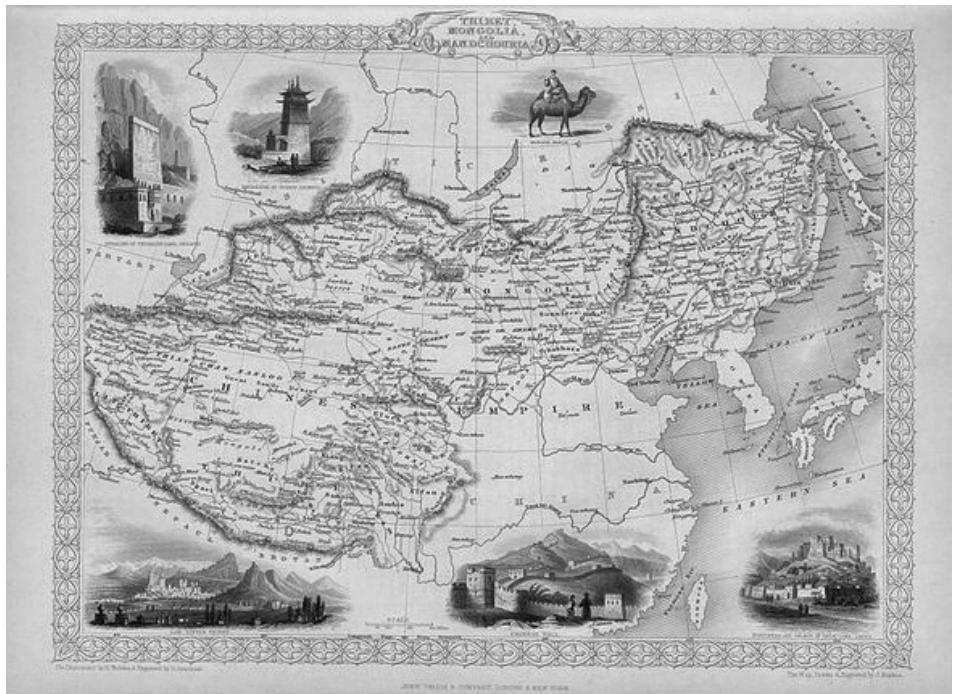


THE HISTORY OF MANCHURIA, 1840–1948

Volume 1



John Tallis 1851 map of Tibet, Mongolia and Manchuria

The History of Manchuria, 1840–1948

A SINO-RUSSO-JAPANESE TRIANGLE

VOLUME 1: HISTORICAL NARRATIVE



by

Ian Nish

Emeritus Professor of International History,
London School of Economics and Political Science



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'Manchuria, like Korea, was a major object of Chinese, Japanese and Russian contention. It was of special territorial interest to China's Manchu rulers who hailed from there; to the Russians, to whom it offered a shortcut for their trans-continental railway; and to the Japanese who wanted a grain basket for their empire.'

G.A. Lensen, *Korea and Manchuria between Russia and Japan, 1895–1904*, Harvard, 1966, p.3

'The pretence that there is no war at present in Manchuria is rather absurd.'

R.F. Johnston (Hangchow) to J.H. Stewart-Lockhart, 29 November 1931,
in Stewart-Lockhart papers, Box 10

'Out of the city's eastern gate I go on foot,
To gaze longingly at the road that leads to far Kiangnan.
On that day of storm and snow,
Here it was that we parted, and my friend went away.
I want to follow him across the river,
But the river is rough and has no bridge.
Oh that we were a pair of herons,
That we could fly home together.'

Chinese fan-poem of farewell, transcribed by the Emperor of Manchukuo and translated by R.F. Johnston, 1930, on his departure from China. Taken from *Twilight in the Forbidden City*, Victor Gollancz, 1934, p.447

By the same author
[Relevant to this Work]

- Edited British Documents on Foreign Affairs, 1840–1914*
The Origins of the Russo-Japanese War, Longman, 1985
Japan's Struggle with Internationalism: Japan, China and the League of Nations, 1931–1933, Routledge Kegan-Paul, 1993
Interwar Japanese Foreign Policy, Greenwood Publishing, 2002
The Russo-Japanese War, 1904–5. (A Collection in Eight Volumes), Global Oriental, 2003

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Preface



MANCHURIA WAS PROMINENT on the international agenda from 1894 onwards. It acquired a distinct notoriety at the time of the Manchurian Incident of September 1931. It was then that the prominent scholar of the region, Owen Lattimore, published his book, *Manchuria: Cradle of Conflict* (Macmillan, 1932) arguing that there were so many rivalries inherent in the country that conflict was inevitable. This could either be between its mixed communities, the so-called five ethnicities of its population, or between China and outside parties in an age of expansion. It may be that the focus of world attention moved away from Manchuria to a preoccupation with European affairs for the rest of the thirties. But the Manchurian episode left its mark by revealing the inability of world statesmen to achieve a settlement for such complicated domestic problems and especially puncturing the prestige of the League of Nations as a mechanism for finding international solutions for regional disputes. To that extent it has a continuing relevance to our situation today.

Northeast and Central Asia have received special treatment in recent years. *The History of Tibet* in three volumes appeared in 2003 (Routledge) edited by Alex Mackay while *The History of Mongolia* in three volumes appeared in 2010 (Global Oriental) edited by David Sneath and Christopher Kaplonski. These were collections of specialized papers gathered usefully together with appropriate commentary. Thus, it now seems an opportune moment to highlight the place of Mongolia's neighbour, Manchuria, in the history of Northeast Asia in the modern period. In doing so, I have tried to maintain a balance between the domestic features of the country and its place in international relations.

Like the countries in the other two series, Manchuria covers a vast under-populated territory and, because it became a subject of great international significance, it has attracted a vast literature. When I embarked

on the research for this history, I thought it important to make use of documents which would reflect both the contemporary and later perceptions and feelings of China herself, which was very conscious of her status as the sovereign power, but also of the other countries which claimed to have ‘special interests’ in the territory, particularly Russia and Japan. The documents selected appear in Volume II, whereas Volume I contains an account of the history of Manchuria from the 1840s which is an uninterrupted tale of warfare, struggle and tension.



A twenty-first-century historian is greatly assisted in his search for an understanding of the Manchurian problem thanks to the report presented to the League of Nations by the Lytton Commission in late 1932. It is a fundamental document for our enquiry into the state of the country, combining a high level of historical analysis with perceptive judgements of experienced statesmen. This group, following a prolonged inspection on the ground in the summer of that year, as well as discussions with a wide range of opinions, produced a detailed report comprising 148 pages of text plus annotated appendices. It is one of the strongest of League documents ever produced and contains an array of lucid observations about the so-called ‘Manchurian problem’. It sits astride the history of Manchuria at a time when it was passing from a period of warlord rule, which followed the end of the dynastic era in 1911, to one of virtual occupation by Japan through the medium of the semi-autonomous government of Manchukuo (with ultimate control resting in Tokyo). It looks back to many decades when Chinese statesmen were trying to find some way of reconciling the problem of devolution for the Northeast while upholding the status of the central authorities. The Commission looked at Manchuria through many lenses; and its report is included in full as the principal document in Volume II.

Alongside the Lytton Report, I have placed a selection of seminal documents which are arranged chronologically in line with the text. These documents, some governmental, some personal, are intended to illustrate the contemporary voices which are often forgotten. They are selected in order to give a sample of the views of the many parties – Chinese, Japanese, Russian, Manchurian and others – which were playing a part in this inflammable situation. The selection of these documents was no

easy task, given the extent of official propaganda which was circulating at any time in the twentieth century. But I hope what I have included reflects some of the critical dimensions of this complicated problem.



Part one of the history describes the impact on Manchuria of countries beyond East Asia, countries which had developed navies in the middle of the nineteenth century. Naval powers like Russia were as intent on opening the waterways of Manchuria as others like Britain were of the ports of East Asia with the public intention of promoting trade and ‘Western civilization’. In the case of China and Japan, they felt they had a mission to offer the benefits of Westernization by prising open ports and signing treaties (later to be described as ‘unequal treaties’). On the whole, Japan handled these demands and incursions well, as did some Chinese leaders. But the Ching emperors and governments of nineteenth-century China were slow to respond and found themselves having to make concessions and forced to accept inroads into their territory from about 1840.

The second phase of the history is less concerned with coastlines and ports than with continents. China was a vast continent with poor internal communications. From the 1870s onwards, her leaders saw the merits of steamships to improve their riverine communities and came round to approving limited railway building. In Manchuria, because of its unusual geographical features, the building, management and control of railways became the key factor in developing this vast territory and thus stimulating its economy. This resulted in intense inter-country rivalry, which led to war between Japan and Russia in 1904–1905, and later, after the 1920s, became increasingly the case between China and the rest. In 1931, this culminated in Manchuria being faced with a coup d'état by the Japanese military. Their ‘invasion’ was carried to such lengths that it became the focal point for intense international scrutiny, even at a time when world attention was so much directed to economic conditions following the Great Depression.

For more than a decade Manchuria passed under the hegemony of Japan. Japanese Manchuria (otherwise known as Manchukuo) promoted the industrialization of the territory and encouraged the use of its rich resources. But it also stimulated the growth of Chinese nationalism. Japanese ambition for further annexation and Chinese resistance combined

to destabilize the position. After the Sino-Japanese clash took place at the Marco Polo Bridge south of Peking in July 1937, China's heartland became a battleground and the focus of world attention accordingly moved from Manchuria to northern China. China and Japan ended an unstable relationship in armed conflict. The problems of Manchuria were left on the back burner, unresolved.

It would have been possible to bring this study to an end in 1937. But there is still a story to tell about Manchuria during the Sino-Japanese War when both Japan and the Soviet Union struggled to maintain their military strength in the north in spite of demands that troops should be moved to other fronts. They still faced each other over a porous border and skirmishes took place between them. There were attempts at diplomatic reconciliation but the situation was never at peace. In the wider world, global considerations prevailed over local ones. As a result of the Yalta Conference of the wartime allies in February 1945, the Soviet forces eventually embarked on a Blitzkrieg campaign in Manchuria in August which vanquished the Japanese. While that resolved the international aspect of the problem, the coming of peace brought to the fore the unresolved issue of the Chinese civil war which had been held in check during the anti-Japanese war. It now played out on the plains of Manchuria until the communists occupied Mukden in 1948. As noted above, Owen Lattimore, the American scholar who travelled widely in the region and wrote about developments in Manchuria, called his seminal study *Manchuria – Cradle of Conflict* (1932). When he revised his study three years later he retained the same title. When he finally left China in 1938, he was undoubtedly of the same view about the critical nature of Manchuria. His pessimism proved abundantly true; but the Cradle had by then been transformed into a Tank.

Acknowledgements



IN RESEARCHING THIS work I had the good fortune of having access to the following sources: archives of some of the missionary societies operating in Manchuria; the diaries of Sir Miles Lampson, one of the most brilliant British diplomats, who was minister at Peking between 1926 and 1933, the crucial period for this study; archives from the League of Nations, Geneva; Russian sources on the Russo-Japanese War; materials from the Library of the Japan Society, London; and the rather special collection of Manchukuoan English-language publications in the British Library of Political and Economic Science, London School of Economics. But I would stress that this study is primarily an interpretation based on the extensive literature connected with the topic. Materials from the National Archives, Kew, appear by permission of the Controller of Her Majesty's Stationery Office.

My particular thanks must go to the Suntory-Toyota International Centre for Economics and Related Disciplines at the London School of Economics and Political Science which has tolerated me and given me space since my retirement as I laboured with this theme of Sino-Japanese relations. In particular, I have valued the small library of Japanese reference works in modern history which Professor Morishima Michio assembled there. Over the years, I have incurred vast obligations to librarians and curators of archives and especially want to thank the staffs of the following:

- Diplomatic Record Office, Japanese Foreign Ministry (Gaiko bunsoshitsu)
- Japan Foundation library, Tokyo
- International House of Japan library, Tokyo
- School of Oriental and African Studies Library, University of London
- British Library of Economics and Political Science, LSE, London
- National Library of Scotland, Edinburgh
- Khabarovsk Regional and Historical Museum
- Tsentralnyi voenno-morskoe musei (Central Naval Museum, St Petersburg)

In a study of this kind which covers a long period of time and presents complex and controversial issues, one is to some extent dependent on the work of scholars who have investigated the topic before. I am indebted to in-depth studies by those who have written monographs such as the late George Alexander Lensen, Peter Berton and John Stephan. But I am also grateful for the opportunity of having discussed aspects of it with experts like the late Captain Malcolm Kennedy, Leonid N. Kutakov, Ian Ruxton, Konstantin Sarkisov and many more. In particular, I would like to thank Dr Edward Moss for showing me Chinese writings by his father and allowing me to use excerpts from them. For help of various kinds I wish to thank Antony Best, Roger Buckley, David Steeds, Heidi Potter, Roger Alford and the late Peter Lowe. My thanks are also extended to Jim Hoare who kindly supplied a number of images that appear in the plate section, drawn from his collection of early postcards.

In Japan, I am grateful for the guidance and friendship of Professor Usui Katsumi whose many books on Sino-Japanese relations span the whole range of topics covered here. For some topics I have relied on the writings of the late Professor Hosoya Chihiro, Sato Motoei and Nakami Tatsuo. More generally I have benefited from the work of the Kingendai Chugoku Tohoku Ajia Chiikishi kenkyukai [Study group for the Modern and Contemporary History of the Chinese Northeast]. Founded in 1991, its members include specialists on the Russian far east, Siberia, the Korean peninsula and Mongolia, who seek to examine the clash between Japanese enterprise in Manchuria and the national policies of the state in the half-century prior to 1941.

Once again I must express my thanks to my publisher Paul Norbury for his continued interest in this project as it unfolded. I am personally indebted to Paul who in the last stages put himself to considerable inconvenience in visiting me at my home in Oxshott. He has throughout shown me more consideration than I could expect and from time to time given the project much-needed stimulus.

I owe a special debt to Angela Swain of STICERD, LSE, who has been associated with this research from the beginning.

This work is dedicated to my wife Rona whose social life has suffered because of Manchuria. Alas, she never embarked on the Mediterranean cruise which she was promised on my retirement. Instead, she has had to stay home for many years and tolerate smilingly my untidy research methods.

IAN NISH
Oxshott, Surrey

Name Conventions

In the first draft I started out with the best intentions of using the pinyin system of transliteration from the Chinese in accordance with the official Romanization adopted by the People's Republic of China. But most of the original documents of my period used either the Wade-Giles system or no obvious standard convention. I therefore revised my script to bring it (mostly) into line with modified Wade-Giles. Thus, the original spelling of Chiang Kai-shek has been retained.

Japanese names are given in their natural order, with the family name preceding the personal name, while Russian names have been transliterated as I found them in the original sources.

I was confronted by a similar problem over place-names in continental China. I have attempted to follow the historical spelling which prevailed at the time. For simplicity, I have used Peking and Newchwang, though I have sometimes included the more modern usage.

Examples include:

Cities

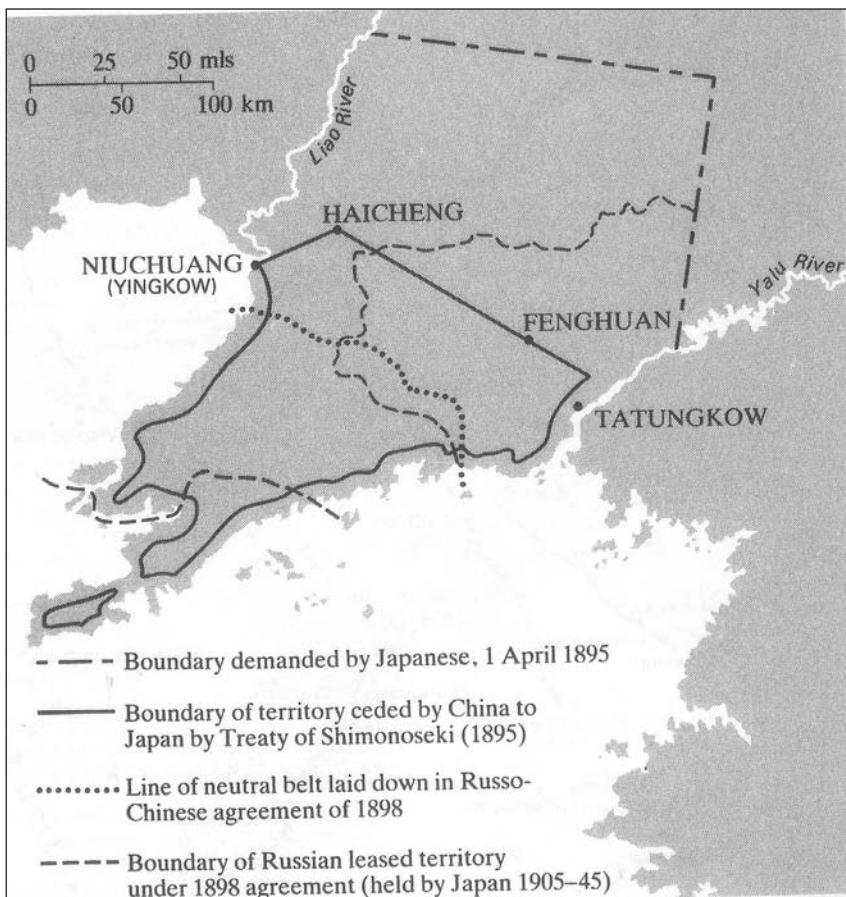
- Tientsin / Tianjin
- Peking / Beijing / Peiping
- Talien / Dairen / Dalny
- Lushun / Port Arthur
- Antung / Andong
- Shenyang / Mukden
- Yingkow / Yingkou
- Newchwang / Nyuzhuang / Niuzhuang
- Chinchow / Jinzhou

Provinces of Manchuria

- Heilungkiang / Heilongjiang
- Kirin / Jilin
- Liaotung / Liaodong / Liaoning

Also

- Tsingtao / Qingdao
- Shantung / Shandong
- Kuomintang / Guomindang



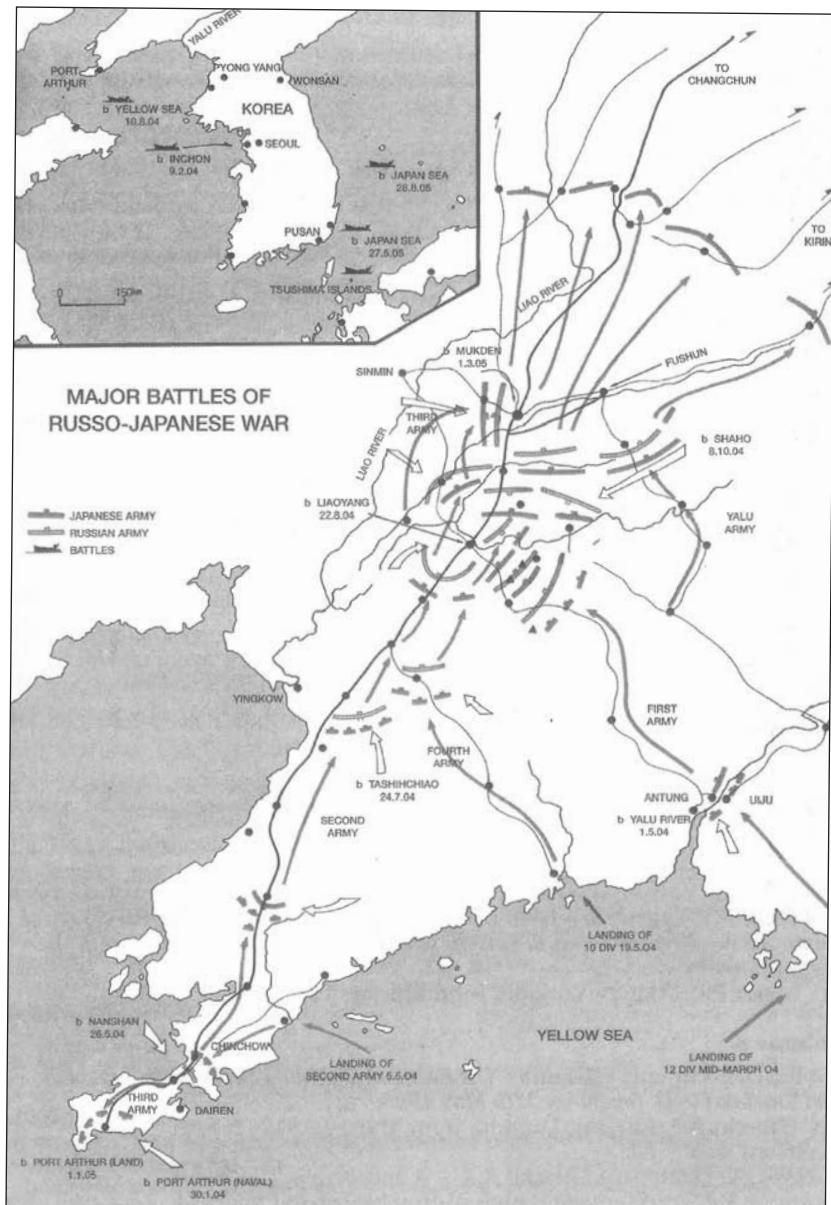
Boundaries of Fengtien Province of China (1895-1945)

List of Abbreviations



[Abbreviations occurring in text, footnotes and bibliography]

BDOFA	British Documents on Foreign Affairs
CCP	Communist Party of China
DBFP	Documents on British Foreign Policy
DBPO	Documents on British Policy Overseas
FRUS	Foreign Relations of the United States
IJA	Imperial Japanese Army
IJN	Imperial Japanese Navy
KMT	Kuomintang Party of China (alternative usage being GMD for Guomindang)
LSE	London School of Economics
MDN	Manchuria Daily News
MMC	Manchurian Missionary Council
MOFA	Ministry of Foreign Affairs, Japan
NGB	Nihon Gaiko Bunsho, the main Japanese documentary compilation
NLS	National Library of Scotland
STICERD	Suntory - Toyota International Centres for Economics and Related Disciplines
UBC	University of British Columbia
UP	University Press
CER	Chinese Eastern Railway
SMR	South Manchurian Railway
NMR	North Manchurian Railway
B - AM	Baikal - Amur Magistral (New railway system embarked on by the Soviet Union.)



Major battles of the Russo-Japanese War, 1904-05

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Railways and railway plans for Korea and North China, December 1927

Chapter One

Manchuria and Russian Ambition, 1840s–1890s



AT THE TURN of the 1930s ‘Manchuria’ was headline news. By its geographical location it was one of those intermediate points in the world where international rivalries can so easily be aroused and crises sparked which can only be resolved with extreme difficulty. Scholars have observed this. Owen Lattimore, who had studied the country from its ancient tribal beginnings, described Manchuria as the ‘Cradle of Conflict’. Sherwood Eddy who was in Mukden when the Manchurian Crisis broke out in September 1931 described Manchuria as “The World’s Danger Zone”.¹

This book is written from the standpoint that Manchuria is part of China. What is known in this work as ‘Manchuria’ is described by the Chinese as the Three Eastern Provinces or its Northeastern Provinces; and the Nationalist Government of the 1920s had no hesitation in claiming that it exercised sovereignty there. The Japanese in the 1920s took a contrary view. It would be wrong to suggest that there was a representative Japanese view about Manchuria. But the following extract will show how some Japanese viewed the Manchurian thinking after 1931:

Manchuria, formerly part of China but since the revolution of 1911... a semi-independent state governed by warlords, determined to stand forth as an independent nation and at long last to cut adrift from the regime of exploitation.²

This is an illustration of the view which Mr Ohara as a correspondent of *The Manchurian Daily News* was publishing in Mukden. The paper argued that 'Manchuria' was a recent creation; that Chinese in Manchuria came from North China on a seasonal basis and commonly returned to their homes; that Manchus were being neglected and wanted independence both from warlords and from the Chinese government at Nanking. These conflicting interpretations of the history and thinking of Manchurians were to sour relations between China and Japan. But it was only one aspect of Manchuria's complex and interesting history.³

In this book I take up the story when the intrusion of foreign countries and their nationals prompts the Chinese to tighten their relationships with remoter outposts of their Middle Kingdom. By the use of modern armies and navies these outsiders negotiated Western-style treaties – something with which the Chinese were not familiar. These chipped away at China's territories and rights. Furthermore, China, though numerically strong, was out-classed in weaponry. It was simply not possible to resist these alien forces in the declining years of the Ching dynasty or the turbulent years of the warlord era that followed the collapse of the dynasty. The situation came to a head in 1931/2 when the Manchurian problem was no longer just a regional crisis but an international one involving the League of Nations. Though the outcome of the crisis did not bring any dramatic change in the situation, the League's findings did define the rights of China as the suzerain power in Manchuria and tried to arrest further erosion of her territory. However, by 1937, Manchuria had ceased to be the focus of world attention, partly because the coming of the dictatorships in Europe worried all states and partly because the centre-point of attention in Chinese lands had moved further south.



In this chapter, I cover the steps taken by tsarist Russia to take possession of towns on the periphery of the Chinese Empire and on the verge of Manchuria. Initially, Russia expanded along the Manchurian Amur; then the focus moved to the Ussuri River where her Maritime Provinces hem in Manchuria. This inevitably led to local disagreements and conflicts. China, conscious of her military weakness, imposed obstacles to this expansion and made numerous protests, but chose nevertheless to regard many of Russia's actions as benign and designed to serve

China's interests. The chapter ends with the epoch-making decision of tsarist Russia to undertake railway building from the Pacific coast in the east to join up with the Trans-Siberian system. While this project took time and there was not an immediate crisis, it met from the start with opposition from a newcomer on the scene, Japan.

It is important in considering these squabbles between expansionist countries not to forget the peoples of Manchuria struggling to make a living. We cannot do full justice to this subject in a book which aims to clarify the different strands of outside interference. Where source material allows, we have included discussion of education, hospitals, disease, politics, news, film and local government. But these topics are not treated systematically. Readers are directed to the rich material collected by the Research Department of the Japanese-controlled South Manchurian Railway (SMR). The railway which was founded in 1906 and became a key player in the economy for almost forty years made in-depth enquiries into the societies of Manchuria and China generally in the 1920s and 1930s. Professor Joshua Fogel writes:

Beyond the many volumes of research reports, an additional 80 or more articles were published in the SMR journal on Chinese agriculture and village society.⁴

MANCHURIA: COUNTRY AND PEOPLE

In the historical period covered by this study, Manchuria was a large fertile and richly endowed region of two million square miles, the size of France and Germany combined. But it only slowly attracted attention for its agricultural, mineral and forestry resources. Its boundaries to the north, east and south were fairly well defined by geographical features, rivers and the open sea. The westward frontier towards Mongolia was indeterminate and open to dispute.

One of Manchuria's important physical features is the Great Wall which separates the Northeast provinces from China proper. In earlier times the Chinese saw it as a means of protecting them from the uncivilized society living 'beyond the Wall'. For Manchus it emphasized the distinctiveness of their homeland. Walls in history have always had that historic psychological influence. In Scottish history the two walls which ran from west to east marking the outer limits of the Roman empire in

Britain (Hadrian's and Antonine's) cut off the civilization of Rome from the primitive tribes of Picts and Scots. The same walls spanned the continent of Europe preserving Roman outposts from outside attack. The Great Wall of China was less of a barrier; but it plays a large part as the story of 'Manchuria' unfolds.

For long Manchuria remained under-developed. Firstly the climate was a deterrent. It had long, extreme winters and very hot summers. But it had its advocates: Anton Chekhov during a visit to Vladivostok on his way to Sakhalin described the port as 'wonderful and warm (considering October)'. This is probably a rather sanguine memory which is not representative of the climate to the west.⁵

Secondly, Manchuria was under-populated. The Ching government had banned immigration into its North-eastern provinces. Only after 1875 did it relax its prohibition when it came to realize that Manchuria could help it to solve its problem of surplus population. Over the centuries countless Chinese had ignored the exclusion orders and proceeded over 'the border'. After 1875, a new generation of destitute farmers poured into Manchuria in their millions from the adjacent provinces of Hopei and Shantung. Without the arrival of these farmers, labourers and soldiers, Manchuria could not have enjoyed the rapid economic growth which it experienced in the twentieth century. Though some incomers were unlucky, Chinese farmers generally took possession of the land; and Manchurian society became indisputably Chinese.

No satisfactory censuses of the Manchurian population are available before 1931. But its size chronologically is estimated as 15 million in 1900; 18 million in 1911; and 30 million in 1931 of which 28 million were Chinese. There appears to have been a substantial growth in the twenties. The population broken down by provinces in 1931 was broadly as follows: 15 million in Liaoning (Mukden); 9 million in Kirin; and 5 million in Heilungkiang. In other words, the more northerly of the provinces were under-populated. The place of Manchus and Koreans deserves attention. Laws had originally discriminated between Manchus and Chinese but this was artificial. The south of the country where the influence of Chinese culture had historically been quite strong was never largely peopled by Manchus. Further north, the Manchu element was more prominent. The Manchu language had almost disappeared by the 1920s and Chinese was universally used.⁶

Koreans mainly came as modern settlers, some of whom lived in Manchurian districts adjacent to the Korean border and some were dispersed throughout the territory. They are reckoned to have amounted to 800,000. Otherwise the number of foreigners is not thought to have exceeded half a million, of whom the vast majority were Japanese.⁷

Manchuria's economic development was dependent on the river system until the coming of the railways which will be a major subject of this book. The richest part of the country is the Manchurian plain which lies between two mountain ranges, the Changpai in the southeast and the Hsingan in the northwest. The northern part of the country is fed by the Sungari River, a tributary of the Amur, and the southern part by the Liao which flows into the Bay of Pechili. Important crops produced were soya beans, kaoliang and wheat. But Manchuria was also rich in timber and minerals, especially coal.

MANCHU RULERS ENCOUNTER THE TAIPING

By the turn of the seventeenth century the Ming dynasty (1368–1644) with its high culture was in a state of collapse, being too short of funds to cope with rebel armies at home and exert its authority over the Manchu leadership in the wild north. Nurhachi, in particular, was a Manchu leader intent on extending the area of his influence towards the Pacific coastline at the expense of China. The Manchus overthrew the Ming administration within the bounds of Manchuria in 1616 and established Mukden as their capital a decade later. Although it was not the Manchus who brought down the Ming in 1644, they took advantage of the situation to penetrate the Great Wall and occupy the more important towns of northern China. They eventually established a dynasty, the Ching (Qing), which was to endure until 1912. By imposing social restrictions, they were able to consolidate their power and ensure their own exclusiveness as a community.⁸

One of the important features of Ching rule in Peking over the centuries was the role of the Manchu banners (regimental groupings). In order to establish their power in Peking, the Ching leaders initially relied on their own forces. In due course, however, they had to increase their army by recruiting banners from Chinese communities. Those banners acquired privileges in Manchuria denied to ordinary Chinese. Groups of Chinese and Manchu bannermen resident in Manchuria, grew

increasingly dissatisfied with the quality of Chinese rule and sought a more independent path.

A feature of the Ching period was the growing regional power of warlords who were often called ‘generals’. The key to being a warlord was the ability to raise enough funds to pay his troops and thus retain their loyalty. Through military muscle the warlord was able to run the government in his own bailiwick without too much central interference. Factional strife prevailed both in the court and in the provinces. Warlords who were notoriously fickle and inconstant in their loyalties formed alliances of convenience but cooperation between them was often short-lived because of personal jealousies.

By the 1850s, the Ching dynasty was itself in a state of collapse. It faced growing internal disorder and widespread protests. In the atmosphere of famine and economic depression of the late 1840s, a new grass-roots movement called the Taiping attracted unexpectedly wide support. When the Ching armies were sent to the south to unseat the upstart Taiping leadership in December 1850, they were soundly defeated in the southern provinces. Thus, from 1853, the Taiping were able to set up and rule their Heavenly Kingdom of Great Peace (hence the name ‘Taiping’) based on Nanking in central China.

Taiping military commanders, who were remarkably talented, undertook an expedition to capture the Manchu capital of Peking but were eventually defeated. Their downfall when it came in 1864 was at the hands of regional forces raised, financed and controlled by leaders outside the Imperial Court, notably Tseng Kuo-fan. The Taiping movement was so successful that it almost captured and controlled the Ching capital of Peking. It had presented a great challenge to the dynasty for over a decade and to China’s standing in the world. Manchuria seems not to have been directly affected by the uprising but depended on the strong leadership of local commanders to steer clear of it.

Another aspect of Ching decline was the intrusion of foreign powers. Defeats inflicted by the British in the south in 1842 and later in the attack on the national capital in 1860 added to China’s agony. Her first war with the West was followed by the Treaty of Nanking of 1842, which gave Britain and other trading countries access to ports for foreign trade and residence. During earlier phases of China’s encounter with foreigners who came by land, she was an isolated country with a protective shield

of distance and time. The coming of steamships inevitably brought China closer to the West, even if she did not welcome that closeness. It revealed to China the capacities of modern armies and navies. But, try as her more progressive leaders did to reform and build ordnance factories, there was generally reluctance to accept foreign ways. China had tended to regard herself as custodian of civilization and was not prepared to adapt to Western norms. Nor did she need Western goods since she thought herself to be self-sufficient.

So far as Manchuria was concerned, the advances of Russia around the undefined borderland tested the Ching who found that in frontier areas they had to delegate power because of poor communication, both domestic and global. The situation on the ground was complicated because local officials often had interests different from the Peking government.

RUSSIA'S ACTIVITY ON THE MANCHURIAN AMUR

By the 1840s, the Ching government influenced by its Manchurian origins was very suspicious about Russian activities and ambitions on its borderlands. Russia had sent embassies to Peking in earlier centuries; but they had returned empty-handed. By 1689, Russian incursions through Siberia had reached the Amur basin and met with formidable Chinese and tribal opposition. Both objected to any Russian acquisition of land and collection of tribute. The Chinese had marshalled substantial armies against the puny Russian garrisons. Some negotiation was essential if conflict was to be avoided. Talks were accordingly initiated at the border-town of Nerchinsk where the Chinese wanted the frontier to be fixed. The Treaty of Nerchinsk, concluded in 1689, adopted the Argun River as the Sino-Russian border to the northwest. For its ratification, Tsar Peter the Great sent a mission which took eleven months to reach Irkutsk and another six months to reach Peking. In spite of these valiant efforts, the Ching emperor refused ratification though he seems to have looked favourably on the trade opportunities which the treaty offered. There was a strong demand at the Russian court for Chinese gold and silver, but a trade soon sprang up in silk and tea also, Russia supplying all kinds of furs in return. The borders were confirmed in 1727 by the Treaty

of Kiakhta which marked out that town and one other as ‘principal frontier marts’. After this Kiakhta with its Russian fort and adjoining Chinese town assumed an importance which was never diminished until the coming of the Trans-Siberian Railway and the creation of the great trading centre of Harbin. Russian caravans were henceforth no longer allowed to call at Peking but had to stop at Kiakhta. Though it was clearly intended as a device to keep foreigners away from their capital, the Chinese argued that it was a more suitable rendezvous for trade purposes. After this no further treaty was signed until 1858 when China was compelled to sign the most humiliating Treaty of Aigun.⁹ At the turn of the nineteenth century, in the first Russian naval expedition to circumnavigate the world, Commander Nikolai Rezanov sailed to the east in a modern sailing frigate. He was mandated to survey the eastern coastline of Siberia which Russia interpreted as stretching from the Urals to the Pacific. His mission was clearly aimed at making inroads into the Greater China.¹⁰ From 1840 onwards, the wise men of the Ching court who were wary of Russia’s activities, were ready to tolerate them because of the hatred they had for Britain and France, the naval powers which were using force to extract concessions. The Russians, on the other hand, held out the prospect of supplying arms and munitions and offering China the protection she needed.

In 1846, Tsar Nicholas I, towards the end of his reign, pondered the future of his vast empire in central Asia and initiated an investigation into extending Russian territory. With that in mind he appointed the active and ambitious Nicholas Muraviev as governor-general of eastern Siberia. Expeditions were sent down the lower Amur River (then Chinese territory) as far as the Gulf of Tartary. Captain Gennadii Nevelskoi who led the expedition to the mouth of the Amur in the transport *Baikal* found that the river Amur was both navigable and accessible and on 6/18 August 1850 planted the Russian flag at a place suitable for a trading station ‘with the consent of the local inhabitants’. He gave it the name ‘Nikolaevsk’ in the tsar’s honour. There were some dissenting voices in the Russian capital who felt it was not necessary to occupy these distant territories permanently and deplored the use of troops which threatened to antagonize China. But they were firmly overruled by Nicholas in a mood of confidence and superiority.¹¹

THE CRIMEAN WAR AND MANCHURIA

Owing to the outbreak of hostilities in the Crimea with Britain and France in 1854, a state of war also existed in the east. Muraviev felt he had no alternative but to send troops down the Amur to reinforce Russia's maritime possessions in the Primorsk. He was prompted to do so by attacks by superior British and French naval units around Castries Bay in Kamchatka of which Nevelskoi had claimed possession. In his dealings with his home government, Muraviev laid stress on the need to defend Russia's acquisitions against any attacks by European opponents. He was authorized in an emergency to send troops from Trans Baikal down the Amur River. Always ready to risk exceeding his instructions, Muraviev went down the Amur River by steamer with seventy-five barges. By this act the Russian authorities had committed themselves to encroaching on the Manchurian borderlands as their local representatives had long advocated. But St Petersburg was still cautious enough to insist on seeking the acquiescence of China. In presenting his case to the Chinese Commissioners, Muraviev was able to use these Anglo-French attacks as a pretext and an indication that the Chinese were, like the Russians, exposed to foreign raids.¹²

In 1854, Muraviev undertook an excursion on the Amur with over a thousand men, founding settlements as he went at Blagoveshchensk and Khabarovsk at the junction with the Ussuri River. He met no resistance in spite of his violation of China's treaty rights; and the expedition was given free passage, though its activities were closely scrutinized all the way. He undertook further expeditions in 1855 and 1856, laying claim to the left bank with substantial forces. Despite protests, the Manchu rulers seem to have taken the line that they would not actively oppose so long as Russia did not occupy 'inhabited' parts of Manchuria south of the Amur. In Dr Quested's words, '1856 closed with the Russian annexation of the Amur an accomplished fact'. Russia openly challenged Peking by formally incorporating the Amur region and dividing it into the Amur and Maritime Provinces, Nikolaevsk becoming the seat of government. The tsar died and was succeeded by Alexander II who backed Muraviev's achievement.¹³

Although the Crimean War was brought to a close with Russia's defeat in spring 1856, she had not done badly in the eastern sector of the war. She had strengthened her hold on the Pacific coastline and seized

stations along the Amur where she had been excluded since the Treaties of Nerchinsk and Kiakhta. The East Asian aspect of the war also showed China the ineffective state of her defences in Manchuria and the comparative ignorance of Peking about what was going on in the remote lower reaches of the Amur.

TREATIES OF AIGUN, TIENTSIN AND PEKING

The time had now come for these informal arrangements which had been made clandestinely or by force to be ratified in formal treaties. Muraviev was authorized to negotiate over the Manchurian Amur and signed the treaty of Aigun on 28 May 1858. It awarded the left bank of the Amur to Russia and the right bank from Argun as far as the Ussuri to China. Navigation on the Amur, Sungari and Ussuri was restricted to subjects of the two signatories. The Chinese negotiators protested that it was treasonable for them to cede the Cradle of their Dynasty in this way and brought forward proofs of sovereignty showing how they had in the past collected tribute from the population. But in vain. This outcome was fundamental for the future of Manchuria.

Meanwhile, Count Putiatin was appointed diplomatic emissary to China in 1856 and sent there straightaway. Arriving at Kiakhta, he pondered whether to travel through Manchuria but decided to sail down the Amur en route to Tientsin. There he encountered the unwillingness of the Chinese to conduct negotiations in Peking. He argued that Russia had reached the Eastern Sea without harming China in any way and that ‘the coast of the Eastern Sea was of great concern to China because of possible incursions from the British and French.’ His negotiations culminated in the Treaty of Tientsin (1858) which avoided being too specific about ‘boundaries’. The territory between the Ussuri and the sea was supposedly to be held in joint possession as far as the Tumen River. China did not want to give up that territory but, perplexed by the Taiping and the Anglo-French invasion of the capital in October, she could not rely on support from any quarter. Her leaders, therefore, endorsed these agreements by the Treaty of Peking (November 1860). Russia had rather skilfully concluded beneficial treaties on the lines the other powers had extracted, while posing as the friend of China.

Russia for most of the 1860s neglected her hard-won successes. Other considerations seemed to enjoy a higher priority in St Petersburg than they did in Peking. Things settled down when Khabarovsk, more defensible than either Vladivostok or Nikolaevsk, became the headquarters of the Priamur governor-generalship. But the peace-making in Peking had given Britain and France an improved position in the Yellow Sea which made it hard for Russia to fulfil her ambition of acquiring an ice-free port there.

British observers – and there were plenty of them prepared to go into print – were astonished at Russia's apparent lethargy in the 1860s. In 1868, Vice-admiral Sir Henry Keppel conducted a cruise to the Gulf of Tartary in order to assess the resources of Russia there. His report on the ports he surveyed is paraphrased below:

Possiette or Novgorod which was the most southern of Russian settlements, being close to the Corean frontier, with the Tumen River as the boundary. The harbour was frozen only in severe winters. The Russian flag had been hoisted in 1859 by an expedition sent to survey the Ussuri district as far as the frontier of 'the Corea'.

Vladivostok, on a peninsula, whose harbour was frozen for four months. While the port was one of the finest in the world, all docking was carried on at Nagasaki, the dry dock having fallen into disrepair and being in the process of reconstruction. It was established as a military station under the Treaty of Peking in 1860, justifying its literal meaning 'Command the East'. [It later became headquarters of the Siberian flotilla in 1873 and was designated a city in 1880.]

Nikolaevsk (with Castries Bay) was originally the principal military post with 7000 troops and 5000 others in government service. But there was an absence of trade and enterprise so it became a drain on the exchequer. The soil being poor, foodstuffs had to be imported and there were food shortages. Its value as a naval port was limited by icing and the shallow Amur approaches.¹⁴

This assessment was endorsed by a Royal Navy report a decade later stating that this area which it called 'Greater China' was 'a vast territory with great capabilities, wanting but population and trade to give it a position in the world and yet no attempt is made to encourage either'.¹⁵ St Petersburg no longer saw the commercial value of occupying Pacific territory. This loss of its earlier confidence led to the sale of Russian Alaska in 1867. Russian policy-makers came to discover that the Amur

was not easily navigable due to shallowness and freezing. But they had decided on the establishment of a penal colony on Sakhalin Island; and the Amur route was vital for the transit of prisoners.

Faced with these foreign onslaughts, the Chinese authorities solicited the opinions of all the leading *taotai* in 1867 about the future course for their country, primarily in the field of trade but also more generally. The most significant of the responses came from Tseng Kuo-fan, acting governor-general of the Chiang, who had acquired a high reputation and had introduced an arsenal and shipyard into his domain. Tseng still took a traditional approach. Of the various privileges that foreigners were seeking, he wrote, ‘the only thing worth trying is coal mining’ in which China could benefit from foreign equipment and techniques. But in the matter of salt, warehouses and steamboats, these would destroy the livelihood of the people. ‘If we allow foreigners to operate telegraph lines and railways, the livelihood of drivers of carts, mules, chairs and hotel porters will be ended.’ It was going to be an uphill struggle to push through change with such proud, conservative statesmen at the helm.¹⁶

1880s DEVELOPMENTS

In spite of their doubts over modernization, Chinese leaders, inspired by the self-strengthening movement, became increasingly self-confident. They had disposed successfully of the Taiping and Nien Rebellions. But they were divided between strong and weak factions. This manifested itself in her dispute with Russia over the control of the Ili Valley in northern Sinkiang. The Russians had occupied the area in 1871 during the course of the Moslem rebellion, promising to return Ili when imperial authority was restored. In 1878, when the Moslem rebellion was beaten after ten years campaigning, Russia refused to return it; and the strong faction proposed that it be retaken by force. We learn from Li Hung-chang’s letters that he had received intelligence that, if China attacked Russia at Ili, it was possible that Russia would attack Manchuria from the north by a pincer movement. These concerns impressed the court and China drew back from the brink of war. Li, the guardian of China’s foreign policy for the last decades of the nineteenth century, called for a peaceful attitude towards Russia and overcame the widespread demands for war. The issue

was resolved by the Treaty of St Petersburg (14 February 1881); but relations between the two were strained for over a decade.¹⁷

China chose this moment to challenge Russia to the north. Although Manchuria had been closed to Chinese immigrants for three centuries, the deprivation caused by the Taiping turmoil had persuaded many refugees from central China to take their chance and enter the territory. Most did not venture beyond the southern districts and had no effect on the Russian ‘possessions’. In 1878, permission was given for Chinese women to go north. Then the prohibition was lifted and entry became legal. By this time it was necessary for immigrants to penetrate as far north as Heilungkiang province, where, in the area between Tsitsihar and Aigun, there were thirty times more Chinese colonists than Russians. China’s resources were reinforced militarily by increasing the number of her troops and navally by Li Hung-chang’s new model navy based at Lushun (which the Russians named Port Arthur). These troops destroyed mining camps which were being opened by Russia despite the shortage of Russians around. This ended with the destruction of the so-called mining republic at Zheltuga in 1885–6.¹⁸

In spite of this, Russia was cautiously optimistic about prospects for the future, provided she could establish her right of navigation for the Sungari basin. A prominent newspaper warned, however, that:

It will take strenuous exertions by Russia to convince China that the Amur region which Russia acquired by Treaty is irretrievably lost to China, and must always remain Russian. [*Novoye vremya*, 17/29 August 1883]

Although the necessity of colonizing the Southern Ussuri region was fully recognized in 1880, actual measures were only commenced two years later. Russia planned to transport 250 families from Odessa to Vladivostok per year over ten years at great expense to the state. [*Novosti*, 23 September 1883]

The other side of the Northeast Asian triangle saw the emergence of a new player from the shadows, Japan. Problems were brewing between Japan and China over the kingdom of Korea, known at that stage as the ‘hermit kingdom’. Korea was attempting to avoid relationships with foreign nations but this was an attitude which could not prevail for long. China’s growing assertiveness in the 1880s led her to tighten her

influence in Korea. The other corners of the triangle, Russia and Japan, were alarmed because of their continental interests.

Manchuria had a historic border with Korea defined by the Yalu River to the south and the Tumen River to the north. It stands to reason that any disturbance in Korea would affect Manchuria. China exercised tributary rights over Korea and treated her as a dependency, interfering with her domestic affairs. Japan resented this. From the 1870s there had been a party in Japan willing and ready to attack Korea and ‘rescue’ her. The progressive elements in Korea looked to Japan as a modernizing force for their country. Japan concluded a treaty with China over Korea in 1871 in order to subdue the tensions; but it was unpopular in both countries.

A British observer provides an interesting insight into the atmosphere in Korea in 1880. He speaks of the conditions in Pusan and Port Lazareff where the Russians were thought to have ambitions, continuing:

China and Russia seem to be about to go to war, and, if they do, such a war may cause great damage to Corea. Russian seaports are closed with ice during the winter, and it is possible that the exigencies of war may compel Russia to occupy one of her [Korea’s] seaports in order to garrison troops, to accumulate provisions, and to be a convenient base for warlike operations against China.¹⁹

During a *coup d'état* in 1884, Japanese troops intervened and the Chinese responded by sending a larger force. Though this was resolved, Chinese attacked the Japanese legation. This led to top-level talks in Tientsin between Li Hung-chang and Ito Hirobumi, the senior-most statesmen of the two countries. The Convention of Tientsin of 18 April 1885 resolved the issues between them by arranging for the mutual withdrawal of forces. But China still ignored Japan’s advice to reform Korea’s outmoded administration in the interest of domestic peace.²⁰

Korea concluded a raft of treaties which gave her foreign recognition and guaranteed her independence for the time being. When Russia started her negotiations in Seoul in 1884, the pro-Russian faction exercised the main influence in court. The result was the Russo-Korean agreement of July in part of which Russia would send officers to assist in the training of Korea’s armed forces and Korea agreed in return that Russia should have the free use of Port Lazareff (Wonsan) – an ice-free naval port in the Sea of Japan. This brought Japan more prominently into the picture. Her prime minister,

General Yamagata Aritomo, in his famous memorandum of March 1890 stressed that Korea fell within Japan's 'line of interest' (*riekisen*).²¹

China's growing assertiveness in the late 1880s added to the turmoil in Korea. She appointed a new viceroy Yuan Shikai, a determined member of Li's entourage. He asked to be called 'the Imperial Chinese Minister Resident in Korea' and was insistent on asserting China's role as protector there. He took charge of Korea's international and commercial relations from 1885 to 1893. The independence party and pro-Japanese factions went into retreat for the time being and conservative policies prevailed. For almost a decade Chinese influence was to be paramount in Korea over the border from Manchuria.

This was overshadowed by the Port Hamilton affair. In retaliation for Russia's supposed intention to seek a leasehold at Wonsan, Britain sent Royal Navy vessels to occupy Port Hamilton, the name given to a pair of strategically placed Korean islets, in April 1885. The occupation was eventually called off in March 1887 in response to complaints from Russia, China, Korea and Japan.²² There was something symbolic about this withdrawal. Hitherto, affairs of the area had been determined by sea-power, mainly British. That was now going to change with the approach of railways to Manchuria.

RAILWAYS IN NORTHEAST ASIA

The initiative did not come from China which had always relied on her own self-sufficiency and was not attracted by Western imports. She was not convinced of the need to adapt to the achievements of nineteenth-century West, notably railways and industrialization. In spite of the advantages that improved communication could bring to a country as vast as China, railways appealed to few Chinese leaders.

A country of continental proportions in Asia, Russia was frustrated at her limited achievement so far in her Far Eastern possessions. This can be attributed to her limited sea power and the limited investment she could make. Inevitably she came to look on railways as a means of communicating with her far-flung territories. In the West railways were thought of initially as methods of carrying freight, rather than passengers. In the East in the growing climate of imperialist expansion, railways were increasingly thought of as the means of transporting troops. So

the initiative in surveying and lobbying government financial authorities for the necessary funds was promoted primarily by military officers. It was the East Siberian governor-general located in Irkutsk Amurskii who promoted the notion of rail communication for Siberia, built and managed by the Russians.

Tsar Alexander III in 1891 set up a special Siberian Committee entrusted with the task of building a continuous railway across Siberia which was to be built at state expense. Sergei Witte, the long-term finance minister, feared privatization would only benefit railway moguls and argued for a transcontinental line relying on State control and financing. During the protracted debates over track surveys, there was opposition and considerable controversy, not least over the extension from Khabarovsk south on the so-called Ussuri line which followed the course of the Ussuri River and reached the sea near Vladivostok. But on 24 February 1891 the decision was taken to proceed with that section of the Siberian project and initiate the building from Vladivostok.

The Tsar issued an imperial rescript on 29 March to his twenty-three-year-old son Grand Duke Nicholas who was then travelling the southern route to the east. In October 1890, the Tsarevich who was later to become Tsar as Nicholas II had set out on a marathon journey through the Suez Canal to India and the Far East as part of his education on his coming of age. He was accompanied by (among others) Prince Ukh-tomskii and the liberal Prince Aleksei Obolenskii. He was to proceed with his inspection of ‘foreign countries of the East’ and extend his trip in order to lay the foundation stone in Vladivostok for the Ussuri section of the ‘Great Siberian Railway’.

Before undertaking his main task, Nicholas paid an official visit to Japan. He landed in Nagasaki and moved to Kagoshima and Kobe, thence by train to Kyoto. On 11 May 1891, in the course of his extensive tour round the country and in the midst of a political crisis in Japan, he was attacked in his rickshaw at Otsu not far from Kyoto. The assault was perpetrated by Tsuda Sanzo, a policeman who was guarding the route. His sword blows were parried by Prince George of Greece, an accompanying member of the party. The Grand Duke was wounded in the head by a sword blow and taken to his vessel the battleship *Pamyat Azova* [Memory of Azov] to recuperate. The Japanese cabinet took the incident (*Otsu jiken*) most seriously. The Emperor issued an apology and even went so far as to designate

Prince Arisugawa to go to St Petersburg to transmit it. But the offer was declined. Instead, the Emperor went to Kyoto and later to Kobe to express his regrets. The foreign minister apologized profusely to St Petersburg. Later, accepting responsibility, he resigned as did the home minister. Nonetheless, the Grand Duke, on leaving, entertained the Japanese Emperor to lunch on board ship and addressed a cordial message to the Japanese people. He gave the impression of bearing no resentment over the issue.²³

This incident illustrates the fear felt by ordinary people like the constable about Russian encroachment into areas close to Japan herself. The Japanese government's swift reaction also shows their fear of Russia's retaliation for this atrocity. The policeman's motivation is not clear. Foreign Minister Aoki Shuzo described Tsuda as 'a fanatic', implying that he was an individual acting on his own. He may have had personal motives; but there was probably a political element. There are doubts whether Tsuda was associated with Toyama Mitsuru (1855–1944), an anti-Russian right-winger who was later to form the Amur Society (*Kokuryukai*) in 1901. The court proceedings which were deliberately speeded up throw little light on these matters. After the hearing the court imposed the comparatively light sentence of life imprisonment. Tsuda died in detention in Hokkaido in October.²⁴

This was a turning-point in Japan's reaction to Russian intentions in and around China. Prime Minister Yamagata expressing his worries about a railway across Siberia warned his cabinet about its implications for Korean independence and Japan's security: it would bring the Russian capital within a ten days' journey of East Asia.²⁵ There was also considerable coverage of Russia's regional intentions in the Japanese press, touching on the movements of Russia's Far Eastern squadron, the planning and financing of the Siberian Railway, and plans for the building of a naval port at Vladivostok.²⁶

The Grand Duke went on to play his part in the preliminary ceremonies for the building of the track for the new Ussuri railway and the laying of the foundation stone of Vladivostok station on 31 May 1891. It was understood that this left an indelible impression on his thinking about Russia's Far Eastern empire when he became tsar four years later. He continued his visit via Khabarovsk and travelled down the river by the Amur Steamship Company. His visit was also an emotional experience for the inhabitants of Vladivostok who inevitably felt isolated. In mem-

ory of the Tsarevich's visit, an elaborate triumphal arch was built in the city-centre. The 'Tsezarevich Nikolai Arch' was to be knocked down in 1930 and re-built in 2003.²⁷

The Ussuri line itself was of course to be dwarfed later by the Chinese Eastern Railway (CER) which will be discussed in later chapters. So long as Vladivostok was the terminal point of the railway there was less for the Japanese and Chinese to worry about. It was still a primitive, under-developed place. But any further extension of the railway into the Manchu heartland and the prospect of a Russian railway snaking its way southwards through Manchuria to the Port Arthur area worried the Japanese and foreign countries generally.²⁸



This chapter has given a chronicle of the slow and hesitant progress of Russian expansion from small beginnings towards the Pacific Ocean. Although often presented under the pretext of protecting China in her weakness, it was in fact a blatant attempt by Russia at encircling outlying parts of the Ching territories by a series of 'posts'. From Kiakhta through Blagovestchensk/Aigun to Khabarovsk and Vladivostok, they were bricks along the way towards building a new imperial structure to capitalize on Russia's existing Asian territories. Russians, however, have argued that there was no confiscation or invasion of China's territory involved and that the acquisitions were all accomplished by negotiated treaties. But they were widely regarded as 'unequal treaties'. In this chapter Japan's role was largely to observe events rather than to react positively to them. She is not able to make common cause with anyone, especially China, and not strong enough to act on her own. Meanwhile, China's role is to protest, to impede but ultimately to acquiesce. But from the 1880s China becomes more confident and even assertive.

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Chapter Two

Sino-Japanese War and After, 1894–1900



FOR HALF-A-CENTURY AFTER 1894 ‘Manchuria’ was the plaything of the Powers. Her people were aware of this humiliation and from time to time showed their resistance by rebellion, protests and anti-foreign outbursts. The provincial governors, the Taotai and their officials faced it as a daily problem but knew there was little they could do in view of the weak hand they played. The other force in society, commonly called warlords, who controlled their own fighting men were also opposed to foreign intrusions but they could occasionally be tempted to play along with the incomer. Nominally under the rule of the Manchu court, the Manchurians were not masters of their destiny and were reliant on Peking to negotiate settlements with outside barbarians on their behalf. Very often these settlements were made in the interest of the faction in power at court rather than by consultation with local leaders.

‘Manchuria’ was the battlefield for two wars in the decade after 1894. The first was between China and Japan which is the main subject of this chapter; the other which follows a similar pattern was between Russia and Japan and was on a scale which has tempted historians to call it World War Zero. Nonetheless, the significant fighting in both wars took place blatantly on Manchurian soil. Manchuria was the major sufferer in both wars but was not the cause of either war. Both were caused by international rivalries over influence in her strategic neighbour, Korea. Those who had power in Manchuria were too weak to limit the impact

on their territory in either case. They had numbers but not military skills. George Montgomery, the experienced Commissioner of Customs at Newchwang (Nyuzhuang) is quoted as speculating that the Chinese army amounted to 50,000 men, 20,000 being Chinese and the balance 'Manchurians'.¹

SINO-JAPANESE WAR OF 1894–5

The war was fought between two armies and navies, untested in warfare. Japan had a relatively small army, compact, highly disciplined and modernized. China had a big army. Japanese spoke of it as being of the order of 1 million men in the northeast, though Chinese estimates are around 140,000 – a great discrepancy. As soon as the Korean campaigns started, deficiencies came to light which surprised the Yamen ministers who claimed they had been miserably deceived in their estimates of troops and supplies needed. When casualties rocketed, they added that there was no point in raising a fresh force since there were only untrained conscripts available, 60% of Chinese soldiers falling into that category. Though there were occasions of strong resistance and heroism, defeats had a demoralizing effect and battlefield discipline was poor. China's hopes rested with the comparatively modernized navy, the Beiyang fleet. But China fielded only a regional force and officials outside the northeast actively distanced themselves from the fighting.²

The initial stages of the war were fought in Korea. After Seoul was taken in August 1894, the Japanese fought and won the bloody battle at Pyongyang, the ancient capital of the kingdom. Within a month they had crossed the Yalu River which divided the two countries and captured Andong on the west bank at the end of October. While there were moves in Japan to relax the pace of the advance because of the severe winter conditions approaching, the Japanese general staff pressed on. On 17 September a naval engagement took place near the mouth of the Yalu which practically gave Japan maritime supremacy, as the Chinese fleet retired to its base at Port Arthur (Lushun) and never sought an encounter. This enabled a second expedition to land on Manchuria's coastline at the end of October and move down the Liaotung peninsula, capturing Kinchow and Taliens (Dairen). The second army eventually took the fortress of Port Arthur after a major battle on 21 November. Japanese victories on Manchurian soil were due to greater efficiency,

discipline and armaments. The most serious breach of Japanese military discipline was the massacre which immediately followed the seizure of Port Arthur: 60,000 Chinese were murdered there. Anxious to avoid any hostile reaction from abroad, the Japanese Foreign Ministry excused its action by arguing that those killed were soldiers who had changed out of uniform as soon as they saw the battle was lost and were not truly non-combatants.³

Japan had only marginal wartime control during her occupation of the southern part of Manchuria. Conscious of its numerical inferiority, the Japanese army found it expedient to keep on good terms with Chinese officials. It successfully avoided inflicting large-scale repression and minimized resistance. Because of their inadequate provision of food, they had to secure supplies locally. The further west the Japanese armies progressed in the winter months, the greater the problems they experienced over food, transport, supplies and clothing appropriate for the Manchurian winter. For their part, local inhabitants after the initial shock went about their business as usual, showing only some timid curiosity about the invaders. The country folk at first accepted presents of cigarettes but gradually got round to begging for them in a confident manner. Provided it was a benign occupation, the Chinese knew their place.

In the New Year, the Chinese launched a major assault on Yingkow and the treaty port of Newchwang (Nyuzhuang) but were repulsed. There were spirited attacks on Japanese positions but eventually the Chinese had to cede the ports on the Liao River on 6 March. Behind the front line, civilian life was returning. News correspondents, frustrated that they could not go to the front, had to report on the domestic scene and were amazed at the progress being made at Talienshan. What had formerly been a Chinese naval station had become a growing Japanese township.

The Chinese readily appreciate the advantage of migrating from the inland villages to the Japanese settlement, where there is a constant demand for labour and goods at prices higher than ever known before in this part of the world. Many hundreds of Chinese coolies have obtained employment, some with the Shantung expedition [which set off from Talienshan port in January].⁴

This expedition succeeded in occupying the naval port of Weihaiwei early in February and destroying the remainder of the Chinese fleet.

This gave Japan possession of Port Arthur and Weihaiwei, the two great fortresses which commanded the Gulf of Pechili.

The Chinese had lost all idea of effective resistance. They could not halt the northward Japanese progress towards the sacred city of Mukden (Shenyang). They concentrated on keeping the Japanese away from North China, effectively leaving Manchuria to its fate. For their part, the Japanese commanders, though they had had no hesitation in carrying the war over the Yalu into Manchuria, were reluctant to carry it still further over into China proper at Shanhaikuan. Still, they were menacingly perched on the Liao River. There were some among the Japanese who seemed to be confident that their country would merely retain the occupied areas and others who were anticipating a further move on Peking itself.⁵

All the while international circles were worried over the safety of foreign nationals and in particular missionaries who were widely scattered across Manchuria. It was one of the difficult functions of the consular staffs to ensure safe passage for missionaries, many of whom were practising far from the main cities. British letters show how they were told to evacuate as soon as the Japanese had crossed the Yalu River, and proceed in the direction of Newchwang, the railway terminus where there was a British naval presence. Missionaries found the evacuation less hazardous than expected, reporting ‘good and even friendly behaviour on the part both of people and [Chinese] soldiers as soon as they were satisfied that we were not Japanese’. When the Japanese commanders came to occupy the area, they were sensitive to international opinion and were careful to avoid difficulties with foreign nationals and their governments. Thus, General Katsura Taro posted men to safeguard local churches.⁶

SHIMONOSEKI TREATY AND AFTER

Obviously, the Chinese wanted to avert any threat to their capital and to keep the Japanese armies away from their homeland. With American help they sued for peace. Eventually, Li Hung Chang, the governor of Chihli (Jihli), presented his credentials as chief delegate for China at a peace conference held at the Japanese port of Shimonoseki in western Japan. It was in those days a remote port town which had not been reached by the railways and was therefore inconvenient for journalists

and foreign governments. It was ideal for confidential discussion of peace terms. Here, Li called for a ceasefire for his exhausted armies; but the Japanese were not ready to grant that until they had explored the Chinese attitude. They did, however, declare a ceasefire when an attack was made on Li by an off-duty policeman.⁷

Li, who had encountered Ito a decade earlier, was far from cowed in these peace negotiations and put up some trenchant arguments. There was an air of informality and good humour in the exchanges, though Ito was unyielding on most points. But Li's debating hand was weak because the Ching forces had performed disappointingly throughout. After a great deal of prevarication on the Chinese side, the harsh terms were accepted, the treaty (English language version) was signed on 17 April 1895. We are concerned only with the Manchurian articles, indicating as they do the extent of Japan's ambitions. The English version of the key article in the Shimonoseki treaty reads as follows:

China cedes to Japan in perpetuity and full sovereignty the following territories:

(a) The southern portion of the Province of Fengtien, within the following boundaries – the line of demarcation begins at the mouth of the River Yalu, and ascends that stream to the mouth of the River Anping; from thence the line runs to Feng Huang; from thence to Haicheng; from thence to Ying Kow, forming a line which describes the southern portion of the territory... When the line reaches the River Liao at Ying Kow, it follows the course of that stream to its mouth, where it terminates.

Basically this covers the area where the Japanese armies were in military occupation.⁸

At this point the Chinese who had been lobbying for foreign support received a response from European Powers which had been viewing the Japanese successes with surprise and anxiety. These Powers had tried to influence Japanese policy at various points during the war without any success. Lobanov, the Russian foreign minister, let it be known that it would be distasteful for his country if Japan were to make any territorial acquisitions from these Shimonoseki talks. Following this, a dramatic intervention took place at the instance of Russia: the envoys of Russia, France and Germany in Tokyo handed the Japanese government notes arguing for the return to China of the

Liaotung peninsula then in the possession of its armies. After then successfully canvassing international support against this ‘friendly advice’, Japan agreed to retrocede the peninsula except Chinchow, a strategic point on the peninsula. This was unacceptable to the Powers and at the beginning of May Japan, with her army and navy exhausted, agreed to the full retrocession. She called for early ratification and ratifications were exchanged at Chefoo by the due date of 8 May, Ito Miyoji being the Japanese plenipotentiary.

Japan’s troops were scattered all the way from Port Arthur to Fengtien (Mukden) and set tight conditions for the evacuation of her troops from Manchuria. For six months the Chinese and Japanese battled over the terms for the evacuation of Japanese troops from the peninsula of Liaotung. Japan asked for a substantial supplementary indemnity but, when the Powers protested that this was beyond China’s means, signed the convention for the retrocession of the southern portion of Fengtien province on 8 November 1895, accepting a reduced indemnity of 30,000,000 taels (5 million pounds). Japan agreed to return the occupied territory to the full sovereignty of China together with all fortifications, arsenals and public property, subject to the adequate and timely settlement of the compensation terms.⁹

Such was the rivalry between the Powers that Japan was urged by Britain not to give up her holding of the Liaotung peninsula until she was satisfied that she would be fully indemnified. But in the event the money was paid without delay through London and the evacuation of the Liaotung peninsula was immediately undertaken and completed by the end of the year, leaving a token occupying force at Weihaiwei until the final settlement was completed.

The position changed in 1896 when Li Hung Chang who had been much attacked for weakness in his handling of the Shimonoseki negotiations was surprisingly sent on a world tour. Most importantly for present purposes he visited Russia for the coronation of the new Emperor Nicholas II (above, pp. 16–18). Though out of favour since the war whose disasters were held to be his fault, Li was the emissary asked for by the Russians. After a ceremonial passage round the world, he reached Port Said when he was welcomed by Russian representatives and steered towards St Petersburg. There he held important conversations with Witte who argued that Russia had done China a great service and asked for something in return. The statesmen discussed the twin issues: the pro-

vision of Manchurian railways by Russia and a treaty of protection for China against Japan, issues which appeared to be of mutual benefit. On 3 June while he was in Russia, Li in receipt of a bribe (according to Dr Xiang), attached his seal to a secret agreement which was intended to last for fifteen years: mutual assistance in the event of Japanese aggression; the use of Chinese ports by Russian warships in emergencies; the construction by Russia of a railway through Heilungkiang and Kirin to Vladivostok, the line to be used by Russia in transporting troops and supplies to the east. This so-called treaty of alliance was ratified on 28 September with the railway concession being given to the Russo-Chinese Bank. China only succeeded in preventing the use of the broad Russian gauge. It was followed up by the so-called Cassini Convention which set up the structure for the new railway. This purported to be a secret agreement of mutual defense negotiated by the veteran Russian minister in Peking, Count Cassini, in return for Russia's exclusive right to build and run a railway concession in Manchuria thereby allowing passengers on the Trans-Siberian Railway to travel over Chinese territory directly to Vladivostok.¹⁰

These two documents were kept as a closely guarded secret in a time of much secret diplomacy. The Chinese government denied their existence until 1910. But diplomats being sceptical beings, the existence of such an understanding was widely suspected. The first stage of Russia's plan was quickly followed up. A treaty between Russia and China of 8 September authorized the Russo-Chinese Bank to assume responsibility for building the line from Manchuli on the western frontier across northern Manchuria. The actual construction was to be undertaken by the Chinese Eastern Railway (CER), nominally a bi-national company but in practice part of the Russian government. Construction began in 1897.¹¹

That left open the question of the perpendicular line from Harbin, the city which would become the hub of the Russian railway empire, south to the littoral at Port Arthur (Lushun) and Taliens. No time was wasted and at the end of December 1896 it was agreed to undertake the construction of the line to Taliens (Dalny to the Russians). At the end of the next year the focus moves from the murky world of Li Hung Chang's negotiation to the murkier world of naval movements. In December the German navy wintered at Tsingtao, allegedly because of atrocities committed against German missionaries in Shantung province. This did not please the Russians who claimed prior rights there. On 19 December, a Russian

squadron moved to Port Arthur for wintering, giving assurances that its presence was temporary. It was a moment of high international tension.

MANCHURIAN PORTS, 1898

Li was given an ambiguous assurance on 4 January 1898 that Russia had no immediate intention of making any territorial acquisition but relied on China's friendship to be offered a suitable port in the area and a railway linking the Russian lines to Chinchow. The German lease of Kiaochow was concluded on 6 March for ninety-nine years. Encouraged by this, the Russians asked pointedly for the lease of Port Arthur and its environs, requesting the same terms as Germany had received. Russian military operations cleared both that port and Talienshan of Chinese soldiers.

On 8 March 1898, the Tsungli Yamen announced that they had received a Russian demand for the lease of Port Arthur and Talienshan and a railway to Port Arthur. Talienshan would be open to trade like other ports in China. Russia denied that the taking of these ports would constitute any menace to Peking: 'beyond the maintenance of existing treaty rights Russia had no interests in Manchuria'. But she must have a safe harbour for her Pacific fleet; and Talienshan was vulnerable as a commercial port without the protection of Port Arthur. The Russian squadron had been accustomed to winter there on a temporary basis. Vladivostok which remained the headquarters of Russia's sea and land forces had, despite the use of a powerful ice-breaker, not been able to overcome the fact that it was iced up for the winter months.

On 27 March, China signed a treaty conferring on Russia the lease of the harbours of Port Arthur and Talienshan for twenty-five years (less than the ninety-nine-year lease which had been granted to Germany) with territorial and railway concessions in the Liaotung peninsula and with a neutral zone along the frontier of the leased territory. Port Arthur was to be an exclusively naval port closed to the vessels of other nations, while Talienshan (except for the inner harbour intended to be reserved for naval use) was designated as a 'trading port'. An Extension Agreement granted the CER Company permission to construct a branch line from the main line to the leased territory. A customs house would be opened under Russian management at Talienshan. China would retain sovereignty but civil and military administration would pass to the Rus-

sians. The wording of the lease of the Liaotung peninsula of 27 March 1898 is significant:

For the purpose of ensuring that the Russian naval forces shall possess an entirely secure base on the littoral of northern China, Emperor of China agrees to place at the disposal of the Russian Government on lease the Ports Arthur (Liou-choun-kow) and Ta-lien-wan (Dairen) together with the water areas contiguous to these ports. No Chinese military forces whatsoever will be allowed on the territory specified. The concessions granted in 1895 to CER shall be extended to the connecting branch which is to be built from one of the stations of the main line to Ta-lien-wan...

Thus, both the strategic and the commercial aspects of the convention were made clear by the terms of the lease; and the impression was conveniently given that the Chinese Emperor had given them voluntarily.¹²

This development was of course much more serious for Manchuria than the earlier arrangement which had only affected the northern province of Heilungkiang. It gave Russia the lease of two ports on its southern coast for naval use, ports which were not normally subject to icing during the winter months. It opened Talienshan which was not 'a treaty port' to trade; and Russian politicians were insistent that it would be a free trade port. But it was an unhappy development which confirmed Germany in her new concession at Tsingtao and induced Britain to take over Weihaiwei when the occupying Japanese force left in May. The Gulf of Pechili, the gateway to Manchuria, which had earlier been a place of peace and tranquillity was now to become a place of international tensions. It seemed likely that Port Arthur would be turned into a powerful base with shipbuilding and arms-making facilities. This would upset the strategic balance.

