ready means of access to such people as it may be necessary for me to keep in contact with.<sup>85</sup>

Aglen obviously expected certain channels of communications to be maintained especially with influential and even more importantly, sympathetic personages. Further to this, it is evident that an unspoken role for the LO was to ensure that the MCS remained a continuing concern for the British establishment. This desire to keep Chinese affairs in prominence in Britain is echoed throughout the Z Letters, with Aglen encouraging Bowra to hint to politicians to keep China in the public gaze.<sup>86</sup>

The maintenance of an MCS-sympathetic network continued throughout the 1930s under the watchful guidance of IG Maze. On several occasions NRS Macoun reported to Maze the courtesy calls he had been making as part of his duties. Groups or individuals frequently mentioned included the Foreign Office, the Department of Overseas Trade, Sir John Pratt, the China Association and Sir C. Addis (a prominent banker). Of his duties, Macoun wrote:

I realise how useful it is to be in close touch with official, banking and commercial people in London who exercise influence in matters connected with China. Having known many people in China, and several of the men referred to for many years past, I hope that this advantage will enable me to deal with them better than someone who has not enjoyed this advantage.<sup>87</sup>

Clearly then the maintenance of influential contacts was integral to the role of the NRS. The Secretary was ideally selected because of his loyalties to the Service and also his skills in representing the interests of the Service within influential business and political circles.

---

<sup>85</sup> Aglen, letter to Bowra, 21 Apr. 1924, Letter Series Z.

<sup>86</sup> Aglen writes, "I hope those Members of Parliament will go on asking questions and holding China before the public gaze. All that does good out here. If you see Looker you might give him a hint." Aglen, letter to Bowra, 20 Apr. 1926, Letter Series Z

<sup>87</sup> C. Macoun, letter to Frederick Maze, 29 Dec. 1933, *The Papers of Sir Frederick Maze relating to the Chinese Maritime Customs Service*, vol. 9, unpublished, Library of the School of Oriental and African Studies, London 393. This group of documents will be known subsequently as the Maze Papers.

Owing to tensions between IG Maze and the British Minister in China, Lampson, Maze often directed informal correspondence to the Foreign Office through the NRS. Evidence of bypassing the Foreign Office can be found throughout the Maze Papers. This collection of papers was compiled by Maze and recorded formal and informal correspondence relating to his career in the MCS. Throughout its existence but most obviously during Maze's leadership, the LO was a useful avenue for gauging "establishment" reaction to different issues through more informal channels. This was particularly the case during the proposed Hong Kong–Customs Agreement, which dominated attention in 1930 (this agreement is discussed in detail in Chapter 6).<sup>88</sup> In this instance NRS Stephenson distributed drafts of the proposed Agreement on an informal basis. As the MCS was drawn deeper into Chinese political affairs during the Nationalist era, the LO was urged by the IG to increase its profile in the influential circles of finance and government back home.

The LO was in an advantageous position to gather support when compared to the Chinese Legation. Through what could be described as nearly an 'old China hand' network, the LO could maintain close connections with influential figures and these relationships generally bypassed the official or diplomatic channels through which the Chinese legation would have been operating. Bowra himself reinforced the image of the NRS as promoter of the Customs when describing the qualities he believed necessary in the Secretary:

The daily office routine, though not particularly light (there is an astonishing amount of correspondence) can be performed easily enough by any ordinary Commissioner. To make a success of this job though I think more than that is wanted. It wants a man with go, life, personality, and social energy, who will go about freely in China and other circles; call, dine, lunch, meet and get to know people with whom he is likely to have official dealings...<sup>89</sup>

The tasks of the NRS encompassed more than just the day-to-day administrative functions of supporting the IG. The NRS played a diplomatic game, advancing Customs interests and representations through unofficial networks while attempting to avoid the resentment of the Chinese legations. The LO was valuable for gauging both unofficial and official responses to Chinese and Customs issues. It provided the IG with intelligence on the general British stance before any official discussions were

---

<sup>88</sup>See Frederick Maze, letter to Stephenson, 29 Sept. 1930, The Maze Papers, vol. 5 120.

<sup>89</sup>Bowra, letter to Aglen, 17 June 1924, Letter Series Z.

entered into. In doing so the NRS allowed the IG to stay one step ahead of Chinese government.

### **CREATING THE “CUSTOMS MAN”**

It is important to reach beyond the statistical figures relating to the number of foreign staff in the Customs service, their countries of origin, and in some cases, their age. When exploring ‘who’ but asking ‘why’ and ‘how’, a better understanding of the Chinese Customs staff can be worked towards. It is not sufficient to examine figures in relation to Customs staff, as these will provide only a superficial understanding of the composition of the Service. Such figures cannot reveal much on the process of recruiting or on the advancement of staff through the ranks. Aside from knowing basic numbers for staff, it is equally as important to know why certain qualities were deemed desirable in the recruiting process and how candidates were actually selected, examined, and admitted to the service. In the development of the Customs entrance requirements and procedures, the NRS and the indoor staff were encouraging an *esprit de corps* for the service. Through this sense of camaraderie an image of the “Customs man” emerged. The Inspectorate continually represented personal integrity and principles as being synonymous with life in the Service.

The Inspectorate often sought to advance the ideal stereotype of the trustworthy and diligent Customs man.<sup>90</sup> This can be applied to some extent to an understanding of the Customs recruitment process. By isolating certain features or qualities considered desirable and even essential for new men, a stereotype for indoor staff was being fulfilled. The purpose for a stereotype in part is to express beliefs and also an expression of accepted knowledge. The term ‘Customs man’ became synonymous with the indoor staff in the ports, indicating their integrity in contrast with the often-unscrupulous merchants in China. In a semi-official circular of January 1923, IG Aglen stressed the need for not only the out-door staff, but all staff to keep a high moral standard as “the fundamental reason for the employment of foreigners in the Maritime Customs Service is their personal integrity and that on

---

<sup>90</sup>For a discussion on the basic concepts behind the use of stereotypes see Richard Dyer, *The Matter of Images: Essays on Representations* (London: Routledge, 1993) 11–18.

this personal integrity alone the continued employment of foreigners depends.”<sup>91</sup> The emphasis on integrity and resisting a degeneration of standards can be found throughout many of his admonitions of staff. Supporting this was the fact that annual confidential reports on all staff took into account personal qualities of the employee including manners, trustworthiness and discretion.<sup>92</sup>

Requests from Aglen's acquaintance for consideration of candidates are included in the Z Letters.<sup>93</sup> Nominations for admission to the recruitment examinations could only be made directly to the IG. Nationals from all countries having treaties with China were eligible to apply.<sup>94</sup> Recruitment to the indoor staff demanded not only scholarly ability but also recommendation from a rather exclusive group including retired Customs' staff, old China hands, and the family and friends of current indoor staff. Applications were to be made in writing to the IG:

giving particulars of age and education, enclosing a photograph and such recommendations and testimonials as they may care to present, together with a medical certificate giving a brief description of their physique and state of health.<sup>95</sup>

Although the suggestion of newspaper advertisements for the recruiting of staff is discussed between Aglen and the NRS it was never implemented, furthering the image of a rather exclusive Customs network for appointing young men (part of the reason for its non-implementation may be due to the fact that by 1928 there had been a cessation to the recruitment of foreign staff). The age for candidates was between 19 and 23, although this could be extended at the IG's discretion.

---

<sup>91</sup>F.A. Aglen, semi-official circular no.36, 23 Jan. 1923, *Documents*, vol. 3 (Shanghai, Statistical Department of the Inspectorate General of Customs, 1938) 682–683.

<sup>92</sup>“Tidewaiters Confidential Report,” *Chinese Maritime Customs* 29–31.

<sup>93</sup>See for example Acheson, letter to Aglen, 25 Jan. 1923, Letter Series Z; Bowra, letter to Aglen, 27 Mar. 1924, Letter Series Z.

<sup>94</sup>Chinese Maritime Customs Service, *The Origin and Organisation of the Chinese Customs Service*.23.

<sup>95</sup>Chinese Maritime Customs Service, *The Origin and Organisation of the Chinese Customs Service*.23.

When recruiting staff, the MCS sought to attract potential civil service candidates to its ranks. In 1921 NRS Acheson wrote to IG Aglen that he believed the salary question was also important as “men who are willing to join us at £250, the present value of a junior’s pay, are not as a rule the men we want.” He concluded that to get the right type of man “it is necessary now as it always has been to ‘go one better’ than the British Civil Service.”<sup>96</sup> The MCS was seeking to attract similar men as those who sought a career in the civil service. There is little evidence to substantiate whether the MCS really was successful in competing with the British Civil Service; although it is unlikely a career in China was regarded as prestigious as those engaged directly in building the empire in India or other colonies.

In a further development of entry requirements in 1921, NRS Acheson wrote to Aglen with a proposed outline for the literary examination of candidates (see Fig. 3.5). Success in examinations alone did not mean immediate acceptance into the MCS. The examination served primarily as a measure of general education skills

**Suggestions for Competitive Examination of Customs Recruits**

Examination in August, lasting a week. Age over 19 and under 23 on 1st August.

**Subjects**

**A. Obligatory:**

Precis	100
English Essay	100
English language	100
Arithmetic	100
General knowledge	100
	<u>500</u>

**B. Optional:**

Colloquial French	100
Papers of University Entrance Scholarship standard in either classics, mathematics, modern history, science, or modern languages	200
	<u>300</u>

Examination would be after conclusion of educational year, but in time for appointees to sail in September.

Age: it is desirable not to extend the period of eligibility unduly, but men with University training and degree should not be excluded.

Subjects: the obligatory papers designed to test primarily mental power and intelligence should be given most weight, but answers to them should not by themselves be able to ensure success.

**Source:** Guy Acheson, letter to Francis Aglen, 7 Jan. 1921, Letter Series Z.

Figure 3.5 Examination for Prospective Customs Recruits

<sup>96</sup> Acheson, letter to Aglen, 1 Apr. 1921, Letter Series Z.

and aptitude. The candidate's disposition, both socially and physically was also taken into account by the NRS.

A pamphlet published in 1922 covers both the origins of the Customs and also included Forms A.-170 and A.-171, which directly pertain to admission to the Customs Service.<sup>97</sup> This pamphlet was designed for the information of interested candidates. This guideline deals with the process of recruitment to the indoor staff. The NRS bore the main responsibility for setting the exam papers, the organizing of examination times, and the subsequent selection of the most successful candidates. The standard required for recruits was that of a good secondary education, and for the British applicants (who were the largest in number—keeping with British dominance in the indoor staff) this meant the following:

For British Candidates, in the absence of a university degree, Oxford and Cambridge Higher Certificates, etc., or a place in the highest form in a public school of the first rank would be sufficient.<sup>98</sup>

Educational tests alone did not always suffice in revealing the candidates best suited to work in China.

The presentation and character of candidates were scrutinized. In the vetting of candidates a mandatory lunch date became almost something of folklore amongst MCS staff. In a practice first implemented by NRS Campbell, there would be time allowed during a scheduled examination period for him to have lunch with each prospective recruit.<sup>99</sup> These lunches were designed to allow the NRS a better insight into the personality of the candidate but of course, their table manners and general deportment were also under review. Yvonne King spoke of both her father's and her husband's experiences with the London Office:

I've never visited the London Office, only heard about it. I know that in those days you couldn't join the indoor staff without being put through your paces...and you know, make sure you had the right manners and the right attitude and all that sort of thing. When my father, who was French, got a chance of joining the Customs because his father was in the French Customs

---

<sup>97</sup> Chinese Maritime Customs Service, *The Origin and Organisation of the Chinese Customs Service* 23-29.

<sup>98</sup> Chinese Maritime Customs Service, *The Origin and Organisation of the Chinese Customs Service* 24.

<sup>99</sup> Campbell 34. Lunches were held at the Thatched House Club in Saint James's street.

(He spoke perfect English my father, like I do, because his mother was from Jersey, which was partly English you know) he applied and was accepted. But he had to go to England and meet the people in the London Office and they took him out to lunch like they always do. In those days nobody knew about this fact but they were seeing how you behaved... so you were vetted in other words as to whether you were suitable.... My father obviously passed their rules and was accepted and lived all of his life a very happy and successful member of the Chinese Customs Service. And when my husband applied to be in the Customs Service he had to go and to be taken out to lunch, have his manners assessed, although they'd do a lot of paperwork first; what schools you went to and they knew a lot about you but they'd still have to see... if you were the right type of person they wanted for the indoor staff.<sup>100</sup>

This recollection further reinforces the impression of the indoor staff as an elite group. Lunches were invariably held at the Thatched House Club, which was closely connected to the Conservative Club.<sup>101</sup> These lunches constituted part of a rite of passage for new staff. By the 1920s and 1930s the Thatched House Club had become a meeting point for retired Customs staff and other ex-China men.

Recruits to the indoor staff had similar backgrounds to those of the officials of the diplomatic services in China.<sup>102</sup> As previously discussed the Service attempted to lure prospective civil service recruits to its ranks by offering better pay. Robert Hart, himself being a prime example, had left a post in the Diplomatic Corps to take up his position in the Chinese Customs. As seen in chapters 1 and 2, within the Treaty Ports the indoor staff of the Customs mixed socially with the diplomatic corps. There are also parallels between MCS indoor staff and employees of the Hong Kong and Shanghai Banking Corporation. Similarities are found in recruitment criteria and also the encouraging of a sense of social identity through a sporting ethos.<sup>103</sup> The MCS paid attention to candidates' sporting abilities and hobbies; they were eager to employ good all-rounders. The similarities are evident in the Bank's desire to implement a language programme based on the model of the Customs own language programme.<sup>104</sup> Because of a lack of incentives they did not have as much success as the MCS.

---

<sup>100</sup> King, personal interview.

<sup>101</sup> Ralph Nevill, *London Clubs: Their History and Treasures* (London: Chatto and Windus, 1911) 132–134.

<sup>102</sup> Aitchison 102.

<sup>103</sup> Discussed in Cain and Hopkins, *British Imperialism: Innovation and Expansion* 439.

<sup>104</sup> Frank H.H. King, *The Hongkong Bank in the Period of Imperialism and War, 1895–1918*:

4 <sup>th</sup> Assistant, B	Hk.Tls. 150 per month
4 <sup>th</sup> Assistant, A	175
3 <sup>rd</sup> Assistant, B	200
3 <sup>rd</sup> Assistant, A	225
2 <sup>nd</sup> Assistant, B	250
2 <sup>nd</sup> Assistant, A	300
1 <sup>st</sup> Assistant, B	350
1 <sup>st</sup> Assistant, A	400
Chief Assistant, B	450
Chief Assistant, A	500
Deputy Commissioner	600
Commissioner	800–1,250

Figure 3.6 Ranks and Pay of Indoor Staff in 1922. Source: Chinese Maritime Customs Service, *The Origin and Organisation of the Customs Service* 26–27. The exchange rate for Haikwan Taels (a weight of silver) was provided as a general indicator for recruits' interest.

The rates of pay for the Indoor Staff of the service were quite generous, especially as accommodation was provided at each port.<sup>105</sup> Rates of pay are listed in detail for each candidate's interest in figure 3.6. With satisfactory conduct, study of Chinese and adaptation to Service life, 4<sup>th</sup> Assistant, B's were recommended to 4<sup>th</sup> Assistant A position within 6 months of their arrival in China.

Admission forms for the indoor staff specify that candidates must be unmarried.<sup>106</sup> Not only was the “marriage of junior employees” not approved but also in extreme cases of marriage after only a few months in the Service, the employee was likely to be dismissed. Men who married while still in a junior position had no claims to Customs housing and generally had to then find their own living quarters.<sup>107</sup> This restriction on marriage was very similar to the stipulations of Hong Kong and Shanghai Banking Corporation, which had a ten-year constraint on its junior staff.<sup>108</sup> As recruits were unmarried and in most cases, enjoying their first

Wayfoong, the Focus of Wealth, vol. 2 of *History of the Hongkong and Shanghai Banking Corporation* (New York: Cambridge University Press, 1988) 188–190.

<sup>105</sup> Chinese Maritime Customs Service, *The Origin and Organisation of the Customs Service* 26–27. The ranks and rates of pay are given in detail. Candidates were employed as 4th Assistant B at a salary of 150 Haikwan Taels a month. The exchange rate for the Haikwan tael in 1921 was 3 shillings and 11 7/16.

<sup>106</sup> Chinese Maritime Customs Service, *The Origin and Organisation of the Customs Service* 23–24.

<sup>107</sup> Chinese Maritime Customs Service, *The Origin and Organisation of the Customs Service* 27.

<sup>108</sup> King, *The Hongkong Bank in the Period of Imperialism and War* 153

taste of long distance travel, there was concern that they may be corrupted by their first China experiences. Acheson wrote:

The objection I feel to recruiting lads of 19 is that if they are transplanted to a China port at that age, they inevitably adopt China port standards of life and no other: if they were invariably posted to Peking and looked after when there, it would be another matter.<sup>109</sup>

Shanghai has been reputed the “Paris of the East,” a dynamic and vibrant city with many dance clubs and bars to tempt the new arrival to China.<sup>110</sup> With the knowledge of such distractions, the admission form for candidates unsurprisingly mentions that all new recruits to the Service would have their behaviour observed during the first years of their Service.<sup>111</sup> They were simply informed that the IG reserved the right to discharge any staff that had proved themselves to be unsatisfactory.

The physical health of candidates was also considered very important. Each candidate had to undergo a medical examination before they could be accepted into the Service. This procedure is understandable, as it appears the often-unsanitary conditions in various ports and Customs outposts combined with a sense of cultural disorientation often took its toll on the newer and therefore, less resistant, employees. Rasmussen outlined his first posting to Chinkiang and recalled that while the small concession had a doctor who was a good surgeon, it was a hospital and skilled nursing which was most needed. He listed diseases such as cholera, typhoid and small pox, and that in the event of someone falling seriously ill, all the men would share the nursing responsibilities.<sup>112</sup> Such virulent diseases were a hazard, exacerbated by unsanitary conditions. NRS Campbell’s son, James Ballie, was appointed to the Peking Inspectorate in early 1892 but was struck down by typhoid fever and died within a year of leaving England.<sup>113</sup> Obviously candidates who

---

<sup>109</sup> Acheson, letter to Aglen, 4 Mar. 1921, Letter Series Z.

<sup>110</sup> *All About Shanghai and Environs: A Standard Guide Book* (Shanghai: The University Press, 1934).

<sup>111</sup> Chinese Maritime Customs Service, *The Origin and Organisation of the Customs Service* 25.

<sup>112</sup> Rasmussen, 14–15.

<sup>113</sup> Campbell 79–80.

were in poor physical condition in London were never given an appointment to China.

The inevitable stresses caused by being thrust into a foreign culture also exacted a toll on some employees. Within the Z Letters, when discussing illness amongst the employees, it was the junior staff who were mentioned with most frequently. In one such letter Aglen writes:

Arrangements are being made to send home young Warry who has broken down in much the same way as P.L.O. Hill, and he will have to be invalided. By the way Hill's case is at a loose end and it will now have to be taken up. Acheson was in favour of allowing him to return to duty, but I consider that the risk is too great. I think I must make it a rule that when once an employee has become incapacitated owing to mental breakdown he must sever his connection with the Service... Young Robillard is making a great fight for his life and is holding his own although his condition is extremely critical....<sup>114</sup>

Mental breakdown often claimed a share of employees. From such letters it undisputable that China service held a certain amount of personal risk. It was important, therefore, for the NRS to try to ensure that candidates were both physically and mentally strong before sending them to China.

The role of the NRS in vetting and examining new recruits for the indoor staff drew to a close in the Nanking decade. With the KMT's rise to power the position of foreigners in the Service was brought under intense scrutiny. In 1927 following the dismissal of IG Aglen, the recruitment of foreigners was suspended.<sup>115</sup> In the Customs circular of January 1929, the principle for equality for Chinese and foreign staff was put forward. In addition a cessation of the recruitment of foreign staff was called.<sup>116</sup> Instead Chinese staff would fill any vacancies. The only exceptions to this would be when a technical expert was needed. By 1927, in response to KMT pressures, the LO had ceased its role as a recruiting office for staff; instead it devoted more energy to supporting the Inspectorate and developing its network of contacts.

---

<sup>114</sup> Aglen, letter to Bowra, 11 Mar. 1924, Letter Series Z.. Instances of employees being afflicted with illness are also evident in Aglen's letters to Bowra of 25 Mar. 1924 and 15 Apr. 1924.

<sup>115</sup> A.H.F. Edwardes, semi-official circular 54, 24 Feb. 1927, *Documents*, vol. 4 126–127.

<sup>116</sup> F.W. Maze, circular 3873, 14 March 1929, *Documents*, vol. 4 174–190. See also "Enclosure No. 2 English version of resolution approved by the Ministry of Finance," *Documents*, vol. 4 187.

By 1929 the LO had ceased to be the recruiting office for the Inspectorate and yet it remained an important avenue for advancing Customs interests in Britain. The office provided an outlet for gauging reaction towards the Service. Apart from offering the administrative support for which it was formed, the LO acted as an intermediary for Sino-Western relations. The LO, under Bowra's administration in particular, appears to have actively fostered ties with both business and diplomatic figures as a network of support should the MCS have need for one. Bowra's concentration on developing such networks coincides with the rising number of pressures being placed on the foreign Inspectorate by the Nationalists in China.

Finally, the LO was a vital compliment to the foreign inspectorate. This Office supported the IG and provided him with an unofficial network of contact with influential figures known to be sympathetic to not only the MCS but also Britain's interests in this Service. The position of NRS was highly esteemed posting, a prized position for senior staff wishing to spend their final years before retirement in London. It was also a position requiring a skilled and energetic diplomat. From its inception and right through the republic, the LO was never merely a supply office for the MCS, it was a key element in ensuring and maintaining British interests in the Service. It did this through its recruitment processes and the maintenance of a network of allies.

## **CHAPTER 4**

---

# **The Maritime Customs and the Rise of Nationalist Struggle Against Imperialism 1923–1927**

For the MCS the 1920s represented a rapidly shifting political kaleidoscope within which the Service had to chart its direction. The maintenance of the Service's integrity was paramount during this unstable period. During 1923–1927 there were three prominent challenges to the MCS, namely the Canton Customs controversy, the Canton–Hong Kong boycott and the dismissal of IG Aglen. These events and the issues surrounding them signify a dramatic shift in the fortunes of the Service. While in 1923 the MCS was protected by gunboat diplomacy, by 1926 the Service was noticeably alone in defending its integrity. This was further emphasized with the dismissal of Aglen by the Northern militarists. This evolution in the status of the service, in foreign and Chinese eyes, signified an uncertain future for the MCS in the Republic.

This chapter is, in many ways, an attempt to rewrite the MCS back into the events of 1923–1927 period. This is especially important as, while texts and documents relating to the Service are available, the actual role of the MCS is marginalized. When exploring the events that embroil the MCS, the fate of the Service is actively brought to the fore and in doing so, this chapter serves to re-expose the roles played by the Service. Throughout the events in Canton and Hong Kong, the MCS was consistently in the background despite its having direct involvement in what was happening. The end result of this being the mistaken assumption that those events went on around the Customs without there being much reaction from the Service. This chapter does not purport to claim the Customs as the centre of all events in the 1923–1927 period but simply that the Service was indeed embroiled in most of the significant upheavals of this time. This chapter redirects attention to the Service to allow a better understanding of the MCS and its experiences as it encountered the rise of the Nationalists.

## **Gunboats and Revenue: Sun Yat-sen and the Canton Customs, 1923**

Sun Yat-sen's claims for a pro rata share of the Canton Customs revenue in 1923 triggered a rallying of foreign naval forces in Canton's harbour to dissuade him from action. Gunboat diplomacy, in the form of a multinational naval demonstration, was employed to protect not only the integrity of the Customs but, more importantly, foreign interests in the Service. The Canton government's claims against the Customs were indicative of a chaotic struggle for political survival. Tensions surrounding the Canton Customs lasted from September 1923 to early 1924. In response to stalling tactics by the diplomatic body,<sup>1</sup> Sun's claims (which had at first been restricted to a pro rata share of revenue) became more aggressive, threatening to oust the Customs administration if they did not comply with his wishes. Prompted into action by such threats, the diplomatic body showed a united front against Sun's challenge to their interests. While the powers were successful in thwarting Sun's claims, their actions fuelled anti-foreign sentiment. This in turn encouraged the further expressions of Chinese resentment against the Customs and all that it represented.

In the months prior to his claims against the Customs, Sun had resumed leadership of the Canton government which was beleaguered both by local rivalry in the form of Ch'en Chiung-ming's forces and also by militarist factions to the north. In 1922 Sun had been forced to flee Canton when the military forces of his government, whose loyalty was to Ch'en, ousted him.<sup>2</sup> During this interlude in

---

<sup>1</sup>When referring to the Diplomatic Body, I am using a self appointed title the foreign powers adopted to describe their representatives in China.

<sup>2</sup>After occupying Canton in 1920, Ch'en was appointed by Sun to the position of governor of Kwantung. In his leadership of Kwangtung, Ch'en was progressive, implementing educational and administrative reforms and offering patronage to various intellectuals. Ch'en's ambitions for his leadership in Kwantung, however, came into increasing conflict with Sun's aims for his movement. Ch'en was reluctant (as commander in chief of the Kwantung Army) to use his forces as the base for challenging the forces of Wu Pei-fu and to fulfill Sun's aim for a Northern expedition. In early 1922 Ch'en withdrew his support from Sun and resigned his position. In the following months his troops attacked and overthrew Sun, forcing the leader to flee to Shanghai. Ch'en was driven from Canton by the combined forces of Sun, the Yunnanese army (Yang Hsi-min) and the new Kwangsi army (Liu Chen-huan) but his forces remained a concern for Sun until 1925. After losing military power in 1925 Ch'en moved to Hong Kong and while setting up resistance groups, he had little real impact on China's political situation. Ch'en died from illness aged 55 years. See Howard L. Boorman and Richard C. Howard, eds., *Biographical Dictionary of Republican China*. vol. 1 (New York: Columbia University Press, 1967-1979) 173-180; *The China Yearbook 1924*, "Who's Who" 983.

Shanghai, Sun began to foster connections with the Soviets and was visited by Adolf Joffe to discuss the possibility of developing a special relationship between the Kuomintang and the Chinese Communist Party.<sup>3</sup> After returning from Shanghai to Canton in early 1923, Sun re-established his leadership as Generalissimo of the Nationalists and sought to extend their tenuous hold in the southwest.<sup>4</sup> This was the third Canton government that Sun headed, and as leader he was faced with a movement with poor internal organization and arguably, no devised strategy for achieving any reformation of China's political arena.<sup>5</sup> Apart from local challenges to Sun's government, namely Ch'en's forces, the Canton government faced threats from the Peking regime under warlord Wu Pei-fu. Hostilities were constant between the Kuomintang forces and the Chili faction that held power in Peking.

Political desperation largely drove Sun to claim a share of Canton Customs surplus.<sup>6</sup> A pronounced financial strain amongst Sun's ranks and the desire for reclaiming a pro rata share of the Canton Customs surplus to ease his Government's economic crisis. Sun had been well received during a visit to Hong Kong in 1923 and held some hopes that merchants there would be forthcoming with funding his cause.<sup>7</sup> But these loans never materialized, however, and Sun's finances rapidly deteriorated. During this time, Sun reportedly also had to buy the loyalty of his soldiers. To redress this added strain, his regime attempted to squeeze taxes out of

---

<sup>3</sup>Sidney H. Chang and Leonard H. D. Gordon, *All Under Heaven... Sun Yat-sen and His Revolutionary Thought* (Stanford: Hoover Institution Press, 1991) 74.

<sup>4</sup>Lyon Sharman, *Sun Yat-sen, His Life and Meaning: A Critical Biography* (Stanford: Stanford University Press, 1934) 249. In this early western biography of Sun, particular significance is attached to Sun choosing to become Generalissimo, as he then also controlled the military and therefore safeguarded his position.

<sup>5</sup>C. Martin Wilbur, "The Nationalist Revolution: From Canton to Nanking, 1923-28" *Republican China 1912-1949*, vol. 12, part 1 of *The Cambridge History of China*, ed. John King Fairbank (New York: Cambridge University Press, 1983) 528. For a more detail treatment of this era see C. Martin Wilbur, *The Nationalist Revolution in China, 1923-1928* (Cambridge: Cambridge University Press, 1984).

<sup>6</sup>The premise that Sun sought access to the Customs to ensure his political survival is commonly agreed in academic treatments of this controversy. For examples see C. Martin Wilbur, "The Nationalist Revolution: From Canton to Nanking"; Roberta A. Dayer, *Bankers and Diplomats in Republican China* (London: Frank Cass and Company, 1981) chapter 5 and Chang and Gordon, *All Under Heaven* 80-81.

<sup>7</sup>Gilbert Chan "An Alternative to Kuomintang-Communist Collaboration: Sun Yat-sen and Hong Kong, January-June 1923" *Modern Asian Studies* 13.1 (1979): 133-135.



all and sundry but with little marked success.<sup>8</sup> Sun turned to the most readily available source of revenue, the Customs. The Canton government (on the suggestion of the IG) had previously been accredited 13.7% of revenue through negotiation with the Peking Government and the Inspectorate of Customs in 1919.<sup>9</sup> When Sun was forced to flee Canton in 1922, however, these funds were earmarked and held apart from the surplus under the IG's instruction. At this juncture it was not only a pro rata share of current surplus that Sun requested but also access to the funds collected when he had been overthrown. The amount that had been held was Sh. Tls. 2,513,950.<sup>10</sup> When renewing demands for these funds, Sun claimed that he was simply requesting his government's rightful dues.

The main justification for Sun's claims was based on the pursuit of his government's legitimate right. Furthermore he stressed the need for equity of treatment for what he saw as essentially China's two rival regimes. In a letter to Sir James Jamieson, the British Consul General of Canton, Sun's Secretary of State Dr C.C.Wu (who concurrently held the position of the Vice Minister of Foreign Affairs in the Canton Government) outlined the background to his government's claims on behalf of the southwestern provinces, explaining:

I write in reference to the claim of the South-western provinces for their share of the Customs Surplus. There is no doubt that there is ample surplus remaining after the foreign obligations charged on the Customs revenues are paid and that at present it goes to pay past debts contracted by Peking. It thus sets free other revenues which are employed by the northern militarists to make war against the Southwest. These provinces are then forced to raise funds to meet attacks funded by what rightly are their own monies. *They therefore suffer a double loss: loss of funds which should be used for constructive purposes and which, turned over to northern militarists, are actually used to institute war against them, and loss in that for every one of these dollars employed against them they have to raise one or more dollars in self defence.* Such a situation is not only impossible but also insufferable. It has been tolerated so long already; it obviously cannot be endured any longer.<sup>11</sup> [emphasis added]

<sup>8</sup>Chan, "An Alternative to Kuomintang-Communist Collaboration" 137.

<sup>9</sup>CYB 1924, 751.

<sup>10</sup>CYB 1924, 751.

<sup>11</sup>Chao-Chu Wu, letter to James Jamieson, 5 Sept. 1923, *Documents Illustrative of the Origin, Development, and Activities of the Chinese Customs Service*, vol. 7 (Shanghai: Statistical Department of the Inspectorate General of Customs, 1940) 295. This series will subsequently be referred to as *Documents*.

The Canton government's claims appealed for fairness, insisting that a great injustice was being committed by denying one regime funds while the other regime was able to access extra funding to make war against its rivals. At the crux of this letter are veiled inferences that by letting such an intolerable situation continue the foreign powers were in fact failing to remain neutral in political events in China. While the allocation of Customs funds to the Peking government may have been an expedient measure only, its ramifications meant the MCS may be seen as dangerously partisan to political events in China.

Omitted in Wu's letter, however, was any discussion of what available funds the Canton government possessed. The government's access to all of the province's salt revenue was cited as a significant source by both the foreign powers and in press reports.<sup>12</sup> This was estimated at nearly three million Cantonese dollars from May to December 1923.<sup>13</sup> This income, while beneficial for the Nationalists, was insufficient to allow for any expansion of KMT activities in southern China.<sup>14</sup> The Customs was understandably appealing to Sun as a further avenue through which he could access funds. The Canton Customs revenue represented the fifth largest revenue collected in 1923.<sup>15</sup> British Minister Macleay, however, used the threat of restricting Sun's access to the salt revenue as leverage for the argument that Sun had more than his fair share of finances and therefore did not require a pro rata share of the Customs revenues.<sup>16</sup> He intimated that to redress all "injustices" they should also ensure the Central government enjoyed a pro rata share of the provincial salt revenue which was at the time at Sun's exclusive disposal.

From the outset Sun's claims against the Customs do not appear as particularly provocative. He had not demanded all of the Custom revenue nor had he

---

<sup>12</sup>R. Macleay, letter to C.C. Wu, 3 Dec. 1923, document 107 in *British Documents on Foreign Affairs: Reports and Papers from the Foreign Office Confidential Print*, part 2, series E, Vol.28 (Frederick: University Publications of America, 1984) 144–145. This series title will be subsequently abbreviated as *British Documents* and all references to this title refer to part 2, series E.

<sup>13</sup>Wilbur, "The Nationalist Revolution" 530.

<sup>14</sup>Chang and Gordon 80.

<sup>15</sup>Chinese Maritime Customs Service, *Customs Annual Report for 1923* (Shanghai: Statistical Department of the Inspectorate General of Customs, 1924).

<sup>16</sup>Macleay, letter to C.C. Wu, 3 Dec. 1923, document 107 of *British Documents*, Vol.28 144–145.

threatened the functioning of the Customs house. In the early months of this controversy, Sun voiced no intention of interfering with or intimidating the staff of the Customs administration. Simply he was seeking to reclaim a right previously accorded to his government in 1918 and 1919. It is significant that requests laid against a share of surplus previously enjoyed by Sun's Government elicited such a mixed reaction from the foreign powers.

## ***The Diplomatic Body's "Policy of Procrastination"***

The foreign powers' initial response to Sun's claims was ambivalent. The powers believed that they could employ a policy of procrastination, which had been adopted since Sun first raised the issue in the summer of 1920.<sup>17</sup> The rationale behind this deliberate stalling was the prediction that an imminent collapse of Sun's government would cause him to again flee and in doing so relieve the need to find a solution to the problem. In the months that elapsed between Sun's renewed claim against the Customs and his ultimatum issued on 5th December 1923, the powers failed to move towards constructive negotiations. The Canton government expressed frustration at what became a three-month delay in addressing their demands. A statement by Sun on 19<sup>th</sup> December illustrated this frustration. He wrote, "[s]ave for a bare telegraphic intimation on September 28<sup>th</sup> that this memorandum was under the consideration of the diplomatic body, no reply was vouchsafed to this Government until the 3<sup>rd</sup> instant—after nearly three month's delay." Sun commented that his Government had "waited patiently for three months to a day for a reply," again emphasizing the powers' inertia.<sup>18</sup> As the months passed, however, Sun's government did not collapse. For the foreign powers action was now unavoidable and the diplomatic body in Peking sent a telegram to the Canton Government warning they were prepared to take whatever forcible measures were necessary to protect the Customs.<sup>19</sup>

The tensions surrounding the Canton Customs acted as a catalyst in creating the need to define the MCS as either a Chinese or foreign concern. Throughout the

---

<sup>17</sup> Macleay, letter to the Marquess Curzon of Kedleston, 21 Dec. 1923, document 105 of *British Documents*, Vol. 28 137.

<sup>18</sup> Sun Yat-sen, "Dr. Sun Yat-sen's Statement," 19 Dec. 1923, *Documents*, Vol. 7 309–312.

<sup>19</sup> R. Macleay, letter to the Marquess Curzon of Kedleston, 21 Dec. 1923, document 105 of *British Documents*, Vol. 28 137–139.

controversy the powers attempted to disassociate themselves from what they described as purely Chinese concerns. Ironically, though, the powers simultaneously threatened active intervention should Sun attempt to act on his claims. In a personal and confidential letter to C.C. Wu, the British Minister R. Macleay sought to clarify what he saw as the Canton Government's misunderstanding of his role in relationship to the Customs issue.<sup>20</sup> Macleay stressed that the MCS had always been considered as Chinese Government, or rather, national revenue. He concluded that any issues arising as to proportionate distribution of surplus were a "matter affecting the internal administration of China to be settled by the Chinese themselves." This letter, however, had a proverbial sting in its tail when Macleay wrote:

Whatever the rights or wrongs of your case against the Central Government I must impress upon you that *in self-defence*, and for the *protection of their interests*, the Powers cannot admit any interference with the Customs administration.<sup>21</sup> [Emphasis added]

There is no effort made to veil the threat of foreign intervention. The idea of the powers being "forced to act in self-defence" is problematic. When reading this confidential letter it is apparent that the Customs controversy was being played out in several arenas, public and private, formal and informal. The Nationalists and the foreign powers appear as the two dominant forces in the negotiations; the MCS was evident in a passive role. Sun's claims had gone beyond challenging the auspices of the MCS and were interpreted by Macleay as a threat to foreign interests in China. Moreover at no stage were the Westerners working for the Customs threatened and neither were the foreign concession acts, agitation Sun's claims were perceived as forcing the powers to retaliate. The recognition of the MCS as a Chinese institution appears confused; Macleay's response alone indicates that he considered the MCS was more than a Chinese concern.

Macleay's threat that the Powers may "be forced" to act in self-defence is indicative of a concern of anti-foreignism. Some newspaper accounts during the

---

<sup>20</sup> Macleay, letter to C.C. Wu, 3 Dec. 1923, document 107 of *British Documents*, Vol.28 144–145.

<sup>21</sup> Macleay, letter to C.C. Wu, 3 Dec. 1923, document 107 of *British Documents*, Vol.28 144–145. The powers referred to in the letter are not the Westerners working within the MCS but rather the treaty powers.

controversy meticulously detailed meetings or assemblies by Chinese protesters. One NCDN article in particular wrote of a mass meeting held in Canton on 16<sup>th</sup> December, reporting that when the processionists approached Shameen, they shouted, “[w]e will destroy Shameen and kill the foreigners.”<sup>22</sup> In a later article the Americans were reportedly perturbed by an element of anti-American sentiment evident in Canton.<sup>23</sup> While in earlier times such threats would have been passed off with a minimum of concern, however, an act of anti-foreignism in May 1923 had shaken the sense of security the foreigner had held in their privileged position in China.

Until 1923 the privileged position of the foreigner in China had not been placed under threat of great magnitude since the Boxer rebellion. Isolated reports of brigandage and robberies and attacks on western travellers and missionaries were reported with regularity, but the scale of the Lin ch'eng incident in May 1923 shook the foreign powers' confidence in their security in China. Bandits held up a train at Lin ch'eng and this act resulted in one Briton being shot dead and 26 other foreign passengers taken hostage.<sup>24</sup> Macleay reported:

On the 6<sup>th</sup> May there occurred a brigand outrage, which was remarkable for the unexpected and daring manner in which it was planned as well as for the success, from the brigands' point of view, which attended its execution... it would be no exaggeration to characterise it as one of the most serious incidents which have arisen between China and the Powers since the events of the Boxer Rebellion in 1900.<sup>25</sup>

Although all hostages were eventually released, the enormity of this incident and its clear anti-foreign motivation unsettled the powers. That bandits were so emboldened to undertake such a large attack to some extent reflected on the lawlessness and militarization of Chinese society during the warlord era. It also signified a lack of fear of foreign retribution particularly as foreigners were deliberately targeted. It is not surprising then, with the Lin ch'eng incident fresh in their minds, that the

---

<sup>22</sup>“Customs issue at Canton,” NCDN, 18 December 1923.

<sup>23</sup>“America and the Canton Crux. US. Feeling Alarmed by the Report of Anti-American Sentiment Due to Customs Question,” NCDN, 31 December 1923.

<sup>24</sup>Chan, Lau Kit-ching, “The Lincheng Incident: a Case Study of British Policy in China Between the Washington Conference (1921–1922) and the Nationalists Revolution (1925–1928),” *Journal of Oriental Studies*, 10.2 (July 1972): 172.

<sup>25</sup>Macleay, “Annual Report, 1923,” document 9 of *British Documents*, vol. 19 189.

powers were concerned about reports of an apparent rise in anti-foreign sentiment in Canton. The bandits had dealt a blow to the prestige of the foreigner in China and had only too clearly revealed their vulnerability.

The Lin ch'eng incident had a direct influence on the power's response to the Canton situation.<sup>26</sup> Certainly this brazen attack shook the complacency of foreigners in China. The Lin ch'eng incident provided the impetus for a "knee jerk" reaction by the powers but in reality they had allowed months to elapse before actively responding to Sun. An *NCDN* editorial supported the powers' response to the challenge to the MCS:

We certainly would not appear to be putting Dr. Sun Yat-sen and the bandits of Paotzku in the one boat. But it is none the less clear that in combining to prevent his interference with the Canton Customs, the Powers are applying the principles of the Lincheng Note. Their position, a perfectly legitimate one, is no more visibly assailed by a bandit attack on their nationals than by an attempt to seize the Customs or by illegal taxation.<sup>27</sup>

This editorial cast any response to Sun's demands in the shadow of the bandit outrage. The Lin ch'eng incident was a culmination of increasing brigandage in China, a situation that had long disturbed and frustrated the powers. In response to this attack the diplomatic body issued two notes to the Chinese Government, part of which addressed their concerns for guaranteeing the safety of foreigners in the future.<sup>28</sup> In the first Lin ch'eng note, the powers stated that if the Government failed to take adequate measures to protect foreigners then the diplomatic body "would be obliged to consider what further steps should be taken" to protect foreign lives and interests in China.<sup>29</sup> The diplomatic body's commitment to these principles was tested by the Canton situation.

The powers resolved to defend the Customs. When discussing the demands of Sun's government, they revealed their attitude to the Canton forces. Macleay was

---

<sup>26</sup>See Roberta A. Dayer, *Bankers and Diplomats in Republican China*, 164.. In her work on finance imperialism, Roberta Dayer examined the Lin ch'eng incident and the Canton Customs as two examples of Western interference in Chinese affairs. In doing so Dayer interpreted the powers' reaction to the Customs incident as being directly influenced by the Lin ch'eng incident.

<sup>27</sup>"A New Policy Needed in China," editorial, *NCDN*, 14 Dec. 1923.

<sup>28</sup>"International Issues," *CYB* 1924 818–829.

<sup>29</sup>"International Issues" 822–823.

instructed by the diplomatic body to “warn the local Government of Canton” that the foreign powers would not allow interference with the Customs.<sup>30</sup> By referring to Sun’s government as a local government, regardless of how appropriate this may have been, the legitimacy of his claims were immediately questioned. The powers remained unconvinced that they were dealing with what may become the national government.

## ***Gunboat Diplomacy In Action***

During the Victorian era and even into the early part of this century, Western powers used gunboats as a mechanism for forcing a resolution to disputes.<sup>31</sup> Such vessels embodied much of the imperial mentality of the time, most particularly, the paternal and civilizing ideals of the imperial age. The gunboat allowed Britain, in particular, to police its territories, advance its interests and protect its nationals in China.<sup>32</sup> Gunboat diplomacy, it may be argued, was still evident in the foreign presence in Republican China. The threat of force was a mechanism through which their interests could be advanced. Such leverage was exercised to defend the diplomatic body’s stake in the MCS. A foreign naval demonstration was assembled in Canton’s harbour to dissuade Sun from taking action against the Customs. This concentration of forces consisted of 9 vessels (4 British, 2 American, 2 French and 1 Japanese).<sup>33</sup> During an interview with Sun, Owen Mortimer Green, the editor of the *NCDN*, asked whether he would fight against these forces. Green reported, “Dr Sun said that he could not overcome such a force, but then he would have the glory of being beaten by all the Powers which he would regard as an honour....”<sup>34</sup> Sun’s enigmatic responses in this interview with Green were printed in the *NCDN* and a

---

<sup>30</sup>W.J. Oudendijk, telegram and dispatch to Sir James Jamieson (Senior Consul Canton), 12 Dec. 1923, *Documents*, vol. 7 307.

<sup>31</sup>See James Cable, *Gunboat Diplomacy: Political Applications of Limited Naval Force* (London: Chatto & Windus, 1971) 15-22.

<sup>32</sup>Cable 17

<sup>33</sup>“An Interview with Dr Sun Yat-sen,” *NCDN* 6 Dec. 1923.

<sup>34</sup>“An Interview with Dr Sun Yat-sen.”

paraphrased version also appeared in *The Times*.<sup>35</sup> Allusions to Sun's desire for martyrdom were also mentioned in British Foreign Office reports. British Minister Macleay expressed concern that Sun was presenting himself as glad to be defeated by Britain as "she [Britain] would then have made herself responsible for dealing the death blow to democracy in China."<sup>36</sup> Sun's emotive comments, alluding to a preparedness to challenge the powers prompted an increased naval presence in Canton's harbour.

By mid December the foreign naval presence in Canton's harbour had grown to 15 vessels. The nations represented in this collective force were Britain, America, Japan, France, Italy and Portugal. The American representation included destroyers 225, 226, 343 and 346, the cruiser *Ashville* and gunboat *Pampanga*. The British assembled their gunboats *Tarantula*, *Magnolia*, *Bluebell*, *Moorhen* and *Robin*. The French gunboats, *Malicieuse* and *Craonne*, the Portuguese gunboat *Patria* and the Italian chartered steam-launch *Kwangtung* with Italian Sailors onboard supplemented these forces.<sup>37</sup> Foreign troops were briefly landed in the foreign settlement in response to reported anti-foreign rhetoric. This display of force effectively stalled Sun's actions but this foreign success prompted an anti-foreign backlash from the Nationalists.

The *NCDN*'s editorial line hotly defended foreign and particularly British involvement in the naval demonstration. A leading article entitled "A New Policy Needed in China" emphasized the unity of the diplomatic body. The article explained that it was merely a question of seniority that determined the representative of the diplomatic body and "the fact that a British subject presents the foreign communications to Sun's Government is of no more importance than that in Peking a Portuguese subject does the like to the Northern Government."<sup>38</sup> While convincingly presented the reality of British predominance in the MCS could only mean that claims of equality of interest, such as those vehemently expressed in the

---

<sup>35</sup> See "An Interview with Dr Sun Yat-sen" and "Sun Yat-sen's Threat. Canton Customs to be Seized: Russian Alliance Hinted At," *The Times* (London) 6 Dec. 1923.

<sup>36</sup> Macleay, to Marquess Curzon of Kedleston, 13 Mar. 1924, document 105 of *British Documents*, vol. 28 137.

<sup>37</sup> "The Customs Issue At Canton," *NCDN* 18 Dec. 1923.

<sup>38</sup> "A New Policy Needed in China," editorial, *NCDN* 14 Dec. 1923.

*NCDN*, were superficial. Britain obviously stood to lose more than the other powers should the MCS be attacked; moreover Britain had always maintained a dominant position among the other powers in China. Rhetoric of unified action, moreover, was designed to shield Britian from bearing the brunt of any Chinese unrest. An article by George E. Sokolsky outlined China's mistreatment of international treaties and conventions. Sokolsky's tone was unmistakably condescending and defensive. He wrote:

No foreign Power wants the expense and irksomeness of maintaining soldiers and gunboats in China or of exercising extraterritoriality. No foreign Power wants all the trouble of protecting its nationals in China. It would prefer a situation here such as exists, let us say, between Great Britain and the United States, where equals work together for the common benefit. But that is now impossible and the Chinese people are to blame....<sup>39</sup>

There is a sense of moral justification in this article. Sokolsky focused on the "duty" the British were compelled to perform by virtue of their powerful imperialist status.<sup>40</sup> This duty, he believed, entailed the maintenance of a military presence in China.

Such sentiments as these were echoed throughout other materials produced during this era. While the height of British imperialism had since passed, such imperialistic sentiment still remained evident in commentaries and reports on China. The *NCDN*, with its "impartial not neutral" motto alone, represented a bastion of imperialistic values in the East. In matters not of direct concern to British interests, the paper declared itself "impartial." In events that directly affected Britain or Britons in China it was "not neutral."<sup>41</sup> Journalist Rodney Gilbert's work *What's Wrong With China* urged foreign intervention in Chinese affairs. He wrote:

---

<sup>39</sup>"China Trampling on Treaties. Why They Were Made and How She Might Be Rid of Them Without Offence. Students the dupes of subtle politicians," *NCDN* 24 Dec. 1923.

<sup>40</sup>To focus on the sense of British "duty" in China leads to a discussion of the use of the "civilizing mission" as a discourse for justifying imperialism. Such comments hark directly to Kipling's urging the US (and indirectly all Western nations) to shoulder the responsibility of "The White Man's Burden" in bringing modernization and Westernization to the world. This poem has become readily recognized as a touch point for postcolonial, literary thinkers, including Edward Said and Homi Bhabha as they often refer to the "civilizing mission" of the Western powers.

<sup>41</sup>For a further discussion of the *NCDN* see the introduction to the *NCDN* microform reels, 17 Dec 1921; Sept.-Oct. 1923, ii. Also see Frank H.H. King and Prescott Clarke, eds., *A Research Guide to China Coast Newspapers, 1822-1911* 28-31.

What is wrong with China and will continue to be wrong with her, is that the Chinese are children, that their world is a world of child's make believe; and that they have no more right, in their own interest or in humanity's larger interest, to govern themselves or shape their own course of education, than pupils in a school have to boss the faculty and to dictate what they will learn and what they will not.<sup>42</sup>

Gilbert explained it as inevitable that China would resent the power (or in the case of the Canton dispute, the powers) that enforces discipline. Through moral and physical force, though, the Chinese would be subdued.<sup>43</sup> This sense of "moral duty" was also advanced by Sir John Pratt in *War and Politics in China* when discussing British predominance in Sino-Western relations during the Republic, "it was the penalty she[Britain] had to pay for greatness."<sup>44</sup> Although Britain's economic predominance in China was challenged by Japan and America by the mid-Republic, Britain still remained anxious to protect its interests, both economic and political.<sup>45</sup> The NCDN and other such writings supported British and other foreign interference in China as inevitable, and in fact desirable.

## ***Where was the MCS in the Canton Controversy?***

Sun's demands in Canton directly embroiled the MCS. In the months during the Canton Customs controversy, the MCS was most noticeable by its silence. This is not to deny the centrality of the MCS to the incident, but beyond the Service being the focus of Sun's claims, there is very little evidence of reaction. The "silence" of the MCS gave, by inference, the impression that the Service remained inert in the face of Sun's claims. This is puzzling since even at the outset, the claims of the Canton government presented a threat to its integrity.<sup>46</sup>

---

<sup>42</sup> Rodney Gilbert, *What's Wrong With China* (New York: Frederick A. Stokes, 1926) 45.

<sup>43</sup> Gilbert 80–81.

<sup>44</sup> John T. Pratt, *War and Politics in China* (London: Jonathan Cape, 1943) 200.

<sup>45</sup> Chan Lau Kit-ching, "The Lincheng Incident" 173.

<sup>46</sup> Customs documents are sparse in their coverage of this controversy, so too the Annual Customs report for 1923. The volumes of MCS documents, *Documents* yielded less than 15 items that discussed this affair. Furthermore S.F. Wright's *The Collection and Disposal of the*

IG Aglen's actions throughout the controversy were muted to say the least. Moreover it appears that he was on leave through most of the months in question, with correspondence being handled by Officiating IG Cecil Bowra. Aglen's choice of Acting IG was shrewd while, as Aglen's junior in the MCS, Bowra was actually older than Aglen and therefore did not see himself as a likely successor to the top job.<sup>47</sup> There was little possibility that Bowra would seek to glorify himself to the detriment of the Service. After a long career in the MCS, Bowra was well equipped to handle the situation that arose at Canton and there was little doubt of his loyalty to the Service and the IG but even so the power of office was not entirely with him. The key to the seeming inertia of the MCS did not lie then with either an avaricious or inexperienced Acting IG, but can be identified in Customs documents. Commissioner A.H. Harris was in charge of the port.<sup>48</sup> On 9<sup>th</sup> October Bowra sent instructions to Harris that the concern of issuing the Southern Government a pro rata share of the Customs Revenue was "in the hands of the Diplomatic Body, a decision on it will, no doubt, in time be communicated to that Government through the Dean of the Consular Body in Canton."<sup>49</sup> While seemingly innocuous, this comment alone encapsulated the Customs' attitude to Sun's threats. The Customs was protected by the powers and had to ride the situation out under the protective gaze of the gunboat flotilla. The powers had shown themselves prepared to physically defend their interests in the Customs and, therefore, the Service could allow the Powers to "go into battle" on their behalf.

The few available Customs based accounts of the controversy share nonchalance in summing up the incident as amounting to nothing more than a "dead letter." The assurance that the matter of distribution or non-distribution of surplus rested in the diplomatic body's hands effectively allowed the Customs a sense of

---

*Maritime and Native Customs Revenue Since the Revolution of 1911* (Shanghai: Statistical Department of the Inspectorate General of Customs, 1927) which is meticulously detailed in its coverage of the MCS, dealt with this incident quite briefly and oversimplified the implications of Sun's claims. Wright treated it as another "hiccup" in the history of the Service and failed to impart any sense of the actual significance of this event [Wright 187].

<sup>47</sup>Charles Drage, *Servants of the Dragon Throne: Being the lives of Edward and Cecil Bowra* (London: Peter Dawnay, 1966) 272.

<sup>48</sup>*The China Yearbook 1923* 1031–1037. Harris was central to the early negotiations surrounding the Hong Kong–China Trade and Customs Agreement in 1910. See chapter 6.

<sup>49</sup>Cecil A.V. Bowra, letter to Commissioner of Customs, Canton, 9 Oct. 1923, *Documents*, vol. 7 303.

complacency. For the MCS the powers had shown their willingness to act against this threat to their interests and they were protecting the service's integrity. Evidence of MCS apathy is illustrated in a "Z" letter between IG Aglen and the Non Resident Secretary Acheson (London Office):

Sun Yat-sen had made up his mind, I think, to seize the Custom house with the idea that he would be able to obtain the Canton revenues, and this produced a naval demonstration, and there the matter rests for the moment.<sup>50</sup>

In a later letter Aglen praised Bowra's judgement as acting IG in having taking a firm stand against Sun. He reflected, "I was not pressed in any way for revenue funds."<sup>51</sup> The MCS was protected by gunboat diplomacy but this would not prove to guarantee the IG or the foreign element of the Service any immunity from the growing Nationalists' resentment in the years to come.

Canton Customs controversy can be explored as both an instinctive response after the attack on Westerners in the Lin ch'eng incident and further, as an example of British determination to maintain its dominance of the service.<sup>52</sup> Both interpretations are appropriate but others may also be drawn from this event. The Custom's ability (and hence the Treaty Power's ability, by virtue of their gunboat diplomacy) to either support or thwart Sun's claims has direct impact on our understanding of the agency of political legitimacy in the Republic. In the foreground of the MCS' decisions were the foreign powers that, in this instance, had what appears, the ultimate say over the outcome of Sun's requests. By granting the Canton government access to the pro rata share of revenue, the foreign powers, through the MCS, were also tacitly approving this regime. By withholding these funds therefore, the foreign powers displayed their possession of the necessary leverage, namely control of the MCS, to influence Republican politics.