The lease agreement had domestic implications. It was bound to affect the economy of the territory and, once the railway was in place, give Russia a stranglehold over the shape of commerce. It was generally recognized that the coming of the railways would also have a considerable social and political impact. Politically it had to overcome opposition from the Empress Dowager and others in the Chinese court and generated much hostility in Manchurian circles. Li Hung Chang and those associated with the pro-Russian group tried to overcome its unpopularity by pitting one foreign country against another but went out of favour for the time being.¹³

Within the Chinese intellectual elite in 1898 there was much talk of crisis for the country and of the need for reform, especially for modernization in the style of Japan. It cannot have been a coincidence that Kang Yuwei wrote his famous letter to the Throne on 28 January 1898, describing the present time as ‘an age of competition between states’, unlike the situation to which China was used, an era of Chinese peace. Another scholar/politician, Chang Chih-tung, who was inclined towards an alliance with Russia, wrote:

Nowadays scholars who become vexed with the present order of things are angry at the foreigners for cheating and oppressing us, at the generals for being unable to fight, at the ministers for being unwilling to reform, at the educational authorities for not establishing modern schools and at the various officials for not seeking to promote industry and commerce.

He was, however, sceptical over the expansion of people’s rights which would ‘bring us not a particle of good but a hundred evils’. Just as they had previously protested against the Shimonoseki treaty, the reformists now weighed in against all the imperialistic inroads that had been made into China over the winter months of 1897–8.¹⁴

For a brief period a new relationship seemed to develop between Japan and China. In spite of the defeat that China had suffered in 1895 and the shock that resulted from it, many Chinese grew to respect Japan for her modernization which had been so much more successful than China’s own steps in that direction. In the ferment of Peking court politics, there was a reformist group that admired Japan and wanted to learn from her.

In that atmosphere, Marquis Ito Hirobumi, who was the architect of Japan’s modernization, paid an unofficial visit to China in September 1898. Ito, unhappy at Russia’s position of influence at the Chinese court and her recent acquisitions, doubtless thought he could take advantage of the improved fortunes of the reform movement in China. He travelled by way of Nagasaki and Seoul where he was warmly welcomed by the Korean court. Surprisingly, he did not wish to visit the Manchurian battlefields of 1894–5 fought over when he had been prime minister. Ito travelled by way of Tientsin and reached Peking on 14 September.

Ito met many leaders of the reformist parties and the Chinese establishment. Significantly he had no difficulty in arranging an audience on 20 September with the young Emperor who praised him for his special contribution to the modernization of his country. He added that the Japanese government had been much praised by all nations for its readiness

to adopt reforms. In his own account, Ito confirms that he received the most polite treatment (*atsukai*) from the emperor. Finally, the Emperor asked him for advice on ‘the processes and methods of reform’ which might be undertaken in China. Ito said he would be happy to answer questions from members of the court. But they did not come because the reform movement collapsed under the wrath of the Empress Dowager the day after Ito’s audience. There was a coup engineered by the Empress Dowager; and the warm relationship ended overnight. The reform party was crushed by high Manchu officials; and the Emperor was forced to give up his reformist inclinations. The timing of Ito’s visit was always going to be problematic and its outcome was certainly unfortunate. It exposed the fact that Chinese feeling towards Japan was deeply divided. According to Chinese sources,¹⁵ at his audience with Emperor Kuang-hsu, Ito’s posture is described as deferential.

It was remarkable that Japan’s wartime prime minister should have been made so welcome. Ito does not seem to have taken the setback to his mission amiss. He continued in a leisurely way to pay calls on the other major cities and was treated with the utmost hospitality in China during these two months. Because of lack of sources it is hard to analyse the motives behind his trip. Could it be that this was the first of his attempts to work out a formula for resolving the Manchurian dilemma? There is no evidence to substantiate this. Certainly, he was not impressed by China’s politics and may not have had great expectations for the future. While he was staying in Shanghai at the end of his tour of the cities of the Yangtse valley, he received a summons to return to Japan because of the political turmoil there.

PROGRESS OF RUSSIAN RAILWAYS

This struggle for the acquisition of ports was only part of an international railway war in north China. Needless to say, the ever-jealous powers looked at each other with dismay and envy. Russia had pulled off a *coup d'état*, though it was only an extension of the logic of the discussion that had taken place in 1896. Indeed, most of the world powers like the Chinese had been expecting it and were preparing to take countermeasures to check it. Thus, Britain approved of the arrangement of 7 June 1898 between Hu, the director-general of the North China Railways, and the British and China Corporation,

acting for the Hong Kong Shanghai Bank, whereby a loan should be given for building the extension of the Peking-Tientsin-Shanhaikuan railway beyond the Great Wall to Newchwang and Sin-min-ting. This Newchwang extension line would thus link the Chinese capital with towns on the Liao River. Russia protested; but it was argued that the line would remain under Chinese control and the extension would not be mortgaged to any non-Chinese company. While Britain promised not to interfere with Russian railway concessions north of the Wall, this did not apply to the Newchwang extension which was a Chinese government affair. This was part of a concerted international effort to limit Russian railway-building activity.¹⁶

The inauguration of the west-to-east Chinese Eastern Railway (CER) took place in August 1897. The problems of mapping the terrain had been overcome and the engineering phase had begun. The completion of the line over 1300 miles from Manchuli to Pogranichnaia was a remarkable accomplishment. No expense was spared and the whole project was launched on the most extravagant basis. When the lease of Port Arthur and Talien was concluded the following March, it gave a boost to plans for linking up with construction further south. This was undertaken in sections beginning in south Manchuria. From April 1899, steamer after steamer, laden with railway material, came into the various ports and were cleared free of duty. The result was that by the end of the year the railway from Port Arthur and Talien as far north as Mukden (300 miles) was opened. It was possible to proceed by engine and observation carriage also along the spur line from Newchwang to the junction point with the main line at Tashichao. By June 1900, the line north to Harbin had come into use on this basis.

The railways brought many vital changes. Movements of labour into, and within, the territory radically increased the population. There was a dramatic increase in immigration from north China, especially Shantung province and even Tientsin which were affected by plague and drought in 1899. Large numbers of desperately poor peasants were prompted to move north in search of jobs and were ready to work on railway-building. The Russians also began to build roads and harbours.



One of the beneficiaries of this migration was the town of Harbin. Russia's railway engineers had earmarked it as the place where their

tracks would join the Sungari River. It was to become the junction-point between the western and eastern sections of the Chinese Eastern Railway and the hub of their network with its southern extension. In the construction phase it was to be the distribution centre for rail materials; thereafter it would become the natural administrative capital for the region. It was planned as a Western city with European-style housing, but in fact the Europeans in the community were outnumbered. The speed with which the CER was being constructed led to enormous demand for railway coolies. Large contingents of Chinese arrived in the years after 1898, either by transfer from the Ussuri line or by immigration, leading to an estimated population not far short of 100,000 inhabitants by 1900.¹⁷

While the Russians felt pride in their achievement, the Chinese were bitter at the intrusion into their land. The year 1899 was a time when the plague spread from North China and struck southern Manchurian towns. This may have increased the railway-phobia. The Boxers who were already active in China proper were increasingly appearing in Manchuria. Moreover, there was a general anti-foreignism. The new century saw many outbreaks of violence against foreigners and foreign missionaries in China. Manchuria was not exempt from this hostility, though it was on a smaller scale. Christian churches, converts and missions there were generally vulnerable because of their isolation.¹⁸

A good impression of the state of Manchuria at the end of the century is given by Joseph Walton, a prominent Liberal politician, who visited Newchwang, Port Arthur and Talienshan during a visit to the East late in 1899. He offers his assessment of the three ports in his book *China and the Present Crisis*, published in July 1900. He is looking at things from the point of view of a politician in opposition and is critical of the lethargy of British enterprise compared to the Russians, Germans, Americans and Japanese. But one can deduce from his writings something of the atmosphere in the ports among the international community and glean some idea of what the Manchurian railway meant to the various communities. He gives a rather simplified glimpse of treaty-port life and the hazards it involved.¹⁹

A more military assessment is provided by Lt. Col. George Browne, Britain's military attaché in Peking, who travelled through Manchuria on his way home for furlough and reported on 20 May 1900. He foresees that a conflict will take place in Manchuria though he does not

expect it to occur soon. His conclusion is that ‘China is powerless to preserve neutrality, for she cannot prevent a landing by the Japanese in the Liaotung Peninsula.’ His memorandum throws light on the scene in Manchuria before the Boxer emergency took place and is an example of the ominous speculation about the inevitability of war which was widely held by politicians and diplomats at this time.²⁰

BOXERS IN NORTH CHINA, 1900–1901

On 21 June 1900, the Chinese court declared war against the foreign Powers. This led to the so-called Siege of the Peking Legations by the ‘Boxers’ in which foreign nationals were detained inside the Eternal City. The Powers decided to send an international military force for the relief of the foreign legations. But the European Powers which were primarily affected were short of manpower in the area, with the exception of Russia who had units for the defence of her railway. Some of the Powers, therefore, invited Japan who was well placed to send troops at short notice to take part in the relief effort.²¹ This was a testing decision for Japan because she was a non-Christian country and had no desire to be involved. But she had suffered the death of one of her diplomats and her nationals were suffering alongside the others from the Siege. In addition, her intelligence analysts reported that Russia had sent a large force of 42,570 men and was a threat to the Peking area. After much cogitation, Japanese leaders decided to send 23,000 troops. They joined the international expedition and these fresh troops from Russia and Japan took the prominent part in the relief of the Legations on 15 August.²² Japan then conspicuously withdrew her forces, partly in order to encourage the other armies to do likewise and partly for financial reasons. It would take another year before the Boxer Incident was ultimately resolved in September 1901 by the Peking Protocol. But we must not get bogged down with the minutiae of the Boxer Incident and continue to concentrate our attention on happenings in Manchuria.²³

How did Russia react to the proposal for early evacuation? Peking had been relieved by the joint action of the international expedition on 14 August. Seeing that the Chinese court had left Peking, the Russian foreign minister, Count Lamsdorf, sent instructions on 12/25 August to

his minister to China, instructing him to leave the capital for Tientsin. There was no purpose, he argued, in having representation in the capital until the government returned. This was accompanied by the unexpected withdrawal of Russian armies from Peking and North China. Russia saw it as necessary to seal the Gateway to Manchuria in order to prevent large numbers of 'Boxers' spilling over from north China into Manchuria and aggravating the situation there. The other powers were sceptical about this act of seeming generosity and predicted that the Russian troops who had taken part in the international expedition for the relief of Peking would merely be transferred to Manchuria where Russian commanders were finding extreme difficulty in coping with outbreaks along the length and breadth of the CER and South Manchurian Railway (SMR). The powers were highly suspicious of the vast forces which Russia was building up in Manchuria in this way. Would they ever be removed? It seemed to many that Russia was merely using the excuse of the Boxer outbreaks to make gains for herself.²⁴

Although Russia's minister for war, General Kuropatkin, was only one voice in making policy, he went out of his way to explain his troop dispositions to the French ambassador, justifying them on the grounds that they were ordered in defence of his own nationals. While there was little fear of serious Chinese resistance, he said, Russia would have to take control (*s'emparer*) of important points in Manchuria such as Tsitsihar and Kirin. The ambassador of France, which was Russia's ally, observed sardonically on hearing this that Russia would maintain to the bitter end the fiction that 'it was not at war with China but only with rebels that it had to fight in order to restore order and help the Chinese government to ensure that the conventions reached between Russia and China were respected'. Even a friendly ambassador could report that the actions and ambitions of Russian expansionists on the spot were so much at odds with the assurances which were coming out of St Petersburg.²⁵



This chapter started with the Chinese fighting Japan on Manchurian soil and looking to Russia as saviour. By the new century they were fighting Russia on Manchurian soil but were still distrustful of Japan. There was clearly a difference between the attitudes of the Chinese bureaucrats and popular opinion on the spot. The paradox is that Russia was professing

to be protecting China against her enemies under the alliance they had signed in 1896, while the Japanese were professing to be protecting China against Russia. In truth, the Chinese liked neither country. But in days of railway imperialism and acute international competition, there was little prospect that a weak China could prevail against acquisitive foreign interests. China would have to continue playing one off against the other. In this Manchuria was a doubly unhappy victim. The leadership in Peking was settling things with the international Powers without consultation with the people north of the Great Wall or the local Taotai. The decisions over railway-building were made over the heads of the people and excited as much opposition as they had in China proper. By mid-summer 1902 China's ports in Manchuria had returned to normal but, said Robert Hart, 'China seems no longer the same place and all is changed.'²⁸

ENDNOTES

1. London *Times*, 11 October 1894
2. The BDOFA series covers the war in two volumes: vol. 4 'Sino-Japanese War' and vol. 5 'Sino-Japanese War and Triple Intervention'. Accounts of the war include S.C.M. Paine, *The Sino-Japanese war of 1894–5*; Thomas Otte, *The China Question, 1894–1905*, Oxford UP, 2007; and Stewart Lone, *Japan's First Modern War, 1894–5*, Macmillan, 1994, p. 29ff. Japanese accounts of the battles in this war are rare. I have relied on Ito Seitoku (Masanori), *Kokuboshi* and Fujiwara Michio, *Nisshin senso*, Iwanami, 1973.
3. BDOFA, I/E, vol. 5, doc. 38, Hayashi Tadasu to British legation, 19 December 1894
4. London *Times*, 22 January and 22 March 1895
5. Adm. Fremantle to Admiralty, 13 November 1894 in BDOFA, I/E, vol. 5, doc. 4
6. Bullock to O'Conor, 7 November 1894 in BDOFA, I/E, vol. 4, doc. 626. The Mukden governor announced the war was solely with Japan 'and both Manchus and Chinese were strictly ordered to behave with all friendliness to Europeans'. P.D. Coates, *The China Consuls*, Oxford UP, 1988, p. 298 says Japan remained in occupation of Newchwang for nine months. Lone, pp. 146–7

7. DOCUMENT, see Volume 2, Chapter 1 (item 1)
8. English text in British Parliamentary Papers, 'Japan no 1, 1895: Treaty of Peace, 17 April 1895'
9. Nish, *Anglo-Japanese Alliance*, Athlone Press, 1966, pp. 33–4
10. Xiang Lanxin, *The Origins of the Boxer War*, Routledge-Curzon, 2003, pp. 52–3. Quested, *Russo-Chinese Bank*, Birmingham, 1977
11. These documents are included in J.V.A. MacMurray, *Treaties and Agreements*, vol. I, 'Manchu Period', OUP, 1921. Nish, p. 41ff.
12. BDOFA, I/E, vol. 7, doc. 1, 31 March 1898
13. Nish, p. 49 ff.
14. Teng and Fairbank, *China's Response to the West*, pp. 129–30, 65–7. Xiang, *Origins of the Boxer War*, pp. 16–22 passim
15. Teng and Fairbank, *China's response to the West*, pp. 179–80. The Japanese side is covered by Takii Kazuhiro, *Ito Hirobumi*, Routledge, 2014, ch. 6 and by Ito Yukio, *Ito Hirobumi: Kindai Nihon wo tsukutta otoko*, Kodansha, 2009, p. 418ff.
16. On Anglo-Russian railway agreement of 28 April 1899, see Inoue Yuichi, *Higashi Ajia tetsudo kokusai kankeishi*, Keio Tsushin, 1989. Also the writer's 'North China Railway Problems, 1897–1901' in *International Studies* (ICERD, LSE), 1980 and 'Russo-Japanese Relations and the construction of railway lines in Korea' in G. Daniels (ed.), *Proceedings of BAJS*, 1979. JVA MacMurray, *China Treaties and agreements*, no 1899/3. Otte, pp. 162–8
17. David Wolff, *To the Harbin Station: The Liberal Alternative in Russian Manchuria, 1898–1914*, Stanford UP, 1999, p. 32ff.
18. Wolff, p. 35ff. C.C. Tan, *The Boxer Catastrophe*, Columbia UP, 1955, pp. 157–8. Paul A Cohen, *History in Three Keys: Boxers as Event, Experience and Myth*, Columbia UP, 1997. Xiang, p. 156
19. DOCUMENT, see Volume 2, Chapter 1 (item 2)
20. BDOFA, I/E, vol. 20, doc. 140, p. 116. Browne (London) to Foreign Office, 1 June 1900
21. G.A. Lensen, *The Russo-Chinese War*, Diplomatic Press, Tallahassee, 1967. Stewart Lone, *Army, Empire and Politics in Meiji Japan*, Macmillan, 2000, ch. 5. Xiang, p. 156
22. A.K. Wu, pp. 69–70. Xiang, p. 156. Wolff, p. 67ff. [Troops numbers as estimated by the Intelligence Division of the British War Office, see Nish in Steinberg, pp. 47–8.]

23. For the harsh proclamation of Lt General Grimskii, see Lensen, pp. 124–5. Nish, p. 89. See also Ito Seitoku, pp. 194–5. Kawano, ‘Hokushin jihen’ in Okumura Fusao (ed.), *Kindai Nihon sensōshi*, vol.I, 386–90.
24. DDF, I serie, 16 tome, doc. 285, circular by Lamsdorf, 12/25 August 1900. Saito Seiji, *Hokushin Jihen to Nibongun*, Fuyo Shobo, 2006, ch. 5
25. DOCUMENT, see Appendix 3
26. Otte, p. 226ff. Coates, p. 298. A useful light on the object of Russian expansionists is shown in the views of M. Pokotilov in E.G. Hillier to Cameron, 15 December 1900 in BDOFA, I/E, vol. 7, doc. 278
27. On Bowra-Konovalov exchange, Robert Hart, *The IG in Peking, 1867–1907*, Belknap-Harvard, 1975, vol. 2, docs 1275–6.
28. Hart quotation in *IG in Peking*, vol. 2, doc. 1247, 27 July 1902

Chapter Three

Prelude to the Russo-Japanese War,

1900–1905



IN 1900 EAST Asia was one of the greatest trouble-spots of the world. Five years earlier, China had been decisively defeated by her neighbour Japan and had had no alternative but to grant leases of ports to acquisitive powers who participated in ‘the scramble for China’ that took place in the late 1890s. Those which concluded leases in north China were Russia, Germany and Britain. The ports in question were ringed round the Gulf of Pechili and menaced the security of the Chinese capital. In 1900, because of the activities of the ‘Boxers’, the military forces of the world’s major Powers were gathered around Peking. The weakness of China was exposed. For her part, Japan was slowly to recover from the shattering humiliation the country had suffered in 1895 at the hands of the European Powers. She had withdrawn her troops from Weihaiwei, her sole base in China, in 1898. It was not that Japan was not deeply concerned with developments in China; but Japan’s leaders adopted a cautious policy and concentrated on building her military strength by increasing her army and buying new ships to reinforce her navy. The situation was, however, to change dramatically during the period covered by this chapter when Russia seemed to flex her muscles and assert herself in Manchuria while Japan took that seriously enough to assume a leadership role and take more positive action in opposing her.

BOXER DISTURBANCES IN MANCHURIA

While the attention of the world had been focussed on the blood-curdling events of the Legation Quarter in Peking, similar events had been unfolding in Manchuria from mid-July. There were three strands of Chinese activities which intensified against the Russian railway: the actions of the anti-railway irregulars; those of the Boxer 'regulars'; and the involvement ultimately of the Chinese Imperial Army. They were united in opposing the appalling circumstances under which the Chinese Eastern and South Manchurian Railways had been built and the encroachment on their lands. The 'irregulars' did not want railways in their districts and commonly threw rails into the rivers and destroyed telegraphs and railway property by way of demonstrating their annoyance. The Boxers, a secret society which practised martial arts and was generally anti-Christian, became increasingly active after 1899. Many of Manchuria's immigrants came from Shantung where Boxer organizations were already prominent and were influenced by them. These groups were increasingly penetrated after 1899 by the Hunghutse (Red Beards), the bandits who traditionally haunted the area. It was a more serious phase when government troops joined hands with the others after the Chinese Court instructed them to resist.¹

Railways became a natural rallying-point for opposition to foreigners, though generally in an uncoordinated way. The situation in the three provinces deteriorated rapidly and unevenly. Fengtien province was involved throughout the turmoil; Kirin seems to have stayed clear until later; and Heilungkiang came in late after incidents took place on the Amur and Sungari rivers. Harbin was cut off for a month from 27 June. On 11 July, Russia decided to dispatch troops down the Amur River for the suppression of the insurgents. They were shelled and stopped by imperial forces at Aigun. On 15 July, Chinese attacked the frontier town of Blagovestchensk and were repulsed ruthlessly with heavy losses. Thereafter, town after town fell until Russia occupied Tsitsihar, the capital of Heilungkiang. The northern provinces were slowly occupied by Russian troops which had been weakened during the height of the Peking crisis but had by this time been reinforced and numbered about 210,000. Russia rushed in troop reinforcements – partly one brigade by rail through Siberia and partly two brigades by sea from Odessa through the Suez Canal, reaching Port Arthur in late September. A large,

regular Russian force disguised as a Railway Protection Unit had also been formed.²

Russia responded to the anti-foreign riots by taking over the towns. In view of attacks on the foreign quarter, she occupied Newchwang (4 August), Liaoyang (28 September) and Mukden (1 October). The Russians thus managed to reclaim the main lines of communication, rail routes and rivers. The fall of Mukden did not, however, complete the occupation or pacification of Manchuria. The Taotai left his capital; dissidents went underground; and the local bandits (*hungbutze*) took their place. Crops went unharvested so troops could not easily be fed.³

The Russo-Chinese War in Manchuria had been a grim and bloody war where superior armament had prevailed. The Russians had responded forcefully to the severe damage which had been done to their railway. In their occupation of the country which followed, the regimes varied widely: they were lax in some places but could be very harsh in others. An outside observer marvelled at the ‘indulgent attitude on the part of the Russians [in the south] which contrasts so sharply with the stories of their wholesale brutality which come from the Amoor region’. The Russians had not the manpower to interfere in administrative matters provided their overall control was recognized.⁴ The Peking correspondent of the London *Times* summed up the position as he saw it after a two months survey of the Russian occupation:

Manchuria is absolutely dominated by Russia. All the officials are absolutely in her power; none can be appointed without her approval...All the waterways are controlled by Russia....Though for a long time the Russian occupation pressed severely upon the people, the Russian troops are now well in hand and the people are treated humanely. Russians, especially the officers, seemed to treat the Chinese with more consideration, friendliness and familiarity than one is accustomed to see elsewhere. The occupation has brought a great accession of wealth to the people. Millions of roubles have been spent in the country, and the Chinese are experiencing a material prosperity they have never before known.⁵

STORMS AT THE GATEWAY TO MANCHURIA

Before long, attention turned to the Chinese Northern Railway, a Chinese line which was mortgaged to British bondholders and was the main channel for landward communication between Peking and Manchuria.

As the Russian units withdrew from the Peking front, they lost no time in taking over the line passing through Shanhakuan occupied by 4000 of her troops on 2 October. They removed rolling stock from the works there for their needs elsewhere in Manchuria. Local British diplomatic and military officials wanted to rescue the railway company even if meant a confrontation with Russia; but the cabinet in London would not support their extreme proposals, well aware of the repercussion of such actions on the South African war in which it was engaged.

Though this was fundamentally a dispute between Russia and China, it was equally a dispute within the international community whose troops were gathered in dangerous numbers to the north of the Chinese capital. It seems to have been Russia's aim to consolidate her acquisition of Manchuria by controlling the approaches along the narrow coastal strip joining Shanhakuan to Newchwang, the treaty port she had occupied on 4 August. By November the Russians claimed to control the whole line from China to Newchwang by right of conquest and insisted on holding on to it until the bill for repair to railway damage had been paid by China. Protests were immediately lodged with the commander-in-chief of the international force for the relief of Peking, Field-marshal Count Waldersee. Through his mediation, a compromise was reached whereby the railways through the frontier town should be placed under the control of its British managers, subject to his overall military supervision. It was to be an ongoing dispute; but for the present it was resolved by the Russians declaring that they would withdraw from Manchuria directly its pacification was secured and the rights of foreign states and their associates in Newchwang and its railways would be respected by the occupying authorities. Waldersee finally prevailed on Russia to hand back the line to China some months later.⁶

An interesting insight into Russian ambitions is given by the British businessman, Edward G. Hillier, stationed in Tientsin as the agent of the Hongkong Shanghai Bank. His focus is on the treaty port of Newchwang through which the export trade of the country was still channelled. He explains an approach he received from Dmitri Pokotilov, able manager of the Russo-Chinese Bank at Peking, for Russia to purchase the Chinese Northern Railway so that Russia could obtain a 'direct railway connection from their Manchurian line to Peking'. Nothing came of this unofficial approach. Indeed, Hillier wanted the bondholders and the British government to stand firm against it if it materialized. He argued that the 'contract was made when Manchuria was an integral part of the

Chinese Empire and offered to bondholders in the firm belief that... our Government would maintain the *status quo* in that region'. Hillier's letter was one factor in putting pressure on the government in London to take an active interest in Manchuria's future.⁷ In another letter he wrote:

What the Russians are doing in Manchuria I do not know. They have their hands full there, which lends colour to the report that they are practically withdrawing from this [south] side of the Wall.They are holding the railway strongly in their rear from Shanhakuan to Yangtsun, and have not the slightest intention of letting it go.... The line is being treated as Chinese property, while the rights of British bondholders.... appear now to be completely ignored.⁸

Russia's object, he alleged, was to repair the line quickly regardless of quality and secure it for future military purposes.

The Russians were in total control in Newchwang. Even the office of the all-powerful Chinese Imperial Maritime Customs had to work with them. The duties it collected were paid into the Russo-Chinese Bank which was a Russian concern, thus putting an important part of the Manchurian economy in Russia's control. So much so that the 'Inspector-general', the senior official of the Customs, Sir Robert Hart, felt it appropriate in 1903 to appoint a Russian, N.A. Konovalov, as Acting Commissioner at that port. It was an appointment, he claimed, that was merely a staff transfer within the Customs Service; but it was in fact a tactical decision taken to reflect political realities on the ground.⁹ Hart was well aware that his decision to appoint a Russian would be anathema in Britain. Although events at Newchwang were a side-show compared to what was going on in north China, they were a microcosm of what was taking place in Manchuria. The situation was not improved by the contradictions between the emollient declarations of the Russian Foreign Ministry and the boasts of Russian expansionists on the ground.

DELAYED EVACUATION

Turning from the Gateway towards central Manchuria, it was recognized that it was necessary for some written understanding to be reached between the occupier and the leadership of any civil administration available. Following the precedent set by the leaders of Heilungchang and

Kirin, General Tseng Chi, the governor of Fengtien Province who was prepared to collaborate with Russia, made moves to secure such a local understanding from the Russian governor-general of the Liaotung Peninsula, Admiral Alekseev. It was mid-November before an administrative arrangement was drafted. This contained requirements which the Mukden authorities had to accept if they were to be restored to power, the most important being to restore stability so that the construction of the Russian railway may proceed ‘without obstruction or destruction’. Copious amendments and qualifications were made but the ‘agreement’ was eventually signed between Tseng and Alekseev at Port Arthur on 30 January 1901. The agreement provided for Russia’s status to be recognized but for the evacuation of the bulk of Russian troops in three tranches at six-monthly intervals. Russia signed with the proviso that circumstances might change and nullify the temporary arrangement, while Tseng attached the proviso that the document had to be referred to the Imperial Court which was then understood to be returning to Peking from self-imposed exile. In fact, there had already been many communications between Mukden and Li Hungchang as China’s senior leader on this matter. But Li died in November 1901, and his successor at the Waiwupu (as the old Tsung li Yamen had become) was Prince Ching I-kuang. Ching was a Manchu prince, who was surrounded by Manchu advisers, and did not give in so readily to Russian demands.¹⁰

Although the terms of the document are less important than the seemingly mild tone of the Russian demands, the Alekseev-Tseng arrangement created a major diplomatic crisis. Some Chinese allowed the documents to leak out to the Peking correspondent of the London *Times* who telegraphed them immediately to London. Protests from all the world Powers were lodged in St Petersburg and Peking against what seemed to be evidence that Russia was intending to stay permanently or long-term in the territory. In response, the Russian foreign minister seemed to deny that any formal convention with China was being negotiated or that Russia sought a virtual protectorate over South Manchuria. He reiterated the promise that Russia would not fail to withdraw. In Peking, the world Powers, led by Japan and Britain, urged China not to sign and the central government declined to endorse the agreement. But, in spite of this ‘Manchurian convention’, Russia in April announced that it was impossible to take the measures which had been in place for the gradual evacuation of Manchuria. While the cost of the occupation was

more than the Russian treasury could bear, they did not want to lose their control of the country.¹¹

The issue for the world community was whether the situation in Manchuria could be resolved by negotiation. The Power mainly interested in Russia's doings in northeast Asia was Japan. There the government was strongly opposed to Russia's actions, broken promises and lack of transparency and was in favour of a robust response. Japan was at the same time upset with Russia over Korea, where Russian interests were making inroads into north Korean resources. But there was a peace party in Japan which favoured an alternative and more cautious approach. Could a deal be done between the two sides whereby Japan could be regarded as the supreme power in Korea while Russia retained her predominance in Manchuria? Japan's senior statesman, Ito Hirobumi, favoured a deal of this sort and felt it should be explored. In the autumn of 1901, he went on a round-the-world journey which included a 'personal visit' to St Petersburg. There he obtained audiences with the tsar and all the senior statesmen and debated the issues unofficially with them. He presented a speculative draft treaty of his own in which Japan would acknowledge Russia's position in Manchuria provided Russia would acknowledge Japan's position in Korea.¹²

But Lamsdorf, Russia's foreign minister, refused to discuss Manchuria which was, he argued, purely a matter between Russia and China and responded negatively over Korea. Disappointed, Ito retreated to London where in a well-publicized speech at the Guildhall on 3 January 1902 he expressed the hope that 'the friendly feelings which have existed between Britain and Japan in the past shall be daily more strongly cemented in the future'. In this phrase he was taken to have endorsed in advance the Anglo-Japanese Alliance which was at that very time at an advanced stage of negotiation.

The alliance, signed on 30 January 1902, set out in its preamble that both parties were 'actuated solely by a desire to maintain the status quo and general peace in the Extreme East, [and were] moreover specially interested in maintaining the independence and territorial integrity of the Empire of China and the Empire of Korea'. Although there was no mention here of Manchuria, it was clearly intended to be subsumed under 'the Empire of China'. Thus were battle-lines drawn. Russia had clearly violated the territorial integrity of the Empire of China; and Japan and Britain had now shown themselves to be publicly united against its

actions. It was not clear from the treaty what the signatories would do; but at least they were identified as opponents of what had happened in 1900–1901. Since Britain had been opposing Russian proceedings in southwest Manchuria, the new feature was that Japan had come out publicly against Russia, after the doubtful impressions left by Ito's 'personal mission' to St Petersburg.¹³

INSPECTIONS OF RUSSIAN MANCHURIA

Let us turn from the lofty heights of international diplomacy to the situation on the ground. There were considerable political and economic consequences of the Russian occupation. In terms of administration, Chinese officials in Manchuria could not in practice be appointed without Russian approval and therefore tended to collaborate with Russia. The management of the Chinese Eastern Railway (CER) took pains to cultivate good relations with existing administrations and ensured equal ranking with Chinese officials was applied. The waterways of Manchuria were controlled by Russia and, since the northern waterways ended up in the Sungari River, the steamship companies operating there were exclusively Russian. Law and order had broken down and the bandits took advantage of the chaos, especially in the countryside. The Chinese police and army were unable to cope; and the Russian military, which claimed to be under-resourced, did not wish to add to their own problems by taking on the time-consuming suppression of bandits. The people were left with no alternative but to pay protection money.

Turning to the economy, the partial completion of the Russian railway, especially the South Manchuria extension, by July 1903 certainly improved the well-being of the territory. This line of 1600 miles from the Siberian border town of Manchuli to the Russian town of Pogranichnaia near Vladivostok had encountered innumerable difficulties, mainly connected with passing the Great Khinghan range. This the engineers overcame by tunnelling – a great innovation. Though weakened by cost-cutting and corruption and required for political reasons to open certain sections prematurely to meet the needs of visitors from European Russia, even to the detriment of the construction schedule, the railway was an outstanding achievement. It had in the long run unquestionably a positive effect on the movement of goods, livestock and foodstuffs,

within the three provinces. Of course, since war was in the offing as the line was approaching completion, it became necessary for rail management to give priority to increasing the carrying capacity for soldiers and military freight as far as the one-track line could manage. It was not intended solely as a military railway; and it continued to be serviceable for commercial traffic.¹⁴

The progress of Russian railway building allowed travellers from Europe to visit the East. Sergei Witte, the minister of finance, whose ‘pet project’ the Chinese Eastern Railway was, travelled east in August 1902 to inspect his railway and assess the commercial benefits it was bringing. This visit which lasted two months was mainly spent in Harbin but included side trips to Dalny (Talien), Port Arthur and Newchwang. This is briefly covered in Witte’s autobiography where he claims that his report to the tsar asked for Russia to evacuate the territory and leave it to commercial forces. But this ran in the face of military thinking and was not adopted.¹⁵

Non-Russian travellers included Dr Morrison, the *Times* correspondent in Peking, who toured the cities of Manchuria along with William Oudendyk of the Dutch legation in Peking who was an able Russian linguist. They had to rough it because there were no hotels available and they had to use Chinese inns and other primitive accommodation. They give a good description of Russian activities.¹⁶

General Kuropatkin, minister of war, made a lengthy visit to the East which included a visit to Japan in June 1903. At the end of his inspection, he took part in an important policy meeting at Port Arthur in early July. It was a sort of brains trust of experts drawn from all branches of the Russian establishment with Eastern interests who were able to travel to the meeting by rail from all points of the compass. Its original purpose was to reconcile the differing diplomatic, military and economic viewpoints but it only revealed the acute divisions between them. The major outcome was that the tsar, on receiving its findings, issued a *ukase* on 12 August devolving power to Admiral Alekseev who was created Viceroy of the Far Eastern Provinces with headquarters in Port Arthur. While this left much discretion to those in the East and took some decision-making away from Europe, it was a retrograde step. It represented a new course with a more conservative line and greater military-naval influence. Locals felt that Port Arthur was to be given priority over Dalny on which too much money had already been spent.¹⁷

DELAYS IN TROOP EVACUATION

Dr Morrison who was touring Manchuria just as the first stage of the Russian troop evacuation was being completed in October 1902, expressed the view that withdrawing the troops from outlying areas and concentrating them in cantonments along the railway line would work to Russia's advantage. She would then be 'immovably installed' in these strategic zones which were much less vulnerable. 'They would', he believed, 'be within the safety of the concession areas in the major cities.' By their treaty of 1902 with China, the Russians were bound to remove the second quota of troops in the spring. But on 18 April 1903 they informed China that seven additional terms would have to be met. Since the demands were not accepted, they limited their withdrawals of later tranches in April 1903.

The third tranche of troop withdrawals was not observed in November 1903. No foreign observer thought that Russia was serious about arranging further reductions in her troop numbers. The Japanese took the pragmatic line: they did not accept the assurances they were receiving from the Russian Foreign Ministry during the negotiations in which they were engaged at this time. They preferred to believe the information they were receiving from the large network of military intelligence agents operating in Manchuria in various disguises in order to report on Russian activities. Ironically, that network used the new Russian railway system to extend their activities into Siberia in order to estimate Russia's capacity to transport troops from the west, especially because of the bottleneck at Lake Baikal.

Russo-Japanese negotiations in 1903, whose details need not concern us here, were proceeding at a snail's pace because of Russian delays and prevarication. Clearly, Russia's refusal to withdraw her troops from Manchuria in accordance with her treaty obligations made it difficult to achieve a peaceful solution. Some compromise might have been possible but it would appear that the Russians were confident that the Japanese would not dare to challenge them and saw no need to make concessions. Russia would not agree to allow herself to be excluded from Korea and would not allow Japan to interfere with her arrangements with China over railways. For her part, Japan wanted to gain Russia's recognition of her exclusive position in Korea and would not admit that she had no interests in Manchuria. Little progress could be made on such a basis.

In the end, Japan broke off negotiations and closed their diplomatic relations on 6 February 1904, withdrawing diplomatic representatives from St Petersburg.¹⁸

MANCHURIA AT WAR

War broke out between Japan and Russia on 8 February with Admiral Togo's engagement with the Russian fleet off Port Arthur. He planned to blockade the Russian fleet there by way of a surprise attack. But it was not a decisive blow and was much criticized.¹⁹ The fact that the first action of the war was a naval encounter suggests that an important part of Japan's motivation in going to war was about the valuable ports on the southern coastline of Manchuria. First, there was the former Chinese navy's base at Port Arthur (Lushun). The Japanese regarded it as a threat to their national security if this ice-free port was permanently held by Russia. So long as Port Arthur remained in communication with her main naval base at Vladivostok, Russia would have a formidable presence in both the Sea of Japan and the Yellow Sea and effectively hold the command of the seas. It was Japan's object to break this chain of communication.

But Dalny (Dairen, Talien) was also a threat to Japan. Dalny had been developing fast with the help of huge investments by Witte. Ashmead-Bartlett, one of the foreign journalists present during the war, describes it in 1894 as a wilderness converted by Russians into a 'flourishing little port and town' with splendid docks and breakwaters capable of handling ships of any size. Japanese feared for their trade with Manchuria which was established through the treaty port of Newchwang where they dominated the export trades. This was likely to be threatened by the rapid expansion of the new port, well served by a brand-new railway system.²⁰

How did the people of Manchuria and China view the prospect of war? The Manchu government at Peking was naturally worried that its homeland which had suffered so much since 1894 would again become a battlefield. In December, it sounded out the Japanese about the possibility that its Chinese army might join with the Japanese army in dislodging Russia from Manchuria. This proposal hardly commended itself in Tokyo since the number of Chinese soldiers in Manchuria had been strictly controlled by Russia as part of her occupation policy and in any

case had been largely disarmed. Moreover, Japan's military leaders had formed a negative impression of Chinese troops during the war ten years earlier. But there were also international implications if China was to join in the war: under the alliances in existence Britain was allied to Japan; France was allied to Russia; if a third party like China was to join Japan, Russia was entitled to call for French help and Britain would find herself drawn in by the terms of the Anglo-Japanese Alliance treaty. So Japan was opposed to China's entry; and China accordingly declared neutrality on 13 February. Britain and France had no wish to become involved and followed suit. But in all this the Chinese authorities in Manchuria were hardly consulted.²¹

The formal declaration of war was made by Japan on 10 February. The land war was initially fought in Korea; but the Japanese armies crossed the Yalu River on 1 May. Some days later they landed units on the south coast of Manchuria, the first to strike north and the second army to move westwards towards Port Arthur. The Russian military had difficulty in arranging for reinforcements by rail because of the dislocation at Lake Baikal. It is estimated that they could only rely on three or four troop trains per day. When the fighting began at Port Arthur on 30 July, the Japanese encountered strong resistance from the Russians and settled down to a long siege using heavy artillery fire and prolonged trench warfare. But eventually, through persistence, the fortress was taken on 31 December at immense cost in lives. It was then possible for that army to push north in order to join up with the other armies which had not been so delayed. Japan had won the battle of Liaoyang in September. But the campaign stood still in Manchuria as Winter waited for Spring. The great battle of Mukden (Shenyang) began on 23 February 1905, lasted over several weeks and was concluded with a Japanese victory on 10 March. It was truly a *kessen* (decisive battle) with 20,000 Russians and 16,000 Japanese killed and about 50,000 wounded on each side.²²

And yet Japanese commanders in the field, always vigilant for a counter-attack, concluded that they could not pursue the retreating Russian troops. Japan was a small country with a population of less than 50 million and had suffered incredible losses. She lacked able-bodied young men and was very short of arms and ammunition. If the armies moved north on a large scale, they would extend their lines of communication dangerously. So the military situation was stalemated for some months, apart from limited expeditions. Both sides awaited the outcome of the

approaching encounter between the two navies which ended on 24 May at the battle of Tsushima in Japan's victory. Following this, peace negotiations began. Thanks to the good offices of President Theodore Roosevelt of the United States, the peace treaty was signed at Portsmouth, New Hampshire, on 5 September.

Our concern is with the lot of Manchurians during the war. The Chinese, of course, felt much bitterness and resentment at Chinese territory being used by alien forces to work out their rivalry. There was intrusion into Chinese administration, trade and jurisdiction, including the use of consular police. When Japan came into control of an area, military government offices were set up, some on a temporary basis. Separate from official relations, there was damage to land, buildings and domestic property. Sometimes quite generous terms were negotiated by the belligerents with landlords; more often they were merely requisitioned. Sometimes the treatment was rough and inconsiderate; occasionally it was mixed with generosity. On the other hand, the war gave the people employment. Both armies tried to win the support of local officials for their cause. They needed carts and horses for transportation. They were dependent on coolies for carriage, mining and for coal loading. Coolies were also used for building battlefield defences. We are told they charged the Russians more for their services. Some Chinese entrepreneurs acquired great wealth from the war.²³

Both belligerents were short of food supplies. The Japanese particularly were unable to obtain their accustomed diet of fish and vegetables; and Chinese merchants supplied horse and deer and other needs. These things they did on purely mercenary terms. Professor Wolff indicates that the Russian position was different:

Because of Manchuria's qualities as a first-rate granary and Mongolia's abundance of live-stock, what resulted [from the wartime provisioning] was the best-fed Russian army ever seen in the field....While contributing to the rapid growth of North Manchuria's agricultural economy, these gargantuan purchases [by Russia] enriched thousands of middlemen. For many temporary [Chinese] residents of Harbin, it was a short, victorious war.

Nonetheless, the railway workers resorted to strikes which affected the trans-Siberian system as much as the Chinese Eastern Railway.²⁴

Both sides depended on the services of Chinese as interpreters, the Japanese slightly less so. The Russians, having been less prepared for war, were more reliant on such Chinese as came forward claiming to have some knowledge of Russian or at least Pidgin Russian. Often they found that the outcome was unsatisfactory: they found that the interpreter's Russian was so limited that there was hardly any interchange of ideas with local Chinese. In spite of this, Baring concluded that the Russians 'got on well with the Chinese, who accepted their rule, which was easy and light, quietly and cheerfully in time of peace'. But with the coming of fighting, the feeling became less cordial on both sides.²⁵

Chinese were used as battlefield spies who could penetrate lines and inform the other side about the configuration of defences and the degree of damage caused by shelling. Obviously, the Chinese by reason of their superficial resemblance to the Japanese were particularly useful to the Russians for this task. Evidently, the *hunbutse*, using their everyday skills, were especially good at this kind of work. Those who took on this task ran the risk of capture and faced drastic punishment. Dr Sergeev admits that Chinese were inclined to cooperate with the Japanese:

The majority of natives [i.e. Manchurians], feeling distrust or even hatred towards Russian troops, when being asked for the right direction, often confused routes to hamper the progress of spying. The looting of villages and massacres of inhabitants, performed by the Cossacks, also reinforced this negative attitude. ... [The Cossacks'] suspicions of Chinese spies helping the Japanese led the Cossack detachments to pillage peaceful settlements, torch villages, rape women and butcher cattle and poultry.²⁶

Russian military intelligence was weak because of the lack of suitable interpreters. It could only find limited numbers of local, less educated Chinese people. But the General Staff employed five Koreans in anti-Japanese roles. It was not unusual for displaced Koreans to work for the Russians.

PEACE TREATIES

The war was brought to an end with the treaty of Portsmouth (5 September 1905). It gave the Japanese the lease of the Liaotung peninsula for the remainder of the Russians' lease arrangement with China (1898). Russia further transferred to Japan Port Arthur and Dalny (now renamed

Dairen) along with her railway line north to Changchun, together with all its rolling stock. Although the railway had been over-used during the war, it was still serviceable and was to be a substantial asset for Japan in the long term. But the Japanese received no indemnity; and the people felt resentment that they had not been compensated for the efforts of their armies.

These arrangements would have been in vain unless they were confirmed by the sovereign power, China. Japan's foreign minister, Komura, was sent to Peking on a peace mission in November in order to obtain from China the gains he had previously secured at Portsmouth. Japan argued, as she had told the Chinese deafeningly in the past, that she had fought the Russians in order to eliminate their occupation of Chinese territory and restore the land to China. But the Chinese viewed things differently when the fighting ended and adopted a tough negotiating stance. It was a long drawn-out and painful series of talks; but, with their armies still occupying southern Manchuria, the Japanese were in a strong bargaining position. In negotiation the Chinese claimed that they were unable to pay for the restoration of the devastated Three Eastern Provinces from their own resources and would require to be compensated for the damage the belligerents had done. For their part, the Japanese negotiators counter-argued that, since they had not been given any indemnity funds under the peace settlement with Russia, they could not compensate China.

After a month's hard bargaining, the treaty of Peking was signed on 22 December 1905, embodying China's virtual acceptance of the Portsmouth terms. Basically, China was to receive the return of all parts of Manchuria to her sovereignty – but under the occupation of, or controlled by, Japanese and Russian armies. China transferred to Japan the lease of the Kwantung Leased Territory and all rights connected with it and the southern branch of the Russian railway between Port Arthur and Changchun, which was the city where the fighting had stopped. There was a proviso that Japan would acquire what China had earlier granted to Russia and no more. Under the Additional Agreement Japan secured China's approval for the opening to foreign trade and residence of sixteen ports on riverine upper Manchuria. This clause had been hard won by Japan at Portsmouth from the Russian negotiator, Witte, who had set out to keep the Sungari River area as a semi-monopoly for Russia. Instead, it opened the markets of the north to all trading nations but especially to Japan, the country likely to take most

advantage of it. More significant in the long term was China's undertaking not to build a railway to compete with any Japanese line which included those which Japan was planning in the future. This clause which committed China indefinitely and spoilt nationalist dreams of building her own rail network was contained in a secret document and continued to be disputed for years ahead.²⁷



This chapter has seen a reversal of roles. In 1900, Tsarist Russia seemed to be established in Manchuria, albeit by the use of her armies, and had acquired an eastern empire greater than ever before. By 1906, she had ceded half of that territory and its commercial resources, though she was still strong in the north. She had not expected or encouraged war but, when it came, she entered confidently into it. But as the wartime losses grew, the revolutionary situation in European Russia also penetrated to the East. It was not a climate in which a war could effectively be fought. Disillusioned by defeats, the sailors and soldiers became increasingly susceptible to revolutionary ideas which had penetrated both from Vladivostok and from European Russia. Even the railway network was affected: strikes affected the soldiers' repatriation (on the Trans-Siberian sector, not the CER).²⁸

Russia's adversary, Japan, had progressed from sending a large expeditionary force to China in 1900, albeit with some reluctance, to taking an unyielding stance in 1904 and engaging in war. She won the battles and sustained great losses both in men and materiel. But her leadership, both military and civilian, were cautious and made an early peace. There was – and is – a school of thought who believed that Russia was capable of reversing her defeat with greater strength. The people who had made great sacrifices were broadly disappointed with what they were able to obtain from the Portsmouth and Peking treaties. In fact they made great gains from the peace settlement; in the wealthier south of Manchuria, the object of Japan's ambition, she was in control, albeit it was still largely a military control which the civilians were trying to take over now that peace had returned.²⁹

The sufferers were the people of Manchuria who had passed through a period when the ravages of military operations between two alien powers had taken their toll. They could not look to the future with hope. Yet

war had brought Manchuria to international prominence where it was to remain for the next half-century. It was not that China had been ignored in the nineteenth century; but Manchuria had seemed to be a backwater. But after 1900 Manchuria became the scene of continuous international tension, both militarily and politically. Since diplomatic solutions failed especially between Russia and Japan, it left the stage for the military and they were actors hard to remove from their leading role.

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Chapter Four

Railways, Reforms and Revolutions,

1906–1914



THE PEOPLE OF Manchuria suffered the presence of the occupation armies of Russia and Japan for two years after the war. At the end of 1906, the military authorities of both countries were still a power in the land. Under the Portsmouth treaty of 1905, there had been an agreement for the evacuation of troops; but it was slow to take effect. In Japan there had been nationalist riots in Tokyo, complaining that she had not gained enough from the treaty and opposing the peace settlement (*kowa hantai kokumin taikai*). Russia feared that there was a distinct possibility that the war would be re-started by Japan in order to satisfy public opinion and decided not to evacuate. Similarly, Japan was convinced that Russia had no intention of pulling out and wanted to fight a war of revenge on the soil of Manchuria. In spite of financial constraints, she was reluctant to withdraw forces until Russia was seen to be withdrawing hers. So both sides stayed around until the spring of 1907. The fact that Russian armies beyond the authorized quotas were largely withdrawn before the time fixed was closely watched by Britain whose envoy reported that it made a ‘favourable impression in China’.¹

In these withdrawals Russia faced a dilemma which did not affect Japan. While Japanese troops were overjoyed that they had defeated a major European army, the Russians were demoralized by defeat. In addition, there was widespread political dissent among soldiers awaiting repatriation and the Russian community in Manchuria. It was, of course,

influenced by revolutionary movements in Russia herself. But locally food had from mid-1905 become increasingly scarce because of failures of civil administration. This led to strikes among railway engineers and associated postal and telegraph workers. The telegraph which had been a great asset during the war now became an asset for opponents of the government. Demonstrations by Cossacks and reservists who wanted demobilization and quick repatriation were more serious. There were not enough trains available and they wanted the process for selecting returnees to be fairer. After the tsar promised a clutch of reforms in his October Manifesto, the Social Revolutionaries stepped up their propaganda and succeeded in increasing their support in the east. There were army and navy mutinies in Vladivostok in November which spread to Harbin. The unsettling conditions continued into 1906.²

Meanwhile China found the administrative methods of the Japanese newcomers unacceptable. They were keeping the ports, railways and markets of south Manchuria in a protectionist hold in favour of Japanese merchants. Chinese merchants found it more difficult to carry on their businesses than under the Russian occupiers after 1900. This view was shared by the Powers who claimed that Japan had fought the war in the name of maintaining the Open Door but was now ignoring it. This was the source of many complaints. Japan could not carry this protectionism too far because, if she wanted to invest in rebuilding the railway she had acquired and rehabilitating Manchuria, she needed finance from the international money market. She could ill afford to alienate Britain, Germany and the US. Though all Japanese wanted to capitalize on the resources of Manchuria, the leaders sought to do it without continued military occupation. The military administration formerly steered by the Governor-general was converted to a civilian one; and the railway, hitherto in military hands, was also inaugurated on civilian lines as the South Manchurian Railway (SMR). But even the civilians ran into disputes with the military over the frontier territory of Chientao, Customs revenue, wartime land seizures and telegraph lines.³

Following the disastrous defeat at the battle of Tsushima, the spirit of revolution ran high in Russia. To cope with this, Sergei Witte, the negotiator of the Portsmouth peace, was in 1905 appointed as prime minister and immediately dissociated himself from the forward policy of former years. He sought reconciliation with Japan. There were regrets, of course, that Japan had by the peace settlement acquired the wealthy

south of Manchuria while Russia presided over the impoverished north. But she retained her major asset, the northern part of the railway system. Thanks to the skill of the Russian and Japanese diplomats they were able to patch up a *modus vivendi*. A number of Russo-Japanese treaties, including an all-important fisheries treaty, were signed around July 1907. While there was reciprocal recognition of the spheres of influence of Russia in the north and Japan in the south, the ports on the Sungari were to be opened to Japanese trade. The political treaty was anodyne; but the accompanying secret convention consolidated their railway spheres and defined the frontier between them to prevent friction. This was the start of what the Lytton report calls ‘the years of Russo-Japanese friendship, 1907–18’. But, while the politicians were seeking détente, the Japanese forces in their secret defence plan of 1907 marked out Russia as Japan’s most likely potential enemy on land.⁴

FOREIGN RAILWAY DEVELOPMENTS

The South Manchurian Railway (SMR) company was founded in 1906 in order to take over the Russian lines awarded to Japan at Portsmouth. While it was established with a capital of 200 million yen, 50% funded by government, the balance was intended to be offered to Japanese and Chinese citizens; but none of the latter took up the stock. It was therefore financed by Japanese and international capital. The first SMR loan was secured in London in July 1906. Even after Japan’s 1905 victory, it was hard for a semi-governmental organization like the SMR to raise money abroad. As Dr Suzuki writes, ‘in case of emergency, the British money market was the only one to which Japan could hopefully look for a loan’. The SMR went on to raise sterling bonds up to £14 million on four occasions before 1911.⁵

The line which was switched initially from the Russian gauge to the narrow Japanese gauge of 3ft 6in was later converted to the international standard. The temporary wartime line from Antung to Shenyang (Mukden) was also improved despite strong Chinese opposition to the Japanese developing a line outside the Kwantung-leased territory. Manchurian lines were thus brought into line with the Japanese-built Korean railway. This conjunction offered the opportunity for a rail connection to Europe or at least a link to the railways of China.

Count Goto Shimpei became first director general/president of the SMR. He had served in Japan's Taiwan colony as civil administrator after the China war and was rewarded for his success there. He had plans for the company well beyond commercial management and elaborated an ambitious ten-year plan aiming at the company undertaking the whole economic development of southern Manchuria. Company headquarters was set up at Dairen, the rapidly expanding port which became more significant than Lushun (Port Arthur) where the headquarters of the Kwantung-leased territory was based. The administration there was initially headed by General Kodama, one of the heroes of the recent war, who also commanded the troops. Goto was later to become communications minister in Tokyo, 1908–1911, when he continued to take an active interest in Manchurian development.⁶

Unlike other foreign railways in China, the SMR was a chartered company, like the British East India Company, with wide-ranging diversified powers. Japan inherited from Russia a complex network of operations. These included harbour works, steamship services, coal mines and warehouses. They were what Dr Matsusaka calls in his excellent study 'instruments of railway imperialism' which the peace treaty had bequeathed to Japan. They were expanded to cover also housing for employees and railway hotels for travellers such as the Yamato Hotels where Natsume Soseki stayed in 1909 during his visit to the territory and which he praised highly in the newspaper articles which he wrote. The SMR managed Fushun, one of the most productive coal mines in East Asia, and iron and steel production at Anshan. It was also encouraged to expand into any business enterprise with one of the zaibatsu companies.⁷

Chinese travellers and commerce made much use of the line from the start. It also employed 25,000 Chinese out of a population of 30 million alongside 35,000 Japanese, according to the figures for 1910. Efficient rail transport was a major element in reviving Manchuria's exports after the war. Of course, the SMR was planned also with the needs of the Japanese military in mind. Like the Russians, Japan was entitled to employ fifteen guards per mile of rail track for security purposes. It is reckoned that the Japanese kept garrison troops amounting to one division who had to be moved around by rail. This formed the central element in a formidable military presence in the railway zone which has been described as 'a military protectorate'.

The Chinese Eastern Railway (CER) introduced in Chapter 2, was held back because it was single-tracked; and, until the loop round Lake Baikal

was completed in 1905, travel eastward along the Trans-Siberian railway was delayed by the ferry crossing. When the southern section was transferred to Japan at Portsmouth, the loss of the Kwantung ports deprived Russia of the commercial income on which Witte had relied. Its East-West line through Harbin passed through a sparsely populated part of the country where revenues were always expected to be slight. The CER, therefore, became a serious financial liability for the Russian state. Ex-finance minister Shipov was sent out to Manchuria for an inspection.⁸ One of the major extravagances he found was the 31 million roubles a year being spent on railway security guards. This expenditure, however, was inevitable because the railway was open to attack and moreover the guards were a useful addition to the garrisons. It was justified by the need to send troops from Europe through to Vladivostok by the quickest route. Learning of these financial anxieties, the Chinese government offered to purchase the line. But the Russians vehemently declined this for strategic reasons.

CER railway settlements were developing fast. According to the Census of 1913, Harbin had a population consisting of Russians 34,000; Chinese 23,000; Jews 5000; Poles 2500 and Japanese 696. Overall the CER had a work-force of 68,000 consisting of fifty-three nationalities. Places along the railway based their administrations on the Russian systems. Harbin, the natural capital, promulgated municipal regulations many of which infringed the territorial suzerainty of China and did not suit non-Russians. There were regular disputes with Peking as Harbin and other municipalities along the railway sought to acquire large tracts of territory close to the railway. General Horvath, the general manager of the CER, had to visit Peking regularly to sort things out.

In spite of the need for retrenchment, Russia, conscious that the railway was unpopular and vulnerable to attack by local Chinese, opened another option for access to the Pacific Ocean apart from the CER. She began building a line following the course of the Amur River. This railway was to run for 1300 miles from Khabarovsk, the destination of her Ussuri line, along the borders of Manchuria to Stretensk.⁹

CHINESE RAILWAY AMBITIONS

The deaths of the Empress Dowager and the Emperor in 1908 enabled politicians to move towards a far-reaching programme of Ching

reforms. The Lytton report says that this affected the administration of Manchuria considerably. The reorganization entailed the placing of the Northeastern provinces under a regional governor-general, newly created and based in Mukden. The idea was prompted by the need not just to improve efficiency but also to make a coordinated response to the inroads which the foreign railway companies were making in the three provinces.

China initially pursued a middle-of-the-road policy on railways because she had not the resources to set up an extensive network by herself, though nationalist groups were pushing in that direction. The policy, initially steered by the influential viceroy Yuan Shi kai, was mostly aimed at improving Chinese standing with the foreign railway-builders. An important advocate of this approach was Tang Shao-yi who was the first Governor of Fengtien after reorganization of the Manchurian government and served from 1907 to 1909. Educated in the US, he rose fast in the hierarchy, specializing in railways and foreign affairs. He had gone to India in 1904 and helped to draft the Tibetan convention with Britain in 1906. When Tang was appointed to Shenyang, his realistic policy was to accept the foreign concessions but to make sure that the railway companies did not exceed their legal entitlements and to insist on a strict interpretation of the Sino-foreign contracts that had been concluded.¹⁰

For help in Manchuria, Tang looked for new allies in the United States. At the end of the Russo-Japanese War the American entrepreneur, Edward Henry Harriman, had visited Japan and discussed with her leaders the sale of the Manchurian railway which they were about to receive from the peace settlement. He argued that the railway had been heavily damaged during the war and required massive funds for its restoration which Japan could not supply from its own resources. Though the idea was acceptable to some statesmen, it was successfully vetoed by others. But the idea of drawing on American capital appealed to many Chinese as a way of assisting their government to build railways in competition with Japan and Russia. The challenge was taken up by Tang with the support of the Governor-general of the three Manchurian provinces, Hsu Shih chang. Tang visited the US in July 1908 and approached the now-ailing Harriman and his team to provide funds for a new railway that would compete with the Japanese and Russian lines. But the American banking group instead accepted a compromise with

Japan. However, when President Taft took over the presidency, the American initiative changed direction.

Despite the dismissal of Yuan from all official positions in January 1909, China continued her efforts to construct new lines by attracting investment from third Powers. Schemes were introduced for a line from Hsinmintun on the Peking to Mukden Railway (Chinese Northern line) to Fakumen in Northwest Fengtien province, with the intention of extending it eventually to Tsitsihar and possibly later to Aigun, one of Tang's pet projects. Supported by the prefect of Taonan and the tartar general of Fengtien, Tang tried to attract finance from Britain and the US. The American financial group represented by Willard Straight, at one time the dynamic consul-general in Mukden who had lived in China for many years, offered support. But it left London with a dilemma. In November 1907, a British company had obtained the contract to build this line; but Japan pressed the British and Chinese governments to withhold their support. Accordingly, this scheme was dropped.

But the situation was reviewed with the election of Howard Taft as president in November 1908. Taft who claimed that the US was China's only friend appointed Philander C. Knox as his secretary of state. In October 1909, the Manchurian Provincial Government agreed to the financing and construction of the Chinchow-Aigun line (800 miles) by an American Consortium Group. Sometimes erroneously described as 'a British-American consortium', the scheme was ditched by the British government because of Japanese opposition and the US too had to withdraw. Instead Knox proposed the neutralization of all the railways in Manchuria as a means of taking railways out of Chinese politics and vesting railway ownership in the territory in Chinese hands. While this suited the US and China, Britain steered clear of it. Japan and Russia who felt that they had sacrificed 'blood and treasure' in establishing their spheres of interest, would have none of it.¹¹

ITO'S MISSION, 1909

At this point Ito Hirobumi returns to centre stage. After retiring as resident-general of Korea in June 1908, he found it hard to find a role for

himself. The occasion presented itself when it was announced that the influential Russian finance minister, V.N. Kokovtsov, who had ministerial responsibility for the loss-making CER, was about to pay a visit to Harbin. All the important Russian officials in the east were summoned for a consultation with him. Ito was urged by Goto Shimpei, who had moved from the SMR to become communications minister, to go over to the continent to meet him. This was approved though his mandate was not clear. It was a symbol of Japan's wish for rapprochement with Russia which both were anxious to promote.¹²

Avoiding Korea, Ito sailed to Dairen (18 October 1909) and travelled on to Port Arthur. He attended welcome gatherings in both places and made speeches, talking of the need for stimulating *kokun no hattatsu* (fulfilling the national destiny). He travelled by rail through Manchuria, passing Liaoyang and Mukden, and reached Changchun junction where he switched from Japan's SMR network to Russia's CER network. Arriving at the Russian station in Harbin on 26 October, Ito had a brief exchange of greetings with Kokovtsov. But, while he was inspecting the Russian guard of honour, he was shot by a Korean nationalist, believed to have come from Vladivostok. He died at the CER premises.¹³

Ito did not hold the expected high-level talks with the Russians nor was he able to undertake his month-long tour of wartime battlefields or his talks with the Chinese government. It had been a long-term wish of his to re-visit Peking to discuss its problems, partly domestic, partly, one imagines, connected with Manchuria. There is much mystery over the purpose of Ito's thinking on Manchuria. In his speeches he spoke of the need for peace in the country and of his concern for the East Asian problem (*kyokuto monda*) but also, more broadly, of Japan's need for peaceful relations with Russia. Did he plan to suggest that Japan might purchase the CER or take a stake in it? Or could he have hoped in discussions with the Japanese military in Manchuria to have won them round to a more moderate stance?¹⁴

The failure of this approach was followed by the Russo-Japanese Treaty of July 1910. It arose from a speech in London by Secretary Knox the previous November where he had proposed the neutralization/internationalization of Manchurian railways. It was equivalent to an open American challenge to Japan and Russia, who were trying to consolidate their stakes there. They found the proposals totally unac-

ceptable. In defence of the rights they had acquired, they entered into two further conventions in 1910 and 1912, only the former being made public. Instead of aiming at the defence of the *status quo* as the 1907 agreements had done, these now aimed at stipulating the special territorial interests of each. Basically, they were announcing that they would stand together to resist American intrusion in their spheres of influence. The underlying thrust was anti-American and anti-Knox.¹⁵

FOREIGN RAILWAY OBSERVERS

After visiting Japan, the distinguished British sociologists, Sydney and Beatrice Webb, visited China in the autumn of 1911. They came by way of Korea along the Antung-Mukden line, the interim track laid down for wartime use, now under repair. They described travelling by a ‘tiny little ramshackle service train’. For their security Japan arranged for them to be accompanied by an armed escort. ‘A curious sensation’, Beatrice commented. They were observing events in Mukden from 25 to 28 October. The Webbs were disparaging about the situation there after their inspections of the cities of Japan which were as ‘efficient’ as Mukden was ‘inefficient’. They inspected five educational institutions but commented that ‘well intentioned as they were, and promising as they may be for China as a beginning, they were amazingly imperfect. The Manchurians showed markedly less capacity for adaptation than the Japanese.’ Their onward journey took them by the South Manchurian Railway and the Chinese Northern Railways as they ‘sped for 24 hours to Peking’.¹⁶

A similar journey was made by the Russian diplomat, Dmitrii Abrikossov, travelling from Moscow to take up a post at the Russian legation in Peking in November 1908. He records how ‘my first acquaintance with the Chinese Eastern Railway filled me with great pride’. He recognised that this could not be shared by the Chinese who used the line but resented its being in foreign hands. After changing at Harbin, he travelled to Changchun where the Russian line met the Japanese one:

The big and heavy Russian express approached the station from one side; on the other waited a small and light Japanese express with elegant Pullman cars....The Russian train was half-lit with candles, the Japanese one was brilliantly lit with electricity.

His final sector was on the Chinese Northern Railway which took him through Newchwang to the Great Wall and on to Tientsin:

The train was dirty and crowds of Chinese filled every corner. Though the railway was under the supervision of the English, there was little order. At every station, crowds of Chinese rushed in and out, shouting at each other, buying food and eating it in a most disgusting way. The approach to Peking was disappointing. The train passing through the opening in the city wall, stopped at a miserable-looking platform.¹⁷

In terms of quality, the Japanese railways were marginally more impressive than the Russians or the Chinese. But the three managements had to collaborate if they were to entice international travellers from the West; and indeed they did work together to that end. They attracted journalists, academics and diplomats as passengers. Significantly, they also carried Prince Arthur of Connaught who chose to go to Japan for the Meiji Emperor's funeral on 13 September 1912 by way of the Trans-Siberian and these new lines through north and south Manchuria and Korea. Arthur wrote to the king that the journey was still primitive. It was only suitable for the younger British royals who were prepared to rough it for the sake of saving time. But the Japanese, and to some extent the Russians, strove to entice the tourist trade from Europe to the Far East away from the slow sea journey. Clearly this would serve an important economic purpose by opening up an under-populated area and putting Manchuria on the map.¹⁸

THE XINHAI REVOLUTION (1911) AND MANCHURIA

On 10 October 1911, an uprising against Ching rule took place at Wuchang in central China. This southern movement was caused by general dissatisfaction with the Peking administration, its corruption and slowness to reform. It was largely led by young men who wanted a say in government. But it may have been influenced by the Chinese students who had returned from study in Japan, whose number at one time reached as many as 16,000. They admired Japan for her readiness to change and saw the solution for China to be wider political representation. But, according to what one British envoy wrote, 'that these young men return to their country inspired by pro-Japanese sentiments

is highly improbable but they imbibe ideas highly disagreeable to the ruling classes in China'.¹⁹

The Ching dynasty did not give in to the rebellion without a struggle. It enlisted Yuan Shi kai, former viceroy of Chihli province, whom they had humiliatingly laid off some three years earlier. As premier he assumed a mediatory role and took up discussions with the rebels in central China. Confident of victory, the supporters of Sun Yat Sen appointed him as provisional president of the new republic on 1 January 1912. But Sun found that his troops were unable to stand up to the seasoned warriors of Yuan and resigned in February. Extended talks culminated in the abdication of the boy emperor. And so it was that the Manchu dynasty which had ruled for three centuries came to an ignominious end. Yuan then assumed the office of president and was recognized by the major foreign powers and supported financially by their Reorganization Loan. After he suppressed the military uprising in the Yangtse valley in 1913 (sometimes described as 'the second revolution') by force, he became increasingly authoritarian. Thus the Chinese revolutions reached a denouement through the cunning and ambition of Yuan who gradually became 'dictator in all but name'.



But we must not be drawn into the labyrinthine story of Chinese politics at this time and must concentrate exclusively on the relevance of the 1911 revolution for Manchuria. When the Webbs arrived in Mukden just after the Wuchang crisis had broken out, they were surprised to find so little concern about the current turmoil in the south. Of course, they moved in a limited circle and may not have been privy to many confidences. But they recorded the view of an experienced member of the (British) Consular Service and consul at Harbin, R. Willis who told them: 'There is no hope in the present revolution – the only hope was in the Manchu dynasty and its centralized Government. No new Government could keep the great carcass intact'.²⁰ In the judgement of this foreigner, the *status quo* should be preserved. But he failed to appreciate that the Manchu court in Peking lacked the power to survive.

By contrast, George Ernest Morrison, the former *Times* correspondent who had been appointed as one of the political advisers to Yuan for a five-year term, wrote a public letter to his old newspaper favouring the new republic:

Under the old regime and the rule of corrupt Princes and degraded eunuchs, men of western training and modern culture had little opportunity of employment. Had such men had a voice in the government, would China have lost the Primorsk Province, and would the position in Manchuria be what it is today? Would China have been involved in the Boxer rebellion? Contrast the treatment of foreigners during the widespread revolution (1911), when foreign life and property were everywhere held sacred... with the conditions during the Boxer rebellion, when the Throne itself offered money rewards for the heads of foreign men, women and children.²¹

Morrison thought that the up-and-coming generation of Chinese surpassed previous generations in education and intelligence and took a highly optimistic view of the new republic's prospects.

Space should be found here for some account of Pu Yi, the emperor aged six who had abdicated but was allowed to live on in the Forbidden City. He may not have been of political significance at the time but he is important for the rest of our story. In his memoirs published later he reflects on his dilemma in 1912 when he served as a symbol of the Manchu past and performed the rituals of the court. After the revolution he is struck by the uncharacteristic and unexpected obsequiousness of President Yuan who had eased him out of his throne. But it was not in Yuan's personal interest to denigrate the imperial institution since he probably had ambitions himself in that direction. Moreover many of Yuan's actions were, in the view of the old Manchu courtiers, suggestive of a desire to restore Pu Yi. The tough stance he took towards the southern leaders gave them the forlorn hope that Yuan might restore the Manchu dynasty to the throne.²²

ANTI-REPUBLICANISM OR CHING RESTORATION

At the outset of the Wuchang rebellion, the response in Mukden took two forms. In the provincial assembly which had come into existence under the political reforms ordained by Peking, there was some support for the Ching to continue but there was no readiness to act. There was, however, some support for the revolutionaries within the army; and one of the army brigades which was not on operations in China acted as the focal point for revolutionary activity in Fengtien. Thus, there were

some cases of agitation in Mukden and some outbreaks of lawlessness in various places on the Liaotung peninsula. But by the end of 1911 with Viceroy Chao Erh-hsun at the helm, the three provinces remained generally faithful to the Empire.²³

After the republic came into existence in January 1912 in the second stage of the revolution, the collapse of the Ching government in Peking had a great effect on politicians in the Manchu homeland. The Manchurian princes looked for the possibility of forming a breakaway state with support from Mongolia which had just declared its independence from China. Their favoured solution was an independent monarchy under the former boy-emperor Pu Yi who was now targeted by the Manchurian/Mongolian independence movement.²⁴

There were some figures of distinction among the leaders, including Prince Su (Shan-chi) (1863–1921) who was a powerful prince of the blood. He had lost his family estates in Manchuria as a result of the Russo-Chinese agreements of 1900. Under the patronage of Yuan Shi kai, he had risen to be minister of the interior between 1907 and 1911. After the revolution he became one of the leaders of the monarchist movement, a great catch for the anti-republican cause. Su was prepared to link up with the Mongols who had taken advantage of Peking's weakness to assert their own autonomy. In July 1911, that is three months before the Wuchang incident, the princes and nobility of Outer Mongolia had decided to separate Outer Mongolia from the Ching empire with the help of Russia. On 29 December, they declared an independent Mongolian state at Urga (now Ulaanbaatar). The territories argued that they were not part of the new China. While they could cooperate in a Mongol-Manchu initiative for independence, the two were in fact seriously divided. Those of Inner Mongolia, who were closer geographically to Manchuria, lacked the courage to link with the rebels of Outer Mongolia. The Manchu princes felt themselves to be justified in rebelling against Peking's usurpation of their feudal privileges but could hardly argue they were not Chinese. The experience of Mongolia was of limited help to the plotters. Prince Su recognized that prospects of success would be much improved with Japan's help. From the Japanese side, there was an enthusiastic response from Kawashima Naniwa, a long-term Japanese resident in China who had held office at the Peking Police Academy under the Ching. He favoured a monarchy for the Chinese and thought such an outcome had distinct benefits for the Japanese. He struck up a

special friendship with Su which was more than an alliance for political convenience. Many other Japanese, especially in the military, saw 1911 as a moment of opportunity when they could link Manchuria and Mongolia and secure their own interests.²⁵

But it was necessary for Japanese governments to avoid alienating opinion in Western countries which were in effect funding their expansion in Manchuria and to steer clear of any confrontation with the Russians there. With the latter they had to sustain those strange ties of friendship which had, despite rivalries, bound them together in 1907 and 1910. To that end they concluded the third Russo-Japanese Agreement of 25 June/8 July 1912. It defined the frontier between them and laid down a new dividing-line between their spheres of influence within Inner Mongolia, defining Russian influence to the west of the Peking meridian and Japanese influence to the east. Most importantly, it made no explicit mention of ‘the independence and territorial integrity of China’ which had hitherto been a matter of inter-Power understanding. This was a symbol of Russo-Japanese friendship which served its purpose by preventing further hostilities; but the relationship was so weak that it had to be renewed at regular intervals in case it was forgotten or ignored.²⁶

As the Harbin papers commented, the Japanese were merely imitating the actions of the Russians at Urga. Just as the Russians were interfering in Outer Mongolian affairs, the Japanese were intruding on the delicate situation in Manchuria. Some Japanese certainly had plans to establish a Mongol-Manchu monarchy designed to restore the Ching dynasty. But instances such as the Japanese arms shipments for the ‘rebels’ which had been arranged by Kawashima in June 1912 brought out the divergences within Japanese opinion. While a group of young China experts within the army general staff supported Kawashima’s vision and called on Japan to establish herself in Manchuria, even if it meant arming the ‘rebels’, the Foreign Ministry which wanted to do nothing contrary to the consensus of Powers and to cooperate fully and frankly with them won the day.²⁷

Another influential group in Japan, including some of the zaibatsu and the military, wanted to take advantage of the later revolution of 1913 to consolidate Japan’s interests south of the Yangtse River. The cabinets of the day, however, were conscious of international suspicions over Japan’s intentions in Manchuria. They called a halt to all the ‘unofficial machinations’ and insisted on an official policy of collaboration with the

Powers in their support for President Yuan and in their aid package to keep him in power. Thus, the adventurous efforts of Kawashima and his associates in Manchuria came to nothing.²⁸

On the Chinese side, the local Chinese warlords should not be neglected. Chang Tso lin, the most important of these, had made it clear that he would have no truck with the southern revolutionaries if they chose to infiltrate Manchuria. In the crisis of the autumn he was instrumental in keeping Mukden stable by the use of his personal army. In return, he was placed in second command of China's army in southern Manchuria. Prince Su made tempting offers to Chang for him to support 'the rebels'; and the Japanese consul may have assisted in this. But, when Yuan Shi kai's party offered the warlord a higher sum than Su, Chang threw in his lot with the donor and agreed to support the semi-republican government which Yuan was in the process of setting up. Warlords could not be relied on for consistency and were liable to switch sides. When the cause failed and life became dangerous for the plotters, Prince Su escaped and took up residence in the safe haven of Dairen.²⁹

TRADE AND PORT RIVALRY

Manchuria was increasing in prosperity through the development of railways which opened up this under-populated country. Overseas trade, especially the soy trade, was increasing at least in the south. Broadly, there were two major trade routes. First, the sea route, originally through the treaty port of Newchwang and more recently the port of Dairen. The latter had, as we have seen (Ch 3), been transformed by Russia in the days of her military occupation there and had lately thrived under the new efficient Japanese management. But there was a landward alternative seeking to channel trade by 'a land route' through Antung, the town on the Yalu River on the border between Korea and China. Traders there had the ear of the Japanese and Korean governments. After Korea was annexed by Japan in 1910, it was natural that Japan should want to establish an integrated trade policy. As a result of pressure, the Chinese government signed an agreement in May 1913 which agreed to reduce the Chinese customs duty by one-third on goods passing along Korean railways and over the Korea-Manchuria frontier. This immediately resulted in an increase in trade through Antung. The new route

also fulfilled one of the SMR's objectives, to join up the Korean with the Manchurian systems and thus create an international route for travel to and from Europe. But the problems of Antung port were many: the broad gauge track from Antung to Mukden, though completed in 1911 with the construction of the Yalu bridge, was still not secure; the cumbersome customs procedures at Antung compared badly with the smoother methods at Dairen; and godown capacity was in short supply. On the other hand, the time taken by goods in transit by the land and sea routes did not greatly differ.

For the Japanese, the land route had the distinct advantage of improving the economic viability of the state-owned Korean railway which came under the control of the Railway Board in Tokyo. In addition, the volume of goods carried was much in Japan's favour: the volume of goods passing from Osaka through Korea into Manchuria was much greater than the volume of Chinese goods passing in the other direction. The rail route did not suffer from the vagaries of the tides and served to consolidate Japan's commercial stake in the region. On the other hand, it was not in China's best interest and was consistently opposed by Chinese local authorities.³⁰

The main sufferer was Newchwang. The boat trade there was a particularly sad case. China had allowed the once thriving port, one of the offshoots of her Northern Railway, to atrophy. The Liao River had silted to such an extent that the junk traffic had declined from 30,000 to 3000 per year, thus reducing the income from soya bean exports. The Liao River Conservancy had recommended that the upper Liao River at Newchwang should be cleared in order to recover some of the commerce of the port which had been declining as the result of competition from Dairen, 'which is fed by the South Manchurian Railway'. The Chamber of Commerce, representing the Chinese soy merchants, complained that the Japanese authorities were procrastinating in dealing with river clearance in order to advance the interests of Dairen.

Japan hoped to take advantage of these crisis years to extend her railway interests also to the west. The Japanese legation in Peking presented China with a memorandum presenting the Japanese case on the Peking-Mukden line, a Chinese-controlled line. Japan claimed the right to guard its northern section running from Shanhaikuan through Manchuria to Mukden as Russia had earlier done in 1900 and to occupy it in

an emergency (Chapter 3). But the other Powers objected; and Russia said it might have to take countermeasures, if this occurred. Japan eventually gave assurances that she would only occupy it in the event of ‘a dire emergency’.³¹

Like Russia, Japan was still aiming at extending her rail network further north. She obtained permission from Peking to build lines to three places outside the railway zone, Kirin, Changchun and Taonan, and to link these three together. Japan also developed ancillary industries like open-cast coal mines at Fushun, some 40 km east of Mukden (arguably more than her treaty rights permitted). The over-arching fact was that SMR had shown great efficiency in management, including in its subsidiary industries. Moreover, Japan was looking over the artificial border into northern Manchuria. Kawakami, her consul-general at Harbin, presented a report which analysed future opportunities there in glowing terms:

There is no lack of industries [in north Manchuria] which await bringing into existence. Japan is destined by her position economically to have in the future the very closest relations with north Manchuria. The output of flour is so enormous that the Manchurian mills alone could supply the entire demand of Japan.³²

Japan was well placed to take advantage of the opportunities presented by improvements in Manchurian transport.

RUSSIA SETTLES DOWN

There was not much sign of Russia’s withdrawal from East Asia despite her defeat in 1905. She was generally reconciled to her losses under the Portsmouth Treaty and gave up her adventurous designs of 1900–1903 in order to concentrate on European affairs. So the general consensus was to consolidate her existing rights. But, as Lieut. Binstead in an intelligence report of April 1914 wrote from a British standpoint, the call for outright annexation of Manchuria, if possible with the friendly concurrence of Japan, was still quite prominent in some Russian circles. In Mongolia, Russia’s objective was to get the Chinese and other governments to recognize the Urga convention of 1912. During 1913 a further agreement was signed whereby Russia recognized the suzerainty of China over Outer Mongolia while China recognized the autonomy

of that territory. By this Russia achieved one of her strategic aims in the east. Effectively Outer Mongolia passed economically, if not politically, into the control of Russia.³³

In trade matters Russia was steadily losing ground to Japan. Although Russia had many railway plans, they materialized only slowly and the vital link, the CER, from Manchouli to Harbin was still single-tracked. The Russians had hoped to strike south and develop trade through the Liao River route rather than through Vladivostok but this fell foul of the stratagems of her competitors. But, as in the case of Japan, achievements had to be set against ongoing Chinese resistance. Thus, it is doubtful whether the Mongol treaty would have been signed without the threat of force. In order to develop the coal mines near her railway zone, Russia had to have available some 7000 troops. There were regular reports of anti-Russian moves: attacks on Russian subjects; detention of Russian dealers; and the opening of Russian post bags.

Russia had successfully clung on to northern Manchuria, particularly in the environs of the Sungari River, sometimes described as 'the richest granary of High Asia'. While she had lost hope of competing commercially, Russia was consolidating her position for the eventuality of possible complications with Japan. It was reported that Russia intended to construct a series of railway lines connecting Harbin with Aigun in the north and Petuna to the southwest. The doubling of the Trans-Siberian track from Cheliabinsk to Lake Baikal was making headway, while the construction of the railway round the Amur River was begun in 1908 at great expense. It was opened to traffic with the completion of the bridge at Khabarovsk in 1916 and offered an alternative to the CER as a west-to-east route. But the Ussuri line running thence south to Vladivostok was thought to be inadequate to cope with the feeder traffic coming from the Amur and CER lines.

Harbin, the hub of her railway empire, had the uniqueness of a Russian colonial capital. It was at once colonial in its attitudes and cosmopolitan in its citizens who included a great diversity of Russians, Chinese, Jews and Japanese. It was recognized by the Powers (except the US) for diplomatic purposes. Russia was gradually introducing a system for civil administration. The CER management was to be the key; and the main official was to be the manager of the CER who was superior in status to the official invested by the tsar as Governor-general. China

had concluded a series of agreements with Russia (as with Japan) which, while stipulating her own sovereignty in the railway areas, allowed the two countries wide-ranging powers to make their own administrative arrangements, including tax-raising powers. In fulfilling its role, the CER ran into trouble with foreign nationals who objected to paying municipal and communal taxes within the railway area and from Chinese who were vigilant about any encroachment on their rights.³⁴ Harbin was developing into a fine Russian city in an alien environment. It exuded an air of prosperity and permanence. It owed its prosperity to the growth of a great intercontinental trade in soybeans. It owed its permanence to those in European Russia who, despite the losses and heavy expenditure overall, were determined not to allow the territory to pass out of their hands without a struggle. And General Horvat, the influential superintendent of the CER, was bitterly opposed to any change in the *status quo*, under which he was king in Harbin, where he was thought to have amassed a vast fortune, though Professor Quested denies this.³⁵



In 1914, Manchuria was not at peace. Its citizens had been devastated by the pneumonic plague which raged there from 1910. The disease lingered on until the next serious outbreak a decade later. To combat it, a Government Plague Prevention service, funded out of customs revenues, was set up and hospitals, dispensaries and schools benefited. But the Chinese became very anti-foreign. They generally disliked Japanese and Russians equally so there was an undercurrent of antagonism and suspicion. But the Peking government, though it rightly insisted on its sovereignty, did not have the power or authority to offer Chinese any hope of 'recovering Manchuria'. So Chinese businessmen and landowners found it opportune to cooperate with the CER and SMR managements. Because of the relative prosperity in some sectors, some became very rich and were the major payers of taxes. They sought representation in local institutions. Thus, in the case of Harbin, when electoral meetings were held to elect an assembly of delegates for 1914–1917, they secured two seats for Chinese.

Manchuria benefited from the new railways. The country was saved from being a backwater; and isolated communities enjoyed improved and speedier access. But the foreign communities in Manchuria, situated

in cantonments in the railway zones, differed widely from the Chinese in their interests, as elsewhere in colonial Asia. Because of the limited numbers of Russians and Japanese who sought to emigrate to Manchuria at this stage, there were employment opportunities. But the Chinese coolies faced bad conditions and the openings for Chinese in the cantonments as cooks and domestic servants were few in numbers. And the revolutionary atmosphere seems to have encouraged the *hungbutzu* in their predatory activities. Although these local desperadoes were held in check in the more settled urban and cereal-producing areas, they were out of hand. The prevailing climate in Manchuria was one of uncertainty and instability.

Just as Korea had been the location for a struggle between Japan and Russia before the Russo-Japanese War, the Manchurian part of China was the location of a similar struggle. The main rail promoters were engaged in competition for the economy of the three provinces. It was partly friendly in the sense that they had to collaborate for the sake of present profits and future potential such as an east-west rail link with Europe. But each side had dreams of acquisition and, while governments held these in check, there was the possibility of future confrontation.

The Russo-Japanese War of 1904–1905 had had a great impact on the belligerents who suffered vast casualties as well as financial expense. In the decade that followed there were two major events in the region. First, Japan's annexation of Korea gave Japan a second foothold on the Asian continent which she was anxious to exploit. The second was the revolution in China (1911) which turned into power struggles of varied kinds among the parties. Meanwhile, the competition between the powers entrenched in Manchuria, Russia and Japan, continued as before 1904. It was muted insofar as the diplomats cobbled together treaties which enabled them to develop their own assets there without confrontation.

China looked around for support from the other Powers. Britain was too committed to Japan to assist China. So much depended on the United States which had intervened in two respects over railways. In 1914, however, the world had more important things to think of than the permanent squabbling over railway rights or how to exploit railways in order to create 'railway empires'. When war broke out, China declared neutrality in what it assumed would be a European war. It was not expected that Manchuria, divided between Russia, part of the triple

entente, and Japan, which was associated with the entente because of her alliance with Britain, would be directly affected.

On 8 November 1914, Japanese armies occupied the German-leased territory of Qingdao after a gruelling campaign which ignored China's pleas of neutrality. It was an early example of Japan's contribution to the work of the allies in the First World War. It was partly retaliation for the insult Germany had inflicted on Japan in 1895 (see above, pp. 25–6). But it was also the symbol of Japanese expansion, in this case south of the Gulf of Pechili. While this military action was taking place, important negotiations were about to take place in which Manchuria would return to centre stage.

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Chapter Five

Wartime Turmoil in Manchuria,

1915–1922



THE YEARS OF the First World War and the peace-making were years of trouble and bitterness for China. It was a decade of domestic turmoil as the dictatorship of President Yuan Shi kai made way for a struggle between the major warlords and the coalitions which they constructed in their search for power. For the Chinese the redeeming feature was that their country found an ally in the United States which from comparative reticence in 1915 became much more vocal in support of China after 1918. There was much high-level diplomatic activity involving Manchuria but little in which the 'Manchurians' were directly involved. The settlement of the China question at the Paris peace conference of 1919 concerned Shantung, not Manchuria. The Washington Conference of 1921–1922 professed to offer a wide-ranging settlement for the Pacific area but scarcely touched Manchuria. Nonetheless, Manchuria was at the centre of two world-shattering issues: the 21 Demands crisis of 1915 and the Siberian Intervention of 1918–1923. Its future was greatly affected by their outcomes. And the railways which were the focus of our attention in earlier chapters still played a central part in the story and were vital for the economic prosperity of the territory. But they in turn generated rivalry between Russia and Japan and disputes between an increasingly nationalistic China and the Bolsheviks who took over the tsarist acquisitions.

Change was in the air. President Yuan Shi kai was not a popular president. After his great failure with Japan in 1915, which in the manner of

dictators he hailed as a victory, he put out a suggestion that the monarchy, a constitutional monarchy, with himself as the emperor, should be restored, thus jettisoning the short-lived republic. He may have hoped to enlist support from the Japanese but they showed no willingness to encourage or offer funds. Elsewhere in the world there was acquiescence rather than approval: with the world at war there was no idea of interfering; better leave it to the Chinese themselves. But there was much hostility in China itself. Yuan therefore gave up the idea and died in June 1916 unfulfilled.¹

Change also took place in the northeastern provinces. After 1911, each province of China appointed both civil and military governors. Especially in a province like Manchuria, those with military backing tended to prevail over their civilian counterparts. In 1916, the civilian leader in Fengchien resigned and withdrew to Peking, leaving Yuan with little choice but to appoint Chang Tso lin as joint civil and military governor. This gave Chang authority also in Heilungkiang and Kirin provinces. This in turn gave him some power south of the Great Wall in the torrid politics of the Chinese capital. Chang enjoyed a large measure of independence and was powerful enough from time to time to renounce allegiance to the Peking government. Considering his own illiteracy, he led a good administration and relied on a number of competent bureaucrats to set up a competent government.²

TWENTY-ONE DEMANDS AND AFTER

In Japan, the crisis which followed the revolution in China in 1911 had revealed discordant notes within the establishment. The cabinet was aware that, if Japan's activities throughout the turmoil in China, both military and commercial, got out of hand, it would jeopardize the Anglo-Japanese Alliance because Britain had no intention of being dislodged from her sphere of influence in central China. In January 1913, when Japan's senior diplomat, Ambassador Kato Takaaki, was leaving the London embassy, he took up the knotty problem with the British foreign secretary. He explained that, under the Sino-Japanese Treaty of December 1905, there were only ten years of Japan's Kwantung lease in Manchuria still to run; and, when the lease expired in 1923, no government in Japan would be strong enough to give the territory back in the face of public

opinion. Foreign Secretary Edward Grey limited himself in his reply to saying that he saw the difficulty Japan would have in withdrawing from the territory. Thus, his reply was understanding without being compliant. He had been made aware of Japan's predicament and did not directly warn against any plans she had. On the other hand, he did not want Japan to establish a monopoly in Manchuria, arguing that, if the Japanese government desired to obtain privileges in the Yangtse valley (as it clearly did), it would be only equitable that it should be prepared to concede corresponding advantages in south Manchuria. So Britain upheld the notion of the Open Door as applying to Manchuria.³

On 18 January 1915, the Japanese, over-confident about their assurances from Britain, presented President Yuan with the 21 Demands in four groups with a more far-reaching Group V. They applied with particular force to Manchuria. Group V asked China to use Japanese political, financial and military advisers; employ Japanese police; purchase weapons from Japan; give the Japanese rights to build railways between major cities; and allow Japanese Buddhist missionaries to preach. China, knowing her weakness, felt she had only two alternatives: delaying tactics or leaking the information to friendly Powers. She adopted both. The leakage which has been described by one author as China's 'policy of transparency' was slow to be effective because the demands were on such a scale as to be beyond belief in Western capitals and the Powers were, in any case, preoccupied with the war. China found she had no friends she could trust or rely on for protection. Meanwhile, widespread demonstrations and boycotts took place around China including Manchurian cities. In the protracted talks, the temperature rose ever higher and the Japanese declared martial law in their leased territory and assembled their forces. Yuan, therefore, ordered an end to the boycott of Japanese goods.

Japan and China signed a treaty on 25 May 1915 and exchanged notes, parts of which related to southern Manchuria and eastern Inner Mongolia. The notes prescribed that the lease of the Kwantung peninsula, originally for twenty-five years, should be extended to ninety-nine years. This applied to Port Arthur and Dairen and also to the SMR. The Antung-Mukden railway was in a different category but it, too, was to have its term extended. Japanese subjects were to be permitted to travel, reside and set up businesses in the two territories and to lease or own land. In response to the notorious Group V which the Jap-

anese described as ‘desiderata’, letters were exchanged providing that the Chinese government should employ influential Japanese as advisers in political, financial and military affairs; Japanese hospitals, churches and schools in the interior of China should be granted rights of land ownership; and police departments of important places in China should be jointly administered by Japanese and Chinese. Chinese undertakings relevant to Manchuria are set out among the documents.⁴

Japan could rely on receiving little opposition from the Powers then involved in the European conflict. She had cleared the way with her ally, Britain, by the pre-war Kato-Grey conversations. It is true that Britain had sent a small force to join in the attack on Tsingtao because she was both a friend of China and a suspicious ally of Japan. France too was not inclined to be obstructive. The USA spoke up in defence of its own citizens, appealed for the maintenance of the Open Door and declined to recognize the treaty (to Japan’s annoyance). There remained Japan’s rival and ‘friend’ in Manchuria, Russia, which was in no position to raise objections in view of failures on the eastern front. Her statesmen knew full well that one of the aims of the 1915 negotiations with China was to secure the extension of the lease for the SMR; and this would inevitably give her an advantage over the CER and detract from Russia’s strategic position in the east. But it was inopportune to raise objections.

After the treaty had been signed, Yuan took heart from some of the concessions that Japan had made under international pressure but joined the Chinese people in observing a national day of mourning and humiliation. He took comfort from the fact that he had averted outright war with Japan and contrived a united front, even including his opponents. But it contributed to the failure of his dream to become emperor and led to his ultimate dismissal and death on 6 June 1916.



The 21 Demands which were reduced in the course of negotiations are, of course, less important than the Sino-Japanese Treaty itself. But they lifted the veil on the background of Japanese thinking and the influence of the Japanese military in formulating China policy. Intercepted Notes which reached British hands set out, if authentic, the objectives of the Japanese army on the continent, in particular its intention to reduce the usefulness of the Trans-Siberian Railway which was always interpreted

as a threat to Japan's existence. It was essential, it thought, that Eastern Inner Mongolia should henceforth come under Japanese control.⁵

Japan acquired under the new treaty 'practically full rights of sovereignty' to govern the leased territory. Through SMR she administered the railway areas, including Mukden and Changchun, and there controlled the police, taxation, education and public utilities. She maintained armed forces in many parts: the Kwantung army in the leased territory, railway guards in the railway areas and consular police throughout the various districts.' As the League of Nations report of 1932 concluded:

... the long list of Japan's rights shows clearly the exceptional character of the political, economic and legal relations between that country and China in Manchuria.... There is probably nowhere in the world an exact parallel to this situation, no example of a country enjoying in the territory of a neighbouring State such extensive and administrative privileges. A situation of this kind could possibly be maintained without leading to incessant complications and disputes if it were freely desired or accepted on both sides... But in the absence of those conditions, it could only lead to friction and conflict.⁶

In these magisterial words, the League-appointed Lytton Commission summed up its thinking after inspecting conditions in China, Manchuria, Korea and Japan in 1932.

The machinations of some Japanese with Mongolian affairs were still continuing with hopes of army support. By 1916 the prime object was for Japan to build a railway in Eastern Inner Mongolia and to prevent Chinese troops from entering that region. As before, this was linked to those seeking independence for Manchuria. The exact position of Tokyo governments on this point is obscure; but the various schemes that surfaced failed to succeed.⁷

RUSSO-JAPANESE ALLIANCE, 1916

Russia's reaction to the 1915 crisis was muted for domestic reasons. Her army had sustained many defeats in the first year of the war and was open to criticism that it was ill-prepared and ill-equipped. The Russians, thinking that they could not readily obtain supplies from the west, tried to obtain them from the east and approached Japan for munitions and food, especially beef. They kept pressing the Japanese military authorities

for absurdly large quantities of rifles, guns, ammunition and even tinned food. Thus, the War Ministry in Russia requested the immediate delivery of 1 million rifles. But the Russian embassy in Tokyo had to warn that such an order would mean the complete disarmament of the entire Japanese army. These colossal armament requirements had to be secured by loans raised in Japan because of Russia's precarious financial position. The Japanese met many requests. Japan Steel in Japan and Anshan Steel in Manchuria were among the main suppliers. The Chinese also met orders for munitions. Hence the railways in the area were at full stretch conveying materials to the eastern front.⁸

To further this cause, Grand Duke Georgii Mikhailovich was sent to Japan as the representative of the tsar in December 1915. On his mission he travelled by way of the CER and the Japanese lines through Mukden and Seoul where he was welcomed by General Terauchi Masatake, the governor-general. While the Grand Duke adhered to royal formality and did not raise political issues, he strove to create a good impression. Other members of the mission had high-level talks in which they raised the question of a Russo-Japanese alliance. The experienced ambassador in St Petersburg, Motono Ichiro, proposed that Japan should only supply arms and conclude an alliance on condition that a section of the CER should be passed over by Russia. In fact, Japan did ask Russia for railway concessions in Manchuria. Foreign Minister Ishii Kikujiro told Russia that difficulties encountered by military authorities over the supply of munitions would no doubt be greatly relieved if she could see her way to offer to give up to Japan for a reasonable sum a key portion of her Eastern Railway connecting Changchun with Harbin. The Russian reply did not seem reassuring.⁹

Russia raised with Britain some of the difficulties she was having during these talks. But British Foreign Secretary Grey hoped they 'would not be allowed to interfere with these negotiations.... As Japan was always excluded from every part of the world, it would be natural for her to expect opportunities of commercial expansion in China.'¹⁰ But there were other difficulties which held up the completion. It was only after the intervention of the Elder Statesmen that the Foreign Ministry overcame its hesitation and agreed to take the precarious step of entering an alliance with Russia.

On 3 July 1916, the two Powers signed an offensive-defensive alliance (*koshu domei*), allegedly in order to declare and defend the special

interests of the two Powers and confirm the limits of their spheres of interest in Manchuria. What had been kept secret in the 1910 agreement was now openly declared. The secret protocol attached was designed to prevent China from coming under the domination (*shihai*) of ‘a third power hostile to Russia or Japan’. The unspecified ‘third Power’ which they had in mind was presumably Germany whom they suspected of extending its power ‘not only in Manchuria/Mongolia but also in the rest of China’. Russia at this stage was loyal to the Allied cause; but Japan, perhaps because of her recent Tsingtao campaign, was going through a phase of cultivating the Germans. This anti-German clause probably did not carry so much weight with the Japanese as it did with the Russians. There were undertones which suggested that yet again support and cooperation were to be given one to the other in order to safeguard and defend their rights and interests in Manchuria. In that respect it was a reaffirmation and an extension both geographically and otherwise of the three previous Manchurian agreements of 1907, 1910 and 1912. The couple had re-sanctified their marriage and both parties emerged happy with the outcome. Large lantern processions were held in Tokyo with many thousands participating while it was owing largely to the rifles supplied from the east that General Aleksei Brusilov was able to carry out his most successful offensive of June 1916 when Allied fortunes on the Western and Italian fronts were going badly. The treaty was revealed to Britain and France before signature. Grey took the view that there was nothing in it which infringed the Anglo-Japanese Alliance.¹¹

All the while, China was taking seriously the question of Germany and Germans in their midst. Peking was in two minds about joining the Allied war effort by sending troops to Europe. Tuan Chi rui, Yuan’s successor, promised that China would take part but he was forced to retire. After months of disputation and indecision, China broke off relations with Germany and declared war on Germany and Austria-Hungary on 14 August 1917.¹²

MANCHURIA: DOMESTIC

Throughout the 1910s there was a struggle for power in the northeast. The key player was Chang Tsolin, the warlord with his base in Mukden. The fall of the Ching dynasty and the occasional calls for restoration of

the empire led to instability in the region. This was exacerbated by the tussle for power among those who had military forces at their command. By 1917, Chang had won over the key posts in Heilungkiang province for his protégés. Kirin with its mineral wealth was, however, by no means a walkover. It was only after Chang had been appointed as inspector-general of these provinces two years later that he felt able to challenge the Kirin Tuchun who after initial resistance was forced to return to Peking. So, by the end of our period, Chang was in the ascendant throughout the three provinces, having installed his acolytes in senior posts. The place of the Chinese bureaucrats who found themselves on assignment in Manchuria is well illustrated by Ma Ting Liang, described as the ‘Special Commissioner for Foreign Affairs of the Chinese Republic’ in Mukden. Ma gave an interview about his difficult lot to a visiting American journalist, Frederic Coleman, in 1916. Though funded by an Australian newspaper, Coleman was given unofficial encouragement in Britain to report on conditions in China, including Manchuria, Korea and Japan and record his verbatim conversations.¹³

Passing from political to economic circumstances in northeast China, there was a massive increase in Chinese population in these areas during the 1910s. Almost a million refugees are thought to have left their home villages in China for the plains of Mongolia and the three eastern provinces. There was great poverty in these provinces, exacerbated by famine, disease and lack of education. The exodus was caused by famine in north China, brought about by severe drought which caused failure of crops thereby injuring the peasants’ livelihood, particularly in the years 1920–1921. By reason of the extreme cold in winter, which often reached minus 25 degrees centigrade, it was not easy to ventilate properties because windows were kept shut. Understanding of hygiene was minimal. To some extent that was remedied in the railway zones by the establishment of schools and hospitals. The consequence was that Harbin, the largest city in Manchuria, with a population of about 300,000, grew enormously during the war years; and the ‘government’ by the CER was broadly accepted by foreign powers. But, in spite of its prosperity, its facilities had not kept pace with the population increase.¹⁴

The 1910s saw two outbreaks of bubonic plague in the north. The first was in the winter 1910–11 which carried away 60,000 people. As a result, the Powers involved allowed a part of the Chinese Maritime Customs revenue to be diverted and devoted to the establishment of a

North Manchurian Government Plague Prevention Service [NMPPS] under the control of a foreign-trained doctor, Dr Wu Lien-teh. Five plague hospitals were set up in the following decade. The most recent was opened at Newchwang in July 1920 and was directed at cholera patients of Korean origin.

In October 1920, the prevention service reported a serious outbreak of bubonic plague at Hailar. Though anti-plague measures were taken, '2 contacts escaped to the mining camp at Dalainor and spread infection broadcast to the most insanitary way of housing the miners, 40 to 60 persons being huddled together in one underground hut.' Manchouli lost 1100 and Tsitsihar, the capital city of Heilungkiang, some 2000 people. Thanks to the NMPPS staff and the Russian doctors from the CER, the railway zone was not badly affected except for Harbin, where some 3000 lives were lost. All in all, the plague accounted for the deaths of 9000, many fewer than in the earlier outbreak. The authorities of the SMR and the Peking-Mukden line took tough precautions, insisting on third-class passengers being tested at the station of origin and being detained at Changchun Station. The south of the country was therefore saved from the fury of the plague.



During the war years Japan was making steady progress on several fronts, commerce, finance and primarily transport. Because of the war she was prosperous and had capital for overseas investment. She was generous with railway loans for Manchurian areas. These were long-term projects channelled through major Japanese banks to link up Chinese cities in the SMR railway zone. They were essentially feeder-lines for the expanding SMR system. But in most cases the lines were only completed much later. While the money loaned helped China, the increasingly nationalistic Chinese found Japanese expansion into the Manchurian economy regrettable and unacceptable.¹⁵

Koreans made up an important section in the east of the country. Korean migrants (about 1 million by 1930) tended to be landless peasants who came to Manchuria to escape poverty and indebtedness and look for land or job opportunities. In one region of Chientao [Kando in Korean] where the number of Koreans swelled to more than two-thirds of the local population, China had since the late nineteenth century granted Koreans

customary rights to cultivate under-populated countryside. Whenever the migration of peasants from North China slowed down, China hoped that a settlement of Koreans would act as a deterrent to any Russian expansion. Chinese local governments, moreover, welcomed Koreans for their skill in cultivating rice. It was therefore understandable that China had signed with Japan the Chientao treaty (1909) that consolidated the rights of Koreans in that region, while trying to exclude them from similar advantages elsewhere in Manchuria. Chinese local administrators offered them incentives to become Chinese citizens and many took up this opportunity. Not all Korean migrants had favoured their country becoming a colony of Japan in 1910; and many refugees formed anti-Japanese groups in the hope of fostering liberation for their homeland. During the Chientao incident of 1919–1920 those who had fled fought against Japanese troops in various battles. But the Japanese strove to ensure that as many Koreans as possible beyond the Yalu were loyal to them rather than China.¹⁶

MANCHURIA AND THE RUSSIAN REVOLUTIONS (1917–AUGUST 1918)

Four years of European war, combined with the Bolshevik revolution of November 1917, brought about great changes in the East. China was in turmoil with the most powerful warlords vying for leadership; and stability was not in sight. Russian troops took advantage by looting Chinese properties in the major cities of the north. In March 1918, power in Peking eventually passed again to Tuan Chi rui who seemed the most powerful of the leaders. Before becoming prime minister, he claimed that he could only take it on by forging a coalition of military men and receiving support and funds from abroad. It suited Japan to respond to this appeal. The Japanese were very worried about the future of China and about young Asian intellectuals who were inclined to look to the left and ultimately favoured the success of the Bolsheviks. Moreover, Japanese politics had moved to the right since the formation of a new cabinet in October 1916 under General Terauchi Masatake, the former governor-general of Korea. When it was challenged by the army to take a more proactive line in China and Manchuria, it decided to give full support to Tuan rather than other warlords.

A foretaste of the appeal of Bolshevism was seen when the partisans seized power in Harbin in December 1917 and deposed General Horvat,

the general manager of the CER since 1903 and virtual administrator of the territories around. At the request of the Allies, the tuchun of Kirin sent a force of 35,000 soldiers and was able to recapture the CER and rescue Horvat. He incidentally took possession of part of the line for China and was warmly congratulated by Peking. Thus, the Chinese in a mood of growing nationalism took the opportunity to reassert their sovereignty in the area.

The Japanese Kwantung army turned the Bolshevik scare to its advantage and argued with Tokyo that Russia would continue challenging Japanese interests in Manchuria unless a strong policy of military intervention, including intrusion into the Russian north of Manchuria, was undertaken. Its deduction from the Total War going on in Europe was that modern armies needed to have sources of coal, iron and steel – all products available in Manchuria. But army headquarters recognized that, before cooperation would work, there was a need for Sino-Japanese military cooperation. It was essential in its eyes to cooperate with the leaders of China who shared its desire to block the eastward spread of Bolshevism. Negotiations which were taken up straight away for separate military and naval agreements met with Chinese reluctance. China's cabinet members felt that she had to act on her own if she was to prevent Japan expanding militarily in Manchuria and beyond; that, in any case, Chinese troops in Manchuria were sufficient to defend against Bolshevik inroads; and that, if China were to sign agreements endorsing the offer of Japanese military cooperation, Japan would use it to establish herself more firmly in Manchuria. The Chinese, therefore, approached the negotiations warily.

Prime Minister Tuan who had earlier been the commissioner of the war participation board was fearful of the eastward movement of the Bolsheviks and sensed the attraction the tsarist stake in Manchuria would have for them. While he realized that this could be regarded as a moment of supreme opportunity for China to assert herself in Manchuria, he recognized that China was so weak that she did need some cooperation from Japan. On 25 March, official notes were exchanged regarding a proposed military agreement 'for the purpose of common defence', the assurance being by the Japanese that their forces would be entirely withdrawn when the fighting was over.

Japan sensed that financial measures might assist the military talks. Nishihara Kamezo, a businessman who was adviser to Prime Minister

General Terauchi and favoured an independent anti-soviet Siberia, was sent on a mission to Peking in March. Toshiko Shimura sketches the background:

[Prime Minister] Terauchi felt it was his mission to build up a pro-Japanese government in China and promote the economy there. It was not the Japanese Foreign Ministry that sought to achieve this objective. It was three men who had experience of colonial enterprise in Korea: Terauchi, formerly governor-general in Korea; Shoda Kazue, formerly general manager of the Bank of Korea; and Nishihara Kamezo who had long been a businessman there. After Yuan Shikai died in 1916, they set up a pro-Japanese government and gave large sums of money to Tuan, one of the warlords who had seized power in Peking. But these loans were not channelled through the Foreign Ministry. Terauchi with the knowledge of Shoda, now Finance Minister, sent Nishihara to Peking as an unofficial individual and got him to conduct the negotiations. If these loans were questioned in Japan, Terauchi would say that they were not official government policy and would disclaim responsibility.¹⁷

When Premier Tuan complained of his financial problems, Nishihara offered to help him with funds in addition to the existing loans for railway extensions in Manchuria. They negotiated a telegraph loan for 20,000,000 yen and discussed ways of developing a Sino-Japanese economic partnership before Nishihara returned to Tokyo in mid-April. These were risky deals, being unsecured loans. But Tuan still hesitated over the military negotiations. In the meantime, he sent many units into the railway zone in order to demonstrate what Chinese arms could do on their own without Japanese help.¹⁸

It was only when Japan threatened to withdraw her offer of money and weapons that China gave in and signed military and naval agreements on 16 and 19 May. These were arrangements for limited cooperation with Japan during the duration of the European war, designed to prevent the spread of Russia's revolution and 'German aggression' in East Asia. In essence, the Japanese would respect the sovereignty of China in Manchuria but Chinese officials for their part would do their best to aid Japanese troops there. Whenever Japanese troops had to be dispatched outside Chinese territory, the two countries would dispatch troops jointly. If transportation of military forces necessitated the use of the CER, the provisions in the original treaty regarding the management and protection of that railway (partially Chinese) would be respected. Japan

reiterated her undertaking that her troops in Chinese territory would be withdrawn as soon as military operations ceased. The agreements were intended to be kept secret; but the Chinese were unable to prevent leakages. They were clearly written in anticipation of serious military action against the Bolsheviks in Manchuria and beyond. While China's leaders were to some extent the beneficiaries, the Japanese had secured what Peter Fleming called 'a bridgehead' by this secret diplomacy. Japan immediately sent military instructors, munitions and rail technicians in order to prevent control of the CER falling into Bolshevik hands. Prime Minister Tuan tolerated this until he resigned on 10 October 1918.¹⁹

As these agreements may suggest, one consequence of the Bolshevik revolution was the widespread feeling that the CER was vulnerable and up for grabs. It was clearly a useful commercial asset and, with its connection to the Trans-Siberian line, had great strategic importance. China wanted the return of her birthright. But the Bolsheviks were not disinclined to take advantage of their tsarist heritage. The White Russians, for their part, regarded the CER as the focus of their anti-Bolshevik campaign and wanted to cling on to the CER management along with their supporters in the Russo-Asiatic Bank based in Paris. The local warlords like the ataman Semeonov who held sway on the Siberian-Manchurian border also had their ambitions over the line. They were all united by a desire to keep the CER out of Japanese hands, though it suited one or other from time to time to play along with the Japanese military.

At a meeting in Peking in April, the Russian minister had assembled General Horvat, the CER general manager, and Admiral Alexander Kolchak, who had joined the board of CER and was nominally commander-in-chief of Russian forces in the railway zone. The stage appeared set for a Horvat-Kolchak team to set up a stable White Russian government amid the chaotic conditions prevailing and establish an effective force at Harbin. Kolchak spent some time in Harbin, organizing this anti-Bolshevik front and was fairly successful with Horvat's help in raising large numbers of recruits. But Kolchak was unwilling to cooperate with Horvat's dictatorial methods and left Harbin for Omsk in Siberia. He overthrew the 'liberal' government at Omsk and established his own regime which Horvat supported. The formula agreed on 24 September 1918 was that Kolchak would function as Governor-general for the Far East while Horvat, though dismissed by Moscow, became commissioner of the Provisional Government. Horvat was, however,

diminished in status because the Chinese enforced their right to take over the presidency of the CER. When he tried in January 1920 to assume full powers over the Russian population in the CER zone and Russian employees of the railway went on strike, he was forced by President Pao to resign. He was given various honorary offices but the result was to end what Peter Tang calls ‘Horvat’s railway state in Manchuria’ which had lasted almost two decades. Meanwhile Kolchak on his retreat eastwards after his defeat was captured at Irkutsk and executed by firing squad on 7 February 1920. The White Russian resistance could not be sustained because of the lack of cooperation between the leaders.²⁰

MANCHURIA AND THE SIBERIAN INTERVENTION (AUGUST 1918–1922)

The next stage in the story of the CER is related to the eastern sector of the anti-Bolshevik campaigns fought by the world Powers, which is generally described as ‘the Siberian intervention’ but which largely affected north Manchuria. For some time Britain and France, in line with their policies in eastern Europe, had been so determined to block the Bolshevik advance along the Siberian railway or any German advance to the east that they were ready to send small forces to the area and give Japan *carte blanche* to do so also. This was despite the fact that the British had touched a raw nerve with Japan by sending HMS *Suffolk* in January 1918 to Vladivostok, one of the earliest places to be inflamed by revolutionary activity, without informing her. Initially, the administration of President Woodrow Wilson would not collaborate with Britain and France, arguing instead that there was no reason why Japanese troops should be authorized to march through north Manchuria. Even after the Bolshevik government sued for peace and the Treaty of Brest-Litovsk was signed between Germany and Russia on 3 March 1918, the US was still sceptical that there was any threat of a German advance eastward along the Trans-Siberian.²¹

Finally, the United States, hitherto reluctant to get drawn into the happenings in Manchuria, decided to assist the evacuation of some 50,000 Czech troops who were retreating from the eastern front in the European war and were still anxious to fight against Germany for the sake of Czech independence. On 8 July, the Americans invited Japan to take part in an expedition to Vladivostok by sending troops for the dual purpose

of protecting the vast stores of war material and supplies accumulated there and helping the Czech Legion. Only two countries could send large forces, the US and Japan. The former proposed that each should send an expeditionary force of 7000 men to be assigned to its own special section of the Trans-Siberian extension through Blagoveshchensk, the CER being allocated to the Chinese. The Japanese cabinet on 31 July rejected the US restrictions on the number of troops and the area of their operations. In early August, however, Japan agreed to a revised declaration as requested by the US, provided private explanations were given that Japan might exceed the earlier limits. The US finally accepted a Japanese declaration which fudged the issue of troop size. The Japanese lost no time in landing a force at Vladivostok which proceeded straight away to Manchuli by way of Khabarovsk. On 6 September, Japan occupied Chita, thereby violating (as the US saw it) the public assurances she had given.²²

The Intervention to which Japan and the US provided the largest forces began in an atmosphere of suspicion and continued so throughout. The US was deeply suspicious about Japan and vice versa. In order to limit unnecessary contention about the CER and Trans-Siberian railways in the area, and ensure their working in collaboration with the Allied forces, the US sought agreement to the railways coming under Allied control for the time being. Japan replied that she had no objection to the Trans-Siberian being taken under Allied control but not the CER. But Horvat, the shrewd CER general manager, was reluctant to side with Japan and took the precaution of recruiting American railway technicians as advisers instead. China, for her part, felt that the CER proposal violated her sovereignty; and so a compromise was worked out whereby the protection of the CER was allotted to her forces. After a marathon of international diplomacy, agreement was secured and a special Inter-Ally Railway Committee was formed in April 1919 with technical and transportation boards under it. The American railway expert, John F. Stevens, was appointed president. But the reality on the ground was that the CER was controlled largely by the Czechs, despite Horvat declaring the route was closed to them.

The hastily assembled ‘red army’ could not engage in sustained fighting with the efficient Japanese troops. On the other hand, the White Russian regimes that the Allies supported were not able to arrest the spread of Bolsheviks who when they were defeated went underground. Feeling frustrated that they were unable to set up an administration

which would command widespread support, the Allied governments withdrew their forces, one by one, early in 1920. It had been what David Steeds calls ‘a highly discreditable enterprise’. Even the Japanese, now left on their own, at the end of December 1919 limited the sale of arms to the region and reduced their forces substantially after the armistice in Europe. Of the 26,000 men left, some 12,000 were in Manchuria, consisting of 7000 fighting-men and 5000 civilian support staff. But in spring 1920, 700 Japanese citizens at Nikolaevsk on the upper Amur River were killed by partisans. In response, Japan took the decision that her forces would disengage from trans-Baikalia and move to Manchuria and the Maritime Provinces in order to protect Japanese lives and property. Such atrocities were not unknown elsewhere since it was a lawless period; and, Japanese being unpopular, their facilities were particularly vulnerable to attacks by partisans. Another case of a different kind was the Hunchun Incident of September 1920. In this district on the Korean-Manchurian border, a series of Hung hutse attacks on Japanese nationals culminated in an attack on Japanese consular buildings. Casualties were small but the damage to property was great. Japan sent some 3000 troops to the area but, after order had been restored, retained only some 250 men as a protection for the Japanese community.²³

It is important to note that the Chinese sent 2000 men to the conflict zone in defence of their territory and interests and took a significant part in the Allied operations. Indeed, the government was ready, it said, to send its troops to Vladivostok to prevent Bolshevism being established in the east. China became responsible for the railway from Ussuri to Manchuli. She became a military presence in Harbin, hitherto ‘the cosmopolitan city of the north’ but now the hub of international dealings over the future of the area. China’s territory may have been trampled underfoot; but she was consoled by the fact that her sovereignty was acknowledged by most of the Allies. There were doubts over the effectiveness of the Chinese forces. But her senior officers took prominent places in the inter-Allied photographs of the day.²⁴

CHINESE NATIONALISM IN THE INTERNATIONAL ARENA, 1919–22

In the wider world the European war had ended, China having belatedly thrown in her lot with the Allied cause. When the peace conference was

convened in Paris in 1919, it was the first occasion on which the Chinese had taken part in a major international event. But they had important issues for the agenda. The negotiators took up the prickly subject of Shantung's future and discussed whether Germany would return the province to China or transfer it to Japan, eventually deciding to award it to the latter. Initially hopeful of a 'new order' being created, the Chinese left Paris deeply embittered at the injustice of this unfavourable decision. They refused to sign the peace treaty; and a mass movement, which generally goes by the name of the May 4th Movement, took hold of Chinese cities. The result was an explosion of Chinese nationalism. The future of Manchuria was not discussed in Paris though the Chinese asked for the secret Sino-Japanese treaties of 1915 on which Manchuria's future depended to be laid aside as having been signed by China under duress. The conference would not agree to this on the ground that these were validly negotiated treaties. The Chinese tabled lengthy documents containing their grievances against the international community. Many of these dealt with Manchuria, especially the presence of foreign troops and foreign police in the area.²⁵

The Manchurian issue was not central to the next important international event, the conference at Washington convened on 11 November 1921. Discussion at the conference was primarily devoted to naval disarmament and the future of China and the Pacific. The issues were hard fought; but compromises were reached on most of them. There was, therefore, a general sense of satisfaction among the delegates with the outcome of the talks. On one issue, however, the conference had to admit defeat and that paradoxically related to Manchuria and the future of the Chinese Eastern Railway. The Siberian Intervention had taken place in order to ensure that the CER did not fall into the hands of 'one or more Powers' as the record diplomatically put it. This could only refer to the Japanese and the Soviets. The American delegates proposed in one of the sub-committees that, in order to ensure that this independence was made permanent, some form of international control rather like the Inter-Allied Finance and Technical Boards which had existed since 1919 should be set up. But the Chinese argued that as the tsarist government no longer existed and they were the sole remaining member of the Russo-Chinese partnership they were entitled to take over and did not want to see their sovereignty diminished. Secretary Root who was in the chair had, therefore, to admit defeat and shelve the resolution. The future of

the CER was not resolved by the conference but China's desire to run the line was generally respected.²⁶

On a more positive note, Japan's representative, Shidehara, announced at the end of the Washington meeting that Japanese troops would be pulled out of Siberia. Earlier in the year, Japan, civilians and military alike, had decided to withdraw from the Russian Far East; and Kato Takaaki, one of the party leaders, told the Diet that Japan's involvement in the Siberian Intervention had been a fiasco. Japan completed her withdrawal from Khabarovsk in December while the conference was in session. In June 1922, the cabinet decided to complete the evacuation by the end of October. The withdrawal from Vladivostok began in August and was completed on 25 October. Simultaneously, the Inter-Allied Railway Committee ceased to exist.



The Washington Conference marked a new stage in the flowering of Chinese nationalism. A large delegation presented the case for the whole Chinese nation; and the leadership in the homeland supported their actions in spite of domestic difficulties and applauded their successes. As the biographer of Dr Wellington Koo, one of China's delegates, writes:

China's participation in the [Washington] Conference symbolized a national endeavour to recover lost rights and, for the first time in modern Chinese history, provincial warlords.....voluntarily contributed their share towards the expenditures of the huge Chinese Delegation. The contributions ranged from \$100,000 silver of Marshal Chang Tso-lin of Manchuria to \$5,000 silver from Military Governor Ma of Suiyuan Province in Inner Mongolia.... Despite geographical distinctions and warlordism, China had been united in championing its cause of recovering its national rights from foreign powers.²⁷

Two Manchurian conferences were held to sort out security problems in the Russian Far East. The first was held at Dairen from August 1921 when the Japanese discussed outstanding issues with moderate Russian representatives of the Far Eastern Republic of Siberia which operated from its 'capital' at Chita. The Japanese were seeking an arrangement of convenience with the only non-Bolshevik Russian authorities left after the White Russians had been defeated. Japan was happy to discuss commercial relations but would not discuss actual dates of evacuation

of her troops. On this basis the talks were suspended – to be resumed at Changchun on 4 September 1922 with the Chita representatives but this time also with the Moscow representatives. There was again no resolution of the problems.²⁸

It is doubtful if there were positive elements to emerge from the Siberian/Manchurian crisis: the state of China domestically and internationally was unstable and worrying. An anonymous writer gave a dismal assessment of feeling in China which is, in many ways, relevant to Manchuria for that part of the country was the most affected by the First World War:

Four years of the European war have made an immense change in the Far East. The influence of the white nations seems to be tottering into bankruptcy. Their hold over China, which they have often so shamefully abused, is seriously shaken. The positions held by Germany and Russia have escheated to Japan. Japan has asserted her right to prior consultation in all matters concerning China; and no Power as yet has taken up the challenge. The Chinese have seen their railways, mines, industries and territory mortgaged to Japan by a gang of corrupt statesmen. They have seen the white Powers unable or unwilling to protect China's rights at the Peace Conference. They have concluded that, in spite of any Wilsonian idealism and in spite of any League of Nations, Might is still Right, and Might is on the side of Japan.²⁹



Over the course of this chapter, the major change was the retreat of Russia from China. It would take time to see what would emerge in Bolshevik circles in the Russian Far East and in the policies of the new Soviet masters. On many fronts Japan had improved her position in Manchuria. She was intent on creating an Industrial Manchuria. James Morley has shown that her position was much more diverse than her actions on the ground suggested. These were not only unpopular with the Chinese people at large but distrusted by the international community. China had seized the opportunity of Russia's discomfiture at the end of tsarist rule to make clear her sovereignty and build up her forces in the north. The Governors of Kirin and Heilungkiang had been active. China had stood up for her rights with the support of the USA. But she was weak and deeply divided. The US which had up to 1915 played a

limited role in the area now espoused the cause of China. If that had not been manifest at the Paris Conference, it became much clearer thereafter. Indeed, the events of 1918–1922 made the US even more suspicious of, and hostile to, Japan's continental policies.³⁰

ENDNOTES

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4. Lowe, ch. VIII
5. Lowe, Appendix VII.4, p. 266. DOCUMENT. See Vol. 2, Ch. 5, (item 1)
6. Lytton Report, p. 38
7. NGB Taisho 3/I, ch. 18, 'RoMo kyoyaku kankei ikken'. Also Putnam Weale, *An Indiscreet Chronicle*, Appendix, pp. 308–10. Harrell, *Asia for the Asians*, chs IV–V
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Chapter Six

Chang Tso-Lin's Manchuria,

1922–28



THE GREATEST CHALLENGE to orderly government in China in the twenties came from the military commanders who felt themselves to be virtually independent. Using their private armies, they plunged the country into almost incessant civil wars. While progressive thinkers in the South wanted to find a formula for unification of the country, the various parties in the North were jealous of one another and frequently came to blows.

These warlords or tuchuns collected the taxes in their provinces primarily in order to fund their armies. If their soldiers failed to receive enough pay, they became armed bandits and lived off the land. It was, therefore, difficult to draw a line between brigands and soldiers. This contributed to the instability of the territory, enhanced by increases in opium cultivation. While several leaders became very wealthy, they had to purchase modern weapons and ammunition at great cost. The European nations, having come out of the war with surplus weapons and aircraft, were over-ready to supply the latest military technology, as was Japan. This was in spite of the ban imposed at the Washington Conference of 1921–1922. The warlords of the Northern clique (*hokubatsu*) were to remain a force in the area until the death of Chang Tsolin in 1928.¹

In this chapter I have used the archives of Scottish missionaries whose area of endeavour covered most of Manchuria. They were widely distributed around the country but, for security reasons, kept close to the

railway routes or the rivers. As teachers, doctors or ministers of religion, they had direct access to the Chinese people, especially students. They had therefore a broader vision of Chinese society than foreign newspapers or diplomatic archives. But they managed to maintain also remarkably good urban and national contacts. They owed this in part to the high reputation with Chinese leaders of Dr Dugald Christie, the founder of the Mukden Medical Mission who worked for forty years in Manchuria until his retirement in 1924. At the same time it has to be recognized that they had their own ‘constituency’, one part of which was their foreign donors mainly in Scotland who had to be satisfied that the results of their work were positive. Many of their observations which I quote here were shrewd and remarkably well informed.²

CHANG TSO-LIN

A central figure in the story of Manchuria at this time was Chang Tso-lin. We have seen how the Peking authorities realizing the power of the military governors, took the unlikely course of choosing him in 1916 to serve as military governor of Fengtien province, while continuing as civil governor. In spite of a brief hiccup when he declared independence from China, he was fairly loyal and was rewarded in 1919 by his appointment as Inspector-general of All Manchuria. This was recognition of that territory as a single political entity for the first time. In order to consolidate his position, Chang made his peace with the Japanese. They for their part came round to the view that support for Chang was to their advantage provided it was limited to his role in Manchuria. Together they tried to make inroads into the CER operation in the north while the Soviet Union was still weak. But the Japanese would not support any adventures Chang undertook south of the Wall where they complied with the guidelines followed by the Washington Conference Powers. The paradox was that Japan would not offer the aid Chang sought in China proper but offered it for ventures in Manchuria where he generally spurned assistance.

In 1922, Chang launched an attack south of the Great Wall but failed to get the upper hand in Peking because of a conspiracy by warlords hostile to him. Defeated for the first time since 1911, he retired within his shell and declared the three provinces to be independent, separating

them from the Central Government under a sort of military dictatorship. He was open in his opposition to Peking and wanted power to be formally devolved to the regions. In a press release of 22 March 1924, he denied that he had monarchical ambitions like Yuan Shi-kai a decade earlier and declared:

We have decided that we shall work for the defence of our territory only and to maintain peace and order for the good of our people.... If, however, as a last resort, we are compelled to pass to the south of Shanhakuan to kick out an illegal government, we will do so, but we will return immediately afterwards to Mukden... Hence the Commander-in-Chief and his son [Gen. Chang Hsueh-liang] urge the distribution of power among the provinces and districts.³

Such was the political credo of Chang and his advisers. He advocated regional autonomy but would not promise not to interfere outside his own provinces. He was, however, becoming more nationalistic when it suited him and supported the Peking administration when it in 1923 repudiated the Sino-Japanese treaties based on the Twenty-one Demands.

Chang moved his armies south again in 1924 in the second Feng-tien-Chihli war. Though he had formed a carefully crafted coalition of generals, many predicted that Chang's defeat was not unlikely. He was, however, able to defeat his rival, Wu Pei-fu, due to the defection of one of the latter's generals, General Feng Yu-hsiang, the so-called Christian warlord. Feng was notoriously anti-foreign and was thought to be pro-comintern. On this occasion he deserted his superior and upset the balance of forces. A missionary wrote:

Foreigners generally are very down on Feng Yu-hsiang's method of bringing about peace... Most Chinese do not seem to look on his action as treacherous but in some cases it has reacted badly on mission work, for Feng has been talked of far too much as an example of the Christian soldier. We are likely to hear a good deal less of him in future as an advertisement for Christianity.⁴

He later commented that Wu had been badly defeated 'not in open fight but by what I call back-door methods. He will attempt revenge sooner or later.'⁵ True enough, when the shaky Mukden coalition collapsed the following year, Chang was defeated and had to retreat. But, with the help of the Japanese, he was able to hold out against his rivals. Meanwhile,

the trouble-maker Feng attacked Peking, occupied the Forbidden City, staged a *coup d'état* and deposed the president.⁶ Feng with his anti-monarchist ideas made life difficult for the former emperor Pu Yi and called in the name of the Republic for the Manchu court to move out of the Forbidden City with consequences which will be considered later.

A revolt by one of Chang's generals, Kuo Sung-ling, took place in November 1925. It was a serious challenge which called for his resignation. Chang offered strong resistance and only survived because of military aid from Jehol and the Kwantung army who wanted to keep the SMR clear from factional struggles. After Kuo was crushed, Feng tendered his resignation and announced his intention to go to Europe through Outer Mongolia and Russia. The tide had turned in Chang's favour:

With suppression of the revolt in Chang Tso-lin's army and the temporary disappearance of Feng Yu-hsiang leaving no one to continue the fight against Chang Tso-lin, Chang is probably in a safer position than he has been for some years. His recent heavy arms expenditure will require his quiescence to recoup.⁷

The missionaries thought that the really serious risk would have been if Chang's armies had been badly broken internally; but that risk had receded. The likelihood of war in Manchuria was 'much more remote than it has been for some years'. Conditions were back to normal again except that more banditry than usual was to be observed in the country districts.

Dr Christie spent the winter in Manchuria 'in the midst of our old work'. He secured an interview with the generally reticent Chang Tso-lin at his magnificent private palace:

The war at our gates came to an end and not long afterwards I had an interview with my old friend Chang Tso-lin. Though victorious, the Marshal was profoundly depressed – peace cannot come till Feng and his Bolshevism are overthrown. The cursed doctrines of Russia have been promulgated by bad men.⁸

This anti-Bolshevism was to be an important factor in Chang's thinking from then on. It did not take long for war to return, inflamed by Chang's desire for power. But it was fighting south of the Wall. Manchurian missionaries could write 'we have been blessed in being allowed to carry

on our work without interruption all 1927. The centre of political and military activity has been in Peking and the South.”⁹

The outside parties, Russia and Japan, were far from pleased with these episodes in the civil war. The Soviets through their management of the Chinese Eastern Railway had prevented Chang from using the railway for his reinforcements. The Japanese, too, announced a no-entry zone around their SMR which in effect safeguarded Chang's position but carried an implicit warning against the wasteful campaigns he was conducting south of the border. But Chang was wary of foreign powers and their use of railway politics. The experience provided by these incidents appears to have been an important factor in inducing him to build an independent railway system connecting the three provincial capitals.

While all this was going on in the chaotic and unstable North, a movement for China's unification was taking root in the South. The revolutionary government of the Nationalist party (Kuomintang) in Canton could not stage a Northern campaign without the supply of arms and military advisers from Moscow. It took two years before they were ready to launch the Northern expedition in June 1926. Feng decided to throw in his lot with the Kuomintang force which was taking shape as the National army.

CHINESE EASTERN RAILWAY

Chang Tso-lin hated bolshevism and later the Soviet Union. The various governments of China were similarly suspicious and distrustful of them. But they both had to make their peace with their new neighbour in spite of the multitude of disputes between them. These disputes centred on the ‘jointly owned’ Chinese Eastern Railway, where China had improved her position since the Russian revolution, pre-empting any action which the new Far Eastern Republic might have taken.

A central figure in trying to open up a new relationship was Lev Mikhailovich Karakhan, Acting Commissar for Foreign Affairs. During a visit to China, he had issued his first declaration on 25 July 1919 under which the Soviet Government invited the Chinese to enter into negotiations with the object of cancelling the various treaties between them and giving back to the Chinese people all the conquests made by the

Government of the Tsar ‘by tricks or by entering into understandings with Japan and the Allies’. The statement read:

...the Soviet Government has given up all the conquests made by the Government of the Tsar, which took away from China, Manchuria and other territories.

The Soviet Government returns to the Chinese people, without demanding any kind of compensation, the Chinese Eastern Railway, as well as all the mining concessions, forestry, gold mines, and all other things which were seized from them by the Government of the Tsar, that of Kerensky and the brigands, Horvath, Semenov, Kolchak, the Russian ex-generals, merchants and capitalists.¹⁰

Clearly, this was music to the ears of all Chinese though they were wary of seizing the occasion. There were doubts about what authority Karakhan had to make such a gigantic promise. In September, the Chinese sent a return mission to Moscow which signed a second declaration, designed to elaborate on the statements in the first. The Bolsheviks were again generous by contemporary standards but seemed to rescind over the CER, reverting to the tsarist claim of joint ownership and management. They had withdrawn from their earlier statement, much to the chagrin of China. This was followed up by several missions at a junior level.

It was not until the return of Karakhan in March 1923 that an agreed formula was worked out. Karakhan was appointed Soviet ambassador to Peking and was therefore higher in rank than the other ministers in the Chinese capital. He stayed there only three years but made many Chinese friends because he was distinctly anti-foreign. On the other hand, the Soviet embassy seemed to be serving as the headquarters for a widespread conspiracy which focused on China. The Chinese discovered that Russian and CER buildings were being used for revolutionary purposes and for promoting the Comintern. They also served as a haven for the Communist Party which had been launched in 1921. Soviet representatives seemed to be implicated in assisting the budding Kuomintang in the south. The Chinese government insisted on Karakhan’s recall in 1926. On his return journey to Moscow, he took the opportunity of staying awhile in Harbin and visiting Chang Tso-lin in Fengtien but the latter made his position clear without anything positive emerging.¹¹

In August 1923 the Chinese tried to seize the land department of the CER which had been issuing land leases for markets and streets. This was, it alleged, a case of a commercial concern subject to Chinese law, and operating in Chinese sovereign territory, taking illegal administrative decisions. Failing to make any headway, the Chinese set up a Land Department of their own in competition with the CER – a clumsy outcome. Chang Tso-lin ultimately deferred taking the matter to the level of a serious confrontation, reckoning that it might frustrate his ambitions in China itself.

China's foreign minister, Dr Wellington Koo, decided to take the bull by the horns and negotiate an agreement for the joint management of the CER. China, as we have seen, took the opportunity of the Siberian Intervention to be more assertive over her rights in the railway management. The Bolsheviks had initially encouraged her by proclaiming that they would not cling to the tsar's imperial ventures. But they stated that they were ready to discuss a workmanlike arrangement for the working of the CER. They had evidently decided that they would take over the role of the Russo-Asiatic Bank *pace* the French bankers and share the ownership of the company with the Chinese. This offer was a great disappointment and led to a rift within the Chinese bureaucracy. But the deed was done probably because of China's worry about the Japan-Soviet deal which was known to be under negotiation. It was rumoured that Karakhan had offered to pass over the southern section of the CER from Harbin to Changchun to the SMR. When that was signed and published later on 20 January 1925, that concession was not included. But the prospect induced the Chinese to settle and on 31 May 1924 Wellington Koo signed an agreement for the joint management of the CER. On the whole, when the secret deal leaked out, Chinese public opinion was in favour of the treaty. Minister Oudendyk, in a phrase appropriate for the Dean of the Diplomatic Corps in Peking, said that Karakhan's treaty was 'far from being free from imperialist tinges'.¹²

It was typical of the prickly atmosphere between Chinese leaders that Chang Tso-lin refused to accept this international agreement and insisted on the Soviet Union concluding a secret pact on similar lines with himself and his associates on 20 September 1924. His logic was that the CER zone was in effect under his control and it was improper for Peking bureaucrats to conclude such a treaty without consultation. Both wanted to have their overlapping constituencies recognized by their

neighbour. Chang, in particular, wanted to ensure that the Soviets would not damage his position in any forthcoming war with Wu Pei-fu. More generally, Chang with his aspiration towards independence wanted to have his status recognized by the world powers and seen to be placed on terms of equality by concluding an equal treaty with a major Power.¹³ The CER no longer had the power to administer the railway zone as it had wielded previously. It had to give up its monopoly of the telephone system and became liable to tax. But Chang's representative on the CER board, President Pao, did not attend meetings and did not follow up some outstanding issues. That left some power in the hands of the CER general manager, Ivanov, who promoted Soviet interests. Chang retaliated by forbidding foreign flotillas to sail in the Sungari River and taking over Russian steamships there.

There is some dispute over the practical control of the CER. Peter Tang describes this as a period of Sino-Soviet joint management, while Bruce Elleman writes of Soviet majority control which was resented by the Chinese. Differences soon came to the surface, especially when Chang accused the railway of abetting his enemy Feng Yu-hsiang. The controversy justified, so Chang thought, the entry of his forces into the railway zone. They inspected the consulate-general offices in Harbin and confiscated a vast quantity of arms and ammunition as well as some sensitive documents. Although Chiang put forward a case for an equal share in control of the CER, a conference to resolve the issue found against him. Chang retaliated by forbidding foreign flotillas to sail in the Sungari River and taking over Russian steamships there, ultimately arranging for Ivanov's dismissal. Underlying hostility continued and there were protests on both sides. Some show-down was inevitable. But Chang was preoccupied south of the Great Wall!¹⁵

EDUCATION

The civil service examination system which had served China for more than a thousand years was abolished in 1905 and was replaced by new educational programmes. Chang Tso-lin, though uneducated, had a respect for education and found it opportune to promote schools. Indeed, he gave his children a Western education. But education required funding; and there were always many calls on Mukden's coffers. Outside

funding was available. There were distinct possibilities of outside financial assistance, initiated by the United States. The American contribution to education in China had been the greatest since the 1870s but it was raised to a new level by the decision of President Theodore Roosevelt in 1907 to return the American share of the Boxer indemnity to the Chinese government provided it was seen to be used for educational purposes. The Soviets also gave up their substantial slice of the Boxer Indemnity for this purpose when they came to power. Other Powers followed. Britain made heavy weather of the negotiations. A Hong Kong meeting urged that part of the money from the Boxer Indemnity should go to British educational and medical work. A Parliamentary commission under T.P. O'Connor, MP, recommended it.

The Manchurian missionaries urged that part of the British share should go to British educational and medical work in Manchuria:

Apart from Hongkong, no place in China offers so good a scope as Moukden [sic!] for the introduction and demonstration of British educational ideas among the Chinese. The Province is rich; Great Britain has a good name among the officials; Dr Christie's 40 years of work is widely known; and the field is until now our own, whereas American ideals and methods are predominating in all other important centres.¹⁶

Not that there was undue Anglo-American antagonism. The Scots had the Manchurian Medical College and the Mukden Medical College. Apart from that, there were ten hospitals, five general and five for women patients only. Good in themselves, they could not match the American institutions like Tsinghua College in buildings, facilities or staff.

There was always a tension between Doing Good for China at a time when Chinese opinion was strongly anti-foreign and conducting evangelism which was esteemed by the foreign donors. The Medical College had turned out a larger number of doctors but so far no serious attempt had been made to encourage any of them to think of medical missionary work as a life calling.

The operation of providing Western education during conditions of civil war was perilous for a number of reasons of which we shall isolate two. The Chinese indignation against foreigners, particularly British and Japanese, led to demonstrations which had since 1919 become a common student activity, especially among impressionable teenagers.

Christie reported on protests in 1925:

Governor-general of Manchuria, Chang Tso-lin, whom I have known for nearly 30 years who takes a sober view of international relations is a strong ruler.... the students know that nothing extreme would be tolerated. When our men [from the Mukden Medical College] asked for a holiday to join the demonstrations, this was wisely granted. 1600 students, men and women, marched in procession throughout the city and made an orderly and well-behaved demonstration before the Civil Governor's Yamen.¹⁷

The college was later dispersed for the vacation!

In these years of anti-foreign feeling it was observed that in several centres, even where a foreign medical missionary was located, the Chinese public were not availing themselves of the facilities offered to the same extent as before. In order to counteract this, it was decreed that all hospitals should have a Chinese graduate associated with the medical missionary, bringing the work more into touch with the new conditions of nationalism emerging. When missionaries had to leave their stations during the disturbances in the south, the Chinese doctors left in charge proved themselves fully capable.¹⁸

The second factor was lack of order away from the larger conurbations. In the cities, things were secure when soldiers were around and in receipt of pay. When they were withdrawn there was increased activity by robbers. But the considerable number of primary schools in remote parts of the country and the security of their teachers were a constant worry for the missionary societies. One missionary teacher described the situation when the Governor, Chang Tso-lin, was involved in war south of the Wall in 1924. The report said that:

In the meantime our [educational] work is not likely to be seriously affected but, if Chang is defeated which seems not unlikely, his soldiers will desert and become bandits, and the work of our district missionaries will become both difficult and dangerous.¹⁹

THE DYNASTY CREEPS OUT

When Chang defeated Wu Pei-fu at the Battle of Shanhaikuan in 1924, his partner, Feng Yu-hsiang, attacked Peking and staged a *coup d'état*. On 5 November, he sent his soldiers into the Forbidden City and had the young emperor driven from his private quarters in the palace. The Favourable Treatment Act was cancelled and the title of Emperor abol-

ished. After protests from the diplomatic body, Foreign Minister Dr C.T. Wang promised that he would not be ill-treated nor his liberty interfered with. But the emperor and his advisers decided that he should move to the Summer Palace. Later, he secured accommodation from Colonel Takemoto, the commander of the Japanese guard, and finally, when Minister Yoshizawa Kenichi heard about his predicament, within his own residence. The minister who did not have time to consult Tokyo before offering asylum gave up the second floor of his residence for the emperor and his over-large entourage for as much as three months. Pu Yi subsequently accepted Japanese advice and set up residence in the Japanese Concession in the bustling treaty-port of Tientsin, a novel experience for one who had hitherto lived a very cloistered life. There he was to stay for seven years, spied on by the secret services of countless nationalities.²⁰

The Japanese government did not offer to take the emperor into asylum in the Japanese homeland. Nor did they offer accommodation in the Kwantung-leased territory of Manchuria. This suggests that this was not part of an elaborate Japanese plot but was something thrust on them as a matter of extreme urgency by a former emperor in fear of his life. His former tutor, Reginald Johnston, who was well-informed and by no means pro-Japanese in his thinking, states categorically that 'Japanese "imperialism" had nothing whatever to do with the "flight of the dragon"'.²¹ Reaction in Manchuria is hard to judge. In Mukden, the Marshal when he got to know of Feng's precipitate action over the emperor, flew into a rage at the decision his partner had made without consulting him. Now that the Mukden clique had taken possession of Peking, Chang would have to go south. When he did so, he stayed for a while in Tientsin at a distance from the national capital. There a violent quarrel took place between the two commanders. As a result, Feng announced that he was resigning his command and going abroad, as he had threatened to do many times before. Chang, it would appear, had some hope of salvaging something from these extreme actions, possibly by inviting Pu Yi to take up residence in Manchuria. But that came to nothing when the emperor followed Japanese advice.

Even in Tientsin the personal safety of the ex-emperor was not guaranteed. Some urged him to travel abroad; others to return to Peking. But he evidently made no attempt to move. He was always alive to the possibility of restoring the Manchu dynasty. Ching veterans who aspired

to such an outcome saw Manchuria as playing a key role and recommended that Pu Yi should keep on good terms with the warlords there. They thought that Chang Tso-lin had pro-Ching sympathies and might offer a solution acceptable to the Japanese because his army depended on munitions from Japan. When Pu Yi went to meet him in 1925, the warlord was generally respectful and certainly shared his hostility to the Nationalist hordes approaching from the south. But he was not encouraging about any of the Ching causes. So the emperor lived on in a state of indecision, surrounded by a group of acolytes, watched by many but devoid of political influence.²²

Johnston who left the emperor's service in 1924 returned to China as a member of Britain's Boxer indemnity delegation and later as the last British Commissioner of Weihaiwei. He visited Pu Yi in Tientsin in February 1927 and found the court starved of money and dependent on subventions from Japanese sources. Pu Yi described his life as one surrounded by squabbling courtiers and protected by over-zealous Japanese who followed his every move. Johnston was able to re-visit him in September 1930 before he handed over Weihaiwei to China and held two talks with him the following year at the time of the biennial Institute of Pacific Relations conference at Hangchow. Since these meetings took place in October after Japan's actions in Manchuria, it was natural that the subject should turn to the future of the ex-emperor. But Johnston left Tientsin with the issue unresolved. He further dismisses the allegation that he had special influence with the emperor and claims that 'the emperor has a will of his own' and made his own decisions.²³

LAST YEARS OF CHANG TSO-LIN, 1926–1928

Chang spent most of his last two years as the insecure ruler in Peking. We are not required to discuss the tumultuous events happening in central China to which he had to give his prime attention: the May 30 movement; the Peking Tariff Conference; the death of Sun Yat-sen in March 1925; and there was widespread hostility to all foreigners. But Manchuria was never far from his thoughts. There Chang had a relatively secure base. True, there were economic problems. The cost for China and Manchuria of the civil war between the warlords had been crippling.

When the southern armies crossed the Yangtse, there was widespread hardship. Millions of refugees emigrated to Manchuria, principally from Shantung. But, if one looks beyond the economic and social factors to the political and military side, Chang's position appeared on the surface to be marginally stronger, as one observer wrote:

Though the situation in Peking is very uncertain, the situation in Manchuria has not been quieter for some time; and the likelihood of war in Manchuria is much more remote than it has been for some years. With the suppression of revolt in Chang Tso-lin's army, and the temporary disappearance of Feng Yu Hsiang leaving no one to continue the fight against him, Chang is probably in a safer position than he has been for some years. His alleged proclamation of independence of Manchuria is only reverting to the condition we have lived under since we went back [to UK on leave] last time.²⁴

The warfare continued in the south, beyond the frontiers of Manchuria yet again. The sacred Manchu soil was not invaded; and Chang managed to keep it untouched except that its sons had to go south to fight in his armies.