In the British Foreign Office Annual Report for 1923, Minister Macleay commented that Sun's return from refuge in the French Concession in Shanghai to the ferment of Canton's power struggles was one of the year's most remarkable events. Even more noteworthy was the fact that Sun managed to reclaim and

---

<sup>50</sup>Francis Aglen, letter to Guy Acheson, 10 Dec. 1923, Letter Series Z, Library of the School of Oriental and African Studies, London.

<sup>51</sup>Aglen, letter to Cecil Bowra, 16 Feb.1924, Letter Series Z.

<sup>52</sup>See Dayer; Chan Lau Kit-ching, "The Lincheng Incident."

maintain power without having troops attached to him personally.<sup>53</sup> By British accord Sun was no longer considered a serious player in the struggle for political hegemony. Western observers who underestimated his tenacity, therefore, had not anticipated Sun's resilience in returning to the fray in Canton. The deliberate policy of procrastination adopted by the foreign powers reflected a belief that, through using diversionary methods, they could negate the threat. The desperation of Sun's situation was widely publicized, and in spite of such compelling evidence that he was once more battling for survival, his claims against the MCS were initially disregarded as nothing more than rhetoric.

Throughout the Customs controversy the Western press generally represented Sun in an unflattering light. Thus in London *The Times* published a damning report on Sun's lack of credibility. The article described Sun as regarded by all classes in Canton as "a ravening wolf, devouring the fat and blood of the people in order to sustain his obsession that he is destined to be the saviour of the country." This report inferred that all of Canton was aware of Sun's delusions of grandeur.<sup>54</sup> In a leading article on the issues surrounding the Canton Customs, the *NCDN* stopped short of accusing Sun of fabricating or manipulating information but simultaneously suggested it just the same. The article read, "it would be discourteous to say the least to accuse Dr Sun of misquoting, besides that it would be very silly of him to do so at such a juncture."<sup>55</sup> Sun was the brunt of many such condescending articles during this time.

A key issue throughout the controversy was the perception of Sun as a failed revolutionary. Among the powers there was a lack of faith in Sun. They no longer viewed him as a force for the unification of China. Painted as a deluded idealist, Sun's claims against the Customs, however justified, were viewed in a light jaundiced by perceptions of Sun as incompetent. Aglen, in a letter to Bowra discussing Sun's failure in Canton, described what he saw as the end for Sun, who had lost command of everything except a portion of the city. Aglen wrote, "[Sun] has no control over his subordinates, and, if the truth were known, he is probably not in

---

<sup>53</sup>R. Macleay, "Annual Report, 1923," *British Documents*, vol. 19 171-172.

<sup>54</sup>"Sun Yat-sen's Threat," *The Times*, 6 Dec. 1923.

<sup>55</sup>"The Controversy at Canton," *NCDN*, 29 Dec. 1923.

full possession of his faculties.”<sup>56</sup> Such reflections indicate that Sun was seen as more of an annoyance than a powerful force in China.

The representation of the events in Canton in December 1923 as a “Customs crisis” is not unusual. Such terms were bandied about in press at the time and have been readily absorbed into academic treatment of this incident.<sup>57</sup> What may be argued, however, is that the Canton Customs was never really in a position of great danger from Sun, the presence of the foreign naval force in fact provided a *fait accompli* to resolving the incident in Western favour. Sun had control of the Canton Government but only ever held tenuous control over the military. It was his inability to ensure the loyalty of these forces that had led to his overthrow in 1922. Furthermore there was a belief that Sun was being forced to pay exorbitant amounts to his government’s army to ensure their continued loyalty.<sup>58</sup> Even with the full support of his forces, it is highly dubious that Canton’s firepower could ever be a match for the well-armed gunboat flotilla. The power’s display of naval firepower was intended to intimidate Sun without resorting to actual use of force, is integral to the nature of Gunboat diplomacy.<sup>59</sup> Calling the incidents of December 1923 a “crisis” is overstating the whole affair. Sun’s actions had caused some discomfort on the part of the foreign powers but it is not evident that the Diplomatic body had anything but the upper hand in negotiations with Sun. In this sense there was little real crisis for the foreign powers to contend with.

The Canton Customs controversy raises questions as to the role of the MCS in condoning political legitimacy in the Republic. By extension of this idea these events also allow an investigation of imperialism in China and how the MCS was used as a mechanism to influence events. The MCS represented a security for foreign interests and investments in China and therefore threats against this Service were met with resistance from the powers. The defence of the Customs in this instance, while protecting the integrity of the institution also protected avenues for the foreign

---

<sup>56</sup> Aglen, letter to Bowra, 21 Aug. 1924, Letter Series Z.

<sup>57</sup> The term “Canton Customs Crisis” is the most common term appropriated to this incident and as an indicator of this, it can be found in encyclopaedias of Chinese history.

<sup>58</sup> Gilbert Chan, “An Alternative to Kuomintang–Communist Collaboration,” 137.

<sup>59</sup> For definitions of Gunboat diplomacy and the context for its use see Cable, *Gunboat Diplomacy*; Anthony Preston and John Major, *Send A Gunboat!: A Study of the Gunboat and its Role in British policy, 1854–1904* (London: Longmans, 1967).

penetration of China. The powers' demonstration against Sun had far reaching repercussions on the position of the foreigner in China. After this incident the use of the Customs as a symbol of western oppression of China became common. The Powers had succeeded in protecting their concerns in the Customs but in doing so they had not only provided impetus for the rousing of anti-foreign sentiment in China but had identified the MCS as a prominent target for resentment.

## ***The Rise of Anti-Imperialism and the MCS***

You would be amazed at the China which is now confronting us were you here.  
The foreign prestige bubble having been completely pricked, the Chinese are  
getting away with things in every direction.

Aglen to Bowra, 20 November 1925<sup>60</sup>

Aglen's apprehensive forecast for the future of the MCS and the foreigner in China was tinged with both incredulity and regret. Comments in similar vein to Aglen's are echoed throughout British accounts of the 1925–1927 period. For the MCS employees and other foreigners in China, the Canton customs controversy did not fade from mind as an unpleasant incident as it became a forerunner of further unrest. When the May 30th Incident occurred in Shanghai in 1925, it inspired a nationalistic movement which swept through the Treaty Ports and elsewhere, presenting an ominous challenge to the security of foreign communities in China. While anti-foreign but particularly anti-British acts and protests were recorded throughout China during 1925–1926, focus again fell on Canton. This southern *entrepot* became the centre for virulent anti-British protests that were expressed through pickets and the boycott of Canton and Hong Kong and lasted for almost sixteen months. Canton was the traditional base for the KMT and hence their adoption and development of anti-imperialist platforms in the 1923–1925 interregnum found expression most readily in this region.

While it may be argued the Canton Customs controversy was resolved to the satisfaction of the foreign powers, their actions however had given impetus to the rise of anti-imperialism in KMT ideology, which no amount of foreign gunboat demonstrations would be able to stem. Ironically a defeat for Sun and his Canton government had turned the tide against the Treaty Powers in China. Although seen

---

<sup>60</sup>Aglen, letter to Bowra, 20 Nov. 1925, Letter Series Z.

by the West as a discredited political leader, Sun Yat-sen's strength lay in his ability to use the symbolism of his stand against the foreign powers to arouse the support of the southwestern populace.<sup>61</sup> Moreover it was only after the Canton customs controversy that Sun began to develop his ideas of China's "subcolonial" status and presented imperialism as the root of all of China's problems.<sup>62</sup> At this time the KMT had entered into a closer allegiance with the Soviet Bolsheviks and the CCP and it was this collaboration that brought the concept of imperialism to the fore in KMT thought.<sup>63</sup> The events at the Canton Customs house can therefore be interpreted on two levels. First the events were a dispute over access to revenue, which was rebutted by the Treaty Powers. In a second, more symbolic reading, the Canton Customs controversy could be seen to encompass all of China's experience with the foreign powers. In this latter interpretation the Canton Government, representing the forces for democracy and reform in China (as opposed to the reactionary and tradition-bound northern militarists) was seeking its due recognition. This was symbolized by the MCS allowing access to funds. Thus the revenue of the MCS and access to these funds were tied to the growth of democracy in China. When the imperialist powers assembled their gunboats (symbolic of the maritime power they had exerted over Ch'ing dynasty) they were moving to crush Chinese nationalism, the emergence of which would have threatened their privileged position. The unity of the foreign powers in this action reflected China's domination by many powers. This symbolic interpretation, while purely conjecture, has some basis in Sun's interpretation of China's subcolonial status. The heavy-handed approach of the powers to Sun's demands was detrimental as it merely gave him more justification to speak against imperialism in China. It gave Sun a focus for rallying against the foreign presence in China. Sun's *San Min Chu I* (*The Three Principles of the People*),

---

<sup>61</sup>In his work on *Awakening China*, Fitzgerald discusses the innate skill possessed by Sun in a time when not only a military struggle was waging but a struggle to create and claim icons of the new Chinese nation. Fitzgerald reflects that while Sun had started his life as an inconographer but by the time of his death had become an icon of the nationalist cause. Sun's use of symbolism in the Canton Customs controversy is an example of the skills Fitzgerald explores in his work. See John Fitzgerald, *Awakening China: Politics, Culture, and Class in the Nationalist Revolution* (Stanford: Stanford University Press, 1996) 26.

<sup>62</sup>Edmund S.K. Fung, "The Chinese Nationalists and the Unequal Treaties 1924–1931," *Modern Asian Studies*, 21.4 (1987): 800. Fung gives a good discussion of the development of Sun's ideas of imperialism after 1923. See also C. Martin Wilbur, *Sun Yat-sen: Frustrated Patriot* (New York, Columbia University Press, 1976) 197–207.

<sup>63</sup> Fung, "The Chinese Nationalists" 799.

presented as a series of lectures in 1924, articulated the need for the Chinese people to struggle against foreign privilege in China.<sup>64</sup>

Throughout late 1923 the western press focused on foreign educated Chinese students. In particular there was almost a paternal concern that sending such students overseas for an education meant they would forever remain culturally and politically in-between both the Orient and the Occident, too westernized for the Chinese and too Chinese for the Westerners. While it may be merely a coincidence that such articles appear at this time, it should be borne in mind that Sun was himself one such foreign educated Chinese, and the Treaty Powers had recognized him as revolutionary leader in the quest for a united China. By the 1920s, however, Sun was perceived as not only a failure but more importantly, as anti-foreign and dangerously as anti-imperialist. An editorial titled "The Backward Pull" is a thinly disguised castigation of foreign-educated Chinese:

Through all the political and social turmoil which has existed in China since the overthrow of the Manchu or Ch'ing dynasty, perhaps no class of Chinese has been so profoundly disappointing as the students sent abroad to acquire a foreign education with the reasonable expectation that on their return they would eventually take a leading part in guiding their people into the paths of peace, prosperity and steady progress.... Yet, they do not seem to have undergone any remarkable change or development as the result of their western learning. They have shown, as yet, no capacity for leadership, and have promulgated no practicable political and social plans for the restoration of their country.<sup>65</sup>

Such reflections reveal little patience for the foreign educated youths who had come to the forefront in Republican affairs. Sun was foreign educated and his challenge, which was occurring during this time, would have provided further justification on the part of the *NCDN* for displaying such high-minded attitudes. This devaluing of the western educated Chinese is again found on the 24<sup>th</sup> December in an article subtitled "Students the Dupes of Subtle Politicians." The rise of nationalism amongst

---

<sup>64</sup>Sun's doctrine was developed throughout his life as a revolutionary but had never been written in the form of a political philosophy for the Kuomintang. The Three Principles of the People were first articulated by Sun in a series of lectures to students and Kuomintang followers in 1924. After Sun's death, his doctrines became virtually a Kuomintang bible for Nationalist China. Sun Yat-sen, *San Min Chu I: The Three Principles of the People*, trans. F.W. Chen, ed. L.T. Chen (Calcutta: Chinese Ministry of Information, 1942).

<sup>65</sup>"The Backward Pull," editorial, *NCDN*, 17 Dec. 1923.

China's students was clearly a cause for foreign concern; the powers did not want to contend with an idealistic and nationalistic group that may rally society behind it.<sup>66</sup>

Anti-foreignism was not a new phenomenon in China. Popular uprisings such as the Boxer Rebellion, the 1911 revolution and the May Fourth Movement were in part a response to China's failure to modernize and simultaneously, a protest against foreign encroachment and the imposition of the humiliating Unequal Treaties. Anti-foreignism can be best understood as an often irrational, emotive sentiment, rather than an ideology, that was often aroused to achieve short-term political benefits.<sup>67</sup> Without any guidance or ideological anchoring, such sentiment could be volatile and rapidly run out of control. The united front formed by the KMT–CCP had anti-imperialism as one of their common platforms. In this sense they harnessed radicalism by focusing anti-foreignism to opposing foreign exploitation and oppression. Such oppression was most readily evident in the existence of the Treaty Ports. That is not to say then that anti-foreignism and anti-imperialism are one and the same thing; rather anti-imperialism harnessed and gave direction to the popular resentment of foreign impositions. Anti-imperialism gave anti-foreign sentiment a channel for expression; it is in essence, the political expression of anti-foreignism.

---

<sup>66</sup>Such attacks against the students revealed that the position of western educated Chinese in the Republic for the western audience was filled with ambivalence. In his essay “Of Mimicry and Man” Homi Bhabha touches on the colonized person’s mimicry of western culture as a sign of ambivalence. This resulted in the colonized as “being the same but not quite” but more tellingly, of being “the same but not white.” Homi K. Bhabha, *The Location of Culture* (London and New York: Routledge, 1994) chapter 4. The Chinese of the Republican era can be seen in the light of this ambivalence. In the example of Sun, his ambivalence becomes apparent through his encapsulating of two ideals at once. On the one hand Sun was a student of the West with a western education, was a Christian and had married Soong Ch’ing-ling a Western educated woman. In many ways then, Sun was indicative of a class of Chinese educated overseas who were therefore Westernized but importantly, never accepted as western. While simultaneously embracing western originating ideas of democracy and technology Sun rejected imperialism and the oppression, which he saw as essentially Western. Such ambivalence was inherent in China’s nationalist movement, a desire to achieve democracy for China but to simultaneously reject the visible influence of the imperial powers. Bhabha, a literary theorist, has risen to intellectual prominence through his eloquent and challenging work on postcolonial discourses. This is the essence of Bhabha’s work, that the imperialist powers sought to “civilize” or “Westernize” the Chinese students in their own image and yet the mirror of their Western ideals were returned in a distorted form and therefore a continual concern for the powers.

<sup>67</sup>Kuang-Sheng Liao, *Antiforeignism and Modernization in China*, 2<sup>nd</sup> ed. (Hong Kong: Chinese University Press, 1986) 11–13.

In Sun's January 1924 outline of the KMT's political manifesto, the first statement is particularly significant in revealing how the Nationalists had adopted anti-imperialism as a guiding principle. In turn this had direct implications for the future of the Customs. It read:

All unequal treaties, such as foreign concessions, extraterritoriality, foreign control of customs, and all sorts of political power exercised by foreigners in China and prejudicial to her sovereignty, are to be abrogated and new treaties negotiated on a basis of equality and mutual respect for each other's sovereign rights.<sup>68</sup>

Clearly the Customs, with its foreign Inspectorate and Treaty Port origins, constituted a visible affront to the KMT. Most particularly it represented an imposition by foreign powers and leverage for foreign interference in China's affairs. The foreign powers had willingly rallied to defend their interests in the Customs against Sun, this being further evidence of the Custom's central role in keeping China as a "subcolony." The other points in the manifesto covered: the revision of treaties that were harmful to China, the responsible financing of loans, that the Chinese people should not be responsible for the loans contracted by irresponsible Beijing regimes and the need to explore how to throw off foreign loan debts and to free China from its subcolonial status.<sup>69</sup> Of all of these points the first was the most radical<sup>70</sup> and in addition, it presented the best possibility of inciting anti-imperialist action among the population. The Customs was firmly in KMT focus as one of the leading offences of the foreign imperialists.

## ***The MCS and the Canton-Hong Kong Boycotts of 1925–1926***

So far the customs revenue has been able to withstand the rapacity of the Tuchuns,<sup>71</sup> a fact solely due to its being rigidly under foreign control and collected at the ports where foreign warships if necessary, afford protection.<sup>72</sup>

---

<sup>68</sup>Zhongguo Guomindang dangshi weiyuan hui (ed.), *Geming wenxian*, LXIX, 92–93. Quoted and translated in Fung, "Chinese Nationalists," 799.

<sup>69</sup>Zhongguo Guomindang dangshi weiyuan hui (ed.), *Geming wenxian*, LXIX, 92–93. Quoted and translated in Fung, "Chinese Nationalists," 799.

<sup>70</sup>Fung, "The Chinese Nationalists" 800. Fung points out, however, that even though this point appeared radical, it still offered the possibility of re-negotiating the treaties.

<sup>71</sup>A Tuchun was a military Governor of a Province.

A recurring theme throughout this chapter is the identification of a connection between gunboats and Customs revenue. Less specifically the association lies between the functioning of this (Chinese) fiscal organization and the threat of foreign force being employed to maintain it. The surfacing of this link serves to illustrate the Customs close alignment with the imperialist presence in China. In 1923 a fleet of foreign gunboats was assembled to protect the Canton Customs and yet by 1926 the British were feeling painfully alone in their desire to commit to active protection of the Service. In only a few years inertia had taken hold and prevailed over the Diplomatic body. This was particularly puzzling as the Customs remained a very real concern for the foreign powers as a security for their loans to the Chinese government and for the repayment of indemnities. By 1926 the most immediate deterrent for the powers was a fear of being targeted by the virulence of anti-foreignism. The emerging resentment against foreigners expressed itself most threateningly in the aftermath of strikes, boycotts and demonstrations stemming from the May 30th incident of 1925. The British bore the brunt of this violence and any symbol of British influence in China was targeted. The Customs was a highly visible reminder for the Nationalists of not only foreign interference in Chinese affairs but, more specifically, of British interference in China.

The May 30th incident was the result of ongoing unrest between Chinese workers and Japanese mill owners in Shanghai. Demonstrations intensified throughout May and on the 30th the foreign settlement was the focus for an extended protest. A student demonstration in the Nanking Road vicinity swelled its ranks from 300 to over 2,000 protesters and had become, according to Police Inspector Everson, very menacing in spirit; protesters began calling “Kill the foreigner!”<sup>72</sup> In response to this ominous gathering, members of the Shanghai police (comprising European and Indian officers) fired into the crowd, after a brief warning. They killed four protestors instantly, mortally wounded five and injured another fourteen. This heavy-handed response by the settlement’s police became the focus of further strikes and unrest. The British Foreign Office Annual report noted:

---

<sup>72</sup>Miles Lampson, “Annual Report, 1926,” *British Documents*, vol. 19 419.

<sup>73</sup>Ronald Macleay, “Annual Report, 1925,” *British Documents*, vol. 19 313–314.

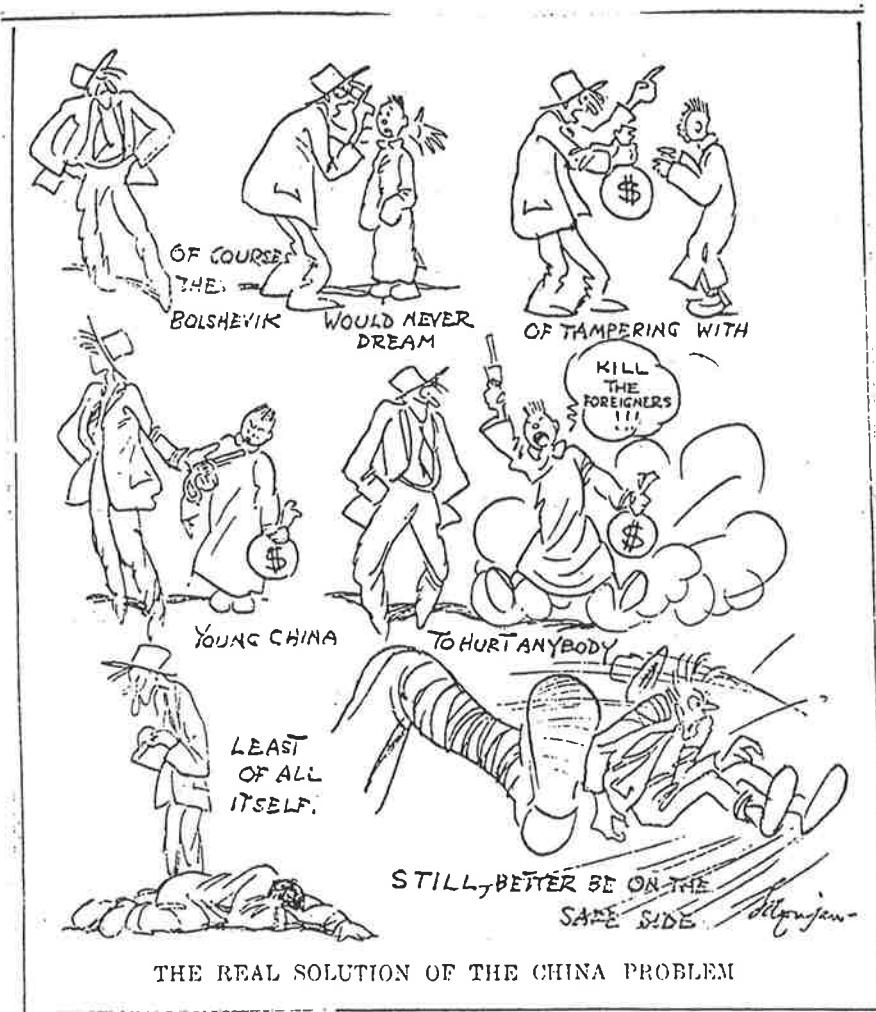


Figure 4.1 Sapajou, "The Real Solution of the China Problem." Source: *The North-China Daily News*, 2 July 1925.

it began to be generally realised that the disturbances of the 30th May had by now completely lost their original character of a mere student demonstration and were becoming metamorphosed under the skilful promptings of the Soviet and Kuomintang wire-pullers into a purely political movement involving a definite challenge to foreign life and property throughout China.<sup>74</sup>

A state of emergency was subsequently declared in the Settlement. After an unsuccessful diplomatic inquiry in June, a judicial inquiry in October found that the officers had little choice but to fire. A compassionate grant, however, was given to the wounded and the families of those killed. By the end of the year it appeared that disturbances and protests in Shanghai had subsided but reactions surfaced throughout the Treaty Ports.

<sup>74</sup> Macleay, "Annual Report, 1925" 314–315.

The May 30th incident sparked off protests and boycotts throughout China. During June and July there were few towns of any size that did not respond to the incident in some way.<sup>75</sup> The incident in Shanghai served as a catalyst for a surge of anti-British expression and nationalistic protests against foreigners in China. In such an emotive environment it is quite conceivable that any grievance could be blown out of proportion; local and isolated incidents were swept into the May 30th Movement.<sup>76</sup> In Peking demonstrations and processions by students became a daily occurrence and Britain was the subject of violent press attacks.<sup>77</sup> The *NCDN* ran constant reports on the unrest, detailing riots, strikes, attacks and outrages committed against foreigners.<sup>78</sup> As a reflection of the climate of fear, the paper reported rumours that the Chinese were manufacturing poisonous gas and had brought in German and Russian chemists to assist them with this insidious scheme.<sup>79</sup> This report hinged both on foreigner's fear of further Chinese attacks and also revealed a preoccupation with the Soviet threat against foreign interests in China. The *NCDN* openly blamed the CCP and the Nationalists association with the Soviets for having fueled the volatile climate of strikes and protests. The cartoon in figure 4.1 portrays the way in which the Chinese were fooled into becoming pawns in the dangerous, Soviet agenda. As borne out in the cartoon, any such association would be self-destructive for China. In light of such beliefs the *NCDN* commented that the British problem was not with China but rather with Bolshevism. An editorial reads:

...our quarrel is not with China. Our quarrel is with the destructive force of the 20<sup>th</sup> Century, the germ that is polluting our great cities, the beast that has come

---

<sup>75</sup>Richard Rigby, *The May 30 Movement: Events and Themes* (Canberra: Australian National University Press, 1980) 63.

<sup>76</sup>Rigby 63–64. From the outset of his work, Rigby clarifies his reasoning for not discussing the Canton–Hong Kong boycott as part of this movement and in doing so notes that this is in keeping with the practice of most CCP historians. See Rigby viii.

<sup>77</sup>Macleay, "Annual Report, 1925" 316.

<sup>78</sup>"Bomb-throwing in Hongkong," *NCDN* 11 July 1925; "Rising Tide in Swatow: Serious Situation: A General Strike: Outrages on Missionaries" and "Shameen Again Threatened: Rumours of Another Attack" *NCDN* 13 July 1925; "The Hankow Riot" *NCDN* 14 July 1925, "Strike at Swatow" *NCDN* 16 July 1925, "British Evacuated From Wuchow" *NCDN* 22 July 1925.

<sup>79</sup>"Chinese Making Poison Gas," *NCDN* 16 July 1925.

out of the dark forests of Russia to disrupt and corrupt the civilization of the universe, Bolshevism. Against this dreadful plague the civilized world must stand united.<sup>80</sup>

Britain and the other foreign powers were, in accordance with the above excerpt, not standing firm to aggravate or thwart Chinese nationalism but they were defending civilization as a whole against the Bolshevik threat.

The MCS was affected in the reaction to May 30th and in some instances for the Services difficulties extended beyond that of the original incident. Hankow is a prime example of such prolonged unrest. On the 6<sup>th</sup> of June there were anti-British demonstrations and only five days later these protests turned violent, with rioting and mob attacks against foreigners.<sup>81</sup> A landing party from the HMS *Gnat* succeeded in driving back the crowds without resorting to use of firearms. A voluntary international force was mobilized to protect the foreign concession<sup>82</sup> (See Fig. 4.2). This picture illustrates the Customs house being defended by British troops. In Hankow the unrest culminated in the British retrocession of leased territory, an unexpected windfall for the Nationalists.<sup>83</sup>

Hong Kong became the focus of a strike by Chinese workers. In the months prior to the May 30<sup>th</sup> incident, Hong Kong authorities had already harboured concerns over the militancy of Chinese workers unions.<sup>84</sup> The events in Shanghai added a further dimension to anti-British sentiment and despite vigilance from the colonial authority by 19 June the strike had begun. Propaganda secretly printed and circulated throughout the colony urged workers to leave Hong Kong and to travel to Canton. As a result the colony suffered a mass exodus of Chinese as workers and

---

<sup>80</sup>“Will Britain Stand Alone?,” *NCDN* 3 July 1925.

<sup>81</sup>Macleay, “Annual Report, 1925” 322–323.

<sup>82</sup>Macleay, “Annual Report, 1925” 322–323. An international defense scheme was put into action. There were landing parties of British, Italian, French and American troops from warships in the port.

<sup>83</sup>Lee En-han, “China’s Recovery of the British Hankow and Kiukiang Concessions in 1927,” *Occasional Paper no. 6* (Nedlands: University of Western Australia; Centre for East Asian Studies, 1980) 1–34.

<sup>84</sup>Chan Lau Kit-ching, *China, Britain and Hong Kong 1895–1945* (Hong Kong: Chinese University Press, 1990) 177.



Figure 4.2 Hankow Customs House Guarded by British Soldiers.  
Source: Putnam Weale, *Why China Sees Red* (London: Macmillan and Co., 1926).

students alike traveled to Canton.<sup>85</sup> Trade was crippled. A volatile clash during a protest in June near Shameen, Canton's foreign enclave, exacerbated existing tensions and galvanized the strikers into further boycotts against British trade and Hong Kong. While Hong Kong authorities had optimistically forecast a speedy resolution to the strike, by July there was every indication the boycott would be a protracted standoff.

By early June the Canton Customs had taken defensive measures against possible unrest. The Customs house had been closed by the Commissioner, Arthur Edwardes, in response to fighting between the Cantonese and Yunnanese armies and remained closed in the face of disturbances following the May 30th incident.<sup>86</sup> All office work had been removed to the Assistant's Mess on Shameen.<sup>87</sup> In a report by Schjoth, the Acting Deputy Commissioner of the Canton Native Customs, Shameen was "fortified with trenches and barbed wire all round, with volunteers on duty day and night."<sup>88</sup> The majority of foreign women and children were removed to

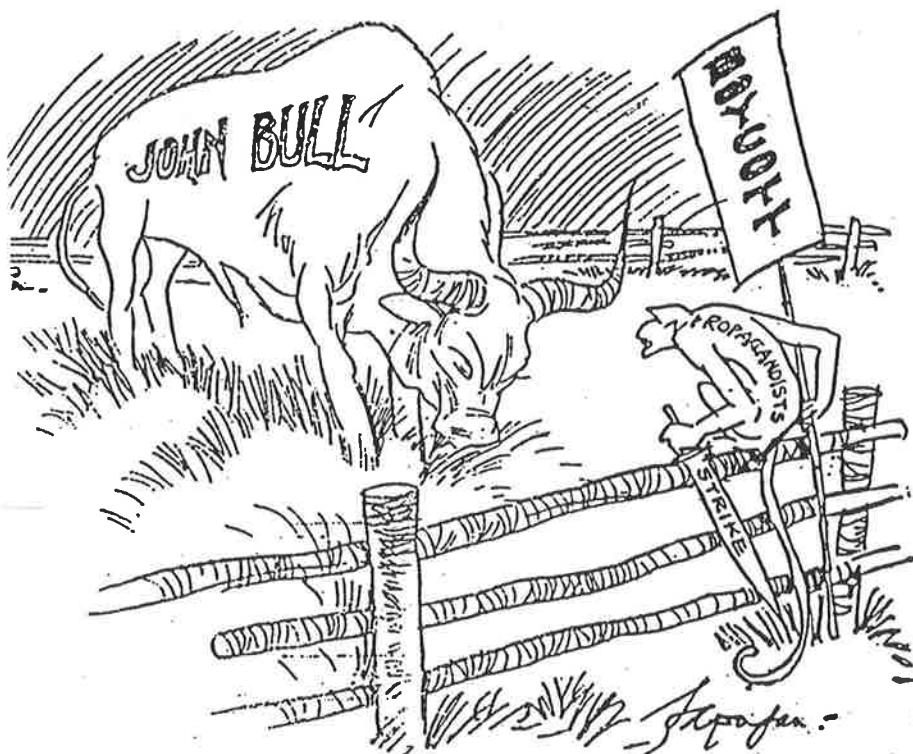
---

<sup>85</sup> Chan Lau Kit-ching, *China, Britain and Hong Kong* 177–180.

<sup>86</sup> Schjoth, "Closing of the Customs House, Mr. Schjoth's Account of Incident," 27 Mar. 1929, The Papers of Sir Frederick Maze relating to the Chinese Maritime Customs Service, vol. 18, unpublished, Library of the School of Oriental and African Studies, London. This group of documents will be subsequently referred to as the Maze Papers.

<sup>87</sup> This had been done without Chinese permission and later emerged as a large part of KMT criticism of Edwardes when he was nominated for the position of IG in 1928. See chapter 5.

<sup>88</sup> Schjoth, "Closing of the Customs House."



A VERY PATIENT BEAST, BUT BETTER NOT ROUSED.

Figure 4.3 Sapajou, "A Very Patient Beast, but Better Not Roused." Source: *The North-China Daily News*, 1 July 1925.

Macao and remained under the care of Commissioner Lebas. All private and official Chinese servants had left their positions. On visiting Edwardes to report on the situation, Schjoth noted that Commissioner Colonel Hayley Bell from Hong Kong was also present to discuss the growing tensions.<sup>89</sup> This meeting was an indicator of the seriousness of the situation.

The Canton-Hong Kong boycott was pre-empted by the response to the events in Shanghai. In Canton the "smouldering embers of anti-foreign hatred were ever ready to be fanned into flame,"<sup>90</sup> and on the 23rd of June at Shameen a demonstration escalated into a violent exchange of fire with serious repercussions. Both British and French troops on Shameen had been prepared for defensive measures in response to a march planned to pass alongside the foreign settlement. The march, however, deteriorated into a battle between the foreign troops and the protesters. It remains unclear who started firing but the Shakee bridge incident

<sup>89</sup> Schjoth, "Closing of the Customs House."

<sup>90</sup> Macleay, "Annual Report, 1925" 328.

resulted in at least 37 Chinese and one foreigner being killed with several wounded.<sup>91</sup> The muddiness surrounding actual details of the exchange is reflected in press accounts. The *NCDN* shifted blame away from the Chinese and the British and French troops, instead blaming Bolshevik forces. It reported the “Detestable Trick of the June 23 Outrage: Schoolgirls Massed in Parade While Russians Shot from the Windows to Provoke Foreigners into Firing.”<sup>92</sup> This article hinted that Soviet intriguers were behind the incident and had deliberately shot at the crowds to incite violence. These events became the catalyst for an intensifying of anti-British feeling in Canton and for protracted boycott of Canton and Hong Kong that extended for almost 16 months.<sup>93</sup>

Anti-British feeling was running high during the blockade. By examining two cartoons from the *NCDN* of July 1925, much of the foreign sentiments of the continued threat to British interests and nationals in China can be ascertained. In a cartoon on 1 July the British are represented as a bull, grazing in a pen (possibly representing the Treaty Ports) while a monkey (propagandist) watches on, armed with the weapons of strikes and boycotts. The message in this being that British strength and power represented by the bull, might be disturbed or attacked by the monkey but in reality British power, once goaded sufficiently, was fearsome to contend with; Britain may indeed break through the boundaries of its confines and “rampage” through Chinese territory, of course, the monkey could be crushed in the process. A further cartoon on 11 July depicts the wolves of “starvation, terrorism, and blackmail” preventing a Chinese worker from entering the welcoming gates of the foreign enterprises which bear the banner “good wages and work for all”. This cartoon impresses that the Chinese are denying themselves opportunities provided by the “benevolent” foreigners in China. While not implicitly inferring the nationality of these enterprises, as the *NCDN* was British owned press there is a pro-British bias. Also, in the earlier cartoon, it is made clear that it was the British in particular that were being thwarted by Chinese agitators. The second cartoon is a direct rebuttal of the strikes and boycotts that were occurring in the treaty ports,

---

<sup>91</sup> Macleay, “Annual Report, 1925” 328–329.

<sup>92</sup>“Bolshevik Plot to Make Shameen Fire Upon Women,” *NCDN*, 29 July 1925.

<sup>93</sup>Edmund S.K. Fung, “Chinese Nationalists and the Unequal Treaties 1924–1931” 804–805.

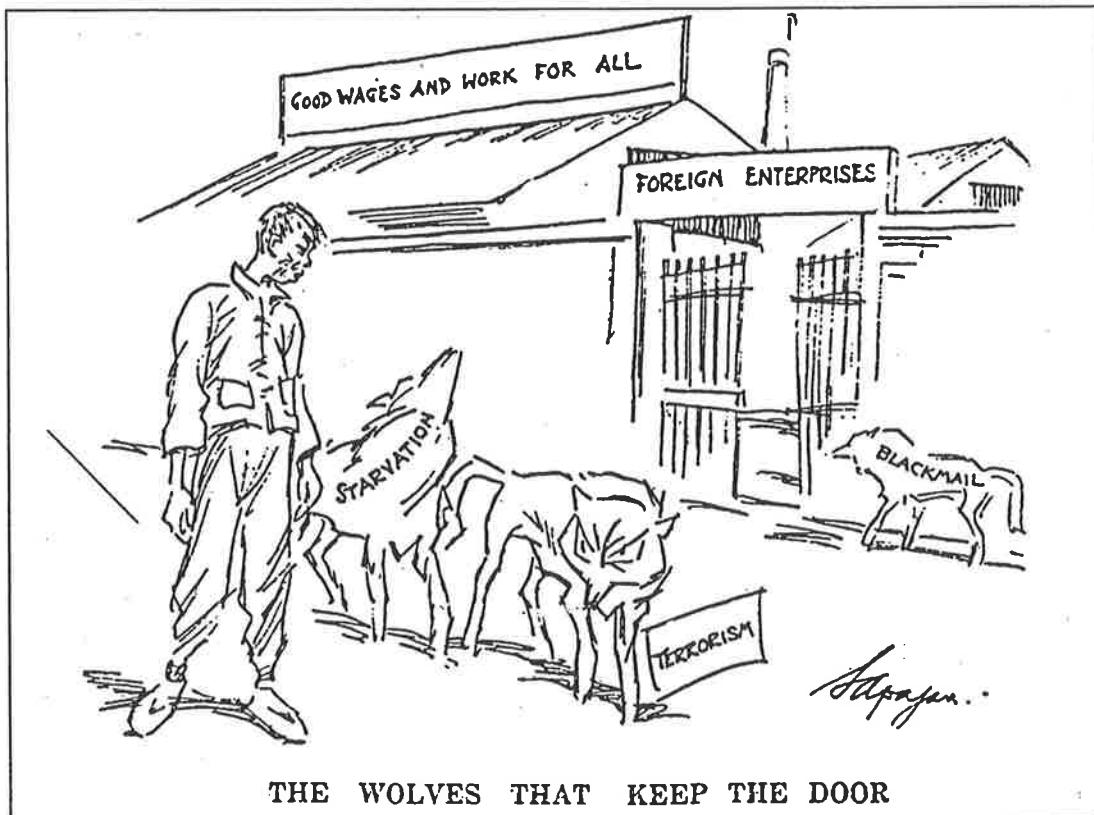


Figure 4.4 Sapajou, "The Wolves that Keep the Door." Source: *The North-China Daily News*, 11 July 1925.

Canton most particularly. The open gate may also be seen to represent the foreign power's conciliatory attitude towards the Chinese.

As the investigation into the Shakee incident foundered, a blockade came into force. On 13 August the Strike Committee issued three new regulations with the tacit approval of the Canton Authorities. These stipulated:

1. All steamers, except those of British and Japanese nationalities, are permitted to take part in coastal trade, provided they do not call at Hong Kong.
2. All vessels, on entering port, must be inspected by labour pickets.
3. Export of raw materials and food-stuffs is prohibited.<sup>94</sup>

As indicated in the first point, Britain and Japan were both targets of the boycott, restrictions against the latter, however, were only a formality and lifted within a matter of days.<sup>95</sup> The regulations that involved inspecting vessels directly infringed

<sup>94</sup> Macleay, "Annual Report, 1925" 329..

<sup>95</sup> Chan Lau Kit-ching, *China, Britain and Hong Kong 1895–1945* 194.

upon the duties of the Customs and would inevitably lead to tensions between the two groups.

The Shakee incident had direct repercussions on the Canton Customs. Prudently steering clear of direct involvement, Commissioner Edwardes and other staff had sought out a vantage point for watching the procession from the Customs Mess window.<sup>96</sup> When fighting erupted Edwardes was shot in the knee by a stray bullet. As a result of his injury he was promptly removed from the Customs house and his Deputy, Talbot, took charge. Later Edwardes was commended by IG Aglen in a “morale boosting” circular at a time when many Customs houses had suffered as a result of the ongoing unrest since the May 30th incident. Aglen commented:

The conduct of those concerned has been worthy of high praise, and I wish to convey to them especially my appreciation of their patience and courage in the most arduous circumstances that prevailed. The wounding of the Canton Commissioner, Mr. Edwardes, by a stray bullet while he was on duty and engaged in measured for the protection of his staff, which necessitated his withdrawal from Canton was deplorable, but I am glad to find that instances of personal injury to life or limb were rare.<sup>97</sup>

In this circular Aglen also discussed the hardships endured by Customs employees who were deserted by the wholesale strike of their Chinese servants. Schjoth's account details the loss of Chinese servants in Canton; he reported they left without receiving pay as they believed “they would return as masters.”<sup>98</sup> While the loss of servants was hardly a threat to the functioning of the Service, it meant daily hardship for staff as their households ground to a halt and it heightened the sense of crisis gripping the foreign enclaves.

The outdoor staff fared worse than their indoor colleagues and had been chased from their quarters at the Honam Mess. Their men managed to keep some of the river launches running without Chinese crew.<sup>99</sup> The Superintendent of Customs and Acting Commissioner Talbot, with police protection re-opened the Customs house on

---

<sup>96</sup>Schjoth, “Closing of the Customs House.”

<sup>97</sup>Francis Aglen, “Inspector General: Sir Francis Aglen, Inspector General, resumes charge of Customs Service; Inspector General’s appreciation of conduct of Staff during period of unusual stress and difficulty” 16 Nov. 1925, *Documents*, vol. 4 87–88.

<sup>98</sup>Schjoth, “Closing of the Customs House.”

<sup>99</sup>Schjoth, “Closing of the Customs House.”

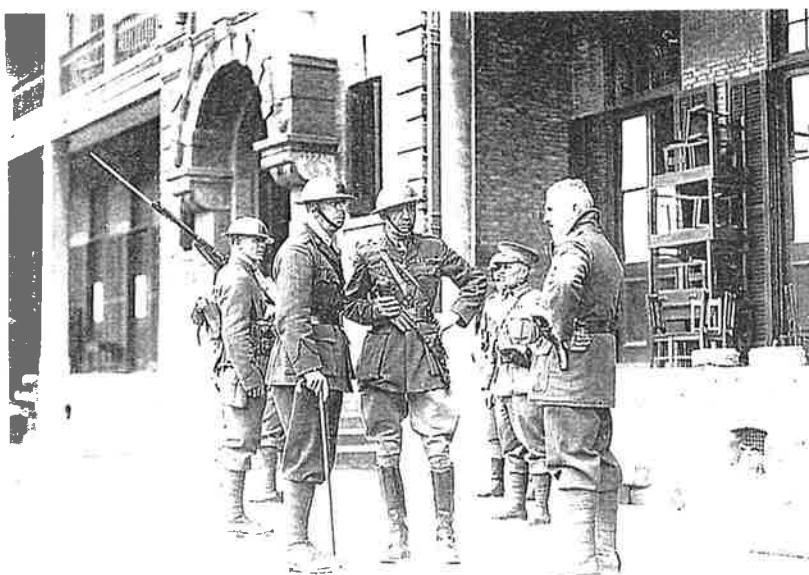


Figure 4.5 Hayley Bell (center) Patrolling the Bund. Reproduced with permission of Anthony Hewitt.

the 28th of June.<sup>100</sup> Colonel Hayley Bell took up the post of Commissioner. As the situation in Canton was severely strained a capable Commissioner was required. Throughout the boycott and pickets, Bell continually showed he was a strong leader, determined to protect the Customs. In an unusual move Bell, who had formerly been in Hong Kong, arrived with two of his young children and his Chinese servants; “no doubt he thought a baptism of fire would be excellent training for his children and teach them to face danger with fortitude.”<sup>101</sup> In contrast, most Customs wives and families had been removed to Macao prior to the Shakee incident.

A photograph of Bell on the Shameen Bund provides an unusual depiction of the Commissioner (see Fig. 4.5). Bell is shown clearly in military uniform, although such dress was not what might have been expected of a civilian Customs Commissioner, regardless of his military past. Bell was active in patrolling the Bund relentlessly; protecting the foreign settlement from the angry Chinese. In Hewitt’s account, Bell is depicted as “a tall slim figure, handsome in uniform, a 1914–1918 steel helmet, khaki jacket emblazoned with medal ribbons, fawn breeches and riding boots, a 4.5 pistol in a holster....”<sup>102</sup> This description of Bell is noteworthy as he was

<sup>100</sup> Schjøth, “Closing of the Customs House.”

<sup>101</sup> Anthony Hewitt, *Children of the Empire* (Kenthurst: Kangaroo Press, 1993) 25.

<sup>102</sup> Recounted in Hewitt 26.

ostensibly a servant of the Chinese government and yet was patrolling the Shameen Bund in full military regalia. In other accounts of the unrest in Canton, Customs staff took up arms for self-defence but there was never any mention of them patrolling the Bund or reverting to military dress.<sup>103</sup> It is possible that Bell may have joined a voluntary militia but there is no evidence of such an association. This use of military uniform and the symbolism of military apparel would be readily acceptable in places like India, or British Malaya but Canton was not a British colony. To find Bell in “military mode” as Commissioner might have added to tensions in Canton, and fueled resentment against himself and the Service.

According to Yvonne King’s recollections moreover, Bell’s choice of military attire did not sit well with other Customs staff. In fact he was considered foolhardy in choosing to wear his uniform. Yvonne King reflected:

I think he was a very respected man and he did this, which was a very foolish thing to do—he should have realized that he was an employee of the Chinese Government and not a British Soldier. He shouldn’t have put on his uniform and fought the Chinese.<sup>104</sup>

In what was already a volatile situation Bell’s parading of military garb was inappropriate and provocative.

While not directly interfering in the Customs administration, pickets stopped vessels after their examination at the Customs house with the purpose of extorting further funds. On 6<sup>th</sup> February 1926 a more direct threat to the functioning of the Customs occurred when the Strike Committee seized five boats that were heading to the Customs house for examination. In response to this threat Bell resorted to personal intervention (a choice of action which constantly figures in Bell’s contending with the Chinese strikers). In a letter to Amery, the British Secretary of State, Governor Clementi of Hong Kong recounted the events surrounding Bell’s success in regaining control of these vessels:

---

<sup>103</sup> Schjøth, “Closing of the Customs House.”

<sup>104</sup> Yvonne King, personal interview, 26 July 1998. Mrs King comments that she thought that Bell’s actions in wearing the uniform had culminated in his dismissal but this was not actually the case.

He [Bell] with his Chief Tide surveyor and some Chinese Tide-waiter literally "sat on" these boats for ten hours until they were surrendered to him by the strike pickets.<sup>105</sup>

Such confrontational behaviour could not have been carried out if Bell did not have the security of extraterritoriality. Bell not only enjoyed this success, but through threatening to close the port to trade, brought the Strike Committee into a situation where there was less possibility that the integrity of the Customs would be compromised.

Bell was the victim of an attack by strike pickets on 22 April and this was seen by Western press as an omen of the times to come. The *NCDN* reported the incident under such headings as, "Lieut.-Col Hayley Bell Assaulted. Attack By Strike Pickets Armed With Bamboos."<sup>106</sup> This attack was presented as a typical example of the lawlessness "condoned" by the Canton Government through their inaction in curbing the pickets. Bell was a victim but at the same time it should not be forgotten that he had possibly inflamed resentment against him by his choice of military garb for patrolling the Shameen Bund. He was reported as being set upon by the strike pickets when he was "walking quietly from his office to the Shameen simply with a rain coat over his arm." When Bell resisted a picketer's attempt to snatch the coat, a tussle broke out and "without warning the Commissioner was set upon and beaten unmercifully by a gang of five or six men armed with sticks and bamboos." Bell was knocked to the ground and his beating continued unrelentingly. The *NCDN* declared, "It seems quite possible that murder would have been done had not a foreigner on Shameen who noticed the occurrence, rushed to Colonel Bell's assistance."<sup>107</sup> Elizabeth Bell witnessed the attack on her father. The assault was described in detail:

Suddenly he was viciously attacked, brutally beaten with bamboo poles, his helmet knocked off, his head smashed by rifle butts, cut by swords, thrown defenceless to the ground, kicked and left there like a dead animal.... Chinese Customs officers rushed to his aid, picked up the unconscious, frail, limp body

---

<sup>105</sup>Cecil Clementi, letter to Amery, 24 Feb. 1926, The Clementi Papers, Rhodes House Library, Oxford.

<sup>106</sup>"Lieut.-Col Hayley Bell Assaulted," *NCDN* 24 Apr. 1926.

<sup>107</sup>"The Assault on Lieut. Col. Hayley Bell," *NCDN* 29 Apr. 1926.

and carried the bleeding man to the Consulate. For days he lay unconscious and temporarily blind, suffering greatly from severe head wounds.<sup>108</sup>

This incident was clearly a traumatic childhood memory. The viciousness of the attack is constant in both her recollections and the press reports of the time. The extent of Bell's injuries was, however, unclear in the newspapers but according to both sources he was badly injured. In Hewitt, Bell was described as being unconscious and temporarily blind for days, suffering from severe head wounds.<sup>109</sup> The attack on Bell had dual significance; not only was he a British national but more importantly, he represented the foreign control exerted over the MCS.

After such graphic accounts of Bell's beating it is ironic to discover that his injuries were, at his own admission, only minor in nature. It is possible that Bell wanted to underplay any real injuries to himself but had his injuries been serious, it is likely the press would have run follow-up stories on his condition. Further to this in a letter to Sir Cecil Clementi,<sup>110</sup> Bell related his version of events that casts a different light on the representation of the attack. The letter is transcribed completely as it provides a valuable insight into the mentality dominating this incident.

Dear Sir Cecil,

I am gratified to you for your kind note just received and very much appreciate your thinking of writing.

Really the affair was much overdone, and I am annoyed at the newspaper versions especially. This is what occurred: I resisted personal search by the Pickets at the French bridge (as I always do and always will). When grabbed, I hit him and two then attacked me with sticks two more coming from behind with carrying poles which they took from coolies. I was quite happy even so and had disposed of two; but after two blows on the head I could not see and fell back in the direction of the gate where they dragged me in. I did quite as much damage as I received and I never fell nor did anyone come to my assistance. In the end there were eight or ten at me and they were in each others way—I went back 2 hours later the same way and they left me alone.

---

<sup>108</sup> Retold by Hewitt 26.

<sup>109</sup> Retold by Hewitt, 26.

<sup>110</sup> Hewitt writes of a lasting friendship that had developed between Clementi and Bell: "Both men were sinologists with a deep love of China and both were speakers of Mandarin and Cantonese. Hayley Bell's wide knowledge of China was of value to Clementi and they held similar opinions on the future of the Colony and Empire: that European dominance in China was declining but that the British would never relinquish Hong Kong" [Hewitt 27]. Certainly within the Clementi papers there are several personal letters from Bell which reflects a rapport having been established between the two.

It has really done much good for C.C. Wu called & expressed regret and even the Strike Authorities did the same! There are now police detectives at the Gate and the Pickets have been forbidden by the Govt to molest anyone.

So I scored I think. But the atmosphere up here just now is very 'odd' and almost anything might happen at any moment—things are not well at all.

Thank you so much for your letter and for your valued invitation which some day I should much like to accept.

Yours very sincerely  
F. Hayley Bell.<sup>111</sup>

Bell's account, which is very dramatic in its description of events, reveals that he refused to be intimidated by the strike pickets regardless of whether this endangered his personal safety. The coupling of Bell's determination with the Strike Committee's resentment (of his interference in their holding of boats bound for the Customs), pointed to the inevitability of a clash. But whatever the personalities of this case, it remains a significant encounter as the MCS was facing a strong attack from the Nationalists, primarily through their inaction in moderating the Strike Committee. Furthermore Bell's letter provides a reflection of the uneasiness that the foreigners remaining at the port were experiencing.

While foreign Customs staff, in most instances, were safe from attacks by the picketers, Chinese staff of the Customs were prime targets. Both intimidation and physical attacks were made against the Chinese staff and are detailed by Bell in a letter to Clementi.<sup>112</sup> Although the letter does little to hide a desire for a sense of high drama, Bell's response to these attacks was to tackle them head on. He explained that he was virtually "under siege" in the Customs house and commented that the Strike Committee had for months been "capturing my men in twos and threes and taking them to strike headquarters and the Tung Yuan where they have generally tortured them." If power could not be brought to bear on the Committee, Bell recounted that he went on several occasions "to the Tung Yuan and just sat there until they got worried about me and let them go."<sup>113</sup> While it is difficult to ascertain what Bell meant by his staff being "generally tortured" it is made amply clear that all Chinese staff were under threat of physical violence because of their association

---

<sup>111</sup> Hayley Bell, letter to Cecil Clementi, 26 Apr. 1926, The Clementi Papers.

<sup>112</sup> Hayley Bell, letter to Cecil Clementi, 29 June 1926, The Clementi Papers.

<sup>113</sup> Bell, letter to Clementi, 29 June 1926. The Tung-yuan was the strike committee headquarters in Canton, there were also eight local offices. Chan Lau Kit-ching, *China, Britain and Hong Kong*, 182.

with the MCS. From his description of his response, it is evident that Bell was relying on his extraterritorial status as a foreigner to protect his Chinese staff. The methods he employed appeared to be rather unorthodox and dangerous but they were successful in keeping the majority of the Chinese staff safe from the ire of the Strike Committee.

The Canton Customs not only encountered external pressures but also internal challenges to its functioning. Problems emerged with some of the Chinese outdoor staff. Bell was obliged to dismiss two men who were leading figures in a Customs union that was created during the boycott. These union leaders, the Chief carpenter and his mate, were exerting pressure over other members of staff to join through intimidation and acts of violence. Bell approached Sun Fo of the government and the Superintendent of Customs warning them that "the Customs will have no Union and that I shall dismiss if it be necessary every man on the staff outdoors until they understand this."<sup>114</sup> Bell's firm stand against demands to have the workers reinstated was in response to his perception of the main issue at stake. The crucial issue for him was not whether men would or would not serve the Customs (as many men worked without problem) but rather:

the far more important question at issue is whether or not a Commissioner is to be defied by a group outside the Customs calling itself a union.... I believe I am right in saying that no government department in Canton permits such a union against itself to exist and I assert that the Government should not have permitted a Customs Union. As I read my duty this administration does not and will never recognise a Customs Union. If one exists I prefer to meet it now once and for all.<sup>115</sup>

Bell's stand on this issue was a definitive one and he declared he would only reinstate employees if the union was declared illegal and the men were prepared to resume work. The MCS was a symbol of foreign influence in China, but throughout Bell's letter the image of the Customs as a Chinese institution is emphasized. In this way Bell was seeking to assert his authority not as a foreigner but as a servant of the Chinese and in doing so to keep his position tenable.

---

<sup>114</sup>Bell, letter to Clementi, 29 June 1926,

<sup>115</sup>Hayley Bell, letter to Eugene Chen, 9 June 1926, The Clementi Papers.

## **COMMISSIONER BELL: A LONE DEFENDER OF THE MCS?**

This account of the Canton Customs during the months of the boycott was certainly not intended to be a critique of Bell's ability to handle crises. His tenacity, however, in protecting the Customs is quite apparent throughout all accounts from this time. While the wisdom of his actions was sometimes questionable (there was always the underlying possibility of a more serious attack on the Commissioner) it is surprising that he acted at all. In the 1923 Canton Customs controversy, the Commissioner remained practically invisible throughout the threats and counter threats, but in this instance, Bell played a dominant role in events. It may be conjectured that had the Customs still enjoyed the protection afforded by the foreign powers and expressed through gunboat diplomacy, there would never have been a necessity for Bell to be boarding and reclaiming ships, "rescuing" Chinese staff, and scuffling with representatives of the Strike Committee. Aglen reflected on the changing of fortunes of the MCS:

We have hitherto weathered every storm but we have depended to a large extent on a foreign prestige which no longer exists. I have never believed that the foreign anchor alone would hold us and I am now even beginning to be doubtful whether the Chinese anchor will be strong enough—time only will show.<sup>116</sup>

Although it is not explicitly stated in Aglen's comments, there is little doubt that the foreign prestige that the MCS most heavily relied on was that of Britain. As British prestige in China was under attack, the IG was facing the realization of a turbulent future for the Service exacerbated by a lack of tangible foreign support in an increasingly volatile political climate. Aglen's concern here also related to an apprehension of the KMT and possibly a premonition that the growing control of the Nationalists would disrupt the MCS.