Events elsewhere in East Asia also affected Chang's fortunes. The Russians were holding on to their assets and resisting interference with them. Professor Stephan argues that after the revolutionary fervour had died down, central control decreased with distance from Moscow. The leaders of the Soviet Far East, being men of shrewd pragmatism, exercised a degree of discreet autonomy. There was little sign of interfering in Manchuria as was taking place between the young KMT and its Soviet advisers.²⁵

In Japan, the Tanaka cabinet took over in April 1927 with the pledge to introduce a more positive foreign policy towards China. In the quest for a stable and cooperative partner, Tanaka sought to formulate a coherent policy towards China and Manchuria. This was taken up at the so-called Eastern Conference [*Toho Kaig*] which was held in Tokyo in June 1927. It was attended by three important representatives from Manchuria, namely General Muto Nobuyoshi, commander in chief of the Kwantung Army, Kodama Hideo, Governor of the Leased Territory and Yoshida Shigeru, consul-general in Mukden. Yoshida was well-known for his assertive attitude in Mukden and was disliked by Chang and the officials there. Not surprisingly Yoshida did not recommend cooperation with

Chang. But Tanaka seems to have adopted a policy of balance towards the Chinese military leaders in north and south.²⁶

In June 1926, Chiang Kai-shek had launched his Northern Expedition with vast forces, soon to be joined by the army of General Feng who, after visiting Moscow, threw in his lot with the KMT. Its left flank managed to penetrate to Wuhan in the central Yangtse and dislodge the forces of warlord Wu in September. Meanwhile Chiang's branch of the army based on Nanking took over Shanghai. Together they planned a combined attack on Tientsin in order to cut off the escape route for Chang Tso-lin's troops. Chiang's forces set off for Tsinan arriving there in April. But their progress was held up by three factors. Firstly, there was a shortage of funds; and here Chiang was able to extract resources from his talks with capitalists in Shanghai. Secondly, there was the quarrel which broke out between the two wings of the party in Nanking and Wuhan over leadership and Chiang's more relaxed approach to 'capitalists' and 'imperialists'. Thirdly, there was a hiatus caused by Chiang's resignation from his command. He set off for a holiday in Japan in October. After his vacation there, he held secret talks with General Tanaka who combined the roles of foreign minister and prime minister. Chiang returned to China with a strong impression that he had the support of Japan for his cause of uniting China. That may have been so; but the Japanese had no thought of welcoming the Nationalists into Manchuria. Chiang may not have realized this. Tokyo's view was that China might be for Chiang; but Manchuria for the present was for Chang Tso-lin; and it would support him there. It was not long before there was a breakdown between the recalcitrant wing in Wuhan and the more conservative leadership in Nanking. When Chiang resumed his command in Shanghai he undertook a purge of the Bolshevik elements in the party. He rid himself of many Chinese communists. A symbol of this was the dismissal of Borodin, a Russian who was one of the guiding stars of the KMT revolutionary movement. He was given his marching orders and left the country in a fleet of cars. Chiang resumed his northward campaign.

The master of Manchuria, Chang, was now in charge in Peking and set up his court. Consistent with his ideology, he undertook two dangerously anti-Soviet moves: raiding the Soviet embassy and related buildings in the Legation Quarter in Peking (April 1927); and entering the premises of the CER in Harbin and inspecting their files. Acting on intelligence,

his men seized documents and arrested the CCP notable, Li Ta-chao. Minister Oudendyk gives a graphic account of the experiences of the raiding parties. The operation shows Chang's self-confidence and also the lengths to which the Soviets were prepared to go in order to pursue their revolutionary activities. Such documents as were not burnt were found to show how far the CCP and the left wing of KMT were under instruction from the Comintern and Moscow.²⁷

Always suspicious of the KMT, Chang sought to prevent its armies moving north. He was consistently anti-communist and refused to believe that the KMT had got rid of Bolshevik elements in its midst, as it claimed. As the KMT forces moved north into Shantung province from which they threatened Peking and Tientsin, Chang's army of nominally 600,000 troops still felt they were strong enough to resist. But could the Marshal rely on his former rival, Wu Pei-fu (with whom he opened talks) to fight against the now converted General Feng whose ambition was to capture the old capital of Peking? From March 1928 there was very heavy fighting in the Peking/Tientsin region.

The Japanese reacted equally strongly to the successes of the Northern Expedition. They had earlier in the days of Foreign Minister Shidehara put up with many insults and obstructions in the Yangtse valley area, primarily instigated by the KMT left wing. In May 1927, the new Tanaka government had sent a relatively small expedition to Shantung 'in order to protect Japanese citizens'. The troops were withdrawn in September. More significant were the two more serious expeditions sent in April/May 1928. Unfortunately for policy-makers, the commanding general whose mandate was to protect Japanese life and property in the port city of Tsingtao decided to send his troops westwards along the railway line to the provincial capital of Tsinan, without cabinet authorization. Fighting resulted; and 'appalling atrocities were committed on both sides'. The Japanese presence at the strategic point of Tsinan frustrated the revolutionary armies on their path to Tientsin and forced them to divert to the west. It is estimated that with reinforcements Japanese troops numbered 17,000 for the protection of 2,000 Japanese civilians. The unravelling of this complex operation took the skill of the Foreign Ministry for three years.²⁸

Despite this assistance, Chang Tso-lin's forces were losing ground. On the ground he was unquestionably the beneficiary of this Japanese intervention. It served as a bulwark for his advance headquarters in

Peking. He could not publicly approve of Japan's actions but he could accept it as something which helped him to stay on in Peking a little longer. Manchurian opinion had turned very anti-Japanese. But he only received a whisper of long-term Japanese support. He had made himself a 'generalissimo for the pacification of the homeland' and professed to be working for the unity of China and saving it from Bolshevism. With these laudable aims he hoped to win the moral support and financial aid of the anti-bolshevik West. But in vain – the Powers had other plans. One by one, they were considering their futures in collaboration with the Nationalist movement which had shown itself to be progressive, anti-communist and militarily strong. They were satisfied with the steps that had been taken to rid the party of its communist leanings and saw it as the force most likely to be able to unify north and south China. Japan, too, was playing with both sides.

"THE FINAL ACT"

Chang established himself in some luxury in Peking erecting a magnificent private palace to impress visitors. By portraying an impression of opulence, he hoped that he could more readily attract the moral support and financial aid of the West against the KMT. He professed to be working for the unity of China and promised to free it from Bolshevism. But the Chinese did not have full confidence in his integrity over these boasts.

The KMT forces announced their intention to make a combined attack on Tientsin in order to cut off the escape route for Chang's troops to their homeland. Since Tientsin was the site of five foreign concessions with extensive investments throughout China, Japan wanted no trouble there. As a result the army issued a strong warning and a stern recommendation: retreat peacefully back to Manchuria and we will prevent your opponents following you. This showed the limits of practical support he could rely on from Japan, far short of what he was expecting. Early in June, when the military situation deteriorated further, the Japanese decided to pass over a final ultimatum. Minister Yoshizawa visited Chang and told him that, if he withdrew straightaway, Japan would seal the frontier and Chang would be safe; but, if he stayed south of the Wall, he would not be protected. At first, Chang refused, saying that he was

fighting Japan's battle against communism and could not understand the new Japanese attitude. After making frantic attempts to think up options other than withdrawal, Chang reluctantly adopted the first course which was an admission of defeat for his principles.²⁹

On 1 June, Chang gave a farewell tea party for the whole diplomatic body in his palace in Peking. In a short speech which is described by Minister Oudendyk, he bade them an affectionate farewell, saying that he had tried to preserve law and order during China's civil strife as he had earlier tried to do in Manchuria. Without any mention of his defeat, he merely said that the Marshal's headquarters were being moved from Peking to Mukden. It was a sad *au revoir* and touched most of those who attended. Miles Lampson, the British minister in Peking, confided to his diary on 1 June:

We all felt that we are witnessing the final act in the failure of a man who, whatever his faults, is a great personality and who has courage. There are not many such in China, and though he represents an order of ideas incompatible with modern developments in China, I certainly greatly regret his failure.³⁰

It is often debated whether he may have had a presentiment of the fate which awaited him. Probably not – otherwise he would not have made his departure so public. Although he lived a life which was permanently in danger, Chang was an optimist, exaggerating his own strength and security. He probably felt he had guarantees from the Japanese. Moreover, he had a strong personal guard. The skill of Japanese military intelligence in concealing the events in prospect was, however, greater than Chang's own grass-roots intelligence sources.

Chang left Peking in a luxury railway carriage on 3 June 1928 in order to travel to his capital in Manchuria. As Chang approached Mukden at 0520 hrs the following day, there was an explosion on the SMR bridge above the line on which he was travelling. Chang's coach was immediately under the collapsing bridge. He was seriously injured and rushed to hospital. All sorts of rumours circulated about the cause of the detonation. Chang, of course, had enemies galore who might have been tempted to set off a bomb. In Mukden there was talk about his recovery which could not be verified in the blanket of secrecy which surrounded these events. But the foreign community had access to special information. Dr Christie reported:

An hour after his train was blown up, some of our doctors [from the Mukden Medical College] were summoned to his aid, but he passed away just as they entered the door. His death was kept secret for some weeks, reassuring announcements being made, and thus the excitement and fear among soldiers and people had no serious consequences.³¹

The whole document from which this is an extract is an important historical source and is reproduced in full in Volume 2. It shows the reaction of those who had regular contact with Chang and appreciated his sympathetic approach.

From later evidence it is accepted that the explosion was the result of a plot to assassinate Chang by a group of Japanese officers, acting without government authority. But it took a long time for this to be verified and as late as 1933 the British minister in Peking was still writing that Chang had been 'assassinated in circumstances which have never been cleared up'. The Japanese Foreign Ministry record (*nempyo*) has no hesitation, however, in stating that Chang, 'having been defeated, died in the course of withdrawal on account of an explosion in his railway carriage planned by a unit of the Kwantung Army'.³²

A committee of public safety asked for a brigade of Chang's troops under General Pao to stay on in the south until stability was restored. This was agreed. But when the KMT armies entered Peking, those 'left-behind' were arrested, disarmed and only released after strong diplomatic pressure. Such was the animosity between Chinese soldiers of the various cliques.

A new dawn opened for China with the KMT army proclaiming unification in Peking but also for Manchuria freed from its dictator for fifteen years. Chang was a magician. He had managed to harmonize with the various bodies with which he had to do business because he had few political principles. Though he probably hated the Japanese, he was dependent on their goodwill, advice and financial aid and assured them that he was not neglecting their interests. Though they clearly wanted him to desist from sending his troops south of the Great Wall, he ignored them repeatedly. With successive governments in Peking, he assured them that he was loyal and devoted to China's overall interests. He managed to sustain in existence the Mukden clique of squabbling warlords. With the CER and Russia, he was anti-bolshevik and deeply suspicious of railway imperialism but ready to do a deal.

Because of his high office, Chang had to cope in his administration over the years with the problems of famine, flood and plague. Millions of ref-

ugees emigrated every year into Manchuria from Shantung, fleeing from misgovernment by the unsettled regimes in north China. In his last year the population problem had become even more serious as the result of Japan making Shantung a war zone. The tide of emigration accelerated when fighting began. The consequences are described by a missionary from Manchuria:

The misery of the Mukden refugees who are crowding Manchuria is the problem nearest to us at present. It is unbelievable except for those who have actually seen it with their own eyes. Old folks who can scarcely drag themselves along; young people and babies in arms... Streams of them looking for a place in which to find refuge from the misery of the past. We have had fathers and mothers offering their children to us for sale at our very doors.³³

The areas most affected by these migrations were those closest to the Japanese zone in Manchuria, the districts around Mukden and Liaoyang generally. It might have been desirable for Chang to stop his expensive ventures below the Wall, concentrate on the social needs of his homelands and implement his claimed desire for reform. But he was a military man and gave priority to his strategic ambitions. The result was that the people were anti-warlord and anti-Japanese. Unsettled with economic neglect, they both had grown dissatisfied with Chang himself.

A string of memoirs by foreign diplomats who had dealings with Chang present a surprisingly favourable view of the man, even if they deplore his violent and ruthless methods. He wanted financial aid from abroad and promised to uphold the existing foreign treaties. So he avoided clashes with the diplomatic body of Peking. We have already quoted Lampson's views. Oudendyk, dean of the diplomatic body, sums up his assessment:

Chang Tso-lin was an outstanding and sympathetic personality..... Having risen successfully to a high position he thought he would be able to do still greater things. He failed because his vision did not go farther than Old China.³⁴

Of course Chang also antagonized many foreigners. There is no pro-Chang lobby in Japan or Russia. GE Morrison had not a good word to say for him in his earlier years, describing him as a brigand. Yet he impressed the foreign missionaries as this extract from a letter from Dr Christie shows:

While the rest of China is in turmoil, Manchuria enjoys comparative peace and prosperity [April 1926]. However much we may criticize his policies, it must be acknowledged that foreigners owe him much for the protection of his army in Shanghai, Tientsin and elsewhere during a time of great danger. For this friendly act, he suffered much from his countrymen and received but little thanks from anyone.³⁵

The last word must go to Dr MacCormack, the author of a monumental biographical study of Chang, who offers a balanced but ultimately unfavourable assessment:

He was not a charismatic leader but a man of shrewdness, adaptability, ambition and on occasion ruthlessness... Yet he was also the greatest of the warlords, dominating in the Northeast one of the richest, largest and strategically most vital areas of China from 1912 until his death in 1928.³⁶

In the 1910s Chang was a force to be reckoned with; in the 1920s he was in the forefront of Chinese political life.

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Chapter Seven

Chinese Nationalism and Foreign Railways,

1929–1931



ONLY TIME WOULD tell whether the killing of the Old Marshal would result in chaos or orderly transition. Fortunately, the latter prevailed; and it was possible for Western sympathizers of China like Dr Dugald Christie to take an optimistic view of the future:

We may now confidently hope that a better day is dawning for China. The Nationalist rule is yet in its infancy, and its development will naturally take time, but the real work of reconstruction has begun. Already the army is being steadily reduced, and important economic and political changes are taking place.¹

The more wary, however, looked to the future of China the Nation with apprehension:

The nation is now actually politically organized, and the political machinery is at the mercy of whatever political gang is in power. It is absolutely based on Soviet and Facisti principles. There is no room whatever for Opposition or for real popular argument and free discussion.²

The underlying popular nationalism which this bred led to the minor Sino-Russian War of 1929 and the descent of Sino-Japanese relations to bitter hostility. These two themes form the substance of this chapter.

It was some months before the circumstances of Chang Tso-lin's death leaked out publicly. Speculation abounded about who had per-

petrated the crime and how and why. The purpose of the plot was specifically to get rid of Chang Tso-lin whom some Japanese saw as an obstacle to achieving their ambitions. A secondary aim was more generally to destabilize the administration in Manchuria. But as a result of Chang Hsueh-liang's delaying tactics the predicted chaos did not materialize. Law and order were upheld and a peaceful transition to power of Hsueh-liang took place.

The bomb plot was a failure for Japan and a snub for Prime Minister Tanaka. It was locally and conspiratorially arranged and not authorized by Tokyo, either military or civilian. It was evidently not approved by the Kwantung army as a whole. It failed also as a political tactic to settle Sino-Japanese differences in a direction favourable to Japan. Amidst all the uncertainty, it was even suggested that the real perpetrators were associated with the Kuomintang and its Northern Expedition, of which Chang Tso-lin had been a long-standing opponent. That was plausible enough. Some local Chinese were arrested to deceive the public. Internal enquiries into the outrage were made, both in China and Japan. Tanaka instituted urgent army investigations and was annoyed and shamed by their findings. A joint Sino-Japanese investigation was held, but no joint report was published. For many years enough evidence to attribute blame was not generally available; and the case was not fully resolved until 1947.³

CHANG HSUEH-LIANG

Chang Hsueh-liang, generally known as the Young Marshal, was under thirty years of age at the time of his father's assassination. Born in Haicheng in 1900, he was educated at Shenyang YMCA and privately by Chinese and American tutors. He went on to study at the Mukden Military Academy before becoming its principal after graduation. In 1924, he commanded the Fengtien 1st army and two years later the province's 3rd army in campaigns north of the Yangtse River. It was therefore not inappropriate for him to succeed his father in July 1928 with the title of 'commander-in-chief for preserving the peace of Manchuria'. Whether he was a good general is a matter of dispute as most of the campaigns for which he was responsible ended in failure. Although he was known to disagree with many of the views of his father, he was by the Chinese conventions of the day a natural choice to succeed his father. Reginald Johnston describes the reality of power in Manchuria thus:

Manchuria, be it remembered, was at that time a monarchy in all but name, owing only a shadowy allegiance to the central government of the Chinese republic. Chang Tso-lin had wielded a power that was greater than that of most monarchs, and it was taken for granted that he would be succeeded by his son.⁴

In the years 1926–1928 when his father was installed as supremo in Peking, Hsueh-liang became a familiar figure in international circles there. To many observers he was merely a playboy and, from time to time, a morphine addict. But he had many social skills which made him popular in Western circles: he played a good game of golf and tennis; he was a skilful bridge player; he rode and was a generous host. Miles Lampson, the British minister who knew him well, was particularly impressed, writing that ‘a nicer and more intelligent young fellow it would be hard to find’. Outside the diplomatic conclave he was also popular. Dr Christie who knew him in Manchuria wrote that he ‘has been a personal friend since his boyhood, and has always taken an interest in the College’.⁵

Hsueh-liang intended to stay behind in Peking after his father’s departure but, when he heard of the death, he quickly flew to Mukden. At first, he cautiously kept a low profile, fearing that the older generals including the governors of Kirin and Heilungkiang would not subordinate themselves to him. The Japanese who were anxious to have an early interview with the Young Marshal found it impossible to trace his whereabouts. When it became clear that he would be acceptable to succeed his father, he emerged from the shadows and took over as *tupan* of Manchuria. But how would he react to the new Nationalist leaders in Nanking whose armies had captured Peking in June without a battle and also taken Tientsin? One well-informed Chinese wrote in September:

The new governor [CHL] is on the friendliest terms with the new Nationalist Government, and according to those who know best it is only a matter of time when [before] Manchuria links up with the rest of China. Another most reassuring thing is that Japan of late has modified her policy, and shown a much more conciliatory spirit. People who feared that Japan might intend to interfere and annex parts of China are now feeling relieved.⁶

As we shall see, the position was much less clear-cut than it appeared to this writer.

The Young Marshal was uncertain which way to turn. The more he talked with Chiang in Nanking, the more difficult it was for him to please Japan. He seems, therefore, to have initially set out to please both parties. The Tanaka administration, however, regarded the Nationalists as revolutionaries who had absorbed much Soviet influence and were a threat to Japan's security. Throughout China, there had been widespread anti-Tanaka demonstrations before Chang died and these demonstrators now vented their spleen against his son as 'Japan's puppet'. After his appointment the Japanese turned up the pressure through the Consul-general in Mukden, Hayashi Kyujiro, who had taken up his post in March 1928. He was an experienced diplomat with long experience in China. The post of consul-general with control over consuls distributed around Manchuria was really of embassy status.

Together with Minister Yoshizawa in Peking, Hayashi urged Hsueh-liang to avoid contact with the KMT. In August, Japan also sent over a special emissary, Baron Hayashi Gonsuke, who was to attend the funeral but was also mandated to hold conversations with Hsueh-liang. He was a former envoy to China and to Britain. His message to the Young Marshal was to keep the *status quo* established by his father, avoid negotiations with the Nationalists and prevent the Southerners from penetrating into Manchuria. This was accompanied by offers of help and a warning of dire consequences if he continued with a conciliatory policy and pursued peace talks with Nanking. But the special emissary in his report was pessimistic about the Chinese reaction. The Young Marshal's advisers and the populace generally were firmly moving into the anti-Japanese camp so that he realized that he would gain in popularity if he were to come out against Japan. Nonetheless, he promised to defer a decision on dealing with Nanking for the time being. At the same time, he doubtless had in the back of his mind his father's goals of achieving Manchurian autonomy and independence in the long term.⁷

MUKDEN AND THE KUOMINTANG

Those who looked at the China scene more broadly after its unstable warlord years welcomed the coming to power of a KMT-based government of national unity in October under the leadership of General Chiang Kai-shek. In reality, Chiang was still at odds with many of the

generals in the south and in no position to unify the provinces north of the Great Wall by military means. He therefore sought an arrangement with Hsueh-liang who was made a State Counsellor of the Nanking government in October. While Chang threw in his lot with the KMT, he let it be known that his terms would be, first, virtual independence for Manchuria; second, the promise of no KMT branches being established in the Eastern provinces; and, third, the inclusion of Jehol within his bailiwick. These aspirations were never formally granted but the KMT flag was flown on public buildings in Mukden in place of the Chinese Republican flag from the end of the year. It was a symbolic act visible to all. Formal submission was pledged to the Nanking government which in turn confirmed all high officials in Manchuria in their appointments. In January, the Young Marshal was given the command of the Northeast Frontier Defence Force with responsibilities extending to Jehol, a part of Inner Mongolia with an area of about 60,000 sq miles. Though the Eastern provinces came nominally under the control of Nanking, they remained virtually independent.

During its first two years, the Nationalist Government was engaged in a continuous struggle to maintain its power by military action against the various political leaders and generals who all professed nominal allegiance to the party. For this it needed the help of its allies. But, during the civil war of 1930, the Young Marshal refused for several months to accept a further appointment as Deputy Commander-in-Chief of the Nationalist Forces or to allow Manchurian forces to participate in the conflict. In October, however, he accepted this new office and ordered his troops to fight south of the Wall. They duly occupied all of Chihli and its railways. For Hsueh-liang to deploy his formidable army into north China in order to assist Chiang would have been unthinkable in the days of his father. Equally, his decision to hold out for many months against allowing Manchurian forces to participate in the civil war showed the strength of his own position.

When the Manchurian forces came out on the side of the Nationalists, it virtually sealed the issue. Leaders of the rebellion conceded defeat; peace was restored; and Chiang Kai-shek became more secure in the control of the central administration. Chang Hsueh-liang thereby acquired a status equivalent to Nanking (where China's capital now moved from Peking). Although Manchuria had nominally come under the control of the central government, it remained virtually independent.

Inevitably, the two administrations would be testing their powers in the next few months and inevitably sending divided messages.

RELATIONS WITH JAPAN

Japan had failed to establish an amicable relationship with the Young Marshal immediately after his father's death. The Japanese had initially been optimistic in that Chang Hsueh-liang was seemingly less infected than his father with the virus of power-seeking in Peking. But he proved to be suspicious and distrustful of Japan. Consul-general Hayashi Kyujiro felt that he had established a cordial relationship with the new ruler and discussed regularly with him. It was his task to warn Hsueh-liang not to enter into peace negotiations with the KMT or to hoist the new Nationalist flag in Manchuria. The Young Marshal accordingly agreed to defer a decision for three months. But he finally came round to hoisting the Nationalist flag at the end of the year. However, when the three Eastern provinces were publicly united with the KMT, a party which symbolized 'China for the Chinese' and the elimination of all foreign rights and influence, they drifted inexorably into conflict with Japan.⁸

Serious distrust between China and Japan had existed since the Tsinan affair and, naturally, distrust was redoubled when evidence about the Japanese involvement in the Old Marshal's assassination began to surface. The army and its political associates put pressure on Prime Minister Tanaka not to take strong measures against the officers involved and wanted the incident to be handled administratively in-house in army courts. He publicly denied impropriety on the part of the perpetrators of the plot up to December 1928. But this line became untenable when the sole Elder Statesman insisted that, if crimes had been committed by Japanese soldiers, they should be punished. Tanaka presented a report to the throne in December which conceded that 'regrettably soldiers of the imperial army had been involved' in the incident. He was reprimanded by the Emperor and had to agree to their being punished. On 2 July 1929, the Tanaka cabinet, already much criticized on a number of fronts, resigned. Tanaka himself did not long survive and died on 29 September, a man disappointed that his 'positive policies for China' had dismally failed, though he had at least succeeded in negotiating the withdrawal of Japanese troops from Tsinan.⁹

A new party government took over with Shidehara as foreign minister. It reverted to the policies of non-interference in China's domestic affairs which it had followed during a previous spell in office earlier in the decade. So a new policy of conciliation took over for two years as attempts were made to resolve current problems. But the course was not smooth. Chang Hsueh-liang resented Japan's advice and any whiff of paternalism. He employed a network of legal barriers to obstruct Japanese economic penetration. Anti-Japanese movements were springing up in Chientao and elsewhere. Much anti-Japanese criticism was generated by the KMT propaganda offices that were sprouting all over Manchuria in spite of the assurances which had been received. Moreover communist cells were active in the principal cities; and coal miners were especially vocal in their public protests against Japan.

In response to this, Japanese civilians in Manchuria, now an important lobby though small in number, were hardening their attitudes. Most important was the Manchurian Youth League which held regular meetings in the major cities criticizing Tokyo for its lack of action. Needless to say, these protests were music to the ears of the Kwantung Army whose younger officers were genuinely worried about Japan's lack of raw materials in a dangerous world of international depression. They saw one solution as lying in the resources of Manchuria; and many were looking for grounds for military intervention there. More broadly they felt they had a voice that had to be heard and wanted to present themselves as 'the Emperor's army' and not as an army subordinate to a government of civilian politicians.¹⁰

THE FIRST MANCHURIAN INCIDENT, 1929

The first Manchurian Incident was between the authorities in Mukden and the Soviet-dominated CER. It was a risky undertaking for Manchurian authorities to try to take over the Chinese Eastern Railway; but Stalin was thought to be concentrating on his Five-year Plan and not giving high priority to East Asian affairs. For his part, Hsueh-liang wanted to establish his credentials as a leader and to show his masculinity. How better to do this than by adhering to the mantra of 'revolutionary diplomacy' which the Nationalist government had been promoting in China proper? It was pursuing an anti-imperialist

line calling for the abolition of unequal treaties and the need for recovery of Chinese rights. Hsueh-liang was happy to follow suit and call for the revision of all foreign treaties. He was moreover hostile to communism like his father. In the north of Manchuria, the Mukden treaty of 1924 was supposed to have established ‘joint management’ of the railway but in practice the Chinese managers had little say, far less control, over its affairs. Matters came to a head when stories were circulating about the propaganda circulated by CER offices in Harbin which were in effect administered by Soviet managers.¹¹

Chang’s offensive began with his take-over of telegraph and telephone lines early in the year. It continued with a raid on the Soviet consulate-general in Harbin on 27 May which resulted in the discovery of subversive documents. On 10 July, the Chinese closed the Soviet trade mission (*torgpredstvo*) and the Soviet Maritime Marine offices (*Sovtorgflot*). They seized the railway union offices and detained over 100 Soviet officials, some of whom were deported. After taking over the CER, the general manager and his assistant were dismissed and sent back to Russia. To add insult to injury, they were replaced by White Russians. This amounted to an attack on all aspects of the Soviet railway by a sort of *coup d'état*, as Japan’s consul-general described it. Mukden claimed that the administration of the railway was not being conducted in accordance with the agreed principle of ‘joint management’ and was being exploited for the dissemination of communist propaganda. These claims had been fermenting for some time and did not come as a surprise. Only the scale, boldness and suddenness of the exercise amazed foreign observers. The CER passed into Chinese management.

The Nanking government was not directly interested in the CER, none of the revenues of which reached the central Treasury. It was probably not consulted in advance about this drastic action; but a public statement by Chiang Kai-shek in the name of a united country endorsed the action which had been initiated locally and seemed to accord with the objects Nanking was trying to promote in China proper. Nanking, however, came to be affected when the Soviet Union broke off diplomatic relations and had to agree to open talks. Behind the scenes Stalin’s advisers were in disarray over the country’s long-term objectives in Manchuria and delayed their response.¹²

After some months of sporadic raids and artillery shelling on the borders, skirmishes developed in November into regular hostilities. Threat-

ening statements of the intentions of the Red Army were broadcast from Khabarovsk and on 17 November intensive hostilities broke out on both the eastern and western frontiers. The crack troops under General Vasili Blyucher, a former military adviser to the Nationalists in Canton and now commander of the Soviet Far Eastern Army, staged an invasion with artillery and aircraft. The large force of 20,000 Chinese was driven from Manchuli on the frontier. A few days later, Chalainor was taken and occupied by Soviet troops along with Manchuli. Chinese forces retreated in disarray to Hailar, where bombing by Soviet planes completed their demoralization. The Soviets seem not to have had at any time more than a few thousand men on Chinese soil and never advanced beyond Hailar. They only suffered 123 dead and 605 wounded casualties as compared with the Chinese who lost over 1500. The Manchurian soldiers were a great disappointment to their leaders.¹³

For his part the young marshal could not resist the Soviet invasion. He could not expect the support from Japan that his father had often relied on. Nor did he get help from the League of Nations or the international community though the US did offer mediation under the new Kellogg-Briand Pact (1928). The Soviets argued that this was a matter for direct, local negotiation, not outside intervention. The Mukden authorities, therefore, capitulated and were forced to accept USSR demands during ceasefire talks conducted on Russian territory at Khabarovsk. This meant the suspension of hostilities and the restoration of the previous CER railway structure; reinstatement of the Soviet element in its management; and release of Russian officials detained. It was the Manchurian authorities that concluded the Khabarovsk Protocol independently of the Nationalist government, though negotiations were nominally conducted in the name of Nanking. On 22 December, a convention was signed whereby the *status quo ante* was established in the management of CER; but Nanking would not ratify the agreement. The CER returned to its former state; and Soviet forces withdrew. Through traffic to Europe was restored after the damage caused by Soviet bombing and retreating Chinese troops had been repaired. But further discussions about the railway's future were to take place in Moscow. Mo Te-hui was appointed as the new Chinese president of CER while the top management posts went to Russians.

Mo Te-hui was sent to Moscow as the Chinese delegate. He received his appointment from Nanking, not Mukden. None of the Chinese

parties wanted a Sino-Soviet conference: Nanking was opposed to any recognition of the Khabarovsk protocol; and Mukden was fearful of a resumption of the Soviet blitz of 1929 and remained an observer. Mo personally did not welcome this difficult assignment. On the Soviet side, the negotiation was led by Karakhan, the Old China Hand and experienced diplomat. It took months of protracted unofficial parleys before the conference was convened on 11 October 1930. Mo conscientiously avoided all mention of the earlier Khabarovsk protocol. A second conference on 4 December also led to no meeting of minds. The Chinese delegate asked leave to return to China for instructions, returning after an elongated respite of three months.¹⁴

The conference resumed on 11 April 1931 and held twenty-one sessions without reaching any firm conclusions. Mo raised the question of redemption of the CER to China. Karakhan did not discount the possibility of selling the CER but stated that there would be pre-conditions and technical difficulties in estimating the value of the line. These would have to be settled before discussion could proceed. The talks which had limped along were in effect adjourned when the bomb blast on the SMR line on 18 September changed the situation in Manchuria for good.¹⁵

Hsueh-liang had few cards to play to avoid the appearance of defeat. In other circumstances the Chinese might have exerted pressure on the Soviet Union by arranging a boycott of their goods; but Russia did not have substantial trade interests in China proper against which action could be taken. In any case, the Young Marshal preferred to get involved in the civil war which was developing south of the Wall in aid of Chiang Kai-shek and eventually withdrew some of his troops.

The Blyukher episode illustrates the difficulties China faced in trying to recover her rights while the country was divided between Nanking and Mukden with them having different agendas. It was easier for Nanking remote from the action to take an uncompromising stand than it was for Chiang Hsueh-liang who had to live with the Russian presence. The Young Marshal learnt that he could not rely on practical support from Nanking in an emergency. Furthermore, he came to realize how determined nations were to hold on to the treaty rights and privileges they had legally acquired in former years. Paradoxically, the foreigners in China's treaty ports, normally solidly anti-communist, looked approvingly at the Soviet military action in this 'undeclared war': just the way China ought to be dealt with, they said.¹⁶

DIVERGENT JAPANESE OPINIONS ABOUT MANCHURIA

The Minseito cabinet with Shidehara as foreign minister came into office in July 1929 after the failure of the Tanaka cabinet in its ‘positive policy’ towards China. Shidehara’s policy was advertised as being pacific in its intention; and there was abundant evidence that this was in fact the case. He was an apostle of non-interference, though that did not mean that Japan would willingly give up its treaty rights. Over the years it was neither successful nor popular.

The Nationalist government was seeking recognition. Formal recognition as the *de jure* government of China was first given by the US on 25 July 1928. By the close of that year all treaty Powers apart from Japan had recognized the Nanking government by signing tariff treaties. In the case of Japan recognition was only given on 3 June 1929. One of the delaying factors was the continuing presence of Japanese troops in Shantung province and the Tsinan incident. They had offered to withdraw these but deferred doing so because the new Nanking government feared the occupation of the province by troops of General Feng. It took time before the last of her troops were repatriated. After another diplomatic hiccup, her new minister, Shigemitsu Mamoru, took over in Nanking, the home of the new government, and relations improved.

Naturally, Manchuria was a focal point for revolutionary nationalism which China’s new government practised. Negotiations over tariffs, extraterritoriality and general treaty revision raised all manner of contentious issues between the two countries. But it was Nanking’s attempt to challenge virtually all of the treaties on which Japan’s rights in Manchuria were based that caused most of the trouble. Since it did not recognize the 1915 treaty (see ch 5), it called on Japan to evacuate the Kwantung Leased Territory in accordance with the original Russian lease of 1898, that is, Japan should have moved out in March 1923. This she had not done and did not propose to do. There were also a number of railway matters which soured the relationship. First, the progress with the Chinese lines: over 500 miles were built by China by the end of the 1920s. It seemed to Tokyo that China was trying to strangle the SMR. Second, China had defaulted on a number of loan arrangements with the SMR. Third, the Japanese claimed the right to install railway guards within the SMR railway zone in order to protect Japanese interests against con-

tinued disturbances due to civil wars and banditry – a practice which Mukden authorities greatly resented.

Even the Kwantung army with their anti-soviet obsession were privately impressed by the competence of the Soviet campaign under Blyukher's leadership. The speed and fire-power with which the uncontested Soviet army had dealt with superior Chinese numbers had to be taken seriously. The army had earlier been disappointed that the cabinet had not taken advantage of the confusion caused by the murder of Chang Tso-lin. They therefore resorted to doing things for themselves. They had dual objectives: to keep an eye on the activities of Chang Hsueh-liang in his new adventurism and on Soviet military movements after their recent successes. The Chinese were whipping up anti-Japanese sentiment in schools, newspapers, posters, etc. In return, the Kwantung army were whipping up anti-Chinese sentiment in order to induce the Tokyo government to adopt a more active positive policy on Manchuria.

The case of Captain Nakamura Shintaro which arose in June 1931 was an example of what was going on all over Manchuria where active young officers went in pursuit of intelligence. He was *shina-tsū*, that is, an Old China-hand proficient in Chinese. Travelling incognito in the northwest of the country as an agricultural expert, he was accompanied by Isugi Entaro, who was a sergeant-major in the reserve. Both looked every inch like soldiers; and it is not surprising that the Chinese were suspicious about their activities. It emerged that Nakamura and his companions were shot dead by Chinese police or soldiers around 27 June. Whether the Chinese authorities were implicated or not, they naturally wanted to keep the matter a secret. The Japanese, too, were slow to respond since they thought it was inappropriate to publish the news, as Nakamura was on an intelligence mission. The story did not, therefore, leak out until 17 August. The Manchurian Youth League (*Manshu seinen remmei*), a body of some 2000 Japanese residents in Manchuria, tried to stir up trouble by holding a memorial service for Nakamura in Mukden ten days later. This put pressure on the Chinese to conduct more detailed investigations and offer an apology. The *Manchurian Daily News* and other anti-Chang media stirred up trouble. The first government report being unsatisfactory, a second investigation at the highest level was called for. Eventually on 18 September, after much prevarication, the Mukden authorities admitted that their soldiers had been responsible for the shooting and had been brought to Mukden for an early trial.¹⁷

1



Contemporary photograph of the destroyed Russian fleet at Port Arthur, following Japan's naval victory, February 1904.

2



Great wall at Mukden, c. 1900.

3



Painting by Takashiro Kanokogi, depicting the 'Battle around Mukden', 15 March 1905.

4



Pu-Yi as the child Emperor Xuantong (1908-1912) before his forced abdication following the Xinhai Revolution.

6



British-American Tobacco's first commercial expedition into mainland China by mule train, c.1908.

Yuan Shikai (16 September 1859 – 6 June 1916), Chinese general, politician and Emperor, famous for his influence during the late Qing Dynasty and his role in the events leading up to the abdication of the last Qing Emperor, his autocratic rule as the first formal President of the Republic of China, and his short-lived attempt to restore monarchy in China, with himself as the Hongxian Emperor.

5

7



1919 – Siberian Intervention. Meeting of the leaders representing the two Powers, Japan and the United States, which supplied the largest forces.

8

Manchurian warlord Chang So-lin (centre) with his son (left) Chiang Xueliang, c. 1928



9

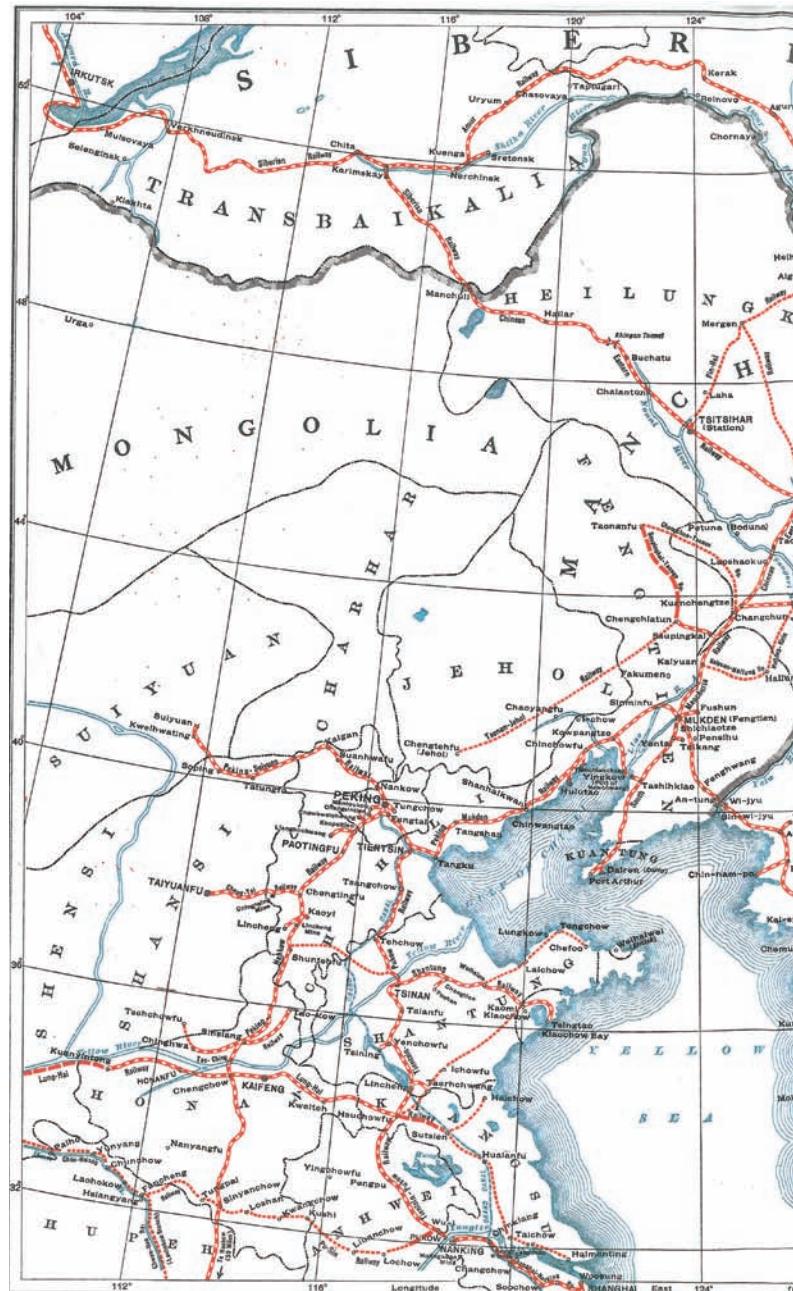


Chang Hsüeh-liang inspecting the Fengtien airforce, c. September 1924.

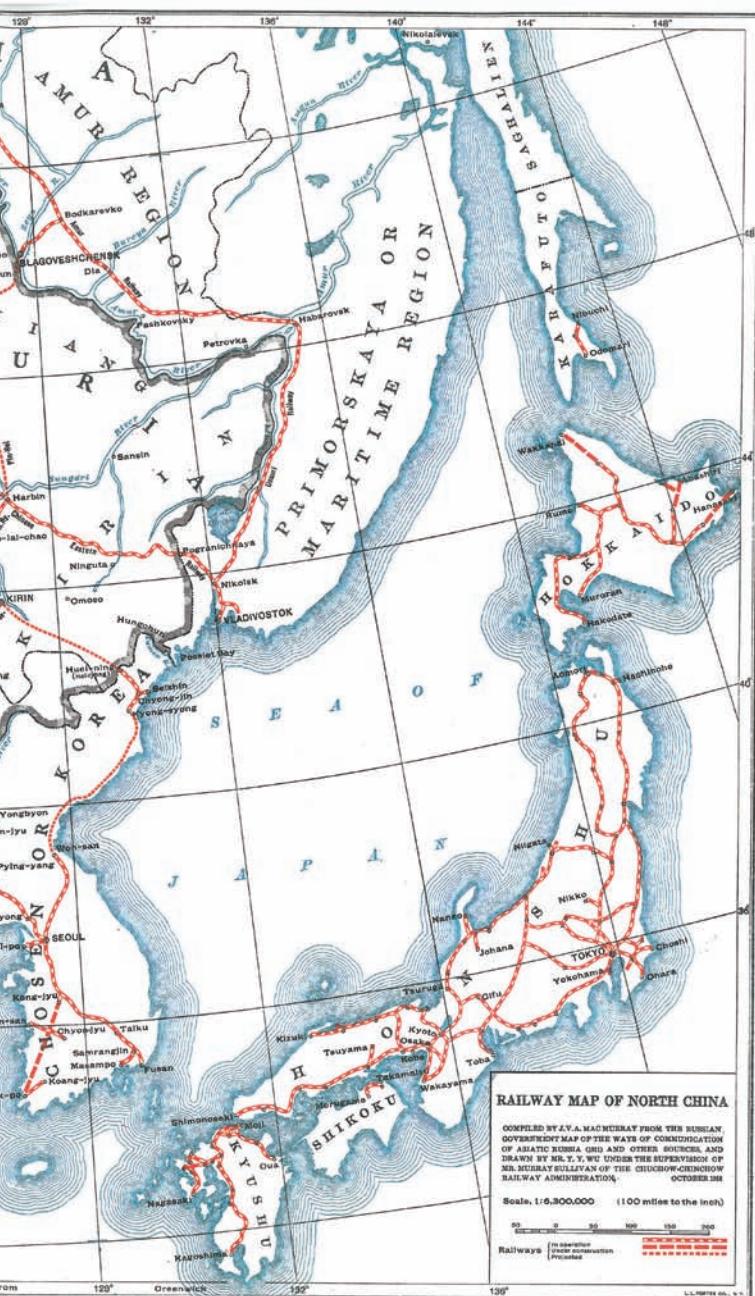
10



Pu-Yi (1906-1967), the last Emperor of China, declared 'Executive Head' of Manchukuo by the Japanese in 1932 and 'Emperor of Manchukuo' in 1934 (as pictured).



Railway map of North China. October 1919.





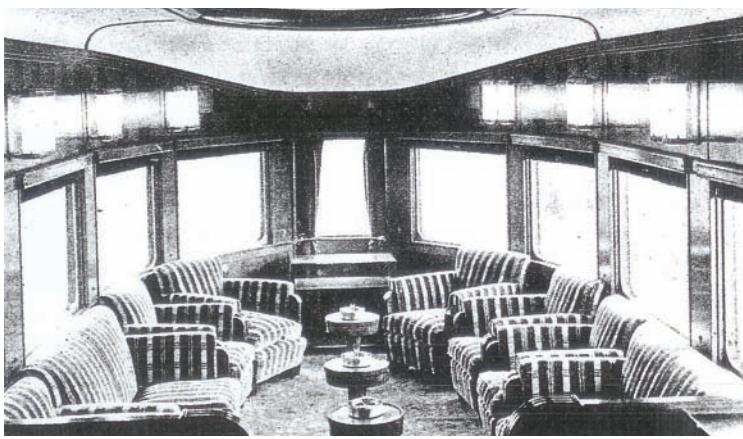
Japanese propaganda lithograph promoting the occupation of Russia's Far East featuring the Russian city of Khabarovsk, during the Russian civil war (1917-1922). 'Our army attacks from sky, water and shore and repulsed enemy of Siberia' – known in Japan as the 'Siberian War', whereas elsewhere it was known as the 'Anti-Bolshevik War'.



1929. In celebration of the Soviet victory over Japan, Special Soviet Far Eastern Army skiers set out from Khabarovsk to Moscow.



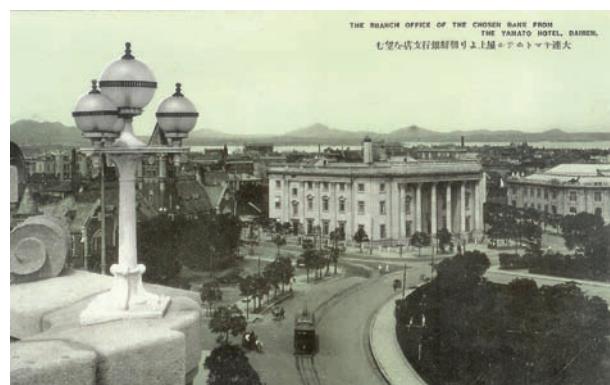
Cover of promotional periodical published in 1938 by the South Manchurian Railway Company featuring '*Asia*' – the company's most famous 'super-express'.



'Asia's' air-conditioned 'noise eliminated' Observation Car.



Head office of the South Manchurian Raiway at Dairen.



Branch office of the Chosen Bank, photographed from the Yamato Hotel, Dairen, c. early 1930s.



Great square in front of Mukden Station, c. early 1930s, the actual caption describing it as 'The crowded great square in front of Mukden Station'.



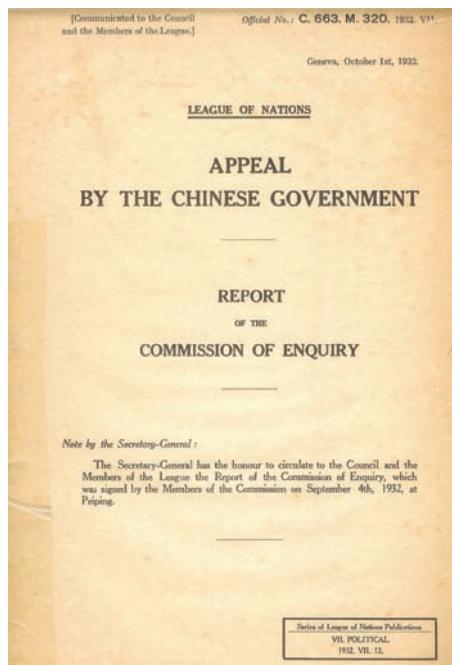
Yamato Hotel, Mukden, c. late 1920s.



Kwantung Government building c. mid-1930s.



Dalian Hotel, Dalian, Manchuria.



Cover of the Lytton report, 4 September 1932.

23



Members of the League of Nations Commission of Enquiry at the place where the SMR railway line was blown up, north of Mukden, known as the 'Manchurian Incident', April 1932.



Marshal Chiang Kai-shek with Madam Chiang and Sir Alexander Cadogan, c.1937.



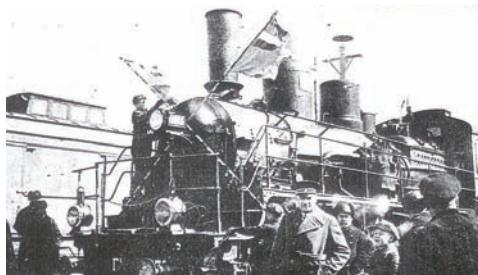
Foreign Minister Uchida Yasuya (front centre) and Lord Lytton (front right) with commission members at the Foreign Ministry, Tokyo, 7 July 1932.



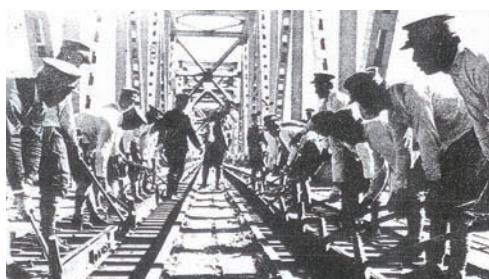
SMR Railway Directorate General, Mukden.



Datung Avenue, Hsingking (literally 'new capital'), 1939, renamed by the Japanese as the capital city of Manchukuo. Originally (and today) Changchun, capital of Jilin province, northeast China.



North Manchurian Railway passes from Soviet hands to Manchukuo.



Changing the gauge of the Hsingking-Harbin line so that it is compatible with the SMR gauge.



April 1941. Foreign Minister Matsuoka Yosuke signs Soviet-Japanese Neutrality Pact, Moscow, in the presence of Stalin.



August 1945. Soviet tanks enter Port Arthur.

COMMERCIAL CONSIDERATIONS

In Manchuria, the availability of rail travel encouraged mobility and immigration of labour from north China into northeastern cities. Settlers fled China in search of peace and stability, as many as 1 million moving north in 1928. Transportation also promoted trade and supported economic development; and the Young Marshal had high hopes of exploiting the rail networks in order to create a prosperous and independent country. His father had at first pursued a rail strategy in collaboration with the foreign rail companies but he was angered by the CER when they had refused to transport his troops in 1925. He therefore determined to set up Chinese rail companies on whose loyalty or complicity he could rely. His son went ahead with the building of these Chinese lines in spite of Russian and Japanese protests. Though he drew on Japanese expertise in the building process, it could not be disguised that the purpose of the new lines was to compete with Japan and Russia. The Mukden-Kirin and Takushan-Tungliao lines, both completed and operating by 1930, constituted ‘parallel lines’, that is, lines running parallel to, and competing with, the SMR. These were supposed to be disallowed under the Sino-Japanese Protocol signed at the time of the Peking Conference of December 1905 (see above, Ch. 4). Japan certainly denounced them as a treaty violation, though China was prepared to disregard the susceptibilities of other parties. Some have argued that consensus could have been reached between the old and new railway companies if only there had been consultation.¹⁸ It is hard to see how this could have materialized.

During the economic boom years of the 1920s, the CER benefited from abundant soybean harvests and speculated that this economic success would continue into the next decade. Its management rashly began a programme of expanding its network. Instead it was faced with the world economic depression and the serious disruption caused by the Manchurian Incident of 1929. When rail services, including the through commercial traffic linking East Asia with Europe, were suspended for six months, CER's big financial losses led to staff changes caused by the inevitable dismissals and the return of soviet railway employees thrown out earlier by the Young Marshal. Non-soviet Russians made up fifty per cent of the total Russian population in the Harbin area; and the émigré community suffered more than most in the unsettled political climate. In rural areas where White Russian immigrants predominated, it led to

massive social change. These economic factors were to affect the Soviet attitude towards the second Manchurian Incident when it occurred in September 1931.¹⁹

Japan's problems over the SMR were of a different kind. The SMR was prospering. With its ancillary feeder lines, it was ideally placed to exploit the huge coal and iron reserves of the central plain for which there was strong international demand. By 1930, the Japanese zone accounted for a large percentage of Manchuria's coal and iron output. But the Japanese were suffering from problems connected with over-population in their home islands and would have liked to encourage their nationals to emigrate to Manchuria. Colonization companies were active; but the response was only limited. Certainly, the climate was severe and unappealing to the Japanese, except in the south. Few were attracted by the 'sheepskin life-style' which Manchurians had to suffer for part of the year. Moreover, Mukden would not readily allow farmers from overseas to acquire land, one of the ongoing complaints of foreign governments. Japan was unpopular in Manchuria and the environment was dangerous for immigrants. The majority of Japanese nationals that did emigrate were looking for commercial and industrial opportunities. But for those who sought to spend their lives in agriculture, often in geographically remote surroundings, the Tokyo government found it difficult and expensive to offer protection. This applied particularly to the Koreans who, having dual nationality, felt entitled to expect some measure of protection if they ran into trouble. It was a severe strain on consular resources. There were about 120,000 Japanese in the Kwantung-Leased Territory and 100,000 in the railway zone. The three most popular cities were Dairen with 102,000; Mukden with 47,000; and Antung with 12,000.²⁰

DETERIORATING MANCHURIAN-JAPANESE RELATIONS, 1931

A new climate of nationalism was everywhere to be seen, even in Manchuria. The Chinese blamed Japan for her imperialistic and outdated approach. At a non-governmental level, insults directed at Japanese residents in Manchuria and anti-Japanese demonstrations began to increase in numbers, culminating in the Wanpaoshan incident of May 1931. This and the murder of Captain Nakamura were only two in a multitude of minor incidents but they were exploited by those seeking to disrupt the

attempts of the Foreign Ministry to improve the relationship. Kasumi-gaseki argued in vain that Chang Hsueh-liang was choosing to ignore or bypass many of China's treaty commitments.

Wanpaoshan was a small village some eighteen miles north of Chang-chun, the northern limit of the SMR railway zone. The incident arose from a parcel of rice-land which was sub-leased by a Chinese broker to Korean tenants who proceeded to dig an irrigation ditch which affected adjoining land owned by Chinese farmers. Each group appealed to its national officials who set up a joint investigation that could not reach any consensus. The Chinese farmers tried to drive the Koreans away; but the Japanese consular police resisted their actions and opened fire. Anti-Chinese riots, sympathetic to the Koreans' plight, took place in various Korean cities, as a result of which 127 Chinese were killed and large amounts of property were destroyed. China held the Korean and Japanese governments responsible for failing to suppress the riots; and Japan responded by apologizing and offering compensation. The negotiations did not make any progress. The situation was not satisfactorily resolved; but the Korean settlers stayed on to cultivate their paddy-fields.²¹

Further demonstrations were held among Japanese in Manchuria and Japan where it was argued that strong military action was called for. The Mukden authorities were aware of this and one official reported:

The Japanese government is utilizing the incidents at Wanpaoshan and Chientao as an excuse to dispatch Japanese troops to Manchuria and to take military measures under the pretext of protecting Japanese immigrants.²²

The Young Marshal who was aware of the shortcomings of his army after its defeat at the hands of Russia, was at the time recuperating in a Peking hospital from his morphine addiction. He had to be consulted on such a delicate bilateral issue. Aware of the dangers, he wanted conciliation. He wrote in a telegram to his Northeast Political Commission on 6 July 1931:

If we wage a war against Japan at this moment, our side would certainly lose and the Japanese side would demand cession of territory, indemnity and the Northeast would be sunken into a myriad hells and could never be recovered.²³

Much the same sentiment can be traced in the writings of Chiang Kai-shek.

Foreign Minister Shidehara whose object was to achieve some reconciliation after two years of deteriorating Sino-Japanese relations welcomed this approach. But, as the Mukden consul-general observed, he was frustrated internally by being unable to control the activities of the Japanese military and externally by Chinese anti-foreignism. Moreover, he could not make much diplomatic headway in the face of procrastination on the part of the two Chinese governments in Nanking and Mukden. He welcomed the Mukden government's proposal for resolving the large number of railway disputes, allegedly about 300, through direct negotiations with the SMR. For this purpose both sides appointed special railway commissions. Actual parleys were delayed but some positive progress was made. The Japanese consul-general in Mukden claimed to have over 300 unsettled cases on his books in mid-summer 1931.²⁴

If official opinion was in appeasement mode, at grass-roots level there were accusations of insincerity on both sides. There was an absence of trust on the part of the Kwantung army officers, who clearly wanted to capitalize on the Nakamura incident which affected one of their own and on the confessions extracted. This illustrates how explosive the atmosphere between the two neighbours had become by mid-summer. And there were forces on both sides which were encouraging that explosiveness. It may be said that, while Hsueh-liang was surprisingly compliant, he may by sheer slowness to respond have played into the hands of the Japanese extremists.



At the start of the 1930s, Chiang Kai-shek and the Nationalist Government at Nanking professed to rule over a united country even if they were dependent on their alliance with Chang Hsueh-liang. This chapter has witnessed an astonishing rise of Chinese nationalism within a short period. Popular nationalism had been maturing for a decade and the creation of a Nationalist government brought it to a crescendo, though the enthusiasm did not last long. The problem was that the republic was weak and its strength was further sapped by the ongoing civil war. The Nanking and Mukden governments with a new ideology had both shown

increased determination to recover the country's rights and had secured some successes with the world Powers.

In Manchuria railways represented power. The government of Chang Hsueh-liang was planning to challenge the power of the foreign railway companies. It was not possible to argue that the foreign networks of Japan and the Soviet Union were purely commercial and had no political power and ambitions. The Chinese certainly thought that they were adjuncts of imperial expansion. They judged that imperialism was out of fashion and that they could muster sufficient international support to curb further foreign inroads into Manchuria.

In the northeast, the Soviet Union was not interfering with the Nationalist's drive to unify the country, though she had a long frontier with China where trouble could be expected at any time. But Japan, another country which had a long frontier between colonial Korea and Manchuria, reacted differently. She did not look kindly on the Nationalists' 'revolutionary diplomacy' and was determined to gain 'acceptance for the special rights' (*keneki no yogo*) which she had acquired by treaties over the previous decades. The Nationalists, by contrast, were determined to reclaim some of the rights which they regarded as their birthright and justified this by appealing to the findings of the international conference at Washington in 1921–1922.

The British consul-general who surveyed the contending parties from Dairen, Esler (later Sir) Dening, wrote in July:

Feeling is daily growing more intense, and while Japanese officialdom appears so far to have behaved with considerable patience, the Chinese have made no effort to curtail their policy of anti-Japanese agitation, amounting at times to acts of physical violence.²⁵

The Chinese, inspired by a new zeal to recover their rights, could be unyielding and procrastinating in negotiation. But the Japanese had a more serious problem: there was a split between several points of authority – the officials of the Leased Territory; the South Manchurian Railway management; and the Kwantung army. They would not accept the overriding authority of the consul-general at Mukden.⁽²⁶⁾ In this atmosphere the more extreme thinkers in each category found an outlet. When the 'headquarters' of each entered the field in broad support of this diversity, it was difficult to build a consensus. While, therefore, 'Japanese officialdom' as represented by the consulate-general 'behaved with considerable

patience', it left unresolved many significant disagreements. It was hard to see how the situation could be settled by peaceful means.

ENDNOTES

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4. Johnston, *Twilight*, p. 446
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9. Usui, pp. 179–84; Yoshizawa, pp. 92–7
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16. For the attitude of Japan towards the crisis, see my paper 'Japan and the First Manchurian Crisis' in *Collected Writings*, Part II, Japan Library, 2001, pp. 243–50. There are 3 volumes on 'Mantetsu' in Hara Shobo series, *Gendai shiryō*, vol. 3 being useful especially on the dismissed CER general manager, Ivanov

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18. Akagi, p. 412
19. John Stephan, *The Russian Fascists, 1925–45*, p. 47. B. Chiasson, *Administering Colonies: Manchuria's Russians under Chinese Rule, 1918–29*
20. Mitter, *Manchurian Myth*, pp. 66–8
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23. P.C. Chu, *Wellington Koo*, Chinese University Press, 1981, p. 122
24. M.E. Dening (Dairen) to Lindley, 26 August 1931 in DBFP, 2nd series, Vol. VIII doc. 503. Akagi, p. 414; Kajima, *Gaikoshi*, vol. 18, 30–5; Nish, *Struggle with Internationalism*, pp. 28–30. Hayashi, *Soryoji*, pp. 102–103
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Chapter Eight

Lytton Commission in Manchuria,

1931–1932



ON THE NIGHT of 18 September 1931, Chang Hsueh-liang was being entertained at the British legation in Peking. After returning home he received the report that the Japanese had occupied Mukden, having killed at least eighty Chinese soldiers. He immediately instructed his troops to put their arms back in the depot and refrain from all forms of retaliation or provocation.¹ Chang had taken the decision on his own; but he had received the authority for this non-resistance policy from Chiang Kai-shek who was involved in the civil war in the south. This generated a great debate in China over the proper course of action to be taken towards Japan; the military men were against military action because of the inferiority of Chinese armies, while the general public, especially the students, were in favour, regardless of the consequences.²

'WAR IN DISGUISE'

Japanese forces took over Mukden on 19 September, neutralizing Chang's small air force. The Kwantung army pressed on to other parts, using the rail network. In violation of the explicit orders of Tokyo, it pushed north; and major cities were occupied against minimal opposition culminating in the entry to Harbin in February. The Japanese sought to set up compliant civil and military local governments through

accommodating Chinese leaders, primarily because their troop numbers were inferior to Chinese forces. Their largest problem was in Tsitsihar where the opposition of Ma Chan-shan and the uncertainty over soviet intervention made a settlement difficult. The other problem was westward to Newchwang and especially Chinchow where the armies of Chang Hsueh-liang were still a factor. Missionaries reported that things in Manchurian cities were gradually restored to normal. But commercial conditions were generally bad because of the depression; and there was an on-going guerrilla war, partly bandit-inspired, partly soviet-inspired.³

Instead of risking a major confrontation, China appealed to the League of Nations of which both China and Japan were members. China had become a member of the League of Nations Council as recently as September. It was of course realized that the United States and the Soviet Union, possible sources of help, were not League members. But the Nanking government, now under the influence of General Chiang Kai-shek, felt it had no other choice but to appeal to the League, though the student body still favoured armed resistance. It was encouraged to rely on the League by Dr Louis Rajchman, a member of its secretariat seconded to China since 1929. The British minister recorded:

Gradually Chinese leaders were brought to realize the possibilities of League co-operation, especially after the appearance on the scene of the Polish Director of the Health Department of the League, who made it his duty to act as propagandist for Geneva and who also incidentally espoused the cause of Chinese nationalism with what was seen by some as unseemly zeal.⁴

This course of action was supported by young foreign-educated officials, especially Dr Wellington Koo on whose advice Chang Hsueh-liang in Peking had for some years been relying. While Koo was acting as prime minister for Chang's father, Chang Tso-lin, in 1926, he had resigned because of the latter's reckless raid on the Soviet embassy (see pp. 106–107). He had left for a foreign trip and only returned to rejoin the Young Marshal in Mukden two years later. Now he advised him not to resist but to rely on the League. But this would involve the Nationalist government at Nanking; and Dr Koo had to make his peace with the Kuomintang leadership which he slowly succeeded in doing. He moved to the new capital where most diplomatic activity was taking place. He

was appointed acting foreign minister in November 1931 and became a key player as the various approaches to Geneva were being made.⁵

China's petitions were constantly before the League council in the autumn. One sympathizes with Yoshizawa, ex-minister to China, who took over as ambassador to Paris and was his country's representative at Council meetings. He was not kept well-informed of what was going on in Manchuria and was often caught out by hot news from newspapers or diplomats. It was a time when the sheer disobedience of the Kwantung army from the wishes of Tokyo and the recommendations of the Foreign Ministry became apparent. On occasion, Yoshizawa had to give pledges for the evacuation of Japanese troops within the railway zone which the army evidently had no intention of carrying out. Yoshizawa and Japanese diplomats generally were at a distinct disadvantage in League committees because of inaccurate information communicated to them. This was well-known to Western governments. From the start, those members who had the capacity to send observers to Manchuria were urged to do so and China facilitated it. This meant that European capitals were comparatively well-informed about the progress of the campaigns and were not required to accept the official bulletins which were often misleading. Yoshizawa bemoaned the fact that on most Council resolutions he was out-voted by 13 to 1. But he does appear to have been successful in getting over the message that Manchuria was in a state of lawlessness.⁶

In November, the idea of addressing the crisis by sending a commission of international observers to the scene emerged. It was pushed by the League secretary-general for whom this crisis was a serious test. It was promoted by China and Japan. In China it was genuinely proposed, though she appreciated that delays were inevitable before the commission could reach East Asian shores, make its inspection and write its report. Japan took the line that the Manchurian issue was solely for negotiation between China and Japan and opposed the presence of so many foreign observers. But Foreign Minister Shidehara unexpectedly accepted because he was evidently annoyed by the impotence of Tokyo governments in dealing with the Kwantung army and thought that only the intervention of world Powers could discipline its leaders. Of course, the parties differed in their standpoints. Japan wanted the enquiry to focus on China proper as much as on Manchuria, arguing that the 'governance of China merited international attention'. There was general support for this view around the world. At the end of a long series of

meetings of the Council on 10 December, a resolution was eventually passed appointing a Commission of Enquiry which should report as quickly as possible.⁷

The Commission would consist of five members representing France, Germany, Italy and Britain with one addition drawn from a non-member, the United States. China and Japan would have the right to nominate one assessor. The Commission's remit was 'to study on the spot and report to the Council on any circumstance.... which threatens to disturb peace between China and Japan'. Many reservations were made by the parties before the resolution passed. Clearly the prime function of the mission was to take evidence and offer recommendations, not to negotiate or to resolve issues. Moreover they were given a deadline for their report of six months (later extended).

LEAGUE OF NATIONS COMMISSION GOES EAST

The governments quickly appointed their representatives, who held their first meetings in Geneva on 21 January 1932. Lord Lytton for Britain was appointed as chairman. Dr Wellington Koo and Dr Yoshida Isaburo, Japanese ambassador to Turkey, were approved as assessors. Since the trans-Siberian route was in Japanese eyes 'impassable', the commissioners chose to travel to China by the next fastest route via the US, where they were joined by the American delegate, General Frank McCoy. After passage from San Francisco, they reached Tokyo on 29 February and took evidence for ten days. There they found Yoshizawa who had moved from Paris to become foreign minister in the new Inukai cabinet. On his way from France in January by the trans-Siberian route, Yoshizawa had passed through Mukden and Seoul and listened to the opinions of the Japanese military in favour of Manchurian independence. He had scarcely been in office for a month when the Lytton Commission arrived on 29 February.⁸

For the commissioners, it proved to be an inauspicious time: the independence movement in Manchuria was making great strides; two prominent Japanese leaders of a liberal persuasion were assassinated on 5 March; and the Sino-Japanese crisis at Shanghai was preoccupying everyone in the East. In his discourse with the commissioners, Yoshizawa took the stand that Tokyo was not greatly concerned what government existed in Manchuria so long as Japanese interests were protected. He

also stressed, as the army had stressed to him, that there was a danger of bolshevism spreading from northern Manchuria. The commissioners visited Kyoto, Osaka and Kobe before sailing to China.

The situation had of course radically changed in Manchuria from that prevailing at the time of the November resolution. One aspect was that Pu Yi had been whisked away from his Tientsin residence, known as the Quiet Garden, in a clandestine military operation on 10 November. This was done by Japanese army officers in a macabre conspiratorial way as in 1928 and 1931. Though it was known to be against the wishes of the Tokyo cabinet, some officers moved Pu Yi to a safe haven in Japanese territory in Manchukuo and held him there awaiting Japan's pleasure. Taken to Yamato Hotel in Port Arthur, Pu Yi was reluctantly persuaded to become head of state in the new republic of an independent Manchuria. On 19 February, a committee of northeast Chinese leaders resolved to set up a republic and invited him to become its 'chief executive'. He ultimately agreed to act for one year in the hope that it would be the first step to restoration of the Ching monarchy. The new independent state would be called 'Manchukuo' and was to consist of five races: Manchus, Han Chinese, Mongols, Japanese and Koreans. Manchukuo was declared on 1 March and was given a boost by receiving Japan's recognition. Pu Yi reached Changchun on 8 March and set up residence in the new 'capital'. Cheng Hsiao-hsu who had accompanied Pu Yi from Tientsin became prime minister. The new ministers undertook to give several guarantees about Japanese rights in the territory in a letter to the Kwantung Army on 10 March. The whole had been stage-managed by the officers of the Kwantung army who out-maneuvred Tokyo, both civilian and military, and gathered some measure of Chinese agreement. The moderates in Tokyo showed a distinct lack of statesmanship. As I wrote earlier:

In this, as in so many other ways during the crisis, the Japanese cabinet made unsatisfactory compromises between international opinion and the known preferences of the military, and, when the crunch came, failed to insist on its policy being observed.

This conclusion still seems to hold good.⁹

When the commissioners arrived in Shanghai on 14 March, they were plunged into a serious Sino-Japanese dispute which had been increasing in ferocity since mid-January. It was rated by world opinion as more import-

ant than the contemporaneous troubles in Manchuria where the crisis was, in Japanese eyes, finished. They found Sir Miles Lampson, the British minister to China, and other diplomats from Peking trying to resolve the dispute. Though Lytton and his colleagues were invited to get involved, they wisely left it to others. In spite of the turmoil, they were offered massive entertainments in order to match those on offer in Japan. In a speech on 17 March, Lytton took his hosts to task for claiming the protection of the League covenant after having in the past violated all sorts of International agreements. It was true that the Chinese had previously kept at arm's length from the League and now had exaggerated expectations of what the League could do. It was a harsh message; and one wonders about Lytton's motivation. Was it in order to show the neutrality of the League Commission, ready to criticise China as much as Japan? Or was Lytton perhaps passing on a warning from the League secretariat not to expect too much from its deliberations? Was it a hint of the commissioners' exasperation at the Kuomintang government's complacency in the face of the country's lawlessness – Japan's major complaint?

In Shanghai, Lytton had the opportunity to try out with Lampson on 18 March the preliminary ideas he and his fellow-members had formed in discussions on the boat crossing the Pacific and in Tokyo. Lampson was happy to give advice but told his diary:

I wonder very much what sort of study they are going to produce. One never knows, for the very fact that they have no background of local knowledge and therefore no prejudice one way or the other, *may* mean that they will produce something rather good.¹⁰

He recognized their problem (calling it 'insoluble') and told them to act as a fact-finding mission rather than attempt any mediation. But it was hard for a group of League enthusiasts to accept such a limiting role.

The commissioners moved on to the new capital, Nanking, on 27 March in order to question the Kuomintang leadership. Four days later they travelled via Hankow and Tsinan to Peking. A small deputation took a short air journey to inspect the effect of the disastrous Yangtse floods of September 1931 which had engulfed many cities like Hankow and devastated crops and may have deterred the leaders from intervening.

From 9 to 19 April they languished in Peking, trying hard to absorb the entertainment. They were feted by the families of the Young Marshal and Dr Koo. They held conferences with Chang Hsueh-liang and

members of his former Manchurian administration and interviewed Jung Chen, Chang's chief of staff who had commanded his troops on the evening of 18 September. Relevant as these interviews were, the emissaries were anxious to move on to Manchuria without delay. But the new Manchukuoan authorities, seeking to show their authority, would not allow the entry to their territory of Dr Koo, the Chinese assessor to the commission. Tokyo thought this attitude ill-advised. Koo would have been protected within the railway zone by Japanese troops but Chang-chun refused to take the responsibility for his safety elsewhere. Lytton had to insist that the mission would not move to Manchuria without Koo as an integral part of the team. Permission was finally granted on 19 April, though Japan had to assume responsibility for the protection of the Chinese assessor.¹¹

COMMISSION MOVES TO MANCHURIA

In travelling north on 20 April, the commissioners split up in order to get a wider view of conditions in the country. The American and Italian commissioners went by the badly war-damaged train route to Mukden, while most members sailed by Chinese and Japanese ships to Dairen, thence to Mukden. They held a host of interviews, including one with General Honjo, the retiring commander of the Kwantung army.