When the MCS was faced with a threat, the role of the IG was vital in guiding the institution through its difficulties. Importantly Aglen's leadership was not always apparent. The inaction and sometimes absence of Aglen during the Canton-Hong Kong boycott was similar to the 1923 Canton Customs controversy. Apart from the blustering and domineering actions of Bell, little can be detected of the Customs reaction. Throughout the boycott Aglen was absent more often than he was in

---

<sup>116</sup>Francis Aglen, letter to Cecil Bowra, 20 Nov. 1925, Letter Series Z.

office.<sup>117</sup> While Acting IGs were appointed, this recurring void of leadership points to a need to question the effectiveness of Aglen as IG in what were the final years of his administration. The absence of the IG has several possible implications; the first of which being that Aglen was simply unlucky in his choice of travel times; second, he may have become complacent with regards the security of the Service. There is the suggestion that Aglen was not a well man.<sup>118</sup> If this was indeed the case it indicates that Aglen should have realized the need to relinquish his position to an able successor. Ill health may account in part for the fact that Aglen's "Z" Letters during the 1924–1926 period are filled with pessimism over what he perceived as the demise of foreigners in China. He may have felt he was no longer capable of coping with the Nationalistic China he was now seeing. Also within a semi-official circular, his tone shifted between trepidation and admiration for what he saw as the beginning of the "real revolution" in China is revealed:

It will at once be apparent to all that the situation which confronts the Service to-day is in no way parallel to the situation of 1911–1912. Ground which for decades has seemed as solid as a rock is crumbling in all directions; labour has become articulate, if not vociferous, and is making demands which are calculated seriously to interfere with Service discipline; national aspirations are difficult to reconcile with the foreign Inspectorate system; and the Service is of course involved in a wave of anti-foreign feeling which has been evoked for the purposes of political propaganda.<sup>119</sup>

Clearly Aglen's concern was how the MCS will weather these changes. It must be borne in mind that by 1926 Aglen had filled the role of IG for 16 years, of which the last few years were under trying circumstances. Aglen's seeming absence from events surrounding the Canton boycott may simply be a reflection of a personal crisis, his having little energy left to devote to his position as leader of the MCS.

---

<sup>117</sup>Aglen was absent for the summer of 1925 and only resumed his post in November. He wrote, "I greatly regret my absence from my post coincided with a period of more than usual stress and difficulty and that I was not here to share with the Service the anxieties of the past summer." He had another absence of leave between 25<sup>th</sup> June and 10<sup>th</sup> November 1926 and during this time; Edwardes was the Acting Inspector General. Francis Aglen, "Inspector General: Sir Francis Aglen, Inspector General, resumes charge of Customs Service" 87–88. Also A.H.F. Edwardes, "Customs allowance: Increased grant from 1<sup>st</sup> July 1926 notified; revised port allowances to be appropriated monthly from revenue; instructions," 2 July 1926, *Documents*, vol. 4 96–97.

<sup>118</sup>Drage 272–273.

<sup>119</sup>Francis Aglen, "Situation in China as Affecting Customs Service: Inspector General's Observations and Advice," 15 Dec. 1926, *Documents*, vol. 4 113–116.

Aglen's absence at a crucial juncture is apparent again in 1927, when ignoring urges from Lampson the British Minister to return to his post, the Northern government dismissed Aglen.<sup>120</sup>

As the boycott stretched out for months the British found themselves the focus of KMT demands for a judicial inquiry to determine responsibility for initiating the Shakese shootings. While French troops had also been directly involved, the Nationalists marginalized their participation. The sense that Britain was being made a scapegoat for the incident caused a defensive reaction from British representatives. Acting Consul General in Canton, Brenan, detailed his negotiations with the Nationalists for a settlement of the anti-British boycott and among these discussions was mention of French involvement. Brenan drew the Nationalists' attention to the fact that French concessions formed part of Shamen and that French forces had been equally as involved in the incident. His reasoning for shifting the focus to French complicity in this incident was that it was both unjust and illogical for the Chinese to hold a judicial inquiry without the French also present. In an almost hopeful tone Brenan stated that French "evidence was essential, and they might conceivably be found to blame."<sup>121</sup> Newspaper articles throughout this time reflect this sense that Britain was being isolated by the diplomatic body and was devoid of anything more than tacit international support. Editorials entitled "Will Britain Stand Alone?" and "The British View of China" both possessed defensiveness in their content, reflecting the pressure British interests in China were experiencing.<sup>122</sup>

Throughout the Canton–Hong Kong boycott not only was Britain bearing the brunt of anti-imperialist attacks, it was also very much alone when considering any action to bring the boycott to an end. KMT offers of ending the Boycott with the financial assistance from Hong Kong in paying wages for the strikers was rejected by a frustrated Brenan as nothing short of blackmail.<sup>123</sup> Ultimately the British followed

---

<sup>120</sup> Miles Lampson, telegram to Consul General of Canton, 31 Jan. 1927, The Clementi Papers.

<sup>121</sup> J.F. Brenan, letter to R. Macleay, 26 July 1926, document 57 of *British Documents*, vol. 31 97.

<sup>122</sup> NCDN, 3 July 1925 and 2 Apr. 1926 respectively.

<sup>123</sup> J.F. Brenan, letter to R. Macleay, 20 July 1926, document 47 of *British Documents*, vol. 31 81.

a policy of riding out the unrest as they realized that alone they were unable to contemplate any decisive action. A secret telegram from the Secretary of State Sir W. Tyrell to British Minister Macleay reported on the China issue as discussed by the Committee of Imperial Defence:

As regards China generally, offensive action on a large scale is not possible for the British Empire acting alone, and finality could not be hoped for from any operation within our capacity. Offensive action on a large scale can only be international, and even on that basis it would probably be unprofitable....<sup>124</sup>

As a result the British Foreign Office made approaches to the United States to sound out the possibility for joint naval action in seizing the strike committee's boats in September 1926 (the boycott was lifted the following month) were unsuccessful. Mr Kellogg replied with regret that his government was "not in a position to associate itself" with the action contemplated by the British government.<sup>125</sup> Macleay commented that there was no doubt the other powers were little interested in what was happening in Canton. As they were not being affected they had little compulsion to help Britain relieve Hong Kong's discomfort.<sup>126</sup> The boycott had proved successful in isolating Britain and as the other powers did not want to be similarly targeted they were effectively discouraged from taking any supportive action. For Britain a lone military offensive was not feasible.

When the boycott was finally lifted in October 1926, it was on the condition of a surtax being accepted. Authorities were to levy a special consumption tax of 2.5% on ordinary imports, 5% on imported luxuries and 2.5% special production tax on exports.<sup>127</sup> This special tax was in reality a realization of the Washington surtax that had not been put into action. British policy was inclined to simply accept this in exchange for an end to the anti-British boycott. This acceptance, according to Aglen, directly affected the MCS, and unless the tax was approved by all the powers it could not be implemented except with force. In response to this delay the KMT established

---

<sup>124</sup>W. Tyrrell, telegram to R. Macleay, 17 Sept. 1926, document 76 of *British Documents*, vol. 31 112.

<sup>125</sup>E. Howard, letter to Austen Chamberlain, 11 Sept. 1926, document 94 of *British Documents*, vol. 31 127.

<sup>126</sup>Macleay, "Annual Report, 1925" 330.

<sup>127</sup>J.F. Brenan, telegram to Austen Chamberlain, 18 Sept. 1926, document 79 of *British Documents*, vol. 31 114.

a rival Inspection Corps to enforce the surtax. This Corps was disbanded when the powers agreed to honour the taxes conditional on the MCS handling them. Pratt of the British Far Eastern Office reasoned:

His Majesty's Government have decided to acquiesce in these new taxes and to favour assistance being rendered by the customs solely because that seems to be the only means of terminating the boycott and because the price we are called upon to pay is not too heavy.<sup>128</sup>

This was an opportunity for the MCS to develop their relationship with the KMT that had often been tenuous. Up to this time the IG had remained in Peking and was responsible to the Northern government. Aglen did travel south in order to contact the KMT leadership especially concerning the Customs at Hankow. This, however, gave the Peking coalition the pretext to dismiss him from office. For Aglen the 1926–1927 period was extremely sensitive politically. Any recognition of the KMT forces was immediately interpreted by the Northern forces as a deliberate taking of sides and therefore provided the Peking regime with the pretext it needed to remove Aglen from office. Aglen had often written of feeling besieged by Peking's demands but had refused to be drawn into their schemes. Because of this he would have earned their resentment.

The Canton–Hong Kong boycott marks a turning point for the MCS in the Republic. Prior to this the Customs had enjoyed the highly visible and arguably effective protection of international naval forces. Shortly after the end of the boycott Aglen was dismissed, thus bringing to an end seventeen years of Customs administration. The rise of anti-imperialism and the virulence of anti-British actions which swept through the Treaty Ports after the May 30<sup>th</sup> Movement sounded warnings for any foreign power that was approached to lend assistance to Britain during the 16 month blockade. By drawing on anti-Bolshevik sentiment in the west Britain attempted to unite the other foreign powers behind them. In doing so Britain maintained it would not only defend its place in China but would weaken the soviet influence in the KMT.

Throughout this chapter, the close connection between the Customs and the foreign powers, but most particularly Britain, can be seen. The MCS experiences from 1923–1926 are reflective of much larger forces at play. While protected by

---

<sup>128</sup>J.T. Pratt, "The Customs Administration and the New Taxation Proposals at Canton," 29 Sept. 1926, document 102 of *British Documents*, vol. 31 132.

foreign military force, in the form of gunboat diplomacy, the Customs took an almost passive, or at least retiring, role in the 1923 Customs controversy. It was not the MCS but the Treaty Powers headed by Britain who were instrumental in defending the integrity of the Service. The use of gunboat diplomacy while initially effective fuelled the anti-imperialist spirit of the Nationalist movement and after being confronted by the intensity of anti-foreign backlash, there was a distinct reluctance on the part of the powers to stage any further demonstrations of military force in Canton. By 1925 political conditions had changed and the KMT emerged as serious contenders on the national stage. During the Canton boycott, the Customs house was active in defence and in large part as a result of Bell's leadership, was a significant force to be reckoned with. For the MCS, the 1923–1927 period marked the end of a sheltered existence and of being protected by the Treaty Powers. Instead the Service was forced, to all intents and purposes, to stand alone. The MCS found itself no longer able to sidestep China's political turmoil. It had become a potent symbol of foreign influence in China and the success of the Northern Expedition was to have far reaching consequences on the Service.

## ***CHAPTER 5***

---

### **Nationalist Ascendancy and the Customs Service in Turmoil**

In old days one could have thumped the table, mobilized the fleet and even threatened to withdraw from Peking. Now-a days things are very different....

Miles Lampson<sup>1</sup>

The above comment conjures wonderfully lucid imagery of Lampson pounding the table until his crockery rattled, while exclaiming over the China situation. Lampson's whimsical reference, however, points to recognition of the changes that were forcing a recasting of Sino-Western relations. The Nationalists had embarked on the Northern Expedition and their early successes brought forth mixed reactions from the foreign powers, whose main concern was the maintenance of their privileged position in the Treaty Ports. Lampson's reflection reveals the British realization that the era of gunboat diplomacy was drawing to a close. Aglen's dismissal in early 1927 precipitated a succession crisis. The leadership imbroglio served as evidence of the deterioration of Britain's position in China. The struggle for the Inspector General's (IG) position that was waged from 1927–1929 further confirmed Lampson's recognition that earlier accompaniments of diplomacy, veiled threat and coercion, were no longer effective in protecting and promoting British interests in the Service or elsewhere.

### ***The Dismissal of IG Aglen: a Watershed for the Service***

In the lead up to his dismissal, Aglen was placed under increasing pressure from the Northern militarists to release extra funds, in the form of approved loans, for their

---

<sup>1</sup>Miles Lampson, letter to Cecil Clementi, 7 Feb. 1927, The Clementi Papers, Rhodes House Library, Oxford.

ventures. In a Z Letter to Bowra, Aglen discussed what he saw as a deliberate persecution being waged against him by the disgruntled finance minister.<sup>2</sup> Rather than merely a clash of personalities, the IG saw the issue at stake as being much greater:

There is no income of any kind except the Customs income and it becomes a question as to whether the Customs income is to continue to be devoted to maintaining credit and acknowledged obligations or whether these are to be thrown to the winds and the whole question of revenue thrown open.<sup>3</sup>

This extract reveals that the threats to the Customs houses, which occurred in the aftermath of the May 30<sup>th</sup> Movement and the Canton–Hong Kong Boycott, were indicators of a deeper crisis for the Service. The MCS was being pushed to change its fundamental position in Chinese affairs, a move that Aglen was resisting. Aglen took on an embattled tone as he described his response to the threats posed:

The only thing for me to do is to retire into my shell and sit tight. No money that I control can be got without my signature. The Chinese Government cannot get my signature against my will. The only way in which money could be got would be to relieve me and obtain somebody else's signature and they are not yet prepared to take this step. When they are prepared to do so of course they will do so, and they will have to accept the consequences which would be in many directions very serious.<sup>4</sup>

Such pressures being placed on the IG may account to some extent for his relative silence during the crucial Canton–Hong Kong boycott. Aglen gives the impression that he believed that he was struggling to maintain not only his position but also the future direction of the MCS.

Aglen's dismissal by the Central government came at a crucial time for the MCS. The Central government was pressing Aglen to order the collection of surtaxes in all ports and maintained that, as the Inspectorate was answerable only to the north (Peking), that their orders must not be challenged. While negotiating the proposed collection of these surtaxes, Aglen came under renewed attack from the Central government who were clearly unhappy with his travelling to Shanghai.

---

<sup>2</sup>Francis Aglen, letter to Cecil Bowra, 7 Apr. 1926, Letter Series Z, Library of the School of Oriental and African Studies, London.

<sup>3</sup>Aglen, letter to Bowra, 7 Apr. 1926, Letter Series Z.

<sup>4</sup>Aglen, letter to Bowra, 7 Apr. 1926, Letter Series Z.

Lampson discovered that it was Chang Tso-lin's intention to dismiss Aglen and advised strongly against this. At the same time he urged acting IG Edwardes to telegram Aglen to "return from Shanghai and face the music."<sup>5</sup> Aglen, moreover, knew nothing of the threat of dismissal until the 29<sup>th</sup> of January and Edwardes (Commissioner in Canton 1926) for more information. Lampson expressed the suspicion that Aglen did not want to remain IG. He hypothesized, "[r]eal trouble is I believe that I.G. would only be too pleased to resign and get out of this mess here."<sup>6</sup> Lampson made several requests for Aglen to return to Peking, all to no avail.<sup>7</sup> He chose to remain in Shanghai to talk with bankers as he considered it vital to what was happening in the north. Aglen's dismissal was declared on 1 February 1927.

In an official circular discussing the circumstances surrounding his dismissal, Aglen rationalized his actions as an attempt "to prevent if possible, disruption of the service."<sup>8</sup> To conclude his message Aglen reflected:

I desire to express my deep regret that I have been compelled to relinquish the helm at such a critical time, and I wish that my departure could have been contrived in a manner more befitting the dignity of the great institution which for 70 years has served China so well.<sup>9</sup>

Although not specifically mentioned Aglen also referred to his own loyal service to the Chinese Government, which was discarded so rapidly. His dismissal was, however, not completely unexpected. Aglen's defensiveness was previously expressed in his letter to Bowra and it is fairly predictable that the central government simply created a pretext on which to remove the obstacle Aglen had presented. As IG, Aglen was stubborn despite the pressures that had been placed on him. This was a credit to his integrity and vision for the MCS, but such rigidity had provided the catalyst for his removal. Furthermore it is highly unusual that he disregarded advice that he

---

<sup>5</sup>Miles Lampson, telegram to Consul General Canton, 28 Jan. 1927, The Clementi Papers.

<sup>6</sup>Lampson, telegram, 28 Jan. 1927, The Clementi Papers.

<sup>7</sup>Miles Lampson, telegram to Consul General Canton, 30 Jan. 1927, The Clementi Papers.

<sup>8</sup>Francis Aglen, semi-official circular no. 53, 11 Feb. 1927, *Documents Illustrative of the Origin, Development, and Activities of the Chinese Customs Service*, vol. 4 (Shanghai: The Statistical Department of the Inspectorate General of Customs, 1939) 121. This series will subsequently be referred to as *Documents*.

<sup>9</sup>Aglen, semi-official circular no. 53, 11 Feb. 1927.

should return north to defend himself. Lampson mentioned that Aglen was very confident that, even if he was dismissed, the native banks at Shanghai would “clamour for his immediate reinstatement” but in reality this never eventuated.<sup>10</sup> Misguided confidence had lulled Aglen into a false sense of security. His dismissal was protested by Lampson and echoed by the Diplomatic Body at Peking. Lampson recorded, “I harangued Koo until I had exhausted my vocabulary, I mobilised the Diplomatic Body all to no avail.”<sup>11</sup> These protests were unsuccessful in reversing Aglen’s dismissal.

Lampson regarded the dismissal of Aglen as contemptible and embarked on negotiations with the Government to secure the future of the MCS. He recorded Aglen’s departure from China with regret saying, “[a] great crowd of foreigners but practically no Chinese at all—the swine. Aglen is a great landmark gone. I wonder if I handled that case strongly enough.”<sup>12</sup> He was aware, despite his personal disgust at the Chinese treatment of their “loyal servant,”<sup>13</sup> that the foreign interests in the MCS were the larger issue dominating these events. He explained to Koo, the Minister for Foreign Affairs, the reasons for British interests in the Service: that the Customs provided an efficient machine for the conduct of foreign trade and a security for foreign loans. He also discussed “the fact that the Service was built up under British auspices which gave us a traditional interest in maintenance [of] its integrity.”<sup>14</sup> Lampson was perturbed by what he saw as a deliberate action by the Central Government to move the Customs into the sphere of internal politics. Such a perception is curiously naïve, however, as the MCS had since its inception been closely tied to the internal affairs of China. What was now different was the Customs vulnerability once the foreign powers had shown themselves reluctant to defend it.

The dismissal of Aglen was a significant juncture in the development of the MCS. The Service had undergone a series of threats against its independence from

---

<sup>10</sup>Lampson, telegram, 30 Jan. 1927, The Clementi Papers.

<sup>11</sup>Miles Lampson, 25 Feb. 1927, The Killearn Diaries: Being the Diaries of Sir Miles Lampson, vol.1, ms., St Antony’s College Middle East Centre, University of Oxford.

<sup>12</sup>Lampson, 17 Mar. 1927, The Killearn Diaries, vol.1.

<sup>13</sup>Miles Lampson, telegram to Consul General Canton, 2 Feb. 1927, The Clementi Papers.

<sup>14</sup>Lampson, telegram, 2 Feb. 1927.

Chinese Government interference and from Sun's 1923 claims to the Canton-Hong Kong boycott. Aglen's removal was yet another challenge for the Service. Within only a five-year span the security of the MCS, provided by the foreign powers, had been gradually stripped away. The changing fortunes of the Customs Service shows that it had become too hazardous for the Treaty Powers to handle. While the foreign powers had played a leading role in creating this Service, by 1926 no single power wanted to be left holding responsibility for it as they feared being targeted by the virulent anti-foreignism that had emerged and was spurred on by the Nationalists. With the tensions surrounding Aglen's dismissal, the MCS had been forced to realize its Chinese base and therefore the inevitability of being drawn into the political turmoil of the late 1920s. The MCS had to develop new approaches to its close connection with the internal politics of China, and the removal of IG Aglen heralded the desperate need for a new direction for the Service.

## **1927-1929 in Perspective**

For the British Foreign Office 1928 stood out as a critical year in Sino-Western relations. Particularly Lampson commented that the year had been especially tumultuous for the Customs, in fact, more so than in the whole of the Service's history. He wrote:

Looking back on the many crises it has passed through during the year, it can only be a matter of surprise that the service has survived the ordeal *comparatively unscathed*.<sup>15</sup> [emphasis added.]

The chaos endured by the MCS was primarily a result of its need to reconcile with the KMT's establishing of its Nanking regime. The above reference to the Service surviving "*comparatively unscathed*" is central to this chapter's exploration of the 1927-1929 period. Within these years the Service was not only beset with a succession crisis but was simultaneously being drawn into a much closer relationship with the Nanking government. The appointment of IG Maze over the

---

<sup>15</sup>Miles Lampson, "Annual Report, 1928," *British Documents on Foreign Affairs: Reports and Papers from the Foreign Office Confidential Print*, part 2, series E, Vol. 20 (Frederick: University Publications of America, 1984) 60. This series title will be subsequently abbreviated as *British Documents* and all references to this title refer to part 2, series E.

Foreign Office-supported Edwardes signified a Nationalist-inspired breaking away from the “protection” that had hitherto been afforded to the MCS by Britain and the other treaty powers.

The challenge by Frederick Maze to Aglen’s appointed successor, Edwardes, and the flurry of negotiations which passed between the British Foreign Office, Miles Lampson and the diplomatic body have been the focus of works on the MCS. Aitchison’s dissertation examines this struggle as endemic of the need for the Service to adapt to Nationalist China. She presents the Customs crisis as a result of the Nanking government’s establishment whose revisionism threatened the existing “unequal” relationship between China and the foreign powers.<sup>16</sup> While also referring to the customs succession struggle as representative of the recognition of the need for adaptation, in contrast Atkin’s research tends to dwell more on the personalities and bitterness of this rivalry.<sup>17</sup> In this chapter I seek to achieve a synthesis of these two approaches and in the process further explore areas not covered in Aitchison’s or Atkins’ studies. In particular the Nanking incident of 1927 and its ramifications on the British handling of the challenge to the Customs has received little attention. In doing so I will explore the succession crisis as representative of larger forces at play in Sino-western, or rather KMT-Western relations during the 1928–1929 period.

This chapter is an exploration of not merely the personalities and events surrounding the Customs succession crisis but attempts to follow the weakening of the bonds between Britain and the MCS. The events of these years ultimately affected the course of the MCS throughout the Nanking decade. When examining the Customs succession crisis, I will trace the indication of a growing divergence of perceptions of the MCS as a mechanism for foreign influence. While the diplomatic body may have regretfully felt they had lost the service to the political machinations of the KMT, members of the Service may have held other views.

For the Treaty Powers the nominal success of the KMT in its Northern Expedition was a cause for uneasiness. While the internal chaos of the warlord era had caused consternation among the powers that despaired of China ever unifying, the possibility of a cohesive and strong China was looked on with very real

---

<sup>16</sup>Jean Aitchison, *The Chinese Maritime Customs Service in the Transition from the Ch'ing to the Nationalist Era*. diss., School of Oriental and African Studies, London University, 1983 470–516.

<sup>17</sup>Martyn Atkins, *Informal Empire in Crisis: British Diplomacy and the Chinese Customs Succession, 1927–1929* (Ithaca: East Asia Program Cornell University, 1995).

trepidation. With reluctance it began to realize that foreign interests in China must undergo some form of change or adaptation to survive in the Nanking era. As the Nationalists became established, it appeared that internal dissension would no longer allow for the flourishing of foreign trade under the protection of extraterritoriality. A new era was dawning for China and for its relations with the West. The MCS can, in many instances, be seen as a microcosm of Sino-Western relations. Therefore, the changes that were forced on this service by the KMT provide a reflection of the general experience of the foreign interests in the Treaty Ports. The Nationalists, with their Soviet connections and anti-imperialist guise presented a far from conciliatory leadership for the powers to contend with. For the Customs the Northern Expedition was the backdrop to a serious threat to the functioning and fabric of the Service. If KMT success plunged the foreign powers into a quandary of recognition or non-recognition the Customs was also affected.

The establishment of the Nanking Government in April 1927 marked a watershed for Sino-Western relations, particularly how this relationship was manifested in the Treaty Ports. The defeat of Chang Tso-lin's regime in Peking in June 1928 and his son Chang Hsueh-liang's allegiance with the KMT in December of that year heralded a unity in China that had not been experienced since 1916.<sup>18</sup> This realization of a nominally unified China further reinforced the need for Britain and the other foreign powers to recast the relationship they held with the Nationalists. Lampson recorded Chang Tso-lin's demise with much regret as he sensed that political tension would inevitably increase. He reflected:

I certainly regret his failure. I think it might well prove to be a case of "out of the frying pan and into the fire," and I have little doubt that when Chang has gone and we find ourselves up against the Nationalists in earnest in our daily routine we shall look back with regret to the peaceful days when Chang was here. Of course I know that Chang was an anachronism and was bound sooner or later to go: he had no real hold on the people and no political insight or knowledge, yet he represents a type which is easier to deal with—I would almost say more honest—than the brand of Chinese whom we are now confronted. I never knew him not to keep his word, and that is distinctly unusual in China to-day.<sup>19</sup>

---

<sup>18</sup>Lloyd Eastman, J. Ch'en, S. Pepper and L. Van Slyke, *Nationalist Era in China, 1927-1949* (New York: Cambridge University Press, 1991) 9. The most detailed account of Chang's Peking regime can be found in Gavan Mc Cormack, *Chang Tso-lin in Northeast China, 1911-1928: China, Japan and the Manchurian Idea* (Stanford: Stanford University Press, 1977) 188-249.

<sup>19</sup>Lampson, 1 June 1928, The Killearn Diaries.

Lampson's appraisal of Chang is insightful as he realized that Chang had become an anachronism in Nationalist China. He also appeared conscious of the challenges that the Nationalists were going to present to the status quo of foreign interests in China. So too was the MCS an integral part of the treaty port system and foreign interests in China was confronted with the prospect of change. This challenge came in two predominant forms, the succession crisis and the KMT's move for greater control of the service as evidenced through quest for tariff autonomy and the Sinification of the MCS. After breaking Peking's power the Nationalists possessed the authority to appoint the IG of the Service. The crisis, which had emerged from the Customs succession was, as Aitchison explains, partly due to Lampson's strenuous opposition to the Nationalist's favoured candidate. It was the influence of Lampson that had prevented Maze being appointed.<sup>20</sup> This however is an overly simplistic view of the situation. The agreements under which the Customs was first created (as the Imperial Maritime Customs Service) noted that the nomination and recommendation of a candidate to the position of IG was integral to the foreign relationship with the service. Nevertheless China of the late 1920s was greatly transformed from that of the 1850s and 1860s. Regardless of this, the British retained their sense of "obligation" to maintain their interests in the Service. While aware of the historical justifications of their claim, the British Foreign Office believed that it would be fruitless and possibly damaging to wider British interests to make demands of the Nationalists. Instead political pressure was brought to bear; Lampson's heavy involvement in the succession crises amply demonstrates that Britain still held considerable interests in the future of the MCS and still sought to maintain its predominance in this influential institution.

## ***The Nanking Incident and its implications for the Customs Service***

British interests in China were faced with ongoing blows to their prestige from 1925 onwards. The Nationalists, moreover, once ensconced in government in Nanking, sought to ease the singling out of Britain for attack and instead sought to be on

---

<sup>20</sup>Aitchison 473–474.

better terms with what remained arguably the most influential of the foreign powers. The December Memorandum (18 December 1926) had marked a distinct shift in British attitudes towards China and a more conciliatory attitude with regards the Nationalists.<sup>21</sup> By the Nationalist era British influence was already a shadow of its pre-First World War self. The Customs, with its close ties to British interests in China provides a useful vehicle for the chronicling of what has been termed as both British decline and retreat in China.<sup>22</sup> The MCS succession crisis and the subsequent failure of the British Foreign Office to assert its will on the Nationalists in winning its approved candidate the IG's post reflects the deterioration of the power once wielded and enjoyed by Britain in Chinese political affairs.

The KMT seizure of Nanking in March 1927 and the lawlessness that ensued prompted the foreign bombardment of the city. Soldiers ransacked the foreign concessions. Foreigners in the city, both men and women, were attacked, leading to several fatalities.<sup>23</sup> In response foreign gunboats bombarded the city, providing cover for their fleeing nationals. This could be seen as one of the last distinct acts of gunboat diplomacy in the Republic. As with earlier deployments, the gunboats bombing of the city caused more long-term ills than good. Subsequent negotiations were strained as the Nationalists demanded apologies for the foreign attack. The sacking of Nanking was evident of the "public erosion of the status of Britons in China."<sup>24</sup> The chaos in the city certainly would have added to the British sense of demoralization in China. The attacks against the foreigners in the city further exacerbated foreign fears of the anti-imperialist predilections of the Nationalists. This incident is particularly important to an understanding of the Customs succession crisis, as it influenced all subsequent dealings between the Foreign Office and the KMT.

---

<sup>21</sup>Nicholas R. Clifford, *Retreat from China: British Policy in the Far East, 1937–1941* (London: Longmans, 1967) 6.

<sup>22</sup>See Clifford, *Retreat from China*; Edmund Fung, *The Diplomacy of Imperial Retreat: Britain's South China Policy, 1924–1931* (New York: Oxford University Press, 1991) and Wm. Roger Louis, *British Strategy in the Far East 1919–1939* (Oxford: Clarendon Press, 1971).

<sup>23</sup>Miles Lampson, "Annual Report, 1927," *British Documents*, vol. 20 32–33. See also Louis 132–133.

<sup>24</sup>Atkins 21.

Shortly after reaching a settlement to the Nanking Incident, the press in Shanghai enthusiastically seized on a report of the bashing of the Customs Commissioner for Nanking. Commissioner Johnston was a close friend and host to the British Consul for Nanking, M. Hewlett. He was the victim of an assault by four Nationalist soldiers. The attack was both unprovoked and particularly vicious in nature, with Johnston being abandoned as dead by the soldiers. The *NCDN* demanded, “if soldiers cannot be kept in proper control in the capital, what are they likely to be elsewhere?”<sup>25</sup> A cartoon published on the day following Johnson’s assault explored the military rampage feared in Nanking (See Fig. 5.1). In the cartoon a large military figure (this type of character often appears to represent a warlord) dwarfs the earnest Chinese (Nationalist) who is building in the sand. This cartoon alludes to the potential for the Nationalists’ efforts to be scattered by the warlord elements evident in the KMT.

Johnston’s position in the Customs was highlighted in the newspaper reports even though this appears to have had little to do with the attack. The fact that he was a foreigner, one suspects, motivated the soldiers to violence. Both Hewlett’s memoirs and British Foreign Office material further confirm that Johnston’s position in the MCS was incidental to the assault. In fact in his memoir *Forty Years in China* Hewlett suggests that the attack was instigated by Johnston’s chauffeur, “whom he [Johnston] had cursed in public for not obeying a police signal, and had also beaten across the shoulders for driving a little lad on a bicycle into a ditch.”<sup>26</sup> Hewlett moreover expressed a certain amount of frustration at the way in which his host reacted to the attack. Seeing Johnston’s later actions as more inflammatory than constructive, he commented, “[Johnston] refused to give the police any help in their investigations, but added to my difficulties by giving the Shanghai press all the details.”<sup>27</sup> Regardless of whether the MCS was an issue or not in this assault, the *NCDN* clearly sought to make “extra mileage” out of the attack—not only had a Briton been subjected to such outrages but the victim was also a high ranking Customs employee. It is possible that reporting such as this was designed to

---

<sup>25</sup>“The Attack on Mr Johnston,” editorial, *NCDN* 9 Oct. 1928. Also see leading article “The Assault on Mr Johnston. Nanking Commissioner of Customs Brutally Beaten and Left Unconscious. NO ATTEMPT TO PUNISH THE ASSAILANTS,” *NCDN* 9 Oct. 1928.

<sup>26</sup>Meyrick Hewlett, *Forty Years in China* (London: Macmillan, 1943) 212.

<sup>27</sup>Hewlett 212.



Figure 5.1 Sapajou, "Still Out of Control—Even in Nanking!" Source: *The North-China Daily News*, 10 Oct. 1928.

encourage some scare mongering among the foreign community in China and to create further indignation over the events in Nanking.

The physical outrages perpetrated by the Nationalist soldiers and the counter attack by the foreign powers obscure much of the significance of this event. What is crucial within the framework of this chapter is the mentality with which the British Foreign Office approached the need for reparations. This incident provided further evidence of the "public erosion" of the position of the British in China.<sup>28</sup> This served also to increase tensions in the early negotiations between the Foreign Office and the

<sup>28</sup> Atkins 21. Atkins deals with this incident briefly, including it within a chapter that discusses the British official attitude to the emergence of the Nationalists, "Whitehall's Response to Chinese Nationalism." What he only touches on fleetingly (p. 22) is the fact that the MCS was seen as an integral part of this decline which was occurring and that this exacerbated Foreign Office concerns.

Nationalists. Lampson's correspondence with Austen Chamberlain provides a reflection of the significance with which he viewed the need for a settlement of the Nanking affair:

Though the results to be expected from a settlement are not easily estimated, a breakdown might be a far more serious matter than is apparent in London. Prejudice will be occasioned to all outstanding questions, Hankow, salt, Shanghai municipal representation, the Customs and so on, while the British subjects and their businesses in Nationalist territory will all suffer. I am also apprehensive of a further volte-face on the part of the Nanking authorities should we rebuff them, and, though one cannot be certain in such matters, Russia is always the alternative to ourselves.... *We are not therefore simply concerned with the Nanking incident, but our whole position vis-a-vis the Nationalists is at issue, perhaps at stake.*<sup>29</sup> [emphasis added.]

In the above passage what becomes apparent is the overwhelming apprehension on the part of Lampson that any loss of ground to the KMT would provide the catalyst for the disintegration of all British interests in China. This apprehension can be related to the Service and its succession crisis. The further shaking of British confidence that occurred in Nanking and the subsequent difficulties in reaching an agreement with the Nationalists perceptibly influenced the outlook of the British Minister and the Foreign Office. The Customs succession, which would have posed a dilemma even in other times, therefore, took on a new significance in the wake of the Nanking Incident. It heightened British concerns for the preservation of "face" against the Nationalists. The British prestige enjoyed in the Treaty Ports had been under attack since Sun's challenge to the MCS in 1923. Events such as the Nanking Incident and the MCS crisis amplified sensitivities to the preservation of the status quo. By 1928 the Foreign Office realized that Britain's relationship with the Nationalists needed more than the recasting directed in the seminal December Memorandum of 1926. It needed a new understanding and a cautious approach.

## ***The Succession Crisis Overviewed***

Before the significance of this incident to the future of not only the MCS but also British interests in the Service can be explored, it is necessary to outline the

---

<sup>29</sup>Miles Lampson, telegram to Austen Chamberlain, 16 Mar. 1928, document 294 of *British Documents*, vol. 34 248.

maneuverings that took place, guided most diligently by Sir Miles Lampson to secure the “right” man for the coveted position of IG. Lampson was, however, largely frustrated in his attempts to secure the post for the “most suitable” Edwardes, but not through lack of trying. Rather it was a gradual easing of Foreign Office support that hampered Lampson as officials had come to see Maze’s succession as inevitable. Edwardes’ propensity to act without consulting the Minister often had embarrassing consequences. Combined with a shift in power in the KMT government, this meant that the sympathetic T.V. Soong was replaced by a stronger, anti-Edwardes faction, which contributed to Edwardes’ resignation from the Service.

Edwardes’ claims to the post of IG should have been unrivalled. Aglen had personally selected and groomed him as successor. He was, however, challenged for the leadership by the Commissioner of Shanghai, Frederick Maze. Despite favour from Lampson and the Foreign Office, Edwardes was not successful in assuming leadership of the Customs. Aitchison represents the difficulties in Edwardes rise to leadership as stemming from the success of the KMT in their Northern Expedition. This interpretation of the main obstacle is rather too simplistic. It is possible, although slightly controversial in light of the other works on this incident, to contend that Edwardes failure was a *fait accompli* even at his naming as successor. When Aglen had been dismissed and had appointed Edwardes as his hand selected replacement (undoubtedly a successor in whom he could be confident that his vision for the MCS would be maintained), this was already a portent of disaster.

After Aglen’s dismissal Edwardes was appointed as the Officiating IG. Aglen handed over charge of the MCS but retained his title and remained as IG on the Service List for a further year.<sup>30</sup> In doing so the need to definitely secure a replacement for the top post was effectively held in abeyance. This arrangement was achieved through the offices of Lampson, who also ensured that he got “Aglen the G.C.M.G., which had some moral effect.”<sup>31</sup> Aglen’s dismissal had marked the end of an era for the Customs, one that had been considered quite difficult but the MCS would be confronted with many more serious challenges in the succession struggle and the years to come. No doubt it was not only a face saving exercise for Aglen that prompted Lampson’s arrangements on his behalf, but as the Nationalists were rising

---

<sup>30</sup>Francis Aglen, circular no. 3749 (second series), 11 Feb. 1927, *Documents*, vol. 4 117.

<sup>31</sup>Lampson, 25 Feb. 1927, *The Killearn Diaries*.

in dominance, the postponement of choosing a replacement circumvented the possibility that a similar fate may befall the next IG. By March 1927, Lampson had come to believe that the position of foreigners in China's service was endangered, with both events in the Customs and threats to the postal service further confirming this. He reflected:

What a splendid country we live in to be sure. All foreign employees are clearly to be driven out: that is the programme of both North and South, though the former set about it in a more regular and less revolutionary way.<sup>32</sup>

With such a sense of foreboding, it is not surprising that in the struggle for the appointment of IG (predominantly played out between Lampson and the Nanking Government) that Lampson seized on the challenge with such vigour. For Lampson, the decline of British influence in the Service needed to be stemmed before it destroyed the foreign inspectorate.

Aglen, who had departed for London in March 1927, does not appear to have severed all links with the Service. It is not that surprising considering his 17 years as IG, that he found it difficult to relinquish his mantle. Despite being dismissed Aglen still harboured concerns for the fate of "his" Service. Although Edwardes may have not known it, Aglen's returning to the post of IG was still given some credence. Lampson intimated in a letter to Clementi that the deal to allow Aglen to be listed as IG served to cover any eventualities. He wrote:

If this arrangement goes through there is just a possibility, should there be a change of government here, that Aglen may be fully reinstated. In any case, the door is at least kept open.<sup>33</sup>

No doubt the success of the KMT in establishing their Nanking Government would have made it clear to Lampson that any hope of Aglen returning had become impossibility. The later KMT success in June 1928 in forcing Chang Tso-lin to flee Peking would have further confirmed the permanency of Aglen's removal from the Service.

During June and July 1927 the possibility of a divided MCS came to the fore. Lampson, when recounting this to Chamberlain, refers to Maze (without specifically

---

<sup>32</sup>Lampson, 17 Mar. 1927, *The Killearn Diaries*.

<sup>33</sup>Miles Lampson, telegram to Cecil Clementi, 9 Feb. 1927, *The Clementi Papers*.

naming him but the inference is clear) and the efforts being made to divide the Service. He commented that such moves had “received some encouragement from interested individuals in the Customs Service at Shanghai.”<sup>34</sup> To counteract this Lampson made personal representations to the Nanking Government, which responded favourably, inviting Edwardes to travel to Shanghai for discussions. Chang Tso-lin, who had recently established a military dictatorship in Peking, prevented Edwardes from doing so. Despite the need for such representations, it was apparent that Lampson saw that the situation involving the MCS would remain unchanged until the uncertainties existing in the political climate (for example the communists and warlords) were brought to some resolution. Later in the same dispatch he mentioned the IG issue and the overarching concern of Nationalist’s claims of control of Inspectorate as being “for the moment dormant.”<sup>35</sup>

## ***Edwardes and Maze: The Potential Inspectors General***

Before delving deeper into the actual events surrounding the struggle for the position of Inspector General of Customs, it is timely to briefly introduce both candidates for the position. In doing so the supporters and opposition to both candidates will come into focus.

Edwardes was essentially the Foreign Office-endorsed candidate and was strongly supported by Lampson in particular. Edwardes was Aglen’s appointed successor and therefore was considered acceptable by the British and other foreign establishments.<sup>36</sup> As Edwardes was seen following Aglen’s mould, in regards the MCS relations with the Nationalists, his candidature even at the outset promised difficulties with the Nanking Government. He had developed a good relationship and even friendship with Lampson, most probably spurred on by their common experience of being new to their posts in Peking<sup>37</sup> and also through their contact in

---

<sup>34</sup>Miles Lampson, letter to Austen Chamberlain, 13 July 1927, document 125 of *British Documents*, vol. 33 152.

<sup>35</sup>Lampson, letter to Chamberlain, 13 July 1927 153.

<sup>36</sup>Miles Lampson, telegram to Cecil Clementi, 7 Feb. 1927, The Clementi Papers.

<sup>37</sup>Aitchison 472.

the lead up to Aglen's dismissal.<sup>38</sup> This rapport is most visible in the numerous social meetings with Edwardes, which are noted throughout the Killearn Diaries.<sup>39</sup> Through Lampson's recommendation the Foreign Office viewed Edwardes as the "right man" for what was potentially a difficult job.<sup>40</sup> Importantly he inspired confidence that British interests would be taken into consideration. Edwardes perceived the role of IG as one that involved a close liaison with the British Foreign Office. This is evidenced most clearly through his close contact with Lampson and the extent to which he relied on the Minister's support.<sup>41</sup> Edwardes also enjoyed the support of the Japanese. The Japanese maintained their own agenda of ambitions for greater presence in the Service but were supportive of Edwardes' candidature.<sup>42</sup>

Edwardes, while being firmly supported by the foreign communities in China and by the foreign powers, lacked any substantial Chinese support. Apart from a consortium of Chinese bankers who approved of his tariff plans, he was seen as merely a second Aglen (who, it must be remembered had not established a good relationship with the KMT). Edwardes, moreover, was recognized as having been demonstrably anti-KMT in his own right. According to Maze a constant objection raised by the Nationalists against him was that he was not seen as acting in the Chinese interests.<sup>43</sup> This was evidenced by the Nationalists when during his

---

<sup>38</sup>In the Clementi Papers dealing with Aglen's dismissal there is mention of the acting IG (Edwardes) dining with Lampson and he was also in contact with him regarding the threats to dismiss Aglen. See Lampson, telegram, 28 Jan. 1927, The Clementi Papers.

<sup>39</sup>Lampson, 15 Nov. 1927, The Killearn Diaries.

<sup>40</sup>Miles Lampson, letter to Austen Chamberlain, 4 Jan. 1928, document 6 of *British Documents*, vol. 34 3.

<sup>41</sup>Edwardes contacted Lampson regularly for advice and to discuss the Customs situation. See the various entries of Lampson's Killearn Diaries on 27 Aug. and 18 Nov. 1927; 3, 4, 19 Jan.; 29 Mar. and 4 Oct. 1928 as examples of Edwardes' close relationship with Lampson.

<sup>42</sup>Lampson, 4 Jan. 1928, The Killearn Diaries. Lampson mentions the Japanese and their desire to preserve the Customs Service.

<sup>43</sup>Miles Lampson, telegram to Austen Chamberlain, 11 Jan. 1928, document 19 of *British Documents*, vol. 34 10. This was an account of the objections raised against Edwardes that Maze gave to S. Barton. The head of the revenue council, Fu Ping-hsiang had been the superintendent of Customs in Canton at the time of Edwardes' alleged closing of the Customs house. Maze commented of Fu, "he is naturally unfavourable to Edwardes." See also "Abstract from Chinese Newspapers of the 3rd August 1928," Maze Papers, vol. 2.187-189 and Yu Fei Peng, letter to Frederick Maze, 13 Aug. 1928, The Papers of Sir Frederick Maze relating to the Chinese Maritime Customs Service, vol. 2, unpublished, Library of the School of Oriental and

Commissionership at Canton and in response to the Shameen incident, he had shut the Customs offices despite instructions not to, and it was even claimed he had been shot as a result of his being in the volunteer corps of Shameen.<sup>44</sup> Edwardes' involvement in the Canton Customs is discussed in Chapter 4 and there was no evidence of disapproval by the IG of his closing down the Customs house. Besides the more personal objections to Edwardes, there came another dimension to this from Teichman who wrote to Clementi, "the main feature of the situation is the determination of the Nationalists not to recognize Edwardes' appointment in any shape or form."<sup>45</sup> In this way, the objections to Edwardes were presented as not personal but as part of the Nationalists' desire to completely distance themselves from the excesses of Peking (both under the Ch'ing dynasty and the warlord regimes).

Maze did not find much support in British or foreign circles but appears to have enjoyed support from elements of the Nationalists. Unlike Edwardes Maze had not been nominated as Aglen's successor, for although senior to Edwardes in length of MCS employment, he was considered to be too close to retirement age. A nephew to the legendary Sir Robert Hart, Maze's claims to the IG's position were compelling in terms of experience and proven administrative skills. His candidature, does not however, appear to have been considered by Aglen when selecting a successor.<sup>46</sup> Maze's appointment as Commissioner at Shanghai had left him with little choice but to work closely with the Nationalists, and in doing so he had shown himself to be a capable administrator who never failed to appreciate the longer-term picture of the Service. Maze was supported neither by the Foreign Office nor Lampson, who saw him as scheming, disloyal and frankly, un-British, typified through his preparedness to allow himself to be used by the Nationalists. Atkins provides an interesting suggestion as to why Maze was such a maligned character throughout the succession

---

African Studies, London 193. This group of documents will be subsequently referred to as the Maze Papers.

<sup>44</sup>Maze appears to have solicited a report on this incident in March 1929. See Schjøth, "Closing of the Customs House, Mr. Schjøth's Account of Incident," 27 Mar. 1929, The Maze Papers, vol. 19.

<sup>45</sup>Teichman, telegram to Cecil Clementi, 3 Apr. 1927, The Clemeti Papers.

<sup>46</sup>Aitchison 470–472. Aitchison provides a detailed overview of the factors that led to Maze being regarded as highly suitable by the Nationalists.

crisis and even after. He discusses that an underlying assumption had been drawn in regards to Maze, that to collude with Chinese interests meant an inherent (and inevitable?) corruption of one's morals. He comments that Maze had directly challenged one of the tenets of the “psychology of informal empire in China: that Western logic and morality alone could decide the right course for China to take.”<sup>47</sup> Maze certainly appeared to ‘run against the grain’ of the predominant psyche of foreign communities in China at that time. While conceding to some Chinese ambitions for the Service, he did not appear to abandon his own judgment or ideas for the future of the service. Even though he was maligned for “dragging the Service into politics,” the MCS had always been an inordinately political organ through which the foreign powers could exert influence, but the link had not, until the rise of the Nationalists, surfaced so publicly and in a manner considered so threatening to British interests.

As late as January 1928, Aglen was still toying with the idea of returning to China. In fact Edwardes intimated to Lampson that Aglen was considering a return to China to ostensibly settle private affairs. Edwardes admitted to Lampson that he had discouraged such an action, possibly fearing this would affect his position and also overshadow his own command of the Service. Lampson fully supported his dismissive attitude towards Aglen, his former mentor.<sup>48</sup> Certainly Edwardes had reason to be concerned that Aglen’s return may affect the present status quo in the MCS.

When Aglen’s leave expired on 9<sup>th</sup> February 1928, the position of IG was formally vacated. The tensions and conflicts between the rival candidates and their supporters emerged. The struggle had begun in earnest. Lampson reported to the Foreign Office that Maze was known to be scheming with the south for appointment as their IG. He feared that Maze would precipitate the Service being torn asunder. Lampson commented:

This would destroy the unity of the Customs Administration and be the cause of extreme embarrassment to us, and a development of this kind is most undesirable from every standpoint. Mr Edwardes was chosen and trained by Sir F. Aglen as his successor. He is in the right place as Inspector-General and has

---

<sup>47</sup> Atkins 80–81.

<sup>48</sup> Lampson, 3 Jan. 1928, *The Killearn Diaries*.

justified his appointment during the last twelve months.... I shall afford Mr Edwardes full support of an issue is to be faced.<sup>49</sup>

The reference of Edwardes being in the "right place" to be IG is a curious one. Undoubtedly Edwardes was appointed as Aglen's successor but his former chief was not endeared to the KMT and Edwardes was regarded by the Nanking Government to have been tarred with the same brush. As for physical location Edwardes remained in Peking, the traditional headquarters of the MCS, although it was readily apparent that as the Nationalists dominated the government, there was possibly a justification for relocating to Nanking. By saying that Edwardes was in the "right place" to be IG, Lampson must surely have referred to his being groomed for the position, of doing things the "right way" (or was that the British way?).

While in the pursuit of Edwardes' claims to be IG, Lampson found willing supporters in the Japanese. On several occasions he discussed the possibility of enlisting the Japanese Minister, Yoshizawa, to bring political pressure to bear.<sup>50</sup> Thus Edwardes had both British and Japanese backing for his candidature. With Lampson's encouragement the British and Japanese consuls in Shanghai let their support for Edwardes be known and asserted that any intended splits in the Service "would not be tolerated."<sup>51</sup> Japanese support, however, did not come unconditionally. In January 1928 Edwardes was perturbed at Japanese intimations that in return for their support, the Chief Secretary in Peking Kishimoto would take on the succession when Edwardes retired. Lampson's reaction, after giving Edwardes permission to dispel any such "dangerous illusions" was to further emphasize his own belief that the IG would always remain British.<sup>52</sup> He commented that "[the Customs] has been built up on purely British lines, its whole tradition and character are British, and under any but British leadership it would go to pieces."<sup>53</sup> Significantly Lampson

---

<sup>49</sup>Lampson, telegram to Chamberlain, 4 Jan. 1928 3.

<sup>50</sup>Miles Lampson, telegram to Austen Chamberlain, 11 Jan. 1928, document 18 of *British Documents*, vol. 34 9. See also, the various entries in Lampson's Killearn Diaries, 18 Nov. 1927; 3, 4, 9, 19 and 30 Jan. 1928.

<sup>51</sup>Lampson, 30 Jan. 1928, The Killearn Diaries.

<sup>52</sup>Miles Lampson, telegram to Austen Chamberlain, 25 Jan. 1928, document 61 of *British Documents*, vol. 34 49.

<sup>53</sup>Miles Lampson, letter to Austen Chamberlain, 28 Jan. 1928, document 316 of *British Documents*, vol. 34 260.

appeared prepared to encourage Kishimoto being definitely confirmed as Chief Secretary on Edwardes' appointment but despite this overture, clearly did not entertain ideas of further aiding Japanese ambitions for the Service.

For Lampson the succession crisis held a deeper significance, broadly representing all British interests in Nationalist China. He believed it was essentially an issue not as to who was appointed but rather whether a "half-fledged" Chinese Government would be able to dismiss Edwardes for purely personal reasons and in doing so, to give preference to Maze. The wider ramification on all foreigners' existence was Lampson's main concern. He saw Edwardes' departure as representing a bad omen for anybody who tried to stand firm in a foreign controlled administration. In a forceful message, warning Chamberlain of what he recognized as imminent danger to British interests, Lampson wrote:

If Mr Maze is successfully appointed, the Nationalist Government will feel, and will rightly feel, that they have taken our measure and that we no longer count. In short, our whole position and influence will have been undermined.<sup>54</sup>

In this warning he also urged that more consistency in the FO's backing of Edwardes was essential. Clearly he saw the outcome of this crisis in a similar light to that of the Nanking Incident—that failure to assert British interests at yet another critical juncture would have a flow-on effect, allowing a deterioration of the already weakened upper-hand Britain still enjoyed in Anglo-Sino relations. The Foreign Office paradoxically was, as time passed, not so inclined to see the situation in the same urgent light as Lampson. While the Foreign Office had gradually lost some conviction that Edwardes was indeed the most suitable candidate, the prospect of Maze's appointment was not looked on with any renewed enthusiasm. Pragmatism dominated the Foreign Office's assessment of the situation, and the attitude adopted was that should Maze be appointed despite strong British urging against it, then all concerned should "try to make the best of it."<sup>55</sup> This pragmatism contributed to Lampson's growing frustration over events surrounding the succession.<sup>56</sup> Such a

---

<sup>54</sup>Miles Lampson, telegram to Austen Chamberlain, 9 July 1928, document 122 of *British Documents*, vol. 35 106.

<sup>55</sup>Austen Chamberlain, telegram to Miles Lampson, 20 July 1928, document 136 of *British Documents*, vol. 35 118.

<sup>56</sup>Lampson, 8 Dec. 1927, The Killearn Diaries. Edwardes and the Minister discuss the custody of the future of the Customs funds. Lampson comments, "I must confess it is rather baffling

lukewarm response by the Foreign Office led him to feel that his pressure alone was keeping Edwardes as Officiating IG. To his chagrin this fact was something which he felt he needed to remind even Edwardes.<sup>57</sup>

Throughout the gathering storm surrounding the Customs, Maze was constantly referred to in terms of whether or not he was doing the right thing and of doing the "British thing." In early February 1928, as a response to Edwardes and Lampson's fears that the service was to be divided, Lampson authorized Sir Sidney Barton to approach Maze on his behalf. This was an appeal to Maze to withdraw his candidature and therefore relieve what had become, for the British interests, a complicated and potentially embarrassing situation. Maze was exhorted by Barton to be a "loyal British subject" and to consider his "devotion to the MCS."<sup>58</sup> Apart from protesting that the matter was really a concern between north and south and not the foreign powers, Maze assured Barton that the outcome would not greatly affect the MCS interests. The most damning part of this reported meeting, however, came when Maze told Barton:

he [Maze] would be prepared to resign and to leave the field clear if it were made worth his while to do so by the grant of a higher pension and the bestowal of a decoration from His Majesty's Government.<sup>59</sup>

This reply prompted Edwardes to announce his intention to resign rather than to play any part in the consideration of Maze's "blackmailing tactics."<sup>60</sup> As can be imagined, the response to such avaricious demands ranged from the righteous indignation of Edwardes, who would rather resign than see Maze "bought off" in such a way, to Foreign Office references to Maze as a man that "had his price." This incident was significant in blackening Maze's reputation and further confirmed Lampson's conviction that he was simply not the right person to be IG. The accuracy

---

having arm-chair experts sitting 6,000 miles away in Whitehall trying to dictate to us here the actual technical detail of how these things are to be carried out."

<sup>57</sup> Lampson, 4 Oct. 1928, *The Killearn Diaries*.

<sup>58</sup> Miles Lampson, letter to Austen Chamberlain, 11 Apr. 1928, document 518 of *British Documents*, vol. 34 440.

<sup>59</sup> Lampson, letter to Chamberlain, 11 Apr. 1928 439–442.

<sup>60</sup> Lampson, letter to Chamberlain, 11 Apr. 1928 440.

of Maze's comments is unclear but there was little motive for Barton to deliberately misreport his conversation with Maze. A passing remark could easily have been seized upon, out of context, to discredit the less favoured candidate but conversely Maze would not have been the first to seek self-aggrandizement in compensation for laying aside his claims. This may indeed have been the case, but Maze subsequently argued he was misrepresented.<sup>61</sup> Lampson was among many at the Foreign Office who seized on Maze's comments to Barton as further evidence of his bad character and unsuitability for IG. For the Foreign Office the prospect of an IG who they knew already "had his price" threatened the future of the Customs. What was to stop such a man being bought off by the highest bidder?

In a bid to create a rapport with the Nationalists, Edwardes journeyed to Shanghai in mid-1928. Negotiations were arduous, with Edwardes being forced to bluff Soong and his government into action—threatening to leave Shanghai and not return for further discussions until the Nationalists recognized him as head of the MCS.<sup>62</sup> Edwardes' appointment and recognition as Officiating IG by Nanking in October 1928 was a hard-earned concession, the basis of which had at times appeared quite shaky. The *NCDN* devoted an editorial to "The Customs," the tone of which was jubilant when Edwardes had been chosen as chief of the Service. In the editorial the *NCDN* declared that the widespread concern over the deterioration of the MCS could cease as Edwardes would serve with "loyalty, resolution and honesty of purpose."<sup>63</sup> This appointment, paradoxically, was a hollow victory for Edwardes. Conditions had been attached to his recognition that essentially rendered his position no longer tenable. In accepting the terms of doing duty to the "dignity and discipline" of the service, Edwardes agreed that the Ministry of Finance alone could appoint Commissioners, albeit with his recommendation. More importantly his hands were tied with regards his rival, Maze.

While Edwardes' appointment as Officiating IG appeared to have equipped him with necessary authority over the Service, the position was a superficial one. Thus he did not have the authority necessary to once and for all eliminate his rival, Maze.

---

<sup>61</sup>Aitchison 502.

<sup>62</sup>Newton, telegram to Earl of Birkenhead, 18 Sept. 1928, document 256 of *British Documents*, vol. 35 247.

<sup>63</sup>"The Customs," editorial, *NCDN* 4 Oct. 1928.

Moreover as a condition of his appointment, Edwardes was specifically prevented from taking retaliatory action and punishing Maze.<sup>64</sup> As a further blow to Lampson and Edwardes' efforts, Maze had been appointed the substantive post of Deputy IG. This was interpreted by the *NCDN* as an obvious compromise;<sup>65</sup> it fuelled press speculation in that Edwardes may indeed resign his post. Lampson, who was predictably perturbed by events, suggested a solution that Maze could be sent home on leave.<sup>66</sup> Edwardes supported this idea and without further consultation with Lampson sent it off for Soong's attention.

Edwardes sought to test the extent of his reach as Officiating IG by attempting to remove Maze as a challenger to the position of IG. In what can only be considered an ill-judged action, he sent a telegram to Soong, which if agreed to, would have removed Maze from the Service. According to Lampson's diary entries, this move was precipitated by Shanghai Chinese bankers' expressions of outrage on Edwardes behalf, imploring him to return to Shanghai to defend himself.<sup>67</sup> Edwardes, no doubt buoyed by such promises of support, wasted little time in telegraphing Soong and enquiring:

Will I, in capacity of Officiating Inspector-General of Customs, have your authority to instruct Mr. Maze to proceed on a year's leave immediately with the rank of Deputy Inspector-General of Customs, with retirement at the end of such leave?<sup>68</sup>

In sending this telegram Edwardes was forcing Nanking to define the boundaries of his power as Officiating IG. This action marked the climax of the succession struggle that had been waged for the past year.

The British Foreign Office response to this telegram was one of strategic distancing, the pending question of tariffs was considered too important to be

---

<sup>64</sup>Miles Lampson, telegram to Lord Cushendun, 25 Sept. 1928, document 262 of *British Documents*, vol. 35 252.

<sup>65</sup>"The Customs," *NCDN* 4 Oct. 1928.

<sup>66</sup>Miles Lampson, telegram to Lord Cushendun, 4 Oct. 1928, document 284 of *British Documents*, vol. 35 278–279.

<sup>67</sup>Lampson, 4 Oct. 1928, *The Killearn Diaries*.

<sup>68</sup>Miles Lampson, telegram to Lord Cushendun, 4 Oct. 1928, document 285 of *British Documents*, vol. 35 280.

jeopardized or eclipsed by the rash actions of Edwardes in the struggle for leadership of the MCS.<sup>69</sup> For Lampson also, Edwardes had not only dealt him a blow through sending the telegram but had also failed to consult him beforehand. He maintained that Edwardes had not only behaved badly but had committed a blunder that Lampson feared he was unable to rectify.<sup>70</sup> Such behaviour on Edwardes' part points to a lack of ability to handle the situation with the necessary diplomacy. Edwardes was heavily dependent on Lampson's bolstering. The lack of discerning on Edwardes' part cast a poor reflection on Lampson also, as he had invested so much in the nurturing this candidate.

In accepting his posting as Officiating IG, Edwardes was confronted with the issue of removing the Inspectorate to Nanking. Displaying his dependency on Lampson, Edwardes referred this to his attention. The *NCDN* reported Edwardes as "taking the Power's opinions on the question," and as the powers were not favourably inclined, Edwardes proposed to remain in Peking.<sup>71</sup> For the foreign communities such inaction on Edwardes' part would have been a reassuring sign that he would not simply acquiesce to the Nationalists demands. For the Chinese this would have further strengthened their objections to him. In the Customs circulars Edwardes informed the Service that as no suitable space could be found at Nanking, the Inspectorate would open a temporary headquarters in Shanghai.<sup>72</sup> This exacerbated the already existing rivalry with Maze and led Edwardes to protest over the dual administration that he believed was occurring.

The KMT's bid for revision of the pre-existing tariff system drew the Foreign Office's attention away from the Customs struggle. The Sino-US Agreement (26 July 1928) afforded China tariff autonomy on 1<sup>st</sup> January 1929, conditional on "most favoured nation" treatment and the consent of the other powers. In his study of British policy in China at this time, Edmund Fung asserts that this action, while not

---

<sup>69</sup>Lord Cushendun, telegram to Miles Lampson, 5 Oct. 1928, document 286 of *British Documents*, vol. 35 280. Lord Cushendun writes to Lampson, "...I am afraid that Mr Edwardes has made it more difficult for us to support him or to intervene on his behalf by pursuing, as he has done on previous occasions, an impolitic line of conduct."

<sup>70</sup>Lampson, 4 Oct. 1928, *The Killearn Diaries*.

<sup>71</sup>"The I.-G. in Peking or Nanking, Mr Edwardes Said To Be Taking The Powers' Opinions on the Question," *NCDN* 6 Oct. 1928.

<sup>72</sup>A. Edwardes, "Inspector General of Customs: Transfer of Office from Peking; Opening of Temporary Office in Shanghai," 24 Nov. 1928, *Documents*, vol. 4 139.

conceding much to the Chinese, implied *de jure* recognition of the Nationalists and their Government. This therefore accelerated negotiations with Britain with the result that the Anglo-Chinese Tariff Agreement was signed on 20<sup>th</sup> December. According to Fung this had twofold significance. It cleared the way for better KMT and Foreign Office interaction and also eased the way for filling the IG's position.<sup>73</sup> In this contention Fung raises a significant factor that had served as a foil throughout the succession crisis: the KMT's desire to establish better terms with the British. Under this pretext Lampson's pressure to keep Edwardes in place was so successful because treaty revision was a leverage that could be used. Furthermore it was not long after the Anglo-Chinese Agreement that the succession crisis reached its climax and Edwardes submitted his resignation. In following this line of argument, Edwardes' initial successes were reliant on the desire of the Nationalists to see a review of the offending "unequal treaties." Moreover his demise, despite Lampson's continued efforts, was due in part to the British Foreign Office's reluctance to jeopardize these negotiations.

Edwardes' resignation on 31<sup>st</sup> December 1928 was the culmination of an increasingly bitter impasse, which had held the Customs in its grip. The *NCDN* presented the crestfallen Edwardes as a victim of scheming Chinese factions that had deliberately sought to transform the Service into a political entity and, in doing so, secure their own financial interests. The partisanship of the *NCDN* was apparent throughout the succession crisis (maybe not surprising from a paper with the lofty motto of "impartial not neutral") and an editorial that examined Edwardes' demise further revealed the attitude from Shanghai's foreign community, which the paper represented. The editorial commented, "Reflection does nothing to dispel the ugly impression caused by Mr Edwardes' resignation," effectively setting the tone for an article lamenting of the downfall of a man of integrity.<sup>74</sup> The appointment of a successor was written of in sketchy terms but a clear warning was held for Maze. The article stated that a new IG should not have his powers diminished in any way and that he should have "the ability to enforce discipline, if he cannot count on loyalty."<sup>75</sup> It was with veiled barbs such as this that Frederick Maze faced his

---

<sup>73</sup>Fung, *The Diplomacy of Imperial Retreat* 176–178.

<sup>74</sup>"The Resignation of Mr. Edwardes," editorial, *NCDN* 5 Jan. 1929.

<sup>75</sup>"The Resignation of Mr. Edwardes."

appointment as Inspector General of the MCS. While the succession crisis may have ended, it left a bitter taste for many that would cause tensions lasting well into Maze's leadership.

## ***Significance of the Succession Crisis***

The succession crisis within the Custom's hierarchy came at a critical juncture. Not only was the Service being confronted with a changed political climate in China but also had to face the reality of the battering British prestige in China had undergone in the aftermath of the May 30<sup>th</sup> incident and the Nanking Incident. The struggle for leadership was the culmination of extraneous tensions that had long threatened to erupt. As seen in the previous chapter, Aglen often wrote in his "Z" Letters of a sense of being under siege by both the Nationalists and the northern leaders. Certainly the IG was aware of the tenuous position he held in relation to the rise of the KMT as a dominant political force. Aglen's and Edwardes' demise reveal the multiplicity of roles that the IG fulfilled. Some of these roles were, however, perpetuated unconsciously. The IG was a foreigner who was a servant of the Chinese government. He enjoyed, moreover, all of the privileges available to the foreigners by virtue of the Unequal Treaties. Furthermore the IG represented the security of finances in China, most particularly the security for foreign loans to China. Thus he encapsulated not only the potential stability and prosperity of China but also remained a visible manifestation of Western interference in Chinese affairs. While two candidates vied for dominance of the Service, their aims and ambitions for the MCS were quite divergent. Edwardes was clearly pro-foreign and almost hard-line in his approach, while Maze, in contrast, was more pragmatic in his preparedness to accommodate some Chinese interests. In many ways the rival candidates can be seen as reflections of the differing approaches Britain made to the Nationalists. Edwardes was almost "pre-May 1925" in his clinging to Lampson for advice and support, while Maze had pushed unspoken boundaries with his willingness to work for the KMT.

From the outset many readers of this incident may seek to write it off as merely rivalry within the MCS institution and in doing so fail to recognize the significance of this crisis to the Customs. The struggle, which ensued over the appointment of the new IG, affected the Service's relationship with both the KMT and the West. Researchers may be tempted to ask: was there a crisis? Wouldn't the

appointment of a Chinese to the IG's position have been a "real" crisis for the Service? These questions are somewhat misleading as while the appointment of a Chinese to the leadership of the Service would indeed have caused a crisis, neither the northern militarists nor the KMT leadership were prepared to antagonize the foreign powers by doing so. The Service was a lucrative source of income for the Nanking government and such upheaval may have marked the collapse of the Service and, therefore, of Chinese financial security. Had the Northern leaders and the KMT leaders attempted to move control of the Customs into Chinese hands, there was a great possibility of disrupting this revenue source and antagonizing the foreign powers at the same time. The crisis that emerged after Aglen's dismissal did not stem from the Chinese attempting to take control of the MCS but rather from their support of a candidate who had not received foreign (and therefore "official" sanction). The British held to a historical understanding that the head of the Service would remain a Britisher as long as British trade was predominant. By the late 1920s British interests and prestige in China had been dealt serious blows. The British may have remained diplomatically dominant among the foreign powers but the economic dominance once enjoyed was superseded by that of Japan. The KMT's supporting of Maze against the foreign selected Edwardes, however tacit this approval may have been, is evidence that the Nationalist leaders were attempting to assert more control. Maze had not been nominated by the British Minister and was considered too pro-KMT for the liking of the Diplomatic Body and yet had enough backing to displace Aglen's successor, Edwardes. The bitterness of this struggle and the resultant ostracizing of Maze by Shanghai's foreign community further highlighted the importance of this succession to foreign interests in China, or at least to the perceived interests the foreign powers held.

The succession crisis that engulfed the Customs in 1927–1929 was significant on two counts. First the struggle highlighted the interests the British Foreign Office (and the Diplomatic Body) continued to harbour in the Service. These interests are illustrated through their desire to see "the right man" selected for the position of IG. It is necessary to explore what the British determined represented the "right" qualities that were necessary for a potential IG; certainly a preparedness to acquiesce to British "advice" must have been a factor for consideration. Second the selection of IG had a greater significance in reflecting the tone of Sino-Western relations for the Nanking decade. For the Service itself the struggle was unsettling as both Edwardes and Maze succeeded in ensuring they had personal loyalties at

play. In the aftermath of his succession Maze spent considerable efforts to distance himself from blame of any machinations that assisted his rise to dominance.

Although he expressed uncertainty with regards the suitability of Edwardes, Lampson decided to support Aglen's nominated successor to the best of his ability. On several occasions when Edwardes' injudicious actions threatened to undo all good work done on his behalf, Lampson reflected that maybe he had not supported the most suitable candidate. He commented, "throughout this business I confess I have never been entirely at ease in my own mind that Edwardes is entirely the right man for the job."<sup>76</sup> The main reason why Lampson was prepared to apply pressure as necessary to support Edwardes was that of the whole thing being a matter of principle. Aglen had nominated Edwardes to the post and regardless of the changing forces in the political climate, Edwardes was justified in his claim to become IG. For Lampson there were personal considerations at stake. Maze had shown himself as a "man who has his price"<sup>77</sup> and therefore Edwardes, who knew how to play the game, was a much more suitable contender for the post. For Lampson there was also the principle of standing up for his beliefs—he had pledged his support to Edwardes but was repeatedly frustrated by his increasing pessimism and also the Foreign Office's distancing itself from the situation. As Lampson wrote, "I have been placed in a thoroughly ridiculous and degrading position."<sup>78</sup> Not only did Edwardes' failure to hold a substantive appointment reflect on Lampson's authority in China, it also threatened the severing of the ties between the British FO Foreign Office and the Inspectorate, ties which Edwardes' relationship with Lampson had exemplified. While the succession crisis may at the outset have appeared as a proverbial storm in a teacup, its ramifications were extensive and it marked the Foreign Office's conscious backing away from any possibility of direct intervention on the Custom's behalf.

---

<sup>76</sup>Lampson, 28 Sept. 1928, The Killearn Diaries.

<sup>77</sup>Chamberlain, telegram to Lampson, 20 July 1928 118.

<sup>78</sup>Lampson, 19 Jan. 1929, The Killearn Diaries.

## **An IG scorned: Maze and the politics of being IG**

I would like to emphasise that if Mr Edwardes goes it will be quite impossible for me to work with Mr Maze. I regard him as thoroughly dishonest and dishonourable and as having at the time of greatest need sacrificed [the] customs service to secure his own private interest.

Miles Lampson<sup>79</sup>

Edwardes' resignation cleared the way for Maze. The tensions that had surfaced between Maze and the British establishment in China during the succession crisis threatened to continue. In doing so they created a definite breach between the new leader of the MCS and British interests in the service. For Lampson Edwardes' resignation was heavy blow. The British Minister had "lost face" through his determined support of this candidate. He commented that the whole succession imbroglio had left him in an awkward and embarrassing position, a fate for which he blamed the Foreign Office's tying of his hands. For Maze his success in becoming IG had been earned at a price. His ambition, coupled by the KMT's determination, left him a social pariah in Shanghai. Maze was further marred by a campaign carried on by British press. This campaign maligned him subtly (and sometimes none too subtly) associating him with treacherous, opportunistic and downright "anti-British" behaviour. The early years of Maze's leadership saw unprecedented change in the Service, the benefits of such in prolonging the fate of the institution, only grudgingly acknowledged by the British. Maze's role as the villain in the Customs succession struggle, however unwarranted he may have claimed it to be, marked his term in office as one filled with the need to rise over his being socially shunned by the community in Shanghai and his reputation as a servant of the KMT.

Maze was fully aware of the opposition or, at the least, resentment he faced when first assuming office. By the time of Edwardes' resignation, many (including Lampson) had begun to question the suitability of one so readily inclined to abandon his candidature and lacking in discretion.<sup>80</sup> Despite this Maze was not accepted as even a possible alternative, his machinations earning him British disgust. When a desperate search for a third candidate proved too late, it was accepted with regret

---

<sup>79</sup>Miles Lampson, telegram to Lord Cushendun, 4 Oct. 1928, document 284 of *British Documents*, vol. 35 279

<sup>80</sup>Lampson, 28 Sept. 1928; 4 Oct. 1928, and 5 Oct. 1928, The Killearn Diaries.

that Maze should take the post unopposed. He was aware of the reluctance of the British Foreign Office to support what they saw as a further loss of their prestige in Chinese affairs. Maze, through Non-Resident Secretary Stephenson, sent a message to Chamberlain demanding British support for his position. He deliberately circumvented communications with the Ministry in Peking, no doubt conscious of his poor relationship with Lampson over the succession. This avoidance of Lampson can be read in two ways; first as simply Maze not feeling that he could trust Lampson to pass on the message and second as a subtle attack on Lampson. By going straight over the Minister's head, Maze placed him in the embarrassing position of simply having to find out what was happening through his superior, thus making it readily apparent Lampson was not commanding the respect he was demanding as Minister.

Maze telegraphed Chamberlain:

Post of Inspector General is now one of unprecedented difficulty, and if British Legation persists in antagonistic and unsympathetic attitude, this difficulty will be needlessly accentuated and position jeopardised. Furthermore, a dangerous atmosphere of uncertainty and distrust inimical to British financial interests secured on the customs may be engendered unless I receive reasonable support from British Government. —(Signed) MAZE<sup>81</sup>

Chamberlain gave this demand a cold reception, as he in fact sympathized with the difficult position Lampson faced. Nevertheless Chamberlain exhorted Lampson to accord Maze the support and courtesies due to his position in the interests of good relations with the Chinese and, more importantly, for the survival of the Service. Clearly, that Maze felt it was necessary to send such a message and that Chamberlain had to, in turn, encourage Lampson rise to the occasion illustrates the bitterness that the previous months had engendered. It is noteworthy that Chamberlain wrote of supporting Maze as giving him "his official countenance"<sup>82</sup> but not going beyond that sense of moral duty. Both the Foreign Office and Lampson were forced to make the best of what they considered a bad situation.

Throughout the Customs succession, the issue of the partisanship of the candidates to either British or KMT interests was continually raised. Unsurprisingly the loyalty, or rather protectionist tendencies, towards the British and other foreign

---

<sup>81</sup>Austen Chamberlain, telegram to Miles Lampson, 14 Jan. 1929, document 36 of *British Documents*, vol. 36 62.

<sup>82</sup>Chamberlain, telegram to Lampson, 14 Jan. 1929 63.

interests in China displayed by Edwardes were much better regarded than the manipulative and pro-KMT tendencies of Maze. Both during and after the struggle for the IG's post, the Western press in Shanghai often drew and redrew the connections between Maze and the KMT. In an article by *The Times* that announced the appointment of Maze to IG, mention was made of his early relationship with Sun Yat-sen. The article from the paper's Shanghai correspondent reads:

On the occasion of Sun Yat-sen's triumphant return to Canton after the revolution had been effected its leader was entertained at a garden party given by Mr Maze at the residence of the Commissioner of Customs, which stands at the far end of Shameen....<sup>83</sup>

A link with the Nationalists revered leader, Sun Yat-sen, appears to have little to do with Maze's appointment to IG of the MCS and yet, the correspondent felt it was noteworthy. Such detail may appear rather trivial at the outset, but it is conceivable that this was deliberately included as a further reflection of Maze having long held nationalist sympathies. It is possible then, to envisage that Maze's hosting of Sun was mentioned to infer that Maze had coveted and planned for his ascension to the top Customs post for many years. A photograph of the above-mentioned function, however, is certainly not a secret meeting and appears to have been well attended by the foreign community of Canton at that time. The misconstruing of this function would not have been lost on those who were aware of the China situation and reflects Maze's poor standing in the foreign community.

The ceremony that marked Maze's appointment to office further raised the ire of his critics. As part of this official event Maze took an oath of office in which he committed to serve the Chinese people but also declared loyalty to the KMT and the Nanking government.<sup>84</sup> The *NCDN* wrote of this as a "humiliating" and more significantly "demeaning" oath, and declared that it ran directly counter to his "duty as a British subject."<sup>85</sup> The main objection, the press felt, was not in Maze having made such an oath, but that he had specifically sworn his obedience to the KMT. The article continued:

---

<sup>83</sup>"The Chinese Customs. New Inspector General. Mr Maze Chosen," *The Times* 10 Jan. 1929.

<sup>84</sup>Miles Lampson, telegram to Austen Chamberlain, 14 Jan. 1929, document 35 of *British Documents*, vol. 36 62. The oath taken by Maze was also featured in the *NCDN* 11 Jan. 1929.

<sup>85</sup>"The Customs," editorial, *NCDN* 12 Jan. 1929.

...the pointed dragging in of the Kuomintang as the special object of allegiance and arbiter of punishment, which is but one party in the state, and, for all anybody can say, may have blown to pieces a year hence, leaves a very unpleasant taste, intensifying the fear that the Customs service has become a mere political plaything.<sup>86</sup>

Maze's actions were interpreted as a confirmation of his pro-Chinese tendencies. Furthermore Maze had made it clear through this oath that his loyalties rested with the KMT. The British Foreign Office also noted Maze's oath but Lampson made no discussion further of it.<sup>87</sup> While Maze may have sworn that he would accept punishment from the KMT for any dereliction of his duty, in reality he was protected by the privilege of extraterritoriality from the occurrence of any such event.

Shanghai's foreign social circles shunned Maze and his wife. Lampson referred to the manner in which the foreign community ostracized the Mazes, and in one instance appears to have encouraged it to continue. When visited in November 1929 by Malcolm MacDonald, the son of the British Prime Minister, and learning that he had been invited to stay with Maze, Lampson duly advised him against what was an embarrassing move. He gave MacDonald a description of the feeling against Maze that still existed in Shanghai. Lampson revealed his bitterness writing:

I was careful to point out that I did not wish him [MacDonald] to think that I had any bias against Maze personally. The Maze–Edwardes question had been most unpleasant; but that was past and done with, I hoped. But unfortunately the Shanghai community had taken it very much to heart, and had more or less banned Maze. For myself, I thought that it was unfortunate; for, after all, Maze was the head of a great institution backed by British tradition; and although people might not wish to take Maze to their bosom and might have their own personal views about the whole question, nonetheless I thought they were wrong to ban him openly....<sup>88</sup>

To remove Maze from the scene Lampson helped to arrange other accommodation for MacDonald with Mc Naughton, the Vice Chairman of the Municipal Council. He saw that this host would be "as good a person as anyone to keep him [MacDonald] on the right rails."<sup>89</sup> Lampson had ensured that Maze's offer was declined and had made it

---

<sup>86</sup>"The Customs," *NCDN* 12 Jan. 1929.

<sup>87</sup>Lampson, telegram to Chamberlain, 14 Jan. 1929 62.

<sup>88</sup>Lampson, 16 Nov. 1929, *The Killearn Diaries*.

<sup>89</sup>Lampson, 16 Nov. 1929, *The Killearn Diaries*.

clear that his own feelings were in accordance with the Shanghai community's. Maze was aware of Lampson's disdain and described himself as having been "systematically ignored" by Lampson and the Consul General. In light of these experiences he attributed the difficulties of meeting with MacDonald privately as being a result Lampson's machinations.<sup>90</sup>

## ***The Maze Administration's First Year***

The rhetoric with which Maze was ushered into office was one of "the need for change". To Lampson and the Foreign Office, this was interpreted as an inevitable decline of the Service and that Maze had been enlisted to head a dying institution. In a responding speech to the Master of Ceremonies at his appointment to office, Maze spoke of the need for the Customs to change in accordance with the times. These comments were criticized by the *NCDN* who proclaimed that Maze was wrong in his assertions. An editorial on "The Customs" demanded that the Service should remain "solid and inviolable, proof against capricious manipulations of the irresponsible and self-seeking."<sup>91</sup> Such comments clearly also encompassed Maze's own manipulations in the succession crisis. Despite such portents of doom for the Service, the early years of Maze's administration successfully brought the institution into a better understanding with the KMT and in doing so, ensured its survival. This survival, however, was earned at the price of weakening British contacts with the Inspectorate and by closely linking to the fortunes of the KMT.

The maintenance of the IG's headquarters in Shanghai and the later establishment of a headquarters in Nanking on 1<sup>st</sup> February 1929 was a significant gesture to KMT interests on Maze's part.<sup>92</sup> This move allowed Maze to assert not only his leadership over the Service, but it was a means of demonstrating good faith to the Nanking government. It also coincided with the declaration of tariff autonomy. Maze's move was a symbolic shift away from the traditional MCS base of Peking into a new setting; a reflection of his desire for the service to echo the KMT's move away

---

<sup>90</sup>Frederick Maze, letter to Stephenson, 27 Dec. 1929, *The Maze Papers*, vol. 3.

<sup>91</sup>*NCDN* 12 Jan. 1929.

<sup>92</sup>Frederick Maze, circular no. 3856 (second series), 2 Feb. 1929, *Documents*, vol. 4 162.

from the past centre of administration and power. The real basis of Customs administration however, remained in Shanghai. The new head office was intended to act as a liaison office between the Inspectorate in Shanghai and the Nationalist Government until it was possible to combine the two.<sup>93</sup> While Nanking may have been named "Head Office" correspondence was directed to Shanghai.<sup>94</sup>

In Shanghai the local KMT headquarters chose to celebrate the declaration of Customs autonomy. On 1<sup>st</sup> February 1929 a celebratory meeting would be held. Furthermore the Nanking government would be petitioned to declare the day "Customs Autonomy Day."<sup>95</sup> The *NCDN* presented the new tariff agreement as undeniable "proof" of the "sincerity" of the Western powers' dealings with the Nationalists. In an editorial entitled "The New Tariff" the breakthrough for China was presented as evidence of the foreign powers' friendly desire to accommodate Chinese wishes.<sup>96</sup> Despite this confidence in the new agreement, the article foretells potential difficulties the tariffs may cause to the Customs as the new system of classification was regarded as too complicated.

The Sinification of the Service was a delicate issue that had long played on the prejudices and fears of foreign interests in the Service. In April 1929 this issue surfaced again. Maze agreed with Chinese desires to see greater opportunities for their nationals within the Service on the whole. He explained to the Foreign Office (via the Non Residential Secretary in London) that he had long recommended that Chinese be given access to posts of greater responsibility and that this principle had received official recognition. In fact he claimed that as early as April 1928, the Nanking government had contacted him about the status of Chinese employees.<sup>97</sup> He was quick to reassure the Foreign Office though, that despite these moves, the Government to his knowledge had no intention of removing all foreigners from the Service.

---

<sup>93</sup>Maze, circular no. 3856 (second series) 162.

<sup>94</sup>Maze, circular no. 3856 (second series) 162.

<sup>95</sup>"Customs Autonomy Day," *NCDN* 24 Jan. 1929.

<sup>96</sup>*NCDN* 31 Jan. 1929.

<sup>97</sup>Frederick Maze, letter to Stephenson, 6 Apr. 1929, document 249 of *British Documents*, vol. 37 321–324.

When reassuring the Foreign Office that the foreign element of the MCS was not under threat, Maze had previous blocks on employing foreign (non-Chinese) staff removed. In fact from 24 February 1927 Edwardes had suspended the further recruitment of foreigners. This was largely in response to the anxiety following Aglen's dismissal and concern that the Service should confine its expenditure. Edwardes reasoned that not appointing any foreigners was a precautionary measure and would remain in place until the uncertainty surrounding the Service (and the leadership) was brought to a resolution.<sup>98</sup> As evidence of his rapport with the KMT and his negotiation skills, Maze had this restriction lifted and foreign tidewaiters were employed. Such an action hardly reflected a government considering a purge of foreigners in the MCS. In a circular sent to all ports Maze sought to dispel concerns over the direction of the Service.<sup>99</sup> In doing so the improving status of Chinese employees was referred to in terms of being both a "natural and national development" for the Customs Service. As a further part of this Sinification of the Service, Chinese employees were also given study scholarship opportunities.<sup>100</sup> These competitive scholarships, offered biannually, were designed to give successful candidates an opportunity to study firsthand international customs systems. The feared expulsion of foreigners from the MCS did not eventuate but the balance of Sino-Western relations inside the Service began to change.

Despite the understandably pessimistic view of Maze's leadership taken by Lampson, even he was forced to admit the imagined disasters facing the Service had never materialized. As Aitchison elucidates, Maze's critics and the press seized on his appointment with the assumption that he would head a deteriorating institution;<sup>101</sup> the deft abilities of Maze however, did not allow such an eventuality. This success in directing the MCS in its relationship with the KMT was regarded with both relief and, in some instances, grudging admiration. Lampson reflected:

there is a general feeling of relief, both inside and outside the Service, at the restoration of its internal harmony and the comparative smoothness with which the new regime is operating, as well as a general recognition of the ability, tact

---

<sup>98</sup> A.H.F. Edwardes, semi-official circular no. 54, 24 Feb. 1927, *Documents*, vol. 4 126–127.

<sup>99</sup> F.W. Maze, circular no. 3846 (second series), 21 Jan. 1929, *Documents*, vol. 4 149.

<sup>100</sup> F.W. Maze, circular no. 3857 (second series), 4 Feb. 1929 *Documents*, Vol. 4 163–165.

<sup>101</sup> Aitchison 499–500.

and success with which Mr Maze has directed the affairs of the Customs administration.<sup>102</sup>

Such commendations were echoed in Foreign Office reports. Moreover Lampson admitted that the Service was in a better state than one could have “dared to hope” even a year previous.<sup>103</sup> For Maze the respect of his role as IG was a hard won concession but tensions still remained underlying such commendations.

The Maze administration’s first year had proved its harshest critics wrong. The Service did not collapse but rather enjoyed an unprecedented relationship with the KMT that would not have been imagined possible under Aglen or Edwardes. By showing a willingness to respond to Chinese wishes, Maze had earned the scorn of the Foreign Office and was shunned by the foreign community in Shanghai. Throughout the succession crisis he was reviled as a man of little moral standing who was prepared to endanger the future of the Service to advance his own career. He may have indeed sought personal aggrandizement in filling his legendary uncle Hart’s shoes but Maze too had a vision for the Service. Concessions to KMT interests may have indeed been demanded by the changing political climate but Maze’s behaviour had caused a rift between the IG and the British establishment in China. Ironically, Maze’s rapport with the KMT which had in many ways preserved the MCS against drastic change, and equipped the Service with the leadership necessary to guide it into the Nanking decade.

---

<sup>102</sup> Miles Lampson, letter to A. Henderson, 10 Dec. 1929, document 494 of *British* vol. 36 421.

<sup>103</sup> Lampson, letter to Henderson, 10 Dec. 1929 421.

## **CHAPTER 6**

---

### **Into Calmer Waters *The Proposed Hong Kong-China Trade and Customs Agreement, 1929-1930***

It must be considered that we now live and have our being in post-Revolution, post-War and post-“30<sup>th</sup> May” days; but Aglen put the telescope to his blind eye, failed to read the writing on the wall, or, having read, to interpret correctly its stupendous import. The gathering storm—hurricane, I ought to say—was ahead and he should have altered his course and stood for safer seas. But, no, he held stubbornly on, lost some of his sticks, and it fell to me, at the eleventh hour, to assume command and put the ship about in order to avoid total loss.

Frederick Maze<sup>1</sup>

Maze’s vision for his leadership of the Customs Service was one tempered with pragmatism. During the succession crisis and its aftermath, he had no illusions that he was indispensable. Rather he continually sought to reaffirm the usefulness of the MCS and its foreign inspectorate to Nationalist China. In many letters during 1930 Maze constantly drew on maritime analogies to describe how he perceived his role as Inspector General (IG) and the future for the foreign staff of the MCS. The reviving of negotiations with Hong Kong authorities in 1930 surrounding a proposed agreement over the rights of the Customs to operate within the colony’s waters was a significant event in the early years of Maze’s administration. This chapter examines the significance of these negotiations, not just between Hong Kong and the Nationalists but also for Maze’s leadership of the Service. For Maze the negotiations would serve several purposes: to secure and strengthen his position at the helm of the MCS, to steer the Service towards safer, calmer waters and in doing so increase the usefulness of the MCS to the Nationalists. Maze’s involvement in these negotiations signaled a new era for the Service as he had moved away from the semi-independent stance adhered to by Aglen and instead actively pursued KMT interests. The negotiations between the Hong Kong authorities and the MCS, on behalf of the

---

<sup>1</sup>F.W. Maze, letter to Tyler, 4 Feb. 1931, The Papers of Sir Frederick Maze Relating to the Chinese Maritime Customs Service, vol. 5, Library of the School of Oriental and African Studies, London. These papers will subsequently be referred to as The Maze Papers.

Nationalists, however, were soon swamped by the rhetoric of self-interest from both parties and the agreement never developed beyond proposals and counter proposals. The Nationalists would gain access to the colony's waters and, therefore, revenue which had been previously lost. For Hong Kong's authorities, the proposed Agreement caused a questioning of the colony's legal status. The Agreement would give Hong Kong the benefits of being a Treaty Port but would simultaneously infringe on its autonomy from Mainland China. Clearly both parties wanted the proposals to be determined in their favour. What this imbroglio highlights is the direction that Maze was turning the MCS. By supporting and acting as an agent for the KMT in the negotiations, he was ensuring a place for the foreign inspectorate in the Nationalist decade.

Significant challenges mark Maze's first years of leadership as particularly crucial in determining the future direction and, indeed, existence of the MCS. In the discussion of the proposed Hong Kong Agreement, Maze was attempting to find some reconciliation to their often-strained relationship with Hong Kong concerning smuggling in particular. The freedom of Hong Kong waters had allowed piracy and smuggling to flourish, a bane for an institution that prided itself on regulating foreign trade with China. The negotiations with Hong Kong, however, raised suspicions on either side, as the British, fearing a subtle attack against their hold on the colony and the New Territories, were not prepared to make any concessions without corresponding allowances for British trade on the inland river systems of China. The Customs Service and KMT in turn did not want to weaken their own positions by setting dangerous precedents for British traders' penetration beyond the scope of Customs-monitored areas. While negotiations travelled back and forth, between the colonial authorities and Maze, China lobby and business groups, both within and outside China, saw fit to lend their voices to an increasingly confused debate.

This chapter highlights the ambivalence of the MCS in its relations in China and more so with Hong Kong. The MCS was synonymous with foreign interference in Chinese affairs. Yet when the MCS entered into negotiations with the Hong Kong authorities regarding the patrolling of the waters, the Service was perceived as a threat to the British colony. The idea of the Customs as a potential "threat" to British interests in the East in general appear to have gained some currency as even Lampson reflected on the MCS as being used to reclaim the New Territories. In this

way the MCS was seen a force which offered China a chance to consolidate its interests.

## ***An Introduction to Hong Kong-MCS Relations***

The basis of the relationship between Hong Kong and the Customs was primarily through the Service's role as a watchdog of the China coast, regulating trade and collecting revenues. Since Hong Kong was a major entrepot for foreign trade, it often came to the attention of the Chinese Customs. The relationship between the two has commonly been presented as "irreconcilable"; China's desire to protect her revenue through the agency of the MCS directly countered Hong Kong's desire to be rid of the Service with their depots and cruisers.<sup>2</sup> Such assertions are borne out by the fact that the Hong Kong-MCS issue was the focus of intermittent and tense negotiations for over a seventy-year period. Invariably these negotiations foundered on the intractability of each party's interests. Despite such a history of unsuccessful negotiations, discussions were revived in 1930. The motivation for the KMT's willingness to re-examine the proposed agreement was their declaration of tariff autonomy (1929), in which greater revenues were at stake. For the Nationalists the implementation of new tariffs had effectively provided the potential for increased Customs revenue. Losses of revenue through smuggling from Hong Kong were therefore increasingly significant.

Hong Kong's waters and the leased territories inland river systems had long provided a refuge for pirates.<sup>3</sup> Even during the 1920s and 1930s piracy was a common threat to ships passing through Hong Kong and on to the southeast or to mainland ports. Reports of passengers being robbed or taken hostage and commercial ships being plundered were not uncommon.<sup>4</sup> Table 6.1 gives an indication of the

---

<sup>2</sup>Peter Wesley-Smith, *Unequal Treaty 1898-1997: China, Great Britain and Hong Kong's New Territories* (Hong Kong: Oxford University Press, 1980) 20.

<sup>3</sup>S. Charles Hill, "Pirates of the China Seas: Adventures of East and West in Quelling Sea-Roving Enemies of the Human Race," *Asia* Apr. 1924 306-328. This article gives an historical overview of the problem of piracy in the China Seas.

<sup>4</sup>"The Piracy Problem," *North-China Daily News* 20 May 1914; "Piracy on Canton River," *NCDN* 11 Sept. 1923; "Pirate Attack at Woosung," *NCDN* 3 June 1932. *The China Year Book* also often included a section on shipping which also covered piracies. See George E. Sokolsky, "Shipping," *The China Year Book* 1926-7, ed. H.G.W. Woodhead, vol. 2 (Nendeln

**Table 6.1 Coastal Piracies Since 1923**

		Ship	Owners (Nationality)	Notes
1921	December	<i>Kwong Lee</i>	China Merchants (Chinese)	\$120,000 taken
1922	November	<i>Sui An</i>	Hongkong, Canton & Macao S.S.Co. (British)	\$34,000 taken
1923	May	<i>Tai Shun</i>	China Merchants (Chinese)	
	October	<i>Sun Ning</i>	Shui Hing S.S. Co. (British)	\$20,000 taken
	December	<i>Ka Co</i>	So Wah Hing: Amoy (Chinese)	\$33,000 taken
		<i>Hydrangea</i>	Chin On S.S. Co. (British)	
1924	October	<i>Ning Shin</i>	San Pek S.N.Co. (Chinese)	\$97,000 taken
1925	January	<i>Hong Hia</i>	Ho Hong S.S.Co. (British)	\$53,000 taken
	December	<i>Tung Chow</i>	Butterfield and Swire (British)	\$30,000 and baggage taken. The Captain was wounded. Seven pirates were caught and later executed.
1926	February	<i>Jade</i>	Shun Cheung S.S.Co. (French)	\$83,000 bullion taken
	March	<i>Hsin Kong</i>	China Merchants (Chinese)	\$115,000 taken
	July	<i>Kwang Lee</i>	China Merchants (Chinese)	\$200,000 taken. Crew were in collusion.
	August	<i>Hoi Lan</i>	Queng Kwong Ku (French)	250 pigs taken
		<i>Sandvarin</i>	Chartered by Soviets (Norwegian)	
	October	<i>Hsing Fung</i>	China Merchants (Chinese)	\$45,000 and cargo taken.
	November	<i>Hanoi</i>	Indo-Chinese S.N. Co. (French)	\$70,000 taken. Pirates were ex-soldiers.
		<i>Suining</i>	Butterfield and Swire (British)	Ship recaptured. Partially burnt. Many pirates were killed or executed later.
	December	<i>Hong On (illegible)</i>	Great China S.S. Co. (Chinese)	

### Coastal Piracies Since 1923 (continued.)

	Ship	Owners (Nationality)	Notes
1927	January	<i>Beng Bee</i> (illegible)	\$100,000 taken. 60 pirates engaged.
	March	<i>Hop Sang</i>	\$10,000 taken. Pirates were stowaways.
	May	<i>Peng Pa</i>	San Pek S.S.Co. (Chinese)
	July	<i>Solvikan</i>	\$30,000 taken. The Captain was killed and one officer wounded.
	August	<i>Hsin Chi</i>	\$100,000 taken. Pirates altered the appearance of the ship.
		<i>Fatshing</i>	Jardines (British) \$10,000 taken.
	October	<i>Irene</i>	China Merchants (Chinese) Ship sunk by British submarine while entering Bias Bay.
		<i>San Nam Hoi</i>	China Merchants (Chinese) Chief Officer killed.
1928	February	<i>Hua An</i>	Sheung On S.S.Co. (Chinese)
	March	<i>Hsin Wah</i>	China Merchants (Chinese) \$25,000 taken.
	May	<i>Tean</i>	Butterfield and Swire (British) \$4,000 taken. Seized while at anchor in Hoihow harbour.
	September	<i>An King</i>	Butterfield and Swire (British) Two Officers killed, Captain wounded.
1929	September	<i>Deli Karu</i>	O.S.K. (Japanese) \$10,000 taken. Pirates had bribed the stewards and had a cabin inside grille
	December	<i>Haiching</i>	Douglas S.S.Co. (British) Pirates never gained control. One officer killed, two wounded, Ship partially burnt. Pirates were killed and some executed.

Source: Adapted from "Coastal Piracies Since 1923," Colonial Office papers, Public Records Office, London:

depth of the piracy problem. No ship was safe from attack. While there appeared to be a decline in the frequency of attacks since September 1928, this was explained as not reflecting a drop in the “piracy spirit” but rather was a result of anti-piracy measures. This became so much of a problem that in November 1928, the Hong Kong and Shanghai authorities dispatched troops to travel on British vessels hoping to encourage any pirate elements to think twice before attacking the ship.<sup>5</sup> The *China Year Book* (CYB) for 1926 and 1927 devoted a section to piracy and military interference with shipping. It outlined the details of the *Mei Ren*, *Tungchow*, *Jade* and *Kwanglee* piracies.<sup>6</sup> Woodhead, the editor of the CYB was one of the ill-fated passengers onboard the *Tungchow* during the attack. The captain was shot and wounded by the pirates who then threatened the passengers, although they left them largely unmolested. The report wrote of the pirates, “they insisted upon a course far out from land and evinced murderous intentions every time another steamer hove in sight.”<sup>7</sup> Fortunately no passengers were injured. Piracy was a common risk passengers and steamer companies faced when embarking on sea travel on China’s coast. The CYB for 1929–1930 also dealt with another nine piracies that had occurred.<sup>8</sup>

Smuggling was a large concern for the Service. Discovering hiding places where goods may be stored was a regular activity for Customs staff. C.A.S. Williams, a

---

Liechtenstein: Kraus Reprint, 1969) 830–839; and “Shipping,” *The China Year Book 1929–30*, ed. H.G.W. Woodhead (Tientsin: The Tientsin Press, 1929) 795–806. The *North-China Daily News* and *The China Year Book* will be referred to respectively as NCDN and CYB. Also a children’s novel by Stormrail (pseud.), *Pirates and Perils* (London: The Sheldon Press, n.d.) recounts the adventures of a British officer on the China seas. This novel reveals an intimate knowledge of China and presents an accounts of encounters with the notorious pirate, “Mr Chang,” who would board ships as a passenger and then proceed to take over the ship.

<sup>5</sup>Following the attack on the *Anking* (in September 1928) questions were asked in British parliament. General Officers Commanding in Shanghai and Hong Kong were authorized to provide military guards to travel on steamers on the Hong Kong, Singapore, Swatow and Amoy routes. “Shipping,” CYB 1929–30 801–802.

<sup>6</sup>“Piracy and Military Interference with Shipping,” CYB 1926–7, vol. 2 830–839.

<sup>7</sup>“Piracy and Military Interference with Shipping,” CYB 1926–7, vol. 2 838.

<sup>8</sup>“Shipping,” CYB 1929–30 795–806. The piracies discussed included the ships: *Irene*, *Sunning*, *Haiping* (a river piracy in the Yangtze which also involved three other vessels), *San Nam Hoi*, *Hirao Maru*, *Hsin Wah*, *Tean*, *Anking*, and *Hsin Chi*. The article also includes a contribution to the *China Mail*, Hong Kong by Li Chung-yin entitled “Inside Story of Pirate Activities” [“Shipping,” CYB 1929–30 803–806].

Customs Commissioner, devoted a chapter in his memoirs to the “Art of Smuggling.”<sup>9</sup> He gives a vivid description of smugglers encountered in the course of a career in the Customs. Goods could be concealed in the vessel, on the person, in luggage or in boxes, and baskets with false bottoms. Williams details the strange examples of piglets being drugged and disguised as human infants before being smuggled across borders, a man smuggling diamonds inside his glass eye, a false bottom in a birdcage and hollow bricks. He relates:

An old Chinese woman boards a steamer at Canton with a basket containing a cat with five newly-born kittens; the mother is very solicitous of their welfare even though they are dead and stuffed with opium!<sup>10</sup>

These ingenious measures were more the exception rather than the rule. The expanse of the China coast remained a challenge for the Service which battled to maintain and monitor regular avenues for trade. The introduction of China’s first National Import Tariff on 1 February 1929 provided the stimulus for the renewed vigour of widespread smuggling. Canton and Hong Kong, by virtue of their geographical, political and economic status became the centre of these illegal operations.<sup>11</sup>

Hong Kong’s relationship with Mainland China was often underscored with tensions. This is clearly evidenced throughout the Republic and often broke out in conflicts, the Canton–Hong Kong boycotts of 1925–1926 for example.<sup>12</sup> As the Chinese sought to regulate and direct trade in the Treaty Ports through the Maritime Customs Service, tensions between the Hong Kong authorities, with their laissez faire outlook on trade, and their Chinese counterparts increased. As early as 1868 the question of smuggling resulted in the fiscal blockade of Hong Kong.<sup>13</sup> There were renewed negotiations over a proposed Customs agreement with the Colony in

---

<sup>9</sup>C.A.S. Williams, *Chinese Tribute* (London: Literary Services and Production, 1969) 46–49.

<sup>10</sup>Williams 48.

<sup>11</sup>Stanley F. Wright, *Hong Kong and the Chinese Customs*, Inspectorate Series number 7, (Shanghai: Statistical Department of the Inspectorate General of Customs, 1930) 17.

<sup>12</sup>See Chapter 4 of this thesis.

<sup>13</sup>“Memorandum on the Hongkong Customs Agreement,” c.31 Mar. 1930, Colonial Office document series 129, Public Records Office, London 88.

1910 and 1917 also but these met with little success. For the Customs Service the freedom for vessels in Hong Kong's waters had come to represent a thorn in its side.

The Chinese Customs had what could only be described as an ambivalent relationship with the colony. While permitted to have an unofficial Customs office in Victoria and a Customs house in Kowloon in as early as 1886, the MCS however had agreed that the Commissioner would always remain a Briton.<sup>14</sup> Despite this understanding, the Commissioner however was never afforded official recognition by the Governor. The colony tolerated the presence of the Chinese Customs but never to the extent that it was afforded any official capacity. The Kowloon Commissioner was a visible but superficial concession to Chinese. With the handing over of the New Territories in 1899, the Imperial Maritime Customs Service suffered a blow to its prestige as the four stations it maintained therein were closed.<sup>15</sup> In June 1898 Hart stressed the need for the maintenance of these stations (Cheung Chau, Kap Shui Mun, Lai Chi Kok and Fat Tau Chau) in a letter to Sir C. MacDonald, as it was vital to the protection of China's revenue.<sup>16</sup> Hart's suggestions were not greeted with enthusiasm and the MCS, much to its chagrin, was forced to establish Customs posts at the newly drawn up frontiers.

Hong Kong's uneasy relationship with the Service was regularly punctuated by attempts to come to some cooperative venture or, at the least, some understanding of how the waters could be better patrolled. For the Customs it was a sign of their constancy in trying to serve the Chinese to the best of their ability. The proposed Harris Agreement of 1910, named after the Kowloon Customs Commissioner, sought principally to address salt smuggling by allowing the Customs to function more freely in the Colony. The Hong Kong Government did not enter into negotiations with similar objectives as Harris. Rather it sought to use the proposed agreement as a lever for better negotiation of the Canton-Kowloon Railway Working Agreement. Predictably negotiations surrounding the Harris Agreement were dropped once the Canton-Kowloon Agreement was successfully concluded.<sup>17</sup> In 1916 the basic premise

---

<sup>14</sup>Wesley-Smith 20.

<sup>15</sup>"Memorandum on the Hongkong Customs Agreement" 88-89.

<sup>16</sup>Robert Hart, letter to C. MacDonald, 27 June 1898 in "Memorandum on the Hongkong Customs Agreement" 151-154.

<sup>17</sup>"Memorandum on the Hongkong Customs Agreement" 89-91.

of the Harris Agreement was again revived. Hong Kong authorities rejected it however as they desired more from the Agreement. Because of the detailed and localized nature of the proposed Harris Agreement, representatives of the Hong Kong Government and the Customs carried out the negotiations. This was despite the fact that the British Minister to China and the Government of China would sign any agreement. As a result the Colonial Office lamented the scant material available for examining the whole question.<sup>18</sup>

The Customs and its relationship with the Hong Kong establishment only receive limited attention in current academic works. Generally the relationship is only glossed over in discussions on the development of Hong Kong or its relations with China.<sup>19</sup> The following section examines the Customs agreement negotiations that took place in 1929 and 1930 between the Hong Kong authorities and the IG. Significantly it was under the initially controversial leadership of IG Maze that these negotiations were once again initiated. At this time Maze instructed Stanley Wright, historian and Customs Commissioner who was present at the negotiations, to produce a short work outlining the relationship between Hong Kong and the Customs. This work, *Hong Kong and the Chinese Customs*, was published as part of the Customs' own publication series.<sup>20</sup> Maze's motivation for encouraging such a publication was to raise the profile of the negotiations and to put forward the Customs case from a historical perspective.<sup>21</sup> The empathy of Governor Cecil Clementi provided a glimmer of hope that the contentious right to patrol the waters would be finally resolved.

Records of the Colonial Office provide a detailed account and discussion of the negotiations that took place between the Service and the Hong Kong Governor. The tenor of the discussions emerge with definite themes: the problem of smuggling, the need for reciprocity with the Chinese, and also concern over any possible changes to the Hong Kong–Chinese status quo.

---

<sup>18</sup>“Memorandum on the Hongkong Customs Agreement” 93–94.

<sup>19</sup>See Wesley Smith; and Norman Miners, *Hong Kong Under Imperial Rule 1912–1941* (New York: Oxford University Press, 1987). Both touch on the Customs and its relationship with Hong Kong. For a livelier account of the Chinese Customs and its contact with Hong Kong see Frank Welsh, *A History of Hong Kong* (London: Harper Collins, 1993).

<sup>20</sup>Wright, *Hong Kong and the Chinese Customs*.

<sup>21</sup>See Frederick Maze, “Foreword,” *Hong Kong and the Chinese Customs* iii–iv.

## ***The Proposed Hong Kong-China Trade and Customs Agreement, 1929-1930***

Maneuvering the MCS through the negotiations between the Nationalists and the Hong Kong Authorities was a challenge for Maze. The negotiations focused on the right of the MCS to patrol the colony's waters and in doing so prevent smuggling to the China coast. A definition of the boundaries of China trade was integral to negotiations but intrinsically difficult to achieve. Dialogue between the interested parties often foundered. For Maze the proposed Agreement marked the launching of the Customs on a course much more sympathetic to KMT aspirations. The failure of the agreement is significant in that both Lampson and the British Foreign Office, those who had been most grudging in their assessment of his leadership, offered sympathies to the good offices of Maze.

The actual motivations for reviving negotiations between the Service and Hong Kong are almost lost in the discussions that followed. In the British Foreign Office's Annual Report for 1929, Lampson commented that in response to the increase of alleged smuggling that had been largely inspired by the increased tariff of 1929, the National Government deputed the IG to proceed to Hong Kong during the summer to negotiate the Agreement.<sup>22</sup> Wright, moreover, credited Maze with the initiative for not only the trip to Hong Kong but also the customs agreement that was to be discussed.<sup>23</sup> On 24 June 1929 Maze had submitted a memorandum to the Chinese Government on the subject of smuggling and the measures he believed were necessary to protect revenue.<sup>24</sup> In this document Maze outlined that the new tariffs had not only given greater impetus to smuggling, it was also beginning to lead to more desperate measures being taken by smugglers. The Kowloon and Lappa

---

<sup>22</sup>Miles Lampson, "Annual Report, 1929," *British Documents on Foreign Affairs: Reports and Papers from the Foreign Office Confidential Print*, Part 2, Series E, Vol. 20 (Frederick: University Publications of America, 1984) 270. This series title will be subsequently abbreviated as *British Documents* and all references to this title refer to part 2, series E.

<sup>23</sup>Wright, *Hong Kong and the Chinese Customs* 17.

<sup>24</sup>F.W. Maze, semi-official circular no. 61, 24 June 1929, *Documents Illustrative of the Origin, Development and Activities of the Chinese Customs Service*, vol. 4 (Shanghai: Statistical Department of the Inspectorate General of Customs, 1939) 245–249. This series will subsequently be referenced as *Documents* in this chapter.

districts were listed among those he felt needed to be specially guarded.<sup>25</sup> Throughout the Republic Customs launches had often engaged in preventive work, boarding and inspecting vessels, but Maze noted that in recent times Customs launches were experiencing increasing difficulty in gaining the cooperation of these vessels. When approached some vessels ignored Customs signals or, in extreme cases, resorted to gunfire when challenged. Maze cited the case of revenue launch *Yeungshing*, operating from Kowloon. This launch was fired upon without warning when approaching three suspicious looking junks and sustained minor damage.<sup>26</sup> By arming Customs vessels with better equipment and allowing them to return fire when met with resistance, Maze maintained that smuggling in the Kowloon area could be combated. Furthermore he believed such moves were a good preparation for the negotiations with Hong Kong, which he would soon be entering into.

In conjunction with the proposals regarding the development of a preventive service that was agreed to in principle by the Chinese Government, Maze arranged to enlist a Commissioner to investigate the areas where smuggling was rife.<sup>27</sup> This was with view to presenting possible solutions to the problem. In this document Maze reveals a dynamic approach to what he perceived as a major threat to the growing Customs revenues. In his view the development of a better-equipped preventive service did not hinge solely on the success of the Hong Kong–Customs negotiations. In a display of farsightedness, Maze intended it would have a significant impact on smuggling regardless of the outcome of the agreement. Before any investigations could take place, however, Maze travelled to Hong Kong to reinitiate negotiations for a Customs agreement.