From 2 May, the Commission spent seven days in the new state capital, Changchun (renamed Hsinking). It was a Chinese city dressed up as a new national capital and did not offer facilities of an international standard of comfort. In addition to Manchukuoan officials and their Japanese advisers, they met ex-Emperor Pu Yi, sometimes described as 'Regent' and sometimes bizarrely as 'Chief Executive'. George Moss, a Chinese-speaking British consul deputed to the commission on 24 April, was present at this meeting and wrote:

He looked well and cheery. He spoke without trace of nervousness in a loud, resonant voice and made appropriate remarks to the Commissioners, e.g. he talked of India and his former tutor (Sir Reginald Johnston) to Lord Lytton and of Mussolini to Count Aldrovandi.¹²

Pu Yi also gives an account of the meeting on 3 May which only lasted a quarter of an hour. In his autobiography published in 1965, he confesses

that he obediently said what he had been told to say. He describes it under the heading ‘The puppet play begins.’¹³

On 9 May, the League Commission moved on to Harbin, still a semi-Russian city, and took evidence there for twelve days. It was the centre-point for opposition to the Japanese in the provinces of Kirin and Heilungkiang, and was the focus of intrigues by several Chinese generals. The Japanese, moreover, had to be sensitive to the standing of the CER and consider the possibility of Soviet intervention. But the Commission made no attempt to interview representatives of the Soviet Union. On the grounds that they wanted to interview not just those Chinese favourable to ‘Japanese Manchuria’ but also the opposition, they sought out General Ma Chan-shan, who since his resistance at the Nonni River bridge in November had become the symbolic figure for Chinese resistance. Manchukuoan officials were ‘very much annoyed’ at this inconvenient proposal and tried hard to prevent the official party from travelling to the ‘bandit-country’, where Ma was thought to be lurking, on grounds of their own safety. In any case, it seemed to be inappropriate for emissaries of the League to go in pursuit of a warlord whose troops were thought to have received Soviet arms. So they did not pursue the proposal. But a more adventurous junior group set off by Japanese plane for Tsitsihar in search of the ‘folk-hero’ who was ‘still opposing the Manchoukuo’. But Ma had left Tsitsihar some days earlier and was in fact at Heiho (Taheiho) on the Sino-Soviet border. He had been sending messages through the Chinese consul at Blagoveschensk nearby to the Chinese delegation at Geneva, denouncing Japanese aggression and copied them to the Lytton Commission.¹⁴

The observers were not able to track Ma down and had to content themselves with interviews with officials. Disappointed, the party returned safely to Mukden by train via Taonan, an important junction, where they made some useful contacts. Our account is from the informal memoir written by George Moss for the information of his family about an extraordinary experience. After moving south, Moss had the opportunity to report to his boss, Minister Lampson, who had arrived in Dairen on 26 May on his way to home leave. He was able to describe his various encounters and this was doubtless reported to the Foreign Office when Lampson reached London. Because of Moss’s usefulness to Lytton, his attachment to the Commission was extended.¹⁵

CONTACTS OFFICIAL AND UNOFFICIAL

Members of the Lytton Commission commonly called on the expertise of their own nationals and diplomats resident in China. Lord Lytton and Hon. W.W. Astor, who was acting as Lytton's private secretary and was an old acquaintance of Lampson, made a point of intercepting Lampson while he was passing through Dairen on his way to home leave. The two travelled down from Mukden specially. Lampson who had earned an international reputation for his efforts in resolving the Shanghai crisis, records in his diary:

Went straight out to Hoshigaura where I spent the morning talking shop. He [Lytton] is much exercised about his report: feels he must speak the truth but doesn't want to drive Japan over the edge. I agreed on both points. At same time warned him China as a whole was unlikely to accept any compromise whatever, despite what men like Wellington Koo might agree to. Also against anything in the nature of a *bargain* [underlined] by the League – e.g. League general assistance say in exchange for accepting a Manchurian compromise. I told him I was sure that would not work. In fact I suggested his best line was to concentrate on reporting facts and to make as few recommendations as he could. He agreed – or seemed to.¹⁶

The limited role which Lampson was recommending for the Commission was certainly much less than its members had envisaged hitherto and much less than the mediation League enthusiasts in Europe were hoping for.

When Lytton came to see the Lampson party off, he handed over a private letter to his sister which contained his innermost thoughts on his experiences in the province:

I have not been able to say anything as yet either in my letters or in my diaries as I am so continuously overlooked and shadowed that I do not trust even the post. But Sir Miles is travelling home this week and I shall give this letter into his charge. The knowledge that he will take care of it has enabled me to write more freely.

The letter was written in a state of extreme depression and contained far-reaching assessments:

The Manchukuo government is a very patent fraud. There are a few Chinese figureheads who have been either bought or intimidated and who

have no power. The real government is in the hands of a number of fanatical tenth-rate Japanese officials, who are puffed up with preposterous vanity and talk about defying interference even from Japan! The so-called Manchukuo army will not fight against other Chinese troops and will join forces with Chinese armies whenever they get a chance.¹⁷

When Lampson was waiting in Harbin for his train connection to Europe, he was disturbed by Japanese planes droning overhead the whole morning and decided to walk to the Japanese aerodrome with Consul Garstin and his personal secretary, Robert Scott. After he had seen Lampson off on 29 May, Scott continued his tour of the north, visiting Harbin, Manchuli and Heilungkiang. He reported in Peking on 12 June and an account of his travels was sent on to London where it was shown to the foreign secretary. His analysis of the military situation was:

Ever since the [Japanese] capture of Harbin [on 5 February], it has been found necessary to pour further reinforcements of Japanese troops (some disguised as addition to the Japanese railway guards) to bear the brunt of operations and stiffen the morale of Manchukuo forces.

He reckoned that there were 40,000 Japanese troops in the area in addition to the railway guards (15,000) and the gendarmes (10–15,000). Their purpose was to stamp out the large semi-organized bodies of irregular Chinese soldiers and bandits operating north of Harbin.¹⁸ Scott's report is evidence of the large-scale intelligence activity which was being conducted around Manchuria by all countries while the Lytton pageant was making its stately, but rather formal, progress. These reports undercut the picture that Changchun was in charge which the Japanese were offering in their formal presentations.

On 4 June, the commissioners wound up their unhappy stay in Manchuria, travelling to Peking through Chinchow, Shanhaiwan and the resort of Peitaiho. It was thought for a while that they would prepare their final report at the last; but the two armies were poised, ready for action at any moment and the location was regarded as too dangerous. The mission's general unhappiness was expressed by the Chinese assessor, Wellington Koo, for whom the visit to Manchuria had been particularly poignant. Speaking to reporters at Peitaiho, he said that 'all fellow workers were heart-broken when we witnessed the suffering of our 30 million fellow countrymen and the lost territory, abundant in natural resources'.¹⁹

Apart from the formal and informal interviews the Commission had conducted, they had in devious ways received an abundance of letters, including 1550 in Chinese. When they were translated, they confirmed the unpopularity of the new regime. The Japanese had by their actions forfeited any goodwill they had originally enjoyed when they had driven out the warlord Chang Hsueh-liang. The comparative indifference of the populace six months earlier had been replaced by definite hostility towards Japan and the new masters in Manchukuo. Chinese dissidents were increasingly resorting to guerrilla warfare but recognized that it would take time to overcome their opponents. They managed to keep in informal contact with Peking and Nanking, the main channel of communication being through Jehol. It was thought that the zone from Harbin to Pogranichnaya was very well supplied through unofficial Soviet assistance. In his report, Robert Scott mentioned that the Japanese commander-in-chief had estimated that, if Japan were to stamp out 'banditry' (that is, resistance) in the north, she would have to employ 300,000 troops for three years.²⁰

COMMISSION'S SECOND VISIT TO TOKYO

After their return to Peking on 5 June, the commissioners made some headway in preparing their report but felt that they should pay a second visit to Japan before completing it, this time not for mere observation but in search of an acceptable solution. Dr Blakeslee, one of their consultants, gives an insight into the thinking:

It would be unwise to give even a preliminary approval to any recommendation until after they had completed their visit to Tokyo. The outline contained statements that the Japanese were not justified in their actions in Manchuria and that they had created and were controlling Manchukuo.²¹

On 28 June, therefore, they left Peking for Japan by way of Tientsin, Shanhaiwan, Mukden, Antung, and Korea (where no stopping was allowed).

This visit to Tokyo was marred by three factors: first, Lytton's health kept him out of action for some days; second, a right-wing cabinet had taken over after the assassination of the premier; and, third, the Foreign Minister's inability to see the delegation before 12 July. Count Uchida

who had served as president of the South Manchurian Railway had just been appointed as foreign minister, the third time that he had held that office. Because of his Manchurian experience, he had been close to, and influenced by, the army. Indeed Kuramatsu describes him as ‘a vocal proponent of the Kwantung army’. He was therefore arguably more widely acceptable in the climate of nationalism which prevailed since the 15 May assassination. He took up his appointment on 6 July but declined to see the visitors for a week.²²

On arrival in Tokyo on 4 July, Lytton confessed to the British ambassador that he proposed to set before the new government the advantages which Japan would reap if she made use of the League machinery for peace and came to some arrangement acceptable to world opinion.²³ This agenda was different from that on the earlier visit. In two conversations Uchida informed Lytton that Japan was determined to recognize Manchukuo and could not consider any other solution. He proposed to ignore the League and its recommendation that Manchukuo should not be granted recognition. This left the commissioners with no alternative but to return to Peking on 15 July in order to revert to the writing of their report. They were greatly disappointed that the climate in Japan had become much more hostile since their first interviews in March.²⁴

Soon after his appointment, Uchida made the infamous ‘scorched earth (*shodo gaiko*)’ speech in the Diet stating that ‘there will be no concession on this [recognition] question; even if our land is to be scorched our policy has to be observed’. Whatever other countries thought, Japan was determined not to yield over recognition, even if it were to reduce her territory to scorched earth. This was a reversal of the ‘hesitation tactics’ adopted by the previous ministry. Recognition of Manchukuo as an independent state was given in the Manchukuo-Japan protocol on 15 September. It also included provision for Japan to station her troops in these provinces and assist in security matters. It was in essence a military alliance. Once recognition had been secured, the new Manchukuo authorities took over the Manchurian posts in Customs, Salt and Postal services.

The Nanking government made a prompt protest, emphasizing the iniquities of the Japanese in their dealings since September 1931. It was a summation of the objections they had expressed against the ‘so-called Manchukuo, an organization created and maintained and controlled

by Japan'. They circulated it to governments associated with the Nine-Power Treaty of 1922 and called on them to 'properly and effectively deal with the state of affairs brought about by Japan's acts of aggression'. The implication was that China wanted a conference on Manchuria, preferably under the Nine-Power umbrella, thereby bringing the US firmly into the picture.

PREPARING THE FINAL REPORT

The task for the commissioners was to look beyond the play-acting they had witnessed on their travels. In a book which focuses on Manchuria, it is hardly necessary to get involved in the trauma which the Commission faced in devising a report which would be helpful for the League of Nations in its task to undertake the next stage in its response to the Chinese petition. Lytton was in the German hospital in Peking working on 'the final draft chapters', along with the various experts. He felt that a unanimous report was highly desirable. But the commissioners, especially the French delegate, General Claudel, could not agree on emphasis and interpretation. It was thanks to Lytton's closest colleague, General McCoy, that consensus was eventually reached and a unanimous report was achieved.²⁵ The report was signed in Peking on 4 September. It was duly delivered to the secretariat in Geneva on the 24th and was published with miraculous speed on 2 October. It was agreed that the League should defer consideration until mid-November in order to give the Chinese, Japanese and Manchukuoans time to translate the report and respond.

In their report, the delegates recalled that they had spent much time and endured much discomfort in testing feeling about Manchukuo. Their conclusion was that the independence movement there 'had never been heard of before 1931' and 'was only made possible by the presence of Japanese troops'. In effect, they rejected the picture which they had been given in the stage-managed official interviews and accepted the version presented in letters and non-official communications which suggested that there was no general support for the new independent Manchukuo government. They stressed the impression they had formed that the real power behind the Chinese ministers in Hsinking (Changchun) rested with Japanese officials and advisers, who were not necessarily under instructions from either Tokyo or the Kwantung army high command.

On the Mukden railway incident of 18 September 1931 – a central part of their enquiry – they concluded that the ‘military operations of the Japanese troops cannot be regarded as measures of legitimate self-defence’. There were doubts about the explosion but, even allowing that something had taken place, the Japanese did not have the right to expand beyond their railway zone. At the same time, the Commission ‘does not exclude the hypothesis that officers on the spot may have thought they were acting in self-defence’. It was understandable that those in Mukden, outnumbered and in panic, should take extreme and precipitate action. Was this formulation intended as a palliative to the Japanese and even the Kwantung army to enable them to accept the thrust of the report? The commissioners emphasized that ‘throughout we have insisted less on responsibility for past actions than on the necessity of finding means to avoid their repetition in future’.

Over conditions in China, a member of the League, the report was ambivalent. It stated that law and order barely existed in parts of China so Japan could legitimately claim that her treaty rights were ignored, opposed by hostile government intervention or damaged by boycott of her goods. The rights and interests of Japan in Manchuria were quite exceptional and any solution which failed to recognize them as such would not be satisfactory. The Commission wanted to discard ‘the Manchukuo’ (as they called it), recognize China as the suzerain power in the territory but give Manchuria a degree of local autonomy under which Japan’s treaty rights would be fully respected. In offering this as a ‘suggestion’, they knew that it had already been rejected by ministers in Tokyo in July. Looking to the future, much could be gained, they thought, from the interdependence of trade between the two countries. But there was little prospect of a rapprochement ‘so long as political relations between them are so unsatisfactory as to call forth the use of military force by the one and the economic force of boycott by the other’. [Report, p. 121]

Nonetheless the report went out of its way to emphasize that it contained no word of criticism of Japan. This was perhaps more a political judgment for the future than a fair summary of their thinking. The commissioners wanted Japan to stay in the League and hoped that she would continue to play a part in the international arena, perhaps when her ‘internationalists’ came to power. The commissioners ended their report with these words:

Our work is finished. Manchuria for a year has been given over to strife and turmoil. The population of a large, fertile and rich country has been subjected to conditions of distress such as it has probably never experienced before. The relations of China and Japan are those of war in disguise, and the future is full of anxiety. We have reported the circumstances which have created these conditions. Everyone is fully aware of the gravity of the problem which confronts the League of Nations and of the difficulties of the solution.²⁶

The Japanese and Chinese responded to the report at length and prepared for the debates at Geneva which were deferred until mid-November at Japan's request. But there was little evidence of a willingness to confer directly with each other with a view to reaching a satisfactory compromise on the lines of the 'Suggestions to the Council' which the commissioners had offered.²⁷

LEAGUE ENQUIRY REPORT: ASSESSMENT

The League enquiry report is a remarkable document which represented much research, a lot of discussion, careful editing and able presentation. It is better to call it 'the League report' rather than 'the Lytton report' because its preparation was a genuine committee effort due to Lytton's illness in Peking. Certainly the British government preferred such a title. If the findings of the 'Lytton report' were attributed to Britain, there was a danger that it might wrongly weaken Anglo-Japanese relations in the long term.²⁸

On Manchuria the report offers a lasting, detailed account of the country from the viewpoint of geography, history and economics. It is a report of 139 pages of which the bulk deals with Manchuria. It is supplemented by special reports which were written by experts and published separately. It owes its detail to the fact that the two main protagonists were members of the League and had assessors on the Commission whose task was to provide documentation and who inundated it with sheaves of documents. In essence, the report consists of five sections, dealing specifically with Manchuria:

1. Chapter II, 'Manchuria'. Discussed especially Japan's special rights in Manchuria; the Chinese undertaking in 1905 not to build railway lines in

parallel to Japanese lines; questions of land tenure; position of Korean nationals resident in Manchuria.

2. Chapter III, 'Manchurian Issues between Japan and China'. Mainly a military chapter dealing with growing tensions. Here the authors have to differentiate Japanese versions of events from Chinese versions.

3. Chapter IV, 'Events in Manchuria on September 18th, 1931'. Conflicting accounts of events after 9/18. Considerable detail on the Nonni Bridges incident. The Young Marshal relies on meeting Japanese campaigns with forces of an irregular kind, formerly soldiers, called by Japanese 'bandits', in other words by waging guerrilla warfare.

4. Chapter VI, 'Manchukuo'. Mainly an administrative and political chapter dealing with the creation of Manchukuo and showing the steps being taken by the 'Manchukuo government' – a body which the report refers to always in inverted commas.

5. Chapter VIII, 'Economic Interests in Manchuria'. An account of the economy and commerce, covering both the current state and future prospects of the territory.

The attempt is made to keep the accounts as balanced and non-controversial as possible. As Lytton wrote, their purpose was not to look back on the past with judgment but to look to the future and find a solution to these very knotty problems. Lytton stressed that the members were neutral between the parties. But they cannot have been unaware that world opinion was strongly pro-Chinese. It cannot have helped that the Manchukuoan authorities, in their resentment at the Commission, had made their stay uncomfortable and placed them under continuous irritating observation (see Lytton's letter above, p. 150). But the delegates were broadminded men of the age of imperialism and most had colonial experience. They, therefore, understood the position of the Japanese as colonizers and the hazards of dealing with a lawless warlord society.

But, as contemporary parlance would have it, the members had 'a political agenda'. They (apart, that is, from General McCoy) were appointed because of their enthusiasm for the League and clung to the hope that the League would be able to solve the Sino-Japanese problem by conciliation. Moreover, they did not want to lose Japan from the League. So they went out of their way to avoid causing unnecessary offence to Japan. The commissioners also shared many of the worries which the Japanese felt about the Soviet Union and its aspirations in northern Manchuria.

While most countries were complimentary about the report, Japan was hostile. While praising the endeavours made by ‘the venerable commissioners’, she stated that their stays in Manchuria and elsewhere were so short that they were only able to acquire a superficial impression. Moreover, their travels inside China proper were too limited; and they would have reached a less rosy impression about that country if they had gone to the south. By focussing more on China, as Japan wanted, they would have seen that China’s boycott of trade was ‘a war in disguise’ against Japan. Japan went so far as to say that the report contained gross errors both in the ascertainment of facts and in the conclusions deduced.²⁹

REPORT'S PROGRESS THROUGH COMMITTEES

For four months the affairs of Manchuria staggered through the corridors of the League: Council (21 November), Assembly (6 December), Committee of Nineteen (December 1932–February 1933), and finally the Assembly on 21 February. At each stage the representatives of China and Japan made comprehensive and eloquent statements. Most prominent among the Chinese was Wellington Koo who as assessor had been involved in Nanking politics as well as the Lytton Commission. He criticized Japan’s plots to promote Manchuria’s independence in order to prevent the unification of the new Chinese republic and further Japan’s continental policy. On the Japanese side where diplomats had defended Japan’s case in the debates hitherto, the appointment as spokesman this time was given to Matsuoka Yosuke, an ex-diplomat with experience in China. He was acceptable both to the civilian cabinet and the army, who had known him as vice-president of the SMR. This is not a part of the history of Manchuria and so we need not dwell on the rhetoric of their speeches and the pains which the secretariat took in order to achieve some reconciliation.³⁰

The Assembly met on 21 February 1932 to consider a report presented by the Committee of Nineteen. The president reminded the audience that the League’s efforts at conciliation had lasted for exactly seventeen months. The parties made speeches, China accepting the report and Japan rejecting it. By its resolution of 24 February, the League endorsed by a vote of 42 to 1 the recommendations of the Committee of Nineteen which had in turn adopted the substance of the report of the League

Commission. Members of the League then reiterated the pledge they had earlier given in March 1932 not to recognize Manchukuo either *de jure* or *de facto*. The League thus adopted the formula of non-recognition which had been promoted by Secretary Stimson of the United States as the centrepiece of American China policy.³¹

Matsuoka made a great recessional speech in which he argued that it was a fiction to deal with China as a sovereign state; that the majority of Manchurians were ethnically different from Chinese; that Manchurian independence was a life-and-death issue for Japanese. He concluded that Japan and League members

... entertain different views on the manner of achieving peace in the Far East and [Japan] has now reached the limit of its endeavours to cooperate with the League in regard to Sino-Japanese differences.

He then walked out of the Assembly with other Japanese delegates in an unexpected, dramatic gesture. Despite this, Japan continued to make lengthy written comments, pointing out the flaws she found in the resolution passed.

Even before the final League session, the Tokyo cabinet on 20 February had discussed leaving the League if the resolution went through. The decision passed the Emperor and the Privy Council and a message was transmitted to Geneva on 27 March, stating that Japan's objectives were incompatible with those of League members and she wished to resign. This was not unexpected. Elements in Japan had been publicly threatening to leave the world body for some months with varying degrees of intensity. It was an important bargaining counter. And Europeans in the League had been debating how far they could go in seeking a formula which would satisfy Japan and persuade her not to secede. The smaller countries within the League were generally most inclined to condemn Japan and expel her from the League, while the major Powers wanted to avoid vituperation and strove to keep Japan within the fold in the interest of the future of the League. In the end all forms of conciliation failed and Japan's resignation was accepted. 'Manchukuo' was inextricably linked to world politics.

JEHOL

We have to return from the golden halls of Geneva to the realities of the Manchurian scene and the dangerous situation which was devel-

oping in northeast China itself. On New Year's Day 1933, Japanese units found it necessary to occupy Shanhaikwan city, allegedly because of a bombing attack on one of its military police stations. Shanhaikuan was the gateway to Jehol (Rehe) province, which the Young Marshal, ensconced in Peking, regarded as the one part of his domain which had not so far been captured by Japan. In September Changchun had protested to Nanking against the activities of Chang Hsueh-liang's troops who were penetrating the frontiers of Jehol. They alleged that more than 140,000 had entered the province and held the Nanking government responsible for 'any drastic step the new State might be forced to take'. This was an advance warning of military action. In the circumstances, the British military attaché predicted that, if Chang continued with his encouragement of 'volunteers', that is, disbanded soldiers, to stir up disorder and anti-Japanese feeling in this area, the Japanese would strike at him.³²

Was Japan's occupation of Shanhaikuan the narrow-minded pursuit of military goals? Certainly that was a consideration. But an element of personal vendetta entered into their thinking. The Kwantung officers were determined that Chang Hsueh-liang should be removed from his commands by hook or by crook. Was Tokyo in full support of this move? Probably not. Military action on the borders of Jehol coincided with the most sensitive time in the international negotiations going on at the League and played its part in frustrating any hope of conciliation. But Tokyo, however cautious, was in no mood to give in to China and was not inclined to intervene over these operations when it was presented with a picture of outnumbered Japanese forces facing a massive Chinese army.

The situation deteriorated until a joint Japanese-Manchukuoan army fought a campaign from 23 February 1933 and ultimately occupied the city of Jehol on 4 March. Chinese resistance collapsed in the face of a well-armed and disciplined joint force. They made short work of the conquest of the whole province, without stirring up a strong international reaction. As the operation against the city of Jehol (Chengteh) which followed the League resolution showed, they were prepared to cock a snook at the world body and were not ready to be bound by instructions from interfering outside powers.

Dr Koo asked the League Assembly not to adjourn before it had condemned this latest intrusion. But the world's statesmen were over-

whelmed by other business and contented themselves with the appointment of an Advisory Committee to follow the situation and assist international action. Overall, they were anxious to avoid any suggestion to the public that they were washing their hands of the whole Far Eastern business.³³ The Japanese argued that their Jehol action had been in response to earlier Chinese provocation. But the matter turned on territorial definition. The Lytton Commission had treated Jehol as 'Eastern Inner Mongolia' and kept it separate from the three provinces of China's northeast. But Manchukuo had from the start regarded Jehol as one of the four provinces included in its state structure. So Manchukuo felt it had grounds for complaint when Japanese troops were coming under attack there.

Before we leave this, we should observe that the Kwantung army had scored a double victory in this crisis, partly in the field against inferior warlord armies, partly over its military and civilian superiors in Tokyo. The occasions on which they had not got their way, either deviously or openly, had been relatively few. On the whole, Tokyo was highly conscious of the attitudes of the Powers and later of the League. That did not deflect the junior officers from their goals for long. But if there was a failure of control by hesitant ministers and politicians, there was also a remarkable failure to bridle the new breed of Changchun administrators.

PESSIMISTIC OPTIMISM

The long-term fate of Manchuria rested on deliberations at Geneva. These combined, on the one hand, rhetoric and propaganda galore from both sides and, on the other, the recognition by outsiders of the unquestioned superiority of Japanese arms. The Japanese had secured the lowest level of support for their arguments in the General Assembly; but they had shown their determination to go their own way despite this. We are told that even the League commissioners had little hope that Japan would accept the findings of their report. This implies that they did not see much scope for international conciliation. The United States and the members of the League cannot claim to have scored a victory by mobilizing world opinion which would sway opinion in Japan.³⁴

Although Japan's actions had won overwhelming support at home, it was not universal. There were various groups which did not welcome

the creation of the independent state of Manchukuo or the methods by which the Japanese army had achieved it. Within the bureaucracy there were those who criticized the competing forces which dealt with Japan's interests in Manchuria: the SMR, the authorities of the leased territory, the Kwantung army and the consular staff. Because there was no co-ordinating mechanism, those in Tokyo were in difficulties formulating a policy for Manchuria. It was this hole that the Kwantung officers took advantage of in staging their coup. Japanese consuls throughout Manchuria were often at odds with the local military commandants in their districts; and Consul-general Hayashi in Mukden was bitterly critical of the absence of policy and the failure of statesmanship.³⁵ In Japan itself, the official line was circulated to the press and the Home Ministry was rigorous in its censorship. So the impression was given that Japan's intervention in Manchuria had been beneficial for the Chinese and that interference by outside bodies like the League was unacceptable.³⁶

Within China the failure of Chang Hsueh-liang – and his resignation – changed the political balance in favour of the Nanking government which was now able to exert some control in the Peking-Tientsin area. This was tantamount to a step towards national unity; and Chiang Kai-shek could concentrate on his anti-communist campaigns in the south. But there was little inclination in Nanking to reverse the new order within Manchuria. There was widespread hatred of the Japanese throughout the northeastern provinces but there were few who looked to the warlords as possible resistance leaders. The future was to rest with guerrilla bands whose loyalties were suspect and unpredictable.

Still, some looked at Manchuria's long-term future more hopefully. Minister Lampson asked an old friend, General Pao (Mayor of Harbin), a prominent official of Manchukuo, if he thought Manchukuo 'had any chance of continued existence. He said "Yes" – and seemed really to think so! Perhaps he's right – but I'm inclined to doubt it.'³⁷ On the other hand, Lord Lytton himself thought that Japan in the midst of the depression could not sustain her empire in Manchukuo for long:

The fact is Japan has bitten off more than she can chew and if left alone circumstances will be too strong for her. With a hostile China boycotting her trade, with a hostile and resentful population in Manchuria and continual guerrilla warfare, the draining on her resources will be terrific and already her economic position is on the verge of collapse.³⁸

This view was endorsed by others including one of the experts attached to the Commission, Professor Blakeslee, who wrote that ‘some Commissioners are still hopeful that, after some time has passed, possibly a couple of years, Japan will decide to abandon its Manchukuo experiment – costing money and boycott’. Such optimistic predictions were perhaps natural ones to hold in the post-1929 world. But whether Japan’s economy was in such a weak state in 1933 is a matter of doubt. We shall be reviewing in the next chapter the steps which would be taken in promoting the fortunes of Japanese Manchuria.

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Chapter Nine

Manchukuo: From Republic to Empire,

1933–1937



ON 1 JULY 1937, the Japanese occupied the Marco Polo Bridge which gave them a strategic position of control over the old national capital of Peking. This inaugurated what Chiang Kai-shek was to call China's Total War of Resistance to Japan. It brought to an end five years of uncertainty in which two themes were predominant in China's thinking: domestic unification and resistance to Japan. The Kuomintang leadership had since 1928 given priority to the former and tried to bring about national unification under the control of Nanking. As we have seen in previous chapters, Chang Hsueh-liang had broadly accepted the concept of unification and Chiang Kai-shek had, for his part, exercised an attitude of calculating tolerance towards him since he required the cooperation of Chang's armies in the north. The Young Marshal was sorely tempted by possibilities of independence for Manchuria and was being sedulously cultivated by Japanese to find out what could be devised. But this was the subject of rumour and speculation and nothing concrete materialized.¹

The question of resistance to Japan in Manchuria was, of course, related to the Kuomintang's failure to achieve effective political unification and, indeed, its involvement in costly campaigns elsewhere in China. Chiang identified two broad categories of Chinese opinion:

Those that were decadent and passive wanted to live quietly under the Japanese and therefore advocated a policy of non-resistance. The militant

radicals, on the other hand, urged a policy of immediate war by which they hoped to strengthen their own position within the country.

In the face of this, what policy was the Nationalist Government or, in the case of Chang Hsueh-liang, a provincial government, to take in order to resist Japan after the Mukden Incident of 18 September? Chiang recognized

... that modern warfare is scientific warfare, and that China's scientific inventions and industrial skill were in their infancy and inferior to Japan's.

In the circumstances of protracted civil war, there was no possibility of retaliating with the large feudal armies which were available. In the circumstances, Nanking tried 'to make concessions to all factions in the hope of stopping all internal strife in order to unite against the foreign enemy'. But the first priority was to solve the civil war before tackling the Japanese.² The atmosphere has been well described by T.V. Soong, one of China's foreign-educated leaders, who in an interview with Reuters referred caustically to China's 'traditions of old-fashioned warfare where vast armies marched and counter-marched with but little bloodshed'. He compared the highly mechanized Japanese army well supplied with ammunition and foodstuffs and with an efficient transport system with the incompetent military professionalism of the Chinese generals and their staffs.³

Despite the negative attitude of the Chinese leaders, the popular mood was one of hostility towards Japan. The Chinese people did resist by strikes, the boycott of Japanese goods and the obstruction of Japanese factories. The leaders concurred in this – unofficially. But on the military front China had lost the battle and did not have the wherewithal to modernize her armies in the short term. So most leaders withdrew from the battlefield rather than fighting and, when challenged, blamed non-resistance on others.

In the face of the humiliation she had suffered at the assemblies of the League of Nations, the abiding question which was to dominate the scene for the next five years was: would Japan, liberated from the constraints imposed by the League, be content with the *status quo*? Britain's representatives in China and Japan, presumably on the basis of assurances they received from Japanese political and military leaders, felt that Japan wanted to consolidate her hold on Manchuria and did not desire to move into north China itself on a long-term basis. Foreign Minister

Hirota in his foreign policy review in January 1934 put forward the basic Japanese vision: Japan was serving as ‘the only corner-stone for the edifice of the peace of East Asia’ and must prevent any serious disturbance in Manchuria where she ‘maintains a special position’. But was there going to be some strong political intervention from Tokyo which would halt the army in its stride? For the moment there was no sign of one.⁴

TANGKU TRUCE

The next five years were a period of border wars in which Manchu and Japanese troops were involved. In the early spring before the thaw set in, they took the capital of Jehol, a province of Inner Mongolia to the northeast of Peking beyond the Great Wall. Heavy fighting, of which the Chinese were very proud, took place at Kupeikou on 10/12 March. Some of Chiang Kai-shek’s troops from the Cantonese 19th Route Army, which was partially German-trained and had won high praise for its performance during the Shanghai operations a year earlier, joined up with the Young Marshal’s forces, fought robustly on the Great Wall and suffered heavy losses. The Chinese had lost territory but exaggeratedly favourable reports made of the resistance boosted their morale. In retrospect, Vice-premier T.V. Soong concluded that they were right to fight in Jehol if only to prove that Jehol is ‘Chinese territory momentarily to be filched by a stronger enemy’. But after the overall defeat, Marshal Chang whose image as warlord was seriously damaged by the campaign and who had been the prime target for the Kwantung army’s wrath for many years was forced to retire. Chang had to give up his various offices and chose the conventional route for escape from shame. He decided to take his family entourage for a holiday in Europe and only returned in January 1934. Chiang Kai-shek benefited by taking over the military resources of the Young Marshal.⁵

From mid-March there were reports of Japanese troops coming under attack along the border from Chinese forces of which there was now a large concentration. On 1 April, Japanese army operations were extended to the south of the Great Wall. They pursued Chinese stragglers fleeing from the Jehol campaign and inflicted about 20,000 casualties. The closer the fighting got to Tientsin and Peking, the greater the Chinese opposition. Japanese columns made a rapid advance and eventually penetrated as close as 50 km to Peking. Japanese aircraft flew over the former capital

and dropped leaflets calling for the downfall of the Chiang Kai-shek regime.

The climate seemed to be unsuitable for negotiations. Yet it was known that the political leaders on both sides wanted to stop the fighting. When China stubbornly showed no willingness to concede defeat, Japan may have realized that one way was to enlist the aid of foreign diplomats to help in negotiating the end of the fighting. There is evidence that the British minister was approached around mid-April by both Japan and China.⁶ But the role of mediator was dangerous for any foreigner to take on because the likely outcome would be that China would blame the mediator if any concessions made were unacceptable to the Chinese public. Nonetheless, Lampson who knew the generals on both sides relatively well was bold enough to lend a hand on these grounds:

Convinced as I was (and am) that every spread of Japanese aggression in China could only increase the sum of future ill-will, troubles, dangers and complications for all concerned, I lost no opportunity of impressing upon the Chinese, as my private and personal belief, that they would be well advised to cut their losses over Manchuria, come to terms, without compromise of principle, with Japan, and concentrate on internal reconstruction. I have good reason to believe that these views were shared by many in Government, including Chiang Kai-shek, and there are indications that a second attempt is now being made to carry out some such policy.⁷

Regardless of this, the Chinese, whipped up by fervent nationalism, continued the resistance as they retreated south of the Wall until they were pushed back to the environs of Peking itself. The Japanese experienced tough guerrilla resistance, suffered 12,000 casualties and incurred vast expenditure in these campaigns. It was May before the Chinese called for an armistice. The Nanking leadership, because of opposition from Canton and a recalcitrant general who was campaigning for outright resistance to Japan, sanctioned talks being held but insisted on treating them as purely a military matter from which they could distance themselves.

The truce was finally settled in the Japanese barracks at Tangku between the two commanding generals on 31 May 1933. The Armistice Treaty defined a demilitarized zone 30–40 miles wide between the Great Wall and a line running across Hopei north of Peking; and it provided for the Chinese to keep south of the line, while the Japanese would stay north of the Wall. To ensure that there was no guerrilla activity in the

buffer zone, Japan was given the right to use reconnaissance aircraft to overfly the region. It was a truce which was not ratified by China or turned into a formal agreement. While it was a one-sided truce, the terms were much milder than the world expected.

When the terms became known in Nanking, the city was in a state of crisis. Chiang had returned to power in March but was engrossed in preparing for his summer campaign against the communists. The Nanking government, therefore, confined itself to denouncing the truce terms in a letter to the League, saying that ‘the document was most painful to read’. But Japan’s capture of Jehol, her penetration of the Great Wall frontier and the presence of Japanese units so close to the Gates of Peking produced a great outburst of popular revulsion. The Nationalist government needed popular support if it was to succeed in its ‘internal reconstruction’ and tried to conceal its stance on the truce.⁸

TRADE AND RECOGNITION

In March 1932, the new Manchukuo government had asked the world for recognition. By and large countries declined in accordance with the recommendation of the League of Nations not to recognize the state of Manchukuo, a policy that the US had earlier adopted. That implied that Manchukuo was regarded as ‘a part of China under Japanese occupation’ and practically under the control of the Kwantung army and the SMR. Since these foreign countries held the northeastern provinces to be part of China, they claimed the same extra-territorial rights which were claimed elsewhere in China. Practical considerations applied over recognition. Strictly, foreign consuls had no contact with the central government in Changchun and did not recognize the Head of State, Pu Yi. But traditional relationships with the police and local authorities were maintained.⁹

The authorities let it be known that the Open Door policy would be observed and hinted that countries which recognized Manchukuo would be able to benefit commercially. Since all economies had suffered as a result of the depression, it was tempting for European businesses to suggest that there would be big trade and investment opportunities if they could persuade their governments to recognize Manchukuo. There was substantial opposition to the policy of non-recognition; and business

leaders asked themselves whether the new state could not be accorded *de facto* recognition for the purpose of obtaining commercial access.

Britain's consul-general in Mukden reported that Manchuria was making progress at a rapid rate and other countries were scouting out opportunities for their nationals. He suggested that Britain should explore the possibilities. This was a sensitive issue for the London government which wanted to be seen as supporting the League. But fortunately the proposal emerged from the Federation of British Industries that an unofficial non-governmental mission should be sent to the East. A high-powered delegation was chosen. China, of course, protested at such a prestigious trade mission going to her territory. But the London *Daily Telegraph* issued a special 20-page supplement entitled 'Japan and Manchukuo' which attracted attention which the government was trying to avoid.

The mission under Lord Barnby reached East Asian shores towards the end of September 1934. It received a warm welcome in Japan and went over to Manchukuo for ten days. There the welcome appears to have been cooler. The Changchun government had just announced a monopoly for oil in the country which seemed to contradict any guarantees they had given about the Open Door. The proof of the pudding was in the eating; the 'interest' shown to the British businessmen in Tokyo was not followed up by 'interest' from Changchun which seemed to be more interested in recognition than in overseas trade. This applied also to overtures which Imperial Chemical Industries had made previously. The British government was asked inconvenient questions in the House of Commons about its involvement.¹⁰

There was surprisingly little coverage of this and other ventures in the country's English-language media, *Manchuria Month* or the newspaper, *Manchurian Daily News*. These employed English-speaking staff and presented an idyllic picture of the country. This was endorsed by the able and comprehensive report on Manchukuo's progress published every four years by the SMR. Allowing for the propaganda element these were able and seductive publications.¹¹

PROMOTION OF PU YI, 1934

Many travellers were intrigued by the mysterious goings-on in Manchukuo and left accounts of their visits to the country.¹² Among

them was Peter Fleming, a roving journalist of twenty-three years and allegedly a special correspondent of *The Times*, who paid a visit to Manchuria in 1933. It was part of a journey undertaken with ‘the object of investigating the Communist situation in South China’, an important topic in the eyes of Europe at the time. Among his encounters he was given an audience with the former emperor, Pu Yi, in Changchun and found him to be a ‘charming though reticent young man of 29’. Reticent, that is, because he had been drilled in his replies to Fleming’s tricky questions. Fleming was not unappreciative of what he saw, recording that the ‘Japanese are doing what is, taken by and large, good work in Manchuria.’ He was, however, not persuaded by ‘those interminable protestations of altruism, those laborious attempts to prove (for instance) that all the thirty million inhabitants of Manchukuo are really Manchus by birth’. His book was an influential one but unpopular in Japan.¹³

At a political level, Pu Yi who was dissatisfied with his idle life in his new capital of Hsinking (Changchun), reminded Japan of promises that he had earlier received from the military. From the Japanese side, a Manchukuo Commission had been studying various appropriate constitutional systems for the future of the country. While this was in train, a movement for the elevation of Pu Yi to the status of constitutional monarch of the Manchu Empire was gaining ground. On 1 March 1934 the former ‘Chief Executive’ was proclaimed Emperor. He was enthroned ‘as ordained by heaven’ in an elaborate ceremonial at Changchun some two years after his first public appearance in the territory.¹⁴

In order to acknowledge in public the Japanese imperial house’s approval, Prince Chichibu, the emperor’s brother, paid Pu Yi a congratulatory visit one year later. Protocol between states dictated that this had to be reciprocated by an imperial visit to Japan. Accordingly, Pu Yi reached Yokohama on a Japanese warship, the *Hiei*, on 6 April 1935. On arrival on Japanese soil he was accorded a fly-past by a hundred aircraft. He stayed in the Akasaka Detached Palace and Emperor Pu Yi had an audience with the Japanese Emperor; and they were photographed together. Elaborate precautions were taken in case there were hostile demonstrations. But all passed off smoothly. He was conducted on a tour of Kyoto, Nara and Kansai and returned from Kobe on 23 April, buoyed up by his reception from the Japanese people. It was rumoured that Pu Yi regarded his new status as a stepping-stone on the way back to

the Forbidden City. Though there is no confirmation of it, the Kwantung army are thought to have offered help in achieving this.¹⁵

But all was not well at the Manchukuoan capital, Changchun. Cheng Hsiao-hsu who had been Pu Yi's tutor and adviser resigned the office of prime minister in April 1935. It is not known whether he was dismissed or retired voluntarily. He was seventy-four years of age and may well have felt that he was exhausted by his uphill struggle to find a role in the new state. In a newspaper interview to the *Manchurian Daily News*, otherwise the most loyal pro-Manchukuo newspaper, he is reported as saying:

Incompetent as I am, for the past three years I have attended to heavy State duties. That I have accomplished nothing whatsoever, the peoples of Japan and Manchukuo are both aware.

Oriental modesty notwithstanding, this was a remarkable political confession. It was made on the third anniversary of the creation of Manchukuo and it could be that this philosopher and scholar of the Chinese classics who was ill at ease in government and administration had become profoundly disillusioned. In other utterances he stated that Manchukuo was an infant who after three years had grown up and was entitled to expect more respect rather than being wrapped in the straight-jacket of Japanese-style bureaucracy.¹⁶ There were, however, murmurs of dissatisfaction about his lack of cooperation from the Japanese side also. Cheng was accorded the highest decoration of the new state. He died in Changchun in suspicious circumstances two years later.¹⁷

SALE OF CHINESE EASTERN RAILWAY, 1933–1935

Meanwhile, the old problem of the future of the Russian railway in the north of the country surfaced again. The Soviet Union had been very cautious in 1931–1933 during the Manchurian crisis, leaning neither towards the Japanese side nor the international community. But Japan had reminded Moscow of her strict neutrality in 1929 and asked for Russia to reciprocate. Thus, the Soviet foreign minister in February 1932 had responded favourably to the Japanese request to allow Japanese troops to be transported on the CER provided Soviet rights and interests in the railway were not infringed.

We have already pointed out early murmurings of Russia's willingness to sell the CER. The Soviet Union's reasons for wishing to relieve herself of the line were a complicated combination of European and Eastern factors: the railway company's losses; the Soviet need to provide financially for Socialism in One Country and its First Year plan; the massive CER debt to members of the Russian community in North Manchuria; and the effects of the global depression. As soon as the new Manchukuo government came into being under the protective umbrella of the Kwantung army and was recognized by Japan, the position of CER became hazardous and its security unsustainable. Hence the murmurings about a possible sale. Blyukher, the hero of Russia's 1929 campaign to protect her railway rights and still a force in the area, was horrified to learn that the fruits of that action were to be squandered.¹⁸

From the Japanese side she was anxious to get the Soviets to recognize Manchukuo, as the foreign country most involved in Manchuria. In general, Moscow wanted to avoid the sources of friction which were arising frequently as Japanese units became more active in northern parts. Japan's representative at the League, Matsuoka, on his way through Russia to Geneva raised with Karakhan the various questions between them.¹⁹ More formal negotiations began in June 1933 with Russia pitching the price she expected too high for Manchukuoan authorities. Russia's one-time partner in the railway, Nanking China, raised strong objections to the Soviet procedures. The talks were disrupted for half a year because of the arbitrary arrest of Soviet railway officials by Manchukuo's White Russian police. But when they were released, the second round of talks began on 26 February 1934. There were difficulties over questions of ownership, frontier issues, and staff pension rights. It was inevitable that important bones of contention should arise after almost four decades of the CER's existence. But the main stumbling-block of the talks was the valuation of the CER after two years of fighting and the exchange rate at which the compensation would be paid.²⁰

It was not surprising that these negotiations took two years. One factor was Tokyo's problem of controlling the delegates of Manchukuo which was the 'notional purchaser'. On that side, the chief negotiator was Ohashi Chuichi (1893–1975), the Vice Foreign Minister, who had the reputation of being restless and impulsive. From 1930, he had held posts in the China legation in Peking and had become consul-general at Harbin. Professor Nakami refers to him as belonging to 'the Manchu set'. With the creation of Manchukuo in March 1932 he switched to

the foreign section (Gaikobu) of the Manchukuo government and rose to be Vice-minister for Foreign Affairs (the minister of course being of Chinese extraction). In this capacity he became the major Manchu negotiator in the purchase of the CER – as troublesome to the Japanese government, the real source of finance for the purchase, as he was to the Russians. He owed his position to the Kwantung army which was alleged to favour a breakdown of the talks. The British consul-general in Mukden in an unflattering description of Ohashi observed that he ‘possesses nearly all the defects most calculated to render him unfitted for that position [vice-minister]’ – a view which recent Japanese sources would not challenge.²¹

Only the intervention of Hirota, the Japanese foreign minister, had the effect of steering the parties towards a settlement. Had the Nanking government taken part in the negotiations, they would have been still further prolonged. On 23 March 1935 an agreement was finally signed in Tokyo between the USSR and Manchukuo for the cession of Soviet rights concerning the Chinese Eastern Railway against payment of 140,000,000 yen, one-third in cash and two-thirds in goods. Payment would be partly in yen and partly in goods to be purchased mainly from Japan, apart from soy beans from Manchukuo. Accompanying it was an exchange of notes between the Japanese Foreign Ministry and the Soviet ambassador regarding Japan’s guarantee of due payment in money and goods. By entering into this compact, the Soviet Union ‘recognized’ Manchukuo, one of the few states which had done so.²²

The transferred railway became the North Manchurian Railway, sub-contracted to the SMR. The railway was now absorbed into the SMR which was required to supply the operatives. The actual exodus of the Russians was harsh. Among the CER staff, 1000 senior railway officials and about 6000 other employees were relieved of their posts and replaced by Japanese employees. In September 1935 the enhanced SMR appointed a new president in the person of Matsuoka Yosuke, a former SMR vice-president in the 1920s and since then Japan’s chief delegate during Japan’s final appearance at the League assembly.

Japan and the Soviet Union, the two North East Asian powers, had taken steps to eliminate one factor which might have drawn them into a serious conflict. But there was still animosity and suspicion on both sides. The attitude of the Kwantung army was fiercely anti-Soviet and deeply suspicious of Soviet cooperation with Manchurian communists.²³ More-

over, it was reckoned that there were 10,000 insurgent White Russian guards in Manchukuo and Japan preparing for armed struggle against the USSR. For their part, the Russians observed that the 1st Division, one of the turbulent elements in the Japanese army during the 26 February mutiny in Tokyo, was posted after the coup to the Manchuria-Soviet frontier. The Soviets were aware of the vulnerability of their lines of communication with Vladivostok and had already decided to build the Baikal-Amur line (BAM) in order to give them trouble-free transportation to their Far East possessions. But this was close to the long straggling frontier with Manchukuo; and they took the precaution to increase the number of their garrisons.

Japan's preoccupation with the build-up of Soviet forces in the East grew from the summer of 1936 and was later confirmed in her anti-Comintern pact with Germany (25 November). There was a corresponding increase in Japanese troop numbers along her Soviet border. It was inevitable that frontier incidents should arise, caused by the lack of clear markings. Diplomats, however, held out the hope that the frontier commission which was to be set up would bear fruit and that the Kwantung staff could prevent units from organizing incursions into the territory of the USSR and the Mongolian Republic.

INDUSTRIALIZATION OF MANCHURIA

Japanese and Manchukuoan interests tended to diverge over the economic future. The Manchukuo government could see the benefits of expanding their economy, of industrialization and the import of capital. They were not opposed to the integration of the Manchukuoan and Japanese economies. But they did not share the objectives of the Japanese expansionist wing as expressed in the Amau statement of 1934. This exposition of Japanese policy by the press officer of the Gaimusho seemed to place the whole gamut of Asian affairs in the hands of Japan and advise outside powers not to give material support to the 'Japanese sphere of influence', most notably in Manchuria and China. Much of the planning on the industrial front was linked to Kwantung army thinking on the contribution it could make to a notional war with the Soviet Union.²⁴

How would the new Changchun government approach the issue of foreign trade and investment? It broadly accepted the view from

Tokyo, namely ‘as long as there is no interference with our policies in China and Mammo [Manchuria and Mongolia], we should go along with the Open Door’. The snag was that foreign traders who wanted to do business in Manchuria and relied on the hallowed Open Door did not want to breach their national policies of non-recognition and found that in practice the trading door was firmly ‘Closed’. They sought to test Japan’s commitment to the Open Door. After the creation of ‘Manchukuo’, there was a natural desire in business circles worldwide to pull out in anticipation of tough Japanese competition. A typical case was that of the Head Office of the Chartered Bank in London who were

... seriously wondering whether it is worth the expense of keeping their organisation going in the North [Manchuria] or whether, with the Japanese penetration and absorption of that area, foreign enterprise is not definitely going to be frozen out, in which case they had better pull out now and be done with it.²⁵

One of the purposes of the Federation of British Industries unofficial mission to Japan and Manchukuo in autumn 1934 had been to investigate opportunities on the spot. But it returned with very little to show in the way of contracts and was uncertain about prospects.

Doubts arose when the Oil Monopoly Law (1934) came into force on 10 April 1935. Manchukuo’s purpose was to devise measures for giving positive aid and protection to the development of oil resources under government control. The US and Britain protested in Tokyo on the grounds that the Open Door principle was being violated. The Foreign Ministry in Tokyo told them to take the matter up with Changchun as it was Manchukuoan legislation. But these governments had no diplomatic relations in that capital and could not do so. How could they then expect commercial benefits? After unsuccessfully opposing the petroleum monopoly, British and American oil companies were obliged to withdraw without receiving compensation for the loss of their trade, installations and investments. It came to be realized that trade had political overtones.²⁶

By general agreement, the most successful part of the Japanese ‘occupation’ was monetary unification by redemption of a wide range of diverse Chinese and Japanese currencies by the Manchurian Central Bank (Manshu Chuo Ginko). The bank had been founded in 1932 as

successor to the four leading provincial banks which had (in the Japanese view) been the economic mainstay of Chang Hsueh-liang's warlord regime. Its mission was to replace Chinese currencies with its own bank notes, a task that Chang had attempted to accomplish without success. The yen-yuan parity which came into being meant that Manchukuo was monetarily separated from the Chinese mainland economy and fully integrated into the yen bloc.²⁷

Turning to industrialization, there was an ambitious long-term vision to reform the agriculture-based, single-commodity economy of Manchukuo and develop instead the natural resources in which the country was rich for the creation of new industries. These had been studied by the SMR research departments. An Economic Research Association was set up to devise a plan for economic reconstruction, first for Manchukuo and later for North China, under the umbrella of the SMR. But such plans, though systematic, took time to come to fruition.²⁸

The publication of the army's Economic Reconstruction Plan (March 1933) brought to the fore its hostility towards the South Manchurian Railway with its privileged semi-monopoly position. Since the creation of Manchukuo, there had been a trend for new enterprises from Japan to enter the territory through the SMR, thereby bolstering its monopolistic position. Now the army which had played a large part in reorganizing the administration published its plan for the reorganization of the SMR which would involve the breakup of the company into its component parts: railway, iron works, mining and harbour works. Separated from the trunk of the SMR, these independent companies would become branches under a holding company which would have a majority shareholding in each. That there was some need for reform of the vast rail conglomerate was widely accepted, as was the view that there was a need for the economies of Manchuria and Japan to be merged in a yen bloc. But the army hated the Zaibatsu companies and was opposed to a capitalist takeover. It argued for a planned economy that would give priority to the needs of the army and the security of the countries involved. In effect, the contraction of the SMR gave the Changchun government greater scope for control and interference which were set out in its First Five Year Plan introduced in April 1937.²⁹

A key figure in this transformation was Ayukawa Gisuke, president of the Nissan (Nippon Sangyo) Company, who made a tour of Manchuria in the autumn of 1936 and later became a consultant on indus-

trial matters to the Kwantung Army. His thinking was that the ongoing tension in north China was a strain on Japan's industrial production and proved that economic consolidation between Japan and Manchukuo was urgently needed. He saw the Nissan Company as central to these reforms and it was reorganized in December as the Manchurian Heavy Industries Development Corporation (MHIDC) (*Manshu jukogyo kaihatsu kabushiki kaisha*). This would now manage the coal and mineral extractive industries, iron and steel, and industries such as motor car and aircraft production. Ayukawa was appointed as the first president of the MHIDC.³⁰

It might have been expected that the SMR would react unfavourably to any plan where industries that it had been forced to shed were being transferred to an even greater conglomerate. Instead Matsuoka Yosuke who had become its president in 1935 took the opposite view:

It is only logical that those industries for which we have successfully completed our pioneering work should be removed from our control. It is a great step toward the accelerated development and expansion of Manchukuo's heavy industries, in response to the urgent demand of both Japan and Manchukuo.³¹

In other words, the interests to be served were not solely Manchukuo but also paramountly Japan which was already operating a semi-wartime economy. Of course, the army's original plan for 'one company per industry' was also superseded in the wartime emergency of 1937 as it was realized that an economy was easier to control when it rested in the hands of two giants: MHIDC (Industry) and SMR (railways). Even the SMR realized, as a result of five years of controlled industrial activities, that it would be advantageous to leave industry to the industrialists and that Nissan possessed the right qualities for carrying forward the ambitious Five-Year Plan.³²

Changchun's Industrial Development Plan for Manchukuo (*Manshu sangyo kaihatsu 5-ke-nen keikaku*) was published in April 1937 and re-launched in a more intense form after the outbreak of the North China Incident later in the year with the help of massive Japanese investment. It was clear that the emphasis given to heavy industry reflected the Japanese need for coal, coke and iron ore in the war preparations which were in prospect.

The Japanese government set much store by their willingness to negotiate the abolition of their extraterritorial rights in Manchukuo. It was a lengthy process but eventually a treaty was drawn up in 1936.

The abolition of extraterritoriality which Japan had previously denied to China proper was now granted to her dependency and came into force in July 1936.³³ This gave the Japanese a sense of generosity; and the Manchukuoan authorities responded appropriately in their speeches. But the fact was that the judges and the police in Manchukuo were by this time either Japanese or much influenced by the Japanese system; and so the waiver over extraterritoriality had little effect. It gave the Changchun authorities the right to tax Japanese nationals.

FROM MANCHUKUO INTO NORTH CHINA

From 1936, Japanese pressure on North China was increased, and a determined process of penetration on many fronts, political, economic and military, began which continued until the outbreak of the Sino-Japanese War in July 1937. There were moves by Japanese field armies to weaken Nationalist political control in North China. Following the occupation of Jehol, covert operations took place to detach the provinces of China north of the Great Wall (Hopei, Chahar and Suiyuan). These were all adjacent to the frontiers of Manchukuo; and the army had a basic anxiety over being unprepared for coping with war on two fronts simultaneously, firstly, against the Soviets in the north and secondly against the Nationalists in China. These devious actions were promoted by the Kwantung army and pursued by the Tientsin garrison force. Though this was not systematically planned, it used various pretexts to justify its actions: a desire to promote anti-Nanking independence regimes at local level and build up a pro-Japanese base of supporters; a desire to work with local authorities to counter the spread of communism, especially after the Sian incident.

From late in 1934, violent incidents took place in Hopei and Chahar. In Hopei the regional Chinese General negotiated with General Umezu an agreement of 10 June, whereby the Tientsin garrison army was given a freer hand. The Kwantung army not to be outdone pressed for increased control in Chahar. But Tokyo, mindful of the economic boycott and the anti-Japanese demonstrations, recalled the activists. The Nationalists took the opportunity to establish a semi-autonomous Hopei-Chahar Political Council to be headed by General Song thereby

reasserting its authority in these two frontier provinces.³⁴ The Japanese general staff described their standpoint at this juncture in order to justify these actions:

As Japanese we cannot be indifferent to these local administrations in North China which have in fact not only taken such measures as meet our desires but are inclined to cooperate actively with Japan, while the attitude of the Nanking Government with respect to the special relations between North China and Japan and Manchukuo, the control of anti-Japanese activities, and the suppression of Communism remains as unsatisfactory as before.³⁵

MARCO POLO BRIDGE INCIDENT BEFORE AND AFTER

Meanwhile, important political changes had taken place in both China and Japan. In Japan, a significant army mutiny led by young, ideologically driven officers took place in the central district of Tokyo on 26 February 1936 (*2.26 jiken*). Its details do not concern us. But it resulted in a humiliation of the military in public esteem. It was followed by a severe purge of rebel officers and a takeover by more moderate officers of top posts within the army. That clampdown affected its most adventurous part, the Kwantung army, which was notorious for indiscipline and elaborate stratagems for getting its own way in critical decisions. The effect on our story is that the Tokyo government, the war ministry and the General Staff thereafter intervened more effectively in laying down Manchurian policy, insisting on authorizing military operations. This meant that policies became more cautious. The new Tokyo-directed China policy had the downside that Tokyo could not thereafter deny responsibility for what went on at the front.

On the Chinese side also changes were afoot. Chiang Kai-shek stated that ‘the main issue in domestic affairs between the Manchurian Incident and the so-called “War of Resistance”’ in 1937 was ‘what measures to take in order to resist Japan’. But, bearing in mind that ‘China’s feudal and counter-revolutionary forces were still engrossed in civil strife,’ the Nationalist Government had no alternative but to make every effort to preserve peace.³⁶ Thus, Chiang clung to his policy of pacification before resistance for the first half of the thirties. Chiang’s apologists argue that he always had a vision of resistance and retaliation and that he was only waiting for the right moment. Others felt that it was taking too long to

reach that moment and that he was overly occupied with fighting the communists.

Such a view was held by Chang Hsueh-liang, still resentful over Chiang's decision not to contest the Japanese invasion of Manchuria and Jehol in the first place. He had been appointed as commander of the anti-communist headquarters at Sian, the capital of Shansi province, and was in charge of the 'final campaign' against the communists. But he now voiced support for the student-led National Salvation Front. In December 1936 Chiang, suspecting his disloyalty, flew to Sian. It may be that he was not pleased with Chang's dedication to this task and was intending to replace him. This was indeed what the latter believed. For some days after his arrival, the Generalissimo spent time discussing this issue with dissenting generals. He would not concede and was arrested by his various hosts who presented him with a demand for collaboration with the Salvation Front and willingness to change to a policy of resistance. But in the main it was motivated by the desire for a national campaign to resist the Japanese incursions in keeping with popular opinion. During his thirteen days of detention, Chiang had to suffer some violence and may have conceded some of the demands verbally. He was released and returned to Nanking in the company of Chang. Although Chiang professed that he would rather die than give in to the insurgents, there is evidence that, after his release, he offered a more resolute challenge to Japan.

This rebellion within the Chinese leadership is not irrelevant to the story of Manchuria. The forces that the Young Marshal was commanding in the anti-communist campaigns were mainly of Manchurian origin. For them the surrender of Manchuria had been the greatest humiliation and the thought of a return to fight there was a top consideration. He was under pressure from them. He was an admirer of the Generalissimo and was anxious that no harm should come to him in Sian. When Hsueh-liang accompanied Chiang back to Nanking, he was found guilty of insubordination in a court martial and sent to prison for ten years by the Nationalist government. Though he was removed from the political scene, it did not dim the widespread aspiration for the recovery of Manchuria, unrealistic as it was.³⁷

It is little wonder that the Marco Polo bridge incident (7 July 1937) with which we started this chapter caused such an outburst of feeling. In Chiang's view Japan's seizure of the bridge was part of a preconceived plan by the Kwantung army to take control of Peking

and the loss of the old capital would be catastrophic for Chinese Nationalist aspirations. Unification of China under the Nationalist banner had been attempted for almost a decade without much success. It had briefly succeeded in Manchuria where Chang Hsueh-liang had accepted a partial unification, rather than independence under the protection of Japan. But the bridge incident seemed clearly to be a pretext similar to those used by Japanese armies in the previous few years to justify their incursions. It appeared as a culmination in north China of the Ishimoto, Chengtu and Pakhoi incidents which had been happening elsewhere in China. If the response in those cases had been equivocation, dithering and acquiescence, now was the opportunity to galvanize Nanking into a ‘Total War of Resistance’ as Chiang was to call it.

The Marco Polo Bridge incident was of great symbolic interest. For China, it was the manifestation of resistance on the part of the Nationalist government. Perhaps this had been shown in isolated incidents earlier; but now it was highlighted in the glare of international publicity because of its proximity to Peking. The message was that China was not prepared to take the role of puppet to Japan as in Manchukuo. She was unyielding in negotiations for a localized settlement. China’s commanders rejected Japan’s ultimatum to withdraw from the former capital by 28 June but, after the attack on the city escalated, they acknowledged defeat and withdrew their troops.

It was a typical Japanese response to alleged provocation and exasperation. But it was a distinct inconvenience which exposed disagreements within its faction-ridden elite over extending hostilities. The army was split; and the civilian government was unable to enforce its will (as the short-lived Sato cabinet had shown in June 1937). But the end result was that they wanted to avoid all-out war and had no intention of an occupation of China proper and wanted a local settlement of the problem such as they had not been able to achieve in the past five years. The bridge incident was a demonstration of military strength but also a symbol of internal indecision. It was the Tokyo decision to send an expeditionary force to Shanghai a month later that turned the incident into full-scale war. It was indeed ‘the North China Incident’ which was transformed into ‘the Shanghai war’.³⁸

THE FICTION OF MANCHURIAN INDEPENDENCE

We have an analysis of Manchukuoan society over the four-year period from the creation of the new state from the pen of the British consul-general in Mukden, (Sir) Paul Butler:

[Manchukuo] is designed solely to serve Japanese interests political, economic and military. The number of Japanese officials in the Government has increased steadily and now exceeds 50 percent of the personnel of higher grades. Persecuted incessantly by gendarmerie and police and deprived of the means of livelihood and opportunities for advancement by the great incursion of Japanese, the small Chinese educated class is in process of rapid disintegration. The inevitable outcome must be that all wealth and positions of responsibility will be monopolized by Japanese who will exploit an inarticulate Chinese peasantry. Judging from these indications and from the ambitious plans for Japanese and Korean immigration, one can only assume that it is intended to create a self-governing Japanese dominion rather than an independent Manchukuo State.

Nonetheless, he recorded some great achievements which we have underscored in previous parts of this chapter: the stabilization of the currency (now attached to that in Japan); the purchase of the Soviet stake in the former Chinese Eastern Railway; the signing of a trade agreement with Germany (1936) which helped the peasantry by restoring the trade in soya beans; and the conclusion of a treaty with Japan partially abolishing her extraterritoriality in 1936.³⁹

Of course, there was the down side. The new government had not been able greatly to improve the overall economy. To some extent, it had the ill luck of presiding over repeated years of drought and flood, which coincided with worldwide agricultural depression. Agrarian distress gave a powerful stimulus to disorder and banditry which Changchun had not been able to overcome despite the large security presence. The Manchukuoan army was sympathetic to the bandits. The police were making little effort to eliminate or control the drugs traffic which may indeed have been promoted by the Kwantung army.

Would the experiment end in failure as the League report had forecast? It was an army of occupation which had not tried to gain popular support. Manchuria had been pacified and a modern administrative system had been organized. But the benefits seem to have accrued to Japanese. Not that the pattern of colonial powers introducing overwhelming numbers of their own

nationals into the occupied territory had been successful. Japanese colonists were encouraged but seem to have disliked the country and the climate. They could not generally be recruited as immigrants in the numbers necessary. Moreover, Japanese who came had higher expectations than Manchukuoans and demanded a higher standard of living.

Another slant is given by Sir Miles Lampson who had by 1931 acquired a vast experience of East Asian politics over twenty-five years. His view was that Japan by her adventure in Manchuria and China generally was destroying her own society. When he heard of the assassination of Inukai, the Prime Minister, on 15 May 1932 at the hands of junior officers from both the army and navy and the immediate resignation of the cabinet, he commented:

It is very easy to say 'I told you so'; but it is the truth to note that from the very beginning I have expressed the view that when Japan started up this Manchurian affair she set wheels in motion which would get her far more deeply involved both internally and externally than she or anybody else anticipated.⁴⁰

Lampson's conjecture was that forces in Japan by pursuing a Manchurian adventure were destroying the fabric of Japanese society itself.

ENDNOTES

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7. Lampson in DBFP, xi, pp. 588–9. Alluded to in NGB, 'Manshu Jihen, III', pp. 826–7, 20 April 1933
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21. DBFP, xx, doc. 537, para 13. Ohashi later joined Foreign Ministry in Tokyo and became vice-minister in 1940–1941
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Chapter Ten

A Decade of Wars,

1938–1948



FOR A DECADE after 1938 Manchuria was enveloped in a fog of war. Over the border in the Chinese heartland the war was under way with Japan against the background of the ongoing civil war between the Kuomintang government and the Communists. Within Manchuria there was recurrent fighting on the periphery between the Soviet Union and the Japanese where border disputes led dramatically to the Soviet invasion of the country in 1945. These were strategically significant but they were small in scale compared to the global issues which were arising in connection with the European conflict of 1939, the German invasion of Russia (Barbarossa) in 1941 or the Asia-Pacific conflict which also began in 1941. It might have been possible to stop our story in 1937 but that would have meant leaving out of our account the important effects in Manchuria of the dropping of the atomic bombs on Hiroshima and Nagasaki and the emergence of the civil war on the Manchurian plain. But it is a complex many-sided story and we can only give a concise account of it here.

An important theme in the early part of this chapter is Soviet-Japanese relations in Manchuria. Partly this was an inter-state confrontation in north Manchuria between countries with conflicting commercial and political interests. Partly it was the outcome of ideological differences. Under the strong influence of the army, especially the Kwantung army, Japan had followed an anti-Soviet policy which justified her in keeping

large numbers of troops in Manchuria and her colony of Korea. Sharing her anti-Soviet policies was Nazi Germany. To that end Japan had entered into the Anti-Comintern Pact with Germany on 25 November 1936. Fearing that this was not enough, a group emerged which advocated converting the existing treaty into a military alliance with Germany and Italy. There were prominent lobbies opposed to this, especially after the outbreak of the European war (September 1939) and the signing of the Nazi-Soviet Non-aggression Pact (27 September). Eventually, Japan entered into an alliance with the Axis powers in September 1940. But loyalties were shallow in war; and outcomes were unpredictable.

THE NOMONHAN WAR, 1939

The Nomonhan incident was the most prominent of the border incidents which afflicted the 3000 miles of border between the Soviet Union and Manchukuo. Some authors state that there were as many as a thousand border skirmishes during the 1930s. In June 1937, the Kwantung army triggered the Amur incident near Blagoveshchensk where Japanese dared to occupy islets in the middle of the Amur River. The Japanese claimed that the islands belonged to Manchukuo and had been wrongly attacked by Soviet gunboats. Soviet troops tried to evict the Manchukuo forces but were eventually withdrawn. The dispute was brought to an end by an agreement whereby Moscow agreed to restore the *status quo* to Japan's surprise. She interpreted this as a sign of Soviet reluctance to fight. Presumably, the Soviets were not satisfied with the build-up of their Far Eastern forces at this stage.¹

A year later, there was a challenge on the Korean border, on a completely different front in the neighbourhood of Vladivostok. Changkufeng was a village placed at a vantage-point overlooking the old Russian naval base of Possiet Bay. The frontier was disputed, each side having a claim to hold the hilltop. The Soviets sent up a few troops and a Japanese military policeman was killed. The Korean Japanese Army which was responsible for the defence of the mainly Korean settlers rather than the Kwantung army, launched an offensive, after some degree of provocation, on 29 July in an effort to drive the Russians back to 'their territory'. The latter did not react as expected, instead throwing in one regular division with air support. Obviously, the Russians did not want to repeat

the humiliation of 1937. By heavy fighting, they forced Japan's troops to give up the high ground. Tokyo ordered evacuation and non-escalation of the affair, after sustaining heavy losses. Eventually, a ceasefire was arranged in Moscow and fighting ended on 11 August.²

More serious was the Nomonhan incident of July 1939 on the north-west side of Manchuria. Changkufeng had affected Soviet territory; Nomonhan was part of Mongolia where the Soviets claimed to exercise protective powers under their agreement with the Mongolian People's Republic. On 11 May, Japanese soldiers advanced in the Lake Buir district and pushed through to the Khalka River (Khalkin Gol). The Soviet/Mongolian forces responded with an armoured attack but were driven back. Japan lost a cavalry regiment in the battle. Governments on both sides called for 'non-enlargement' but what emerged seems to have been an 'escalation by mutual consent of the commanders on the ground'. For four months, Japan and the USSR fought a fierce undeclared war on the Mongolian plains. The two sides committed tens of thousands of troops; and hundreds of tanks were destroyed and planes shot down. On 20 August, Soviet-Mongol troops carried through a major armoured assault which secured victory. 25,000 Japanese troops were killed and 52–55,000 were injured, while the USSR declared their losses to be 10,000, probably an underestimate. After tense negotiations, complicated by the developing European situation, a ceasefire was arranged by Togo, Japan's ambassador in Moscow, and Foreign Commissar Molotov on 15 September.³

In spite of reinforcements, the Japanese were numerically smaller and outmatched by the Soviets in artillery and airpower which operated effectively under the ruthless command of General Zhukov. Zhukov who had managed to obtain an eastern posting and thus escape the purges of generals being conducted by Stalin, applied Blitzkrieg methods and struck unexpectedly. Coox concludes that Nomonhan was 'Zhukov's masterpiece'. He further writes that the Kwantung army displayed an under-estimation of the enemy and overconfidence in itself.⁴ The Soviets were vastly superior and better equipped. Though demoralized, the Kwantung army did not admit defeat and was ready for 'a comeback fixture'. It tried to conceal the extent of its casualties. But the ashes of the fallen soldiers had to be repatriated by rail through the hub of Mukden. So the local populace and the foreign community were able to observe the caskets and were under no illusion about the scale of Japan's defeat.

After an investigating commission had reported, an agreement on the Manchurian-Mongolian border was reached in Moscow on 9 June 1940.⁵

ECONOMY IN WARTIME MANCHUKUO, 1940–1945

Since early in the twentieth century, the economy of Manchuria had been closely associated with that of Japan. This was even more the case after the start of the China Incident of 1937 which soon turned into a full-scale war with China, part of the so-called Fifteen Years' War. There were strong voices calling for the integration of Manchuria's economy within the Japanese war effort.

Manchuria was a rich agricultural area with a good soil and able farmers – mainly Chinese immigrants – and plentiful natural resources such as forests. But its output of rice was not enough to resolve Japan's rice shortages. Soya bean production continued to thrive in Far Eastern and internal markets.⁶ By the mid-1930s Japan had another agrarian problem. Japanese politicians had to take cognizance of the large number of impoverished peasants because there was too little land in the Japanese islands to be worked by too many farmers. It was natural that the existence of Manchukuo should be seen as a new opportunity for emigration which would relieve rural poverty at home. Governments were persuaded by emigration promoters to invest in farm colonization. It was a case of wishful thinking. Over 300,000 farmers participated in these resettlement schemes. On arrival in Manchukuo, however, the settlers often found that the land on offer was poor or already under cultivation by Chinese and Korean peasants. Enthusiasm dwindled. Professor Young concludes:

What began as a hopeful experiment turned by the 1940s into a frantic search for bodies to shore up the crumbling foundations of the Manchurian settlement.

So insistent was Japan on the success of her experiments that withdrawal was never an option.⁷ The Lytton Commission had acknowledged that Manchuria was an under-populated country and that population pressure was one factor behind Japan's desire for expansion. But its report concluded that 'it does not seem that Manchuria is a region suitable for Japanese emigration on a large scale'.⁸

On the industrial side, Japan had first invested in the extractive industry. First in coal mines. But these could no longer be relied on to meet their targets. She depended on increasing the output of iron ore at the plant at Anshan. From 1938 she could rely on steady production of steel. She was able to move into the metallurgical industries which were essential for modernizing the army. But continued investment in some enterprises would not have been justified unless for strategic or ideological reasons. Some Manchurian industries were not commercially viable and would in other circumstances have been wound up.