During the course of this visit in July 1929 Maze suggested that the previously discarded Harris Agreement could be used as the basis for renewing discussions. A Colonial Office report indicated that Maze had intimated that there might be a tightening of a Chinese cordon around the colony should no agreement be reached.<sup>28</sup> The basic premise of the Harris Agreement was that of permitting the MCS to

---

<sup>25</sup>Other areas listed for special security included the Tonkin frontier, Kwangchowwan, the Korean frontier and the Russian frontier. Maze, semi-official circular no. 61 246.

<sup>26</sup>Maze, semi-official circular no. 61 246

<sup>27</sup>Maze, semi-official circular no. 61 249

<sup>28</sup>"Memorandum on the Hongkong Customs Agreement" 92

function freely within the colony and surrounding waters to prevent smuggling. In return for such concessions, however, the Hong Kong authorities wanted the right for ships under the British flag to have permission to trade between Hong Kong and non-Treaty Ports. Further to this Governor Clementi made it clear that apart from wanting inland water privileges for the colony's steam vessels, he wanted a clause inserted protecting Hong Kong's coastwise trading privileges in all circumstances.<sup>29</sup> From the outset Maze responded that any such clause would render the proposal unfavourable to Chinese interests. Inevitably negotiations were prolonged since each party wanted to have the upper hand in the final Agreement.

A conference was held at Government House on 19<sup>th</sup> July. The basic premise of this conference was the renewal of negotiations surrounding the proposed agreement of 1918. Hong Kong was represented by Governor Clementi; W.T. Southorn, Colonial Secretary; Sir Joseph Kemp, Attorney-General; Commander G.F. Hole, Harbourmaster; and J.D. Lloyd, Superintendent of Imports and Exports.<sup>30</sup> The Governor also requested the attendance of the British Consul in Canton, G.S. Moss. China was represented by the Customs. C.F. Johnston, Commissioner of Customs at Kowloon district, and Stanley Wright, Commissioner, accompanied IG Maze.<sup>31</sup> The 1918 draft was discussed in detail and a small committee was appointed to make the amendments suggested by the conference. The conference met frequently for discussions throughout the following week. A second conference was held on 29 July where further amendments were made to the draft of the proposed agreement.<sup>32</sup>

After further amendment the Hong Kong representatives were satisfied with the Agreement. Maze then submitted it to the Chinese Government for consideration.<sup>33</sup> The most contentious article in the 1929 draft was Article V, which related to inland shipping privileges for Hong Kong. This clause had been present in a shorter form in both the 1910 and 1918 proposals, and both times the Chinese had

---

<sup>29</sup>Wright, *Hong Kong and the Chinese Customs* 17.

<sup>30</sup>Wright, *Hong Kong and the Chinese Customs* 17.

<sup>31</sup>Wright, *Hong Kong and the Chinese Customs* 17.

<sup>32</sup>Wright, *Hong Kong and the Chinese Customs* 18.

<sup>33</sup>Wright provides copies of and a comparison of the 1918 and 1929 drafts. See Wright, *Hong Kong and the Chinese Customs* 18–20.

been prepared to accept this clause as part of Agreement. By 1929, however, the political climate in China had changed. Wright detailed:

China had undergone a re-birth, and the strong spirit of patriotism, which was manifesting itself all over the country, was strongly opposed to the granting of any privileges to foreigners which were derogatory to the fact or feeling of national sovereignty.<sup>34</sup>

The Chinese maintained it was difficult for Hong Kong to demand privileges that may soon be removed from Britain. Despite the conference's initial promise, it rapidly became apparent that negotiations had reached a deadlock, with the KMT proposing to omit Article V and Hong Kong's authorities not wanting further negotiation unless the clause remained in place.

The Hong Kong authorities' response to the proposed agreement was predominated by self-interest. In their eyes the issue rested, as it had always been, on the side of Chinese concerns. A simple granting of permission to the Customs to patrol the colony's waters held no tangible benefit for Hong Kong. Therefore the Governor was motivated to seek some benefits out of the agreement. The Colonial Office report comments:

Throughout all of these intermittent negotiations, the attitude of the Hong Kong Government has invariably been that it is the Chinese who are bent on concluding the agreement, while the colony is comparatively indifferent to the main (i.e. Customs) issue. It is therefore up to Hong Kong to secure the maximum advantages in return.... If the bargain is not good enough, the Colony will drop the question one [sic.] more.<sup>35</sup>

It was this rationale of optimizing their benefits that prompted British demands for their shipping to be granted privilege to trade at non-Treaty Ports in exchange for its concessions to the MCS. The Hong Kong authorities considered they were in an advantageous position in these discussions as they viewed it was the Chinese who had always wanted such an Agreement. In exchange for the inconveniences the colony would encounter in allowing the MCS a free run, they wanted to get the best possible deal for Hong Kong.

---

<sup>34</sup>Wright, *Hong Kong and the Chinese Customs* 21.

<sup>35</sup>"Memorandum on the Hongkong Customs Agreement" 93.

Early negotiations were compounded by concerns over the possible ramifications for Hong Kong should an agreement not be reached. This is certainly a change from Hong Kong's position when the Customs agreement had been dropped rather unceremoniously by the authorities years earlier in 1916. Hong Kong authorities, when faced with Nationalist China, began to realize they were no longer in a position to simply discard negotiations after obtaining what they wanted from the Chinese government without any reciprocity. Maze took great pains to explain his and the MCS' position in the negotiations. Furthermore he protested that he did not want to be mistaken as "threatening" Hong Kong's authorities but rather urged them to be aware of the possible ramifications should Hong Kong reject the agreement:

...it is idle to shut our eyes to the fact, and it should be clearly understood that if the Agreement is definitely turned down, the Customs will establish a very stringent—and for China a very expensive—"Preventive cordon" round Hong Kong and the Leased Territory—not with a view to crippling the Colony's trade, but—merely in order to protect as far as possible China's Revenue.<sup>36</sup>

Maze's tone in this letter is clearly threatening. He alluded to the Service's resolve to act against any attempts to thwart the negotiations. A preventive cordon around Hong Kong would allow the MCS to protect China's interests and, unfortunately, the colony would be hurt as a result.

Documentation of the negotiations was incomplete and often sketchy. The Colonial Office provided an overview and discussion of interested parties and their motivations in either supporting or opposing the Agreement. The Foreign Office papers reveal much of Lampson's reaction to events. Surprisingly in the volumes of Customs documents, *Documents Illustrative of the Origin, Development and Activities of the Chinese Customs Service*, there is no mention of the Customs Agreement. In a further, most intriguing twist correspondence between Maze and the London Office's Non Resident Secretary, Stephenson, discussed instructions that all confidential correspondence pertaining to the Agreement was to be permanently removed from the Office. Stephenson reported to Maze:

With regard to the Confidential and Private Letters which you have sent me since January 1929, these have always been kept entirely apart from all other correspondence in a drawer specially reserved for the purpose under lock and

---

<sup>36</sup>F.W. Maze, letter to undisclosed recipient in London, 21 Oct. 1929, The Maze Papers, vol. 18.

key together with the corresponding Confidential and Private Letters from myself to you. I have now carefully removed from this drawer every Confidential and Private Letter received from you or sent to you and there is now in this Office no record whatever of this correspondence [sic].... Other Confidential Telegrams from yourself—e.g. concerning the Hong Kong Agreement—in which references were made to your Confidential Letters and opinions expressed with regard to “actions and attitudes”, and those from myself communicating to you messages of a similar nature—telegrams which had been entered in the Telegram Book—all of these have been removed from the book without any mutilation or disfigurement.<sup>37</sup>

As a result of this secrecy the following exploration of the unsuccessful negotiations is sometimes necessarily sketchy. But overall it is clear that despite the delicacy of these negotiations, Maze was actively pursuing KMT and Customs interests.

The proposed agreement inevitably attracted a bevy of lobby groups both within and outside China who were eager to weigh into the negotiations. The Colonial Office and Maze, at varying stages, outlined these lobby groups and their stance on the proposed Agreement. In this regard the lobby groups must have been considered significantly vocal and therefore their views given some attention. A brief listing of these groups is as follows: the Foreign Office, Colonial Office and the Consul at Canton, the Inspector General of Customs, the Hong Kong Government, Shanghai Chamber of Commerce and the China Association. All of these groups were known to have interests in the development and outcome of any negotiations.<sup>38</sup> What becomes apparent in the documents relating to this event is that not only were the main players important, but there was a heightened awareness of the lobby groups. These latter were increasingly vocal with regards the negotiations, particularly those that focused on the territorial “reach” of the MCS.

In October 1929 Maze enlisted Commissioner Bell to investigate the frontiers of China (particularly Kowloon and Lappa) with reference to smuggling.<sup>39</sup> In a Customs circular he urged all Commissioners to give Bell their full support and he also requested that they examine their local region and submit recommendations of preventive measures if they believed smuggling had increased in the area.<sup>40</sup> Between 25 February and 28 March 1930 Bell conducted a South-East China Coast

---

<sup>37</sup>Stephenson, letter to F.W. Maze, 25 Nov. 1930, *The Maze Papers*, vol. 5.

<sup>38</sup>“Memorandum on the Hongkong Customs Agreement.”

<sup>39</sup>F.W. Maze, circular no. 3990 (second series), 24 Oct. 1929, *Documents*, vol. 4 244.

<sup>40</sup>F.W. Maze, circular no. 3990 (second series), 24 Oct. 1929.

Investigation Commission.<sup>41</sup> He embarked on the revenue steamer *Pingching* and was accompanied by Customs staff Cha I-cheng, 3<sup>rd</sup> Assistant B and G.H. White, Assistant Boat Officer A, while Commander G.H. Ruxton was in charge of the cruiser. Chinese delegates, Huang Shang, Secretary to the Canton and District Superintendent of Customs and Yao Ts'ai-liang, Deputy to the Superintendent of Customs, Foochow (from Kangtung and Fukien respectively) also joined the investigation.<sup>42</sup> In the course of the investigation, at Bell's instruction, 24 motor vessels, 12 steam vessels and 24 seagoing junks were boarded and searched by White. As a result six of the motor vessels were seized. Japanese nationals owned five of the vessels found to be engaged in direct foreign trade to inland waters.<sup>43</sup> At Amoy, Bell ordered a raid on the island of Wusu, which was supported by a Chinese gunboat *Chuchien* and troops from Amoy.<sup>44</sup> This raid directly challenged a smuggling ring, a Japanese vessel was held and goods were confiscated from buildings.

Bell's findings following his investigation were mixed. He believed the Customs needed a closer working relationship with the native Customs service if smuggling was to be effectively countered.<sup>45</sup> He also found that laws regarding junks trading with foreign ports (Formosa in particular) needed to be clarified, so too that motor vessels should be classified as steamers and therefore they would need more detailed paperwork and to carry a copy of their manifest. Bell recommended that all vessels within twelve miles of the Chinese coast or islands could be liable to be searched. At the same time, though, he admitted that his own views had modified with regards the extent of the smuggling blight. Bell recorded:

While the possibility of smuggling to a heavy extent exists, it is to be doubted if it is availed of to the extent that might be supposed. For from the profits gained by evasion of a high tariff there must always be deducted much on account of risk of piracy while on the water and banditry ashore.<sup>46</sup>

---

<sup>41</sup>F. Hayley Bell, "South-East China Coast Investigation Commission," 5 May 1930, *Documents*, vol. 4 279.

<sup>42</sup>Bell 279.

<sup>43</sup>Bell 280–281.

<sup>44</sup>Bell 281.

<sup>45</sup>Bell 283.

<sup>46</sup>Bell 282.

This was not a denial that smuggling was a problem. The “unending panorama of rugged bays and well-concealed coves” meant smuggling could never be completely eradicated but rather revealed that Bell’s investigation had led him to scale down his perceptions. In addition Bell commented that while he thought preventive measures were necessary, the proposed arming of harbour launches was not ideal. He believed this would be inclined to invite attack and unless staff were all extremely disciplined and trained it could lead to some “unpleasant incident.”<sup>47</sup> This report was well received by Maze and the Government. It confirmed for Maze that smuggling was indeed a constant problem along the southern coast.

Maze did not find British circles sympathetic to the Customs attempts to address the smuggling problem. From the outset and as negotiations stretched into 1930, Lampson was not won over by the supposed urgency of the discussions. He was not convinced that the KMT really needed the proposed agreement to be hurried along. The Minister moreover expressed a suspicion that smuggling was not as urgent a concern as Maze would have the Foreign Office.<sup>48</sup> Lampson saw the Hong Kong–MCS agreement as hinging on two points: how far was it in British interests that such an agreement should be concluded? And what disadvantages would there be for Hong Kong should the MCS be allowed to function?<sup>49</sup> In line with this advice from their man in China, the Foreign Office viewed the need for an agreement as being more an exercise in good relations with the Chinese Government than to really provide any benefits to Hong Kong. There is no evidence that Bell’s report was made available to the Office.

The Foreign Office approach to the proposed Agreement attempted to take into account the wider significance of negotiations. The Foreign Office perceived Hong Kong’s authorities as having a narrow view of at the proposal and therefore missing the fact that reaching an Agreement would be beneficial to all British interests and relations with Nationalist China. It would be responsible for “removing a legitimate source of grievance as regards smuggling, and strengthening the value to China of

---

<sup>47</sup>Bell 285.

<sup>48</sup>Miles Lampson, telegram to A. Henderson, 2 Jan. 1930, British Foreign Office document series 405, Public Record Office, London.

<sup>49</sup>Lampson, telegram to Henderson, 2 Jan. 1930.

the foreign staffed Customs administration.”<sup>50</sup> The Foreign Office also maintained that a successful conclusion would bolster the foreign inspectorate of the Customs. Significantly the potential loss of face to the Customs should negotiations fail received no mention elsewhere. Maze’s leadership had not heralded the demise of the foreign Inspectorate of the Customs as feared by Lampson and the Foreign Office. Indeed the Service appeared to have been strengthened in its relationship with the KMT. It appeared, therefore, that the Foreign Office believed that precipitate action in suspending discussions should be avoided in the interests of the Service.

As discussed previously the most contentious aspect of the proposed Agreement was that which granted British shipping special privileges. Under Articles V and VI ships & junks trading under the British flag would be permitted to trade at all non-Treaty Port locations along the China coast. As a proviso for inland trading rights, these ships had to register with the Customs before being permitted to trade. In response to this contentious demand, the Chinese offered a compromise that inland trading rights would be granted to vessels that were prepared to trade under the Chinese flag. Unprepared to run the risks of trading under a Chinese flag, Hong Kong authorities reduced their claims to limiting British ships to the coasts of Kwantung and Kwangsi. They saw the rights of inland navigation to the Kwangtung and Kwangsi provinces as an essential element to the success of the Agreement.<sup>51</sup> Furthermore they requested that privileged factory treatment be granted to Hong Kong manufactures. Maze’s thoughts on the contentious articles were much more pragmatic. As Hong Kong steamers at the time had no rights to the inland waters, he then reasoned that omitting Article V from the Agreement would be no loss for the authorities; they could not lose a right that they never had.<sup>52</sup>

Sir Cecil Clementi, regarded as sympathetic to the MCS, gave his farewell address to the colony in January 1930 and was replaced as Governor by Sir William Peel in May 1930.<sup>53</sup> A *North-China Daily News* article detailed the “important

---

<sup>50</sup>“Memorandum on the Hongkong Customs Agreement” 131–132.

<sup>51</sup>“Memorandum on the Hongkong Customs Agreement” 129.

<sup>52</sup>F.W. Maze, “Proposed Customs Agreement with Hong Kong in Re:” 23 May 1930, The Maze Papers, vol. 18.

<sup>53</sup>There was discussion in Colonial Office papers that Clementi was in disfavour as it was believed he had been taking on too much of the negotiations without reference to the authorities.

problems” that Peel was already attempting to address: the trade slump due to a decline of the silver dollar, concerns over tax increases and possible constitutional reform.<sup>54</sup> There was not any mention of the new Governor turning his attention to the ongoing Hong Kong–China Trade and Customs Agreement negotiations. In a secret telegram from Peel to the Secretary of State for the Colonies, it is apparent that Peel was not only well aware of the ongoing negotiations but that he was inclined to be dismissive. After reading through the files and in consultation with his advisers, Peel declared:

I find myself entirely opposed to the suggested agreement. I consider it to be most undesirable to allow China to operate a preventive service in the waters of the Colony. I strongly recommend that as conditions set out by us in draft agreement are unacceptable to Chinese Government proposed agreement be dropped.<sup>55</sup>

Peel’s denouncing of the proposed Agreement has been cited by Wesley Smith in *Unequal Treaty* as the main reason for the ultimate failure of the negotiations.<sup>56</sup> This is not, however, an accurate understanding of Peel’s role in events. Negotiations were suspended by mid-1930 as a result of internal unrest in China and Peel’s reluctance to leave the Agreement as it stood. This did not mark the end of discussions and by October Maze and Peel were able to devise a much more mutually agreeable proposal. When the Customs Agreement issue was raised again in 1935 (with a similarly unsuccessful outcome), Maze wrote of Peel’s retirement with regret. He believed the Governor had been an “invaluable support.”<sup>57</sup> Clearly, then, Peel was not the main stumbling block in the discussions.

Negotiations around the proposed agreement had already become contentious by the time Peel arrived as the new Governor. Lampson expressed his suspicion towards granting any leverage to the “Chinese irredentists” whom he believed would utilize such concessions in campaigning for the return of Hong Kong to Chinese

---

<sup>54</sup>“Hong Kong Welcome to New Governor,” NCDN 10 May 1930.

<sup>55</sup>William Peel, paraphrase telegram to Secretary of State for the Colonies, 17 May 1930, Colonial Office document series 129.

<sup>56</sup>Wesley- Smith 138–139.

<sup>57</sup>F.W. Maze, letter to E. Ensor, 23 May 1935, The Maze Papers, vol. 10.

control. In a discussion with Swire<sup>58</sup> and Teichman,<sup>59</sup> Lampson revealed something of the confusion that had rapidly surrounded the Agreement:

As regard the Hong Kong Customs Agreement, I told him that, like other people who had anything to do with the wretched question, I had quite frankly wobbled in my opinions.... I might be over-suspicious, but I felt instinctively that we should be very chary to agreeing to anything which would give a handle to Chinese irredentists in the campaign which I felt certain would increase as time went on for the handing back to China of the Colony of Hong Kong—a matter on which I trusted we should always firmly dig our toes in.<sup>60</sup>

For Lampson one of the overriding concerns was trying to balance the interests. In doing so he thought it was preferable to create some type of preventative service without compromising the position of Hong Kong as a British colony. In the same entry Lampson referred to Governor Peel as being “genuinely anxious” to resolve the question.

During discussions of the negotiations Lampson and Peel made use of the term “irredentist” to describe Chinese interests in the proposed Agreement. Both appeared particularly concerned that any leeway from Hong Kong may open the gates for demands for the return of the colony. Lampson reflected that he had been concerned that any changes in Hong Kong’s status may have “promoted Chinese irredentist aspirations.”<sup>61</sup> Such fears may not have been completely unfounded. The Kuomintang had only recently ascended to power, and with its heady mix of nationalist fervour and early achievements of tariff autonomy and with the abolition of extraterritoriality being discussed, it may indeed be conceivable that reclaiming territory lost to the British might become a further ambition.

As negotiations appeared to have come to a standstill, the NCDN sought to keep the issue in the public eye. The significance of the Hong Kong–MCS agreement, according to a May editorial, was that these negotiations were anything but

---

<sup>58</sup>Possibly from the Butterfield and Swire business empire.

<sup>59</sup>E. Teichman, C.M.G., C.I.E. was the Chinese Secretary in the British legation. “Foreign Diplomatic and Consular Services,” CYB 1929–30 1107.

<sup>60</sup>Miles Lampson, 14 June 1930, The Killearn Diaries: Being the Diaries of Sir Miles Lampson, vol.1, ms., St Antony’s College Middle East Centre, University of Oxford.

<sup>61</sup>Miles Lampson, letter to A. Henderson, 31 Oct. 1930, British Foreign Office document series 405 35.

localized.<sup>62</sup> Possibly in a bid to ascertain Peel's stance on the Customs issue, the NCDN presented the pending Agreement as a concern for all foreign shipping in China. The China Association<sup>63</sup> received criticism for seeing "no harm" in the Agreement, this error in judgment being attributed to the Association receiving guidance from Sir Francis Aglen. The editorial questioned Aglen's ability as an adviser commenting, "without disrespect, it is scarcely possible for him to consider this issue from any but the Customs point of view."<sup>64</sup> In a reflection of the public ostracism of Maze for his part in the succession crisis, the new IG received no mention for his part in the negotiations. This provocative editorial declared that the proposed Agreement would not only affect all foreign shipping at the Treaty Ports but would have moved towards "an eventual demand for the surrender of Hong Kong." The implication of such comments was that the Customs had become a lever for the Nationalists to achieve their territorial ambitions. The MCS was taking on a new role as an instrument through which the Nationalist government could battle against the foreign powers.

The negotiations surrounding the proposed Agreement were immeasurably complicated by internal unrest in China. The Nationalists, while ostensibly leaders of a united China, were beset with internal dissension, primarily in the form of warlords who had accepted KMT leadership in the face of the Northern Expedition but did not intend to allow any decline of their own power. Warlords Feng Yu-hsiang and Yen Hsi-shan formed a Northern alliance against Chiang Kai-shek and in June moved in open challenge to the KMT (the resulting conflict and seizure of the Tientsin Customs is the focus of Chapter 7). Such challenges to both the KMT and to the Customs appear to have left the Agreement in a suspended state. There is no material to indicate that negotiations were actively pursued during the mid-1930, when the events in Tientsin were reaching a climax.

By late September, with the political and MCS situations in the North returned to KMT control, negotiations were once again initiated between Hong Kong and the Customs. In a letter to Non Resident Secretary Stephenson, Maze detailed that through Lampson, he had learnt that Hong Kong was in general agreement with

---

<sup>62</sup>"The Principle at Hong Kong,"editorial, *NCDN* 23 May 1930.

<sup>63</sup>The China Association was a British lobby group that consisted of ex-China businessmen etc.

<sup>64</sup>"The Principle at Hong Kong."

revised proposals. After further redrafting, Maze commented that Lampson's "views on the subject now harmonise with mine."<sup>65</sup> Copies of the draft were issued informally to the Foreign Office, the Colonial Office and the Chinese Minister in London.<sup>66</sup> According to Maze, if the Agreement were approved, C.T. Wang and Miles Lampson would sign it.

In October 1930 Maze journeyed to Hong Kong to continue discussions with the Hong Kong authorities. The *NCDN* reported the IG's impending travel and that it was understood that he would seek to create a satisfactory arrangement that would bring an end to smuggling in the South. This, in turn, would therefore mean greater revenues for Canton.<sup>67</sup> In response to this journey Maze alerted Non Resident Secretary Stephenson that his services might once again be needed. Maze predicted that Stephenson would be installed as Commissioner at Kowloon since the agreement had good probability of being accepted. The Kowloon post, in Maze's estimation, needed skilful administration as it promised to be one of "considerable delicacy and importance."<sup>68</sup> Maze's journey ended in success which he celebrated in a note to Sir Newton Stabb:

Peel and I have arrived at a complete understanding concerning the proposed Hong Kong Agreement and I understand that the Nanking Authorities are also prepared to accept my final recommendations in this connection. I trust, therefore that there will be no more hitches and that this tedious and troublesome question will be settled satisfactorily once and for all.<sup>69</sup>

The Agreement's conclusion was a personal success for Maze. His guidance of the Service was further confirmed as the right kind of leadership. Moreover he viewed the pending conclusion of the Agreement as a strengthening of his position.<sup>70</sup>

By October 31<sup>st</sup> Maze and Peel had reached a satisfactory settlement over the proposed Agreement.<sup>71</sup> The final test for was its being found acceptable by both the

---

<sup>65</sup>F.W. Maze, letter to Stephenson, 29 Sept. 1930, *The Maze Papers*, vol. 5.

<sup>66</sup>Maze, letter to Stephenson, 29 Sept. 1930.

<sup>67</sup>"Mr Maze Going to Hong Kong," *NCDN* 20 Oct. 1930.

<sup>68</sup>F.W. Maze, telegram to Stephenson, 20 Oct. 1930, *The Maze Papers*, vol. 5.

<sup>69</sup>Frederick Maze, letter to Newton Stabb, 13 Nov. 1930, *The Maze Papers*, vol. 5.

<sup>70</sup>Maze, telegram to Stephenson, 20 Oct. 1930.

Nanking and British governments. The Agreement's final form avoided the controversial demands for an exchange of mutual concessions and instead, focused on cooperation. Lampson who, in as early as June, had formed the opinion that the agreement as it stood would never be agreed upon had predicted such a shift away from earlier versions of this document. He recognized that the atmosphere surrounding the discussions had become embittered and believed that the only chance of success would be to drop the Agreement as it had stood and to concentrate on a preventative service alone.<sup>72</sup> Lampson also shared Maze's optimism for a successful conclusion and anticipated the revised proposal of the agreement would remove longstanding grievances between the Chinese and the colony.<sup>73</sup>

The final draft of the proposed Agreement (6 November 1930) was both a compromise and reduction of the original demands of the interested parties.<sup>74</sup> This Agreement focused primarily on preventative measures and the contentious articles granting privileges to vessels under the British flag were removed (See Appendix 3). Articles I through V addressed the status and conditions for Customs staff directed to Hong Kong. Essentially Customs staff would be treated as seconded employees and would operate under instruction from the Hong Kong Superintendent for Imports and Exports. Articles VI through XI dealt with the categories of vessels and their obligations to present a manifest of cargo and to pay the relevant duties to the Customs authorities when necessary. Article XII focused on salt, its importation, exportation and production. A permit for salt exportation had to be obtained from the Salt Department and then countersigned by the Commissioner of Customs. Article XIII forbade any person in Hong Kong to have dynamite or explosives; such substances could not be stored without a permit. Possibly this article was an attempt to stop smuggling of arms and also to discourage piracy. Article XIV allowed the Customs Commissioner to maintain an office in Victoria but no substations elsewhere (basically the situation remained unchanged from Hart's era).

---

<sup>71</sup>Lampson, letter to A. Henderson, 31 Oct. 1930 33-37.

<sup>72</sup>Lampson, 14 June 1930, The Killearn Diaries.

<sup>73</sup>Lampson, letter to A. Henderson, 31 Oct. 1930 33-34.

<sup>74</sup>A copy of the earlier proposed Agreements can be found in Wright, *Hong Kong and the Chinese Customs*; the November draft can be found in the Maze Papers, vol. 18.

Articles XV, XVI and XVIII are most significant in shaping the nature of the Agreement. The limitations of the draft become apparent as these Articles set the parameters for MCS involvement in Hong Kong. Article XV essentially defined the limit of the Customs' preventative service to Chinese waters only:

Except in special cases where, after consultation between the Commissioner of Chinese Customs and the Superintendent of Imports and Exports, joint operation are decided upon, revenue vessels of the Chinese Maritime Customs functioning in Chinese waters and revenue vessels of the Colony of Hong Kong functioning in Colonial waters shall not use each other's water in the exercise of preventive duties.<sup>75</sup>

This article is significant as it effectively negated one of the Nationalist's main demands for the Customs to have access to the colony's waters. By not allowing the MCS to patrol their waters, Hong Kong was protected from any possibility of becoming another Treaty Port. For the Customs this article meant they had to be prepared to work in conjunction with Hong Kong authorities to prevent smuggling. While not being what was originally envisaged, this cooperation was at least recognition of their concerns. Article XVI stipulated that Chinese or foreign goods passing through Hong Kong to or from a Treaty Port with Customs documents could maintain their original status, in this way avoiding any additional tariffs for re-importation of goods or products to China. In this way the colony was gaining the benefit of Treaty Port trade without actually being a Treaty Port or having to adhere to the obligations of having the MCS present in their waters. Article XVIII further emphasized cooperation between the MCS and Hong Kong authorities in each being responsible in trying to prevent smuggling in their waters. The Agreement was to be ratified for a five-year period, unless re-negotiated by both parties concerned (Article XXIV).

## *A Dead Letter: the Proposed Hong Kong-China Trade and Customs Agreement.*

The idea that the Chinese Maritime Customs Administration can remain in a water-tight compartment and function independently of the Chinese Government in these latter-days is fantastic, not to say stupid. But if we are

---

<sup>75</sup>"The Hongkong-China Trade and Customs Agreement (Draft)," 6 Nov. 1930, The Maze Papers, Vol. 18 442.

prepared to accept the limitations which fact places upon possibility, I believe that the life of the quasi-foreign Inspectorate can be prolonged to the advantage of foreign trade, shipping and finance."

Frederick Maze<sup>76</sup>

Maze believed that continued negotiations were dependent on the Nationalist's support. He thought that through serving and promoting the interests of the KMT the existence of the Service was secured. Despite the promising outlook of the November draft of the Agreement, negotiations failed. The Nationalist government rejected the draft and, in doing so, destined the Hong Kong–Customs issue to many more years of speculation and negotiations. The failure of the Agreement stemmed from the controversy surrounding the "free port" of Chung Shan. Despite silted approaches and poor water levels, it had been opened as a "free port" in July 1930. This was after intense lobbying on the part of locals.<sup>77</sup> There was no Customs tax on goods consumed within the port area and smuggling was rife.

The Chung Shan scheme was a huge liability for the Chinese government and the Customs. T.V. Soong visited Canton in October following Maze's reports of smuggling and found confirmation of this illegal trading through various sources. In response Soong instructed Maze to close the duty free area.<sup>78</sup> Maze noted that Soong's irregular action had raised a storm of protest in Nanking. The Chung Shan Deep-Water Scheme was a project of dubious merits that anticipated this free port would supplant Hong Kong as a leading entrepot. Many high Cantonese officials had personal interests involved.<sup>79</sup> They became convinced that the closure of Chung Shan was more a contrivance of Hong Kong interests than being revenue related and therefore directed their displeasure towards the ongoing Hong Kong–Customs Agreement.

The closure of Chung Shan was the catalyst for the failure of the proposed agreement. Maze wrote of the agreement as being a "total loss" as the "Canton Party"

---

<sup>76</sup>F.W. Maze, letter to J.J. Paterson, 24 Dec. 1930, The Maze Papers, vol. 5. Paterson was the head of Jardine Matheson's, Hong Kong.

<sup>77</sup>S.F. Wright, *China's Struggle For Tariff Autonomy: 1843-1938* (Shanghai: Kelly and Walsh, 1938) 646-647.

<sup>78</sup>T.V. Soong, letter to F.W. Maze, 27 Oct. 1930, The Maze Papers, vol. 5.

<sup>79</sup>Miles Lampson, "Annual Report, 1930," *British Documents*, vol. 20 370.

had raised objections.<sup>80</sup> Anger at the reactive response to Chung Shan emerged at the Fourth Plenary Session in Nanking where the Canton Party rejected the proposed agreement and in particular the concession in Article XVI<sup>81</sup> (this article granted goods passing through Hong Kong treaty port status). This faction's claim was that such an agreement would adversely affect the trade of Canton. Such a claim runs counter to the basic premise of the Agreement, which was to prevent smuggling and therefore benefit the South with extra revenue. What these Canton interests (including T'ang Shao-yi who was mentioned on several occasions in the *Maze Papers* as being a prominent supporter of Cantonese interests<sup>82</sup>) resented was any checking of smuggling in Chung Shan and the proposed Agreement would have further restricted such illegal trades.

The furore, which erupted over Chung Shan, left Soong attempting to justify his actions. On Soong's instructions Maze had closed the Chung Shan area but Soong, in a bid to extract himself from criticism, attempted to blame the MCS for having acted without proper instruction. Displaying clarity of judgment, Maze had ensured such a claim would not hold weight and had deliberately not acted until he had received written instructions.<sup>83</sup> In this instance he had avoided allowing the Customs Service to be drawn into political entanglements. Although the agreement was not concluded, in the seventy-odd years during which it had been a contentious issue, 1930 was the closest it had come to achieving success.

The failure of the Hong Kong Agreement was regarded as a resounding blow to the good offices of IG Maze, who had been the faithful orchestrator of negotiations. Commiserations for the leader were received from the British Foreign Office and from others interested in the China situation. As Maze reflected:

It is disheartening, of course, to see the work of a year destroyed in this manner, but such things happen in China (and elsewhere) and we must bow philosophically to the fact. I did my best to get the Agreement passed, and no man can do more than his best!<sup>84</sup>

---

<sup>80</sup>F.W. Maze, letter to Lyall, 21 Nov. 1930, *The Maze Papers*, vol. 5.

<sup>81</sup>F.W. Maze, letter to Stephenson, 21 Nov. 1930, *The Maze Papers*, vol. 5.

<sup>82</sup>See Maze, letter to Stephenson, 29 Sept. 1930; Maze, letter to Lyall, 21 Nov. 1930.

<sup>83</sup>Maze, letter to Lyall, 21 Nov. 1930.

<sup>84</sup>Maze, letter to Stephenson, 21 Nov. 1930.

The Foreign Office gave Maze's role in the negotiations indirect praise as they sympathized with him when negotiations stalled. Blame for the breakdown was placed squarely on the Chinese, who were presented as irrational in the face of generous foreign response. Lampson shared Maze's frustration at Soong's ill-judged actions regarding the Chung Shan Deep-Water Scheme and maintained it was a most regrettable outcome. According to the Foreign Office's 1930 report, Lampson asserted that the Hong Kong Government had gone a long way to meet the Chinese on this issue and that he was not personally prepared to press them to make further concessions.<sup>85</sup>

The Hong Kong–China Trade and Customs Agreement entailed complex and delicate diplomacy. Maze's leadership of the MCS was reaffirmed even though the Agreement was not successful. Maze had shown his skill as a negotiator and had made it clear to both the Nationalists and the British that he would not avoid his responsibilities as IG or as an employee of the Chinese Government. In a letter to Sir Newton Stabb, Maze asked:

I sometimes wonder, indeed, if you, and others in London who are interested in China, realise exactly just how difficult it is in these latter days - not merely to maintain the quasi-foreign Inspectorate, but to actually broaden the Customs' influence?<sup>86</sup>

Such questions confirm Maze's perception of his leadership as a crucial one for the Service. Through his active participation in the Agreement, Maze was heralding a new course for the Service. By shifting away from Aglen's semi-independent stance and overriding foreign interest bias, Maze was leading the Service into a more ambiguous position as he tried to balance Chinese and foreign interests. While Maze may not have found calmer waters for the MCS, he had turned the Service to run with the tide of events in China rather than setting himself against it.

---

<sup>85</sup> Lampson, "Annual Report, 1930" 370.

<sup>86</sup> Frederick Maze, letter to Stabb, 13 Nov. 1930.

## **CHAPTER 7**

---

### **Decline of the Maritime Customs Service**

The Republic had presented numerous challenges to the security of the Maritime Customs but 1930 onwards marked a gradual deterioration of Service's position in China. Challenges to the Service during this time were twofold: that of internal dissension as Chiang Kai-shek struggled to maintain dominance against disaffected warlord and communist forces, and that of Japanese aggression in the Northeast. These internal and external forces afflicted the Service in the form of the Tientsin Customs takeover in June 1930, the demands against the Canton Customs by Southern insurgents in 1931 and finally in the takeovers of Northeastern Customs houses by the Japanese in 1932. The Customs faced the possibility that these dangerous precedents would ultimately destroy its administration. During these challenges to the Service, Maze continually drew on the assertion that the Customs needed to stay out of politics to ensure its survival. The rich irony of this belief becomes readily apparent in this chapter, as the Customs Service was undoubtedly an inherently political institution although it may not have recognized itself as such. In seeking to keep the Service separate from the stresses that were buffeting the Nanking Government, Maze believed he was returning to the vision of his uncle, Sir Robert Hart for the Imperial Customs. Furthermore he believed that Hart was the only Inspector General (IG) who had possessed "real power" but he wisely had not paraded it.<sup>1</sup> Such comments reveal that Maze may have been not only seeking to emulate his uncle's leadership ideals but in doing so, hoped to attain a measure of his legendary influence in operating behind the scenes. The case studies of this chapter, however, reveal that Maze's vision was unrealistic and that his position as IG was not as influential as he may have wished.

---

<sup>1</sup>F.W. Maze, Letter to H. Harris, 20 Aug. 1930, The Papers of Sir Frederick Maze Relating to the Chinese Maritime Customs Service, vol. 5, Library of the School of Oriental and African Studies, London. This series of documents will subsequently be referred to as The Maze Papers.

Despite the numerous challenges that presented themselves to the Service from 1930 onwards, the Customs Service did not collapse. It existed in name, if not in a coherent form, until 1949. After 1937 the Service was, moreover, only a shadow of the Service during the earlier Republic. This chapter explores the earliest indicators of the atrophy of the MCS and its fragmentary state prior to 1937. Through the agencies of IG Maze's pragmatic leadership, the Service had been ensured an existence in Nationalist China. In the instance of the lead in negotiations for the proposed Hong Kong Customs and Trade Agreement (Chapter 6), Maze had further strengthened the indispensability of the Service to China's leadership. While Maze might have believed that the Service was being kept out of politics and hence out of the reach of many domestic concerns, throughout his leadership the Service was drawn more closely to the Nationalists. Consequently as Nationalist China was heading towards an uncertain existence beset with internal worries and external aggressions, the Service also faced a possible demise; their fates were linked.

This chapter examines case studies of incidents that had significant impact on the functioning of the MCS, namely the Tientsin Customs Seizure in 1930, claims against the Canton Customs in 1931 and then the Japanese claiming of northern Customs houses from 1931 onwards. The Tientsin Customs seizure arose primarily out of warlord (Feng Yu-hsiang and Yen Hsi-shan) opposition to the KMT and more specifically Chiang Kai-shek's dominance thereof. This takeover of the Customs house created a dangerous precedent for the possible dismembering of the Service. Dormant tensions between Maze and British Minister, Lampson, appear to have resurfaced as Maze responded to what seemed to be British inertia to the Tientsin impasse. Again in 1931 the Service faced a direct challenge through a Southern based faction of the KMT and their claims against the Canton Customs revenue. In this instance a compromise was affected. The Japanese Kwantung Army's ambitions and aggression in northeastern China had long been known to China and to other foreign powers. So too the Japanese had shown themselves to be seeking larger influence in the Customs. During the succession crisis (see Chapter 5) they had been angling to promote their own nationals into better vantage positions in the Service. The Manchukuo Government's seizure of the northern Customs houses in 1932, with the tacit approval of the Kwantung authorities, posed a serious threat to the existence of the Customs.

## ***The Tientsin Customs Seizure: An Overview***

On June 16 1930 the Commissioner of Tientsin Customs House, Colonel Hayley Bell, was called on by a delegation of local Chinese and foreigners who presented him with an order removing him from office. Warlords Yen Hsi-shan and Feng Yu-hsiang had allegedly enlisted Western journalist B. Lenox Simpson to sequester the Customs house on their behalf, as protracted negotiations with the KMT for access to these funds had proved unsuccessful. Yen and Feng claimed they would amass the revenue surplus until their civil war against the Nanking Government reached some conclusion. In response Bell retreated with his staff to the British Concession. Tientsin was declared a dead port by the Inspector General and trade was redirected. Simpson, acting on the behalf of the northern warlords, reopened a self-styled Customs house that functioned until September 1930. This de facto establishment was tacitly recognized by the foreign powers, allowing their nationals to continue trading. The longevity of this establishment was however thwarted when Chang Hsueh-liang, the Manchurian warlord, moved in favour of the KMT and reclaimed the Customs house. Simpson's retention as Commissioner until a replacement was arranged was disastrous as unknown assailants assassinated him. With Chang Hsueh-liang's mobilization of troops in support of the KMT, Feng and Yen's campaign against Nanking had been crushed. The stakes in the conflict had been high and by late October, Feng's career as a warlord was finished and a chastened Yen was brought under Chiang's control. The Customs emerged intact but unsettled by the relative ease in which the warlords had been able to wrest control from the Customs administration.

Physical attacks or threats against the Customs Service were not unknown throughout the Republic,<sup>2</sup> but what set the events in Tientsin apart was that the Customs house was taken over and a de facto administration created. This was unprecedented in the history of the Service and raised many concerns for the IG that the Customs may fall prone to similar attacks elsewhere and the centralized nature of the Service may be weakened, if not destroyed. During the course of negotiations to bring about some settlement to the Tientsin impasse, tensions between Maze and Lampson appear to have resurfaced and were the focus of many discussions.

---

<sup>2</sup>See Chapter 4 for a discussion of Sun Yat-sen's threat against the Canton Customs in 1923 and also the Customs experience during the Canton–Hongkong boycott of 1925–1926.

The June 1930 seizure of the Customs was an unprecedented but not entirely unexpected chain of events. On appraisal of the Customs documents and incidents prior to the Tientsin seizure, it is undisputable that the threat of such an attack had been looming for many years. Ever since Sun Yat-sen's threats against the Canton Customs in 1923, there was always the possibility of such actions being emulated with more success. In actuality many warlords (Chang Tso-lin and Feng Yu-hsiang for example) sought to curry favour with the Treaty Powers in a bid to enhance the legitimacy of their claims for control of China.<sup>3</sup> With control of China came access to the surplus revenue of the MCS. Until 1930, however, not even the KMT had threatened to wrest control of the Customs houses from the Inspectorate's control.

The takeover of the Tientsin Customs was the culmination of increasing tensions between the Yen-Feng alliance and the KMT. The relationship between Yen and Feng was primarily one of political expediency. The threat that united the Northern warlords was Chiang's ensuring of KMT dominance at the necessary expense of the warlords who collaborated with the KMT forces during the Northern Expedition.<sup>4</sup> Both Yen and Feng had sought membership of the KMT and, with their forces, assisted Chiang in the final stages of the Northern Expedition. The overarching premise for this alliance can be found in the adage "if you can't beat them, join them;" survival instinct led the warlords to hoist the Nationalist banner. Their membership of the KMT, however, was a necessarily tenuous alliance, as neither wanted their power diminished. Feng's abandoning of the KMT in May 1929 was in response to Chiang's push for demilitarization and his repositioning of troops into Shantung to curb Feng's ambitions for the region. Essentially Feng and Yen's alliances with Nanking were opportunistic, guaranteeing the maintenance of their forces. Throughout their careers both had encouraged the systematic indoctrination

---

<sup>3</sup>It was not uncommon for warlords to seek the service of a Western journalist to act as adviser and one suspects to simultaneously act as a publicity man for the Western powers. Chang Hsueh-liang often requested the counsel of William H. Donald, an Australian journalist. See Earle Albert Selle, *Donald Of China* (Sydney: Invincible Press, 1948). This use of foreign "front men" is discussed in Hallet Abend, *My Years In China* (London: Lane, 1944) 57–58. Abend, an American journalist in China, was approached by Chang Tso-lin, "old Marshal Chang Tso-lin wanted to hire me as a combination of publicity manager and foreign contact adviser. This sounded romantic and interesting." However, Abend was dissuaded from getting involved in Chinese politics by American Minister to China, MacMurray.

<sup>4</sup>Feng Yu-hsiang had collaborated with the KMT forces as early as 1926. Feng's forces were exhausted by continual clashes with other warlords and therefore in reality could have offered little effective resistance to the Northern Expedition. Hsi-sheng Ch'i, *Warlord Politics in China 1916-1928* (Stanford: Stanford University Press, 1976) 177–178.

of troops making it relatively simple to incorporate KMT ideologies of nationalism and anti-foreignism.<sup>5</sup>

On October 10 1929 leading Kuominchun officers addressed a public telegram to Feng and Yen, denouncing Chiang Kai-shek. They urged the warlords to take action (having subordinates asking their leader to do what he already wanted to do was a technique commonly used by Yuan Shih-kai during his consolidation of power).<sup>6</sup> In February 1930, after a short time of neutrality in which Yen was appointed as second only to Chiang in the campaign against Feng (but Yen was unwilling to fight against the warlord),<sup>7</sup> Yen announced his alliance with Feng. For Yen the alliance was purely calculated for survival. Should Chiang have defeated Feng little would then stand in the way of the Nationalist forces under Chiang attacking his own power base. Yen's support for Feng was initially shrouded in discussions of the joys of travel they would share together,<sup>8</sup> a cryptic expression of solidarity for Feng's cause.

The essence of Yen and Feng's dispute with the Tientsin Customs related to the continued remitting of surplus revenue for the Nanking government's disposal. In late April Yen challenged the Commissioner of the Customs house, F. Hayley Bell, and demanded that surplus should be placed in a Tientsin bank, the Bank of Communications, until the civil unrest reached a conclusion. Bell responded, after instructions from the IG, by dismissing the Bank of Communications as the Customs Bank on 5<sup>th</sup> May and directing that the surplus be remitted directly to the IG's

---

<sup>5</sup>Feng Yu-hsiang was commonly known as the "Christian General" and sought to spread his hard work and physical fitness ethos to his troops. In contrast Yen Hsi-shan's education was much more impressive than that of Feng and his exposure to Western concepts and to Sun Yat-sen's early movement influenced his attempts at ideological indoctrination of his stronghold, the province of Shansi. In fact, "Yen once boasted that he had formulated an ideology embodying the best features of militarism, nationalism, anarchism, democracy, capitalism, communism, individualism, imperialism, universalism, paternalism and utopianism." Donald G. Gillin, *Warlord: Yen Hsi-shan in Shansi Province, 1911–1949* (Princeton: Princeton University Press, 1967) 63.

<sup>6</sup>James E. Sheridan, *Chinese Warlord: The Career of Feng Yu-hsiang* (Stanford: Stanford University Press, 1966) 263. This public denunciation of one's opponent (albeit through a subordinate's requests) followed an accepted protocol of diplomatic behaviour for the warlords. This protocol is outlined in detail in Ch'i, *Warlord politics in China 179–195*.

<sup>7</sup>Sheridan 264.

<sup>8</sup>Sheridan 261–262.

control.<sup>9</sup> Negotiations were initiated but according to FO reports, Bell's attitude needed to be far more conciliatory towards the Northerners' demands than it was. During May Lampson recorded how important he believed it was for Bell to convince local authorities that he was indeed prepared to work towards a suitable compromise.<sup>10</sup> It appears that despite such advice from the British Foreign Office and an official Customs stance of non-intervention, Bell took a tough approach and negotiations were difficult. In response to this frustration and true to his dynamic warlord predilections, Yen ordered the takeover in June.<sup>11</sup>

From this brief account of the origins of the dispute it becomes apparent that the Customs and the Consular powers were forewarned in early May of the threat to the Tientsin Customs house. It is significant then that Yen and Feng's forces hesitated to put this plan into effect. In a letter between Maze and Stephenson (Non Resident Secretary, London) dated 24 April 1930, there was a discussion of Yen requesting Edwardes to raise a loan and to travel North with it.<sup>12</sup> Maze recounted this as not being too surprising as Lampson had encouraged Yen to support Edwardes' claim to the position of IG in 1928. While this claim is not mentioned in other sources, this letter reveals that Yen was pressed for funds. Since no loan was raised in support of this request, the situation would have deteriorated as time passed. It is possible that in the six weeks of negotiation, which elapsed between reports of Yen's intention and the actual takeover, the Northern forces were assessing foreign reaction to the threat. The Customs' own reports support the probability of the Northern warlords' watchfulness over the Customs, as in the weeks between the threat and the takeover representations to the Tientsin Customs were made by Chinese supporters of Yen and Feng. These delegations included reasonably

---

<sup>9</sup>C.E. Gauss, "Monthly Political Review for May 1930," Tientsin, American Consulate General, June 1930 3.

<sup>10</sup>Miles Lampson, telegram to A. Henderson, 27 May 1930, British Foreign Office document series 405, Public Record Office, London.

<sup>11</sup>The *North-China Daily News* 17 June–Oct. 1930. This newspaper is subsequently referred to as *NCDN*. It is significant, however, that Customs reports of the takeover infer that Yen and Feng were "caught off guard" by Simpson's seizure of the Customs on their behalf. See the documents authored variously by F.W. Maze, F. Hayley Bell, Chu Yu-chi and B. Lenox Simpson in *Documents Illustrative of the Origin, Development and Activities of the Chinese Customs Service*, vol. 4 (Shanghai: Statistical Department of the Inspectorate General of Customs, 1939) 387–426. In this chapter this series will be referred to as *Documents*.

<sup>12</sup>F.W. Maze, letter to Stephenson, 24 Apr. 1930, The Maze Papers, vol. 4.

prominent local figures such as H.H. Tcheng (Commissioner of First Special Area), J. F. Tam (Secretary to the Mayor of Tientsin) and M. L. Tuan, Ph.D., (Secretary to the Garrison Commissioner). Bell successfully fended off these “diplomatic” approaches.<sup>13</sup> The American Consul in Tientsin C. E. Gauss described this watchfulness on the part of the warlords as Yen and Feng not having “gathered sufficient courage to resort to drastic action.”<sup>14</sup>

The economic strength of the Tientsin Customs and its important contribution to Chinese Customs revenue was a significant motivation for its being coveted by the Northern warlords. On examination of the Customs reports and statistics for 1930 the strength of Tientsin as a port becomes apparent. Of the 180,619,758 Hk.Taels that formed the total Customs collection for 1930, Tientsin represented 7.32% of this contribution.<sup>15</sup> While not seemingly huge revenue, Tientsin’s contribution was only second to Shanghai, the undisputed giant of the Chinese ports. Although international trade had been faltering under the world depression, China’s trade remained relatively strong. The Customs Statistical Secretary, H.D. Hilliard, reflected on the arrival of unusually large numbers of foreign trade commissions as an indication of China’s “importance in the eyes of the world as a potential factor to relieve the universal trade depression.”<sup>16</sup> In 1930 the Tientsin Customs collections were worth around 13 million Hk Taels (See Fig. 7.1).<sup>17</sup>

Tientsin’s economic vitality was a significant factor in Yen and Feng’s calculations. Redirecting Tientsin’s collection would have readily fulfilled their desperate need for finances. Yen and Feng’s revenues were derived from taxing their provinces but this would not have been as lucrative or as regular a source as the Tientsin Customs revenue. At the least it was in Yen and Feng’s interests to prevent the surplus revenue being directed into Nanking’s coffers, which could be channelled into the military campaign against their forces. From the perspective of the Northern

---

<sup>13</sup>F. Hayley Bell, enclosure no. 2 to semi-official circular no. 72, 28 Sept. 1930, Documents, vol. 4 406.

<sup>14</sup>Gauss, “Monthly Political Review for May 1930” 3.

<sup>15</sup>Chinese Maritime Customs Service, *Annual Report for 1930* (Shanghai: Statistical Department of the Inspectorate General of Customs, 1931) chart no 3.

<sup>16</sup>Chinese Maritime Customs Service, *Annual Report for 1930* chart no. 3.

<sup>17</sup>Chinese Maritime Customs Service, *Annual Report for 1930* chart no. 3.

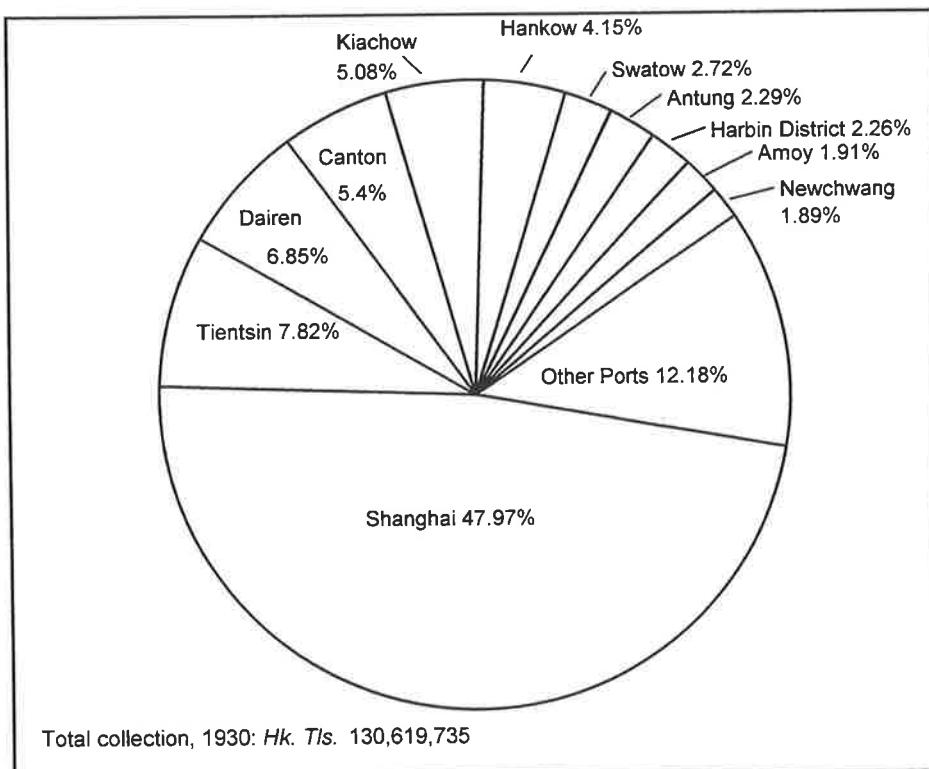


Figure 7.1 **Maritime Customs Revenue, 1930.** (Percentage collected at various ports.) Source: Chinese Maritime Customs Service, *Annual Report for 1930*.

warlords it made little sense to allow Tientsin's remittance to be made available to their opposition, hence their demands to the Customs Commissioner that revenue be held in Tientsin until the outcome of the military conflict.

Following a series of threats and failed negotiations, the Service was clearly forewarned that a takeover of the Tientsin Customs was looming. Maze discussed the possible seizure as early as May and conceded that while Yen's arguments for retaining the additional revenue may have had certain logic, he was certain that Nanking would not want to compromise.<sup>18</sup> Maze also perceived great danger in the Customs Service being drawn into a principal role with regards policy. He reflected:

I have instructed Hayley Bell (now Commissioner in Tientsin) in this sense, and have cautioned him to maintain friendly contact with Marshal Yen's representatives at all costs, and to advise non-interference....<sup>19</sup>

<sup>18</sup>F.W. Maze, letter to Stephenson, 12 May 1930, The Maze Papers, vol. 4.

<sup>19</sup>Maze, letter to Stephenson, 12 May 1930.

Despite these expressions of concern there was little defensive action taken aside from Hayley Bell's appointment to this potentially delicate post. In addition Lampson described the Tientsin situation as "peaceful" and commented that not even Bell was the "least little bit agitated" with regards the potential threat.<sup>20</sup> Such steadiness in the face of the looming threat is not too surprising. Bell had been sent to Canton during the boycott in 1925–1926 and had taken a hard line there. The inertia by the Customs would suggest the level of confidence the Service held in its integrity—the belief that it would remain unaffected despite the warlord's threats. The inaction of the Customs reflected in part the complacency of foreigners working in the Service that while conditions may sometimes be turbulent they were beyond the reach of Chinese political struggles. These beliefs were shaken by the Tientsin seizure.

To assist their takeover Yen and Feng enlisted the services of Bertram Lenox Simpson (who wrote under the pseudonym of Putnam Weale). This was not Simpson's first dalliance into China's political affairs. The British Consuls and the Western "establishment" in China regarded him with mistrust because of his intrigues. Lampson had been visited by Simpson on 13 May and had urged him to remove himself from this intrigue. Simpson declined, responding that it would appear he had been bribed if he suddenly acted upon Lampson's advice without consulting Yen.<sup>21</sup> Needless to say, Simpson's later actions reveal he had no intention of leaving the situation. The British Foreign Office reaction appeared initially supportive of Yen and Feng's claims. But they were disturbed by Simpson's involvement in this political rivalry. Lampson commented:

It is puzzling to know what the wisest course is. Moreover, on the merits of the case, in my opinion Yen has shown more reasonable attitude than Nanking over this question, nor do I think Bell has shown any special tact. On the other hand, it is most undesirable that a British subject should thus thrust himself or be thrust into the forefront of this affair, especially a man of the type of Simpson.<sup>22</sup>

---

<sup>20</sup>Miles Lampson, 12 May 1930, *The Killearn Diaries: Being the Diaries of Sir Miles Lampson*, vol.1, ms., St Antony's College Middle East Centre, University of Oxford.

<sup>21</sup>Lampson, 13 May 1930, *The Killearn Diaries*.

<sup>22</sup>Miles Lampson, telegram to A Henderson, 16 June 1930, document 158 of *British Documents*, vol. 38 161.

In this extract the impression is given that if a Briton had not been involved then sympathies would have rested with Yen and Feng. Simpson's involvement was seen as one of the worst possible situations for the Foreign Office.

To assist him during his takeover of the Customs house, Simpson rallied the support of a friend, L.C. Arlington, a former Postal Commissioner. Arlington accompanied Simpson and a delegation of Chinese community representatives that included the Mayor, the Salt Commissioner, the Chiefs of Police and Detectives Department to claim the Customs. Koh Ching-yu, the Superintendent of Customs, informed Bell that Simpson would be replacing him. Arlington relates:

Hardly had Mr. Simpson begun his conversation with Colonel Bell than all of the officials withdrew, leaving only Simpson and myself to conduct the conversation, which was not of a very pleasant kind. I saw at once that the Chinese officials, as usual, left the fighting—the dirty work—to the foreigner! <sup>23</sup>

Bell had been given prior warning to the seizure. When he discovered the phone lines were cut, Bell took a letter to the French Consul from his desk that he had penned in preparation.<sup>24</sup> From this account of the takeover we may speculate that not only were Westerners directly embroiled in this incident, they believed their assistance was the decisive force that shaped subsequent events. One must question whether Simpson was deserving of the “two-gun adventurer” label ascribed to him by T.V. Soong.<sup>25</sup>

In the following days Maze responded by shutting down the Tientsin Customs and declaring Tientsin a dead port. The bulk of shipping was redirected to other ports. This left the Consuls responsible for the clearances of their nationals’ cargoes. Bell was removed from the tense situation in Tientsin and was sent on leave to the coastal resort area of Peitaiho.<sup>26</sup> Grierson, formerly Deputy Commissioner at

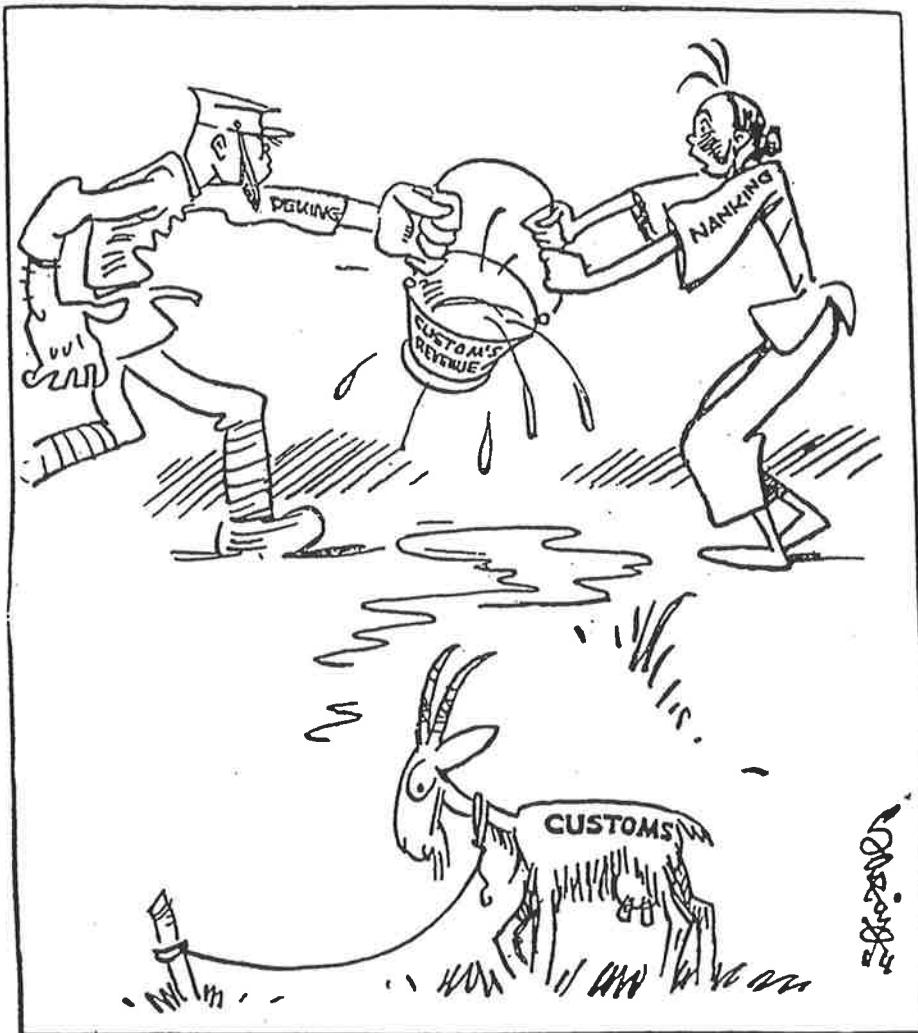
---

<sup>23</sup>L.C. Arlington, *Through The Dragon’s Eyes: Fifty Years’ Experiences of a Foreigner in the Chinese Government Service* (London: Constable and Co., 1931) deals with the author’s involvement in the Tientsin Customs. Arlington posits an interesting contention with regards the motives of the Yen-Feng faction for taking the Customs house, contending that the motives were not merely for financial gain, but rather that the Customs in Tientsin were an espionage centre for the Nanking Government. Although an intriguing proposition, this claim cannot be supported in light of the material so far consulted. See Arlington 252–258.

<sup>24</sup>Arlington 254.

<sup>25</sup>Arlington 256.

<sup>26</sup>F.W. Maze, telegram to F. Hayley Bell, 28 June 1930, The Maze Papers, vol. 4.



A DOMESTIC QUESTION—What it is No Use Crying Over.

Figure 7.2 Sapajou, "A Domestic Question—What it is No Use Crying Over."  
Source: *The North-China Daily News*, 18 June 1930.

Tientsin, replaced Bell in subsequent negotiations. The events in Tientsin were the focus of the *North-China Daily News* cartoonist's wit (see Figs. 7.2 and 7.3).<sup>27</sup> The paper featured two cartoons on the incident. In the first cartoon "A Domestic Question" the Peking and Nanking forces, represented as a soldier and a young woman respectively, are depicted fighting over a bucket of milk (customs revenue). The milk (revenue) lost during the tussle is according to this cartoon inevitable unless, of course, they decided to share. In the second cartoon "Heads or Haunches," however, it is Westerners who are depicted as tearing the hapless MCS goat apart. Simpson has the head of the goat but Bell has the precious udder, the revenue

<sup>27</sup> NCDN 18 June 1930 and 23 June 1930.

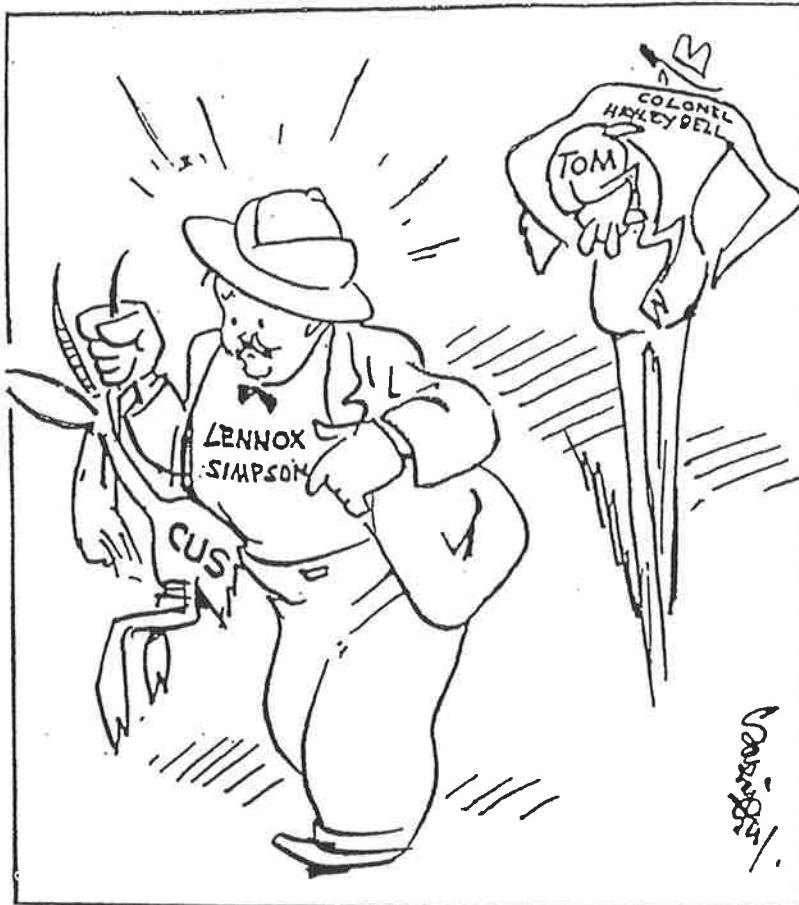


Figure 7.3 Sapajou, "Heads or Haunches? The Shadow and the Substance." Source: *The North-China Daily News*, 23 June 1930.

source. A possible interpretation of the two cartoons being that it was no longer a simple matter of fighting over revenue but rather had threatened the MCS itself and had attracted foreign involvement in the process.

Simpson defied the closing of the Customs house and re-opened the establishment. In a desperate bid to retain staff, he threatened to shoot any Chinese employees who did not remain to work under his new Customs domain. When approached by Tientsin's British consul, Simpson claimed his comments had been willfully misconstrued, but this did not ease the Consuls' fears.<sup>28</sup> Foreign staff were recruited from rather dubious quarters to fill indoor positions. Maze commented that Simpson's regime in Tientsin was growing larger and stronger saying, "[his] staff include... many ex-Customs foreign employees dismissed for dishonesty or

<sup>28</sup>Miles Lampson, telegram A. Henderson, 19 June 1930, document 166 in *British Documents*, vol. 38 165.



Figure 7.4 Sapajou, "Thoughts on the Crisis." Source: *The North-China Daily News*, 12 Apr. 1930.

discharged for incompetence!"<sup>29</sup> Regardless of the unscrupulous appearance of the de facto establishment, it not only appeared to function well but also enjoyed popularity amongst elements of the trading community.

Throughout the 1928–1930 period both the Yen–Feng alliance and Chiang Kai-shek attempted to court Chang Hsueh-liang. The Manchurian warlord's power base presented a tantalizingly powerful potential ally which Yen–Feng and Chiang believed could tip the balance of the power in their favour. In a *North-China Daily News* cartoon, the tug of war for the loyalty of Chang Hsueh-liang is depicted as a Manchurian soldier feted by two amorous females (See Fig. 7.4).<sup>30</sup>

<sup>29</sup>F.W. Maze, letter to Stephenson, 1 July 1930, The Maze Papers, vol. 4.

<sup>30</sup>*The North-China Herald*, 12 Apr. 1930. It is significant that the Northern woman is depicted as rather robust and peasant-styled in dress and that in contrast, the Nanking woman is shapely and more fashionably attired femme fatale. Although Westernized humour for the

The takeover of the Customs House was an indicator that Yen and Feng's "war of words" had ended and that they resorted in military action against the KMT. This escalation intensified the urgency for both the KMT and Northern Coalition to force Chang Hsueh-liang out of his neutrality and to take sides in the dispute. The perception shared by the warlords and the KMT, that Chang Hsueh-liang's support would be crucial to their action, is borne out in an American consular report:

It is anticipated however, that when he considers the proper moment has arrived, the "Young General" will offer to mediate, and perhaps use the threat of employment of his military and naval forces to require acceptance of the offer. It is generally conceded that the adherence of the Mukden faction to either of the two contending sides would conclusively determine the issue of the present civil war.<sup>31</sup>

American consular reports from Tientsin confirm that tensions between the two contending factions had been growing steadily worse in the months prior to the Customs seizure.<sup>32</sup> For this reason there was speculation in the consular ranks that there would be the outbreak of civil war.

## ***Tientsin's De facto Customs Establishment***

I realise that there may be - and probably are - political reasons against intervention. But between active intervention against, and tacit recognition of, Simpson's improvised Customs there is a wide gap!

F.W. Maze, reflecting on the policy of the Diplomatic Body towards events in Tientsin<sup>33</sup>

The attack on the Tientsin Customs revealed ambivalence in the Treaty Powers' reaction to both the Nanking Government and to the Northern warlords. This was due, in part, to the legacy of a Customs succession crisis that had shaken the Customs Service in 1928–1929 (see chapter 5). The British consular perception of

---

foreigner in China, this cartoon provides an insight into reflections on the nature of these two forces—Chiang's more Westernized outlook as opposed to Feng and Yen's provincial bases. The cartoonist is also playing on physical appearances of Feng and Chiang, Feng being much more robust and ungainly in appearance when compared with Chiang.

<sup>31</sup>See the monthly political reviews for May and June 1930 by US Consul General in Tientsin, C.E. Gauss. Also Gauss, "Monthly Political Review for June 1930," 5.

<sup>32</sup>See Gauss' monthly political reviews for May and June 1930

<sup>33</sup>F.W. Maze, letter to Stephenson, 25 June 1930, The Maze Papers, vol. 4.

this turn of events is vitally significant as it directly influenced official reaction to the seizure at Tientsin. To illustrate this point it is pertinent to quote at length an extract from Lampson's diary, it exemplifies just how the Minister was approaching the situation. Lampson dined with Maze and others and in the course of this function:

...Maze told me the latest developments from his angle at Tientsin. It is really rather amusing. In the old days the I-G. of Customs enjoyed a quasi independent status; he was the servant of no party, but regarded himself as responsible solely to the Chinese people. Consequently, up to a point, he succeeded in keeping out of the arena of domestic politics. All this went by the board when the Government at home threw in their hand over Aglen's successor, e.g. all the fuss and bustle about Edwardes and Maze of about two years ago. Since then the position has radically altered, and *Maze is definitely the servant—and nothing but the servant—of the Nanking Government. He merely carries out their orders and has little influence on questions of policy.* Consequently, when told by T.V. Soong to order the Commissioner in Tientsin not to hand over the Tientsin funds to the Northerners, he has no alternative but to obey and the result is that the unfortunate Commissioner is brought right into the limelight of domestic politics. *I think myself that all this is pretty well inevitable, and I haven't quite cleared my mind as to how far the change in the status of the I-G. affects the matter; but I think it does, which may be rather amusing if it really does come to a bust up of the Customs. But I don't want to say to the Foreign Office "I told you so" or anything of that kind, for that is not helpful, tempting though it may be.<sup>34</sup>* [emphasis added.]

For Lampson the Customs no longer held the “value” it once did for British interests in China and therefore the events in Tientsin were simply “entertaining” and of no real concern. Moreover there is almost a sense of glee evident in Lampson's entry, particularly as Maze was encountering such difficulties. When confronted with the actual seizure of the Customs he commented, “[the] quasi-independent status of Customs fell with Edwardes.”<sup>35</sup> The Western press had continually reflected this perception that the Customs was now a Chinese-dominated institution in comments about Maze and in some ways, then, the events at Tientsin were seen as simply fulfilling predictions made by Lampson and others that the MCS was doomed to collapse under Maze.<sup>36</sup>

---

<sup>34</sup>Lampson, 7 May 1930, The Killearn Diaries.

<sup>35</sup>Miles Lampson, telegram to Henderson, 19 June 1930.

<sup>36</sup>A London newspaper mentions, “Chinese bankers in conversation dwell on the obvious difficulty which Mr Maze will have in resisting the demands of the political faction which put him into office.” “The Chinese Customs,” *The Times* 11 Jan. 1929.

From initial readings it is significant that Simpson was involved in this affair, as it appears that Yen and Feng had not desired a takeover of the Customs by a Chinese. The possible reasoning for this is fourfold. First at the start of his China career, Simpson had served five years in the Customs Service and therefore had some knowledge of Customs procedure. Second a westerner had the protection of extraterritoriality to cover their involvement. Third Feng and Yen, while prepared to seize the Tientsin customs, were not prepared to completely antagonize the foreign powers by appointing a Chinese as Commissioner. Fourth the possibility that Yen and Feng believed a westerner would be more capable of running this foreign-styled customs house. A more detailed inspection of source material, however, provides a contradictory indication that Simpson might have carried out the takeover without the knowledge of Yen. When approached by foreign representatives with regards to the events in Tientsin, Yen expressed surprise at Simpson's actions. In spite of Yen's professed ignorance of Simpson's actions, it is difficult to imagine that Simpson not only took over the Customs house but also did so accompanied by a local delegation without Yen being aware. This tends to suggest that Yen did not want to claim responsibility initially but rather was using Simpson to test the water.

The attack against the Customs in June 1930 left the British in a dilemma. Action such as the assembling of a naval force (which had occurred in response to Sun Yat-sen's 1923 attempt to takeover the Canton Customs house) was no longer a feasible option for defending Western interests.<sup>37</sup> British and Japanese traders stood to be most affected by any disruption of the Custom in Tientsin and, therefore, the British and Japanese representatives were most active in seeking to bring about some sort of compromise between the Northern allies and Nanking.<sup>38</sup> After much discussion the Diplomatic Body agreed to send letters of protest to both the North and South, calculated to ensure the foreign powers could not be seen as taking sides.<sup>39</sup> This is significant as it indicates that the powers were anticipating that Feng

---

<sup>37</sup> Foreign lives were not endangered, taking the impetus away from any contemplated naval action.

<sup>38</sup> See section on the Chinese Maritime Customs Service in Miles Lampson, "Annual Report, 1930" *British Documents on Foreign Affairs: Reports and Papers from the Foreign Office Confidential Print*, Part 2, Series E, Vol. 20 (Frederick: University Publications of America, 1984) 367–369. This series title will be subsequently abbreviated as *British Documents* and all references to this title refer to part 2, series E.

<sup>39</sup> See Lampson's entries between 23 June–1 July 1930 in *The Killearn Diaries*.

and Yen may succeed. Therefore they wanted to have a reasonable relationship with them. Another consideration was the actual location of the Customs house, which was situated within the French concession. This was a concern as it restricted the powers from taking whatever action they may have deemed necessary. Regardless of this the Americans chose to recognize Simpson as the de facto head of the Customs and allowed American merchants to resume trade. For the British, the location of the Customs house in itself posed diplomatic problems should the British have decided to defend the Tientsin Customs.<sup>40</sup> The French believed they should only intervene if there was a disturbance of the peace. As Bell had capitulated and left the Customs house without physical conflict they declined to act.<sup>41</sup>

In a reflection of the foreign power's hesitation to take sides in the struggle over the Customs, within a short period of time Simpson's Customs house was accepted by all as a de facto establishment. Trade resumed a semblance of normality. Maze believed that such recognition of Simpson's Customs house had contradicted the foreign powers' own assertion that they would not intervene:

I fully appreciate the delicacy of the situation and the desire of the Powers to "wait and see," and not interfere in this domestic squabble, but by transacting Customs business with Simpson they have in fact interfered.<sup>42</sup>

It was this tacit recognition that Maze described as "heartening" for Simpson but as simultaneously creating a frustrating and "lonely" atmosphere in which he was left to campaign for the Customs.<sup>43</sup> From the tone of such comments, there is a sense of Maze's concern at being alone in handling the situation and that no one shared his fears for the precedents being set by events in Tientsin.

In response to the seizure *The Times* criticized the Foreign Office's inaction when the Customs was seized, as they had "let this valuable and formerly quasi-

---

<sup>40</sup>In the Treaty Port system, allotments of land had been allocated to the Treaty Powers for the residence and trade of their nationals. These concessions then fell under that nation's jurisdiction and was policed and administered by its own nationals. The French Concession in Tientsin was an example of such an enclave of French control in a Treaty Port.

<sup>41</sup>Miles Lampson, "Annual Report, 1930" *British Documents*, vol. 20 368.

<sup>42</sup>Maze, letter to Stephenson, 25 June 1930.

<sup>43</sup>Maze, letter to Stephenson, 25 June 1930.

international institution become the shuttlecock of Chinese politics.”<sup>44</sup> This observation is significant in that it describes the Customs as *formerly* an international service. Certainly the Customs Service still retained foreign employees, and Maze wrote of the Customs as “an unofficial outpost of Empire in view of the varied British interests still centred on it.”<sup>45</sup> This indicates a jarring clash of perceptions of the role of the Customs Service. It is difficult to believe, though, that only the foreign staff in the Customs continued to perceive the Service as an avenue for protecting and advancing Western interests in China.

The actual takeover of the Customs House and establishment of a de facto establishment did not cause undue concern for the foreign powers. Indeed all agreed that their nationals in Tientsin should deal with whatever regime that succeeded in functioning.<sup>46</sup> This attitude was one of dealing with whichever faction held the Customs. Moreover the response to Yen’s claim tended to be viewed in a sympathetic light. Lampson wrote of Yen as having behaved with “considerable patience and restraint”<sup>47</sup> in contrast with the Nanking Government that had shown itself to be difficult in negotiations.<sup>48</sup> The involvement of Lenox Simpson continued to be a problem, described by Lampson as giving “a bad impression from the outset.”<sup>49</sup> Indeed directly after the takeover of the Customs, Nanking lodged a protest to the British Government calling for Simpson’s deportation.<sup>50</sup>

The fracas surrounding the Tientsin Customs and Simpson’s de facto establishment exacerbated tensions between Maze and Lampson. Even at the earliest times in this crisis, Maze wrote of his frustration at being left to handle

---

<sup>44</sup>“The Tientsin Customs: Yen’s Dilemma,” *The Times* 9 May 1930.

<sup>45</sup>Nicholas Clifford, “Sir Frederick Maze and The Chinese Maritime Customs, 1937–1941,” *Journal of Modern History*, 37.1 (March 1965) 20.

<sup>46</sup>Lampson, 24 June 1930, The Killearn Diaries.

<sup>47</sup>Lampson, 16 June 1930, The Killearn Diaries.

<sup>48</sup>Lampson, 16 and 19 June 1930, The Killearn Diaries.

<sup>49</sup>Lampson, 16 June 1930, The Killearn Diaries.

<sup>50</sup>“Mr Lenox Simpson Interviewed,” *NCDN* 20 June 1930.

everything alone.<sup>51</sup> Furthermore he referred to Lampson as having shown "comparative indifference" to the fate of the Service.<sup>52</sup> He believed that Britain's general policy in China was appropriate and should not be altered for the sake of the MCS but maintained that the legation had not been "helpful":

...the Inspectorate's difficulties have certainly not been lessened by Legation action, and I believe that I am justified in holding the view that a British subject occupying my post in the face of such unequal odds deserves more encouragement from his own Authorities than I have received!<sup>53</sup>

Maze detailed that he and Lampson never communicated with regards the events in Tientsin,<sup>54</sup> this in itself an indicator of an uneasy relationship between the two. But more importantly this reflected a division between the Customs Service and the British Foreign Office that had never been so pronounced in Aglen's era.

Notably Maze was not completely alone in his frustration at Lampson's inaction, particularly when the issue of Simpson's involvement in the affair came under scrutiny. On more than one occasion Maze wrote to colleagues and confidants that both he and the Nationalists were disgruntled with Lampson's lack of responsiveness.<sup>55</sup> He recounted:

Dr C.T. Wang remarked to me the other day, for example, that if Lampson had informally intervened as much to throw Simpson out, as he actively intervened in 1928 to keep Edwardes in, he (Simpson) would not have lasted five minutes....<sup>56</sup>

Such reflections directly related to Lampson's close involvement in the succession crisis, which had engulfed the Service only over a year earlier (see chapter 5). It was Maze's ascension to the position of IG that had been the cause of much angst for

---

<sup>51</sup>F.W. Maze, letter to Stephenson, 18 June 1930, *The Maze Papers*, vol. 4; F.W. Maze, letter to Lyall, 26 Aug. 1930, *The Maze Papers*, vol. 5.

<sup>52</sup>F.W. Maze, letter to Stephenson, 23 July 1930, *The Maze Papers*, vol. 4.

<sup>53</sup>Maze, letter to Stephenson, 23 July 1930.

<sup>54</sup>Maze, letter to Lyall, 26 Aug. 1930.

<sup>55</sup>F.W. Maze, letter to Stephenson, 15 Aug. 1930, *The Maze Papers*, vol. 5; Maze, letter to Lyall, 26 Aug. 1930; Maze, letter to Stephenson, 18 June 1930.

<sup>56</sup>Maze, letter to Lyall, 26 Aug. 1930

Lampson, and it appeared that neither Lampson, Maze nor the Nationalists had forgotten this.

Nanking's demands for the deportation of Simpson placed increasing pressure on Lampson. Under Chinese law Simpson would have faced severe punishment and the Nationalists wanted to see the British meting out punishment on Simpson. The British, who remained hesitant to be seen as taking sides and acting against the Northern warlords, did not meet these demands. Also they were concerned that Simpson's actions may not be interpreted by the courts in such a way that he may be convicted, and they believed a non-conviction against him would be a much more damning prospect.<sup>57</sup> A non-conviction may encourage other adventurers to the fary. Instead discussion of revoking Simpson's extraterritoriality was entered into but this was considered an action of the last resort by the Foreign office.<sup>58</sup>

## ***Reclaiming the Tientsin Customs***

The Tientsin Customs seizure came to an abrupt halt when Chang Hsueh-liang moved into the political arena and reclaimed Hopei, Tientsin and the rest of the province for the KMT in early October 1930. This reclaiming of the province also included the Customs house.<sup>59</sup> The MCS resumed control of the Customs house on 3<sup>rd</sup> October. Grierson occupied the Customs house and on doing so all staff appointed by Simpson, both Chinese and foreign, were dismissed.<sup>60</sup> This reclaiming of Tientsin and the province for Nanking's control had far reaching consequences. Not only had Yen and Feng been crushed, Chang Hsueh-liang had made a decisive move into Chinese political arena in allying himself with the Nationalists. Simpson was victim to an assassination attempt, which left him fatally wounded, and Bell's service in China

---

<sup>57</sup>A. Henderson, telegram to Miles Lampson, 25 July 1930, document 226 in *British Documents*, vol. 38 210–211.

<sup>58</sup>A. Henderson, telegram to Miles Lampson, 28 July 1930, document 228 in *British Documents*, vol. 38 211–212.

<sup>59</sup>Sheridan 266–267.

<sup>60</sup>Lampson, "Annual Report, 1930" 369.

was brought to a prompt conclusion. The MCS emerged intact, if rather shaken from the experience, bolstered by the Nationalist's success.

Simpson fell victim to his machinations. He was shot by unknown assailants on 1<sup>st</sup> October and died six weeks later from inoperable wounds.<sup>61</sup> It is difficult to ascertain whether this attack was retribution by the KMT for Simpson's involvement in the Customs seizure or a purging from within Yen's ranks, but Simpson's death was an act of political terrorism. The repercussions of this attack were felt deeply by Westerners in China. Simpson's involvement in the Customs seizure had increased pressure on the Western powers to review their treaties with China, Simpson's embroilment in this intrigue lending justification to the KMT's long fought campaign for the abolition of extraterritoriality. Simpson's attackers were never identified and an air of mystery surrounded the whole incident. Maze put forward three possibilities for the attack on Simpson: a) that he had threatened to blackmail Chang Hsueh-liang; b) that he had offended Yen and Feng's Shansi party by approaching Chang when it appeared Manchuria was entering the conflict and; c) that he might have been involved in an Opium combine in Tientsin. The third suggestion was, according to Maze, regarded as not unlikely as under Simpson's regime drug running had increased.<sup>62</sup> With regard to the attack on Simpson, Maze regretted the attack as "it is deplorable that at the eleventh hour [Simpson] has been created a sort of martyr by a handful of Chinese miscreants."<sup>63</sup> Simpson was certainly a provocative figure in China but despite his notoriety, his death unsettled Westerners in China and press reports reflect this unease.<sup>64</sup> Many reports despaired that the foreigner in China was under such threat. Simpson's political intrigues, moreover, had certainly placed him on shaky ground and the attack, although brutal and unwarranted in Western eyes, was possibly the only way the Chinese could exact any redress. The right of extraterritoriality essentially denied legal persecution of Simpson by the Chinese.

---

<sup>61</sup>"Gunmen Attack Lenox Simpson. Tientsin Commissioner of Customs under Yen Hsi-shan's Regime Shot in Back by Mysterious Visitors to Private Residence," *NCDN* 3 Oct. 1930.

<sup>62</sup>F.W. Maze, letter to Stephenson, 6 Oct. 1930, The Maze Papers, vol. 5.

<sup>63</sup>Maze, letter to Stephenson, 6 Oct. 1930.

<sup>64</sup>"The Outrage," editorial, *NCDN* 4 Oct. 1930.

The Customs seizure also had a profound affect on Commissioner Bell. The events at Tientsin marked the end of his China service for the Customs. Bell was due to retire in 1931 and had wanted to extend his tenure but this was declined. Maze's assessment of Bell's management of events underwent a dramatic shift as the crisis developed. Initially he was applauded for good work in what was agreed to be a very difficult situation. Maze not only considered Bell had endured a trying situation and thanked him for this, but also deplored the lack of Foreign Office support for his Commissioner's actions.<sup>65</sup> Such accolades were however rapidly replaced with criticisms as the actual course of events became clearer to the IG. Maze admitted that he might have given too much credit to Bell's own accounts of his work. He commented:

I consider that Bell proved inadequate, and handled the situation badly. I instructed him to maintain friendly contact with all classes of Chinese Officials, but it seems that his "cast iron", Prussian-dragoon attitude irritated all and sundry. It is clear that Simpson bamboozled him completely, and in the end swept down upon him and mesmerized him. In other words, he (Bell) was caught napping, and Simpson, in Bell's presence, actually obtained possession of our Code and of my confidential letters and wires—a school-boy of ten could, at least, have prevented this.<sup>66</sup>

There are other criticisms of similar nature to be found throughout Maze's correspondence in the wake of the Tientsin Customs debacle and it appears that Lampson and others supported such views.<sup>67</sup> Primarily Bell was seen to have "let the Customs down" as he ill-judged the situation, and in doing so might have actually facilitated the ensuing difficulties with Simpson. Despite Bell's requests to return to Tientsin to reclaim his former post, Maze concluded that he was ill suited to remain in China and was therefore removed to the London Office where he served his remaining year before retirement.

While Bell was seen as partly responsible for the development of events in Tientsin, Maze believed that the ultimate fault rested with Nanking. Bell's non-compromising position exacerbated Nanking's refusal to consider Yen and Feng's

---

<sup>65</sup>Maze, letter to Stephenson, 18 June 1930.

<sup>66</sup>Maze, letter to Lyall, 26 Aug. 1930.

<sup>67</sup>Maze, letter to Stephenson, 6 Oct. 1930; Tsai Tang Kan, letter to F.W. Maze, 7 Oct. 1930, The Maze Papers, vol. 5; F.W. Maze, telegram to Stephenson, 20 Oct. 1930, The Maze Papers, vol. 5; and F.W. Maze, letter to Newton Stabb, 13 Nov. 1930, The Maze Papers, vol. 5.

demands, the basis of which were not unreasonable. For the Customs, its adherence to the directives of Nanking had led it to become embroiled in the struggle between the Northern warlords and the KMT. The ease with which Simpson had been able to secure the Customs house and to establish his own regime must have been unnerving for the Service, which since its inception had always promoted the indispensability of its services to China. Even more disturbing to the Customs was the fact that the foreign powers, after initial confusion, were content to deal with whatever Customs regime was in place, this was evidence of a changing perception of the Maritime Customs and its role in Nationalist China.

The Tientsin Customs seizure is a case study not only of warlord-KMT rivalries and Sino-Western relations, with regards the Customs Service, but is an indicator of the Customs decline in China. The Customs had become a coveted prize within Chinese political rivalry and the seizure of the Tientsin Customs and subsequent foreign inertia illustrated a decline in the Powers' preparedness to intervene to protect the integrity of the Customs. In following the directives of the Nationalists, the Service risked serious retribution should Yen and Feng have been triumphant. Fortunately this was not the case but a dangerous precedent had been established for the Customs to be seen as a vehicle to challenge the Nationalist Government. The relationship between the Service and the Nationalists had shown an ominous indication that it may indeed be a destructive one for the foreign inspectorate.

## ***Learning from Tientsin: Compromise at Canton, 1931***

Almost precisely a year after the Tientsin Customs impasse, the Service was faced with a similar situation this time centred in Canton. Deep-seated tensions had erupted between General Ch'en Chi-tang and Ch'en Ming-shu who were the leading political and military figures in the provinces of Kwangtung and Kwangsi. At a conference Ch'en Chi-tang denounced the leadership of Chiang Kai-shek. In response to these ominous pressures, Ch'en Ming-shu, who was the civil Governor of Kwangtung, fled to Hong Kong with his supporters, leaving Ch'en Chi-tang dominant in the region. The *NCDN* described the coup as "bloodless."<sup>68</sup> On 2<sup>nd</sup> May Ch'en Chi-

---

<sup>68</sup>"Government Faced with Political Crisis," *NCDN*, 1 May 1931.

tang and his new Canton regime declared themselves against Chiang's leadership by issuing a manifesto denouncing Chiang and his followers as "enemies of the party." Furthermore a second denunciation followed, encouraging any who were disgruntled with Chiang's leadership to travel south. The "reorganizationists," a left wing branch of the KMT that resented what they saw as Chiang's virtual dictatorship over the KMT, supported this rival faction. Wang Ching-wei, head of the Reorganizationists movement, was appointed to the new government's committee. By the 13<sup>th</sup> May the NCDN reported that the Independent KMT Government of Canton was contemplating embarking on a Northern Expedition. This was delayed because of a lack of funds.<sup>69</sup>

By late May Maze had already discussed his concerns over the possible implications of these political developments with T.V. Soong. He commented:

We need not cross our bridges till we come to them, but if the question of a pro rata division of the Canton Revenue does arise, my view is that it would be wiser to authorize the Commissioner there to devise some informal modus vivendi calculated to maintain the integrity of the Customs rather than have a repetition of the unfortunate Tientsin affair!<sup>70</sup>

For Maze this division and rivalry within the KMT raised the threat of similar experiences to those that had occurred in Tientsin with the Northern warlords. He believed that any challenge to the Customs needed to be treated differently in a bid to maintain the integrity of the Service if at all possible. Maze also wrote to Lampson with regards to the tensions emerging at Canton and stressed that he had already discussed his concerns with the Nanking authorities.<sup>71</sup> He also explained to Lampson that his advice to Nanking was to "bend rather than break" and in doing so to avoid a repeat of Tientsin, but there was a note of frustration in this letter as Maze questions, "but will they accept advice?"

As a response to their complete break from and denouncing of Nanking, the Canton Government began to examine the loyalties of the Customs Service and, more importantly, the potential revenue at their disposal. In early June the Canton Government demanded that Maze should travel to Canton as Inspector General of

---

<sup>69</sup>"Canton Preparing for War," NCDN 13 May 1931.

<sup>70</sup>F.W. Maze, letter to T.V. Soong, 27 May 1931, The Maze Papers, vol. 5.

<sup>71</sup>F.W. Maze, letter to Miles Lampson, 28 May 1931, The Maze Papers, Vol. 5.

Customs. Teng Shao-yin and Wu Shang-ying, the Minister and Vice-Minister of Finance respectively, informed Maze that in the place of the Nanking Government, the KMT had established a new national government at Canton. They ordered Maze:

You are hereby instructed that henceforth you are to take orders from this Ministry in performance of your duties as Inspector General of the Chinese Maritime Customs. You are further instructed to immediately remove to Canton the Inspectorate General of Customs and to come to Canton at once. You are further instructed to issue orders to all Chinese Maritime Customs Houses to have all revenues remitted to this Ministry.<sup>72</sup>

Similar instructions to proceed to Canton were also given to Stephenson, the Commissioner of Kowloon.<sup>73</sup> In what can only be described as covering all possibilities, the Canton authorities also offered Stephenson a post as Southern Inspector General. Maze was extremely confident that Stephenson (who had been Non Resident Secretary in London and therefore had been in close contact with Maze) would refuse to play any part in splitting the Service.<sup>74</sup>

On 6<sup>th</sup> June the *NCDN* reported on the possibility of a "Customs Coup in Canton." It revealed that a takeover similar to what had occurred in Tientsin a year earlier was being contemplated by the authorities in Canton. The article commented, "endeavours were being made to arrive at a satisfactory arrangement under which the integrity of the Customs will be maintained."<sup>75</sup> Maze presented a case to the Canton authorities that as Canton, Swatow and other offices in the region represented 11.5% of total revenue, these houses should contribute a proportion of the cost of not only the 5% for indemnities but also that they should contribute towards the maintenance of domestic loans.<sup>76</sup> His reasoning for this was that the Canton Government would hardly want to damage national interests through any precipitate actions. Maze feared such suggestions may falter and therefore telegraphed Commissioner Braud in Canton and arranged for him to hand over all

---

<sup>72</sup>Braud, telegram to F.W. Maze, 3 June 1931, The Maze Papers, vol. 5.

<sup>73</sup>Miles Lampson, "Annual Report, 1931" *British Documents*, vol. 20 436.

<sup>74</sup>F.W. Maze, letter to T.V. Soong, 3 June 1931, The Maze Papers, vol. 5.

<sup>75</sup>"Customs Coup in Canton," *NCDN* 6 June 1931.

<sup>76</sup>F.W. Maze, telegram to Braud, 5 June 1931, The Maze Papers, vol. 5.

but 5% of the revenues under *force majeure*.<sup>77</sup> While this may seem a defeat for the Customs, it was a maneuver that preserved the integrity of the Service as Nanking could still maintain the staffing of the Customs houses.

By 12<sup>th</sup> June the dispute had been circumvented. The relative speed in coming to some compromise was a result of Maze's ability to negotiate terms satisfying to both governments. Unlike the Tientsin impasse an agreement was reached that all revenue from the Canton region, with the exception of the 5% for loans and indemnities, would go to the coffers of the Independent KMT Government. This surplus was quoted by the *NCDN* as being around 2 million per month.<sup>78</sup> In an editorial on 16<sup>th</sup> June the *NCDN* applauded this agreement, claiming it not only gave prestige to the Service but also showed that both Governments had the vision to put national good above personal ambitions. In the same article Maze was also praised for his skillful diplomacy in handling such a delicate situation. The editorial commented, “[Maze] can be assured moreover of the goodwill and gratitude of the financial, commercial and shipping communities of all nationalities, in the reinforcement of his labours.”<sup>79</sup> The *NCDN*'s concern (shared with Maze) had been that the Nanking government would choose to follow a similar line to that of non-intervention in Tientsin, the situation was Canton was more significant as the region represented a much larger proportion of the total Customs revenue (10%). The British Foreign Office also commended the compromise, describing it in terms of the Nanking Government having learnt a lesson from the events in Tientsin.<sup>80</sup>

Despite this early success in acquiring Customs funds, the Canton Government's existence was short-lived. Access to Customs revenues from Canton was not a sufficient revenue source to adequately fund the Canton regime. The *NCDN* discussed the government's imposition of gambling and opium monopolies to raise revenue. A rent tax was also implemented.<sup>81</sup> For reasons that remain unclear, the threatened Northern Expedition of Independent KMT forces did not eventuate.

---

<sup>77</sup>Maze, telegram to Braud, 5 June 1931.

<sup>78</sup>“Canton and the Govt,” *NCDN* 17 June 1931.

<sup>79</sup>“The Customs,” editorial, *NCDN* 16 June 1931.

<sup>80</sup>Lampson, “Annual Report, 1931” 436.

<sup>81</sup>“Canton Short of Funds,” *NCDN* 21 June 1931.

On 16<sup>th</sup> September southern forces had been advancing to Hunan to challenge the Nationalists forces but before hostilities broke out, they were in retreat. The British Foreign Office speculated that this might have been due to secret peace talks having been carried out. Japanese aggressions in Manchuria were, however, largely credited with expediting the settlement between Nanking and Canton as both governments realized the urgency for a united government in a time of crisis.<sup>82</sup> The Service had, through the active diplomacy employed by Maze, avoided a repeat of the Tientsin incident. In doing so it had also benefited from a tacit agreement by factions of the KMT that the Service's integrity was vital to the future of nationalist China.

## ***Carving up the Service: the loss of Customs Houses in the North East***

...Poor China! What next will happen to her. I hope that out of all the turmoil some lasting good for her may come and that she will learn her lesson but it is difficult to see any happy sign yet. The old Customs is still her best friend—in fair weather or foul.

W.O. Law<sup>83</sup>

Maze's leadership had weathered some turbulent years but there was little respite for Maze or the Service. Again in 1932 the Customs faced serious challenges to its functioning and the seizure of Customs houses in Manchuria signaled the severing of the northeast from the Service. The lament from Law for "Poor China" was quite apt. However, in retrospect, lamenting the "poor MCS" may have been even more appropriate as by the middle of 1932 at the instigation of the Manchukuo Authorities, the northeastern Customs houses were seized. In the lead up to these seizures, the "best friend" of China was abandoned by first the KMT, whose leaders showed their willingness to sacrifice the Service to ensure their own political survival. Second it was betrayed by the Japanese Kwantung authorities that gave their infant state predominance over the fate of the Service, and third, by the foreign powers that were hesitant to go any further than to make unofficial enquiries on the behalf of the Customs.

---

<sup>82</sup>Lampson, "Annual Report, 1931" 392–393.

<sup>83</sup> W.O. Law, letter to F.W. Maze, 11 Feb. 1932, The Maze Papers, vol. 7.

The aggressive actions of the Kwantung army in the northeastern provinces of China in 1931–1932, culminating in the declaration of independence of “Manchukuo” (17<sup>th</sup> February 1932), had far reaching ramifications for not only Sino–Japanese ties but also international relations.<sup>84</sup> The effects of these ambitions on Customs outposts in the northeast have not received detailed research. Arguably the creation of Manchukuo resulted in the largest threat to the integrity of the Service in the course of its seventy-odd years of existence. Rumours of the intended takeover of the northeastern Customs houses by the Manchukuo authorities appear to have been circulating around the time of the creation of the new state. For Maze the tensions that were mounting in the North were irrevocably tied to the general political tensions in Sino–Japanese affairs and therefore his challenge was to balance such a delicate situation without endangering the integrity of the Service in the process. As the Service foundered under the growing threat of loss of the Manchurian Customs houses, the foreign powers endeavoured to assist the Service, but only on an unofficial basis and in deference to the tensions still surrounding the northeast. The Nanking Government, after deciding not to allow any negotiation with the new “Manchukuo” authorities, similarly tied Maze’s hands from any attempts at reaching a compromise that would save the Service from imminent danger. The creation of Manchukuo and pressures to join the new regime polarized staff in the northeast, with Japanese staff resigning and declaring their loyalty to the new Manchukuo authorities.

Deep rooted tensions between the reactionary Kwantung forces and the Chinese precipitated a crisis in 1931 following the suspicious circumstances surrounding death of army captain Nakamura<sup>85</sup> and later by an explosion along the South Manchurian Railway Company’s (SMR) Mukden line. This event heralded the

---

<sup>84</sup>For an overview of existing research on the origins and formation of Manchukuo the following works are of immediate interest. Gavan McCormack, “Manchukuo: Constructing the Past,” *East Asian History* 2 (December 1991): 105–124; Peter Duus, Ramon H. Myers and Mark R. Peattie, eds., *The Japanese Informal Empire in China, 1895–1937* (Princeton: Princeton University Press 1989); Ian Nish, *Japan’s Struggle With Internationalism: Japan, China and the League of Nations, 1931–3* (London: Kegan Paul International, 1993); and Louise Young, *Japan’s Total Empire: Manchuria and the Culture of Imperialism* (London: University of California Press, 1998).

<sup>85</sup>Captain Nakamura was a Japanese intelligence officer but found dead in the midst of travels around Manchuria. Nakamura’s death was under suspicious circumstances as he was not travelling as a Japanese officer at the time but rather was disguised as a Chinese civilian. It is most likely that Nakamura was arrested while acting as a Japanese spy in the region.

pretext for the Japanese occupation of key cities in the northeastern provinces on 18<sup>th</sup> September 1931. This action was clearly premeditated on the part of the Kwantung forces, and it is commonly held by researchers in this field that it was the military that engineered the actual railway explosion as a catalyst for their plans. American journalist Hallett Abend recounted in his memoirs of his years as China correspondent for the *New York Times* being tipped off by a Japanese official in Shanghai that military action was imminent in the Manchurian region. Abend was concerned, wondering whether the USA and Britain would stand by and “permit a gigantic territorial theft of this kind?”<sup>86</sup> His subsequent reports to consular officials on the intended actions of the Kwantung army, however, fell on deaf ears. He later reflected on Japanese actions in September 1931 and beyond to action in 1937 with a grudging admiration:

Conquest can never be a pretty nor a clean job, but certainly the Japanese managed the conquest of Manchuria in a much better fashion than they did the conquest of coastal China begun in 1937. In Manchuria, of course, there was slaughter, there was intimidation of the civilian population, there was some ruthless confiscation of property, and there were economic injustices. These things seemed inseparable from militarism in its active phases.... It was about as decent a job as conquest can be.<sup>87</sup>

While the relationship between the words “conquest” and “decent” may seem patently oxymoronic, Abend’s reflections encapsulate the general feeling of foreign powers at the time. Press reports at this time often betrayed a sense of empathy with the long suffering Japanese finally “provoked” into action by the unpredictable Chinese and yet, at the same time dismay, at the course the Kwantung Army opted to take.<sup>88</sup> World attention was, however, drawn away from this centre when on the pretext of Chinese provocation the Japanese launched an attack on Chaipei, the Chinese city area of Shanghai. Japanese forces were repelled by the valiant efforts of limited Chinese forces (19<sup>th</sup> Route Army), much to the grudging admiration of the foreign onlookers in the Treaty Port. In the course of this conflict, Maze was active in

---

<sup>86</sup> Hallett Abend, *My Years in China 1926–1941* (London: Lane, 1944). For Abend’s full account of his observations on the Japanese in Manchuria in the early 1930s in particular, see Abend 147–173

<sup>87</sup> Abend 166. Abend was also the author of *Chaos in Asia* and *Japan Unmasked* among other works.

<sup>88</sup> See *North-China Herald* and *NCDN* in February 1932.

his protection of Japanese staff in the Inspectorate (located in the foreign concession). The *NCDN* reported that he had received a special message of gratitude from the Japanese Government to this effect.<sup>89</sup>

The seizure of the Customs houses in the northeast which occurred in mid-1932 were a great blow to the Service and also had significance in revealing Japanese aspirations for the region. Despite Japanese protestations that Manchukuo was a self-declared independent region, it became apparent to all onlookers that the state was a facade for Kwantung (and therefore Japanese) imperialist ambition in northern China. When faced with the prospects of a takeover from the Manchukuo authorities, Customs Commissioners generally (and with the benefit of hindsight we may also reflect, rather naively) appealed to the Kwantung authorities for assistance but found that none was forthcoming in spite of Kwantung claims of not being directly involved in Manchukuo. The events at Customs houses throughout the northeast revealed at the least a tacit support by Japanese authorities for the Manchukuo state and a propensity to protect the infant state against international pressure.

Customs reports for the 1931–1937 are incomplete and those that are available tend to refrain from making direct comment on the political situation embroiling Sino-Japanese tensions. Customs documents detail the Commissioners' experiences at each of the Customs houses that were threatened and eventually seized by the Manchukuo authorities. These documents reveal in many instances the authorities' deliberate intimidation of foreign and Chinese staff and their persistent attempts to bribe employees to change their allegiances. Customs houses subjected to these pressures, and ultimately to a takeover, included Harbin, Shenyang, Lungchingtsun, Hunchun, Newchuang, Antung, Aigun and Dairen. Of these, the seizure at Dairen was the most significant, seeing that it was created as a Treaty Port under Japanese treaty with China (1907) and therefore no interference had been anticipated. Any action against the Dairen Customs, it was reasoned, would need to have tacit Japanese approval before anything could take place. As Dairen became a catalyst for Manchukuo to move against Customs houses throughout the northeast the following sections include a detailed study of the Dairen Customs' experience.

---

<sup>89</sup>“The Dairen Outrage,” editorial, *NCDN* 25 June 1932.

## **Manchukuo and the MCS**

In the lead up to the creation of the state of Manchukuo, there was a certain amount of unease on the part of Maze and those interested in the future of the Maritime Customs but nothing tangible to raise serious concerns. The inauguration of the new independent state of Manchukuo in February 1932 was commonly recognized by the Chinese and foreigners in China as a puppet regime. In a *North-China Herald* cartoon Pu Yi, the “last emperor” and leader of the new state, was represented as a baby nursed by a Japanese mother while Chinese and Russian “nurses” look on (See Fig. 7.5). The creation of Manchukuo and the demands of a newly established state for revenue provided the impetus for a significant challenge to the future of the Service. In March Maze discussed a report received from the Harbin Commissioner, H. Prettejohn, who had heard on “good authority” that the new state was in urgent need of funds and that the Japanese were preparing to take over control of all Customs houses in Manchuria. What Maze could not discern from this report was the estimated timeframe for any such action.<sup>90</sup> Any such occurrence was to be avoided, if at all possible, and Maze began presenting preventative suggestions to the Nanking Government.

From the 11<sup>th</sup> to 14<sup>th</sup> March the Nanking Government, at Maze’s request to allow Customs representatives to make contact with the new Manchukuo authorities, sanctioned an unofficial representation. Commissioner at Dairen, Fukumoto, and Chinese Secretary, Ting Kwei-tang, were authorized to approach the Manchukuo authorities in the new capital of Changchun to put forward the case of maintaining the integrity of the Service. Fukumoto and Ting were able to speak at length on an unofficial basis with representatives from Manchukuo to discern the new state’s plans for the Service. They did so with the intention of moderating these views.<sup>91</sup> These talks, as detailed by Fukumoto, met with a degree of success in having informally put forward the Custom’s view for consideration. The talks were also received with a certain degree of sympathy for the case of maintaining the Service.

---

<sup>90</sup>F.W. Maze, letter to T.V. Soong, 21 Mar. 1932, The Maze Papers, vol. 7.

<sup>91</sup>See The Maze Papers, vol. 7 for a detailed report by both Fukumoto and Ting as to their discussions. Especially F.W. Maze, letter to T.V. Soong, 24 Mar. 1932; Ting, appendix letter to F.W. Maze, 19 Mar. 1932 in the same volume.



By SAPAJOU.

**MORE KIDNAPPING.**

Figure 7.5 Sapajou, "More Kidnapping." Source: *The North-China Herald*, 15 Mar. 1932.

Fukumoto reported to Maze that he spoke with the Japanese Consuls General from Lungchingtsun and Kirin.<sup>92</sup> He also met with an ex-Customs employee who was the Chief Secretary of a large chamber of commerce in Japan and acting as adviser to the new government. Fukumoto commented:

I found that the new government was busy with preparations for taking over all Manchurian Customs Houses and for opening a new office at Shanghaikuan,  
and that they would remit a certain sum for foreign loan obligation....<sup>93</sup>

<sup>92</sup>Jinzaburo Fukumoto, letter to F.W. Maze, 19 Mar. 1932, The Maze Papers, vol. 7.

<sup>93</sup>Fukumoto, letter to Maze, 19 Mar. 1932.

He immediately set about attempting to convert these and other officials to his way of thinking. A key element of Fukumoto's response to these intentions was to stress the detrimental effects for Japan. He presented that it was unwise for the Japanese to become involved in political complications and of damaging future trade agreements. Thus he pushed for negotiations with the Chinese authorities. He was pleased to learn that such comments had not gone unheeded; and reported to Maze that he had met with a measure of success, but was ultimately to be disappointed that his suggestions were only adopted in part.<sup>94</sup>

Ting's report of negotiations lacked the detail of Fukumoto's but gave significant reflection on the perceived attitude of the Manchukuo authorities. Ting commented on the attitude of the "Manchu Kuo Authorities" towards the Customs as being "polite, sincere and friendly."<sup>95</sup> Ironically earlier in the same message he reported the situation as "critical" and expressed fears that any delay in reaching some settlement would cause disaster. How can this be reconciled with his impression of polite, sincere and friendly Manchukuo authorities? Surely this reflection on the Manchukuo authorities is contradictory. It is difficult to determine whether there was any difference in the way Fukumoto and Ting were treated by the Manchukuo authorities but it is imaginable that as a Japanese Fukumoto could be more readily acceptable for discussions than Chinese Ting. Fukumoto's reports refer to acquaintances with whom he could speak at length, Ting not surprisingly did not have these contacts within the new regime.

Clearly Fukumoto and Ting were entrusted with a delicate task but one they had been considered well capable of managing. In his report Ting attributed the delaying of the Manchukuo threat to the Customs Service to the strenuous efforts made by Fukumoto.<sup>96</sup> There was recognition in the British Foreign Office reports of Fukumoto's outstanding efforts to defend the Service. In particular the Foreign

---

<sup>94</sup>Fukumoto, letter to Maze, 19 Mar. 1932.

<sup>95</sup>F.W. Maze, letter to T.V. Soong, 24 Mar. 1932, The Maze Papers, vol. 7.

<sup>96</sup>Maze, letter to Soong, 24 Mar. 1932.

Office praised Fukumoto's determination in the face of what was seen as considerable personal danger.<sup>97</sup>

Revenue from the northeastern provinces represented a significant percentage of the total Customs revenue. It was a substantial portion of funds, therefore, that was under threat should the Manchukuo authorities move into action. More so than just the funds, the whole basis of the Service was facing a direct challenge. Figure 7.6 depicts the percentage of the Custom's total revenue that was collected at Manchurian ports in 1925, 1927, 1929 and 1931.<sup>98</sup> Of this proportion of revenue, Dairen represented almost half of the northeastern remittances.