As Japan's grip tightened, the economy moved from *laissez faire* to a command economy. According to Dr Iguchi, around 1938, policy-makers admitted the failure of 'state socialism' and sought to return Manchurian industry to the private sector. This even had the support of the intrusive Kwantung army, provided 'the private sector' did not include Japanese *zaibatsu* companies. Another experiment was to establish US-style factories in heavy industries. The reason was that Japan's home islands had not the space for mass production industries on the US model but Manchuria's abundant land and natural resources made it possible there. The Manchukuo government, especially its minister for industry, Nobusuke Kishi, was hopeful of dominating Japanese automobile and aircraft industries through the Manchurian Industries Development Corporation (MIDC) but it failed to acquire foreign/Japanese technologies. Many of the new ventures were held back by excessive interference from the Manchukuo government and the Kwantung army.⁹

Japan had built up in Manchukuo an extensive industrial and transport complex which far exceeded anything elsewhere on the Asian continent, including the vast state of China. It was to be a place of technological experimentation. She had largely integrated Manchurian industry with the Japanese economy and this contributed to her war effort and was seen as a means of rescuing her post-war economy. Using unskilled labour drawn from China and managers and engineers from Japan, she had created plants which at the end of the war were the envy of many, including her neighbour, the USSR.¹⁰

The future of Manchukuo as a Japanese protectorate had to be seen in the context of unexpected worldwide developments: war in Europe (September 1939); Germany's attack on the Soviet Union (June 1941);

the attack on Pearl Harbor (December 1941). On the Soviet side, they had demonstrated their potential at Nomonhan and were content to rest there. On the Japanese side, the Kwantung army which was the initiator of so many plans of expansion, had formerly favoured a Go North movement, that is an attack on the USSR. But there was now with the collapse of France and the German successes, a Go South movement in the ascendant, that is, directed against the colonial empires. In this cause they had the support (which was generally not forthcoming) of one wing in the Imperial Navy. But there was still a residual group of officers who thought striking north was a risk worth taking during the crisis in Europe as Japan had earlier done during the Manchurian crisis of 1931. Since the battle for China was going badly, and the Wang Ching-wei ‘alternative’ government in Nanking was proving a disappointment, this would be an occasion to show Japan’s mettle.¹¹ But her allies had urged her instead to embark on the southern course.

A key problem before the Japanese cabinet was: what to do about Manchukuo, especially the Soviet presence around its borders? This was prominent in the mind of Matsuoka, Japan’s foreign minister, who was a strong supporter of the Tripartite Pact with Germany and Italy (September 1940) whereby Japan became a fully-fledged member of the Axis. When he visited Europe to meet his allies in March/April 1941, he broke his journey in Moscow twice, once on the outward journey, and once on his return. Matsuoka wanted to secure a non-aggression pact with the USSR which would guarantee that Russia would not intervene in Manchuria if Japan pursued her southern strategy. Finally, on 12 April, he saw Stalin who discussed the matter sympathetically with him but put forward the proposal for a neutrality pact which Russia had sought all along. Matsuoka signed the agreement which provided that, if one of the signatories were attacked by one or more countries, the other would observe neutrality. It was to apply for five years. Stalin and his team may have been worried about the possibility of a ‘war of revenge’ over Nomonhan about which the Kwantung army had been boasting. They may also have wondered whether Matsuoka’s purpose in visiting Europe was to put some life into their Tripartite Alliance at the expense of the Soviet Union. They were satisfied that a guarantee of Japan’s neutrality would prevent this. Matsuoka, too, was confident that Japan’s position had been strengthened. Eventually, both sides would reduce their forces in the area, the Russians withdrawing troops westwards to fight, while

Japan siphoned off her crack units for China service. Matsuoka changed his mind when the German armies attacked the Soviet borders a mere two months later on 22 June (Barbarossa).¹²

As Japan turned south and neutralized her position with Soviet Russia to the north in 1941, Manchuria was saved from becoming the base for a war between Japan and USSR in these uncertain times of disloyalty and ambition. The Neutrality Pact had of course given Japan the benefit of Russia's recognition of Manchukuo; but there was little trust between the two countries. Eventually, on 5 April 1945, Molotov, the Soviet foreign minister, read to Ambassador Sato the formal declaration that the Pact's 'prolongation' was impossible and that Soviet Russia wanted to give the one year's notice required to denounce it on the grounds that 'the pact had lost its meaning' in view of the vast changes which had taken place in the international arena in the previous four years. The statement was ambiguous. Those Japanese who saw relations with Russia as Japan's only access to the wider world, interpreted it to mean that the pact would not be extended when it lapsed in 1946. This was wishful thinking: Moscow's intention to denounce it was ominous. It should have sent alarm bells ringing in Kwantung army circles; but they seem to have assumed that the pact would hold good till its expiry date. Dr Coox says 'the higher echelons were living in a fool's paradise'. To be sure, their planning changed from offensive to defensive; special pains were taken to gather information about Soviet military preparations over the border; their estimate (which proved not inaccurate) was that a Soviet attack might come between 20 and 25 August. The Soviets who probably over-estimated the strength of the Kwantung army were building up very strong forces – much to the chagrin of their Atlantic allies who wanted them to fulfil their earlier promises to intervene.¹³

THE YALTA CONFERENCE AND AFTER

Manchuria was one of the central issues raised at the wartime conferences of allied leaders. The Soviet Union, identified with the allies since Germany's invasion in June 1941, offered at successive conferences to enter the Far Eastern war within three months of the ending of the European war. It made it clear, however, that it had borne the heaviest burden in the war

and expected some compensation from its allies. Chiang Kai-shek who attended the Cairo conference (1943) where Stalin was absent was sympathetically received because of the Nationalist government's noble retreat to Chungking but he did not hear of this possibility until later. When the allied leaders met at the Black Sea resort of Yalta in February 1945 (without Chiang), the USSR confirmed their promise and announced its post-war demands on the Far Eastern front which were broadly to restore Russia's position there to that which she had occupied in 1904. Agreement was reached between Stalin and Roosevelt, by this time weakened by ill health, without Britain being consulted. Doubtless, the US president assumed that a long and bloody campaign in the Far East would follow the defeat of Germany and concluded that Russia's entry was essential if lives were to be saved. He recognized that there would have to be sacrifices.¹⁴ Such was Roosevelt's legacy to his successor, President Truman.

This was an important decision which had dire implications for the future of East Asia. The far-reaching Russian demands on Manchuria which specially impacted on the Chungking government shattered many of its optimistic visions about that country after Japan's defeat. It was so controversial that it was kept 'top secret'. The crumbs of information given in the White House press release are not revealing about these secret meetings which 'permitted new and important discussions on at least one subject [which] they could not take up before. That had to do with Japan and the war in the Pacific, where Soviet Russia is a neutral Power.'¹⁵

Obviously, these broad-brush decisions had to be converted into administrative arrangements. To that end T.V. Soong who had represented China at the San Francisco conference of the United Nations, visited Moscow in June. It was his duty to work out the practical implications of the terms which had been laid down at Yalta as the price of Soviet military intervention. His problem was that the Soviet negotiators were now inclined to extend their demands beyond what had already been agreed in principle. China was anxious to resist this with American and British support. Soong further enquired about the possibility of the Soviets reaching some agreement with the Nationalist government about future Sino-Soviet relations. It was important for Chungking to win Moscow's favour rather than the Chinese Communists. While Moscow seemed to be responsive, the obstacle was the neutrality pact with Japan which she had reached in 1941. Though it had been denounced, it was formally still running.¹⁶

The USSR did not declare war on Japan until three days after the first atomic bomb was dropped on Hiroshima on 6 August. Stalin had always promised – most recently at Yalta – that Russia would enter the war against Japan three months after Germany was defeated. But he was in no hurry to carry it out, while he was transferring the manpower and the arms from Europe to the Manchurian border. In fact, he faithfully observed his undertaking. From 9 August, the Soviet government considered itself in a state of war with Japan and immediately invaded Manchuria.

T.V. Soong returned to Moscow on 7 August after consulting the Chungking government. He was told of Russia's renunciation of her neutrality and the talks now took place as between belligerent allies. Stalin agreed to recognize the principle of the 'open door' in Manchuria and Chinese sovereignty there. Soong concluded a treaty of friendship and alliance on 14 August which provided for Soviet assistance in the war against Japan which was greatly in China's interest. Nonetheless, China had to swallow some bitter pills. The price was that the Manchurian railway was to be operated jointly for thirty years; Dalny (Dairen) was to be a free port under joint control; and Port Arthur was to be converted into a purely naval base open to use by China and the USSR only. In addition, China was to accept the independence of Outer Mongolia if a plebiscite favoured it. The treaty was ratified by both parties and published on 27 August along with the various subsidiary understandings.¹⁷

We know from British records that Soong had formidable doubts about this one-sided agreement which Chungking had only accepted it as a way of securing the blessing of Moscow for its standing *vis-à-vis* the Chinese communists. For this recognition it was reluctantly ready to make these substantial sacrifices. Their willingness may also have been influenced by the fact that Soong was negotiating in Moscow at almost exactly the same time as Soviet troops were penetrating into north Manchuria, as Ambassador Clark Kerr points out, and finding little opposition. It may have reflected the gratitude of Chungking which, like everyone else, had been taken aback by the suddenness of the changes that had been taking place.¹⁸

SOVIET INVASION

The standard Russian military history of the campaign states that the Soviet object was to liberate all territory under Japanese occupation.

Instructions from Soviet High Command were for the utter destruction of the Japanese army in the Far East. In doing this, they oversaw naval operations by the Soviet Pacific fleet off North Korea, pushed forward an offensive in South Sakhalin on 11 August, and planned the landings on the Kurile archipelago. These kept the naval base at Vladivostok busy over the North Korean operation; and the historian of the city relates that ‘our city once again took on the mantle of a military front-line’.¹⁹

But the main activity was the land offensive conducted in Manchuria from 9 August until the official Japanese surrender on 2 September. It was a surprise Blitzkrieg invasion, mainly mechanized. The Red Army was engaged on many fronts: on the west from Inner Mongolia with its Mongolian partners; then the Trans-Baikal front, aimed at Mukden; the northern thrust from Blagoveshchensk; and the Far Eastern fronts on the Sungari and Ussuri Rivers.²⁰ It would appear that the operations were all conducted along the extended frontier with tanks, cavalry and aircraft. In each category the Soviets were superior and had, of course, battle experience. The Red Army had a capable and experienced high command. Its soldiers were tough, and its commanders had little regard for casualties. It moved more speedily than Western armies and took full advantage of its surprise attack. It had the advantage in numbers. By early August, some 1,600,000 men were under the command of General Marshal A.M. Vasilevsky poised to confront just under 1 million Japan defenders. In the early days of the invasion the Kwantung army put up a robust defence – they were conscious that it could be their ‘last battle’.

The Emperor Hirohito’s broadcast accepting the terms of the Potsdam Declaration was made on 15 August. The Japanese armies in the field initially decided that combat operations must continue until positive instructions came through from Tokyo. But by 11 p.m. that day Kwantung command decided to defer to the emperor’s will and suspended operations. In order to confirm the emperor’s instructions in a time of defective communications, Prince Takeda Tsuneyoshi was sent over to convey the Emperor’s message personally. Thereafter Russian columns met with only odd pockets of resistance. Neighbourhood fighting by isolated units continued for a while. The Kwantung fighters were paralysed, says the Japanese military history, with their hands metaphorically tied behind their backs (*ushiro-de*). There was probably more fighting between the two sides at Nomonhan five years earlier than in this ‘liberation campaign’.²¹

Russia found itself in control of Manchuria and took the virtual Japanese surrender. The Chinese Communists were making such inroads that the Kuomintang government soon realized that Soviet withdrawal after three months would mean immediate communist occupation of the major cities. At the request of Chungking, the Russians consented to stay on until Chiang Kai-shek could fly in some reliable generals and officials to take the full surrender. It suited the Soviets to extend their stay and they did not eventually evacuate their troops till early May 1946.

The Soviet occupation force set out systematically to strip the industrial belt in south Manchuria of key machinery and information. The south, where most of the former Japanese institutions were located, was entered virtually unopposed. At one level they removed documents from the Research Department of the SMR in three freight cars. More significantly, they took the larger part of all functioning power-generating and transforming equipment, electric motors and the newest and best machine tools, using the argument that the machinery they found was war booty and therefore legitimate spoils for an occupying power. The ultimate purpose was to use them for the rehabilitation of Soviet industries which had been devastated in the war. The US protested vehemently about this seizure of machinery on the grounds that these were vital Japanese external assets which had to be included in any calculation of war reparations and their removal was ‘most inappropriate at this juncture’. In June 1946, Edwin W. Pauley, the American Reparations Commissioner for Japan who had presided over a commission of enquiry, presented his report on the extent of the removals and the damage it had caused and concluded that it would retard Manchurian development by a generation and reduce these provinces to an agricultural economy.²²

How were Soviet troops received? At one level anyone who put the Japanese and the concept of ‘Manchukuo’ to flight was popular with the Chinese. The Russians could be generous, passing over Japanese goods they had confiscated to the local population. But the Russian soldiers were generally lawless, undisciplined and exercised their privileges as occupiers to the full, entering private houses and violating the population. After the capture of Mukden they indulged along with the Chinese in the widespread killing of Japanese families and later perpetrated the Gegenmiao massacre. Estimates of deaths from the takeover vary enormously and are not verifiable.

We get some insight into the prevailing Chinese feeling towards the soviets from Jung Chan’s account of her family’s experiences in her book

Wild Swans. Her family were living in Chinchor (Jinjho) on the south-west border of Manchuria at a key point on the Peking-Mukden railway. They witnessed Russian troops arriving by train on 23 August which was fairly late in the story of the Soviet invasion. The citizenry turned out in great numbers to greet the incoming Soviet soldiers with some degree of enthusiasm and waved flags of welcome. But they were soon disillusioned with them. By 11 November, the Soviets left Chinchor for north Manchuria in order to honour Stalin's pledge to withdraw from the south within three months. As they pulled out, they were followed by the Chinese Communists who had crossed the 'frontier' from the south. The incomers restored order and got the economy moving again. But only briefly. They were displaced by the Kuomintang who followed in some strength and their officials took over the administration. They confiscated Japanese houses which had been vacated; but they were not local and quickly became unpopular because of their corruption.²³

One of the topics of the conference of Allied foreign ministers in Moscow at the end of December was how to cut down the excessive number of troops stationed in Manchuria. The disarming and repatriation of Japanese forces remaining in the country proved difficult to arrange and so a large number of US and Soviet troops stayed on. But American forces were reduced after Moscow's protests; and Soviet armies withdrew by the end of April 1946. The Red army, however, continued to maintain garrisons at Port Arthur and Dairen by virtue of the treaties negotiated with China in 1945. Its position in the efficient port of Dairen prevented its use for government supplies and reinforcements. It only left the joint city five years later.

JAPANESE RESPONSE

The scale of Japanese occupation in Manchuria was such that its termination was bound to be a task of immense proportions which would take a long time to complete. It was not till 9 October that the Japanese commanding general, General Okamura, signed the overall instrument of surrender of the million Japanese in China. In the interim he was instructed to defend his positions against Chinese Communist troops. His soldiers were to pass their arms to forces designated by Chiang Kai-shek which were naturally confined to troops and commanders

favourable to the Nationalist cause. This accorded with the wishes of the Japanese government and the former commanders of the Kwantung army that were not favourable to the growing power of the Chinese Communists whose adherents had given the Manchukuo authorities trouble in the past. They had been aware of Chinese singing the *Internationale*; and of course the Korean zones in Manchuria were well-known as a seedbed for communist activity.

The suddenness of the Soviet advance was a great shock for the Kwantung army (*kishusen*) which had long enjoyed the reputation of being the most important Japanese field army. But by 1945 it was bereft of its finest divisions. From mid-1944 there was an erosion of the numbers available in spite of the information coming in of train-loads of Soviet troops travelling east through Siberia. Some Japanese divisions and equipment had been transferred south for the Ichigo campaign of 1944 and some withdrawn for the *kessen* (decisive battle) expected to take place in Japan. But, after losing their crack troops, the Kwantung army had to put on a show for the Soviets. So, according to Dr Coox, they mobilized 'the physically infirm, the over-age, civil servants, colonists and students' and created on paper the largest Kwantung field army in history with 780,000 men. But they had scraped the barrel. He further concludes that 'as late as August 1945, the higher echelons of the Kwantung army were living in a fool's paradise... In Manchuria there was still no sense of crisis [in spite of the atomic bomb]'.²⁴ Evidently, it was not that there was a serious failure in collecting intelligence about Russian deployments for which the Kwantung force had enjoyed a high reputation in former days. But in Mukden and in Tokyo there was a singular complacency and hesitancy in facing up to the consequences. After Tokyo surrendered there was the enormous job of winding up the South Manchurian railway with its cobweb of subsidiary lines. The Manchurian Central Bank (*Manshu Chuo Ginko*) also had to throw off large numbers of employees. Although the soviet authorities were asked for leniency, Japanese civilians and their families were badly neglected.²⁵

The Russians sent many of their prisoners of war to Siberia. Of 3 million Japanese in areas occupied by the Red Army and Pacific Fleet in August 1945, it is estimated that over 600,000 or 20 % were interned in the USSR in order to cope with post-war labour shortages. About 50,000 worked on the Baikal Amur line, the new Russian railway beyond the Amur, while others were allotted to logging and coal-mines. There were wretched con-

ditions in the labour camps and many deaths occurred, especially on Baikal Amur line. But there was also a positive emphasis on re-education, not to say indoctrination, in communist beliefs which most of the men captured resented. Professor Stephan tells us that, because so few Russian men returned from the war, some POWs ‘enjoyed an eligibility that exposed them to amatory assaults’. But in general it was a harrowing experience. After 1947, repatriation was unbelievably slow. It became an issue of great bitterness in Japan and the US in 1949–1950 where there were concerted efforts by families to get their men back. Of course, some soldiers and emigrants were reluctant to return to Japan. Many former ‘colonists’ committed *hara kiri* rather than face the shame of return. But many detainees were not repatriated until the mid-1950s. Russia staged a show trial at the Primorye Military Court at Khabarovsk for those primarily responsible for the bacteriological research unit known as Detachment 731 which was located some 20 km from Harbin. On 30 December 1949, it handed down sentences of ‘confinement in a labour correction camp’, in case of the four most senior officers for twenty-five years.²⁶

It seems appropriate, if slightly odd, to mention within ‘Japan’s response’ the plight of Pu Yi whom we last saw at the peak of his Imperial glory in 1934. On 11 August, that is before the Emperor’s broadcast, his Japanese advisers decided to move the capital from Changchun (Hsinking) and arranged for him to leave. But then Tokyo agreed that he might be admitted to safety in Japan. He had to give up his imperial title by issuing an Abdication Rescript on 16 August. According to his own account, which I have not been able to verify from Japanese sources, he found, when eventually he was able to move and reach Mukden airport, that it was already in Russian hands. He was arrested and flown to a labour camp at Chita. After 1949, he was extradited to the Chinese People’s Republic where he was placed before a war crimes court. After serving ten years, he received a special pardon and lived on to write his autobiography.²⁷

But Pu Yi hints at a rumour that many members of his court, having maintained good relations with Chinese politicians and military during their period of office in Changchun, were seriously suggesting to Kuomintang officials that they might now serve the Nationalist cause. In his words, this group ‘hoped that they would be able to make a lightning change [from collaborating with the Japanese] into representatives of the Republic of China before the Soviet troops

arrived'.²⁸ It would appear that these Manchukuoan officials of Chinese nationality felt that the Kuomintang was so entrenched in its hatred for communism that it would accommodate people like themselves and disregard their past disloyalty to the Chinese state provided they established their anti-communist credentials. At all events, their aspirations were dashed by the speed of the Russian advance. The Russians soon took Changchun and despatched them to the Soviet Union. Pu Yi himself does not seem to have seriously considered his place as being alongside the Nationalists with whom he had a long-standing and deep-seated dispute. Some Japanese chose to stay behind and collaborate with the Kuomintang.²⁹

MANCHURIAN CIVIL WAR

Tension between the Kuomintang and the communists which had reduced China's capacity to fight Japan, 'resumed' after the war ended. But in Manchuria it was something only beginning. Here it was that the survival of the Nationalist government was to be tested and found wanting. The story of the civil war introduces two new players: the Chinese Communists and the United States, both of whom had, of course, been around in earlier years but now came to prominence.

Chinese Communists had been a factor on the China scene since the formation of the party in 1921. They had resisted the Kuomintang's reunification campaigns in the thirties. During the war with Japan they had played an important role in resisting Japan's advances by way of their skills in guerrilla warfare. Their leaders had always had their eyes on Manchuria as the crucial battleground in their struggle for power because of its economic assets. They thought their moment had arrived with Japan's defeat. Because they were close to the 'border' at the war's end, their forces were able to penetrate into Manchuria first with virtually no assistance from the Russians. But the Kuomintang who followed after had better transport systems and moved faster; and the Americans were helping Chiang to establish himself there by ferrying tens of thousands of Kuomintang troops to the North. Fighting between Communists and the Kuomintang inevitably broke out.

The Chinese Communist Party (CCP) had developed the notion that they could establish their own exclusive control in Manchuria.

The Chinese Communist Party tried to slow down the large numbers of Kuomintang troops proceeding north by sea and air with American assistance by destroying roads, railways and bridges. But they could not themselves get similar assistance from the Soviet Manchurian army which gave only limited help. Stalin complied with the treaty and handed over cities which the Soviets had occupied to the Kuomintang authorities when they evacuated them. The communist leadership in Yenan oscillated in their instructions, at first urging that the Chinese Communist Party should fight for the cities but ultimately agreeing with the Manchurian commander, General Lin Piao, that their soldiers should avoid urban areas and concentrate on the countryside. They should try to surround the cities and main lines of communication from these rural bases. This made good military sense but also fitted in with the message which the Chinese Communist Party was addressing to agrarian and rural peasants. Their troops were in many cases local boys with definite targets of practical local improvements they wanted, while Kuomintang troops were fighting far from home and generally demoralized.



We will turn now to the other new protagonist, the United States which was about to make its debut as a world superpower. It had been a spectator on the China scene for many years. It had been recognized as China's friend and supporter since the Washington conference (1921–1922) and continued so during the Manchurian crisis (1931) and the years of the Japanese war when its military and financial assistance to the Kuomintang war effort had been substantial. But it was only during the wartime conferences that President Roosevelt and his team had shown a leadership role in relation to Manchuria. Clearly the US possession of the atomic bomb and the determination to use it meant that it could not resile from its regional commitments in 1945 as it had done in 1918. China, and in the immediate future Manchuria, demanded the attention of Roosevelt's successor, President Truman, and his advisers. The US favoured the Kuomintang but, when relations between it and the communists deteriorated, it genuinely attempted mediation between the two in the interest of the war effort and this continued after the war.

GENERAL MARSHALL'S MISSION

Persuaded that mediation within the disputing Chinese parties was still possible in December, Truman sent out as Special Representative of the President General George Marshall, the former head of the Joint Chiefs of Staff who was highly regarded. He managed to convince both sides to take part in a ceasefire beginning on 10 January 1946. But the truce did not apply to military movements into Manchuria. The despatch of Nationalist forces into or within Manchuria for the purpose of restoring Chinese sovereignty there was not to be impeded. Kuomintang forces, ferried to Manchuria in US vessels, succeeded in occupying the main cities in southern Manchuria except on the Korean border. North Manchuria with Harbin continued as a sort of Communist base and headquarters. They were relatively strong in the northern provinces of China where they accepted the surrender of large numbers of Japanese and took over their arms and equipment.

On 17 November, after fierce fighting the best government troops gained control of Shanhaiwan which opened the way for them into Manchuria. Having taken Chinchow and the port of Yingkow, they took over Mukden from the Russians on 17 March, but the Communists barred their advance further north. Nationalist troops were not able to prevent the Communists from taking Changchun on 19 April 1946, immediately after the Russians left and had to allow them to occupy Harbin, Kirin and Tsitsihar. The Communists' ability to survive over such a vast area was assisted by General Malinovski who left considerable stocks of captured Japanese arms and equipment which were used to supplement their meagre resources. On 17 February, a demand was put forward from Yenan that Communists should exercise joint control with Chungking over Manchuria. No notice was taken of this demand by Russia or Chungking. The Communists who had some 300,000 men in the province were confident that they could ultimately achieve this objective by force.

Government forces tried to push north. With American help, their armoured division managed on 23 May to recapture Changchun and later Kirin. Thereafter, Marshall secured a truce until 30 June and tried to set up a Manchurian peace conference. Believing that his efforts to secure a peaceful solution to the dispute were being undermined by both sides who violated the ceasefire (and also by Washington), Marshall on 17 July

asked to be relieved. Both the Communists and the right-wing of the Kuomintang were becoming increasingly antagonistic to the US and its neutrality. Marshall reacted by placing an embargo on US arms supplies to the Kuomintang but he was losing hope. As Marshall had recommended, the number of US troops was substantially reduced. When the Kuomintang captured Antung on 27 October, Marshall reminded Chiang that the Kuomintang was taking possession of key cities but was not succeeding in defeating the opposition. The fraught negotiations continued during the autumn but each side had legitimate complaints about the other. On 18 December Truman reaffirmed US qualified support for Chiang but warned that more flexibility was necessary on both sides.

Marshall was withdrawn on 6 January 1947 at his own request. In a frank statement he made clear his view that the greatest obstacle to preventing civil war was ‘the complete, almost overwhelming, suspicion’ between the two parties. He had not been able to persuade the Kuomintang to introduce reforms and to show greater flexibility and the Communists, too, were uncooperative. The failure of these mediatory efforts was destined to affect especially the fighting in Manchuria. Another factor in Marshall’s thinking was that American ‘mediation’ was being undermined by US partisan activities in favour of the Kuomintang which were contributing to the unpopularity and distrust of the US among the Chinese public. The recall of General Marshall was the last stage, if not the end, of America’s time-honoured policy of helping China to avoid interference by any foreign power or foreign influences.³⁰

THE PATH TO COMMUNIST ASCENDANCY

As 1947 opened, Lin Piao launched a series of small-scale offensives across the Sungari river, which inflicted limited defeats on elite Nationalist troops. Early in March, Government forces managed to stop the Communists advancing on Changchun and inflicted losses amounting to 20,000 killed. They announced a great victory. Soon after this, the Communists regrouped and launched in June a series of massive frontal assaults with a view to encircling Changchun and Kirin and seize Mukden. They were crushed with the help of substantial reinforcements with modern equipment and eventually cost the Chinese Communist Party some 40,000 casualties. On 28 June, the Communist forces again

retired north of the Sungari. With the support of air power, Nationalist forces had recaptured cities of the north with the exception of Harbin.³¹

The tide of war seemed to have turned in the Kuomintang's favour. But this was misleading. Nationalists controlled only a narrow sliver of territory which included Mukden and Changchun and followed the north-south railway track. But that was vulnerable to guerrilla raids. When the rains stopped, the Communists attacked this zone remorselessly from both sides. In the second half of the year the Nationalists were drained of their reserves and their lines of communication dangerously extended. There was a general impression that the Government position had become impossible by the end of the year.



Now that the Communists were seizing the initiative, we should try to analyse what were the reasons for their success. Communism had only existed in Manchuria on a small scale in Japanese times. After 1945, the Chinese Communist Party indoctrinated and mobilized the people in the areas they occupied to fight a People's War against the Kuomintang. They appealed to the agricultural proletariat specifically by offering land reform. These were no longer proposals for rent control but were now extended to the abolition of tenancy and the return of land to the peasants. This programme appealed to the local people and enabled them to recruit many more troops. The violence and brutality of Chinese Communist Party's methods may have alienated some and their raids on municipal areas to feed their troops may have alienated others. In general, the Red forces of Lin Piao were ignoring the populous cities and concentrating on controlling the countryside and living off the land. By contrast, the Kuomintang administrators in the cities were remote from local communities.³² Even Chang Tso-lin's veterans joined the Communists.

On the battlefield, the Chinese Communist Party forces which were renamed the Peoples Liberation Army (PLA) in July 1946 overcame their shortages by capturing weapons and recruiting soldiers from Kuomintang defectors. Their military successes owed much to facing a weak opponent with poor leadership. Moreover, they had developed expertise in guerrilla warfare, though they wanted to be recognized as a conventional army. Nor should one underrate the skill in strategy and tactics of

General Lin Piao in both surprise attack and withdrawal. Lin's troops were generally just as battle-hardened as the elite units of the Kuomintang they were facing and often larger in numbers. British military observers commented on their relatively high morale, good discipline and efficient officers and praised their effective use of captured artillery and the value of their military training schools. They were flexible and not weighed down by administrative responsibilities.³³

After a year of variable fortunes, Lin began another offensive in January 1948. Nationalist armies were by this time reduced to about 300,000, mainly US trained, while the Peoples Liberation Army had grown to 700,000 fortified by captured arms and equipment. The latter made their main thrust against the railway tracks southwest of Mukden and captured Liaoyang, Anshan and the seaport of Yingkow which was important for channelling reinforcements from the south. This last was a serious blow which left the Nationalists only with ports at Chinwangtao and Hulutao. The continuing occupation of Dairen by the Russians denied them the use of Manchuria's most efficient port.

Government armies in the principal cities of Mukden and Changchun were isolated, depending entirely on costly air transport for supply and reinforcements. Since their opponents controlled the rural hinterland and were able to inflict damage on the rail tracks, it was hard for the Kuomintang to maintain land communication between the cities. The Communists, by contrast, were able to supply their armies by rail, running the trains by night. The assessment of British military observers in the middle of the year was that:

The present course of the Civil War [throughout China] is definitely going in favour of the Communists. This is particularly the case in Manchuria where recent Communist successes have effectively isolated Mukden and Changchun.³⁴

The position of the government armies was seriously weakened, if not critical.

Lin Piao's autumn offensive launched on 12 September concentrated on northeastern cities still remaining in Nationalist hands. The estimates for troop numbers vary. The Peoples Liberation Army had assembled a total of about 600,000 regulars, plus rural casuals. Against them it is estimated that the Nationalists could only field 300,000 of which 65,000

were at Changchun, 183,000 around Mukden, and 179,000 between Mukden and Chinchor.³⁵ Lin Piao's three-pronged attacks over the whole front between September and November resulted in the surrender of the Nationalist garrisons. At the south of the railway Chinchor surrendered on 15 October after only minimal resistance. Changchun was occupied by Communist forces two days later. Mukden which had already lost half its troops in an ambush surrendered in the face of a general assault on 1 November. By the middle of the month the last government garrisons had either defected or surrendered or fled.

The Americans, by far the most penetrating of foreign observers, reported to Washington on 8 November with regret, but not with surprise:

The fall of Mukden, which occurs as this is written, is likely the beginning of the final series of military debacles for Nationalist arms...In this situation, of all the Government there are few, if any, save the Gimo who even profess confidence that the tide may yet be turned. Only a few days before Mukden fell, the Government had five well equipped, supplied and trained armies in the Manchurian field, the most formidable striking force at its command, and within few days these armies were lost. They were lost not from battle casualties, but from defection, although among their commanders were numbered officers long associated with the Gimo, and in whose loyalty he trusted implicitly.³⁶

A superior military force had been defeated by a motivated rural army. Chiang Kai-shek had suffered a massive personal defeat especially in view of his own obstinate determination to pay any price to hold on to Manchuria. This in spite of advice from many quarters in favour of authorizing an early withdrawal. As he was to admit in his New Year message on 1 January 1949:

The task which the Government considered as of great importance was to recover the Northeast, thereby preserving China's national sovereignty and territorial integrity. But, unfortunately, we have not been able to do so.³⁷



The decade after 1938 was a momentous one in East Asia, and especially Manchuria. The country was making economic progress but it was losing ground because of the hostilities going on south of the Wall. Its

economy obviously suffered from the consequences of occupation and the fighting that followed. The political situation was one of permanent tension and drama. In Act I of the drama the stage was dominated by two protagonists, jealously observing one another. In the next Act the major actor dies; and the plot of the play takes a different course. By Act III the earlier protagonists had slipped away though that did not happen overnight. They were replaced by other players who would dominate the future. The play now is ended. Reverting to reality, Manchuria suffered greatly from the effects of the post-war occupation and the civil war that followed. The shattered rail network and the forced closure of industries left a damaged economy and presaged hardships for all sections of society in the years ahead.

ENDNOTES

1. Aichen Wu, p. 272. The writer was Chinese consul-general at Blagoveshchensk at the time
2. Coox, *Anatomy of a small war*, Greenwood, 1977 and *Nomonhan*, ch. 10. Wu, pp. 272–4
3. Coox, *Nomonhan*, p. 914. Xiaoyuan Liu, *Reins of Liberation, 1911–50*, Woodrow Wilson Center/Stanford, 2006, pp. 32–3. Nishi Haruhiko, *Kaiso no Nihon gaiko*, Iwanami, 1965, p. 91–5
4. Coox, *Nomonhan*, p. 345
5. D. Cheke, STICERD/ LSE, p. 78. DOCUMENT. See Vol. 2, Ch. 10 (item 1)
6. Howe, ‘Economic Expansion of Japan in Manchuria’ in *Origins of Japanese Trade Supremacy*, Hurst, 1999, pp. 387–8
7. Louise Young, *Japan’s Total Empire*, University of California Press, 1998, part IV. Japan’s impressive ambitions over developing Manchukuo are suggested in the figures for public investment in the territory which rose slowly till 1935, then more rapidly from 1939 to the outbreak of the Asia-Pacific War, private investment running at about one third of the public rate. Japan’s state emigration started at 2500 in 1935 and continued thereafter at an average rate of 20-30,000 per year right through to the end of the war
8. Lytton Report, ch. VIII, p. 123
9. Iguchi, p. 46

10. F.C. Jones, *Manchuria since 1931*, Oxford, 1949. *US Relations with China*, US State Dept., p. 128. Aaron S Moore, *Constructing East Asia: Technology, Ideology and Empire*, Stanford UP, 2013, p. 226ff.
11. Mark Peattie et al. (eds), *Battle for China*, p. 74
12. Morley, *The Final Confrontation*, pp. 133–7
13. Coox, *Nomonhan*, p. 1066. Okumura, vol. 4, pp. 710–11. Lensen, *Strange Neutrality*, pp. 127–9. Nishi, *Kaiso*, p. 101ff. Baba Akira in Kurihara Ken (ed.), *Sato Naotake no Memmoku*, Hara Shobo, 1981, p. 137ff.
14. Spence, *Search for Modern China*, p. 482. C. Thorne, *Allies of a Kind*, pp. 576–7
15. (London) *Daily Telegraph*, 21 February 1945
16. DBPO, vol. VIII, pp. 27–31
17. Wu, p. 289ff. Tsuyoshi Hasegawa, *Racing the Enemy: Stalin, Truman and Surrender of the Enemy*, Harvard UP, 2005. Sadao Asada, *Culture Shock*, Missouri UP, 2007, pp. 203–206
18. Clark Kerr to FO, 3 September 1945 in DBPO, I/viii, no 3
19. Levitskii, *Vladivostok, 1860–1960*, p. 85. J.E. Hoare and Susan Pares, *North Korea in the 21st Century*, Global Oriental, 2005, pp. 3–5
20. L.N. Vnotchenko, *Pobeda na Dalnem Vostoke* (Victory in the Far East), Voenizdat, 1966, pp. 3–5. Lensen, *Strange Neutrality*, ch 9. Coox, *Nomonhan*, pp. 1068–74
21. Okumura et al. (eds), vol. 4, pp. 714–20. Stephan, p. 241. Vnotchenko, pp. 47–55
22. *US Relations with China*, pp. 598–604. David Glantz, *August Storm: Soviet Tactical and Operational combat in Manchuria*, Leavenworth Paper, no 7, June 1983. Ito Takeo, p. 209
23. Jung Chang, *Wild Swans*, Flamingo, 1993, p. 104
24. Coox, *Nomonhan*, pp. 1062 and 1066–7

A letter sent home in mid-summer 1945 from a new recruit in Manchuria, evidently recently a student, showed a robust patriotism and a willingness to fight. But he was clearly more worried by American air-raids on his home city rather than he was by the possibility of Soviet units crossing the Manchurian border. Because of postal controls within the Kwantung army, there may have been an element of self-censorship in his correspondence. His attitude may not have been typical but it is suggestive of misinformation within the ranks. [For the text, see Nish, *The Japanese in War and Peace, 1942–8*, Global Oriental, 2011, p. 35. A contrary view that

- Japanese in Manchuria thought the game was up much earlier is put forward in Mariko Tamanoi, *Memory Maps*, University of Hawaii Press, 2009.]
25. Okumura Fusao, vol. 4, 'Taiheiyo senso', pp. 712–13, 724. Harada Katsu-masa, *Mantetsu*, Iwanami Shinsho, 1981, p. 200ff.
 26. Stephan, p. 246. Ricketts and Swann (trans.), Eiji Takemae, *Inside GHQ*, Continuum, 2002, pp. 110–13. Tamanoi, p. 141. *Materials on the Trial of former servicemen of the Japanese Army*, Moscow, 1950
 27. Pu Yi, *From Emperor to Citizen*, vol. II, p. 317ff. Lensen, *Strange Neutrality*, pp. 174–5
 28. Pu Yi, vol. II, p. 319
 29. Takeda Hidekatsu, *Manshu Dasshutsu* [Escape from Manchuria], Chuko Shinsho, 1985. Barak Kushner, *Men to Devils*, ch. 5, raises the question of Gen. Okamura Yasuji who with colleagues slipped away to Taiwan to advise the Kuomintang there some years later
 30. See Chassin p.76. *US Relations with China*, pp. 217–20; 686–9. Xiaoyuan Liu, *Reins of Liberation*, Woodrow Wilson/ Stanford UP, 2006, p. 241
 31. Dreyer, p. 330
 32. Spence, pp. 495–8
 33. Report by the Joint Intelligence Committee, 13 May 1948, in DBPO, I/VIII, No 44, para. 8. Dreyer, pp. 328–9
 34. Ibid
 35. I have adopted the figures given by Chassin, 'Manchurian Catastrophe', pp. 187–192. *Cambridge history of China*, vol. 13 pp.775–6. Dreyer, pp. 329–33
 36. Extract from Chronicle Summaries by American embassy in Nanking to State Dept, 8 November 1948. *US Relations with China*, p. 919. 'Gimo' is the affectionate US abbreviation for 'Generalissimo'
 37. *US Relations with China*, p. 920

Epilogue



IN HIS REVIEW of the year 1948, Generalissimo Chiang Kai-shek wrote:

Mukden fell into the hands [of the Communists]. The Mukden tragedy of 1931 has repeated itself... During this national crisis I cannot but blame myself for my inadequate leadership.¹

While accepting blame himself, Chiang was implicating the Japanese, and claiming that their actions since 1931 had a bearing on the outcome in China and had affected the future of Northeast Asia. Thoughtful Japanese, pondering the news of what was happening in former Manchukuo in the late 1940s, did not deny this privately. In the discourse of newspaper readers in western Japan, where most *hikigeshi* (evacuees) from Manchuria first returned to, it was a topic often raised. They were concerned about the past but also about the humanitarian aspect of the present and the future spread of communism to Japan.²

Among later Japanese scholars, Professor Tamanoi quotes many examples of disillusion and annoyance among farmers who had been enticed by the state to go to Manchuria and forced to leave their land in 1945 in humiliating circumstances.³ In his many-sided study, Professor Yamamuro Shinichi explains Japan's visions for Manchukuo in terms of illusion, mainly on the part of the military. He concludes that the problem began 'with the artificial founding of a state by a foreign people [Japan], introduced large numbers of immigrants and brought about its destruction by the armed forces of a foreign power [Russia]'.⁴



This study has investigated the various phases of Manchurian history from the ascendancy of the Manchu dynasty in the seventeenth century. The first section of the book dealt with frontier adventurism, starting with the exploits of individual Russian adventurers along the Amur River. On the accession of Tsar Alexander II, there was a fresh incentive on the part of an enterprising group of Russian frontier officials to settle on the left bank of that river confirmed by China in the treaty of 1858 and later on land to the east of the Ussuri River, confirmed in the 1860 treaty. Whereas Western expansion in the east had been into territories already over-populated, Russia took over land previously under-populated, uncultivated and possibly unclaimed. Later in the century, the Manchu government in Peking was so preoccupied with its own problems that foreign expansionists encountered weak local opposition. The Sino-Japanese War of 1894–1895 was seen as ‘a Korean/Manchurian war’ in which south China was not interested enough to offer assistance and central government was too weak to rally its support. In the aftermath of that war in 1898, Russia succeeded in securing the lease of Port Arthur and Dairen, two ice-free ports in the Gulf of Chihli, which alarmed China and the international community. This was the starting-pistol, which was to introduce a half-century of warfare in this troubled country.

Indeed, the fragile relationships between north and south China are again illustrated by the events in Manchuria during the Boxer incident of 1900. One foreign observer commented that there was much talk of Boxers in Manchuria but only as a thing in which the people were not directly involved. All changed with the intrusion over the border of subversive elements from Shantung who applied the Boxer ideas and tactics to Manchuria. A serious railway tussle developed when Russia’s Chinese Eastern Railway was attacked and badly damaged and the owners had to call in Russian troops. They occupied the railway zone and could not be removed by the Chinese. This was a situation quite different in character from what had happened in the more familiar story of the ‘Siege of the Peking legations’.⁵

Japan stood in the vanguard of those protesting Russia’s prolonged occupation of the railway zone. War between the Japanese and the Russians resulted. China whose Manchurian territory was the war-zone was weak and powerless to intervene. After their victory in 1905 Japan took over the Russian leaseholds in south Manchuria, while the Russians held on to their stake in the north. Both nations established spheres of influ-

ence together with the considerable privileges of administration and policing associated with the running of the railways. On this basis international peace was preserved for a decade in what might be described as a sort of distrustful partnership.

The next phase began with the collapse of the Manchu (Ching) dynasty and the coming of the Republic in 1912. This affected Manchuria because it raised the possibility of an imperial Manchu restoration based north of the Great Wall. While that was never realized and the boy-emperor remained as an ornament in Peking, Manchuria exercised a partial autonomy under warlord rule for almost two decades and managed to stay clear of control by the Peking authorities. During the 1920s Marshal Chang Tso-lin, the dominant warlord in Manchuria, had strong enough military forces to make raids south of the Wall. For some periods he was able to control Peking with his allies and was until June 1928 also the master of north China. While these years of independence brought some progress in building Chinese railways and industry, they also created instability caused by heavy taxation to meet the needs of excessive arms expenditure for these military campaigns.

The Russians and Japanese were meanwhile making a substantial contribution to the territory by investing in railways and industry. They thought it was to their advantage to encourage the separation of the territory from Peking. But some more extreme Japanese grew disaffected with the growing independence of Manchuria's rulers and arranged the assassination of Chang Tso-lin in 1928 only to find that his son and successor was most uncooperative. The latter showed a hostile attitude to the Japanese from the start and voluntarily threw in his lot with the Kuomintang which had just come into power in Peking.

JAPANESE MANCHURIA

Another phase began in September 1931 when the Kwantung army, claiming that Chinese troops had attacked the Japanese-owned railway at Mukden, captured the major cities of southern Manchuria, thus provoking the Manchurian Crisis. A new state of Manchukuo was created in March 1932 and recognized by the Tokyo government in September. A system of semi-colonial government was speedily set up. Chiang Kai-shek, the most powerful of the Kuomintang leaders, blamed this act for

all the problems that beset China thereafter. But this is not a book about the Manchurian Crisis. Important as that event unquestionably was, we are less concerned with the military than the political and social aspects of the problem.

China appealed to the League of Nations which set up a commission of enquiry. The resulting Commission under the chairmanship of Lord Lytton spent over half-a-year in the East on a quest to work out an international solution for the intractable Sino-Japanese problem. It was, of course, an unusual example of international interference in the affairs of two Eastern states. The League report which was published in October 1932 was a ground-breaking document. Along with its Appendices, it offered an analysis of how the Manchurian scene appeared to representatives of the Great Powers, most of whom were experienced politicians though lacking in previous experience of the East. It also ventured to recommend to the League how the crisis could be resolved. Its impression of the new 'Manchukuo' was that its writ did not run beyond the railway lines and areas occupied by Japanese troops. In their report they devoted a section to 'the opinions of inhabitants of Manchuria' on the new State of Manchukuo. [p. 107ff.] This is a major source for our present enquiry and gathers material which it is hard to come across elsewhere. After a relatively long stay of six weeks in Manchuria, the commissioners are firm in their conclusions: 'about the feelings of the people of Manchuria towards the present regime there can be no doubt': the majority were opposed to it and there was no general Chinese support for it. In their recommendations, they concluded that 'the maintenance and recognition of the present regime in Manchuria would be unsatisfactory'. [p. 128] They were unconvinced about this central point of the Japanese case. But they were also critical of the Nanking Government, calling for urgent reform and the elimination of corruption. This complaint certainly punctured the prestige of the proud new Kuomintang government in Nanking. It was a criticism which was to continue echoing down the 1930s and 1940s and was to be high on the agenda of General Marshall when he was called on to solve this problem fifteen years later.⁶

The commissioners' report was independent and relatively unbiased. The British foreign secretary, Sir John Simon, spoke of the 'unique authority of that document':

It is not only unanimous but is the work of the chosen representatives of five countries. These five distinguished men have been over the ground and have

reached their conclusions as the result of acquiring a wealth of information which is unrivalled, and after hearing what the parties had to say.⁷

The report was adopted by League members and has stood the test of time. Nonetheless, it was widely criticized at the time by the two parties. The formulae for reconciliation between China and Japan which the Commission put forward did not find favour with the protagonists, both of whom were strong enough to take no action on them. Neither international institutions nor individual governments were able to influence the Tokyo and Peking governments to take the radical steps necessary in what were highly sensitive domestic matters.

The Commission disagreed with a central point of the Japanese argument for interfering in Manchuria. The Japanese justified their action by depicting Manchukuo as a separate sovereign state, albeit under a protectorate of Japan. They further argued that Manchuria had been pursuing an independent existence while China, her neighbour, was in the hands of warlords and engaged in their prolonged struggles for power. The League commission's findings were that the 'Independence' declared by Chang Tso-lin never meant that the people of Manchuria wished to be separated from China; his armies did not invade China as if it were a foreign country but merely as participants in the civil war. [p. 28] Japan found that the rest of the world did not share her interpretation and resigned from the League of Nations because of Manchuria.

'Manchukuo' which the League Commission and the majority of world governments did not recognize was maintained till 1945 thanks to a strong Japanese military presence. It had a highly artificial existence. The pretence that the Changchun government was independent and was only reliant on Japan for protection was transparently false. Technically, its constitution had been painstakingly worked out, its administration was operated by Chinese and came in 1934 under the monarchic rule of ex-Emperor Pu Yi. But Colonel Ishiwara, one of Manchukuo's creators, described the involvement of Pu Yi as a piece of 'perfect window-dressing' conceived by the Kwantung army.⁸

SOVIET MANCHURIA

In the Manchukuo years there were inevitably tensions between the Russian communities of the north and Changchun. There had been a

relatively agreeable rapprochement between tsarist Russia and Japan from 1905 to 1917. But the coming of the Russian revolution in 1917 had worried the Japanese and Manchukuoan governments greatly. Karakhan's speech criticizing the Far Eastern aspirations of the tsarist government in 1919 and cancelling Russia's secret treaties with China pleased the Chinese but filled the Japanese with foreboding. Russia withdrew from these promises within five years, reaffirming her rights over the Chinese Eastern Railway, and was involved in clashes with both the Chinese and the Japanese. The Soviets became more and more assertive in the 1930s and 1940s. In spite of all the diplomatic attempts to patch over the differences, they remained highly suspicious of Japan and kept large numbers of troops stationed on the Manchurian frontier that might have been better deployed elsewhere. Russia recognized Manchukuo in 1941. But, as the end of the war approached, she was persuaded to join the anti-Japanese alliance of Powers. For her entry she announced swingeing conditions which were adopted at the Yalta conference. They may have seemed reasonable to a country which had suffered from a damaging invasion of its territory; but they were harsh for the Chinese, who had not been consulted, leading one commentator to write: 'Yalta and the 1945 treaty are both blots on the pages of modern history.'¹⁰

Stalin's terms harked back to the days of the tsar's imperial ambitions and manifested a desire for revenge for the defeats Russia had suffered in the Russo-Japanese War half-a-century earlier. His determination to keep a hold on Dalny (Dairen), which Russia had leased in 1898 and lost in 1905, seemed to confirm this. The incursion by the Soviet forces over the border was swift and well-organized; and the occupation, though short-lived, was harsh and destructive. When his forces were withdrawn after less than a year, Stalin stood on the margins of Northeast Asia, neither engaged nor disengaged. He took a strangely guarded attitude towards the civil war in China and the emergence of the Chinese Communist Party as a political force. This was illustrated during Mao's visit to Moscow on the occasion of Stalin's 70th birthday in December 1949.⁹

So much for the 'Sino-Russo-Japanese triangle' which serves as the sub-title of this study. Japanese military expansionism had been arrested by a swift Soviet operation – and the atomic bomb.



Our book is an attempt to place the history of Manchuria and its people in the context of its social and economic development. The paradox of Manchuria was that, though it had the greatest acreage of land among the provinces of China, about 460,000 square miles, it had the smallest population of around 30 million. The majority were Chinese, 28 million, but there were substantial minorities: 800,000 Koreans; 150,000 Russians; 230,000 Japanese. Though diverse by language, the country was unquestionably Chinese by culture and Manchu dialects themselves differed widely from north to south.



The League Commission tried to analyse the commercial/industrial growth of the Three Eastern Provinces. The economic activities of Russia and Japan in developing those provinces figured more prominently than those of China herself which at first ignored the field of development. But as Russia and Japan contributed to the territory's development, they acquired explicit treaty rights which set Manchuria apart from the rest of China. China was by no means unique in this: it was not an uncommon feature in the Age of Imperialism.

The League concluded optimistically, that the Japanese and Chinese economies were complementary and not incompatible and, but for the rigidity of nationalisms on both sides, it should be possible to resolve the trading and economic disputes between them.

When the Japanese pulled out in 1945/1946, they left behind some solid achievements. The country had better railways than elsewhere in China. There were formidable achievements in developing the rich agrarian and mineral resources of the country. The other part of their legacy was investment in the fields of education and medicine. But the Manchukuo administration had to spend exorbitantly on law and order because of banditry of the Hunghutse. The British consul described the atmosphere in Manchukuo as resembling that of 'the Wild West'. The downside was that the Japanese used excessive resources on maintaining their forces and police of various kinds. In order to ensure communal peace, they exercised massive surveillance. Then there was the corruption of the Kwantung army. Not to mention its large slush funds accumulated by manipulating the opium market. Hence the unpopularity of the Japanese community in Man-

churia when Japan surrendered, the scale of which even surprised some Chinese.¹¹

Whatever the devastation caused by the war in 1945, Manchuria was recognized by both the Chinese parties as the key to future Chinese industrialization but there would have to be decades of rehabilitation. Hence the bitter and costly conflict over it in 1946–1948. The two contenders were fighting for supremacy in ‘the cockpit of Asia’. Victory went to a peasant army, the so-called Peoples Liberation Army. But the decade of wars left a depleted and devastated Manchuria in 1948.¹²

It would be nice to present a picture where a primitive society in the 1840s had developed into a prosperous modern society. But this could not be said of Manchuria in 1948, when its fortunes were at a low ebb. Although not much was known about Manchuria until 1894, it was regarded as an almost undeveloped tribal area for most of the nineteenth century. But it was a large fertile region with the potential to become one of the wealthiest parts of China. Modern economic developments were not generated within Chinese society itself and depended much on the contribution of outsiders. But the Three Eastern Provinces made relatively rapid progress through their railway network and assumed an increasingly important role in dealing with the problems of surplus population in China and Japan.

Russia in the 1950s assisted the rehabilitation of Manchuria in many ways, including town planning, industrial development, especially the car industry, and modernization of the army. But assistance lapsed in the 1960s as Sino-Soviet relations deteriorated over border disputes. The most serious occurred in 1969 at Damanskii Island (*Ostrov Damanskii*) on the Ussuri River where Soviet troops suffered serious casualties in a Chinese ambush. Shenyang, Harbin, Anshan, Dandong have grown into major cities; and Manchuria (known as Dongbei) is today a thriving part of the People’s Republic. The cities of Manchuria are now studded with skyscrapers like Western capitals but mixed with ancient buildings which serve as reminders of earlier Russian and Japanese settlement.

Our study ended in 1948. To revert to Generalissimo Chiang Kai-shek’s statement of regret with which this Epilogue began. He there set out the priorities of the Nationalists in Manchuria:

Since the end of the war against Japan ... the task which the Government considered as of great importance was to recover the Northeast,

thereby preserving China's national sovereignty and territorial integrity. But, unfortunately, we have not been able to do this.¹³

National sovereignty and territorial integrity were in due course established – but not by him.

ENDNOTES

1. New Year message, 1 January 1949 in *US Relations with China*, p. 920
2. What Japanese said to me in 1948 is recorded in preface to Nish, *The Japanese in War and Peace*, 1942–8, p. 49
3. Tamanoi, *Memory Maps*, pp. 80–3. Also see *Dokumento showashi*, vol. 5, 'Manshu kaitakudan no 8.15', pp. 260–72
4. Yamamuro Shinichi, *Manchuria under Japanese Dominion* (trans. J.A. Fogel), University of Pennsylvania Press, 2006, pp. 291–2
5. Iza Christie, *Jackson of Moukden*, Edinburgh, 1923, p. 47
6. Charles Webster, letter in *London Times*, 5 October 1932
7. John Simon to US ambassador, 14 January 1933 in DBFP, II/11, doc. 206
8. Quoted in Yamamuro, pp. 95–6. See also Cheke, 'Manchukuo', pp. 74–5
9. Jerome Chen, *Mao Papers*, Oxford UP, 1970, p. 19
10. Aitchen Wu, *China and Soviet Union*, p. 338
11. Cheke, 'Manchukuo', p. 75. Yamamuro, pp. 231–2
12. For detailed accounts, O.A. Westad, *Decisive Encounters: The Chinese Civil War, 1946–50*, Stanford, 2003; F. Dikötter, *Tragedy of Liberation, 1945–57*, Bloomsbury, 2013
13. *US Relations with China*, p. 920



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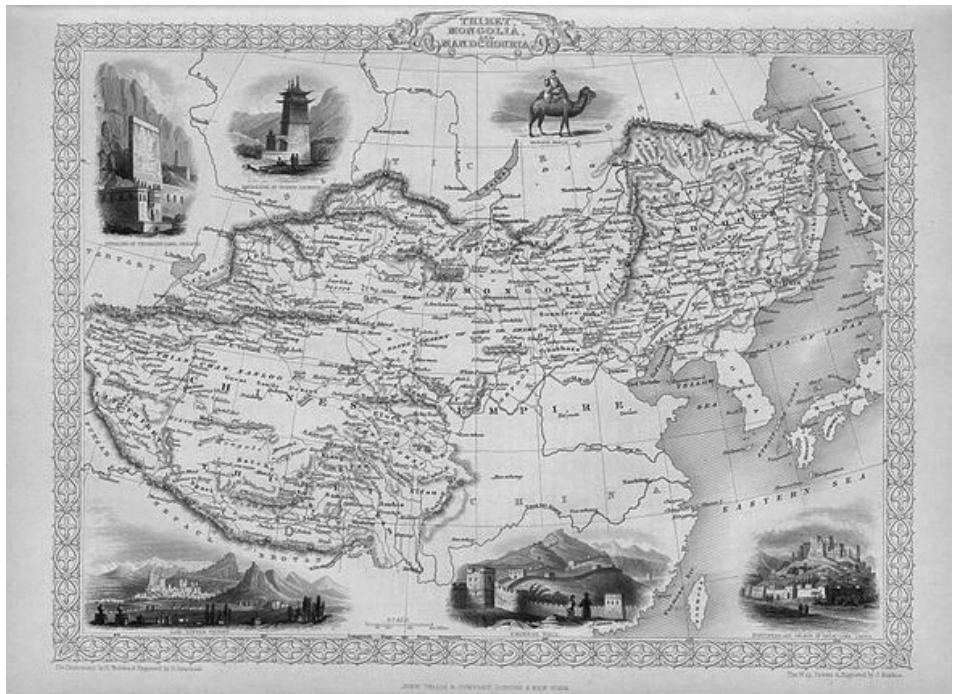
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THE HISTORY OF MANCHURIA, 1840–1948

Volume 2



John Tallis 1851 map of Tibet, Mongolia and Manchuria

The History of Manchuria, 1840–1948

A SINO-RUSSO-JAPANESE TRIANGLE

VOLUME 2: SELECT PRIMARY SOURCES



by

Ian Nish

Emeritus Professor of International History,
London School of Economics and Political Science



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'Manchuria, like Korea, was a major object of Chinese, Japanese and Russian contention. It was of special territorial interest to China's Manchu rulers who hailed from there; to the Russians, to whom it offered a shortcut for their trans-continental railway; and to the Japanese who wanted a grain basket for their empire.'

G.A. Lensen, *Korea and Manchuria between Russia and Japan, 1895–1904*, Harvard, 1966, p.3

'The pretence that there is no war at present in Manchuria is rather absurd.'

R.F. Johnston (Hangchow) to J.H. Stewart-Lockhart, 29 November 1931,
in Stewart-Lockhart papers, Box 10

'Out of the city's eastern gate I go on foot,
To gaze longingly at the road that leads to far Kiangnan.
On that day of storm and snow,
Here it was that we parted, and my friend went away.
I want to follow him across the river,
But the river is rough and has no bridge.
Oh that we were a pair of herons,
That we could fly home together.'

Chinese fan-poem of farewell, transcribed by the Emperor of Manchukuo and translated by R.F. Johnston, 1930, on his departure from China. Taken from *Twilight in the Forbidden City*, Victor Gollancz, 1934, p.447

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Chapter 1: 1840–1894

1.1 Exploits of Nicholas Muraviev, Governor-general of Eastern Siberia

[Petition sent by Military Governor of Kirin province to the Chinese government,
July 1854. Translated by the Author]



DISPATCH RECEIVED FROM the Vice-Commander Hu Sun-pu of Heilung-kiang province stating that the Russian boats were going to the Eastern Sea by way of the rivers Amur and Sungari owing to recent events whereby various islands lying on the east have been occupied by England. News of such a necessary measure has been communicate to the Lifan Yuan of Peking and free passage asked for. Hu Sun-pu, lacking instructions, naturally stopped them and was informed that their chief would come soon. Later in the afternoon, a large steamer with a bronze funnel anchored at the north bank of the city surrounded by several boats. Hu Sun-pu went on board, together with one of his associates, and saw the Russian Commander by the name of Muraviev who told them that he was ordered to come to rescue the eastern islands invaded by England. He was making a short cut through the Amur and Sungari, and he would not cause any disturbance to the locality to be passed through. Hu Sun-pu asked why there was no previous information, and then made further enquiries if any more men were coming. The reply was that there were only a thousand this time and more to come. At this juncture, a special delegation was sent to investigate the situation on the Russian bank of the river. It was afterwards reported that there were altogether

eighty-three boats with more than two thousand men. There was plenty of provisions but not much ammunition. Besides this, there were four rafts with about one hundred horses and eighty oxen together with two boats loaded with women. Since entering Chinese territory, they had not molested any one. Hu-Sun-pu insisted that they should stop and sail no farther, but knowing the Chinese were not well prepared, he afterwards let them pass through in order to avoid any possible conflict. Some delegations were sent to pursue them to make investigations. The foregoing important report is hereby sent together with a copy of a dispatch given by the Russian Commander to the Lifan Yuan for your consideration.²²

1.2 Military Review of the Amūr Country

[Translated by the Author from the Russian ‘Military Magazine’,
Published by Imperial authority, September 1860.]



In a military point of view, the Amūr Country must be considered — first, in reference to its maritime position; secondly, in its relation to Manchuria or China.

In the first of these cases the Amūr country is unquestionably of the first importance to Russia.

If Russia ever becomes a strong naval Power by establishing immense military and commercial navies in the Pacific, she will be in a condition to take part in the solution of those universal questions which now exclusively relate to England and France.

The late war has, moreover, demonstrated that no fortified harbour though it be as much protected by art and nature as Sevastopol, can be a safe refuge for a military navy. Maritime fortresses and coast fortifications will play the same part in naval warfare as fortresses on land, that is, they will be places of refuge for which vessels of war may run in case of defeat or any other unfavourable circumstance; but they will not, nor should not, be places where our naval forces may hide from the face of the enemy.

²² Chiang Ting-fu, A collection of Chinese Diplomatic Documents (in Chinese), Shanghai, 1931, Vol. I, p. 279.

The disadvantages of Archangel and the White Sea induced Peter the Great to seek another outlet for the trade of Russia. But Peter saw that the Black and Baltic Seas could only be the highways of communication with Europe, and that their possession did not give Russia the position of a maritime Power, and he then pointed to the Amur as the means of attaining that object.

History has accordingly shown that our Baltic and Black Sea navies were only of significance while England and France did not oppose their passage through the Sound or Dardanelles.

At the same time in the event of a war, commerce and the mercantile marine can only be protected by a strong military navy, whose special duty and object it is to afford such protection. Recognizing the truth of this, France has lately sought to increase her maritime power.

Until within recent times, the waters of the Pacific did not possess much importance. The desert coast of North America, on one side, and the thinly populated shores of Australia and closed sea-board of China and Japan, on the other, rendered the Pacific but of little importance to universal trade and national interests, though it appears to have been marked out by nature as a field on which nations might meet and mingle. But now, when the enterprising spirit of the Anglo-Saxon has created riches and industry in California and New South Wales; when New Zealand, Van Diemen's Land, and New Caledonia are being cultivated by the industrious hand of man; while the semi-barbarous natives of the Sandwich and Society Islands are becoming accessible to the culture of Europe, and China and Japan are removing the barriers which for centuries closed them against foreign influence; now that these changes have been wrought, the basin of the Pacific acquires a paramount importance.

The possession of the Amur and the coast of the Gulf of Tartary may, accordingly, give Russia great weight in the Pacific.

Viewing the abundance of all materials for ship-building, there will be no difficulty in maintaining a military navy in the fine harbours which the country affords; the only drawback is the scantiness of population. It is true that the establishment of a navy necessitates a considerable preliminary outlay, but the attainment of an important political object cannot, nor should not, be arrested by the sacrifices and expenses connected with it. The true statesmen of England have not hesitated to burthen her budget in order to oppose the dangerous ascendancy of Napoleon, and to protect her shores from a scarcely possible attack.

The distance by which the Amùr country is separated from the centre of Russia is likewise no reason why a navy should not be established in the Pacific. England and France have naval forces in their most distant Colonies; while the Amùr country, immediately connected with Russia, has already, without mentioning future railroads, a convenient land communication which places Nikolaevsk within not more than eight weeks of St. Petersburg, a distance that will be much shortened by the extension of the railway to Nijni-Novgorod, and the completion of a road round the Lake of Balkhash.

The Amùr region possesses, therefore, all the conditions requisite for the establishment and maintenance of a navy. But opinions are divided as to the future composition of our naval forces in those waters. Some maintain that our squadron in the Pacific should consist of vessels of all ranks, liked the Baltic fleet. Others, that it should be exclusively composed of small screw ships, similar to the corvettes now dispatched to the Amùr. The defence of the mainland, and of the Island of Sahalin, will require a considerable flotilla of gun-boats, which will be of very great use on the Amùr and its southern affluents.

Although Nikolaevsk is at present the military harbor of the Amùr country, yet a seaport, with good roadsteads protected by islands, and never frozen, will probably in future become the military harbour on the coast of the Straits of Tartary.²³ The geographical and climatic conditions of the locality give it complete superiority over the mouth of the Amùr, which will, however, always retain its importance as a station for gun-boats, and also with regard to trade.

The development of steam navigation on the Amùr and Ussuri, the population of the Ussuri valley and maritime province, and the general development of all the resources of the country, are the indispensable conditions of such a removal.

The other bays of the maritime province which will have any special commercial importance are De Castries and St. Vladimir; but in a military respect it is perhaps only the first, from its proximity to the Amùr, from which it is only forty miles distant, that will have importance, if not as a station for gun-boats, at all events from the coast batteries and fortifications which it will be necessary to erect there if the railway projected by M. Roman connects Novo-Alexandrovsk with the town of Sofisk

²³ Possiette Harbour is here implied.

— an undertaking likely to attract considerable commercial activity to De Castries Bay.

Kloster-Kamp and D'Assa Capes, and the Islands of Gitri, Observatory and Basalt, will, in such a case, afford excellent sites for the erection of coast batteries.

The mouth of the Amùr being, as it were, the starting-point of all the fluviatile routes which intersect Manchuria, will always retain its supreme military and political importance, and remain the military gate of Manchuria; for, notwithstanding railways and metalled roads, rivers will ever afford the most eligible military highways. Having once penetrated the mouths of the Amùr, the enemy cuts off the whole of the maritime district, and the squadron, stationed in Possiette Harbour, will be cut off even from internal communication. It is therefore necessary to fortify the mouth of the Amùr very strongly, for on it will depend the safety of the navy and 1,800,000 square versts of territory.

1.3 China's Relations with Russia.

Report from Sir J. Crampton to Lord J. Russell, St Petersburg, November 18, 1860



My Lord,

It may be well supposed that the events which have lately taken place in China have strongly attracted the attention of the Russian Government, and it is consequently not unnatural to look for some increased activity on their part in that portion of the Empire which, by recent acquisitions has been brought into more immediate contact with China Proper, and the seas which adjoin it: I mean the territory watered by the Amùr river. The southern boundary of the new province seems to be still in some places undefined, a circumstance of which Russia might probably avail herself to attempt some further encroachments on the Chinese Empire in that direction, in case the result of the present war should place England and France in such a position in the Yellow Sea as would render the Russian Government anxious to strengthen itself by some countervailing advantage.

Having directed my attention to this matter, I have endeavoured to procure information; first, as to what the real position of Russia in that part of the world now is, both as regards her diplomatic relations with China and Japan, and as regards the commercial and military establishments which she endeavours to foster in the Amûr country; and secondly, as to the designs for further territorial acquisitions, and for a further development of force, which, whether seriously entertained by the Government or not, are freely discussed in publications and journals entirely under their control.

This information has been collected from various sources, some of them confidential, but in most instances from periodical journals published in the Russian language.

Although the former are always to be received with caution, and the latter cannot, of course, be considered as carrying the same weight as official documents, which are seldom or ever published in this country, it is to be borne in mind that they have in every case passed through the ordeal of the 'Censure' before being printed.

On the whole, I am of opinion that they throw considerable light upon the proceedings of the Russian Government with reference to the Amûr country, and to their diplomatic relations with China; and I have consequently thought that a digest of the information they contain would not be without interest to Her Majesty's Government.

In order, however, to arrive at a just appreciation of the present position of affairs on the Amûr, it will be necessary that I should briefly recapitulate the various steps which have led to it since the period at which the attention of the Russian Government seems first to have been directed to the advantages which might be derived from the possession of the great outlet into the Pacific Ocean afforded, by that river, to the otherwise almost inaccessible parts of their Eastern dominions.

By the Treaties of Nerchinsk (1689) and Kiakhta (1728) the entire course of the River Amûr, was secured to China by a boundary line which, following the River Argun as far as its confluence with the Shilka, crossed over to the left bank of the Amûr, and ascending the Gorbitsa or Kerbéché, the first tributary on that side, or about thirty-three miles below the confluence of the Argun and Shilka, to the Yablonnoi or Stanovoi range, continued its course eastward along the southern slope of that range to the Sea of Okhotsk, in latitude 54° 14' north.

The profitable trade through Kiakhta secured by the last Treaty seems to have satisfied the Russian Government, and prevented for a considerable time any infringement of stipulations or extension of boundary.

Secret expeditions by land and sea having, moreover, reported that the Amûr possessed no navigable outlet into the Pacific, that Sahalin (Saghalien) was connected with the mainland, and that the embouchure of the Amûr was jealously guarded by China, it was considered inexpedient, if not useless, to disturb the peaceful and mutually advantageous relations between the two Empires.

Nor were the ancient views of Russia on the Amûr actively renewed until about the year 1828, when the disadvantages of Okhotsk, Kamchatka, and Petropavlovsk as naval stations had become apparent. The Governor-General of Siberia was instructed to collect information respecting the navigability of the Amûr, its population and resources; and the inquiries thus instituted revealed some of the inaccuracies of previous descriptions of the country; but they were abandoned in 1833 on the following Report of the then Minister of Finance: —

It appears to me that any attempt to navigate the Amûr would be useless, if not dangerous with reference to the suspicions of China, inasmuch as we have neither the power nor the intention (as apparent from the facts laid before me) of obtaining possession of that country; and as without possession it is impossible to think of navigation and trade, no further steps should be taken in the matter.

But the hostilities between England and China, and the Treaty of 1840, in which Russia did not participate, once more directed the attention of the Russian Government towards the means of extending its influence in the Pacific; and a casual falling off of the overland trade at Kiakhta in 1842 having caused considerable alarm as to the future prospects of the manufacturing industry of Russia, finally put in motion that policy towards China which has already resulted in the annexation of the Amûr country, and which may possibly lead to a still further extension of Russian influence in that direction.

In June 1843, the Emperor Nicholas ordered the appointment of a Select Committee ‘to inquire what measures were necessary in order to support and guarantee for the future the trade carried on at Kiakhta’. The Committee recommended a naval expedition under Admiral Putiatin, who was to survey the Sea of Okhotsk and the

mouth of the Amùr, to endeavour to establish a maritime trade with China in the harbours opened to other European Powers, and, lastly, to proceed with a similar object to Japan as Ambassador from Russia. A corvette and transport were accordingly fitted out in the Black Sea; but the Minister of Finance once more frustrated those plans by the following report: —

The dispatch of an expedition to China and Japan scarcely accords with the present state of our trade, for, first, owing to the condition of our shipping, a maritime trade can only afford very distant advantages: it cannot interfere with the trade of Kiakhta; but the attempt to establish it might destroy the latter, and make the Chinese think we wished to substitute one for the other. It would be superfluous to send our goods to the sea-ports, for they are already known in China. Secondly, the Russo-American Company could alone trade at the Chinese ports, but this is forbidden by paragraph 7 of their Charter.

After pointing out that an expedition would cost about 50,000*l.* sterling, and that it would be easier to obtain the required information by means of special agents disguised as private travelers, the Minister recommended the expedition to be deferred until the following year, to which the Emperor assented.

In 1844, the Russo-American Company was ‘invited’ to fit out and dispatch one of their vessels to the mouth of the Amùr at the expense of the Imperial Government, in order to ascertain whether that river could be entered from the Sea of Okhotsk; and the Company having expressed their willingness to dispatch a vessel in 1846, confidential instructions were drawn up for the commander of the “Constantine” brig, which was accordingly dispatched from Novo-Archangelsk in the month of May 1846. Great care was taken to avoid the appearance of any Government participation in the object of this expedition, and even the reports and correspondence of the commander were addressed to the Directors of the Company.

But the promoters of the scheme were much disappointed when the expedition reported that it was quite true that the mouth of the Amùr was obstructed by a sand-bank. The confirmation of the impracticability of the Amùr mouth caused the late Emperor Nicholas to regard Ayan and the coast of the Sea of Okhotsk as the only available bases of operations in the Pacific.

These were the views of the Russian Government until the year 1847, when His late Imperial Majesty passing through Tula, appointed General Nicholas Muravief, the Governor-General of that province, Governor-General of Eastern Siberia. His Majesty, after mentioning that the Chinese were apparently anxious to keep up the trade at Kiakhta, is reported to have said, ‘And as to the Russian river Amùr, that is a matter which is still before us’; words which are supposed to have revealed to General Muravief the secret wishes of the Emperor, and to have been taken by him as the unwritten, but well-understood, instructions, under which he entered on the administration of Eastern Siberia.