Maze was not idle while Fukumoto and Ting approached the Manchukuo authorities. On 17<sup>th</sup> and 19<sup>th</sup> March he outlined his views on the situation in confidential letters to the Minister of Finance.<sup>99</sup> In these letters he proposed that the Manchukuo authorities should liquidate a pro-rata share of the indemnities and loans secured on the Customs and in doing so retain the balance. This was to be done on the understanding the Inspectorate system remained undisturbed. This compromise would be maintained pending and resultant on settlement of the "final question," that of the Sino-Japanese question. Maze believed that such an arrangement loosely conformed to that which had been enacted in Canton in 1931. To his frustration, however, Soong transmitted his confidential letters to the Government's executive Yuan. As a result Maze was assailed by an indignant Wang Ching-wei (President of the Yuan) and others for stating that there were similarities in the Canton and Manchurian situations.<sup>100</sup> Maze was disappointed he had been led into this predicament and this confirmed his fear that he may be left responsible should any crisis erupt.

The Nanking Government negated the possibility of negotiating directly with the Manchukuo authorities and they declared that no agreement or understanding of

---

<sup>97</sup> F. Lindley, letter to John Simon, 1 Apr. 1932, document 218 of *British Documents*, vol. 40 300.

<sup>98</sup> "Maritime Customs Revenue Collection at Manchurian Ports," enclosure no. 1 to semi-official circular no. 95, *Documents*, vol. 5 161.

<sup>99</sup> F.W. Maze, letter to Walsham, 2 Apr. 1932, The Maze Papers, vol. 7. Maze discusses at length his approaches and suggestions to the Nanking Government and reveals his fear that he may indeed be left responsible should any crisis erupt.

<sup>100</sup> Maze, letter to Walsham, 2 Apr. 1932.

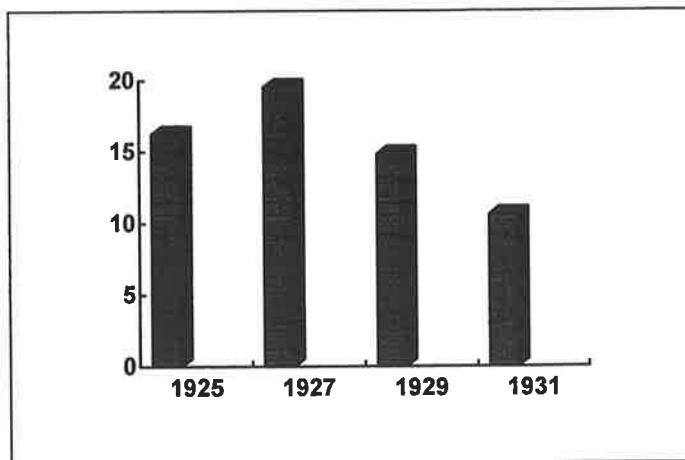


Figure 7.6 Percentage of Customs Revenue Collected at Manchurian Ports in 1925, 1927, 1929 and 1931. Source: "Maritime Customs Revenue Collection at Manchurian Ports," enclosure no. 1 to semi-official circular no. 95, *Documents*, vol. 5 161.

any kind should be made between the Customs and the new territory. Maze recognized that it was no longer his place to advise the Nanking Government but rather to abide by its decision. T.V. Soong met with the IG in late March to outline this non-recognition stance. Maze was instructed accordingly that all his future actions should be carried out in the spirit of this directive.<sup>101</sup> The creation of Manchukuo was an intensely political situation and it was therefore a risk for Chinese politicians to be seen in any way condoning negotiations with this new authority. Maze expressed frustration at what he saw as the political protectionism of the Nanking Government commenting, "in order to save their own skins, the existing powers that be in Nanking are quite prepared, it seems, to sacrifice the Customs integrity in Manchuria."<sup>102</sup> It was in Maze's interests to attempt to keep the Service clear of the political side of events but obviously this was almost impossible, the Service so intricately bound to the Nationalist Government.

As events were so closely tied to the political situation in China any foreign defence of the Customs Service was carried out in unofficial communications. Britain, in particular, was reluctant to be drawn directly into a situation that the League of Nations Commission would soon investigate. Maze wrote of the invaluable support Lampson had given him and recorded Lampson offering, "I should be glad to

<sup>101</sup>Maze, letter to Walsham, 2 Apr. 1932.

<sup>102</sup>Maze, letter to Walsham, 2 Apr. 1932.

do anything I could to strengthen your hand.”<sup>103</sup> Despite these helpful overtures, the British Minister was reluctant to take action beyond the unofficial level. Indeed from the reading of Foreign Office correspondence it appears Lampson was torn, not as to whether to support the Customs or not, but to the channels of support that would be appropriate. He acknowledged that the integrity of the Service had “long been a cardinal point of British policy in China,”<sup>104</sup> but while not wanting to abandon the Customs he didn’t feel that such considerations were weighty enough to demand protests be made to the new Manchukuo authorities, which Britain had not officially recognized.<sup>105</sup> This hesitancy was echoed throughout the British Government. The London Office’s Non Resident Secretary Walsham spoke with Sir Victor Wellesley and reported, “it struck me that the general attitude of the British Government is one of marking time and that they wish to leave China to manage her own affairs and not to move themselves unless absolutely compelled to.”<sup>106</sup> Even as early as March, therefore, Maze was aware of the potential problems the Service would encounter should the threats of takeover eventuate; the Customs was being left to stand on its own ground.

Maze had attempted to put forth his views for possible compromises that would relieve the situation, but once Nanking’s policy was made known (through meeting with T.V. Soong), these overtures were never raised again. His concern over the future of Customs houses within the new state is obvious:

We still sail in troubled waters and the Manchurian affair has created a rather dangerous situation for us. I believe that if I were given a free hand I could effect a settlement which would be satisfactory to both parties, without prejudicing the major question—that is, the occupations of Manchuria—but the Nanking Government have various political reasons for not allowing my advice and, of course, as Inspector General it is for me to execute, and not formulate, the Government’s policy.<sup>107</sup>

---

<sup>103</sup> Miles Lampson, letter to F.W. Maze, 22 Mar. 1932, The Maze Papers, vol. 7; Maze, letter to Walsham, 2 Apr. 1932. Maze writes of Lampson, “[he] has done everything possible at his end to endeavour to secure the integrity of the Manchurian Customs, and no man can do more than his best!”

<sup>104</sup> Miles Lampson, letter to John Simon, 5 Apr. 1932, document 225 of *British Documents*, vol. 40 311.

<sup>105</sup> Lampson, letter to Simon, 5 Apr. 1932 310–315.

<sup>106</sup> Walsham, letter to Maze, 16 Mar. 1932, The Maze Papers, vol. 7.

<sup>107</sup> F.W. Maze, letter to W.O. Law, 4 Apr. 1932, The Maze Papers, vol. 7.

The phrase that “history was repeating itself” appears in the Maze Papers relating to the Manchukuo threats against the Service.<sup>108</sup> Maze clearly perceived that the events in Tientsin in June 1930 and in Canton in 1931 (discussed in previous sections) had certain parallels with events in the northeast.<sup>109</sup> This is not to say that he did not recognize that essential difference between previous seizures of the Customs and the current threat from Manchukuo. Rather Maze recognized that Manchukuo represented an external and potentially much more damaging challenge to the unity of the Service. The repetitive factor in these affairs was, to his estimation, what he saw as KMT reluctance to allow him to enter negotiations that he believed may have saved the Service from losing the Customs houses completely.

As with much of Maze’s leadership, he was extremely pragmatic when presented with the rumoured plans for the takeover of the Customs houses. When greeted with the potential threats by Manchukuo authorities, Maze’s philosophy was that of compromise. He stressed the need to give way to minor points for the sake of saving the larger whole:

The chief consideration is to maintain the integrity of the Customs Service in the General interest of all—including Japan. This being understood, we ought to endeavour to avoid raising major questions; give way, if necessary, in the case of minor questions; and try and localise the issue as much as possible. If the Manchukuo Authorities seize the Northern Revenue, let it be seized from the Revenue-collecting Bank (the Bank of China) and not from Commissioners of Customs; and should such an irregularity occur, we here, on our side, will deal with the bank and leave it to handle the matter with those concerned in the North: that it to say, we ought to strive to keep the question of administrative control in the background, and it will probably be deemed convenient by everyone not to disturb the existing Inspectorate system at present and leave us to continue to exercise control over Staff, collection of revenue, and harbours.<sup>110</sup>

From this passage it appears Maze believed that by removing the focus of tension from the Service to the banks, it could remain unaffected. This was a superficial view, however, as regardless of where the revenue was seized, it would still affect the Custom Service. The key to his reasoning appears to be the presumption that the

---

<sup>108</sup> F.W. Maze, letter to Walsham, 1 July 1932, The Maze Papers, vol. 7.

<sup>109</sup> Maze, letter to Walsham, 1 July 1932.

<sup>110</sup> F.W. Maze, letter to Miles Lampson, 13 Apr. 1932, The Maze Papers, vol. 7.

Manchukuo authorities would want to avoid the inconvenience to their interests that would accompany any disruption of the Customs.

The initial successes emerging from the unofficial Fukumoto-Ting approach were short-lived. As Maze had predicted, history did repeat itself inasmuch as the KMT adopting a stance of non-negotiation with the Manchukuo authorities similar to their response to events in Tientsin. Maze was, therefore, also bound to follow this line despite his misgivings that compromise was the only possible avenue for protecting the Service. Indeed Maze expressed the view that the Customs was being sacrificed by the KMT.<sup>111</sup> Direct pressure from Manchukuo authorities, invariably in the form of verbal indication of intent, was applied to the Commissioners of the Customs houses. Fukumoto, as Commissioner of Dairen, was plunged into the centre of the struggle; his ultimate capitulation under Manchukuo pressures served as a catalyst for the physical seizures of all Customs houses in the northeast.

## *Dairen and the Fukumoto Affair*

In June tensions surrounding the fate of the Customs outposts in Manchuria, which had simmered since the creation of Manchukuo, reached a volatile climax. Within the space of only a few days the new authorities moved into action and seized the majority of Customs houses in the northeast, starting with Dairen. Throughout June the *NCDN* focused on the situation surrounding the Customs, publishing concerned reports of a plan to appoint a Japanese Inspector General.<sup>112</sup> An editorial entitled “Japan Adrift” discussed the gravity of the situation in Manchuria and saw the fate of the Service as a secondary question to that of the Japanese occupation, which the Lytton Commission would be addressing. The article states:

---

<sup>111</sup>Maze, letter to Walsham, 2 Apr. 1932.

<sup>112</sup>“Concern Over Manchuria: Report About Changes in Customs Administration,” *NCDN* 10 June 1932. Also the various articles that appeared in the *NCDN*: “Japan Adrift,” editorial, 11 June 1932; “Recognition of Manchukuo,” 11 June 1932; “Manchukuo Currency,” 15 June 1932; “The Manchurian Customs,” 16 June; “Japan’s Robot,” editorial, 21 June 1932; “The Manchurian Customs Dispute,” 21 June 1932; “Customs Crisis in Manchuria,” 22 June 1932; “Customs Seized in Manchuria,” 23 June 1932; “Dairen Customs Seizure,” 24 June 1932; “The Dairen Outrage,” editorial, 25 June 1932; “Dairen Commissioner of Customs Dismissed,” 25 June 1932; “Manchukuo Authorities’ Customs Revolt,” 26 June 1932; “The Manchukuo Customs Revolt Developing,” 27 June 1932, “Under Arms,” editorial, 28 June 1932; “Customs Officials Loyal Against Inducements,” 28 June 1932; “The Customs Seizure,” 29 June 1932.

The seizure of the revenue may, of itself, be comparatively unimportant, grave though that step obviously is. The real gravity of the crisis lies in the attack on the integrity of the Customs as the one stable service in China and a most important factor in the preservation of the often precarious relations subsisting between China and the Foreign Powers.<sup>113</sup>

The editorial demanded that the Customs should be “swiftly protected” not merely for the revenue but because of its significance to the future of Chinese political and economic development. The premeditated swiftness of Manchukuo’s actions later in the month, however, appeared to have stunned the foreign powers. Even more disconcerting was the overarching Japanese support for these takeovers.

The situation escalated in Dairen when from 7<sup>th</sup> June Fukumoto failed to remit revenue to the Shanghai Inspectorate. When sent a telegram by Maze questioning why this was the case, the Commissioner responded that he had hesitated to send any remittances for fear of precipitating a crisis. In a telegram on the 15<sup>th</sup>, Maze made it clear that Fukumoto did not have the authority to discontinue remittances. Again Fukumoto, after explaining that he had not discontinued but rather suspended payment of revenue, described the outcome of a meeting with Kwantung officials (not Manchukuo officials which reveals the close allegiance between the two authorities in Dairen) and urged that compromise must be met to avoid “imminent rupture and taking of drastic action by Manchukuo.”<sup>114</sup> The Yokohama Specie Bank, which was acting as the Customs bank in Dairen, had refused to hand over remittances and Fukumoto empathized with what he described as their fear of becoming involved in political disputes. Events shaping at Dairen had spread beyond that of a Customs issue and were significant for revealing Japan’s relationship with the New Authorities and the attitude held towards other powers interests also.

Fukumoto was warned by Kawai (Chief of Section for Foreign Affairs of the Kwantung Government) that his determination to remit was “highly provocative” and that should he proceed to do so, Japanese interests in Kwantung leased territory may be affected. In addition Kawai asserted that the Manchukuo Government’s claims to Manchurian Customs revenues were well founded. This was greeted with

---

<sup>113</sup>“Japan Adrift,” editorial, *NCDN* 11 June 1932.

<sup>114</sup>“Appendix of telegrams relating to Maze Fukumoto exchange in the lead up to Fukumoto’s dismissal,” in F.W. Maze, letter to Walsham, 1 July 1932, *The Maze Papers*, vol. 7.

incredulity by Maze.<sup>115</sup> In accordance with this “advice” Fukumoto was urged to postpone any action and he appealed to Maze, “in the present situation it is practically impossible for me to ignore the strong wish expressed by Leased Territory Authorities.”<sup>116</sup> Maze condemned this passive stance and ordered Fukumoto to execute instructions. Fukumoto’s unpreparedness to act on the instructions became obvious and he telegraphed:

A passive attitude is the only one possible for me at the present moment. I am myself convinced and also have been warned by responsible Japanese Authorities that an open rupture between Dairen Customs and Manchukuo would be destructive to Japanese interests. That I, a Japanese, should be the instrument to bring about such a rupture is intolerable and against my conscience.<sup>117</sup>

Despite such blatant insubordination Maze was hesitant to take any drastic action until he had consulted with Soong on the matter. The opportunity to discuss this impasse was delayed as Soong was travelling from Peiping at the time. On 23<sup>rd</sup> June Fukumoto was instructed to stand aside, to place the Deputy Commissioner Hakamura in charge and to proceed to Shanghai.<sup>118</sup>

Fukumoto’s actions had both administrative and political significance. When asked by Soong for his opinion Maze asserted that dismissal was the only punishment for Fukumoto’s insubordination but that he realized the consequences of such an action went further than simply removing him from the Service. He reflected, “from a political standpoint it might be desirable to go slow; that he [Soong] must consider that dismissal would make Fukumoto a martyr, a patriot and a hero, etc.”<sup>119</sup> Despite these reservations Fukumoto was dismissed on 24<sup>th</sup> June. The *NCDN* devoted its editorial to this dramatic turn of events and expressed sympathy for Fukumoto. The paper acknowledged that he had served the Service loyally in the

---

<sup>115</sup> F.W. Maze, semi-official circular no. 95, 20 Apr. 1933, *Documents*, vol. 5 152.

<sup>116</sup> “Appendix of telegrams relating to Maze Fukumoto exchange in the lead up to Fukumoto’s dismissal.”

<sup>117</sup> “Appendix of telegrams relating to Maze Fukumoto exchange in the lead up to Fukumoto’s dismissal.”

<sup>118</sup> Maze, letter to Walsham, 1 July 1932.

<sup>119</sup> “Appendix of telegrams relating to Maze Fukumoto exchange in the lead up to Fukumoto’s dismissal.”

past and had no doubt endured great personal pressures in the lead up to his dismissal. But the paper agreed that the Chinese Government was fully justified in taking action against this unprecedented behaviour.<sup>120</sup> The editorial examined what was seen as further evidence of Japanese complicity in the Manchukuo state:

For days past Tokyo had refused to admit that the assault on the Dairen Customs was contemplated. The technique has been the regular stock-in-trade of Japanese diplomacy ever since September last. It has lost for Japan incalculable sympathy the world over.<sup>121</sup>

Such an action in Dairen had been largely unforeseen owing to its status as a leased territory, but once this takeover had been effected the gates were opened for similar action elsewhere. As Maze outlined in his report on these events, seeing that Dairen was within Kwantung leased territory it had been assumed that interference with the Customs there would not be tolerated.<sup>122</sup> The impasse with Fukumoto proved the folly of this view.

Ingram of the British Foreign Office regarded Fukumoto's dismissal as "deplorable."<sup>123</sup> Under the Dairen Customs Agreement any replacement was required to be a Japanese national and, therefore, little real change could be effectively made. Furthermore such action was regarded as having "afforded the Japanese a suitable pretext for bringing to an end once and for all the Chinese customs regime in Dairen."<sup>124</sup> As events transpired Customs and KMT reaction to the impasse in Dairen did become a catalyst for seizures throughout the northeast. In response to Fukumoto's dismissal Deputy Commissioner Hakamura resigned his post and by 27<sup>th</sup> June all Japanese staff at Dairen had severed their ties with the Service. It is arguable that Fukumoto's dismissal triggered the Manchukuo Authorities into action and by 8<sup>th</sup> July all Customs Houses had been seized. The northeast was effectively torn away from the Service.

---

<sup>120</sup>"The Dairen Outrage," *NCDN* 25 June 1932. See also the article "Dairen Commissioner of Customs Dismissed" in the same issue.

<sup>121</sup>"The Dairen Outrage," *NCDN* 25 June 1932.

<sup>122</sup>Maze, semi-official circular no. 95 152.

<sup>123</sup>Ingram, letter to John Simon, 1 Aug. 1932, document 117 in *British Documents*, vol. 41 160

<sup>124</sup>Ingram, letter to Simon, 1 Aug. 1932 160.

## **Manchukuo's move against the Customs Service (March-June 1932): An Overview**

...the Japanese have now started developments which may (in fact will, unless there be a rapid restoration of the position) undermine the Chinese Maritime Service and all for which that Service stands.... The whole affair is equivalent to robbery under arms....

*North-China Daily News*<sup>125</sup>

The *North-China Daily News* was not alone in its indignation over the actions of the Manchukuo authorities that were aided by the Kwantung officials in claiming the Customs Houses in the northeast. Such outrage did not however translate into concerted action against such forcible takeovers, rather the foreign powers looked on as the Customs suffered a crushing blow to its existence. As outlined earlier, the Customs houses affected by Manchukuo's ambitions for the region were in Aigun, Antung, Dairen, Harbin, Hunchun, Lungchingtsun, Newchuang and Shenyang. Reports from the Commissioners at these posts afford a review of events leading up to their forcible removal from the Customs houses at the instigation of the new authorities.<sup>126</sup> The affected areas followed a general pattern of threats against the Customs house and intimidation of staff inevitably followed. In most cases by March the Customs houses encountered their banks' refusal to remit funds from the Customs account to the Shanghai Inspectorate. By the end of March, therefore, the Customs houses were in a deadlock. Regardless of their desire not to be drawn into the demands of the Manchukuo authorities, they were actively thwarted by the banks that refused to remit revenue at the requests of the Commissioners. As seen in earlier discussions Maze had anticipated that such action would then allow the Customs to still continue to function as the issue was then not with the Service but the banks. This, however, was not to be the case. In most instances any substantial remittances to the Inspectorate had ceased by late April to early May.

Following the dismissal of Fukumoto Manchukuo forces, bolstered by Japanese police and in some cases military personnel, proceeded to physically take over the

---

<sup>125</sup>"Under Arms," editorial, *NCDN* 28 June 1932.

<sup>126</sup>Maze, semi-official circular no. 95.

Customs houses. Commissioners arrived to work to find the Customs house under armed guard. In Harbin the Manchukuo authorities attempted to take over at night but were bluffed out of doing so by Commissioner Prettejohn and a number of Customs employees. This thwarting of the Manchukuo forces was short-lived as staff arrived the following morning to find the Customs house was barred shut.<sup>127</sup> In all instances the Commissioners were placed under considerable pressures and personal danger, often compelled at gunpoint to relinquish files, keys to safes and Customs documents. At Antung and Harbin the Commissioners' residences were similarly violated, subjected to "raids" as documents and staff that had been sheltering there were sought out. Even as early as March Prettejohn had been approached to join the new regime and his deputy Commissioner was also entreated with cash incentives to consider changing his allegiance to the Manchukuo service. Staff at all other houses including Lungchingtsun, Hunchun, Newchuang and Shenyang were subject to threats and often imprisonment to induce them to join the new regime. As Prettejohn commented on his staff's experiences at Harbin, "[w]hen "Manchukuo" want a man to work for them and he refuses, the usual method is to put him in prison and treat him so badly that he eventually consents to anything."<sup>128</sup> Despite such pressures and personal dangers, the majority of Customs staff remained loyal to the Service and were eager to seek appointment elsewhere.

Armed men, accompanied by a Japanese intelligence officer, forcibly ejected Commissioner Wallas and his staff from the Lungchingtsun Customs House on 29<sup>th</sup> June. In response to this affront Maze lodged a protest with the Japanese Charge d'Affaires.<sup>129</sup> In particular he questioned the grounds for Japanese involvement in such actions. This protest was largely discounted by the Charge d'Affaires, who maintained that an investigation had confirmed that Japanese military authorities had not taken part in any such actions and that furthermore Wallas was satisfied with the protection accorded to him by the Japanese Consulate-General. Denial of Japanese involvement in Manchukuo's actions against the Customs was a common device but had lost much of its plausibility by this stage.

---

<sup>127</sup>H.E. Prettejohn, letter to F.W. Maze, 30 Aug. 1932 *Documents*, vol. 5 170–179.

<sup>128</sup>Prettejohn, letter to Maze, 30 Aug. 1932 178.

<sup>129</sup>F.W. Maze, "Copy of Despatch to Japanese Chargé d'Affaires from Inspector General," 12 July 1932, The Maze Collection, National Maritime Museum, Greenwich.

In the lead up to, and during the takeovers, a number of Customs staff were imprisoned. Those unfortunate enough to be incarcerated were reportedly mistreated in a bid to coerce their support for the new regime. Few staff succumbed to these pressures. In Harbin Commissioner Prettejohn took to harbouring staff that he considered in a position of danger and then to assist them in smuggling out of the town.<sup>130</sup> Similarly in Newchuang Acting Commissioner Shaw had given instructions for any staff that could do so to try their best to escape from the port.<sup>131</sup> In Aigun Commissioner Joly proceeded to evacuate all staff and their families that he considered to be in danger.<sup>132</sup> Their journey by rail and vessel to Shanghai was worthy of an adventure film, but was indicative that dangers were perceived to be so pressing that they fled from the northeast.

After Fukumoto's dismissal all Japanese staff had severed their ties with the Customs and entreated others to do the same. After the takeovers new employees were required to work for the regime and some Chinese Customs staff were forced to remain in the interim to keep the houses operational. At Newchang they were forced to keep filling their duties while under armed guard, until replacements could be procured for the new regime. Acting Commissioner Shaw reported that these staff used passive resistance to the new regime. He detailed:

[they] performed their duties in the most perfunctory manner possible, with the result that the staff of the "New Customs" learned their duties in a very poor manner, and that the office work was carried out in a very confused way resulting in a large falling off of revenue and the commission by merchants of many offences which could not be detected by the ignorant and uninformed "new staff."<sup>133</sup>

Clearly, the new authorities encountered a stronger resistance to their new regime than they had possibly envisaged. There were relatively few defections to the new Customs apart from those of the Japanese staff and cash incentives or threats to ensure compliance usually accompanied any other decisions to join the new regime.

---

<sup>130</sup> Prettejohn, letter to Maze, 30 Aug. 1932 177–178.

<sup>131</sup> N.R. Shaw, letter to F.W. Maze, 20 Aug. 1932, *Documents*, vol. 5 213.

<sup>132</sup> C.H.B. Joly, letter to F.W. Maze, 14 Nov. 1932, *Documents*, vol. 5 163–169.

<sup>133</sup> Shaw, letter to Maze, 20 Aug. 1932 215–216.

The two most prominent defections to the Manchukuo regime were Fukumoto, the Commissioner of Dairen, and former Acting IG Edwardes. Fukumoto became the Commissioner at Dairen for the Manchukuo authorities and was responsible for removing the existing staff from office. This was something of a surprise to the Customs staff but in keeping with Manchukuo's moves elsewhere, it was quite predictable. At the same time that the Customs houses were being seized there were approaches to Maze regarding the possibility of having Fukumoto reinstated. Maze was propositioned that this may relieve some of the pressures being placed on the Service in the northeast. Japanese authorities were keen to draw parallels between Fukumoto and former IG Aglen. Maze however failed to agree with these "similarities" seeing that Aglen was insubordinate in refusing to follow government orders in the interests of the Service; Fukumoto's insubordination was at the "bidding of an alien state."<sup>134</sup> Needless to comment Fukumoto was not reinstated.

Edwardes' "defection" came in 1933 but still sent "shockwaves" through the Service. Although Edwardes was no longer an active member of the Customs, his acceptance of an appointment as an adviser to the Manchukuo authorities was an affront to not only the Chinese but also the entire Service. Edwardes had risen to prominence as Aglen's appointed successor in 1927 but had become embroiled in the succession crisis that had ultimately brought Maze into the Inspector Generalship (see chapter 5 for details). The shifting of allegiance by someone who had been so closely involved as an employee of the Customs and therefore the Chinese was seen as particularly reprehensible. The Chinese Government responded to the news of the March 1933 appointment with the release of a circular condemning Edwardes' "despicable" act:

[Edwardes'] action therefore in accepting post of adviser to the so-called Manchukuo is not only manifestly one of base ingratitude which has aroused the deep resentment of his former comrades in the Chinese Customs Service and cast a slur upon the hitherto high reputation and loyalty of the Service as a whole but is also in glaring contrast to the behaviour of the foreign staff of the Customs until recently serving in Manchuria who, though offered bribes, subjected to the greatest possible intimidation and even imprisonment, resolutely refused to give to the so-called Manchukuo the benefit of their services and remained staunchly loyal to the Chinese Government.<sup>135</sup>

---

<sup>134</sup>F.W. Maze, letter to Walsham, 28 June 1932, *The Maze Papers*, vol. 7.

<sup>135</sup>F.W. Maze, circular no. 4574 (second series), 2 Mar. 1933, *Documents*, vol. 5 122–123.

In retribution for this traitorous display, the Nanking government cancelled all honours that had been conferred on Edwardes.<sup>136</sup> Whether Edwardes retained his pension is somewhat unclear. Edwardes was rumoured to have received 5,000 pounds a year from Manchukuo while still being pensioned by the Chinese Government. Despite his "shady" dealings, Edwardes became a confidant to Sir Warren Fisher, the Permanent Secretary of the Treasury.<sup>137</sup> Edwardes was listed in the *Manchukuo Handbook of Information* for 1933 as a Counselor to the Department of Foreign Affairs.<sup>138</sup> According to Maze, moreover, Edwardes' appointment as an adviser to Manchukuo was regarded as nothing more than a joke but that naturally the Chinese authorities were angry over this betrayal.<sup>139</sup> Edwardes' actions also brought the Customs into disrepute.

By late 1932 some of Maze's greatest fears for the Customs Service had been realized. There was no longer any question of maintaining the integrity of the Customs in Manchuria as it had been completely severed from China's Customs administration.<sup>140</sup> The Inspectorate had once again had its hands tied by the reluctance of the KMT to enter into negotiations with Manchukuo. Further to this the foreign powers were unwilling to make anything more than unofficial overtures to the Japanese on this issue. Despite recognition that foreign interests in China were endangered by the actions of the new authorities in seizing the Customs houses, the powers failed to respond. For the Customs an era had passed—that of a unified Service enjoying the support of the foreign powers in China, and in its place dawned one that would be marked by a bitter struggle for continued survival.

---

<sup>136</sup> Maze, circular no. 4574 (second series).

<sup>137</sup> See Ann Trotter, "Backstage Diplomacy: Britain and Japan in the 1930s," *Journal of Oriental Studies* 15.1 (Jan. 1977): 39–40 for a brief discussion of Edwardes and Manchukuo.

<sup>138</sup> Manchukuo Government, Bureau of Information and Publicity, Department of Foreign Affairs, *Manchukuo Handbook of Information* (Hsinking: Manchukuo Government, 1933) 25.

<sup>139</sup> F.W. Maze, letter to J.W. Stephenson, 17 July 1933. The Maze Papers, vol. 9.

<sup>140</sup> Ingram, telegram to R. Vansittart, 8 July 1932, document 291 of *British Documents*, vol. 40 404–405.

## **CONCLUDING REMARKS**

---

Contrary to Hart's predictions and Aglen's misgivings that the Customs could not survive in the Republic, this thesis has shown that the Service responded dynamically to numerous forces of resistance and change that confronted and challenged its existence. This resistance manifested itself in both Chinese and British/Western responses to the Service. It can be found on the part of the British establishment that had largely turned from the Service believing they no longer held a stake in the foreign Inspectorate. Furthermore resistance can also be identified in the growth of anti-imperialism and nationalist sentiment among the Chinese as well as the factionalism between the warlords and the Nanking Government. With the growth of nationalism and heightened national consciousness, the existence of the foreign Inspectorate of the Customs with its privileged entourage of cosmopolitan staff was challenged. For the nationalists the Customs Service represented a highly visible reminder of China's humiliation at the hands of the West during the imperial era. By confronting the Customs with its foreign inspectorate they were challenging basis of the Treaty Port system. Yet ironically the Customs system represented such a significant source of revenue that the nationalists never sought to simply abolish the foreign Inspectorate as this could be disastrous; instead they ensured a pro-KMT Inspector General was appointed, achieved tariff autonomy and secured equal career opportunities for Chinese staff.

This dissertation has explored particular junctures where the existence and nature of the Customs is challenged, including the Canton Customs crisis, the Canton–Hong Kong boycott, the Customs succession struggle, the negotiations over a Hong Kong Customs agreement and the seizure of the Tientsin Customs followed by Manchukuo actions in the northeast. By examining these threats against the Service and responses to them, this dissertation highlighted the shifting significance of the Customs as a foreign and also Chinese institution. It has also examined the way in which the psyche of the Service remained the same, despite the many changes it underwent; there was an overwhelming sense of mission in maintaining the Customs

for the Chinese but always conscious of British and other foreign interests which the Service protected. The present work has chronicled Britain's shifting perceptions of the Service and has shown how the Customs can often be seen as indicative of larger forces at play in Sino-Western relations. In 1923 the Service had been seen as a foreign concern, to the extent that gunboat diplomacy was employed to dissuade Sun from interfering with foreign interests but by 1932, the British were hesitant to even unofficially protest the seizure of the northeastern customs houses to the Manchukuo authorities as they felt the Customs did not warrant such attention. The fate of the Customs service reflected the decline of Britain and the west in China and the general demise of the privileged life enjoyed by the foreigner in the treaty ports.

The initial chapters in this dissertation set the scene for the later case studies and, in doing so, they emphasized the Service's long connection with foreign presence in China. The British, who were predominantly imbued with the ideas of the "civilizing mission," dominated the Customs Service. Inspector General Hart encouraged a vision of the Customs as providing a tireless service to the Chinese but also filling a role in helping China to advance. The ideal of the Customs man was fostered by the privileged and elite lifestyles enjoyed by the indoor staff. The London Office played a significant role in reaffirming British dominance in the Service. The London Office achieved this primarily through cultivating an informal support network and by also ensuring the right type of recruits were enlisted. The Customs was also closely connected to the finances of the republic. The Service represented a major source of revenue for the Chinese Government and simultaneously it provided security for many foreign investments in China. Thus it was a mechanism through which the foreign powers could influence Chinese affairs.

The experiences of the Customs, detailed in this dissertation, epitomize Chinese resistance to foreign privilege and resentment of foreign interference. Ironically, though, without the privilege of extraterritoriality the Service would never have been able to function so successfully. In 1923 the Customs was the focus of Sun's claims for recognition. Sun not only needed funds to support his regime, but also demanded foreign recognition of his legitimacy by making such a claim against the Service. The Diplomatic Body interpreted this as a direct challenge to their interests; they resorted to gunboat diplomacy to thwart Sun. The multinational naval fleet that was rallied to defend the Service only succeeded in strengthening Sun's position as leader of the Nationalist movement and confirmed the Customs as a prime focus for resistance of foreign imperialism. The Service had been inert during

this threat, complacent that the foreign powers would not stand by and tolerate an attack against their interests. The foreign powers essentially disregarded the Chinese origins of the Service although it was indeed a Chinese institution despite its foreign Inspectorate. This control over China's revenues became an object of Nationalist agitation. Within only a few short years the Service underwent a dramatic shift in the eyes of the foreign powers and the Chinese. The financial value of the Customs revenue had not declined but the virulence of anti-foreignism that swept China in 1925, convinced even the British that a new, less confrontational relationship with the Chinese was necessary for the Treaty Port system to endure. By 1925–1926, however, the Customs in Canton was again embroiled in anti-British protests and found itself without any foreign support. The Chinese staff in the Service were harassed and intimidated for their association with this organization. Commissioner Bell alone protected these employees from the ire of the picketers but even he fell victim to one of their attacks. None of the powers wanted to assist Britain in defending the Service, for the risk of provoking Chinese attacks against their own concerns was too great. For Britain, despite the crippling effects of the Canton–Hong Kong boycott, challenging China alone and sending in gunboats to protect the Customs was not feasible.

With its foreign Inspectorate and considerable influence in maintaining China's finances, the Customs symbolized the antipathy of the nationalist's ideals of Customs autonomy and of equality in its relationship with the West. The whole basis of the Customs came into question in the succession crisis that followed Aglen's removal from duty. Aglen's dismissal signaled the end of an era for the Service and indicated Chinese resistance to British dominance over the Service. The British attempted to reassert their dominance by seeking to ensure their preferred candidate, Arthur Edwardes, was appointed. To do so they also needed to enlist the support of the Japanese and in exchange gave tacit support to Japanese ambitions for a more dominant role in the Service. When Edwardes failed to take up the IG's posting, despite British Minister Lampson's direct interventions, the British believed they had lost the Service. The new IG was the Nationalist-preferred candidate, Frederick Maze. Although generally maligned for his role in the succession struggle, Maze however was a dynamic leader who sought to moderate both Chinese and British interests in the Service. He believed that only by changing the outlook of the Service could he ensure the survival of the foreign Inspectorate in the face of the Nanking regime. This episode reflected the increasing leverage of the Chinese to influence the

Customs in selecting the appropriate candidate; Chinese interests overshadowed the British claims to the Service.

The negotiations surrounding the proposed Hong Kong–China Customs and trade agreement reflected a shift in the direction of the Service. Throughout these negotiations Maze displayed his willingness to advance KMT interests. In doing so he sought to extend the usefulness of the foreign Inspectorate to the new regime. While the negotiations were not successful, they heralded the Customs as a new force in Nationalist China. It was also the closest the negotiations had ever come to reaching a conclusion and that in itself was a feat of diplomacy. The Service now actively pursued its duties and the negotiations placed pressure on the Hong Kong authorities to allow the Service to patrol its waters. This dynamism was not present in the Service during the last years of Aglen's leadership. Aglen was more often describing himself as "set upon" by Chinese pressures and realizing his ultimate control over surpluses, was prepared to stalemate Chinese demands for funds. While Aglen's action may have had some merit when he was presented with successive warlord regimes, he had proved unwilling to direct the Service from this passive stance. Maze, moreover, cast the Service into the offensive by actively pursuing nationalist ambitions, in doing so Maze revealed his willingness to preserve the Service.

The attacks against the Customs in the 1930s signaled the death knell of the service. British inaction to assist the Service displayed the rift between Sino-Western perceptions of the Customs. The Tientsin Customs seizure and the inertia of the British to aid the Service revealed that they were no longer prepared to actively pursue the Customs interests with the Chinese. When the Tientsin Customs was seized Maze's diplomatic approaches were impotent. The Service had been drawn into political rivalries and was seen as little more than a pawn in the proceedings. British Minister Lampson believed the Customs was already a lost cause and, therefore, the British joined the other foreign powers in recognizing the de facto establishment. This pragmatism revealed British resistance to any further recognition of the Service. They deliberately distanced themselves from the whole affair. They did not even attempt to employ passive resistance by simply instructing their nationals to maintain non-recognition of the new establishment. After this damaging precedent was set Maze managed to avoid a repeat of events in Canton in 1931 and solely through his diplomacy the Service was kept intact. Agitation from the Manchukuo government in 1932 marked the end of the Customs unity. The

Service had fallen victim to the machinations of the Manchukuo authorities and as the Chinese refused negotiations with these authorities, there was little the Service could do to prevent further damage. The loss of the Customs houses in the northeast revealed that the Manchukuo authorities had no fears of foreign displeasure in their taking of the Service. A frustrated and isolated Maze clung to the belief that he was defending British interests in China through the Customs service, but the British establishment had long since abandoned this view. Once the physical integrity of Service had been breached, however, there was little that could be done by Maze or the British to lessen the damage. The Service had relied on its image as being able to function largely separate from the Chinese political situation, a belief that was a dangerous illusion.

The Customs, the “best friend” of China had been dealt a heavy blow with the loss of the Customs establishments in the northeast. But the decline of the Service did not end here. The forces of change and resistance continued to play themselves out and by the mid-1930s the Service struggled to maintain any semblance of its former cohesive structures. The Customs had to face the disruption and dislocation of the Sino-Japanese War from 1937. This meant further losses of a substantial number of Customs houses and hardships for staff, many of which were forced to flee their posts. Revenues were completely disrupted, there was an ongoing concern that wages could not be guaranteed to continue at their current levels. Customs reports are largely incomplete during this period, reflecting the chaos that engulfed the Service.

By 1939 World War Two had erupted and with it came the prospect of many staff opting to return home to take up colours. By this time the Japanese occupied Shanghai but the Service still attempted to maintain the functioning of the Inspectorate. In 1941 this came to an end, with Maze and the other foreign employees being interned. This effectively ended Maze’s career in the Service—he resigned shortly after his release in 1943. The Customs attempted to pick up from where it had been left under the leadership of an American, L.K. Little, and although it functioned until 1950, it evacuated to Taiwan in 1949. All foreign staff were retired from the Service. So, over 40 years after Hart had prophesized the Customs would collapse, the curtains finally closed on the foreign inspectorate. The Customs had survived for the duration of the treaty port system and beyond but was no match for the new wave of patriotism that was sweeping China in the form of the Communist Party. There was no place for this remnant of foreign imperialism with its ties to the Nationalist era in the new People’s Republic of China that emerged triumphant.

## **APPENDIX 1**

---

### **"A LEGION IN FAR CATHAY" by T. Holman, R.N.**

Dedicated with great respect, and all good fellowship, to the Members of that most unique service, the Imperial Maritime Customs of China; whose intelligence may be gathered from the good books in their libraries and the good whisky at their bars.

#### **I**

We're eleven hundred strong in numbers – a legion in far Cathay-  
Collecting the Maritime Customs and in an Emperor's pay,  
Who has never seen us nor wants to, so long as we gather the taels  
Levied on Indian opium, on cotton and piece-good bales.  
With a Briton for a chieftain – a square man down to the ground,  
Who can fine, suspend, and dismiss us, and shift and shuffle us round-  
We are Russians, Briton and Frenchmen, and all the nations between,  
But as loyal to our Master as Tommy Atkins to his king.

#### **II**

We're about as hot as they make'em, a medley rich as is found,  
Who've served under all the colours hoisted the whole world round.  
We've romped across all the oceans and bruised the heads of the sea,  
By the bluff old bows of a ditcher or a clipper caught by the lee;  
Have served in most of the navies and fought in the 'thin red line',  
We've faced the steel of the Sepoys and dug in silver mine,  
Been 'sailing in the ship' in an ice-field, harpooning whales by night,  
Can do our bit in a skirmish, pitched battle or free fight.

#### **III**

We've fought in foreign legions all along the Pacific coasts,  
Been engaged a dozen times over with the motley hordes and hosts,  
That roam in Central America and cut each other's throat's;  
We've cheered for all their Presidents who paid us well in hard,  
But would never take their 'paper', or go back on a pard.

We've seen the 'ice blink' of the northern sea, and read by the stars of the south,  
Been harnessed to an Artic sledge, and drenched in a tropical spout.

IV

We've been blackbird catching for Queensland, taught Russian in a Paris school,  
And French in the Russian capital, and played as a circus fool;  
Been wrecked on the rocks off cannibal coasts and washed half dead on the sand  
But always found the cherub aloft could stay the savage hand;  
We owe no leigence to King or Prince, but to him we serve for the while,  
But for him we work with zeal and zest in a bold adventurous style;  
For we'd cheer for a people's President, or roar ourselves hoarse for the Czar,  
Sing a song of welcome to peace, or join in a howl for war.

V

Yes! We're a glorious band of Free Rovers, lodged for nonce in Cathay,  
Some of us just to stop the gap, others come here to stay;  
But we come from all the nations and have known both famine and feast,  
Can speak all the tongues of Europe and swear in most of the East;  
Have fought each other on the continent, settled Californian scores with knives,  
Stood back to back in China and cudgelled the mob for our lives.  
We've friends at all the Legations and relations in the Church and 'Beer',  
And some of us got our billets by methods uncommonly queer.

VI

All our Clubs are cosmopolitan, though we have our 'ins' and 'outs',  
With the usual amount of jealousies, exclusions and turned-up snouts;  
But these pale beside our *camaraderie* when the stones are flying around,  
And squares are formed to meet the mob or escort the ladies down.  
We've been knocked on the head at Mengtz, burnt clean out at Ichang,  
Yet never budge an inch from our post for Li, or Chung, or Wang.  
When a howling crowd are shouting 'Ta! Ta!' and brandishing sticks and knives,  
We simply stick our backs to the wall and prepare to sell our lives.

VII

We spend our pay as we get it, for silver goes down by the run,  
And if ever we get the kick-out, why we know our way to the fun  
To be found at 'the back' in the Colonies: or can ship before the mast,  
To sail for New York or Liverpool, Glasgow, Cardiff or Belfast.  
In our legion we've everyone wanted, from a draftsman down to a snob,

Can design or build a bridge or a fort without cash for the job,  
So long as we get our half-pay leave – with a gratuity fat and prime-  
Then we spread ourselves out in the capitals and have a royal time!

VIII

Our duty's to our liking – though we sometimes grumble at our pay  
When chasing smugglers across the mountains, or cruising in Titan Bay;  
We find opium that's stuffed in cats and dogs, and salt that's stowed among coal,  
Have stiffish fights with pirate junks, see honest ones pay toll;  
But we've worn the sombreros of cowboys, ridden in the North-Western Police,  
And a brush with Indian, Malay, or Pirate, is pretty much all of a piece.  
Yes! We're Rovers, Free Lancers, Adventurers, call us what you darn please,  
But we're at home in all the countries, and never at sea on the seas.

T.Holman, R.N<sup>1</sup>

---

<sup>1</sup>Quoted in C.A.S. Williams, *Chinese Tribute* (London: Literary Services and Production, 1969) 7–10.

## **APPENDIX 2**

---

### **Transcript of Personal Interview with Yvonne King, 26 July 1998**

*I interviewed Mrs Yvonne King (née Lebas) at her Box Hill North home in Victoria, Australia on 26 July 1998. Yvonne was eighty-five years old then. She spent a considerable part of her life in the Chinese Maritime Customs Service, having experienced China both as a daughter and a wife of Customs staff members. Yvonne was extremely enthusiastic and our conversation about the Customs Service began the very moment I met her at her suburban railway station, went through lunch and lasted right until she saw me off at the station. These circumstances made it difficult for the entirety of the seven-hour meeting to be tape-recorded. I did not make the interview very formal in nature. As such the following is an edited excerpt of the recorded portion of the interview.*

**Yvonne King:** We lived a very privileged life. People in the Customs were slightly apart from the merchants like great big firms like Jardine Matheson, Butterfield and Swire, and the British American Tobacco. They were all big and the HKS [Hong Kong and Shanghai Bank]—they were all commercial people. Well in the Customs we always considered ourselves a little bit above that and we were not encouraged to mix too much with them. There were reasons for that. You know one of the failings that the Chinese had, especially in the beginning of the century, was that they were very much inclined to take bribes. There were four British consuls who were first put into ports to watch over the Customs because so much revenue seemed to disappear. When these British consuls were put in charge the Chinese government couldn't understand how the volume of revenue was tripled or even quadrupled. And so without saying anything they realized that foreigners didn't take bribes and so that's how really the Customs started.

I'm not quite sure but I think Robert Hart was a very good friend of the Chinese. They trusted him and he liked them. So they asked him to organize

foreigners to work in the Customs and that was how it began because they found that people who worked in the Customs were very much handpicked. You know, Customs staff had to pass all sorts of tests. When my father joined—it was in I can't remember quite it was in the 1870s or something—he had to first go to London and be assessed by the powers that be, and things like his manners and the way that he spoke mattered. Of course his education mattered and the same with my husband. When he joined the Customs he had to go through a kind of a test and his education was very important. My husband went to one of the best schools in England. Nowadays snobbery and all that don't exist, but in those days it did very much really. This Maze here (gestures to picture of Maze) was the biggest snob of all time. He obviously thought such a lot of himself that he invented his own uniform.

The outdoor staff were the people who actually met the ships and went through your luggage and when big ships came in—cargo, huge lots of cargo—well the outdoor staff went on board and did the actual searching of the cargo. The indoor staff were purely in the office and never did that unless there was some special occasion or something and then they may have gone and boarded a ship. But it was the outdoor staff that did; that's the difference between the indoor and the outdoor staff. The outdoor staff didn't have to be particularly well picked, if you see what I mean, while the indoor staff were rather highly picked.

Socially I mean this will just show you that it was always the Customs people who were always above those people who work in offices like Jardine merchants. We went to a big dinner party. We went on board a huge British, I suppose you could call it a, battleship. Really it wasn't a cruiser; and as it happened this ship was stationed in Hong Kong. The ship came for a visit when we lived in Amoy and we were asked to go on board to dinner together with the people like the Hong Kong Bank and from the Butterfield and Swire and all those people. Now the British consul in Amoy at that time didn't have a wife or at least his wife was in England or something and this was typical, but I was only about twenty-nine or thirty at the time and I was rather sort of overcome because I had to sit at the right of the Admiral, you see, and all the other older women were sitting at the lower part of the table. This struck me very much you know, the fact that the Customs were always before any merchants but after the consular people. It was always like that. My mother was the same—I mean I can remember her going to dinner with people and she was always, if there wasn't a consular person there, put onto the right of the host and that gives you some idea of the life we led.

We were not overly encouraged to become too friendly because—and that goes for the Chinese as well—if you become too friendly with somebody like I would, you know, you would expect me to do you a favour. Do you see what I mean? That was the reason that the Customs staff were rather encouraged to stay aloof from, I mean very friendly but not sort of buddy-pals you see?

**DB:** Did you mix often with the outdoor staff? Did you mix socially with them or was it that they kept to themselves?

**YK:** Yes, it was. I'm sorry to say, but it was. We were always friendly. We were not encouraged to mix with them a lot; and the other thing is that in the Customs as you will see from here, we were always being transferred a lot and this was the same reason that if you come to a new port you don't have much time to make very good friends with anyone. And by the time you made good friends and you might want to do them a favour then you know automatically you'd be transferred. You can see how many times we changed places. It was one of those things that were understood and nobody questioned it. It was done to everybody, the whole of the Customs Service and all the indoor staff were always transferred.

**DB:** So the outdoor staff would stay in the one place?

**YK:** Oh yes, the outdoor staff would be more inclined to stay for longer but they were also transferred; the heads of them were. I'm not sure about this but I think the outdoor staff were more inclined to be local people who joined and they belonged to particular ports. If they were just sort of people that went onboard and did the actual searching they would be more inclined to be local.

I can remember as a little girl Chinese merchants and things sending my parents huge and beautiful presents. I mean they weren't always very expensive presents but sometimes my mother used to get some jewellery sent and mostly they were expensive, bloody expensive, baskets of fruit but I was always struck because my Father would never accept this and would always send it back. You know it broke my heart and I thought, "why can't we have all of those beautiful mangoes or you know, fantastic oranges" which you didn't get very much of in China in some of the places. And you know my father would just say, "we can't accept things that we haven't bought". The same when my husband was in the Customs, although by then

it wasn't quite so obvious. I don't remember quite so much but especially at Christmas we'd all be sent, if it wasn't anything very expensive like if it was a basket of small bits of fruit or if it was some very beautiful flowers, we would then accept that but anything like jewellery or chinaware or expensive things, we would always return and that is because we didn't want to feel indebted to anyone.

**DB:** Did you socialize with the Chinese either in or outside the Customs?

**YK:** That was the problem. We were not encouraged to become too friendly with the Chinese. You will find if you read this (refers to "A Variegated Life") we didn't really make many friends. We had friends. But they were more of social friends, and that's for the same reason in the Customs we used to, every now and again, entertain the Chinese staff, but it was sort of a formal entertaining at Christmas or Chinese New Year. But we were not encouraged to become "buddy-buddy" friends with them so it could be no question of them expecting us to help them to sort of avoid some duty on some goods. For that reason, in lots of ways, people used to think that members of the staff, like myself, were kind of snobbish. But it wasn't really that. It was a policy. It wasn't written down anywhere. You just knew it especially if you had been born in the Customs and, you know, all my life I was aware of this. My parents as I say would always refuse gifts and so did my husband.

**DB:** So when you were saying you moved around from port to port, did you always have a Customs house there? Did any stand out in your mind.

**YK:** Yes always. The house that we had in Amoy was very, very big. It was sitting in Amoy on a huge block of land and it sort of jutted out. It was a huge block of land and it had sea all around so you could, if you wanted to, build a little pier and have your own boat there.

**DB:** I've been reading a bit about the Customs clubs and being in the Customs staff club. Was it more for the indoor staff or for the outdoor staff?

**YK:** No, it was more for the outdoor staff, except on special occasions the Customs club would give a party and then we would go.

**DB:** When the communists started to rise in China there were difficulties for the Customs?

**YK:** Yes

**DB:** What about the nationalists, the Kuomintang and Chiang Kai-shek? Do you remember anything of their attitude towards the Customs?

**YK:** All I can say is that Chiang Kai-shek was a good man. I've never met him personally but he was all in favour of the Customs and foreigners. And the Kuomintang—we had no problem with them and they had no problem with us. But it's the communists who started being anti-foreign. In all my recollections of life in China, there were times when there were communist insurgents or anti-foreign riots, but on the whole, you mustn't forget the vastness of China and the millions of people there. You see Australia is very, very under-populated and the Chinese—there are millions of them. If you go to China you'll see millions of people and you'll hardly get through the streets. And that is unless you go to a village: not many people of course. But Shanghai, Hankow, up and down the China coast there were millions of people. Naturally they were going to have to sort of get anti-foreign and, you know, anti-everything. And they're still having riots all the time.

**DB:** Did you notice if any were directed particularly towards the Customs? I read that there were times when the warlords would take over the Customs? That type of thing started to happen more. This is from my reading as the Kuomintang came into power it had been increasing during the Northern Expedition. Even once they came to power there were still these struggles between the warlords and the Customs seems to have been pulled into these.

**YK:** Yes, I would say that is definitely right and that is definitely unavoidable but it wasn't particularly against the foreigners, it was more against any form of law and order which didn't emanate from them. I mean, the communists, or whatever you like to call them—the warlords would be against anything that was regulated or worked properly because they wouldn't get what they wanted. But it wasn't particularly against the Customs. I would say it was more against law and order than that. People who organized themselves are nowdays called communists, but in

those days they were called warlords and they would try and work against their own people...

**DB:** Of course they wouldn't say they were working against their own people. Often they would say they had their own vision of China and army to lead them on...

**YK:** Yes, right, but you can understand they wanted to get the power and part of the power of the Chinese people. I don't know what it's like now but it's probably very much the same. The Chinese communists were very, very successful because if you were caught either taking a bribe by them—you know this is like the 1940s—they would just shoot you. They ruled by fear. They ruled by evil really, because I'm telling you things from my side, you see? The Customs service did have a lot to do with the Chinese government. And they objected, I mean the Chinese, you can understand, would object because they couldn't get their way and would always be fighting.

When we lived in Hankow, my father came home from lunch one day a bit shaken and looking rather pale. He said he didn't want any lunch and it transpired that out of his office window—he looked down on a great big square in Hankow—some of these wretched men were brought and made to kneel down. Their hands were tied behind their backs, and they put their heads down and had their heads chopped off, right in front of my father's office. And, you know, that's the way they dealt with it because it was the only way they could deal with certain people who didn't agree with them. But they weren't the actual government. I suppose they were warlords really. We didn't know who they were—they were just sort of like warlords who were trying to take over, and for that reason they resented the Customs, which was well organized and was a Chinese service with the blessing of the Chinese government. We worked very faithfully—everybody worked faithfully for the Chinese government—and had no question about it.

**DB:** You said that the Customs was closely connected with the Chinese government even if it was just a Customs service. Could you explain that a little bit more?

**YK:** If you can understand, it was a Customs service but I never heard of it being a branch of the Chinese government. In other words the Customs was the Chinese government; and in my husband's day it was the head of the Kuomintang that gave

orders to the Customs people and we followed their orders. But Hart would probably argue if he didn't agree with what they were telling him to do but basically the top man was the Government. Take Chiang Kai-shek, he was the Chinese Government and in his day Sir Frederick Maze would take orders from him. We did what they wanted and we did it satisfactorily as far as they were concerned.

**DB:** Do you remember hearing anything of the Japanese up in Manchuria taking Customs houses as well?

**YK:** Well that was very early on. I don't remember. It didn't affect me—that was Manchukuo. From my recollection Manchukuo had really always belonged to or had been taken over by the Japanese. I've never been there. My husband was stationed in Dairen for a little while before we were married. It's in north China, which is terribly, terribly cold but I've never actually been to Manchuria. In my day it was known as Manchukuo and as far as we were concerned it was a Japanese possession. And the fighting that took place was between the Chinese and the Japanese but it had nothing to do with the foreigners. When we lived in Weihaiwei where Richard [her son] was born you couldn't go into the city. We lived outside the city, you know, you couldn't go into the city without passing through a Japanese guard post and you just took it for granted. They didn't do you any harm and that was just the way of life.

**DB:** Do you remember a person called Arthur Edwardes? I read something that mentioned Edwardes went to Manchukuo to work as a financial adviser. Do you know anything about that?