In 1848, Irkutsk was visited by Mr. Atkinson, who expressed a desire to travel through Siberia, and particularly in the Trans-Baikal country, whence he proposed to go down the Ingoda and Shilka rivers towards the mouth of the Amùr in the Strait of Tartary.

The Russian Government having themselves discontinued all attempts to navigate or visit the Amùr, considered it still less expedient to allow a foreigner to explore that river, especially as it might have occasioned a collision with China. A topographer who, in the summer of 1849, acted as Mr. Atkinson’s guide as far as Nerchinsk, ‘was accordingly successful in entirely deterring Mr. Atkinson from his intention of descending the Amùr’. Mr. Atkinson’s journey may have afforded the Governor-General an argument in favour of immediate appropriation, for he reported to the Russian Government his perfect conviction that the foreigners who visited Siberia under plea of scientific research, had other more important objects in view. The Minister of Finance entertained similar suspicions, and recommended that a communication should be opened with the Gilyak tribe inhabiting the mouth of the Amùr, where the movements of foreigners might be watched.

The boundary question was then again vigorously revived at the instigation of Prince Chernishëf, the Minister of War.

Academician Middendorf had visited the Stanovoi range, and reported on his return, that according to the Chinese marks which he had discovered, Russia might claim 50,000 square versts of a wild and impenetrable country far down the southern slopes of the mountain chain north of the Amùr. But this information was not so important as that which pronounced the Amùr to be a navigable river, free of rapids and shoals, and equal in size to some of the largest rivers of the United States of America.

In consequence of this discovery, Captain Nevelskoi was dispatched to the mouth of the Amùr in the “Baikal” transport, with

instructions to survey the coast from Constantine Bay, in the Sea of Okhotsk, to the embouchure of the Amûr, as well as the north coast of Sahalin Island. To facilitate these operations, he was directed to occupy a point on the coast to the north of the mouth of the river, where a trading establishment might be subsequently formed. The co-operation of the Russo-American Company was again sought, with a request to send a small trading party from Ayan into the country of the Gilyaks.

Another expedition was simultaneously dispatched by the Government under Captain Achte, who was to survey the country between the crest of the Stanovoi range and the boundary marks discovered by Middendorf, and to seek for gold on the southern slopes of that chain; but it was stopped at Yakutsk by General Muravief, who had had a more extensive scheme in view.

The expedition under Captain Nevelskoi rendered an important service by proving that Sahalin was an island, and that the Amûr was both navigable and accessible from the north and south.

The Russian government was impelled by the explorations and discoveries of the 'Baikal,' to defer no longer the prosecution of their plans on the southern coast of the Sea of Okhotsk; and acting under their directions, Captain Nevelskoi, and Lieutenant Orloff, in the service of the Russo-American Company, founded on 29 June/11 July, 1850, the winter station of Petrofskoé, on a spit projecting far into the Sea of Okhotsk, north of the mouth of the Amûr, and near the site of a Gilyak village, and which was at once made the basis of their future operations. This was effected without any opposition by a party numbering only forty sailors and Cossacks from Yakutsk.

Captain Nevelskoi next occupied a point on Cape Knegdá, inside the mouth of the Amûr, which subsequently became the post of Nikolaevsk. On the 6/18 th August, 1850, Captain Nevelskoi hoisted the first Russian military flag that had ever floated on the Amûr, announcing to the Gilyaks of the neighbouring village of Knegdá that they were thenceforth under Russian rule and protection.

In autumn the five men who had been left in charge of the new station were recalled to Petrofskoé, and Captain Nevelskoi returned with the "Baikal" to Port Ayan.

Without making any mention of the Amûr, Captain Nevelskoi proceeded to represent to his Government that, with the consent and by

the request of the local inhabitants, he had established the post of Nikolaevsk, near the rivers Kamaty and Lichy.

Although the Russian Government do not appear to have attached much weight to this title, Captain Nevelskoi nevertheless obtained the entire approbation of the Emperor Nicholas and the Order of St. Vladimir.

Another Special Committee was immediately appointed to deliberate on the above Report. This Committee reported that “it was not necessary to occupy the mouth of the Amùr, and that the post of Nikolaevsk should therefore be abandoned.”

His Imperial Majesty was not satisfied with this decision, and wrote in the Journal of the Committee, ‘The Committee to meet again in the presence of the Heir Apparent’. The representations which were then made to the present Emperor by General Muravief led to an important modification of the original resolution of the Committee, who now reported that ‘the post of Nikolaevsk, on the Amùr, should be left as a store or factory of the Russo-American Company, but no further extension should be effected’. This was confirmed by the Emperor.

On the 5/17th February, 1851, the Chinese Government was apprised of the Russian ‘post of observation at the mouth of the Amur’, by a communication from the Russian Senate to the Tribunal of Foreign Affairs at Peking.

On the return of a Russian party under Lieutenant Orlof, in the spring of 1851, to the post of Nikolaevsk, the natives were found to disclaim, by an unmistakeable demeanour, the offered protection of Russia, and they had, therefore, to retrace their steps to Petrofskoé, without effecting their object. Captain Nevelskoi had, in the meantime, returned to Petrofskoé, and being joined by Lieutenant Boshniak of the Imperial navy, with twenty-five men, entered the mouth of the Amùr, and on the 9/21 August, 1851, finally occupied the site of the present town and post of Nikolaevsk. Lieutenant Boshniak and an agent of the Russo-American Company were left in charge of the station. They entered into friendly relations with the natives by making them presents, and proceeded to build a hut on which they planted a cannon. The natives were now completely overawed, and exhibited a respectful bearing towards the invaders.

The coast below the mouth of the river next attracted the attention of Captain Nevelskoi. The agent of the Russo-American Company and a topographer were dispatched to De Castries Bay. Evidence was now

required to prove that the coast of Manchuria legally appertained to Russia, and it was not wanting; for the exploring parties reported that the Stanovoi range, along the summit of which the Russo-Chinese boundary was drawn, did not fall into the sea, as it was formerly supposed, but turned off to the southward from the head of the Ud river, and crossed the Amùr. Ignoring the fact that the Chinese had specially insisted on the Sea of Okhotsk as the most easterly limit of their boundary, and that whether the Stanovoi range abutted on its coast or not, the Amùr was distinctly secured to China by the two Treaties of Nerchinsk and Kiakhta, Captain Nevelskoi converted this geographical error into a powerful argument in favour of Russian claims to the coast of Tartary, at all events as far as De Castries Bay, a harbor which was evidently much required.

In the summer of 1852, Lieutenant Boshniak was sent to inspect the coalfields on Sahalin island.

In the meantime the discovery of Lake Kizi, in proximity to De Castries Bay, induced Captain Nevelskoi to incur the great responsibility of a direct disregard of orders, in the Kashii (quoted) map occupation of a point on the shore of the lake and in De Castries Bay. The apology for this measure, immediately opposed as it was to the directions of the Russian Government, was ‘the necessity of a closer observation of the vessels which approached from the southward’. This officer was probably aware that his Government entertained a fear of a British or American occupation of some point on the coast of the Strait of Tartary, and he therefore took pains to collect such evidence as would tend to increase their suspicions, and hasten the annexation so earnestly recommended by the small party which he represented. Nor was General Muravief less zealous than he is at present in advocating the acquisition of these vast territories.

In July 1853, orders were received to occupy De Castries Bay, Kizi village, and the Island of Sahalin. The Minister of Foreign Affairs proposed that the latter should be occupied through the instrumentality of the Russo-American Company, which was accordingly paid the sum of 7,5000£ for the maintenance of 100 men on the island for an indefinite period.

On July 21/August 12, 1853, the post of Iliinski was founded on Sahalin island, a point from which it was proposed to watch the movements of an American squadron expected in those waters...

Captain Nevelskoi, Major Bussé, and Lieutenant Boshniak, landed in two armed boats, in Aniva Bay on the 19 September/1 October, 1853. They were invited, says the narrative of the occupation, to enter the

house of the Governor, where they sat down with three Japanese, surrounded by a crowd of Ainos who had just been released from a barn in which they had been collected in order to impress the Russians with their numerical strength. Among other things, the officers told the Japanese they had come to protect them from the Americans. The result of this visit was the establishment of a small battery on the summit of a steep declivity commanding the Japanese and Aino Settlements, and the river by which they were supplied with water.

The expectation of a rupture with the Allies brought General Muravieff to St. Petersburg in the month of May 1853, to assist in deciding on the best means of defending the province which he governed. He took the opportunity of urging on His Imperial Majesty the right of Russia to the Amùr, ‘especially since Captain Achte had recently obtained authentic information that only the upper part of the Amùr, from Ust-Strelka to the River Bureya, was considered to belong to Manchuria, the natives considering the remaining part of the river independent’.

The General submitted to His Majesty that Kamchatka could not be reinforced overland, and that it would consequently be necessary to have recourse to the extraordinary measure of sending troops from the Trans-Baikal down the Amùr.

The Emperor expressed himself convinced of the right of Russia to the Amùr, and ordered a communication to be sent to the Chinese on the subject. On the 16/28th June, 1853, the Chinese Government was accordingly invited to send Commissioners to determine the boundary. At the same time, the special Committee appointed to inquire into the expediency of taking advantage of a navigable waterway to the Pacific, with a view to the safety of the Russian Possessions in those waters decided, ‘after much warm discussion’, in favour of General Muravieff’s proposal and at last the Imperial command was given that the Amùr should be navigated. His Majesty, however, personally cautioned General Muravieff that ‘there should not be even a smell of gunpowder’.

A courier was dispatched to hasten the preparations which General Muravieff had already ordered on his own responsibility. On the 17/29th May, 1854, the troops, about 400 in number, under General Muravieff, reached Ust-Strelka in a steamer and seventy-five barges, and on the following day entered the Amùr river.

The Russian Government was now fairly committed to the annexation of Manchuria, and the General and his party were free to pursue the

course they had so long advocated. Military stations were established on the river, on Lake Kizi, and in De Castries Bay; surveys were effected and the Amùr generally placed in a state of military defence.

From the year 1854, all the expenses connected with the occupation of the country were undertaken by the Russian Government, the Russo-American Company being fully compensated for the charges previously incurred.

The Amùr country being now in the open and avowed occupation of Russia, I shall pass over the subsequent acts of the Russian Commanders, and proceed to lay before your Lordship an account of the means by which the Russian Cabinet endeavoured to obtain, by the acquiescence of China, a legal title to their new acquisition.

As yet, only one note — that in which the Chinese were invited to settle the boundary — had been addressed to China. On the 4/16th February, 1854, a note was dispatched to Pekin, informing the Chinese Government that all questions of boundary were to be henceforth settled with General Muravief; and on the 14/26th April the General dispatched his first note, acquainting the Chinese Government with his intention to descend the Amùr...

**1.4 Vice-Admiral Sir H. Keppel to the Secretary to the Admiralty reporting on
Russian activity on the Amur river**

'Rodney', at Port May, August 23, 1868



Sir,

1. I HAVE the honour to report, for the information of the Lords Commissioners of the Admiralty, that leaving Nagasaki in the 'Rodney' on the 17th June, I proceeded on a cruize to Russian Tartary, visiting the following ports:-

Possiette or Novogorod Harbour, Port Mayor, Vladivostok, Castries Bay, and Nicolaevsk—in Tartary.

Orokos, Tauro, Nyassi, Porokotan, Dui and Jonquière Bay – in the Island of Saghalien.

2. Possiette or Novogorod Harbour is the most southern of the Russian Settlements. It is situated close to the Corean frontier, the River Tumen forming the boundary line.
3. Possiette is frozen over only in severe winters, and then for a short time. Its southerly position renders it the most important of the Russian settlements; and although at present only a military post, the Peninsula of La Place has been surveyed in anticipation of its future importance; streets, squares, and building lots being marked out.
4. The country round Possiette is adapted to cultivation and pasture, possessing a rich soil, and being intersected with rivers and streams, there is no difficulty in obtaining supplies of the fine cattle.
5. Coal mines are worked at the back of the settlement, and a steam-pump is about to be erected to enable the lower seams to be reached. Coal is at present only extracted in sufficient quantities to meet the demands of the Russian vessels; being principally from the surface, the quality is inferior.
6. The garrison of Possiette consists of one battalion of 1,000 men, but I could not ascertain the proportion of artillery. These are scattered about the country in small frontier posts, two on the Corean border, up the banks of the River Tumen, opposite the Corean town of Kickinbuch, and several along the Chinese frontier.
7. The head-quarters are situated at Novokievsk, about seven miles north from Possiette, on the opposite side of the bay. Here there is abundance of wood, which is scarce at Possiette.
8. Novogorod harbour is spacious, and well sheltered; the channel leading to the anchorage for a ship of the 'Rodney' class is only 200 feet broad, and may be readily defended by torpedoes.
9. There are no guns in position at Possiette. It is capable of being strongly defended by guns on Cuvier Peninsula, which commands the settlement and the channel approaching it, and also by defence on the Peninsula of La Place.
10. These defences, if combined with torpedoes in the narrow channel, would render it difficult to enter the harbor. The settlement, as at present situated may, however, be sheltered from the outer bay.
11. Port May or Vladivostok, is situated about seventy-three miles east-north-east from Possiette, on a peninsula, which renders it assailable in the rear.
12. This port is frozen up for about four months; the neighbourhood of it is well wooded, the soil rich, and there is a fair amount of ground for cultivation.
13. A barrack for Artillery and Engineers is situated about a mile up the harbour. Apart from the Infantry barracks, the garrison consists of 700 men, divided as follows: 100 Artillery and Engineers; 300 soldiers of the line; 300 sailors, amongst whom are included the crews of four small Govern-

- ment vessels attached to the port for communication with Possiette and the Settlement in America or Hornet Bay.
14. Twenty-five horses are appropriated to field-guns, but the latter were under cover.
 15. The port is commanded by Lieutenant Etholen, of the Russian Navy.
 16. A small steam factory is established here, also a larger building ready for the reception of machinery.
 17. A dry dock is in the course of construction, and when finished will probably be of a capacity to receive vessels drawing 10 or 12 feet. About 70 Chinamen were employed on this work; they were carefully guarded by a cordon of sentries; and I am informed that they are detained on grave suspicion of having been engaged in the outrages at Mayachui Island, to which I have now to refer.
 18. Gold has been discovered in considerable quantities at Mayachui or Termination Island, twenty-six miles south-east of Port May. In April last, the Russians, on approaching the island, were fired on by a large party of Chinese, and beaten off with the loss of three men. Reinforcements being brought up from Possiette, the Russians returned to Mayachui, finding only a few Chinamen, who were instantly shot. Those who had opposed the Russians crossed to the mainland, surprised a small Russian post established to prevent their landing, and murdered six men; also, committed frightful atrocities on a woman to the extent of burning her alive.
 19. During the month of June last, the Russians succeeded in driving the rebel Chinese across their frontier line, which is situated sixty miles inland.
 20. The Russian Settlements in Tartary derive great strength from their communication by water with the principal military post at Nicolaevsk. No blockading force could cut off supplies or reinforcements, as the Russians are quite independent of the coast-line.
 21. For example, from the hills overlooking the Settlement of Vladivostok may be seen the River Sin Fun. Ascending this river for sixty miles, it is necessary to cross by land the same distance to the post of Kamia Ribouloft, on the Kanka Lake. From this point steamers run through the Kanka and Ussuri Rivers to Chabarovska, where the Amoor and Ussuri meet.
 22. Vladivostok may also be reached by descending the River Ussuri to Bonzé, and from thence by horse a distance of 120 miles.
 23. The principal settlements north of Vladivostok communicate either by tracks or by branch rivers with the Ussuri, so that the retract or concentration of the Russian forces from the various points may be readily effected.
 24. Castries Bay is separated from the Kepi Lake by a road sixteen miles in length. The Kepi falls into the Amoor at Marinisk, 150 miles above Nicolaevsk.

25. The inland water communication to which I have referred, is supplemented by direct telegraphic communication between Possiette and Nicolaevsk. Within a few months the line will be completed between Possiette and St. Petersburg.
26. The facilities afforded to the military authorities in Russian Tartary by the telegraph and by the River Ussuri, will afford them ample notice of any war in which Russia may be engaged in Europe.
27. To this cause I attribute the apparently undefended condition of the various ports. A few days' notice would place them in a thorough state of defence. I believe there is not a port of importance, but is supplied with its battery of heavy guns, and gunners to work them. For instance, at Vladivostok, in the neighbourhood of the artillery barracks, I observed four 140-pounders and two 100-pounders, solid shot guns, unmounted, but in perfect condition.
28. On Observatory Island in Castries Bay there is a large supply of 10 and 8-inch shot, but the guns were kept under cover.
29. Reference to the plan of Castries Bay will show readily it might be defended by throwing up batteries, so as to form a cross fire from the three islands and the main.
30. Leaving the 'Rodney' at Castries Bay. I proceeded to Nicolaevsk in the 'Salamis', the vessel being navigated by a Russian officer (Lieutenant Pel-roff).
31. The impenetrable forest and jungle covering the district of Castries Bay and the Amoor, renders Nicolaevsk unassailable by land.
32. The narrow and intricate navigation of the Amoor renders Nicolaevsk equally difficult of access by water.
33. The Channels are admirably marked by beacons on the shore and by numerous buoys, but if these were removed as would doubtless be done if attack were anticipated, it would be impossible for a vessel to ascend the river.
34. The Channel runs within 400 yards of Uyuzud Island, and is also thoroughly commanded from the points shown as Piongé, Nalé, and Vané, and more particularly at Tehnurak, or Cape Chynrakh. At the place first named there is an earthwork ready to receive its armament; at Chynrakh, a long earthwork is under construction: it thoroughly commands the Channel, and is of a size to receive about fifty guns. At this place there is an artillery and infantry barrack, and opposite to it piles have been driven on a sand-bank for the construction of a battery which has not, however, been proceeded with. At Chynrakh, I observed a large store of solid 10 and 8-inch shot, and there is an ample supply of heavy ordnance in store, principally smooth bore guns. At the armoury, in the town were eight 9-pounder guns rifled and fitted in imitation of the Armstrong pattern.

Here is also a large supply of torpedoes which were sent to Nicolaevsk in 1863.

35. Off the town of Nicolaevsk, Fort Constantine is situated on an island; there is another battery in the neighbourhood of the dockyard; at Knegda point there is a battery of small guns for saluting purposes: none of these defences are at present formidable.
36. The tortuous and shoal channels of the Amoor render Nicolaevsk only liable to attack by gun-vessels. I do not think the attack could be made with a fair prospect of success. The approaches to the river should be immediately blockaded in war time, so as to cut off vessels running to it for shelter.
37. The town of Nicolaevsk consists of log-built houses in streets at right angles to each other; it contains 4,000 to 5,000 inhabitants, the majority of whom are in Government employ.
38. Nicolaevsk and the defences at Cape Chynrrakh are connected by an admirable road.
39. The steam-factory and workshops at Nicolaevsk are in good working order; their capacity for work may be estimated by the fact of a gun-boat of 400 tons having been built and fitted with engines and boilers, all of which were constructed on the establishment.
40. The number of troops employed at Nicolaevsk and on the seaboard is, I believe, about 7,000. I can give no estimate of the number employed further inland.
41. The Russian naval force in this station is inconsiderable, consisting of the 'Giernstein', 'Morsh', and 'Loble', vessels of about 400 to 500 tons; Japanese, Manchour, 'Amoor', 'Alente', transports and store-ships, 'America', paddle-yacht, and a few small sailing-schooners used for keeping open sea communication between the different ports.
42. There is a considerable number of small draft steamers on the Amoor, some of them drawing less than two feet.
43. Information reached me at Castries Bay that a steam squadron of seven vessels of considerable strength is under orders to proceed to these waters from Cronstadt, but I cannot vouch for the truth of this report.
44. The day previous to my departure from Nicolaevsk, Rear-Admiral Furugelm, the Governor and Commander-in-chief, arrived in the 'America' from the ports to the southward and from Hakodate; his visit to the latter place may have some political importance [...]
45. During my visit to Russian territory I was struck with the utter absence of trade and enterprise. The whole country is simply in military occupation. Private enterprise cannot flourish owing to the high export duty on native produce. The soil does not support its inhabitants, all the corn being imported. It is frequently necessary during the winter to issue rations even to those who are not Government servants.

46. The possession of the coast of Tartary entails a large expense on Russia, while the country affords no revenue in return. I can therefore but conclude the aim of Russia is to acquire territory to the southward, and steadily, but surely, advance on Japan and the Corea [...]

1.5 Memorandum on the Russian Settlement of Vladivostok by Captain Colomb of HMS *Audacious*, 14 August 1875



1. THE Settlement, made a naval depot in 1872, in place of that at Niko-laevsk, consists of log huts and houses, some few with stone foundations. It is very scattered, extending over the whole length of the northern shore of the Golden Horn. At the western end is the naval yard, consisting of a few rough sheds and store-houses, the former containing machinery sufficient for the repair of boilers and smaller portions of engines. At the eastern end are the barracks and huts of the seamen and soldiers. The houses are arranged with little regard to order, are very rude in their construction, and, in the large majority, of an extremely temporary character. The roads leading from one end to the other of the Settlement are mere cart tracks, utterly neglected, and in wet weather deep in mud. The general character of the place betokens indecision, mismanagement, and waste.
2. The port is one of the finest in the world. From the eastward the approach is easy, the entrance to the Bosphorus well marked by Skrypleff Island, whence to the anchorage there are no dangers. Ships lie at single anchor anywhere in the Golden Horn, but the eastern end has the Russian preference.
3. The climate of Vladivostok is variable. Early in August the thermometer ranged from 61° to 70° with cloudy skies, and occasional heavy rains. The heat at no time is excessive. May, June and July are usually wet months. August, September, October and November are fine and dry, especially September and October. From about the 21st December to the 15th April the Golden Horn, and often the Eastern Bosphorus, is frozen in. There is no snow, but the ice is firm enough to allow sleighing in every part. The place is represented as healthy, and it had need to be, in the face of its dirt, and a perfect absence of sanitary laws. Fogs are very prevalent in the summer months, and strong raw north-westerly winds in the winter. The wind was from the eastward early in August, 1875. The winter temperature is very low, falling, it is said, to 10° Fahr.

4. The productions of Vladivostok are at present few and small. There is little cultivation near at hand, but there are Chinese farms in the neighbourhood, towards which several rough roads appear to lead, and report speaks highly of the quality and capabilities of the soil. The surrounding country is crowded with timber trees, chiefly oak and fir, which, in the immediate neighbourhood, have been most recklessly dealt with by the Russians. About thirty miles from Vladivostok, near the Sui-fun River, at the head of Amoor Bay, are Government saw mills, entirely occupied in preparing timber for the use of the Settlement. Coal appears to be everywhere present, though no attempt to work it is made. Silver, copper and iron are also said to exist, and gold is now dug by the Chinese on Askold Island. Cattle are plentiful and thrive on the uplands. Beef ranged at 5d. per Ib. Sheep exist, but not in numbers, and are said to thrive better at Possiette Bay. Fowls are in great abundance in the Chinese Settlements, but the market is ill-supplied with produce. Ponies are numerous. The forests abound with deer, and some few pheasants are occasionally met with. Tigers and bears are frequently encountered, and in the winter closely surround the Settlement. Even in summer tigers will attack horses in the forest a very few miles out. Trout and salmon frequent the rivers, and the seine is moderately successful in the bays and inlets.
5. The export trade of all kinds seems to be discouraged by the Russian Government. It consists now of seaweed, *bêche de mer*, ginseng (a root), and deer's horns. These are all for the Chinese market, the ginseng and the young deer's horns being much valued as medicines. Soft deer's horn is said to fetch in China as much as \$10 per oz. Timber is not permitted to be exported, and Government seems to exert all its energies to retard the development of the unbounded resources of the place.
6. The import trade consists entirely of the stores necessary for the Settlement—food and clothing; and most of the ships bringing cargoes leave in ballast.
7. The population of Vladivostok is estimated to reach 5,000, of whom some 2,600 are seamen, 300 are soldiers, 400 are officers and officials, the remainder Russians, Manchoorians and Chinese.
8. *Convicts*.—There are 25 male and 300 female convicts in the place. Nearly all the female servants in the Settlement are convicts for life, generally for murder, or other capital crimes.
9. *Coal*.—About 600 tons only were in store in August 1875. It was Karatz coal, imported to Government order by Mr. Adams of Nagasaki. The inhabitants burn wood.
10. *Naval Arrangements*.—Vladivostok is the naval dépôt for the Siberian littoral. An Admiral commands the Settlements and the whole coast to the north. The Siberian fleet under his orders consists of about fourteen small

gun-boats, and is totally separate from the sea-going fleet. The officer nominally commanding in August 1875, was Admiral Crown, of the Russian Navy, but he had spent little time in the Settlement, and was then at St. Petersburg. He had recently telegraphed his probable retirement, and that his successor would be Admiral Hirtzmann. Admiral Poosino, having succeeded Rear-Admiral Brummer at Nagasaki in the command of the sea-going Russian fleet, was daily expected at Vladivostok in the "Askold." The officer in actual command at Vladivostok in August 1875, with the title of Vice-Governor, was Captain Affanasov—a man in delicate health, who has been seven or eight years out, and who spoke neither French nor English. All docking of the Siberian fleets is at present carried on at Nagasaki, for the dock built at Vladivostok, after doing duty for some little time, was allowed to fall to ruin, and in August was only traceable in position. Russian officers appointed to the Siberian coast engage to serve there for five years, and receive a lump sum down on leaving Russia. On volunteering, at the end of the five years, to serve two more, a like sum is paid over, and if the time is extended to ten years, the officer receives a life pension of (in the case of a captain) 100*l.* sterling per annum. The seamen appointed to the Siberian division make the naval head-quarters their home. They have their wives and families with them, and are provided with plots of land to build themselves log-houses. In their order they serve afloat in the Siberian fleet, and then have their turn on shore.

11. *Merchants*—These are several of various countries in Vladivostok reported by the Russians to be infinitely troublesome and untrustworthy. Mr Denbigh, the only English merchant living there, was in partnership with a German, and had been carrying on business for six years. I saw nothing in him to justify the Russian complaint. There are two other Englishmen employed in the naval yard.
12. *Troops employed on the Siberian littoral*.—These are said to number some 10,000 in all. They occupy military stations along the Korean frontier, and at intervals on the coast; on both lines the stations are of small force, those on the frontier said to consist generally of ten or twelve Cossack horsemen. At Possiette Bay there are said to be 2,000 to 3,000 troops, and at Huika Lake in the interior the like number. Far in the interior, on the shores of the great Lake Baikal, there are said to be 50,000 soldiers, guarding what must be a wholesale deportation of political convicts, chiefly from Poland. At Saghalien are about 1,000 troops whose office is to guard the convicts at work in the coal mines of Dui. It was said that troops could be rapidly concentrated at any point.
13. *Russian position on the Siberian littoral*.—The chief Settlement appears to be Nicholaievsk, which is of some commercial importance, and, I gathered, was increasing. It was asserted by a Russian officer at Vladivostok that a

company at Nicholaevsk raised and exported as much as 5,000 lbs. weight of pure gold annually. The Settlement of Petropavlovsk in Kamschatka was stated to be upheld at great expense solely because it provided the rare furs which grace the ladies of the Russian court. Saghalien seems to be a convict settlement only, whose vast territory is held on account of the coal mines at Dui. I could not ascertain that any use was made of the coal so raised. It certainly was not used for the Siberian fleet, for I could not get a specimen at Vladivostok, and Mr. Adams, of Nagasaki, is in the habit of supplying Karatz coal for that purpose by the thousand tons. At Olga Bay there is said to be a real colony where Russian farmers occupy and cultivate land, and this is said by Russian subjects. Mr. Denbigh, the single English merchant at Vladivostok, and his German partner have started a farm on the west shore of Amoor Bay. It is worked by Chinese for the supply of Vladivostok. Possiette Bay seemed to receive mention as a place of possible increase.

14. *Aborigines*.—These are called Tazzas. They do not number on estimate more than 5,000 souls along the whole littoral. They are reported to be simple savages, fond of beads and ornaments, wandering from place to place, and drawing subsistence from hunting and fishing.
15. *Russian policy on the Coast, etc.*.—It is most difficult to arrive at a satisfactory conclusion on this head. Here is a vast territory with great capabilities, wanting but population and trade to give it a position in the world, and yet no attempt is made to encourage either. The expense of maintenance must be as vast as the territory, yet no certain advantages can be pointed out as justifying it. The complaints of mismanagement, peculation, indolence, and neglect, made by independent witnesses against the Russian authorities were not stinted. Every one visiting Vladivostok would readily credit their truth; but it was freely admitted on all sides that the Home and Local Governments were equally undecided as to its future, and that nothing permanent was yet thought of. Possiette Bay was spoken of as a possible naval headquarters, but those who thought they knew better, pointed to Lazaref Bay as the future chief port. It would appear that if naval strength was looked for, the policy which prompted the English to occupy Hong Kong and Chusan would also govern the Russians. Island harbours, defended by the forces they shelter and supply, are clearly the objects to be sought by a nation looking for local naval power. Scattering military posts along a great coast line has no connection with this policy. If production and trade are not fostered, the occupation of territory must be a drain on the resources of the country, and a distinct disadvantage to it. I doubt the possibility of making a Russian India of the Korea or Northern China, unless there be a productive and commercial foundation, such as that on which the English India was built. Yet if the Russian

policy in Eastern Siberia is a gradual pressure southwards, which is the other explanation, it can but result in collapse if the present methods are pursued. I could not learn, however, that there was any pressure on the Korean frontier by the Russians. . .

**1.6 The Tsar's instructions to the Crown Prince to lay the foundation stone
for the railway at Vladivostock, 29 March 1891**



YOUR IMPERIAL HIGHNESS!

Having given the order to begin the construction of a continuous railroad line across the whole of Siberia destined to unite the Siberian lands, so rich in natural endowments, with the railway network of the interior, I entrust You to proclaim My will on this matter upon Your return to the Russian land after Your inspection of the foreign countries of the East. Furthermore, I charge You with the duty of laying the foundation stone, in Vladivostok, of the Ussuri section of the Great Siberian Railway, which is to be built at State expense and under direction of the Government.

Your significant role in the commencement of this truly national task which I have undertaken will give fresh evidence of My sincere desire to facilitate communications between Siberia and the other parts of the Empire and thus will demonstrate to this region, which is so dear to My heart, My very keen interest in its peaceful prosperity.

Beseeching the Lord's blessing upon the long journey through Russia which lies ahead of you,

I remain,

Your sincerely affectionate
ALEXANDER

Chapter 2: 1895–1899

2.1

Despatch from Her Majesty's Minister at Tōkiō,

Forwarding copy of

The Treaty of Peace concluded between
China and Japan, 17 April 1895

*Presented to both Houses of Parliament by
Command of Her Majesty. June 1895*

JAPAN. No. 1 (1895).

DESPATCH

FROM

HER MAJESTY'S MINISTER AT TÓKÍO,

FORWARDING COPY OF THE

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CHINA AND JAPAN, APRIL 17, 1895.

*Presented to both Houses of Parliament by Command of Her Majesty.
June 1895.*

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Despatch from Her Majesty's Minister at Tōkiō, forwarding copy of the Treaty of Peace concluded between China and Japan, April 17, 1895.

Mr. Lowther to the Earl of Kimberley.—(Received June 18.)

My Lord,

1895. May 13, 1895.

THE text of the Treaty of Shimonoski was to-day published in the official Gazette, accompanied by an Imperial Script explaining the course taken by Japan in view of the objections offered by certain of the Great Powers to the permanent occupation of the Liaotung Peninsula.

I have the honour to transmit herewith an official translation of the Treaty, and a translation of the Imperial Rescript.

I have, &c.
(Signed) GERALD LOWTHER.

Inclusu e l.

Treaty between China and Japan, signed at Shimonoski, April 17, 1895.

(Translation.)

HIS Majesty the Emperor of Japan, and His Majesty the Emperor of China, desiring to restore the blessings of peace to their countries and subjects, and to remove all cause for future complications, have named as their Plenipotentiaries for the purpose of concluding a Treaty of Peace, that is to say:—

His Majesty the Emperor of Japan, Count Ito Hirobumi, Junii, Grand Cross of the Imperial Order of Paulownia, Minister-President of State, and Viscount Mutsu Munemitsu, Junii, First Class of the Imperial Order of the Sacred Treasure, Minister of State for Foreign Affairs;

And His Majesty the Emperor of China, Li Hung-chang, Senior Tutor to the Hei Apparent, Senior Grand Secretary of State, Minister Superintendent of Trade for the Northern Ports of China, Viceroy of the Province of Chihli, and Earl of the First Rank, and Li Ching-fong, ex-Minister of the Diplomatic Service, of the Second Official Rank;

Who, after having exchanged their full powers, which were found to be in good and proper form, have agreed to the following Articles:—

ARTICLE I.

China recognises definitely the full and complete independence and autonomy of Corea, and, in consequence, the payment of tribute and the performance of ceremonies and formalities by Corea to China in derogation of such independence and autonomy shall wholly cease for the future.

ARTICLE II.

China cedes to Japan in perpetuity and full sovereignty the following territories, together with all fortifications, arsenals, and public property thereon:—

(a.) The southern portion of the Province of Feng-tien, within the following boundaries—

The line of demarcation begins at the mouth of the River Yalu, and ascends that stream to the mouth of the River An-ping; from thence the line runs to Feng Huang; from thence to Haicheng, from thence to Ying Kow, forming a line which describes

the southern portion of the territory. The places above named are included in the ceded territory. When the line reaches the River Liao at Ying Kow it follows the course of that stream to its mouth, where it terminates. The mid-channel of the River Liao shall be taken as the line of demarcation.

This cession also includes all islands appertaining or belonging to the Province of Feng Tien situated in the eastern portion of the Bay of Liao Tung, and in the northern part of the Yellow Sea.

(b.) The Island of Formosa, together with all islands appertaining or belonging to the said Island of Formosa.

(c.) The Pescadores Group, that is to say, all islands lying between the 119th and 120th degrees of longitude east of Greenwich and the 23rd and 24th degrees of north latitude.

ARTICLE III.

The alignments of the frontiers described in the preceding Article, and shown on the annexed map, shall be subject to verification and demarcation on the spot by a Joint Commission of Delimitation, consisting of two or more Japanese and two or more Chinese Delegates, to be appointed immediately after the exchange of the ratifications of this Act. In case the boundaries laid down in this Act are found to be defective at any point, either on account of topography or in consideration of good administration, it shall also be the duty of the Delimitation Commission to rectify the same.

The Delimitation Commission will enter upon its duties as soon as possible, and will bring its labours to a conclusion within the period of one year after appointment.

The alignments laid down in this Act shall, however, be maintained until the rectifications of the Delimitation Commission, if any are made, shall have received the approval of the Governments of Japan and China.

ARTICLE IV.

China agrees to pay to Japan as a war indemnity the sum of 200,000,000 Kuping taels. The said sum to be paid in eight instalments. The first instalment of 50,000,000 taels to be paid within six months, and the second instalment of 50,000,000 taels to be paid within twelve months after the exchange of the ratifications of this Act. The remaining sum to be paid in six equal annual instalments as follows: the first of such equal annual instalments to be paid within two years, the second within three years, the third within four years, the fourth within five years, the fifth within six years, and the sixth within seven years after the exchange of the ratifications of this Act. Interest at the rate of 5 per cent. per annum shall begin to run on all unpaid portions of the said indemnity from the date the first instalment falls due.

China shall, however, have the right to pay by anticipation at any time any or all of said instalments. In case the whole amount of the said indemnity is paid within three years after the exchange of the ratifications of the present Act, all interest shall be waived, and the interest for two years and a half, or for any less period if then already paid, shall be included as a part of the principal amount of the indemnity.

ARTICLE V.

The inhabitants of the territories ceded to Japan who wish to take up their residence outside the ceded districts shall be at liberty to sell their real property and retire. For this purpose a period of two years from the date of the exchange of the ratifications of the present Act shall be granted. At the expiration of that period those of the inhabitants who shall not have left such territories shall, at the option of Japan, be deemed to be Japanese subjects.

Each of the two Governments shall, immediately upon the exchange of the ratifications of the present Act, send one or more Commissioners to Formosa to effect a final transfer of that province, and within the space of two months after the exchange of the ratifications of this Act such transfer shall be completed.

ARTICLE VI.

All Treaties between Japan and China having come to an end in consequence of war, China engages, immediately upon the exchange of the ratifications of this Act, to appoint Plenipotentiaries to conclude with the Japanese Plenipotentiaries a Treaty of Commerce and Navigation, and a Convention to regulate frontier intercourse and trade. The Treaties, Conventions, and Regulations now subsisting between China and European Powers shall serve as a basis for the said Treaty and Convention between Japan and China. From the date of the exchange of the ratifications of this Act until the said Treaty and Convention are brought into actual operation the Japanese Government, its officials, commerce, navigation, frontier intercourse and trade, industries, ships and subjects, shall in every respect be accorded by China most-favoured-nation treatment.

China makes, in addition, the following concessions, to take effect six months after the date of the present Act:—

1. The following cities, towns, and ports, in addition to those already opened, shall be opened to the trade, residence, industries, and manufactures of Japanese subjects under the same conditions, and with the same privileges and facilities as exist at the present open cities, towns, and ports of China.

- (1.) Shashih, in the Province of Hupeh.
- (2.) Chung King, in the Province of Szechuan.
- (3.) Suchow, in the Province of Kiang Su.
- (4.) Hangchow, in the Province of Chekiang.

The Japanese Government shall have the right to station Consuls at any or all of the above-named places.

2. Steam navigation for vessels under the Japanese flag for the conveyance of passengers and cargo shall be extended to the following places:—

- (1.) On the Upper Yangtze River, from Ichang to Chung King.
- (2.) On the Woosung River and the Canal, from Shanghai to Suchow and Hangchow.

The Rules and Regulations which now govern the navigation of the inland waters of China by foreign vessels, shall, so far as applicable, be enforced in respect of the above-named routes, until new Rules and Regulations are conjointly agreed to.

3. Japanese subjects purchasing goods or produce in the interior of China or transporting imported merchandise into the interior of China, shall have the right temporarily to rent or hire warehouses for the storage of the articles so purchased or transported, without the payment of any taxes or exactions whatever.

4. Japanese subjects shall be free to engage in all kinds of manufacturing industries in all the open cities, towns, and ports of China, and shall be at liberty to import into China all kinds of machinery, paying only the stipulated import duties thereon.

All articles manufactured by Japanese subjects in China, shall in respect of inland transit and internal taxes, duties, charges, and exactions of all kinds and also in respect of warehousing and storage facilities in the interior of China, stand upon the same footing and enjoy the same privileges and exemptions as merchandise imported by Japanese subjects into China.

In the event additional Rules and Regulations are necessary in connection with these concessions, they shall be embodied in the Treaty of Commerce and Navigation provided for by this Article.

ARTICLE VII.

Subject to the provisions of the next succeeding Article, the evacuation of China by the armies of Japan, shall be completely effected within three months after the exchange of the ratifications of the present Act.

ARTICLE VIII.

As a guarantee of the faithful performance of the stipulations of this Act, China consents to the temporary occupation by the military forces of Japan, of Wei-hai-wei, in the Province of Shantung.

Upon the payment of the first two instalments of the war indemnity herein stipulated for and the exchange of the ratifications of the Treaty of Commerce and Navigation, the said place shall be evacuated by the Japanese forces, provided the Chinese Government consents to pledge, under suitable and sufficient arrangements, the Customs Revenue of China as security for the payment of the principal and interest of the remaining instalments of said indemnity. In the event no such arrangements are concluded, such evacuation shall only take place upon the payment of the final instalment of said indemnity.

It is, however, expressly understood that no such evacuation shall take place until after the exchange of the ratifications of the Treaty of Commerce and Navigation.

ARTICLE IX.

Immediately upon the exchange of the ratifications of this Act, all prisoners of war then held shall be restored, and China undertakes not to ill-treat or punish prisoners of war so restored to her by Japan. China also engages to at once release all Japanese subjects accused of being military spies or charged with any other military offences. China further engages not to punish in any manner, nor to allow to be punished, those Chinese subjects who have in any manner been compromised in their relations with the Japanese army during the war.

ARTICLE X.

All offensive military operations shall cease upon the exchange of the ratifications of this Act.

ARTICLE XI.

The present Act shall be ratified by their Majesties the Emperor of Japan and the Emperor of China, and the ratifications shall be exchanged at Chefoo on the 8th day of the 5th month of the 28th year of Meiji, corresponding to 14th day of the 4th month of the 21st year of Kuang Hsü.

In witness whereof, the respective Plenipotentiaries have signed the same and have affixed thereto the seal of their arms.

Done at Shimonoski, in duplicate, this 17th day of the 4th month of the 28th year of Meiji, corresponding to 23rd day of the 3rd month of the 21st year of Kuang Hsü.

(L.S.)	Count ITO HIROBUMI, Junii, Grand Cross of the Imperial Order of Paulownia, Minister-President of State, Plenipotentiary of His Majesty the Emperor of Japan.
(L.S.)	Viscount MUTSÜ MUNEMITSU, Junii, First Class of the Imperial Order of the Sacred Treasure, Minister of State for Foreign Affairs, Plenipotentiary of His Majesty the Emperor of Japan.
(L.S.)	LI HUNG-CHANG, Plenipotentiary of His Majesty the Emperor of China, Senior Tutor to the Heir Apparent, Senior Grand Secretary of State, Minister-Superintendent of Trade for the Northern Ports of China, Viceroy of the Province of Chihli, and Earl of the First Rank.
(L.S.)	LI CHING-FONG, Plenipotentiary of His Majesty the Emperor of China, Ex-Minister of the Diplomatic Service, of the Second Official Rank.

Separate Articles.

ARTICLE I.

The Japanese military forces which are, under Article VIII of the Treaty of Peace signed this day, to temporarily occupy Wei-hai-wei shall not exceed one brigade, and from the date of the exchange of the ratifications of the said Treaty of Peace China shall pay annually one-fourth of the amount of the expenses of such temporary occupation, that is to say, at the rate of 500,000 Kuping taels per annum.

ARTICLE II.

The territory temporarily occupied at Wei-hai-wei shall comprise the Island of Liu Kung and a belt of land 5 Japanese *ri* wide along the entire coast-line of the Bay of Wei-hai-wei.

No Chinese troops shall be permitted to approach or occupy any places within a zone 5 Japanese *ri* wide beyond the boundaries of the occupied territory.

ARTICLE III.

The civil administration of the occupied territory shall remain in the hands of the Chinese authorities. But such authorities shall at all times be obliged to conform to the orders which the Commander of the Japanese army of occupation may deem it necessary to give in the interest of the health, maintenance, safety, distribution, or discipline of the troops.

All military offences committed within the occupied territory shall be subject to the jurisdiction of the Japanese military authorities.

The foregoing Separate Articles shall have the same force, value, and effect as if they had been word for word inserted in the Treaty of Peace signed this day.

In witness whereof the respective Plenipotentiaries have signed the same, and have affixed thereto the seal of their arms.

Done at Shimonoseki, in duplicate, this 17th day of the 4th month of the 28th year of Meiji, corresponding to the 23rd day of the 3rd month of the 21st year of Kwang Hsü.

(L.S.) Count ITO HIROBUMI, Junii, Grand Cross of the Imperial Order of Paulownia, Minister-President of State, Plenipotentiary of His Majesty the Emperor of Japan.

(L.S.) Viscount MUTSU MUNEMITSU, Junii, First Class of the Imperial Order of the Sacred Treasure, Minister of State for Foreign Affairs, Plenipotentiary of His Majesty the Emperor of Japan.

(L.S.) LI HUNG-CHANG, Plenipotentiary of His Majesty the Emperor of China, Senior Tutor to the Heir Apparent, Senior Grand Secretary of State, Minister-Superintendent of Trade for the Northern Ports of China, Viceroy of the Province of Chahli, and Earl of the First Rank.

LI CHING-FONG, Plenipotentiary of His Majesty the Emperor of China, Ex-Minister of the Diplomatic Service, of the Second Official Rank.

Inclosure 2.

Imperial Proclamation, dated May 10, 1895.

(Translation.)

WE recently, at the request of the Emperor of China, appointed Plenipotentiaries for the purpose of conferring with the Ambassadors sent by China, and of concluding with them a Treaty of Peace between the two Empires. Since then the Governments of the two Empires of Russia and Germany and of the French Republic, considering that the permanent possession of the ceded districts of the Feng-tien Peninsula by the Empire of Japan would be detrimental to the lasting peace of the Orient, have united in a simultaneous recommendation to our Government to refrain from holding those districts permanently.

Earnestly desirous as we always are for the maintenance of peace, nevertheless we were forced to commence hostilities against China for no other reason than our sincere desire to secure for the Orient an enduring peace. The Governments of the three Powers are, in offering their friendly recommendation, similarly actuated by the same desire, and we, out of our regard for peace, do not hesitate to accept their advice. Moreover, it is not our wish to cause suffering to our people, or to impede the progress of the national destiny by embroiling the Empire in new complications, and thereby imperilling the situation and retarding the restoration of peace.

Chlua has already shown, by the conclusion of the Treaty of Peace, the sincerity of her repentance for her breach of faith with us, and has made manifest to the world our reasons and the object we had in view in waging war with that Empire.

Under those circumstances we do not consider that the honour and dignity of the Empire will be compromised by resorting to magnanimous measures, and by taking into consideration the general situation of affairs.

We have therefore accepted the advice of the friendly Powers, and have commanded our Government to reply to the Governments of the three Powers to that effect.

We have specially commanded our Government to negotiate with the Chinese Government respecting all arrangements for the return of the peninsular districts. The exchange of the ratifications of the Treaty of Peace has now been concluded, the friendly relations between the two Empires have been restored, and cordial relations with all other Powers have been strengthened.

We therefore command all our subjects to respect our will, to take into careful consideration the general situation, to be circumspect in all things, to avoid erroneous tendencies, and not to impair or thwart the high aspirations of our Empire.

(Imperial sign-manual.)

(Countersigned by all the Ministers of State.)

May 10, 1895.

2.2

‘Visit to Manchurian Port of Newchang, 1899’

Extract from

China and the Present Crisis

by

Joseph Walton, MP

First published 1900, Sampson Lowe, London

CHINA AND THE PRESENT CRISIS

CHAPTER I

A VISIT TO NEWCHWANG

OWING to the engrossing nature of the situation in China, I have decided to begin with my arrival in that country in August 1899, and to place at the end the notes on my visit to Japan and Korea.

WEI-HAI-WEI

The first port of call in China was Chefoo, and the passage from Chemulpo occupied twenty-six hours. Early in the morning, standing in pretty close to the shore, we sighted Wei-hai-Wei. I had an excellent view of the eastern entrance, which is three miles across, and too shallow for men-of-war to enter. We also passed the western inlet, which is a narrow, deep-water entrance. On a mountainous island between these two entrances the naval station is situated, and a site has been selected which will be invisible from the sea, and have a natural and complete protection against bombardment from outside. H.M.S. 'Powerful' was lying at anchor. I

examined the chart, and found that over the greater portion of Wei-hai-Wei Bay the water is only three or three and a half fathoms. The deep-water anchorage appears to be limited in extent, and unfortunately it is not protected from the fire of an enemy by the island, but lies directly opposite the deep-water entrance. The Chinese had fortifications on the shore, but these, I understand, the British are disregarding. There is a range of high bare hills at the back of Wei-hai-Wei, and practically no timber, and a very sparse population along the coast. I was told by a man likely to be well informed that the Japanese really effected the capture of Port Arthur by bribery, and that they had even offered a sum of money to Admiral Ting, the Chinese commander at Wei-hai-Wei, if he would hand over that place to them. This Ting indignantly refused, and fought to the death at the head of his blue-jackets ; the Chinese soldiers fled.

I was informed that from time to time the range of the tide varies very much at Wei-hai-Wei. Not long ago it was so low, even in the deep-water portion of the harbour, that all the vessels were aground, including, of course, the men-of-war.

CHEFOO

As we approached Chefoo, in brilliant sunshine, it looked quite an attractive place, and, as seen from the sea, large houses, built of brick or stone, seemed to predominate, in marked contrast to the Korean towns recently visited.

The European settlement is on a fairly well timbered bluff, immediately over the sea. Fortunately, the English Consul, Mr. Sundyus, came on board expecting to meet Dr. Morrison, the *Times* correspondent, from Pekin, who, however, had not come by our steamer. I was taken ashore by him, and went up to the Consulate for tiffin. On the way I ascertained that one of the Butterfield & Swire's steamers would start at two o'clock for Newchwang direct, and though it was then 12.45, I arranged passages, sent my Chinese boy to transfer the baggage from one steamer to the other, and left by the 'Tamsui' for Newchwang.

VOYAGE TO NEWCHWANG

The 'Tamsui' is an English ship, and I much appreciated the absence of smells when we went on board. She is really a cargo steamer, with little accommodation for passengers, but we were made most comfortable, the captain and officers doing everything in their power to give us a pleasant time. The food was wholesome and excellent, and to know how to appreciate this it was only necessary to have been for more than a week on board the Japanese steamer 'Higo-Maru.' During the first part of the trip the sea was like glass; the moon rose in a clear sky, and it was simply delightful on the bridge as we glided northwards past the headland four miles outside of Port Arthur, on which there is a revolving light. Early in the morning there was a thunderstorm and a heavy downpour of rain. There were nearly

200 Chinese passengers lying about on deck, and I was sorry for the poor fellows as the torrent of rain drove them to find shelter in some stuffy region below. They exhibited considerable curiosity in regard to the European passengers, filing past the small cabin and gazing in on us with an expression of interest on their faces. The majority of them were on their way to the railway construction works near Newchwang. They paid only 2s. per head for the passage, a distance of 210 miles, and out of this they were fed. Living, however, as they do, mainly upon rice, the cost of a day's food was not more than $4\frac{1}{2}d$.

Shortly before we reached the Newchwang Bar a violent summer squall accompanied by thunder overtook us, followed by a storm of hailstones, which when picked up off the deck were solid pieces of ice, some of them nearly an inch in diameter and more than half an inch in thickness. We had a bad half-hour, and the steamer had to lie-to, but the storm then passed off.

We took a pilot on board and entered the river leading up to Newchwang, which is some fifteen miles from its mouth. The river is very winding, and has flat marshy land on both sides. As we approached Newchwang the shores were lined by thousands of junks and barges. The junks trade a long distance, going even as far south as Shanghai and Hong Kong. The barges bring bean-cake, bean-oil, and beans or peas (of which there is an enormous production in Manchuria) down from the interior, and

then moor in the river and watch the course of the market. What they bring is sold by auction, and the market fluctuates from day to day; when they think a good opportunity has arrived they dispose of their cargo. The steamer we came by would take back about a two-thirds cargo of these products, this being as much as she could carry to cross the bar with safety. There were many steamers lying in the river, chiefly owned by the firms of Butterfield & Swire, Jardine, Matheson, & Co., and the China Trading Company; also a number of Japanese steamers.

On the port side from the bridge there was a capital view of the construction works of the Newchwang Extension Line, which has been such a bone of contention as regards the terms upon which British money was to be advanced for its construction. There is a wharf at which the contractors will unload their railway material close to the site of the terminus.

BRITISH AND RUSSIAN RAILWAY TERMINI

A more or less indefinite arrangement has been made for a further concession of land to the British on the river bank at a point where it is nothing but a malarial swamp. Both this and the railway terminus are on the wrong side of the river—viz. the opposite side to the town of Newchwang, which is an obvious disadvantage. On the other hand the Russian railway terminus is on the same side of the river as the town, and has at its back the rich country of Manchuria from which to draw its traffic when the railway is completed. The river being navigable for

200 miles up into the interior, a certain proportion of produce will, no doubt, continue to come down by water, and of that the Newchwang Extension Line may secure a fair share. But I fear that the extensive system of railways which Russia is building through Manchuria will, in the near future, secure for her the bulk of its trade.

NEWCHWANG

Newchwang is the only treaty port of the Chinese province of Manchuria, extending over 390,000 square miles, with an excellent climate, fertile soil, great forests, and mineral wealth. Russia is rapidly placing herself in military occupation of this great country. She has seized Port Arthur and Ta-lien-Wan, and is making the former impregnable. She has now about 40,000 soldiers in these places, the laying down of a system of railways throughout the country is rapidly proceeding, and at every railway station Russian soldiers are to be found. It was therefore with great interest that I paid this flying visit to Manchuria, to ascertain as far as I could how matters really stood.

On landing, I called upon the British Consul, Mr. Hosie. Dr. Daly, the English medical man here, put me up, and I received a most hearty welcome.

2.3 Start of the Sino-Russian War: Report from Sir Charles Scott to
the Marquess of Salisbury, July 1900



(Telegraphic.) *En clair.*

St. Petersburgh, 14 July 1900

FINANCE Ministry publishes official communication stating that up to July insurrection in Peking and neighbouring provinces had not affected region in which Manchurian Railway is being built. News received at Kharbine that Assistant Governor of Mukden leading insurgents towards Telin; that Yantai coal mines attacked and bridge burned; rumours also current of sack of Roman Catholic Mission at Mukden and of pillage of town. Mobilization of Chinese troops in Northern Manchuria then announced nominally to protect railway. Agitation spreading Ghirin and Tsitsihar, Governors of those places informing railway representatives of inability to answer for troops in case of attack on Russian Colony.

July 7.— Authorities of Mukden, Tsitsihar, and Ghirin proposed to chief Russian engineer to hand over all railway material to Chinese functionaries and quit Manchuria under escort. Engineer refused, quoting terms of Russo-Chinese Treaty for construction of railway, inviting authority of Mukden to exterminate insurgents or to apply to Commander in Chief of Kwang Tung for assistance of friendly Russian nation.

July 8.— News of arrival of Chinese troops in all regions near railway.

On 9th engineer and men obliged to withdraw from Telin, and attack expected on several points of line and on Kharbine. Text by post.

Further telegram states on 9th July situation on line from Telin southwards inspired serious apprehensions. Admiral Alexiey applied to for troops and detachment charged to guard line from Russian Kwang Tung frontier to Nikoi. Commanders' instructions to guard line and telegraph, and abstain from all inimical acts and against Chinese troops and population

11th July.— News from Khabarovsk of encounter between 300 Chinese and sotnia of guarding force. Two Cossacks killed, and many guns and cartridges taken from Chinese.

2.4 General Kuropatkin's defence of Russian policy in Manchuria

[Translated by the Author from *Documents Diplomatique Francais, 1871–1914*]



[Editor's Note: In order to clarify rumours that were circulating that Russia was proposing to 'annexe' Manchuria in response to Chinese attacks on Blagovetchensk at end-July 1900, the St Petersburg ambassador of France, Russia's ally and financial supporter, asked Minister of War General Kuropatkin about his country's intentions.]

I had the opportunity to see General Kuropatkin some days ago and persuaded him to explain precisely about the incident which, thanks to the promptness with which it was repudiated, has passed almost unnoticed. Russia is not aiming at any conquest in Manchuria; he has again made the most formal declaration, confirming all the arguments which I have already communicated to you in previous correspondence; but all her interests are in this area [in Manchuria] and she would abandon all other 'preoccupation' in China, if she could, without risking isolating herself completely.

The general showed me, map in hand, the plan of campaign in Manchuria. The offensive attitude of the Chinese on the banks of the Amur has forced the imperial government to depart from the course it was hoping to follow and to defend itself. It has done so with the greatest energy and astonishing rapidity. It has not been able to prevent serious damage to the railway line on the Liaotung peninsula where the workings were most advanced. It has trusted too much in the friendly assurances of certain Chinese authorities but, after it realized its error, the repression has been immediate and most vigorous. While, in the south, one could repair in a couple of days the parts destroyed or damaged by the Chinese, in the north one had to occupy towns located on the right bank of the Amur, where new offensives could be launched. This operation has been brilliantly accomplished at the price, it is true, of appreciable losses. But the energy of the action has made a powerful impression – it looks today as if a serious resistance on the part of the Chinese is not much to be feared. There remain, however, several important points such as Tsitsihar and Kirin which it is essential to

capture. General Kuropatkin made me see that these two places were encircled; he estimates that they will be in his hands in about a week. When they have been occupied, he considers that he will be master of the situation. The troops which he has at his disposal in Manchuria are considerable and have given proof of their great courage; and the generals commanding them have shown themselves very skilful. It will suffice therefore, he said, to occupy only the principal points for a certain time. Following that, one could, if peace-making [*apaisement*] overall had been achieved, take up again the original plan which is to guard the railway lines by military posts assisted by track-walkers [*gardes-voies*] who are today organized militarily on the trans-Siberian line and constitute a special workers' corps made up of reserves from the army.

The Russian government, whose principal objective is to sustain its position in Manchuria and, if need be, to voluntarily disinterest itself from the rest of China would maintain until the end this fiction that it is not at war with China, and that it is only against the rebels that it has to fight to re-establish order and to help the Chinese government respect the conventions it has reached with Russia.

Chapter 3: 1900–1905

3.1 Genro Ito in St Petersburg, November - December 1901

[Translated by the Author from *Nibon gaiko bunsho*, Meiji, vol. 35, Tokyo:
Foreign Ministry, doc. 26]



[EDITOR'S NOTE: MARQUIS Ito, the senior Japanese statesman, visited Russia in November 1901 on a personal journey which turned out to include high-level talks with top statesmen, Foreign Minister Lamsdorf and Finance Minister Count Witte. He takes up a Russian proposal mooted the previous year that the two countries should sign a pact for the neutralization of Korea. Japan was opposed to Russia having any say in Korean affairs but wanted to see what compromise could be struck. Witte said he was not a diplomat and was not directly responsible for eastern questions. But was in regular touch with the Tsar and Lamsdorf. On 3 December Ito visited Witte who explained Russia's position in his usual blunt way.]

Witte: Your country has always had considerable interests in Korea, mine has none. I have no objection to your people emigrating there. But while Russia has no need to occupy Korea, it could not look on with arms folded if Japan occupied the peninsula.... Under the present agreement [of 1898] there is an understanding which, while fully respecting Japan's true interests, established regulations for Japan and Russia keeping equal garrisons there. One wonders if one can avoid mutual misunderstanding if that equality were lost....

To look at the Korean problem in the context of the oriental situation as a whole, our country does not want to extend its territories in the far east. Our lands are already big enough. Our government is quite strong

financially but so weak in social provision that it is now time to set our house in order in a big way. We have just declared to the world that we will withdraw from Manchuria without fail. In this country as in yours there must be those who declare that we must capture the whole world. In our Navy and Army there are many who have such ambitions. But our Government and Emperor do not think thus. Should a dispute arise, I as Finance Minister would robustly oppose such measures. Such action is more than Russia could bear financially and it would in any case be less desirable than getting the Chinese to control the area while we possess only economic interests there.

I would call your attention to one point – that of our great railway in the Orient in which we have invested 300,000,000 roubles. Its benefits will be reaped by the countries of western Europe and the Far East, especially Japan. Russia must do all in its power to protect this line and obtain guarantees about its future from European countries and especially Japan.

Ito:- I agree: it is only reasonable that measures be taken for protecting railways. But Japan has much deeper commitments in Korea than those railway interests of yours; and I told Lamsdorf that I hoped that it might be entrusted to us commercially, politically and militarily.

[Lamsdorf was non-committal, but later asked whether, if Russia gave Korea exclusively to Japan, the latter would reciprocate by permitting Russia freedom of action in North China [presumably Manchuria]. This raised lots of problems for the Japanese ‘negotiators’ and meant that the talks came to nought when Russia’s counterdraft was eventually received. Japan would not guarantee that she had no interests in Manchuria (North China) while Russia, because of her Vladivostok and Maritime provinces, had her eyes on acquiring a south Korean port.]

3.2 Ito chooses between Russia and Britain



[Ito's speech in London, 3 January 1902]

All the progress that Japan has achieved in the past is due entirely to the far-seeing guidance of our enlightened Sovereign, and the patriotism, loyalty and intelligence of our people (cheers). All that I have done for my country does not exceed the limits of having served as one of the links in the harmonious operation of these two factors in the work of advancing civilisation (hear, hear). Therefore, I consider myself unworthy of the high opinions which his Lordship has been good enough to induce this assembly to have of me. Still, so much the more do I feel grateful for the cordiality and kindness with which I am received today. In expressing my thanks for your hospitality, I think it will not be out of place to give expression to a few words of profound satisfaction at the cordial relations which have existed for nearly a century between the two countries (cheers). It was your countrymen who were among the first to come to our shores as harbingers of civilisation. I need only point to the number of our countrymen who speak your language in order to bring home how close our relations have been in the past. I was one of the first of us who came here, for 38 years ago I came to your hospitable country – equally hospitable then as now to strangers from near and far. Since then how many of our countrymen have been studying here navigation, industry, Naval matters and at the venerable institutions of learning and education, and how many of your institutions, social and political, have served as models in our task of

assimilating Western civilisation? (hear, hear) I need not remind you that we have never failed to feel profound admiration for this harmonious combination of powerful, stable, Monarchical institutions with the freedom of a self-governing people (cheers). How many of your countrymen have lent us a helping hand in the education and regeneration of our nation, either as tutors, professors, employees in different branches of public life, above all in commerce, which is constantly interweaving an ever-increasing dense network of peaceful relations between the two countries? (cheers)

In my opinion, the focus of international competition is moving steadily towards the Pacific Ocean, and, obliged as we are not only by our geographical position but by the development of our history in the past ... we are obliged, not only by that, but also by our history to play an ever increasingly prominent part in the peaceful development of that portion of the globe (cheers).

It is only natural in me to entertain a sincere hope as to the further continuation of these friendly feelings and mutual sympathies in the future and that these friendly feelings and mutual sympathies which have existed between us in the past shall be daily more strongly cemented in the future (cheers).

3.3

'Manchuria under Russian occupation, October 1902'

Extract from

The Russians in Manchuria: Results of the occupation

by

Dr George Ernest Morrison, Peking correspondent of *The Times*

First published *The Times*, 20 October 1902

LATEST INTELLIGENCE.

THE RUSSIANS IN MANCHURIA.

RESULTS OF THE OCCUPATION.

(FROM OUR OWN CORRESPONDENT.)

PEKING, Oct. 20.

During the past two months I have, with the permission and approval of the Russian authorities, made a journey through Manchuria to inspect the Russian railway and be an eyewitness of the marvellous energy that, in spite of the Boxer outbreak, has in five years transformed Manchuria from a Chinese possession to a virtually Russian province. Five years ago I laboriously crossed Manchuria in a Chinese cart. Now I have traversed it in a comfortable railway, well equipped and solidly constructed, meeting everywhere friendly courtesy. I visited the capitals of all three provinces. I saw the Russian city of Harbin sprared bodily in the most fertile plain in the heart of Manchuria, and saw the thousands of solid buildings for permanent Russian occupation being built simultaneously by armies of Chinese workmen along the entire length of the railway.

The transformation is marvellous. Where the railway passed through Ho-lung-kang, a thinly-peopled province, you forget you are in Chinese territory. A Chinaman seems an intruder. Siberia appears to have been extended southwards to the railway line. Haikou, where five years ago were a few Mongol tents, near a poor Chinese settlement, is now a Russian town with Russian shops, hotels, and hospitals. I counted 22 locomotives standing at the station. Harbin is a Russian city where five years ago there were half-a-dozen Chinese mud huts. It has a Russian civil population of 9,000, growing, always throbbing with activity; with river steamers on the Sungari busy as on an American river; with forests of scaffold poles where a new town is under construction; with engine shops equal to anything in Asia, and engine sheds with stalls for 42 locomotives. At Hantchow and other places in the forests east of Harbin, where five years ago were some robber huts, there are now large Russian settlements, with much home life and women and children. At Pograsitchna, on the eastern frontier, where there was nothing, there is now a Russian town with handsome brick buildings, electric light and water laid on, a public park, a reading room, and railway stalls for 21 locomotives. Coming south from Harbin, Russian settlements are being built on Russian concessions alongside all the great cities. At Mukden the railway, which was 15 miles away, now passes the western wall. The Russian concession round the railway station covers one square mile. Large barracks are being built there, and permanent accommodation for railway officials and the officers of the permanent garrison.

There are now no railway guards; they are called significantly frontier guards. They will number 30,000, or whatever greater number Russia thinks fit, and be distributed along the railway, permanent guardhouses having been built for them every three miles, with large barracks at every important military centre.

Though the permanent work is still incomplete, the whole railway is now open. The distance from the western frontier to Harbin is 605 miles, from Harbin to the eastern frontier 335 miles, and from Harbin to Port Arthur 615 miles. There are stations about every 15 miles, the greatest distance between any two being 20 miles, while there are major stations with railway workshops every 75 miles, and at every station there are sidings of great length beside the main line. The main line is being shortened by bringing the railway straight past Mukden and by cutting the Great Khingan tunnel, 3,138 yards in length, near the Western and three tunnels through the mountains near the Eastern frontier. The latter will be completed this year, and the former within nine months. All the permanent bridges, including two splendid steel bridges across the Sungari and a bridge over the Nenki near Tsitsihar, are finished and open. These three bridges, in total length 2,555 yards, contain 19 spans of 215 feet. Three-fourths of the entire ballasting is already completed, and swarms of coolies are proceeding with the work.

At present three trains pass daily each way over the entire distance, but it is intended to increase the number to ten each way. Stations are being multiplied. The widest distance between the crossover sidings will eventually be only seven miles, and, since the sidings are more than double the length of the longest train, two trains can be moved at the same time, one behind the other. It is purely a question of rolling stock. An average train contains 25 coaches. The ordinary cars have sleeping berths for 48 soldiers with rifle equipment. So lightly do Russian soldiers travel that these figures suggest a possible movement of troops that has hitherto escaped observation. From the Eastern frontier, beyond which are the great military depots near Vladivostok, troops are moved to Harbin in 34 hours; from Transbaikalia, beyond the western frontier, trains, even now, though using a zigzag over the Khingan mountains, reach Harbin in 61 hours, and travel from Harbin to Port Arthur in only 60 hours.

The solemn assurances of Russia regarding the evacuation of Manchuria will be faithfully carried out, especially as after such evacuation Russia, by concentrating her army of occupation along the railway, which passes the gates of the most important and richest cities of the three provinces, will be more immovably installed in Manchuria than before the evacuation. From Harbin the railway, carried southward, passes the commercial cities of Kwang-cheng-tze, Kai-yuen, Tie-ling, Mukden, Liao-yang, Hail-cheung, and others along the Imperial highway in the valley of the Liao River. The country is one of the richest granaries of Asia, with live stock and foodstuffs well nigh inexhaustible. Every town is overflowing with abundance, while all along the highway are vast Chinese caravanserais able to quarter comfortably the winter traffic, which

is one of the sights of Eastern Asia, 2,000 carts drawn each by seven mules heavily laden, passing a given point per day.

Now think what evacuation means. I met Russian troops evacuating, on October 8, the country west of the Liang River. The evacuation, conforming exactly to the letter of the Convention, meant moving these troops one march eastwards to Mukden, to the Russian railway concession, where, in accordance with the railway agreement, they can be garrisoned permanently to guard the railway. The evacuation of Niu-chuang means the removal of the troops one hour's march up stream to permanent quarters in the R. salon concession, or one hour by train eastwards to the Russian settlement of Tashib-obiao, where ample permanent barracks, solidly constructed of stone and brick, will be ready for the winter. The evacuation of the great city of Mukden means removing the troops from within the walls one hour's march to the Russian concession outside the wall, where permanent quarters are being constructed for the garrison, which is expected to number 6,000. The evacuation of Lian-yang means the removal of Russian troops within the rail to the railway concession outside the wall, where 150 large detached brick houses, many of them two-storyed, are already completed, where two barracks 40ft. by 60ft. are under construction, where a fort is being built for a battery of eight guns, where there are engine sheds for 21 locomotives, and a hospital and preparations for a permanent force of 3,000 men. Similarly with all the other large cities to Harbin, which, being a Russian city, cannot be evacuated. Kirin, the capital of Kirin province, a splendid city of 300,000 people, which is at present strongly held by a large Russian force, will be evacuated on April 8. Evacuation means marching the troops three days westwards to the railway at Kuan-cheng-tsze. But even this will be unnecessary, because Russia, with the approval of the helpless Chinese, intends to construct a branch railway from Kuan-cheng-tsze to Kirin, 80 miles over easy country, when the evacuation of Kirin will mean the removal of Russian troops one hour's march from the city to the Russian concession at the railway station. Such a railway will certainly be extended to this important centre, the more so as railway extension carries with it the right to garrison the railway with whatever number of soldiers Russia sees fit. So cleverly has the railway been traced that there is not one important roadway in Manchuria which it does not command. The troops guarding the railway guard all the capitals. As the railway passes 16 miles from Tsitsihar, the capital of Hei-lung-kiang, the troops guarding it command the city. It passes within a similar distance of Ningpo, and so the troops guarding it guard this important strategic position on the frontier. The garrisons of towns like Hua-chun, or fortified towns like San-ling, always weak, are now helpless.

In every case evacuation means the removal of Russian troops to a point from which the city evacuated can be struck immediately and without resistance. Manchuria is absolutely dominated by Russia. All the officials are absolutely in her power; none can be appointed without her approval; and evacuation cannot alter a domination which is fast becoming as effective as that of England over the Native States of India. All the waterways are controlled by Russia, and so they will bolster the evacuation. Wherever they are navigable float Russian steamers, and since such waterways end in Russian rivers such steamers are exclusively Russian.

At present the Governor-General of the three provinces are restricted as regards the number of soldiers they may employ. Every rifle is branded

by the Russians; every rifle seized without a brand is confiscated; smokeless powder is forbidden; the rifles are chiefly of an old pattern of Mauser; the artillery has been entirely confiscated, as have the entire contents of every arsenal, magazine, and fort throughout Manchuria. Brigands purchasing smuggled arms are better armed than the soldiers; hence the increase of lawlessness away from the Russian lines, while the Russians appear to regard with equanimity. After the evacuation Russian military commissioners attached to each Governor-General by the consent of the Chinese will supervise military affairs, ready to check any attempt by the Chinese to recover their strength even if the Chinese did not recognize its hopelessness. The commissioners at present holding these appointments are Colonels Bogdanoff at Tsitsihar, Schekulin at Kirin, and Kvebinski at Mukden. Remembering that during the Boxer outbreak General Rommeulampf with 300 Cossacks swept unchecked through Manchuria from Blagovestchensk to near Mukden, the military resistance of which China is capable is evident, and at that time Manchuria was armed; now Manchuria is disarmed.

Regarding the treatment of the Chinese by the Russians, though for a long time the Russian occupation pressed severely upon the people, the Russian troops are now well in hand and the people are treated humanely. Chinese officials admit that except for petty pilferings by unpaid soldiers there is no present ground of complaint. During two months' intercourse, I can say that I did not hear of a single instance of maltreatment. On the contrary, the Russians, especially the officers, seemed to treat the Chinese with more consideration, friendliness, and familiarity than one is accustomed to see elsewhere. The occupation has brought a great accession of wealth to the people. Millions of roubles have been spent in the country, and the Chinese are experiencing a material prosperity they have never before known. Brigandage, however, is still a curse in the outlying districts. The law-abiding have been disarmed, and only the lawless carry arms, so that the people cannot protect themselves except by paying blackmail, the danger of Chinese soldiers permitted by the Russians being quite inadequate to maintain order. The effect of the Russian occupation has undoubtedly been to increase the number of bandits.