**YK:** Of all the people you've mentioned in your letter—of all these men, Stanley Wright—I knew him well. The Wrights had no children and in Peking they lived in the next house to us; and in Shanghai they lived just three houses down. So I know him well. I was young in those days and I suppose you think I'm terribly old but I remember thinking he was terribly old. He was probably 55 to 60 or something, but I thought he was terribly old.

Now Frederick Maze—I didn't know him. I wouldn't go up and have a conversation with him because he was very cold and aloof he wasn't approachable. We had to go to these parties where people would look for a place to pour the booze

out because it was so shocking. He never drank so he didn't know and nobody, as far as I can make out, would have the nerve to tell him what was happening. You see the servants were diddling them, serving some dreadful old booze, which only cost \$10, and pocketing the bottles which would have cost about \$30.

**DB:** So you wouldn't say he was very popular amongst the other staff.

**YK:** Well everybody respected him but nobody liked him. You see the difference? He was a very strong minded, respectable, do-the-right-thing sort of person but not somebody you'd want to be friends with. His wife was charming and you could have a good talk and a laugh with her but he was quite unapproachable.

Arthur Edwardes I did not know although he and my father were stationed in Peking. When I was about 12 or 13 he was acting IG. I don't think he was ever a full IG.

**DB:** No there was a succession struggle between Edwardes and Maze

**YK:** That could well be. But as I say in those days I didn't know Maze either. I don't think he was in Peking with us. But Edwardes was in Peking with us and I can remember my father saying, "he's not the real IG, he's acting." But you know that's just a memory.

Hayley Bell was never IG and I can't say that I knew him well. He was a very proud man. I only remember him very vaguely because my father took over from him in Macao. Hayley Bell was in charge and it took about a month to hand over. So we spent a month at a hotel and they [the Bells] were in the old house which was falling to bits. My father or my mother always used to joke that Hayley Bell would hate anybody to call him Mr Hayley Bell. It was always "Lieutenant Colonel Hayley Bell if you please!" I remember him as a big tough, typical army officer. He was very tough on his children and brought them up as though they were soldiers and they were made to stand to attention. And they had to be brought up rather rough—I think there was something about they had to sleep outside in the fresh air at night because he wanted to toughen them up. Well he was a typical army officer but apart from that I don't know and what I do know is that when he defended Canton—I'm pretty sure that it was Canton—he put on his army officers' uniform and fought the Chinese. That was very badly received by the Customs people and the Chinese

government. He was then asked to resign from the Customs. I think he was a very respected man but he did this very foolish thing. He should have realized that he was an employee of the Chinese government and not a British soldier. He shouldn't have put on his uniform and fought the Chinese.

**DB:** What about Lenox Simpson?

**YK:** Ah, yes, I know. I can't tell you much about him. I know I have heard of him. He tried, I think, to take over the Customs but I can't say I know much about him. He was considered a traitor. All I know about him was he was somebody you'd be ashamed of. Now I can't tell you what he did. Lenox Simpson was a British but I don't know whether he was with the consular service?

**DB:** No he was a journalist.

**YK:** That would figure! He didn't succeed and was ostracized. All I knew about him was "Lenox Simpson was a bad man." He was evil. I can't tell you any more than that. I can't tell you why. I think he tried to demoralize the workings of the Customs. He was one of these adventurers. You know, an adventure he thought he was very clever and all that.

## APPENDIX 3

# MCS Confidential Staff Report Form

[F.-34a]

造具此項報告時應參照總稅務司通令第四一〇一及四四四八號規定辦  
*In making out this Report, the instructions of I.G. Circulars Nos. 4101 and 4448 are to be carefull*

### 稅務員民國 年年終考成報告 CHINESE CLERKS.

Confidential Report for Year ended 31st December 19.....

姓名 Name	[ 漢文 English.] [ 漢文 Chinese.]	籍貫 Family Home.....
職銜 Rank.....		已否婚娶 Married or Single.....
現在年齡 Present Age.....		服務年數 No. of Years in Service....
本年請假日數(總稅務司核准之假期除外) Total number of days absent from duty during year (excluding Inspectorate leaves).....		病假 Sick, _____ days; 事假 Local leave, _____ days; 共 Total

#### 品行 I.—GENERAL CHARACTERISTICS.

- 有無才能 Capable?
- 是否誠信 Trustworthy?
- 是否機敏 Tactful?
- 是否勤勉 Industrious?
- 是否順從 Subordinate?
- 能否指揮他人 Can command others?
- 是否聰明 Intelligent?
- 是否鍛鍊 Discreet?
- 是否為人敬重 Respected?
- 性情溫和否 Good-tempered?
- 有否禮貌 Well-mannered?

#### 學識 II.—EDUCATION.

- 普通學識如何 General education?
- 漢文程度如何 Knowledge of Chinese?
- 能操何地方言 Of Chinese dialects?
- 英文程度如何 Of English?
- 其他外國文字程度如何 Of other Foreign languages?

#### 工作 III.—WORK.

- 是否可靠 Reliable?
- 是否敏捷 Quick?
- 是否整潔 Neat?
- 是否按時到班 Punctual?
- 對於總務課工作知識如何 Knowledge of General Office work?
- 對於統計課工作知識如何 Of Returns?
- 對於會計課工作知識如何 Of Accounts?
- 對於秘書課工作知識如何 Of Secretary's work?
- 對於驗估課工作知識如何 Of Appraising Office?
- 對於常關工作知識如何 Of Native Customs?
- 能否打字 Can he typewrite?

才能 IV.—QUALIFICATIONS.

上為高級稅務員資格 Qualified for Senior Clerk?  
下為幫辦資格 For Assistant?  
何口或何項工作特別適宜 Particularly suited for any special Port or Work?  
特殊才能 Special qualifications?

健康及遷調 V.—HEALTH AND MOBILITY.

是否健康 Health?  
有若干 Family?  
生活者有幾人 Any dependents?  
已有若干年 How long in present Port?  
轉調或留在本口之特別理由 Any special reasons for transfer or retention?  
來服務之口岸共有幾處每處若干年 Ports served at during career, with length of service at each?

總評 VI.—GENERAL REMARKS.

者 Submitted:

核准者 Approved:

主任官員職銜  
Deputy Commissioner or Senior Assistant.

稅務司 Commissioner.

海關  
CUSTOM HOUSE,

月 日  
..... 19.....

Source: Chinese Maritime Customs Service, *Chinese Maritime Customs: Staff Organisation and Control* (Shanghai: Statistical Department of the Inspector General of Customs, 1936) 27–28.

## **APPENDIX 4**

---

### **Biographical Glossary**

*The following entries cover a selection of Customs employees, foreign journalists and Chinese political figures. This is not, however, an exhaustive glossary, but rather the aim is to provide some background material on some of the less well known figures discussed in this work. For this reason Dr Sun Yat-sen, Chiang Kai-shek and T.V. Soong are not listed; their careers are sufficiently well known and documented to make such entries superfluous.*

**Acheson**, Guy Francis Hamilton. (1863–1924) Born in Gosport, England. Acheson graduated from Oxford in 1886 and joined the Customs as a 4<sup>th</sup> Assistant, B, in 1888. He was stationed in Peking until 1893 and during this time studied Chinese and acted as a personal secretary to the Inspector General. Over the next nineteen years he served at Canton, the London Office, Shanghai, Soochow (Acting Deputy Commissioner), Chunking (Acting Commissioner) and Santuao (Acting Commissioner). In June 1911 he was appointed Deputy Commissioner and in 1914 was transferred to Peking as Assistant Staff and private secretary. By 1915 he was promoted to Commissioner and he remained in Peking until 1919. The last three years of Acheson's career were spent at the London Office he retired in January 1924. He was appointed co-director of the Customs College and remained at this post until his death in December 1924. Source: *Documents*, vol. 3 note on 531.

**Aglen**, Francis A. (1869–1932) Born in Scarborough, Yorkshire. Aglen joined the Customs as 4<sup>th</sup> Assistant B on 1 December 1888. After three and a half years at Peking Aglen served short periods at Amoy, Canton and Tientsin. He returned to Peking in June 1894 and was appointed Deputy Commissioner in March 1896. In 1897 he was promoted to Commissioner and proceeded on long leave. From 1899 until 1903 he was Commissioner at Nanking. During the Boxer Rebellion, which cut Peking off from the world, Aglen was appointed joint Inspector General with F.E. Taylor at Hart's telegraphic instruction. Aglen did not take up this position. From 1903-1904 Aglen was Chief Secretary in Peking. After leave he acted as

Commissioner at Hankow, 1907–1910. In March 1910 he returned to Peking and spent the rest of his official career there. His appointments followed: Deputy Inspector General, Officiating Inspector General *ad interim* 23 March 1910 to 15 June 1911; Deputy Inspector General, Acting Inspector General, 16 June –24 October 1911 and Inspector General 24 October 1911 until his withdrawal from the Service on 10 February 1927. Aglen's achievements included raising Chinese language standards for foreign indoor staff, improving living conditions at most ports and creating a Superannuation Fund for employees. During the course of his career in the Service, Aglen received many awards and distinctions. These included: Civil Rank of the 3<sup>rd</sup> and 2<sup>nd</sup> Classes; the Order of the Double Dragon, 3<sup>rd</sup> Division, 1<sup>st</sup> Class, and 2<sup>nd</sup> Division, 2<sup>nd</sup> Class; the Order of the Chia Ho, 2<sup>nd</sup> Class, 1<sup>st</sup> Class, 2<sup>nd</sup> Class with Grand Cordon and Brilliants, and 1<sup>st</sup> Class with Grand Cordon and Brilliants; 1<sup>st</sup> Class of the Imperial Order of the Sacred Treasure, Japan; K.B.E. and G.C.M.G., Great Britain; Commander of 1<sup>st</sup> Class of the Order of St. Olaf, Norway; Commander of the Order of St. Maurice and St. Lazare, Italy; Officer of the Legion of Honour, France; 1<sup>st</sup> Class of the Order of the Rising Sun, with Grand Cordon, Japan; Grand Cross of the Order of Leopold, Belgium; and Grand Cross of the Order of Dannebrog, Denmark. Source: *Documents*, vol. 2, note on 693.

**Bell, Francis Hayley (1877-?)** Born in Shanghai, China into a family of silk and tea merchants. After an education in Britain, Bell returned to China in 1891 and he joined the Customs service in 1896. In 1914 Bell resigned from the Service and went into active duty - his distinguished military service seeing him awarded a Distinguished Service Order, General Service Medal and the Victory Medal with oak leaf. On his return to China, Bell took up a Deputy Commissioner's position at Shanghai. He served as Commissioner at Chefoo, Canton, Kowloon and Tientsin. From April 1929 to April 1930 he made extensive investigatory tours of the China coast as part of the initiation of the preventive service. In June 1930 Mr B.L. Simpson, who was supported by warlords Yen Hsi-shan and Feng Yu-hsiang, usurped Bell's Commissionership at Tientsin. This effectively marked the end of Bell's China service. The last 3 months of Bell's service career (January-March 1931) were undertaken as Non Resident Secretary in London. Source: *Documents* vol.4 115; Anthony Hewlett, *Children of the Empire, with a foreword by Hayley Mills*. Sydney, Kangaroo Press, 1993, 1995.

**Bowra**, Cecil Arthur Verner. (1869–?) Son of E.C.Bowra, one of the earliest Customs Commissioners, Bowra was born at Ningpo. He entered the Customs in 1886 at 4<sup>th</sup> Assistant B. He served at various ports including Peking, Tientsin and Canton before being appointed Assistant in Charge at Newchuang in 1899. He remained at this posting during the Boxer uprising and through the subsequent occupation of the port by Russians. In light of his distinguished services during a period of great difficulty, he was promoted to Commissioner in 1903. He served as Commissioner at Soochow, Amoy and Moukden before taking up the position of Chief Secretary in Peking (1910–1923). During his time at the Inspectorate he was called on to serve as Officiating Inspector General several times. In 1924 he was appointed Non Resident Secretary in London and remained in this position until October 1926. He retired after leave in May 1927. Source: *Documents*, vol.3 note on 325.

**Bredon**, R.E. (1846–1918) Born at Portadown, Ireland. Educated at Trinity College, Dublin (M.A., M.B.,M.Ch). Bredon joined the Custom in September 1987. He served as Commissioner at Chefoo, Ningpo, Canton, Hankow and Shanghai. and was appointed Deputy Inspector General in 1898. Bredon filled the role of Acting Inspector General in 1908–1910. Bredon received many distinctions during his career but his path to the position of Inspector General was never clear. Source: *Documents*, vol. 1, note on 393.

**Campbell**, James Duncan. (1833–1907). Born in Edinburgh. Joined the Service in December 1862. He served as Chief Secretary and Auditor in Peking until 1870 when he was dispatched to London on special duty. Campbell was appointed Non Resident Secretary at London in 1874 and remained there until his death. Campbell acted as Hart's confidential agent in Europe and their working relationship has become legendary. Source: *Documents*, vol. 1 note on 325.

**Ch'en Chiung-ming** (13 January 1878-22 September 1933) Born in Kwantung province, Ch'en was a graduate from the Kwantung Fa-cheng hsueh-t'ang (College of law and Government) at Canton in 1908. Ch'en was an anti-manchu revolutionary and had been the early republican governor of Kwangtung. In 1913 however, Ch'en was deposed by Yuan Shih-k'ai and this prompted his participation in an anti-Yuan campaign, heading the forces of Sun Yat-sen's constitution protection movement. After occupying Canton in 1920, Ch'en was appointed by Sun to the position of

governor of Kwantung. In his leadership of Kwantung, Ch'en was progressive, implementing educational and administrative reforms and offering patronage to various intellectuals. Ch'en ambitions for his leadership in Kwantung however, came into increasing conflict with Sun's aims for his movement. Ch'en was reluctant (as commander in chief of the Kwantung Army) to use his forces as the base for challenging the forces of Wu Pei-fu and to fulfill Sun's aim for a Northern expedition. In early 1922 Ch'en withdrew his support from Sun and resigned his position. In the following months his troops attacked and overthrew Sun, forcing the leader to flee to Shanghai. Ch'en was driven from Canton by the combined forces of Sun, the Yunnanese army (Yang Hsi-min) and the new Kwangsi army (Liu Chen-huan) but remained his forces remained a concern for Sun until 1925. After losing military power in 1925 Ch'en moved to Hong Kong and while setting up resistance groups, he had little real impact on China's political situation. He died from illness aged 55 years. Source: Boorman and Howard, *Biographical Dictionary of Republican China*. Vol. 1. 173-180; CYB 1924. 983.

**Clementi, Cecil.** (1875-1947) Eldest son of Captain Montague Clementi (of the 1st Bengal Cavalry and later, colonel and judge advocate-general in India) and Isabel Collard. Clementi was educated at St Paul's school and pursued a distinguished academic career at St Magdalen College, Oxford which included achievements of: a first class in classical moderations (1896) and a second class in *literae humaniores* (1898); being appointed the Boden Sanskrit scholarship in 1897 and other awards; and publishing an edition of the *Pervigilium Veneris* in 1911. While placing highly within the Home and Indian Civil Service lists of 1899, Clementi preferred an Eastern cadetship and was subsequently posted to Hong Kong. In the course of this appointment Clementi learnt both Cantonese and Pekingese. In 1913 he was appointed colonial secretary of British Guiana and in 1922 he became the colonial secretary in Ceylon. In 1925 Clementi became the governor of Hong Kong, his primary task being to restore relations between Hong Kong and Canton. By 1930 Clementi was the governor of the Straits Settlement and high commissioner of the Malay states. Clementi retired in 1934, due to ill health. Source: *Dictionary of National Biography, 1941-1950*.

**Edwardes, Arthur Henry Francis** (1885-?). Edwardes was born and educated in London, joining the Customs service in October 1903 as 4<sup>th</sup> Assistant, C. After

progressing through the ranks and serving at ports including Swatow, Amoy, Peking, Shanghai, Kowloon and Newchang, Edwardes was promoted to Deputy Commissioner in 1921. In 1923 he was the Deputy Commissioner in charge of the General Office at Shanghai, he then acted as Personal Secretary to the Inspector General. In 1924 Edwardes traveled to Canton as Commissioner in charge in September 1924. After he was accidentally wounded in the knee during the Shakese incident (June 1925), Edwardes returned to Peking to act as personal Secretary to the IG. During absences by Aglen, Edwardes acted as Officiating IG. A key figure in the successions crisis after Aglen's dismissal (February 1927), Edwardes was appointed Officiating IG, this was confirmed by the Nationalist Government at Nanking in October 1928. After resigning his appointment in 1929, Edwardes was granted a pension by the Chinese Government. In what was considered by the Chinese and by members of the Customs as an act of betrayal, he took up a post as adviser to the Board of Foreign Affairs of Manchukuo. Source: *Documents* vol. 4 note on 97.

**Feng Yu-hsiang.** Feng's early years were dominated by the military life, with Feng following his father's military calling. Feng was self-educated and had been a protege of one of Yuan Shih-kai's leading officers. Feng's conversion to Christianity in 1924 was particularly significant as his indoctrination of his troops in later years earned him the title "the Christian General." Feng's moral and Christian outlook received support from American missionary groups in particular. Feng's motivation for involvement with the Nationalists was predominantly opportunistic in nature. In desperate need of funds Feng had courted the Soviet element of the Kuomintang seeking military aid in 1925–1926, this led to Feng's spending 3 months in Soviet Russia and receiving indoctrination in exchange for support. On 16 September 1926 Feng formally accepted membership of the KMT. Chiang Kai-shek's attempts to consolidate his power base, however, isolated Feng. Plans for the disbanding of troops caused Feng's disillusionment with the KMT and Chiang's claiming of Shantung, a province that Feng had coveted provoked Feng into withdrawing from the KMT in May 1929. Feng's allied opposition to Chiang's forces was not resolved until late 1930 and for all intents and purposes ended Feng's warlord career. Source: James E. Sheridan, *Chinese Warlord: the Career of Feng Yu-hsiang* (Stanford: California University Press, 1966) and Boorman and Howard, eds., *Biographical*

*Dictionary of Republican China* (New York and London: Columbia University Press, 1967) 41.

**Fukumoto**, Jinzaburo (24 July 1882 -?) was born in Japan and joined the MCS in October 1905, as 4th Assistant C. He was appointed Deputy Commissioner at Tsingtao in 1924. He spent 1924-1927 at the Inspectorate at Peking, Commissioner of Antung 1928. Fukumoto was Commissioner at Dairen from 1930 until his dismissal for insubordination in June 1932. He was retained as Commissioner at Dairen by the Manchukuo authorities. Source: *Documents* vol. 5 note on 149.

**Gilbert**, Rodney. Gilbert was a freelance reporter for the *NCDN*. From 1912-1929 he worked in China. A series of essays written for the *NCH* were compiled and published in *What's Wrong With China*. It is interesting to note that in the years following his departure from China, Gilbert became a crusader against communism during the cold war, travelling to Taiwan to "help Free China do what could be done to bedevil the Chinese Red's" during the 1950's. R. Gilbert, *Competitive Coexistence: The New Soviet Challenge*, New York, A Free Enterprise Publication, 1956, preface.

**Green**, Owen Mortimer. A British journalist, Green was editor of the *NCDN* from 1911 until 1930. He also authored *China's Struggle With the Dictators*. (London, Hutchinson & Co., 1941)

**Harris**, Alfred Herschell (1863-?) Born at Ootacamund, Madras, India. Joined the Customs Service in July 1883 as 4<sup>th</sup> Assistant B. From March 1886 to July 1890 he was detached for duty as interpreter on special duty with Viceroy Li Hung-chang at Tientsin. In 1892 he was a Davis Scholar in Chinese at Oxford. From November 1901 to June 1902 Harris acted as Assistant Statistical Secretary. In October 1908 he was appointed Commissioner. While at Kowloon September 1908 –March 1912 and again from April 1916–September 1918 he played a leading role in negotiations with Hong Kong authorities with regards a Customs agreement. Harris had a forty-year career in the Service. Source: *Documents*, vol. 4 note on 42.

**Hart**, Robert. (1835-1911) Born at Portadown, Ireland and was the eldest of 12 children. After an education in Wesleyan schools, he won a scholarship to study at Queen's College, Belfast. In 1853 he graduated with a B.A. with honours. In 1854

Hart received a nomination for the consular service and at the age of 19 left for China. Starting as a supernumery interpreter, Hart spent time in Hong Kong, Shanghai and Ningpo. In 1858 he acted as second assistant at Canton. With the creation of the Imperial Maritime Customs Service, Hart was invited by the viceroy at Canton to take charge of the Canton Customs. He subsequently resigned from the consular service in 1859 and became deputy commissioner of Customs at Canton. This was the beginning of a long and legendary career in the Customs. In 1863 Hart rose to the position of IG and held this post until his death in 1911. While Hart did not initiate the Imperial Maritime Customs Service he was undoubtedly the creating force that shaped the Service into a modern fiscal institution. He also played a large role in establishing the China postal service. Hart's visionary work in China was recognized through the vast numbers of honours and distinctions bestowed upon him both by China and the foreign powers. Source: Sir Charles P. Lucas, "Sir Robert Hart, Bart, G.C.M.G., LL.D., D.C.L., Grand Guardian of the Heir Apparent of China, etc." *Documents*, vol. 7 375–388.

**Joly**, Cecil Heny Bencraft. (1892–?) Born at Macao. Joined the Customs in November 1912 as 4<sup>th</sup> Assistant B. Was Acting Commissioner Aigun from October 1930 to October 1932. He was promoted Deputy Commissioner on 1 October 1930. In 1933, after returning from leave, he was appointed to be in charge of the General Office at Shanghai and then Administrative Commissioner. He held this post from 1934–1937. He was appointed to Commissioner in April 1936. Source: *Documents*, vol. 5 note on 161.

**King**, Paul Henry. (1853–1938). Born in London and educated at Haileybury and on the Continent, King joined the Customs Service as 4<sup>th</sup> Assistant, A in January 1874. He was appointed Deputy Commissioner in 1899 and Commissioner in 1900. During his forty-seven year career King served at Swatow, Kiukiang, Chefoo, London Office, Shanghai, Tientsin, Hangchow, Kowloon, Canton, Pakhoi, Wuhu, Ichang, Amoy and Foochow. The only Inspectorate posts held by King were Statistical Secretary 1911–1912 and Non Resident Secretary, London June 1914 to September 1920. King retired after leave in early 1921. King authored *In the Chinese Customs Service: A personal Record of Forty-Seven Years* (New York and London: Garland Publishing, 1924, 1983). Source: *Documents*, vol. 4 note on 76.

**Lampson, Sir Miles Wedderburn.** Later known as **Lord Killearn.** (1880-1964). Educated at Eton and entering into the Foreign Office in 1903, Lampson carved out a long, eventful and distinguished diplomatic career in the Far East and Egypt. He served in Tokyo and Peking and acquired knowledge of both languages. He was a British representative at the Washington conference in 1921 and was vital in the negotiations leading to the Locarno treaty. In 1926 he was appointed Minister in Peking. His China service was marred by the death of his wife Lady Lampson in 1930 but he remained in China until his appointment as High Commissioner for Egypt and Sudan in 1934; he also remarried in this year. He was also prominent in the post war years as Special Commissioner in South East Asia where he was instrumental in negotiating through the post war aftermath in Singapore and Indonesia. He retired in 1948 but still maintained active business interests and was diligent in the House of Lords. Source: *Obituaries from The Times, 1961-1970; Dictionary Of National Biography 1961-70*, 627-628.

**Law, Wyndham Oglivie.** (1882 -?) Born in London and joined the Service in 1905 as 4<sup>th</sup> Assistant, C. In 1924 he was appointed Deputy Commissioner. In 1929 he was promoted to Commissioner and appointed Chief Secretary (additional) in the Inspectorate in Nanking. He was invalidated from the Service in March 1931. From May to December 1938 he filled the post of Non-Resident Secretary in London. Source: *Documents*, vol. 4 note on 162.

**Maze, Frederick W.** Son of James Maze and Mary Hart, was born in Belfast. He served in Chefoo and Newchuang for a few years and was then appointed to the Inspectorate in Peking for six years, leaving in March 1900 as Deputy Commissioner. Maze was appointed to Commissioner on 30<sup>th</sup> June 1906. As Commissioner he served at Tengyueh, Canton, Tientsin, Hankow and Shanghai. In 1927 he was offered the position of Southern Inspector General by the Nanking Nationalist Government but declined. He was appointed Deputy Inspector General on 3 October 1928 and Inspector General on 9 January 1929. He was conferred a knighthood of the Order of the British Empire in 1932. Maze was interned during the Japanese occupation of Shanghai and resigned as Inspector General in 1943. Maze was highly decorated throughout his career both by the Chinese and foreign powers. These awards and distinctions included: Pao Kuang Chia Ho, 2<sup>nd</sup> Class, China September 1923; Order of the Wen Hu, 2<sup>nd</sup> Class, China October 1927; Single Rhinoceros Conservancy

Medal, 1<sup>st</sup> Class, China December 1924; Commander of the Order of Christ, Portugal 1932; Commander of the 1<sup>st</sup> Class of the Order of St. Olav, Norway, 1933; Knight Commander 1<sup>st</sup> Class, of the Order of Dannebrog, Denmark 1935; Order of the Brilliant Jade with Blue Sash (3<sup>rd</sup> Class), China March 1937; Commander of the Legion of Honour, France, 1937; Cross of the 1<sup>st</sup> Class, Order of the Red Cross, Germany, 1937. Source: *Documents*, vol. 2 note on 447.

**Nakamura, Moto.** (1887–?) Born in Yanagawa, Japan, Nakamura graduated with a Bachelor of Laws at the Tokyo Imperial University in 1912. He joined the Customs Service in 19113 as 4<sup>th</sup> Assistant B. He served at Dairen (four times during his career), Canton, Chefoo, Antung, Shanghai and Tsingtao. While Acting Commissioner of the Dairen Customs, Nakamura became embroiled in the Manchukuo authorities machinations. He was dismissed in 1933. Source: *Documents*, vol.5 note on 152.

**Peel, William.** (1875-1947) Governor of Hong Kong from May 1930 - May 1934. Peel arrived in the colony amidst world depression and therefore faced difficulties in maintaining revenue for governing the territory. In the course of the Governorship, Peel oversaw the transformation of the sanitary board to the Urban Council. Relations with China were strained throughout his Governorship and exacerbated by Sino-Japanese tensions. E. Roberts, N.L. Sum and Peter Bradshaw, *Historical Dictionary of Hong Kong and Macau*, Asian Historical Dictionaries, No. 10, (Metuchen, N.J., and London, The Scarecrow Press Inc., 1992) 162-3.

**Prettejohn, Hugh Edward.** (1879–?) Born at Exmouth in Devon. Joined the Customs Service in 1903 as 4<sup>th</sup> Assistant,C. He was promoted to Deputy Commissioner in April 1921. After a short period as Acting Commissioner at Shasi Prettejohn was located at Shanghai as Deputy Commissioner in charge of Appraising Department, and then as director of the Department (1922-1926). He was Commissioner at Hankow from 1928-1929. After leave he held the position of Staff Secretary at the Inspectorate. In May 1931 he was appointed charge of Harbin. From 1932 to 1933 he had charge of Chefoo, Lungkow and Weihaiwei. He retired in November 1934.Source: *Documents*, vol. 5 note on 158.

**Shaw, Norman Rymer Mackintosh.** (1878–?) Born in Tokyo. After graduating from Oxford in 1902, he joined the Customs as 4<sup>th</sup> Assistant, C. He resigned in 1905 but was permitted to rejoin in 1907. He was promoted to Deputy Commissioner in 1925 and was Acting Commissioner in charge of Kowloon from July 1925 to October 1926. After leave he was Dean and Vice President of the Customs College at Peking. After brief duties at Dairen and Antung he was transferred to Shenyang (Moukden) as Deputy Commissioner in charge. From January to October 1932 he was Acting Commissioner at Newchuang. He retired from the Service in 1934. Source: *Documents*, vol.5 note on 157.

**Simpson, Bertram Lenox.** (1877-1930) He was the second son of Charles Lenox Simpson Senior Commissioner of the Chinese Maritime Customs. After education in Britain, in Brighton College, Simpson was employed in the Chinese Customs from 1896-1901. He resigned from the Service however, to pursue a career as a writer and journalist. It was his career as an adventurer; novelist and commentator on Chinese affairs that saw him run foul of the foreign establishment in China. Writing under the pseudonym of Putnam Weale, Simpson had a rather notorious reputation. His novel *Indiscreet Letters From Peking*, an account of the legations handling of the Boxer Rebellion was a far from flattering depiction of consular conduct (indeed Macmillan publishers declined to print it). In the course of his writing career he produced around seven political commentaries and over a dozen novels. Simpson acted as China correspondent for the London *Daily Telegraph* and provided articles for the *North-China Daily News*, the undisputed leader of foreign press newspapers in China. Simpson's involvement in the takeover of the Tientsin Customs in 1930 led to his being attacked by Chinese assailants and dying of inoperable wounds on 12<sup>th</sup> November. The NCDN paid him a final tribute on 13 November 1930: "He knew the risks, and he took them and, so far as could be judged, he never complained or showed querulous resentment when Fate turned against him. He bore no malice nor did he seek sympathy. On that account alone he can command tribute due to one who played the man." Source: NCDN, 13 Nov. 1930; *The New York Times*, 12 November 1930; Macmillan Archives, The British Library.

**Sokolsky, George.** British journalist. Writer of special articles for the NCDN and contributor to *The China Yearbook*. Author of *The Tinder Box of Asia*, Doubleday-Doran, New York, 1932.

**Stephenson**, Joseph William. (1874–1933) Born in Belfast, Ireland. Stephenson joined the Customs Service in 1899 as 4<sup>th</sup> Assistant, B. He was stationed at Foochow, Nanking, Shanghai, Ichang, Chungking, Tientsin, Kowloon and Tenghyueh. He was posted to the London Office from 1916–1920. After being promoted to Deputy Secretary in 1920 he was transferred to the Peking Inspectorate and filled the posts of Revenue Chief Accountant and then Personal Secretary to the Inspector General. In 1922 he was appointed Commissioner and was Chief Secretary until 1926. During this time he also acted as Officiating Inspector General on occasion. In October 1926 he was appointed as Non Resident Secretary in the London Office and remained in this position until early 1931. Stephenson returned to China and took up Commissionership of Kowloon until the end of 1931. After six months leave, he retired in March 1932. On April 1933 he was reappointed to the post of Non Resident Secretary but died in November of that year. Source: *Documents*, vol. 4 note on 83.

**Sun Fo** (20 October 1891 -?) Son of Sun Yat-sen. As a child, Sun Fo left China with his mother and sister to join his father in Hawaii. As a result, his education was in Honolulu. After graduating from the Catholic Saint Louis College in 1910, in 1911 he went to the USA and enrolled at the University of California. Sun Fo graduated from California in 1916 and then earnt an MA in economics from Columbia University. On returning to China Sun was associate editor of the Canton Times (1919) and was the Mayor of Canton from 1912-1925. Sun Fo was deeply committed to the Nationalist's cause and was considered a rightist by other KMT members. In the course of his political career he held ministry positions and was president of the Legislative Yuan from 1932-1948. After 1949 Sun lived in France and the US, ultimately becoming a senior adviser in Taiwan. A collection of his public addresses were published in 1942 *Ch'ien-tu (China Looks Forward, 1944)*. Source: Boorman and Howard, *Biographical Dictionary of Republican China*, vol. 3 162-5.

**Talbot**, Roy Maxwell. (1881–?) Born in Illinois, United States of America and educated at the University of Wisconsin, Talbot joined the Customs in 1908 as 4<sup>th</sup> Assistant C. He served at Canton, the Peking Inspectorate, Ichang, Nanking, Harbin, Shanghai and many other ports. He was appointed Deputy Commissioner in October 1931 while at Antung. After the seizure of Antung by Manchukuo authorities in 1932, Talbot returned to Shanghai. He was then posted to Changsha and Mengtsz. In

April 1934 he was promoted to Commissioner. In 1938 he held the position of Audit Secretary at the Shanghai Inspectorate. Source: *Documents*, vol. 5 note on 155.

**T'ang Shao-yi** (1860- 30 September 1938) Born in Chungshan, Kwantung, T'ang's family were prominent entrepreneurs. In 1874, Tang was educated in the United States but was unable to complete his studies as he was recalled to China in 1881. T'ang became one of Yuan Shih-k'ai's proteges and was appointed as customs tao-t'ai at Tientsin in 1901. With Yuan's rise to power, T'ang enjoyed more influential positions but however, became increasingly disillusioned with the President. T'ang resigned and supported the Kuomintang's opposition to Yuan's government. In 1917, T'ang was an adviser to Sun Yat-sen but after unsuccessful peace talks with the North in 1919, T'ang retired from public life. Chiang Kai-shek named T'ang "superior adviser" to the Nanking Government but T'ang ignored this appointment. In 1931 however, after the arrest of Hu Han-min, T'ang sided with the Canton coalition headed by Wang Ching-wei. By 1936 T'ang had turned his support towards the KMT and he had become a member of the Central Supervisory Committee. Boorman and Howard, *Biographical Dictionary of Republican China*, vol. 3, Mao-Wu, 232-6.

**Ting Kwei Tang.** (1891-?) Ting entered the Customs College in 1912 and graduated in 1916. He served at Antung and then spent from 1919-1927 at the Peking Inspectorate. He was then transferred to Shanghai to act as the Commissioner's Chinese Secretary. In April 1929, Ting was promoted to Deputy Commissioner and Acting Chinese Secretary. In 1930 he was made full Commissioner with the post of Chinese Secretary. In February 1935 he was detached to travel abroad and examine other Customs systems. On his return in October of the same year he resumed duty as Chinese Secretary of the Shanghai Inspectorate. During the crisis surrounding the seizure of the Tientsin Customs in 1930, Ting was entrusted to make a secret mission to Marshal Chang Hsueh-liang. In March 1932 Ting was also entrusted with making an informal approach to the Manchukuo authorities with regards the fate of the Customs houses. Source: *Documents*, vol. 3 note on 635.

**Wallas, Alexander Graham.** (1883-?) Born in London. After some business experience in London Wallas joined the Customs Service in 1906 as 4<sup>th</sup> Assistant C. He served a various ports including Canton, Hunchun, Chunking and Peking before being transferred to the London Office for two ears (1920-1922). In 1929 he was

promoted to Deputy Commissioner while serving at Hunchun (Lungchingtsun) and remained in charge until June 1932. After leave he was Officiating Commissioner at Nanking. He was appointed Commissioner in 1934. He retired from the Service in October 1936. Source: *Documents*, vol. 5 note on 154.

**Walsham**, Percy Romilly. (1871-1933) Walsham was the son of Sir John Walsham, Bart., H.M.B. Minister at Peking, 1885-92. After an education at Eton he joined the Service in 1894 as 4<sup>th</sup> Assistant, B. From 1896-1899 he acted as private secretary to Robert Hart. He was appointed Deputy Commissioner in 1913. In 1929 he was appointed to be Chief Secretary at the Shanghai Inspectorate and held this post until March 1931. From April 1931 to March 1933 he was the Non Resident Secretary in the London Office. He had formally retired from the Service in December 1929 but his services were specially retained. Source: *Documents*, vol. 4, note on 207.

**Wright**, Stanley Fowler. (1873-?) Wright was born in Belfast, Northern Ireland. He had a distinguished university career, a Prizeman at Queen's College (1895), graduated with a B.A. from Royal University of Ireland in 1896. During leave he also received his B.A. and M.A. (Econ.) at the Queen's University in 1911. He joined the Service in 1903 and was stationed at ports including Shanghai, Tientsin, Hankow, Amoy and Newchuang. In 1920 he was appointed to the Inspectorate as Acting Service Chief Accountant, Assistant Audit Secretary. He was promoted to Deputy Commissioner in 1921. From 1922 to 1924 he filled the role of Revenue Chief Accountant. By October 1924 he was appointed Commissioner and acted as Personal Secretary to the Inspector General. He filled this role until 1933. He was compulsorily retired in 1933 as he had reach the maximum age limit for service, but his services were retained at the Inspectorate. He returned home in 1938. Wright acted as Non Resident Secretary in 1939. Wright authored many works relating to the Customs and was considered the chronicler of the Service. He was a fellow of the Royal Economic Society of London, 1920. Source: *Documents*, vol. 4 note 509.

**Wu**, C.C. Educated in America and a graduate of London University, Wu held significant posts in China's Republic, including Councillor of the State Department and Ministry for Foreign Affairs in 1915. Wu was the Vice-Minister of Foreign Affairs in the Canton Government. Source: *CYB 1924*, 1061.

**Yen Hsi-shan** (1883–1960) Born in Ho-pien, Shansi province, Yen's family members were predominantly bankers and merchants. Yen received a classical education, and then due to financial hardships, enrolled in a military college in which he received a modern western style education. As part of this training, Yen studied in Japan and while he was there joined Sun Yat-sen's revolutionary brotherhood. Later, Yen became a supporter of Yuan Shih-kai. A reformist warlord, Shansi's geographical isolation made it possible for Yen to maintain his model province and to indoctrinate the populace. Yen developed ideology that was a conglomerate of ideas including: militarism, democracy, capitalism and communism. Yen joined with the KMT in June 1927. Yen's alliance with Feng and subsequent defeat brought the weakened warlord under Chiang's control. Donald G. Gillin, *Warlord: Yen Hsi-shan in Shansi Province, 1911–1949* (Princeton: Princeton University Press, 1967).

## BIBLIOGRAPHY

---

Abend, Hallet. *My Years in China*. London: Lane, 1944.

Acheson, Guy F.H. and Cecil A.V. Bowra. Correspondence with Sir F.A. Aglen, Letter series Z. The Library of the School of Oriental and African Studies, London.

Aglen, Francis A. Confidential correspondence with G.F.H. Acheson and C.A.V. Bowra, Letter series Z. The Library of the School of Oriental and African Studies, London.

*All About Shanghai and Environs: A Standard Guide Book*. Shanghai: The University Press, 1934. Rpt. as *All about Shanghai: A Standard Guidebook*. Hong Kong: Oxford University Press, 1983.

Aitchison, Jean. "The Chinese Maritime Customs Service in the Transition from the Ch'ing to the Nationalist Era: An Examination of the Relationship between a Western Style Fiscal Institution and the Chinese Government in the Period Before the Manchurian Incident." Diss. London University, 1983.

Anderson, Perry. "A Belated Encounter: Perry Anderson retraces his father's career in the Chinese Customs Service." *London Review of Books* 30 July 1998: 5–10; 20 Aug 1998: 28–34.

Arlington, L.C. *Through the Dragon's Eyes: Fifty Year Experiences of a Foreigner in the Chinese Government Service*. London: Constable and Co., 1931.

Atkins, Martyn. *Informal Empire in Crisis: British Diplomacy and the Chinese Customs Succession. 1927–1929*. Ithaca: East Asia Program, Cornell University, 1995.

Bhabha, Homi K. *The Location of Culture*. London and New York: Routledge, 1994.

Boorman, Howard L. and Richard C. Howard, eds. *Biographical Dictionary of Republican China*. 6 vols. New York: Columbia University Press, 1967–1979.

Bowra, Cecil, A.V. Memoirs of C.A.V. Bowra 1920–1932, ms. Manuscripts Collection. Library of the School of Oriental and African Studies, London.

British Foreign Office Documents (series 405). Public Records Office, London.

Broeze, Frank, ed. *Brides of the Sea: Port Cities of Asia from the 16<sup>th</sup>–20<sup>th</sup> Centuries*. Kensington: New South Wales University Press, 1989.

Bythell, D. "Class Community and Cultues: The Case of the Brass Band in Newcastle." *Labour History: A Journal of Labour and Social History* 76 (Nov. 1994).

Cable, James. *Gunboat Diplomacy: Political Applications of Limited Naval Force*. London: Chatto and Windus, 1971.

Cain, P.J. and A.G. Hopkins. *British Imperialism: Crisis and Deconstruction 1914–1990*. London and New York: Longman, 1993.

\_\_\_\_\_. *British Imperialism: Innovation and Expansion 1688–1914*. London: Longman, 1993.

Campbell, Robert Ronald. *James Duncan Campbell: A Memoir by His Son*. Cambridge: Harvard East Asian Monographs, 1970.

Ch'i, Hsi-sheng. *Warlord Politics in China 1916–1928*. Stanford: Stanford University Press, 1976.

Chan, F. Gilbert. "An Alternative to Kuomintang–Communist Collaboration: Sun Yat-sen and Hong Kong, January–June 1923." *Modern Asian Studies* 13.1 (1979): 127–139.

Chan, Lau Kit-ching. *China, Britain and Hong Kong 1895–1945*. Hong Kong: Chinese University Press, 1990.

\_\_\_\_\_. "The Lincheng Incident—a Case Study of British policy in China Between the Washington Conference (1921–22) and the First Nationalist Revolution (1925–28)." *Journal Of Oriental Studies* 10.2 (July 1972): 172–186.

\_\_\_\_\_. "The Succession of Sir Robert Hart at the Imperial Maritime Customs Service." *Journal Of Asian History*, 9.1 (1975) 1–34.

Chang, Sidney H. and Leonard H.D. Gordon. *All Under Heaven... Sun Yat-sen and His Revolutionary Thought*. Stanford: Hoover Institution Press, 1991.

Chinese Maritime Customs Service. *Chinese Maritime Customs: Staff Organisation and Control*. Shanghai: Statistical Department of the Inspectorate General of Customs, 1936.

\_\_\_\_\_. *Customs Annual Report 1923–1930*. Shanghai: Statistical Department of the Inspectorate General of Customs, 1924–1931.

\_\_\_\_\_. *Decennial Reports, 1912–1921*. Shanghai: Statistical Department of the Inspectorate General of Customs, 1924.

\_\_\_\_\_. *Decennial Reports 1922–31*. Shanghai: Statistical Department of the Inspectorate General of Customs, 1933.

\_\_\_\_\_. *Documents Illustrative of the Origin, Development, and Activities of the Chinese Customs Service*, 7 vols. Shanghai: Shanghai Statistical Department of the Inspectorate General of Customs, 1940.

\_\_\_\_\_. *The Origin and Organisation of the Chinese Customs Service*. Shanghai: Statistical Department of the Inspectorate General of Customs, 1922.

Clementi, Cecil. Various documents. The Clementi Papers. Rhodes House Library, Oxford University, Oxford.

Clifford, Nicholas R. *Retreat from China: British Policy in the Far East 1937–1941*. London: Longmans, 1967.

\_\_\_\_\_. “Sir Frederick Maze and the Chinese Customs, 1937–1941.” *Journal of Modern History* 37.1 (Mar. 1965): 18–34.

Clyde, Paul Hibbert, ed. *United States Policy Towards China: Diplomatic and Public Documents, 1839–1939*. New York: Russell and Russell, 1964.

Colonial Office papers (series 129). Public Records Office, London.

Dayer, Roberta A. *Bankers and Diplomats in Republican China*. London: Frank Cass and Company, 1981.

Dean, Britten. “British Informal Empire: the Case of China.” *The Journal of Comparative and Commonwealth Politics* 14 (1976): 64–82.

Drage, Charles. *Servant of the Dragon Throne: Being the Lives of Edward and Cecil Bowra*. London: Peter Dawnay, 1966.

Duus, Peter, Ramon H. Myers and Mark R. Peattie, eds. *The Japanese Informal Empire in China, 1895–1937*. Princeton: Princeton University Press, 1989.

Dyer, Richard. *A Matter of Images: Essays on Representations*. London: Routledge, 1993.

Eastman, Lloyd, J. Ch'en, S. Pepper and L. Van Slyke. *Nationalist Era in China, 1927–1949*. New York: Cambridge University Press, 1991.

Endicott, Stephen Lyon. *Diplomacy and Enterprise: British China Policy 1933–1937*. Vancouver: University of British Columbia Press, 1975.

Fairbank, John King. “The Early Treaty System in the Chinese World Order.” *The Chinese World Order: Traditional China's Foreign Relations*. Ed. John King Fairbank. Cambridge: Harvard University Press, 1968.

\_\_\_\_\_. “Synarchy Under The Treaties.” *Chinese Thoughts and Institutions*. Ed. John King Fairbank. Chicago: University of Chicago Press, 1957.

\_\_\_\_\_. *Trade and Diplomacy on the China Coast: The Opening of the Treaty Ports 1842–1854*. Cambridge: Harvard University Press, 1953.

Feuerwerker, Albert. “The Foreign Presence in China.” *Republican China 1912–1949*. vol. 12 part 1 of *The Cambridge History of China*. Ed. John King Fairbank. New York: Cambridge University Press, 1983. 128–207.

Fitzgerald, John. *Awakening China: Politics, Culture, and Class in the Nationalist Revolution*. Stanford: Stanford University Press, 1996.

Fung, Edmund S.K. "The Chinese Nationalists and the Unequal Treaties 1924–1931." *Modern Asian Studies*, 21.4 (1987): 793–819.

\_\_\_\_\_. *The Diplomacy of Imperial Retreat: Britain's South China Policy, 1924–1931*. New York: Oxford University Press, 1991.

Gauss, C.E. "Monthly Political Review" various reports. Tientsin: American Consulate General, 1930. Rpt. in *Confidential U.S. State Department Central Files: China—Internal Affairs, 1930–1939*. Frederick: University Publications of America, c.1984.

Gilbert, Rodney. *What's Wrong With China*. New York: Frederick A. Stokes, 1926.

Gillin, Donald G. *Warlord Yen Hsi-shan in Shansi Province, 1911–1949*. Princeton: Princeton University Press, 1967.

Gregory, J.S. *Great Britain and the Taipings*. Canberra: Australian National University Press, 1969.

Hart, Robert. *Entering China's Service: Robert Hart's Journals, 1854–1863*. Eds. Katherine F. Bruner, John K. Fairbank and Richard J. Smith. Cambridge and London: Council on East Asian Studies, Harvard University, 1986.

\_\_\_\_\_. *The I.G. in Peking: Letters of Robert Hart, Chinese Maritime Customs 1868–1907*. Eds. John King Fairbank, Katherine Frost Bruner and Elizabeth MacLeod Matheson. 2 vols. Cambridge: Belknap Press, 1975.

\_\_\_\_\_. *Robert Hart and China's Early Modernization: His Journals, 1863–1866*. Cambridge and London: Council on East Asian Studies, Harvard University, 1991.

Hewitt, Anthony. *Children of the Empire*. Kenthurst: Kangaroo Press, 1995.

Hewlett, Meyrick. *Forty Years in China*. London: Macmillan, 1943.

Hill, S. Charles. "Pirates of the China Seas: Adventures of East and West in Quelling Sea-Roving Enemies of the Human Race." *Asia* Apr. 1924: 306–328.

Hsiao, Liang-lin. *China's Foreign Trade Statistics, 1864–1949*. Cambridge: Harvard University Press, 1974.

Hsü, Immanuel C.Y. *The Rise of Modern China*. 4<sup>th</sup> ed. New York: Oxford University Press, 1990.

King, Frank H.H. *The Hongkong Bank in the Period of Imperialism and War, 1895–1918: Wayfoong, the focus of Wealth*. Vol. 2 of *History of the Hongkong and Shanghai Banking Corporation*. New York: Cambridge University Press, 1988.

*Bibliography*

---

- King, Frank H.H., ed. *A Research Guide to China Coast Newspapers, 1822–1911*. Cambridge: Harvard University Press, 1965.
- King, Paul. *In The Chinese Customs Service: A Personal Record of Forty-Seven Years*. New York and London: Garland Publishing, 1980.
- King, Yvonne. Personal interview. 26 July 1998.
- \_\_\_\_\_. *A Variegated Life*, ts., c.1990.
- Lai, Chi-Kong. "The Historiography of Maritime China since c. 1975." *Research in Maritime History* 9 (Dec. 1995): 53–79.
- Lampson, Miles. The Killearn Diaries: The Diaries of Sir Miles Wedderburn Lampson, ms. Middle East Centre, St Antony's College, University of Oxford, Oxford.
- Lee, En-Han. "China's Recovery of the British Hankow and Kiukang Concessions in 1927." Occasional Paper no.6. Nedlands: Centre for East Asian Studies, University of Western Australia, Aug. 1980.
- Liao, Kuang-sheng. *Antiforeignism and Modernization in China*. 2<sup>nd</sup> ed. Hong Kong: Chinese University Press, 1986.
- Louis, Wm. Roger. *British Strategy in the Far East 1919–1939*. Oxford: Clarendon Press, 1971.
- Manchukuo Government, Bureau of Information and Publicity, Department of Foreign Affairs. *Manchukuo Handbook of Information*. Hsinking: Manchukuo Government, 1933.
- The Maze Collection, National Maritime Museum, Greenwich.
- Maze, Frederick. *The Chinese Maritime Customs Service: a Brief Synopsis of its Genesis and Development*. N.p.: n.p., c.1945. Archived at the Library of the National Maritime Museum, Greenwich.
- \_\_\_\_\_. The Papers of Sir Frederick Maze Relating to the Chinese Maritime Customs Service, 1900–1943. The Library of School of Oriental and African Studies, London.
- McCormack, Gavan, *Chang Tso-lin in Northeast China, 1911–1928: China, Japan and the Manchurian Idea*. Stanford: Stanford University Press, 1977.
- \_\_\_\_\_. "Manchukuo: Constructing the Past." *East Asian History* 2 (Dec. 1991): 105–124.
- Miners, Norman. *Hong Kong Under Imperial Rule 1912–1941*. New York: Oxford University Press, 1987.
- Morrison, G.E. Letter to E. Taylor. 17 Apr. 1917. G.E. Morrison Papers Collection, Mitchell Library, Sydney.

Nevill, Ralph. *London Clubs: Their History and Treasures*. London: Chatto and Windus, 1911.

Nish, I. H. "British Trade with China in the Nineteenth Century." Conference paper delivered at "China and the Red Barbarians: American and British Relations with China in the 19<sup>th</sup> Century." Greenwich: National Maritime Museum, Oct. 1972.

Nish, Ian. *Japan's Struggle With Internationalism: Japan, China and the League of Nations, 1931–3*. London: Kegan Paul International, 1993.

*The North-China Daily News*. 1914–1933.

*The North-China Herald*.

Osterhammel, Jürgen. "Imperialism in Transition: British Business and the Chinese Authorities, 1931–37." *The China Quarterly* 98 (June 1984) 260–286.

\_\_\_\_\_. "Semi-Colonialism and Informal Empire in Twentieth Century China: Towards a Framework of Analysis." *Imperialism and After: Continuities and Discontinuities*. Eds. Wolfgang J. Mommsen and Jürgen Osterhammel. London: Allen and Unwin, 1986. 290–314.

Paauw, Douglas S. "The Kuomintang and Economic Stagnation, 1928–1937." *Journal of Asian Studies* 16 (1956–7) 213–220.

Pratt, John T. *War and Politics in China*. London: Jonathon Cape, 1943.

Preston, Anthony and John Major. *Send A Gunboat!: A Study of the Gunboat and its Role in British Policy, 1854–1904*. London: Longmans, 1967.

Rasmussen, A.H. *China Trader*. London: Constable and Company, 1954.

Rawski, Thomas G. *Economic Growth in Prewar China*. Berkeley: University of California, 1989.

Rigby, Richard. *The May 30 Movement: Events and Themes*. Canberra: Australian National University Press, 1980.

Selle, Earle Albert. *Donald of China*. Sydney: Invincible Press, 1948.

Sharman, Lyon. *Sun Yat-sen, His Life and Meaning: A Critical Biography*. Stanford: Stanford University Press, 1934.

Sheridan, James E. *Chinese Warlord: The Career of Feng Yü-hsiang*. Stanford: Stanford University Press, 1966.

Spence, Jonathan D. *God's Chinese Son: The Taiping Heavenly Kingdom of Hong Xiuquan*. London: Harper Collins, 1996.

Starr, John Bryan. *Understanding China*. London: Profile Books, 1997.

Stormrail (pseud.). *Pirates and Perils*. London: The Sheldon Press, n.d.

Sun Yat-sen. *San Min Chu I: The Three Principles of the People*. Trans. F.W. Chen. Ed. L.T. Chen. Calcutta: Chinese Ministry of Information, 1942.

*The Times*. London.

Tien, Hung-Mao. *Government and Politics in Kuomintang China, 1927–1937*. Stanford: Stanford University Press, 1972.

Trotter, Ann. “Backstage Diplomacy: Britain and Japan in the 1930s.” *Journal of Oriental Studies* 15.1 (Jan. 1977): 37–45.

Trotter, Ann, ed. *British Documents on Foreign Affairs: Report and Papers From the Foreign Office Confidential Print part 2, series E. vols. 19–41*. Frederick: University Publications of America, 1984.

Weale, Putnam [B. Lenox Simpson]. *Why China Sees Red*. London: Macmillan, 1926.  
Weber, Max. “Authority and Legitimacy.” *Politics and Society: Studies in Comparative Political Sociology*. Ed. Eric A. Nordlinger. Englewood Cliffs: Prentice Hall, 1970. 35–44.

Welsh, Frank. *A History of Hong Kong*. London: Harper Collins, 1993.

Wesley-Smith, Peter. *Unequal Treaty 1898–1997: China, Great Britain and Hong Kong's New Territories*. Hong Kong: Oxford University Press, 1980.

Wilbur, C. Martin. “The Nationalist Revolution: From Canton to Nanking, 1923–28.” *Republican China 1912–1949*. vol. 12 of *The Cambridge History of China*. Ed. John King Fairbank. New York: Cambridge University Press, 1983.

\_\_\_\_\_. *The Nationalist Revolution in China, 1923–1928*. Cambridge: Cambridge University Press, 1984.

\_\_\_\_\_. *Sun Yat-sen: Frustrated Patriot*. New York, Columbia University Press, 1976.

Williams, C.A.S. *Chinese Tribute*. London: Literary Service and Production, 1969.

Woodhead, H.G.W., ed. *The China Yearbook* (various editions). Tientsin: Tientsin Press, 1912–1937.

Wright, Stanley F. *China's Struggle for Tariff Autonomy: 1843–1938*. Shanghai: Kelly and Walsh, 1938.

\_\_\_\_\_. *Hart and The Chinese Customs*. Belfast: W. Mullan, 1950.

\_\_\_\_\_. *Hong Kong and the Chinese Customs*. Inspectorate Series number 7. Shanghai: Statistical Department of the Inspectorate General of Customs, 1930.

\_\_\_\_\_. *The Collection and Disposal of the Maritime and Native Customs Since the Revolution of 1911, With An Account of the Loan Services Administered by*

### **Bibliography**

---

*the Inspector General of Customs.* 2<sup>nd</sup> ed. Shanghai: Statistical Department of the Inspectorate General of Customs, 1927.

Wright, Tim. "Coping With the World Depression: The Nationalist Government's Relations With Industry and Commerce, 1932–1936." *Modern Asian Studies* 25.4 (1991): 649-674.

Young, Louise. *Japan's Total Empire: Manchuria and the Culture of Imperialism.* London: university of California Press, 1998.