Further it is necessary to draw attention to the fact that the Russian Consuls already stationed in the capital cities of Manchuria, who exercise important functions in close touch with the Chinese, will continue after the evacuation. They are M. Laban at Kirin, M. Kolchikoff at Mukden, and M. Poppe at Tsitsihar. As an elementary precaution, may I suggest the appointment of a British Consul-General for Manchuria, with a residence at Mukden? Finally I desire to give expression to the wishes of the British and Chinese community that, our interests at the treaty port of Niu-chwang being of high importance, the British Government will station there, as it did last winter, a British gunboat to indicate that our interests are not forgotten.

3.4. The Fall of Port Arthur, January 1905

THE Siege of Port Arthur cannot fail to rank as one of the most memorable of modern times, if not indeed in military history. If we take July 31, the date on which the Russians were driven within their line of permanent fortifications, as the commencement, and January 2, the day on which Stoessel capitulated, as its close, the siege lasted exactly five months. Dating from the battle of Nanshan, May 26, the first occasion on which the garrison of Port Arthur was engaged, the siege lasted over eight months. Throughout this period 150,000 men, comprising the picked troops of two nations, fought for the possession of some of the most formidable works which the modern engineer has devised.

It is not often that the fall of a fortress has much bearing on the success of a campaign. It is simply the termination of a series of operations directed to secure a certain result, and the actual capitulation, however satisfactory to the victors, has but little effect on the issue of the war. With Port Arthur the case was different; the interests at stake were of paramount importance to two great nations, and were bound to affect indirectly almost every other Power. The fall of Port Arthur involved the destruction of the Pacific Squadron, which finally settled the question of Eastern Asiatic supremacy. If 203 Metre Hill had

not been captured, and if Stoessel had held out four months longer, the union of that squadron with the Baltic Fleet would have been probably an accomplished fact; and who could foretell the result of an engagement between Togo's fleet and the combined Russian squadrons? Yet had Russia's affairs only been managed with the most ordinary common-sense this problem would have confronted Japan.

If Stoessel is to be blamed for his premature surrender, far more blame must attach to those who failed to prepare for war. Especially should Russia have sacrificed every other consideration to render Port Arthur impregnable. Had this been done, the Pacific Squadron might have remained at anchor until the Baltic Fleet appeared on the scene. No nation was ever provided by nature with a finer defensive position, and no nation ever took such poor advantage of her opportunities. If a tithe of the time and money spent on making a seaside resort of Dalny had been devoted to the proper defence of Port Arthur, how different might have been the peace which followed the conclusion of the war. If the Russians had fortified the line from Louisa Bay to Taikosan, they could have delayed the progress of the Japanese saps against the forts for months. If the main line of defence had been protected from end to end by permanent forts such as North Keikwansan and Nirusan, the fortress might never have capitulated, or at least not until after the arrival of the Baltic Fleet. When we consider the desperate character of the fighting which was required before even the most isolated and ill-protected positions were carried, it is easy to understand the price Russia paid for the lack of adequate precautions.

Chapter 4: 1905–1914

4.1

‘Western businessman visits
Manchurian cities, 1907’

Extract from

The Far East Revisited

by

A. Gorton Angier

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As the theatre of the Russo-Japanese war, Manchuria has had a great deal of attention drawn to it. At the same time that its immense possibilities for trade were pointed out great hopes of immediate and great forward development, that have scarcely fructified, were entertained. The principal goods coming into Mukden are foreign yarn, kerosene oil, flour, and piece goods, which come by way of Newchwang; grain from the neighbouring districts and from Hai Cheng and Kai Ping; coal from the Eastern hills; native cloth from Shantung and Chili; native opium from the province of Kirin; foreign opium from Newchwang; tobacco leaf from Kirin and Tieh-ling and the surrounding districts; and raw cotton, cotton fabrics, sea products, papers, cigars, and cigarettes from Japan and by way of Tairen.

Manchurian trade has improved, though all that was anticipated when the war was concluded has not eventuated. Japan has benefited, but she has certainly not done so to the extent that one would have anticipated with the opportunities she had. Two large well-known Japanese firms had opened. There were plenty of petty traders, contractors, barbers, storekeepers, but except in numbers they did not bulk greatly. It may be that the lack of capital accounts for part of this, but there were not wanting those who attribute the fact that no more had been achieved to lack of business capabilities. The larger firms show these qualities often in a conspicuous way, but the bulk hardly exhibit them to a degree that brings an adequate reward for the blood and treasure that have been expended. It is evident that the Japanese have captured none of the Chinese trade in Manchuria; Chinese are not to be beaten on their own ground any more than they were to be ousted from the bean-cake business at Newchwang to South China, into which trade the Japanese essayed to enter, but had to relinquish the attempt in a very few months. It is true that by means of exhibitions at Mukden, Antung, and elsewhere, and by advertising means, much has been done to push Japanese goods; but even here the Chinese threaten to go one better at Mukden. So, too, with foreign merchants: they can also have their share if they are willing to go out and get it. It cannot be got solely from Shanghai, or even Newchwang. As the American Consul-General has pointed out, what is required is that firms established at the port of importation should have a foreign representative travelling in the interior, and native agents at Liao-yang, Mukden, Kwang-cheng-tse, and similar centres. The charge made against Japan that she was not playing the game has not been brought home. It has produced the Scotch verdict of not proven. The Japanese now see that they are likely to profit more largely by offering inducement to foreigners to share in the trade. The more that is developed the greater will be their portion. They have not the capital to advance the country, and without that capital the great stake they have, as, for instance, their one great asset the railway, is not likely to be as profitable as it otherwise would be to them. It will certainly be wiser in their own material interest that foreign enterprise should be welcomed.

This fact is fully recognised in many important quarters in Japan. A high

official has pointed out that those people who distrusted Japan's adhesion to the open door policy, did not give the Japanese credit for common sense, or for being clear-headed; they knew that claims to preferential rights in trade would alienate friendly nations, and would give rise to complications; and that, as Japan could compete for the trade of China on favourable terms without any preference, owing to her proximity, her plentiful supply of cheap labour, and the advantage a similar script conferred, they would rely upon their natural and not upon artificial advantages.

A factor that the Japanese will have to surmount is the undoubted want of goodwill of the Chinese, amounting often to intense ill-will. China herself has exchanged the non-commercial Muscovite for a nation rapidly rising in the industrial world. But the Chinaman does not love him for this. Japanese have earned no extra love from the inhabitants of Manchuria from the way the lower Japanese orders have behaved to the people. It is quite usual that the best elements of any nation do not follow in the footsteps of an army. Japan showed no exception. These elements were not controlled by the military authorities, who, till little more than a year ago, were the powers that be. The actions of the lower classes have been passed over; land appropriated without adequate payment; buildings occupied or even taken; while Chinese ideas of propriety have been outraged by the open and unblushing way the 8,000 courtesans ply their trade in the country. The military have held none of these things in check. It is not unusual, of course, that conflict between military and civil authority is constantly present when both are on the same ground. With the military rule terminated, we may look for an improved condition of affairs, and that the behaviour of the lower orders will be better. The Civil authority intends, if possible, to put a stop to abuses that have been allowed to go on too long unchecked. It has been the licence allowed lower class Japanese in their treatment of the Chinese population that has led to much of the bitterness of feeling that undoubtedly exists. The condition of things, I must in justice remark, is much deplored by many higher official Japanese.

Exclusive of the military, the present Japanese population of Manchuria is about 30,000. A considerable proportion are men engaged on the Manchurian railway works. The line has been relaid to standard gauge. When the Japanese first gained possession they merely changed one line of rails to their own 3 ft. 6in. gauge from the Russian 5 ft. gauge. As new locomotives and rolling stock have arrived travelling is now comfortable. The railway had an energetic official as its president. Baron Goto, now the Minister of Communications in Japan, had the reputation of being a good organizer and administrator, and he worked hard in the company's interest. Of the rest of the Japanese population there are about 8,000 at Antung, and 5,000 at Yingkow. If the mining fields along the Mukden-Antung light railway (which in due course will also be converted to a standard gauge line to link up with the Korean lines) are developed, further numbers will be attracted. Discussion has been going on for a long time for jointly working such mines with Chinese and Japanese capital.

On leaving Mukden for the south, the scene at the station attracts attention. There are plenty of travellers, and a long queue of passengers getting tickets is formed a good half-hour before the train is due to start. The country traversed is, of course, historically interesting, but otherwise needs no particular description. You pass the branch line for the Fushun coal mines, the Hun River bridge, with the temporary wooden construction alongside. The city of Liao-ying is

the only big place passed on the way to Newchwang, but movement is evidently growing at other centres. The buildings at the stations are the Russian constructions, and where they were damaged by the war they have been supplemented by wooden structures. These are being put in order by the company. At Liao-yang the battle named after it makes the city historically interesting, especially as it was the only battle practically won by the Russians, had the Russian Intelligence Department only been alive to the fact that it had been won. At Ta-shih-chiao I left the train (which passed on for Tairen and Port Arthur), taking the branch to Yingkow (Newchwang). Manchuria in general is bound to prosper with the soil and climate it possesses. Permanent immigrants are coming in in larger numbers, though it is difficult to get sufficient farm hands at harvest time, because labourers are taking up land for themselves. Isolated farmsteads are becoming hamlets, and hamlets growing into villages. On the other hand brigandage prospers; a strong hand seems to be needed around Harbin; taxation ought to be lighter, especially in Fêngtien; but withal there is still steady progress for a territory that may well become a second Canada in wealth and prosperity.

Having made considerable strides ahead in recent years, Newchwang had a slight halt called to it at the time of my visit. It must be remembered that the port itself is not a great consumer of imported goods, and depends for its prosperity on its power as a distributing centre. The Russian occupation, since Boxer days, and the vicissitudes of the war, brought it a certain prosperity. With the growth of railway communications trade has grown, though the cart traffic in the winter, and the boat traffic on the Liao in the summer, are still great factors. The last few years have robbed Newchwang of being the only inlet to Manchuria. It shares the trade with Tairen (Dalny), Antung, Vladivostock, Harbin, and the North China Railway. Each is seeking to gain its own share of the trade, but Newchwang has probably felt the competition of Tairen most of all. Newchwang need not, however, despair by any means. Its position has been somewhat altered in regard to being the sole inlet for Manchuria, but it is not eclipsed. In the trade to come there will be room for both Newchwang and Tairen as well as the other contributors. Newchwang feels a little doubtful of itself, but its nervousness is scarcely warranted.

The Russians did a little in the way of public works, but the Japanese, during their occupation, expended a fair sum for the amount they collected from Native Customs. They started road construction, which makes locomotion in the wet season less objectionable than formerly, though I may remark there is yet room for improvement. There are many new buildings, and the Yokohama Specie Bank is following the lead of its Russian competitor by putting up a building on what, strictly speaking, is public ground. The old temple at the back of the Customs was turned into a Japanese school, whilst the Russian concession higher up the river has become a veritable Japanese town. It is to be hoped that the railway station at Niuchiatun, which is the terminus of the branch line from Ta-shih-chiao on the main line, will also be brought down nearer the foreign quarter. The other (North China) railway, which has its terminus on the other side of the river and below the settlement, has put on a serviceable free ferry which is patronised liberally, whether by travellers on the line or others. Material development in other directions has also taken place.

A new feature in the foreign trade of the port, and one that is likely to develop, is that main line steamers are now taking to call at Newchwang. Flour

and timber have been the commodities mostly imported, but with direct trade facilities other articles bid fair to be added to the list. Wharf accommodation is being more largely provided. On the other hand, a danger threatens the interests of the port from the behaviour of the River Liao. The Customs Hydrographical Department has already been studying the question, and it is hoped will devise measures to conserve the river.

One other matter may be referred to as having an effect on Newchwang. With Dalny ice-free, Newchwang has turned to Ching-wan-tao as a possible means of assistance to itself in winter time. Practically it asks for the same treatment in Customs matters as is accorded to Tientsin goods shipped via Ching-wan-tao. One would think that the Chinese would favour their own port as against Tairen; only Chinese are not always given to seeing such matters promptly, even when their own interests are affected. Roughly, what Newchwang asked for was, that goods shipped, or transhipped, from Treaty ports in China for Newchwang via Chingwan-tao, be treated by the Customs at port of shipment as through cargo, and Customs through certificate issued.

Time did not permit of my paying a visit to either of the new Manchurian ports of Antung or Tatungkau. A memorandum on the former port, drawn up by Geo. L. Shaw, has been placed at my disposal. Antung was opened by the new Chinese-American Commercial Treaty of 1903, but the war between Japan and Russia following before anything had been done to open trade, matters were delayed. The Chinese, as usual, showed no alacrity in furnishing the Customs staff to open the port, or marking off a foreign settlement. It was not until May 1st, 1906, that foreigners could go to reside there, but it was a year later before the Customs House was opened. In the meantime the Chinese conceded the right to the Japanese, or others, to import goods from Korea on a reduced tariff amounting to two-thirds of the ordinary tariff, as provided in the case of land-borne goods from Russia, or in Yunnan from either Burma or Tong-King.

Antung is on the right, or Manchurian, bank of the Yalu River, and has a Chinese population of about 25,000. The Japanese have a settlement where about 8,000 people have settled. There only remains a low-lying piece of ground between the Chinese town and the Japanese settlement available as an International Settlement. This would have to be filled up to prevent annual flooding. But there are other objections, the ground being more or less a sewage swamp, that would doubtless prove most unhealthy.

The Customs at this border town will have to maintain a very large staff if they are to be successful in checking petty smuggling. For many generations the Korean and Chinese traders have been in the habit of crossing, from one side of the river to the other, to trade, without any interference from a Customs officer. It will be exceedingly difficult to watch the entire river frontage, and search each boat that crosses over from Korea, and still more so to attend to each individual. It is during the winter, when the river is frozen solid, and Chinese and Koreans are able to cross at all times, that the Customs of both Governments must be especially careful.

The terminus of the trunk line, running through the entire length of the Korean peninsula, is opposite Antung, and when the river is bridged the system will be connected, after the Antung-Mukden line is widened to the standard gauge. Post, telegraphs, and telephones are in Japanese hands. The currency is nominally silver, but coins above the value of c. \$0, excepting sycee

shoes, are not to be found. Currency badly needs to be put in order. The Yokohama Specie Bank and the Dai Ichi Ginko are established here.

As provided for in the agreement between Japan and China of December 22nd, 1905, relating to Manchuria, the Japanese have selected and acquired a site for their exclusive use as a settlement. This settlement has developed quite rapidly, and has been well laid out. In two years about a thousand well-built Japanese houses were erected, roads laid out, bridges built, and even trees planted. A trench has been dug all round the settlement to act as the main drain, and the earth excavated made use of for an embankment to protect the site from floods. This is a very important and necessary piece of work, to render the site habitable and healthy. A pumping station, with a set of powerful pumps, has been provided to pump the water when necessary. As this settlement is exclusively for the use of the Japanese, subjects of other Powers are not permitted to own land in it. A number of Chinese have, however, built houses in the area, and there is a special quarter for Chinese in this Japanese settlement. There is no difficulty for foreigners to obtain both land and houses from Japanese landlords at, of course, greatly increased rates to those charged by the authorities in, the first instance. The site is certainly the best, and the Japanese deserve every praise for the lavish expenditure of money on the improvements mentioned. The buildings are extremely well-built for Japanese houses, the shops and bazaars are attractively arranged, and every attention paid to Chinese ideas. Every shop attendant, whether man, woman, or child, speaks Chinese, and a large percentage of the Chinese traders have picked up Japanese. A large public school, for both Japanese and Chinese boys, under the Japanese Municipality, was opened in October, 1906. A public hospital, with the best and latest equipment, was completed earlier in the year; the buildings of this institution cover half an acre, and the compound is over five acres.

The Japanese military authorities, during their occupation, granted to joint Japanese and Chinese corporations exclusive rights for various public institutions, such as the market-place, landing pier, trolley system, etc. It is to be hoped that both the Japanese and Chinese authorities will place these corporations under proper control. With the establishment of the I.M. Customs there will, no doubt, be a public pier under their control for landing and shipping cargo. It will not then be necessary to land cargo on the present private Corporation's pier, and pay them dues for doing so. There need not be any objection to the market-place and slaughter-house being in the Japanese settlement. All animals (pigs principally) were sent at regular hours to the slaughter-house in the Japanese settlement, for both Japanese and Chinese consumption, and much praise is due to the military authorities for enforcing excellent sanitary arrangements.

The land purchased by the Japanese Government for their railway terminus is a very large compound, provided it is all used for such. Beyond the boundary of the railway company's property the river frontage has also been bought by Japanese. The entire river frontage, from the supposed boundary of the probable International Settlement down stream for many miles, is under Japanese control.

Reverting to Newchwang, whence I took my departure, I would note improvements are steadily in progress on the South Manchurian Railway. They will doubtless, revolutionize the travelling on the line. Under the arrangements a year ago, a moderately early start was necessary when leaving the

foreign quarter of Newchwang for the station at Niuchiatun, three miles or so distant. Here you get the branch line train to Ta-shih-chiao and join the trunk line there. When it was narrow gauge it took about 13 hours to do the distance to Tairen (Dalny), and you had to take your food on the train. Dining cars have now been added to the other improvements. With a standard gauge line and up-to-date corridor carriages the going is not bad. The country traversed was fairly interesting, moderately broken, and at times approaching picturesqueness. It becomes more *accidenté* as you get further south. You pass by the historic battle-ground of Wha-feng-kau, Telissu and Nanshan, and the abandoned Lushang coal mine. Just as dusk came, and the electric lights of Tairen were illuminated, at the close of a long summer's day, we reached the station there.

It is well-known that the Russians expended many millions of roubles on the construction of Dalny, but the task of forming the new city was still far from complete. The position remains that it is a town in the course of formation, and that in engineering parlance it has not yet settled down to its bearings. The South Manchurian Railway is the great factor; it is the *deus ex machiná*: the fairy godmother – to create and bestow all the good things. Baron Goto, then president, was energetically knocking the concern into shape, but it takes time and money. To the company the whole of the old Russian Administrative quarter of Dalny was handed over. A needed want was a decent hotel, and a large building was converted where foreign guests could be adequately provided for. Here, as in many other towns that the Japanese captured during the war, one saw the light narrow gauge railway all over the place. Japan abroad is a great exponent of these light railways, even if the streets are often incommoded as far as other traffic is concerned. The roads are moderately good, but want improving. The regulation for broad tyres on the wheels of all cargo vehicles continues in force, and prevents the roads being cut up by the narrow tyres of the North China cart. There is one really good road out to Tiger Park (so called because a tiger is kept in confinement there, and is a great source of interest to all natives). The road and the park were a legacy from Russian times. The former rulers gave three parks to the town, of which Tiger Park, on the outskirts of the present town, is the largest. The market is extensive and kept in good sanitary order, which is one of Japan's specialities. The Russians, like the Germans at Tsingtau, kept all the Chinese in a separate district, and did not permit of their promiscuous residence anywhere in the town. Japan has somewhat modified the regulations, and permits a certain number of Chinese to live within the town. It obviates some of the inconveniences of the restrictive method, but they have to conform to sanitary and other regulations. Japan is generally carrying out the scheme of roads and the plan of the town as laid out by Russia, the definite sections for particular purposes, such as administrative quarter, residence quarter, etc., are, however, not strictly adhered to. The centre of the city with its circular enclosure is being retained, though as yet it is not built round. A good deal of money will be required to complete the scheme.

The figures of the population were given me as 10,000 Japanese, a like number of Chinese coolies, and 3,000 Chinese merchants and traders. I am sorry to say a good many complaints are made as to the behaviour of the lower class Japanese, regarding their treatment of the Chinese. Any Chinaman who can make himself understood to a European will go out of his way to tell you

what a bad man the Japanese is. The lower orders here, as elsewhere in Manchuria, are responsible for this widespread opinion.

At the present time one bank monopolises such business in the place. This is the Yokohama Specie Bank, which appropriated the half-completed structure for the Russo-Chinese Bank. Presumably compensation was made, as the building was the private property of the bank. What is wanted is that more foreign firms should establish themselves; but the inducements held out at present do not seem great. The lease question is one stumbling block. Firms can scarcely be expected to lease land and put up buildings when they are subject to be turned out at a month's notice. The Japanese Government wants to guard itself against the possibility of future claims, but it can scarcely be expected that firms will embark money on so precarious a holding as is offered at present.

The residence of the Governor-General of the leased territory of Kwan-tung (Eastern country), who is naturally a military man, is at Port Arthur. It seems quite right and proper that the Military Government should also be at the same place, but there are considerable inconveniences attaching to the fact that the Civil Government is also located at the fortress. One of the high officials resides at Tairen, but he has to make constant visits to Port Arthur, a proceeding that involves the loss of at least half a day. I may note that the Civil Government of Kwan-tung costs at present 3,500,000 yen a year, which seems a fairly large sum (no military or naval expenses are included in this amount) when we bear in mind that Japanese official salaries are, as a rule, only of modest dimensions. The revenue, consisting largely of the land tax, is only small, and bears a slight percentage to the expenses. It is hoped that a considerable source of revenue may accrue from the manufacture of salt in the leased territory.

The Russians had expended a good deal of money on the creation of a harbour at Dalny. The works constitute three sides of a parallelogram, having the north side open to the bay (Ta-lien-wan). The south side, having a length of 1,225 ft., is practically existing land, whilst what is known as Head Wharf on the western side is a pier 1,886 ft. long and 336 ft. wide. Along this are railway lines, road, and good corrugated iron sheds. The eastern wharf on the other side runs out for rather more than half its length parallel to the Head wharf, and then turns slightly outwards. The railway, road, and sheds find accommodation also on this. Between them and the southern base a large area of water is practically enclosed, and the total quay space provided amounts to 6,540 ft. At the end of the Head Wharf there is 23 ft. of water at low water springs, the bulk of the rest of the quay space providing 18 ft., whilst there would be room also for two or three vessels drawing 20 ft. At present the charges for storage are 2 sen per day for 6 sq. ft. of ground in covered sheds, and 1 sen per day for like space in the uncovered ground. The wharf age is 5 sen per gross ton. The charge for putting general cargo over a ship's side is 15 sen per ton, but in the case of heavy goods there is a sliding scale, as follows: Heavy rails, etc., under 1 ton, per ton, 0.30 yen; heavy and bulky cargo under 3 tons, per ton, 0.50 yen; other rates on up to 4 yen for cargo under 30 tons. These charges are for cargo landed with 'the ship's gear.' The breakwater outside is somewhat out of repair; while certain of the berths at the wharf itself are so exposed to the north and north-west winds — the prevailing winds of winter — as to render it necessary sometimes for ships to cast off and anchor in

the stream. The harbour is also to a certain extent frozen during the severest part of winter, but the ice scarcely forms a lasting obstruction to navigation. The port contains one dry dock which also belongs to the railway company. Its dimensions are: Extreme length, 422 ft.; length, 381 ft.; breadth at entrance, 42 ft. 11 in. (at bottom); depth on sill at high water O.S.T., 19 ft. 9 in. The docks have now been leased to the Kawasaki Dockyard Company, of Kobe.

It took some three hours by railway to reach Port Arthur from Tairen, passing over much ground rendered historical by the great siege. Port Arthur has many good buildings erected during the Russian occupation. Climatically most of the Japanese said they much preferred the port to Japan, whether in winter or summer. The large hotel in New Town has been converted into the Civil Government buildings, the club is now the residence of the Governor-General Baron Oshima, the Russo-Chinese Bank has been converted to the uses of the Yokohama Specie Bank, and the restaurant next door becomes a Japanese hotel – not very elaborate, it must be admitted.

There is a fine park (Russian work) where we were fortunate enough to be present at a garden party given by Baron and Baroness Oshima. Some 600 guests were present, including, perhaps, a dozen or so foreigners. Many of the guests had been conveyed by special train from Tairen. It was the first large entertainment given by the Governor-General; it was, in fact, a great social event as well as a most successful entertainment. Japanese wrestling and fencing were provided, and bands and kiosks where Japanese cakes, sweets, syrup, soups, and other good things were dispensed, were scattered about the grounds. A more solid repast in the shape of a cold collation in foreign style was provided in a large marquee, and here the Baron welcomed his guests. At the close of the repast a procession, representing the different nations of the world, paraded between the tables. Practically all the States of Europe and America, as well as many Oriental nationalities, figured in the 'walk round,' which caused great merriment. Some represented ladies, and their 'lash up,' as a sailor would term it, was certainly humorous. All in the masquerade were members of the band, the idea having originated with the bandmaster. Afterwards they went through, in faultless style, the lancers and a quadrille in the grounds to the music of their naval *confrères*. It provided great amusement, as well it might, to the Japanese guests.

Port Arthur has altered little since it changed ownership. Scaffolding on the half-completed houses remains as it was when the siege ended. Some shell holes in buildings were repaired, but many remain. The seaward forts, which were scarcely touched in the war, have had any necessary repairs done, but no reparations have taken place to the great forts or works to the rear on the landward side. Of business there is practically nothing. The Japanese authorities do not permit it; all is transferred to Tairen. The imports, which amount to \$100,000 a month, consist practically of foodstuffs, and other stores for the garrison. Exports consist of iron, copper, and brass picked up by the industrious Chinaman from the battlefields. The more gruesome export of bones – human bones, unfortunately – which went on for some time after the war, has ceased.

4.2

‘A Japanese visits Manchuria, 1909’

Extract from

Rediscovering Natsume Soseki

by

I.S. Brodey and S.I. Tsunematsu (eds)

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AUTHOR'S NOTE

Nakamura Zeko, the president of the South Manchurian Railway Company (SMR), invited his university friend Natsume Soseki, by this time a prominent novelist and columnist, to visit the part of Manchuria which had come into Japanese hands since the war. Natsume undertook the six-week trip (after various cancellations) during the autumn of 1909 and wrote up his experiences for the *Asahi* newspaper. He travelled by the SMR ship, *Tōrei-maru*, to Dairen and stayed in the opulent SMR Yamato Hotel. In Dairen, which was the headquarters of the railway company, he is surrounded by evidence of its achievements and prosperity over the short period of four years. He then moved by rail to Port Arthur, where the emphasis is on relics of the war still existing around the city and harbour. Natsume then struck north to Mukden, marvelling at the wide-open spaces which seemed strange to land-starved Japanese and, finally, to Fushun city whose coal-mines were to become essential to the development of the railway and the commercial empire associated with it.



The steamer came alongside a stone wharf that reminded me of the one at Iida. It did so with such precision that I should never have believed I was at sea. On the pier, there were crowds of people; most of the people there, however, were Chinese coolies. Looking at any one of them, I had the immediate impression of dirt. Any two together were an even more unpleasant sight. That so many of them had gathered together struck me as most unwelcome indeed. Standing on the deck, I contemplated this mob from my distant observation point and thought to myself: 'Goodness! What a strange place I've come to!'

As the boat approached the landing stage, people began to greet their acquaintances by waving their hats in the direction of the shore. The wife of the missionary, whose name was Wing, laughingly asked me, in a tone tinged with flattery:

'Perhaps Mr Nakamura has come to welcome you?'

But since I had sent no communication in advance, it would have been absurd to imagine that even the President, despite the privileges of his status, could have known of my impending arrival when I had not given him the date. I returned to my perch, again supporting myself by my elbows on the railing and resting my chin on my hand. 'And now, what on earth am I to do?' I asked myself. 'For now, I'll find Zekō and ask him for the name of a hotel. And then I'll book myself in there.'

While these thoughts were going through my head, the steamer passed alongside the shore in a calm and dignified manner, skimming close by that curious throng of coolies, and finally coming to a halt. As soon as we had docked, the crowd of coolies started buzzing and swarming like angry wasps.

Their completely unexpected clamour partially deprived me of courage. 'But after all, I am fated to step on shore sooner or later and in the end somebody will certainly attend to me!' I told myself. I continued looking at the surging multitude, resting my elbow on the railing and my head in my hand. Then Mr Saji came up to me and enquired: 'Mr Natsume, where will you go now?'

I replied that, for starters, I was thinking of going to see the President. At that moment, an elegant gentleman in a dark blue summer suit approached me. He took a visiting card out of his pocket and greeted me politely. It was Mr Numata, a professional secretary. This was a great piece of luck for me. Still gazing at the noisy crowd, my elbows on the railing, my hand supporting my chin, I learned that Mr Numata had come on board to meet and take home an elderly person from our native country. Having been given to understand that I was also on board the *Tetsurei maru*, he pointedly handed me his visiting card.

'Well, is the gentleman going to take the hotel's horse carriage?' he enquired, addressing Saji.

I looked along the pier and noticed the horse carriages drawn up on the landing place. There were also a large number of rickshaws. However, they were pulled by the same crowd of bellowing men, so business did not appear, compared with Japan at least, to be particularly good; most of the horse carriages also seemed to be operated by the same people. Consequently, all that was there was a load of dirty vehicles clanking away. Of the horse carriages in particular it had been rumoured, at the time when the Russkis had evacuated Dairen during the Russo-Japanese War, that the Chinese had very carefully dug holes and buried the vehicles in order to prevent their falling into Japanese hands. Afterwards, the Chinks walked about everywhere sniffing the ground; when they found the right smell, they noisily disinterred one carriage, then another, in the same manner. Very soon, Dairen was teeming with growling, muttering diggers of holes. These, of course, were just rumours, and I do not know what really happened. In any event, of all the rumours circulating from that time, this seems one of the cleverest, and anybody could see with his own eyes that these carriages were indeed covered in mud.

Among them there were two that stood out as conspicuously new and elegant. Even in the very heart of Tokyo, one could not easily have found their like. The coachmen, clad in elegant liveries and wearing shiny boots, held the reins of big plump Harbin horses and waited in readiness to start on their journey. Saji left the vessel, going down the gangway to the wharf. He elbowed his way through the vociferous crowd and accompanied me personally to one of the elegant carriages. He invited me to get in, then turned to the coachman and gave him the President's address. The coachman immediately clutched his whip and the carriage set off in the midst of all the hullabaloo.

After passing through a gateway, the carriage drove over a gravel path for five or six metres and came to a gentle stop in front of a large porch. I mounted a flight of stone steps, and when I reached the entrance a servant girl of some fourteen or fifteen years of age, dressed in white, looked at me through the opening in the sturdy oak door, and saluted. I asked her whether the President had returned.

'No, the master is not here yet,' she replied.

So he was absent. 'A pity!' I wondered what I was now going to do. Standing

on the steps, perplexed, I nodded my head. Then, thinking I heard footsteps behind me, I turned round and saw Mr Numata, whom I had met just a few moments before, aboard the *Tetsurei maru*.

'Well, please do come in!' he said.

I entered the house. Mr Numata preceded me and opened a thick door at the end of the hallway. When I cast a glance through the opening and surveyed the room beyond, I noticed that it was astonishingly vast. Figures are not my forte, but even if I had known the exact number of *tatami* mats it would have taken to fill that room, it still would not have conveyed its majesty. It made me think of a sanctuary in a Buddhist temple, or of an entire building constructed to a great length. In this great Japanese-style drawing-room, one single carpet covered the *tatami* mats. Only the four corners of the room contrasted with the carpet, which was only a shade lighter in colour than the mats themselves and emanated a faint glow. Chairs and tables for entertaining guests had been placed on two different areas of this great carpet. The two tables stood as far apart from each other as drawing-rooms would have been in two adjacent houses. Numata guided me to a table and showed me where to sit. Looking up, I saw that the ceiling was extremely high. Considering the size of the room, this was in no way surprising.

On entering the reception lounge, one found oneself on a level with the first floor; from the balustrade one could survey the ground floor. In other words, the ceiling above me was shared by both the ground floor and the first floor. It was not until later on, listening to the people's explanations, that I learned that this room, which really was too vast for a reception lounge, actually served as a dance hall. On such occasions, the ground floor, which was visible below the balustrade, housed the orchestra. Having said this, however, I should have felt more at ease had I been informed of this earlier: I would not have been so baffled at being suddenly taken, without warning, into the sanctuary of a temple from which Buddha was absent. During my stay in Dairen, I passed through this hall several times in order to reach Zekō's office. Only once, on the first visit, did it arouse my astonishment. That is all. Nevertheless, each time I entered it, I never failed to be reminded of the absence of Buddha.

On entering the room, one found windows on the right-hand side, offering a view of life on the street. To the left, starting from the middle of the hall, there hung a long curtain, serving to partition off the adjacent room. Facing me, there were two potted dwarf trees, or *bonsai*, about a metre-and-a-half high. A pretty ornament in the shape of an elephant the size of a piglet had been placed by their side. I had seen exactly the same thing in the lounge of the Railway Company's branch at Manihana, Tokyo. They must have originally formed a pair, I thought to myself. A large panel of calligraphy had also been attached to the long curtain: 'Shimpei Gōtō, President of the South Manchurian Railway Company' appeared in small characters on the left-hand edge. On examining the style of writing, I observed that the characters were painted with amazing evenness and were identical to those one could see on the shop signs in the Shanghai region. I admired the wonderful quality of Mr Gōtō's writing, perhaps acquired since arriving in Manchuria. In actual fact, however, the calligraphy I admired was not Mr Gōtō's, but the work of the Emperor of China. I had not noticed the character for 'presented to' appearing just to the right of Gōtō's title. The characters of his name were really far too small. If Mr Gōtō actually had, through some extraordinary stroke of luck, met

the Emperor of China in person, he must have found it difficult to tolerate having his name written in such small characters – and not even receiving any honorific title. It occurred to me that it might be preferable not to receive presents from such eminent personages.

Mr Numata called the servant and asked her to telephone everyone. Still, there was no trace of Zekō. A squadron of American naval men had dropped anchor in the port, and a baseball match was being organized in their honour. From the telephone conversation, it seemed that very probably Zekō must have attended this match. . .

A few days earlier, four warships belonging to the American Navy had arrived in the harbour. In the days that followed, a different event was organized daily, and entertainment was provided as well. The next evening a ball was scheduled, and Zekō suggested we should attend it.

[But the absence of an evening suit] later, however, was the end of our plan to go to the ball. But a little while however, Zekō resumed his efforts: 'Suppose I take you to the Club?'

Once again, he was offering to take me somewhere. I thought to myself that it was already quite late. But Kunizawa, who was there, said he, too, was prepared to go. We all three then went out into the cool evening, lit by electric street-lamps. After covering a hundred or two hundred metres, we came within sight of Nihonbashi Bridge. People called it the 'Japan Bridge'. It was such an elegant and robust structure that one could really have imagined oneself in the heart of Europe. We entered a brick building just before reaching the bridge.

'Will there still be anyone there?' we wondered. We looked into the billiard room and found the lights on. But there was no sound of billiard balls. We went into the reading room. The Western magazines were neatly displayed. That was all. There was no sign of anyone perusing them. We then entered the room used for *shogi* and card games and sat down. But apart from our own three seats, the other chairs and tables were desolately empty.

[We] all three then went to the bar. Its manager was Chinese. ordered drinks in a language unrecognizable as English, Chinese, or Japanese. We conversed while consuming an alcoholic beverage with a curious red tint. Slightly tipsy, we went out into the street. The dark sky had become clearer and clearer and we noticed the twinkling of the stars in the firmament, which had acquired an unimaginable depth. Kunizawa took the trouble to see us back to the Yamato hotel. When we entered the foyer, the clock facing us struck midnight. Kunizawa, hearing the twelve strokes, wished me good night and promptly departed.

In the foyer the next morning, Zekō ordered himself a horse-carriage.

'Do you require a brougham?' asked the groom.

'No, I prefer an open carriage,' he instructed him.

From the top of the stone steps where I was standing, I looked at the broad avenue that extended in a straight line from the hotel entrance as far as the Nihonbashi Bridge. In Dairen, the sun shone brighter than in Japan. Even though the sun appeared to be a great distance away, its brightness made it seem much closer. As a result, the air seemed more transparent. Everything stood out very clearly: the streets, the trees, the rooftops, the bricks.

Soon I could detect the sound of footsteps. Zekō's carriage had stopped in front of us. We rode across the bridge, swaying lightly in the radiant air. The town stretched away on the other side. As soon as we had crossed, we found ourselves close to the head offices of the Railway Company. Instead of entering the next town, the carriage veered suddenly to the right. If one looked carefully, one could make out a rather impressive obelisk rising from the top of a hill towards the blue sky. It made one think of a white sword brandished straight up towards space. In the background, 'we could see the top of a wide building, also white, except that the roof had been painted in dull red colours. In front of the building, there was also a pretty little bridge. Looking at this bridge, the tower, and the obelisk, one might notice that they were all three the same colour and were shining resplendently in the brilliant sunlight. I gazed at these three structures from afar and felt an interest in the link between their positions and their shapes. I was struck with admiration at the harmony that the combination exuded. From my seat in the carriage, I asked Zekō what it was, and he explained as follows:

'That's "Electricity Park" over there. Even in Japan, there is nothing like it. There are a large number of entertainment installations, all operated by electricity. Our firm created that park to provide recreation opportunities for the inhabitants of Dairen.'

[Meanwhile,] the horse-drawn carriage arrived at the spot where the electric railway track ran. Zekō explained to me that the electrified line, just like the amusement park, would come into operation by the end of the month. His company was now hiring drivers and guards, and trial runs were being conducted on this particular line segment in order to train the new personnel.

... our carriage stopped right in front of the headquarters of Manchurian Railways. We ascended a wide stairway, which took us straight to the first floor, and made our way to the left wing of the building. On reaching the back, we turned to the right and immediately found ourselves in the Central Management and Accounts Department. With the exception of one member of the staff, who had been sent to Tokyo, everyone was there, and Zekō introduced me to all his colleagues, one by one. Among them I recognized the face of the younger Tanaka, whom I had met before.

'What was your first impression when you arrived in Dairen?' he asked me.

'Well, when I came ashore from the boat, at first I thought I was looking at the remains of burnt-out buildings,' I said, speaking quite frankly.

'Yes, it's military land, where training is ongoing: one can't build houses on it. It makes the same impression on everyone,' he explained.

I remained seated for a few moments, quietly watching the work in progress. Soon it was midday: 'Let's go and have lunch!'

So saying, Zekō took me to the Company dining-room.

'Right along here!' he said.

I had sat down at the table and already picked up the napkin, when the waiter came over to me.

'That is Mr Kunizawa's. I will bring you another.'

Situated on the first floor of the company building, the dining-room was very spacious. In the evening it was converted into a large dance hall. I was informed that these events were open to all the company's employees; however, there were only about thirty people seated at the same table. Judging

from this turnout, were there not certain tacit restrictions on admission? Such was the question I silently asked myself.

I was told that the meals came from the Yamato Hotel. The thirty or so diners at the table had already emptied their plates. With my stomach-ache, however, I wielded my knife and fork in vain, without any particular enthusiasm. My throat felt crammed with meat and vegetables. Young Tanaka, seated opposite me, offered me a pear in the shape of a gourd. But I lacked even the inclination to stretch out my hand. . .

Looking at the little note Mr Kawamura had written, I found only about ten names under the heading 'Entertainment Establishments'. They were either clubs or associations. They included golf clubs and sailing clubs. I noticed that by a few prominent names under 'Sailing Club', the words 'a boat' appeared in brackets. Referring to clubs that had only just opened, this meant that for the moment their entire fleet consisted of a single sailboat. Among the places that it was absolutely vital for me to visit were the Dairen Clinic in the Yamagi-cho quarter, the professional training centre of Kodama-cho, the Omi-cho home, and the Hama-cho power station. Altogether I noted fifteen or sixteen places to visit. It was therefore no surprise when I was told:

'Well, if you don't spend at least a week in Dairen, you won't have time to have even a brief look at the Company's installations.'

In addition to this, Zekō had abruptly pointed out:

'We must go everywhere without fail and without making any distinctions.'

Well, that was by no means easy. He had also started to treat me like an inspector, saying 'Be observant!' and 'If there is anything that attracts your attention, don't fail to tell me!' I felt increasingly oppressed. Looking through the memo in my hand, I said to Matano, who was by my side:

'Well, we'll have a look at a few things! What do you say?'

It was clear somehow that he would be accompanying me and that he had come for the purpose of guiding me and of making me go here, there, and everywhere around Dairen. However, there were no special instructions to this effect from the Company, and it seemed to me that Matano, acting as a special envoy, felt he was neglecting his job. Before I knew where I was, he had asked for a horse-drawn carriage to come to the hotel to fetch us.

I got in with him. The luxurious carriage started on its way. We drove towards North Park, which was said to be very big. After half a dozen rotations of the carriage wheels, however, we had already reached it, and before we knew it, we had crossed it to the other side. He then took me to what was known as the Company's Staff Club. I learned that Nō Theatre declamation teachers earned a hundred and fifty yen per month here. We got back into the carriage and went to take a look, from the outside, at the industrial plant where Suda of Kawasaki Shipyard was employed. We entered the adjacent offices, and I thanked Suda for his hospitality of the previous evening. The offices looked on to the sea. The water in the docks was pale blue. I asked him:

'What tonnage of vessels can these docks accommodate?'

'Vessels of up to 3000 tons can use them,' he replied. 'The dock entrance is about 120 metres wide.'

'Let's go to the electricity works!' he offered.

After the *Tetsurei maru* had docked at Dairen, the first thing that caught my eye was the long, red silhouette of the power station's chimney, directly

reflected in the water. The people on the boat informed me that it was the tallest chimney in East Asia. Matano confirmed the truth of this. Apart from that, however, on venturing inside the station, visitors received a most disagreeable impression. In one part of the building, the four walls were composed of bricks piled high, one upon the other. There was a hole in the ceiling, through which one could see the blue sky. Perhaps it would have been a good idea to have built a higher ceiling instead? At all events, standing inside, one quickly became covered with dust and had to listen to a constant, infernal din that made any normal conversation utterly impossible. All one could see above the bricks was the distant blue sky, and this evoked a very strange sensation. In certain spots, the floor seemed to sink under our feet as we walked. In all the dark corners, machines were running at top speed.

Obviously, before I decided to take a look at this haunted residence, which was a model of the Railway Company's employee housing, I had not felt in any way drawn to buildings frequented by ghosts. Nevertheless, when someone on this occasion said to me: 'That's a haunted house!' I entered it without the slightest hesitation. I did not even have time to stop and wonder, seized with doubt, why this building was described in such frightening terms. This supposedly haunted house was whole and yet it looked quite depressing. When I say it was whole I mean that it was of recent construction. Such an epithet might seem inappropriate, because haunted houses generally are decrepit and old. The walls seemed to be made of brick. The whole facade, however, was painted grey. One got the impression that rays of sunlight never reached inside this house: the building was permeated with a dark, gloomy atmosphere.

I walked through the long corridors on the ground floor, first floor, and second floor a number of times. As I walked, my footsteps made sharp sounds. When I climbed the stairs, the click-click-click was naturally even more distinct. The staircase was made of iron. On each side of the corridor there was nothing but bedrooms – if one could even call them bedrooms, for they were all hermetically sealed. Above the door frame of each was a plate bearing the name of the occupants. The corridor was so dark that when I tried to read the names, my eyes, accustomed to the bright sunlight, were incapable of making anything out clearly. I stopped for a moment and asked Matano:

'Could we not have a look inside one of the rooms?'

He then immediately tapped at the door on his right with his stick. But no reply came; neither 'Yes?' nor 'Come in!' Matano gave a knock on a second door. We encountered nothing but silence. My companion, showing no signs of discomfort, continued on his way, boldly rapping on all the neighbouring doors, 'Rat-tat-tat!' But, to the very end, we met no one. It was like walking through a town that had just been evacuated. When we reached the second floor and found ourselves by a bend in the narrow corridor, we found a woman boiling vegetables in a rice pot. There was a kitchen there. This building must have had one kitchen for every five or six rooms. We asked the woman whether that floor had a running water supply.

'No, you have to draw the water downstairs and bring it up,' she replied.

'Where are the lavatories in this dark place, and how many are there?' I wondered. I inadvertently forgot to ask the woman, as I walked in front of her, about to pass by her.

'That's not the way out!' she informed me. It was completely dark!

4.3 Notes by Lieutenant Binstead on the Position and Policy of Russia in Northern Manchuria at the present moment. Peking, April 3, 1914



BESIDES the writer's past study of Manchuria, the sources and authorities which have been made use of are:—

1. Conversations with Russian officers and other Russians, His Majesty's consul at Harbin, and representatives of British firms.
2. The Russian press.
3. Several pamphlets which have lately appeared in Russian on the Manchurian question.

The fate of North Manchuria has of course ever since 1905 been a subject of discussion in Russia, and since that date Russian policy here has been chiefly remarkable for its apparent indecision. There can be little doubt that while Russia would like to annex North Manchuria, she is afraid to do so and carries out a weak policy of waiting, conforming without any fixed policy to the demands of the moment. This policy exasperates the Russian colony in Manchuria.

During the past six months or so the question of the fate of North Manchuria may be said to have become more acute. Besides the very recent events of the return to power in Russia of the Right party with M. Goremikin and of the aggressive railway programme of Japan in South Manchuria, the great fact which demands that some decision should be taken now by Russia with regard to North Manchuria is that under existing circumstances it is no longer possible to maintain the *status quo*. Russian interests are steadily losing ground in North Manchuria. This fact is illustrated by the two following phenomena:—

- (a.) The steady progress being made, especially in Harbin, by Japanese and non-Europeans, notably by British and Germans.
- (b.) The persistent lack of support shown by the Russian Government towards the interests of the Russian colony in Manchuria.

These two further facts have led up to a certain agitation for immediate annexation, the advocates of which, besides urging the permanent arguments in favour of this course, are now further encouraged from the

fact they consider the present moment particularly auspicious for this forward step.

Before returning to discuss the above in detail, let us consider the various courses open to Russia. They are seven in number, only three or four of which come within the range of practical politics.

The courses open are:—

1. To evacuate Manchuria, handing it over to China. This is impossible because China could not pay for Russian stakes in Manchuria, nor could she prevent Japan taking it from her.
2. To neutralise it. This has been proposed by America and definitely rejected.
3. To turn it into an autonomous State under the Manchus. To me this seems only putting off the question. Moreover, Japan is said to be opposed to such course.
4. To hand it over to Japan in return for something else. This is impossible for strategical reasons, because—
 - (a) It would be impossible to hold Ussuri and Vladivostok with North Manchuria in Japanese hands.
 - (b) For decades to come the Priamuria must depend, in peace and war, on Manchuria for both grains and live stock (the latter from Mongolia but via Manchuria). At present Transbaikalia and Priamuria import annually 17,000,000 poods of flour and grain and 45,000 head of cattle, most of which comes from or through Manchuria.
5. To turn the Japanese out of South Manchuria and so destroy the cause of the present decline of Russian interests in North Manchuria. Victory could be followed either by annexation or the present “colonial” policy improved. The fifth course is what the army certainly would like. Every officer is convinced of the inevitability of and personally desires the war of revenge. But until Russia has a fleet with which to attempt to impair the great advantage which Japan now possesses in a short maritime line of communications, it is doubtful whether the Government will consider the chances of a second war worth taking.
6. To maintain the *status quo* by means of prohibiting Japanese immigration into North Manchuria, and by fiscal and commercial disadvantages to be imposed on Japanese and foreign trade. Such a course is obviously wellnigh impossible for international reasons.
7. To divide Manchuria by friendly agreement between Japan and Russia and annex it. This is what is strongly being urged by a well-known

Russian publicist in Harbin, N. Steinfeldt, and is the most practical course.

To return to the former argument, it may again be emphasized that the advocates of immediate annexation insist that the present so-called maintenance of the *status quo* is only such in a narrow political sense, and that under present conditions the economic *status quo* is not being maintained at all, since Russian interests are steadily losing to those of Japan and Western Europe. Let us now look at the facts relating to this argument:—

1. The relative percentage which the import of Russian goods into all Manchuria bears to the total import has fallen from 23.2 per cent. in 1909 to 19.9 per cent. in 1911.
2. Almost the whole export trade in pulses, Manchuria's chief export, has passed into the hands of British, Japanese, and Germans, though founded by Russians.
3. Japanese coal supplies Harbin with most of its fuel.
4. Japan will soon have two banks in Harbin, and there are other foreign banks, whereas the chief complaint of Russians is the fact that their own banks do not give them the necessary support.
5. The Japanese carry on extensive financial operations in Harbin with Russians on very advantageous (to the Japanese) conditions, due to the non-existence of similar Russian lending organizations.
6. The import of Japanese and foreign goods into Harbin from the south (chiefly Dalni) has more than trebled in the last three years, whereas from Vladivostok the import has hardly increased at all.
7. The Japanese, aided by the closing of the Priamuria as a market for Harbin flour, are commencing to get into their hands the export of Harbin flour to the south, having already bought one of the large Russian mills.
8. The appearance of foreign consuls and the refusal of foreigners to subject themselves to the same regulations and dues as the Russians without representatives on the municipal council has turned Harbin from being a Russian town into a cosmopolitan settlement.
9. Various concessions have lately been obtained by foreigners, and many enterprises have been commenced, e.g., new German sugar factory near Harbin. Foreigners have the great advantages of easier credit than Russians. His Majesty's consul confirms the fact that British trade is decidedly on the increase.

Now let us consider in what way the Russian Government has either failed to support the interests of the Russian colony in Manchuria or has even positively worked against them.

1. Until 1909 Harbin and North Manchuria supplied all the Priamuria with most of its wants. But in that year the hitherto existing "Porto Franko" along the Russian frontier in the Far East was closed, and Manchurian goods could be imported free of duty only into the 50-verst free-trade zone created by the St. Petersburgh treaty of 1881. On the 1st January, 1913, even this free-trade zone was abolished, with the result that all Manchurian products could be taxed immediately on entering Siberia. Thus, now the Harbin manufacturers are confronted with the prospect of having to find a new market for their goods. Before the blow fell, the Harbin export to the Amur of goods manufactured by Russian industry amounted to the value of 5,500,000 roubles (550,000*l.*). Harbin now fears that even further anti-Manchurian measures may be taken by Russian Government in its desire to artificially force on the development of the Priamuria.
2. Russian interests in Manchuria suffer greatly from the fact that "Russia in Manchuria" is wholly administered by the Ministry of Finance. As a result, economic matters here are wholly neglected by the Ministry of Trade and Industry, which ought naturally to deal with them. Every Manchurian proposal is referred for consideration to the Ministry of Finance, which besides not understanding technicalities outside its sphere, also regards Manchuria from a narrow financial point of view as a country which, somehow or other, must be made to repay the vast sums which have been expended on the Chinese Eastern Railway. As a result, Russia's attempt to run Manchuria as what in Russia is called a colony, as opposed to a province wholly incorporated in the Empire, has been a failure.
3. Diplomacy is also blamed for not maintaining complete Russian control in the "expropriation belt" of the Chinese Eastern Railway, for allowing foreigners to avoid conforming to the Russian regulations, for the opening of the Chinese customs in Manchuria, for the sending of a Russian consul to Harbin which was followed by the arrival of other consuls, and which made Harbin lose its character of a purely Russian town.
4. The Government has failed utterly to provide the necessary kind of banks and financial support to Russian interests. The Russo-Asiatic Bank tends to diminish its activity in Manchuria (*vide* closing of its branch in Hailar, which has just taken place).
5. The recent agreement between the Chinese Eastern and South Manchurian Railways, whereby goods and passages can be booked through from Harbin to Dalni without any transactions by the customer at Changchun is wholly adverse to Russian interests, and has greatly increased the attractive powers of Dalni as a port. It is so difficult to understand how any Russian could fail to see the disadvantages of the new agreement, that one is almost forced to give credence to the story that the Japanese obtained the consent of the Russian representatives by means of bribery. Dalni imports

into Manchuria more than Vladivostok, while the reverse is still the case as regards exports. The new agreement assists the sale of Japanese coal in North Manchuria.

6. Most unfavourable contrasts are drawn between Russian and Japanese methods in Manchuria, *e.g.*, in the matter of Japanese banks, systematic assistance to every Japanese immigrant into South Manchuria, systematic ousting of every foreign enterprise in South Manchuria, policy of doing everything to efface the Korean-Manchurian frontier, as contrasted with Russia's policy of raising obstacles to Manchu-Priamuria intercourse.

Besides the woes due to lack of Government support and to foreign competition, the Russian colony in Manchuria has also suffered from other causes, such as:—

- (a.) Financial stringency due to events in Near East.
- (b.) An unusually early freezing of the Sungari in 1912, which stranded great quantities of goods before they reached their destination.
- (c.) Depreciation of Chinese notes.
- (d.) Bad trading season in grain, due to activity of Hunghutzu and fear of trouble in Mongolia.
- (e.) Opposition and enmity of Chinese officials to Russian interests owing to feeling on Mongolian question.

The next question to consider is: What are the permanent arguments in favour of the annexation of North Manchuria, and what is its value to Russia?

1. China is said to despair of regaining control of North Manchuria. This is supposed to be proved by the lack of support which Heilungchiang receives from Peking. Personally, I think the recent schemes of the Peking Government for pushing on the colonization of these parts invalidates the above arguments. Since China herself never hopes to regain North Manchuria, it is futile for Russia to keep up the present state of affairs, which costs Russia a great deal of money and hopelessly trammels Russian progress.
2. China and Russia are politically irreconcilable enemies. Russia should take the opportunity to create between herself and China a continuous buffer. This in the west is already realized in autonomous Mongolia, and now, by dividing Manchuria with Japan, a prolongation of this buffer eastward should be obtained in a Japanese colony embracing South Manchuria and parts of Eastern Mongolia. This is an argument of the publicist Steinfeldt, who believes that the best way of fighting the Yellow Peril is to disrupt

China, using Japan as a tool to help on this result. For, argues he, Japan without the millions of China as a weapon, cannot alone be a menace to Europe. He argues also that Russia should deliberately force on the disruption of China by annexing Manchuria.

3. The straightening of the frontier from Barga to Vladivostock is necessary for the efficient defence of the Russian Far East.
4. The rich country of Manchuria would help to make the Russian Far East self-supporting. The taxes it could pay would make up for the present loss in developing Priamuria. No trouble is to be expected in administering a limited Chinese population. Much money could be obtained after annexation by taxing foreign enterprises in Northern Manchuria, and the disappearance of the latter would give Russian trade and industry here its required prosperity.
5. The maintenance of Russia's army corps along a southerly frontier in fertile Manchuria would cost far less than at present in expensive Priamuria.
6. Priamuria would have guaranteed to it its required granary.
7. At present the Russian Government finds it extremely difficult to create a settled Russian population in the inhospitable Priamuria. Such a border population could be created more easily in fertile Manchuria.

Next to see what are the arguments in support of the view that the present is a most auspicious moment for annexation.

1. The aggressive new railway programme of Japan in South Manchuria requires that Russia should have a free hand in North Manchuria to counteract the former.
2. If Japanese and foreign influence in North Manchuria are allowed to increase at the present rate, North Manchuria will soon be beyond Russian control.
3. The present weakness of China.
4. The menace to Japan of the opening of the Panamá Canal will make her sympathetic to the idea of a peaceable partition of Manchuria with annexation, which would safeguard her 'rear', and allow her to concentrate her attention on her true area of expansion in South China and the East Indian Archipelago and Pacific, where America will probably be her chief opponent.
5. The German menace in the West demands an agreement with Japan, and the setting in order of the Russian Far East on a firm basis.

Some Points affecting the Proposal for Immediate Annexation.

1. Kovots of has been turned out of power. He was Horvat's staunch friend, and Horvat is bitterly opposed to any change in the *status quo*, under which he is 'King and God' in Harbin and amasses a vast fortune. He is said to

be spending vast sums now in St. Petersburgh in cheques to people who might help to bring about a change of policy. Goremikin and the Right, who are in power, may very likely favour annexation, and in any case hate the Jews, who are synonymous with Harbin interests. The Jews of Harbin are themselves advocating a strong policy in Manchuria, but such a policy would probably mean their ruin, for it is by no means certain that after annexation Manchuria would be reckoned as one of those areas where Jews may reside.

2. The influence of other Powers in preventing a partition and annexation of Manchuria seems to be counted lightly by the ordinary Russian. The opinion is expressed that nothing more than verbal remonstrances would follow. The powerlessness of the Powers in the Balkans is cited in confirmation.
3. The army is hostile to any agreement with Japan and desires a war of revenge.

In conclusion, it may be repeated that it seems clear that Russia has been, and is, carrying on a policy of 'conforming to circumstances' in North Manchuria. But the advent to power of the Right may alter matters. One thing seems certain. After all that Russia has done for North Manchuria, after her sacrifices there in life, effort, and money, she can never allow it to pass out of her hands without a struggle.

Chapter 5: 1915–1922

5.1a Twenty-one Demands - Group V



ART. 1.—THE CHINESE Central Government shall employ influential Japanese as advisers in political, financial and military affairs.

Art. 2.—Japanese hospitals, churches and schools in the interior of China shall be granted the right of owning land.

Art. 3.—Inasmuch as the Japanese Government and the Chinese Government have had many cases of dispute between Japanese and Chinese police which caused no little misunderstanding, it is for that reason necessary that the police departments of important places (in China) shall be jointly administered by Japanese and numerous Japanese and Chinese or that the police department of these places shall employ numerous Japanese, so that they may at the same time help to plan for the improvement of the Chinese Police Service.

Art. 4.—China shall purchase from Japan a fixed amount of munitions of war (say 50% or more of what is needed by the Chinese Government) or there shall be established in China a Sino-Japanese jointly worked arsenal. Japanese technical experts are to be employed and Japanese material to be purchased.

Art. 5.—China agrees to grant to Japan the right of constructing a railway connecting Wuchang with Kiukiang and Nanchang, another line between Nanchang and Hangchow, and another between Nanchang and Chaochow.

Art. 6.—If China needs foreign capital to work mines, build railways and construct harbour-works (including dockyards) in the Province of Fukien, Japan shall be first consulted.

Art. 7.—China agrees that Japanese subjects shall have the right of missionary propaganda in China

5.1b Japanese military attitudes during negotiations (British intercept)

[Author's Note: The following was enclosed in a letter from Jordan to the British Foreign Office in April 1915, and purported to be a letter from the Japanese general staff to the military and naval personnel of the Japanese legation in Peking discussing the negotiations with China arising from the 'Twenty-one Demands'. It is not certain whether it is genuine but it seems to fit in with the attitude of the general staff and of the minister of war in 1915. Grey considered it of sufficient interest to show it to his cabinet colleagues.]

In the demands on China there are questions concerning the engagements of Military Advisers, the purchase of arms and ammunition, and the arsenals. These are the most vital points against the Chinese Government. Much difficulty will be experienced before a satisfactory settlement can be reached. We doubt whether the Chinese Government realise the deep meaning hidden underneath the idea entertained by our army who proposed the questions. If the Chinese Government interprets these questions in the sense of ordinary engagement of advisers and purchase of arms, a speedy settlement may be expected. But on the contrary, if the Chinese suspect that these questions comprise part of the general scheme of our future national defence, then it will be very difficult to come to a settlement. At first the Premier and the Foreign Minister were of the opinion that although China is weak she would never concede to these demands. But since these demands have been made, we shall have to resort to force if they were rejected. We very much doubt if such action on our part would have a beneficial effect on our present foreign policy. But after careful consideration we are convinced that for the sake of our national defence it is necessary for us to obtain substantial power in China. It was due to this reason that these three demands were added. Needless to say, China is the first country to bear the brunt of our expansion policy.

The demands connected with the Fukien province proposed by our navy are the most vital points against America. For if Japan can secure the naval control of San To Harbour and the adjacent sea coast we shall be able to reduce the value of the Philippine Islands as the American Naval Base in the Pacific and thus frustrate her policy in that direction.

The three demands proposed by our army as mentioned above are also the most vital points against Russia as they would reduce

the usefulness of the Siberian railway as a military weapon. The army spent more than ten years in formulating these plans, ever hoping that opportunities would arise for us to push our plans to a successful end. The settlement of these demands is a question of life and death with Japan.

5.2a Russo-Japanese Alliance, 1916



[Author's Note: The text of the Russo-Japanese secret alliance of 1916 is anodyne but serves as the culmination of the secret treaties of 1907, 1910 and 1912 between the two countries which are all specific regarding Manchuria. The 'third Power' is unspecified and can be interpreted as either Germany or the United States. These treaties were not communicated to China.]

APPENDIX E RUSSIA - JAPAN SECRET CONVENTION OF JUNE 20/JULY 3, 1916

The Imperial Government of Russia and the Imperial Government of Japan, desiring to consolidate the sincerely friendly relations established by their secret Conventions of July 17/30, 1907, June 21/July 4, 1910, and June 25/July 8, 1912, have agreed on the following clauses designed to complete the above-mentioned agreements:

ARTICLE I

The two High Contracting Parties, recognizing that their vital interests demand that China should not fall under the political domination of any third Power hostile to Russia or Japan, will frankly and loyally enter into communication whenever circumstances may demand, and will agree upon the measures to be taken to prevent such a situation being brought about.

ARTICLE II

In the event that, in consequence of the measures taken by mutual agreement as provided in the preceding article, war should be declared between one of the Contracting Parties and one of the third Powers contemplated by the preceding article, the other Contracting Party will, upon the demand of its ally, come to its aid, and in that case each of the High Contracting Parties undertakes not to make peace without a previous agreement with the other Contracting Party.

ARTICLE III

The conditions in which each of the High Contracting Parties will lend its armed cooperation to the other Contracting Party, as stipulated in the preceding article, and the means by which this cooperation will be effected, will be established by the competent authorities of the two High Contracting Parties.

5.2 b Commentary on the Russo-Japanese Alliance



*Sir J. Jordan (Peking) to Earl Curzon
Telegraphic PEKING, October 4, 1919*

Your telegram repeated from Tokio, regarding Japanese claim for exclusion from Consortium of areas in Manchuria and Mongolia.

Japanese Ambassador's definition practically corresponds with Japanese spheres of influence settled by Secret Treaties of 1907 and 1912 with Russian and British Governments (see map with confidential print, January 12th, 1914 section 3, No. 1508). Only exception is that in Secret Treaty of 1912 division between what Japanese Ambassador describes as Inner Mongolia and Eastern Inner Mongolia is parallel of latitude on which Peking is situated, whereas in Japanese Ambassador's definition

this line is interpreted to include part of Selingol League (*sic*) which lies west of (? Parallel). It would have been simpler if His Excellency had merely stated Japan's claim included areas assigned to her under Secret Treaties with Russia with addition of western portion of Lea[? gues]⁵. Territory of these Leagues has since May 1914 been treated for administrative purposes as part of China.

Japan, it will be remembered, made a determined effort to get her claims in Southern Manchuria and Eastern Inner Mongolia recognized in Treaty which she extorted under threat of an ultimatum from China in 1915, and succeeded in securing among other things priority of railway rights in these regions. But the Secret Treaties have never so far as I know been published or disclosed to China, and their endorsement by Powers connected with Consortium would (? in all) probability create an (? explosion of) public feeling similar to that which occurred in the case of Shantung. The two questions would naturally be associated in public mind from (? fact that) both formed part of negotiations of 1915 and that Secret Treaties existed in both cases.

Japan has a clear right to exclusion from Consortium of all acquired rights which have been made effective, such as South Manchurian Railway, Antung-Mukden (? rights) &c., but her present claim calls for absolute conclusion of a large region and confirmation of Secret Treaties which contemplate virtual partition of Chinese territory.

A consortium founded on such a basis would, I fear, start its existence with a stain upon its character.

3. Siberian expedition

[After the withdrawal of Allied armies from Siberia, Japanese troops assumed control of the Chinese Eastern Railway and in April 1920 took charge of Manchuli, Hailar and Tsitsihat stations and occupied Vladivostok. Despite the alarm this created, the British ambassador in Tokyo, Sir Charles Eliot, defends the Japanese position.

Source: DBFP, 1st series, vol. XIV, doc. 21. Also docs 8 & 9 (Eliot to Curzon and Hodgson to Curzon)]

Sir C. Eliot¹ (Tokyo) to Earl Curzon, TOKYO, April 15, 1920, 3 p.m.

Minister of War definitely assured Military Attaché to-day that there was no ulterior motive to action recently taken by Japanese in Siberia,

disarmament of Russians being considered necessary as a (?) military precaution in view of recent experience at (?) Nicolaievsk). His Excellency further stated that Japan has absolutely no intention whatever of permanently occupying Siberian territory, and that Japanese troops will be withdrawn as soon as recognised Russian Government has been established, peace and order restored and all menace to Korea and Manchuria removed.

Mr. Hodgson (Vladivostok) to Earl Curzon

VLADIVOSTOK, *April 16, 1920, 3.40 p.m.*

Occupation of all military centres from Habarovsk to Nikolsk and Vladivostok is now completed, Russian troops being in most cases taken by surprise and allowing themselves to be disarmed without resistance, but there was heavy fighting at Habarovsk and Nikolsk.

Japanese casualties probably total nearly 2,000. Considerable Russian detachments succeeded in escaping into the hills. Telegraphic communication with interior is still interrupted. Damage to Railway line is being repaired and serious delay to evacuation is no longer feared but Russian Railway servants so far refuse to return to work. Apparently to meet eventuality of having to operate railway themselves Japanese have brought here General Hoshino recently Chief of Field Communications in Trans-B[aj]ikal. Statements published by Japanese in support of their coup of April 5th are as remarkable for their ineptitude as for their mendacity and indeed Japanese attitude throughout has been marked by complete absence of sequence of ideas. Having bombarded Zemst[v]o building which was harmless and undefended, allowed reactionary officers to be released from prison, torn down (?) Red flags from prominent places and public buildings to substitute for them their own and expended much ammunition without any apparent objection, they were without any plan for further action, had to beg Zemst[v]o Government to resume its duties, hauled down Japanese flags and repudiated any association with reactionary parties. They have however utilized their position in order to deal with strong anti-Japanese organizations among local Coreans.

Though Japanese movement has aroused a violent press campaign and afforded opportunities for much indignant rhetoric, yet I do not consider Russian *amour-propre* has been wounded to extent that ... demands. The professional and Commercial classes do lip-service to their outraged national pride but console themselves by pleading that their position and property are secure; the mass of the population, demoralized by three years' chaos, have no more capacity to react against political changes; peasants are indifferent provided that their economic position is improved and they are protected from depredations of partisans. Only town workmen, who looked forward to Soviet rule, are inconsolable.

Opinion is universal that it is the duty of Allies, who are responsible for presence of Japanese in Siberia, to put a term to present situation, and much capital is being made out of this latest instance of dismemberment of Russia.

5.3 Siberian expedition



Sir C. Eliot (Tokyo) to Earl Curzon (Received April 29, 9 p.m.)

TOKYO, April 28, 1920, 11.30 p.m.

Such evidence as I have makes me believe Japanese have done little or nothing of which Allies or Russians can complain. They are endeavouring to restore order in Siberia which was one of the objects of other Allies before they withdrew their troops. Japanese, having special interests, owing to proximity of Korea and number of Japanese immigrants, are retaining their troops and continuing our policy.

It is maintained that occupation of Vladivostok was a cunningly prepared *coup*, yet Mr. Hodgson himself says their 'attitude has been marked by a complete absence of (? bad) ideas'. In other words they did not behave like people executing a plan but like people surprised by action of Russians.

Their simultaneous action along whole of Chinese Eastern Railway seems legitimate and correct from a military point of view because safety

of this line is vital for maintenance of communications with their troops at Chita.

I do not think importance should be attached to Russian grumblings. In last July and August Russian officials and merchants at Omsk begged me to bring about Japanese intervention. Now they complain of it just as they complained of our attempts to make Siberian Railway work. If we were to ‘put an end to present situation’ and (? make) Japanese withdraw, Bolshevik rule would probably prevail in Vladivostok and every Russian with any property would say we had betrayed ‘the loyal (? Russian)s’.

I can see no reason for ‘dissociating Great Britain from Japan’s act’. It is difficult for me to contradict statements of officials on the spot but everything that I have heard from persons who have been recently in Siberia makes me believe that Japanese are trying to restore order and are therefore disliked by Russians who are consistent in disliking every Power which tries to help them.

Japanese Minister of War says candidly that they have not been supplying Semenoff with arms for some time but are discussing advisability of doing so. I see no harm in this. Semenoff and Voitzehoffski are said to be strongest anti-Bolshevik elements in Siberia and support given them seems to me as legitimate as support formerly given to Koltchak. American Consul General told me Semenoff had improved of late.

Military attaché does not believe Japanese forces in Siberia have increased but thinks that any new troops which have been dispatched are either drafts to replace casualties, which have been serious, or young untrained soldiers to replace time-expired men.

5.4 The Chientao Incident (1920)



[The Chientao Incident of 1919–20 was a serious anti-Japanese demonstration in Korean settlements in Manchuria. The Japanese responded by launching a military expedition to eradicate hostile elements. Missionaries reported atrocities inflicted by Japanese soldiers on Korean Christians.

Source: Excerpt from Dael-yeol Ku, 'The Chientao Incident (1920) and Britain' from *Transactions of the Royal Asiatic Society, Korea Branch*, 55 (1980), 1-3]

[Author's Note: DAEYEOL KU (Ku Dae-yōl) received his B.A. in English Literature from Seoul National University. After working as a reporter for the Hankook Ilbo for five years, he studied in England where he received his Ph.D. from the London School of Economics in International History. His dissertation was entitled 'Korean Resistance to Japanese Colonialism'.]

This is a study of the military expedition which the Japanese sent to Chientao in October 1920 in order to clear the area of the Korean independence movement, and of the attitude of the British government towards the Japanese encroachment in that part of Chinese territory. Chientao, or Kando in Korean and Japanese, lies to the north of the Tumen river which forms the eastern part of the border between China and Korea, and is a stretch of territory about 300 miles long by 60 wide, encompassing the four districts of Holung, Yenchi, Wangshing and Hunchun. At the time of this study, it constituted a kind of oasis of exceptionally fertile valleys in the wild mountains and forests of northern Korea and Manchuria, and had, therefore, attracted a large number of Koreans since the 1860s, in spite of the prohibition by the Korean government against crossing the frontier. The Korean population there had increased steadily, being 71,000 in 1907, 109,500 in 1910, 253,916 in 1918 and 307,806 in 1921, while the number of the Chinese was less than one third, being 21,983 in 1907 and 73,746 in 1921. The area west of Chientao was called Sōkando, or west Chientao, and was also inhabited by a number of Koreans.

A border dispute between the two countries flared up in 1882 as the Chinese government took note of the rapid increase of the Koreans in the area. This was eventually settled under the Chientao Agreement concluded between China and Japan on September 4, 1909 at a time when the latter maintained her residency-general in Seoul.

The agreement covered only the three districts of Holung, Yenchi and Wangshing, a fact which led to Hunchun and Sokando being generally excluded from the Chientao since then. By the agreement, China obtained Japan's recognition of her sovereignty over the region and her jurisdiction over its Korean inhabitants, whilst making several concessions to Japan, including the right to extend the Chang-

hun-Kirin railway to the Korean frontier; opening of four trade-marts in Chientao; and the right to establish consulates or branch offices in the area.

The Japanese authorities in Seoul did not stop the emigration of the Koreans to Chientao either after they promulgated the emigration protection law in July 1906 (by which no Koreans were allowed to go abroad) or even after the annexation of Korea in 1910. An official document noted that Korean emigration to Chientao had increased yearly, because ‘the emigrants were beguiled by the misleading information given by Korean political refugees who had made Chientao their base.’ In 1919, a report of the British Foreign Office stated that a large crowd of such people, numbering about 1,000 a week, had been noticed at Seoul railway station. Since the Japanese knew that Korean exiles tended to be strongly nationalistic, it is hard to see any other reason for the Japanese to license this emigration except to make room for Japanese emigrants in the peninsula and to scatter Koreans outside the border region so that Japan could have an excuse for intervention there under the pretext of ‘protecting’ her Korean subjects. On the other hand, the suffering and hardship of these Korean emigrants explain their hostility towards the Japanese. Thus Chientao became one of the main arenas for the anti-Japanese movement on the part of Korean exiles, when the control of their country passed to Japan. One aspect of their activities was military adventurism over the border, whereas their colleagues in the United States and Shanghai were more inclined to undertake diplomatic manoeuvres.

In March 1919, mass anti-Japanese demonstrations, called the March First Movement, took place throughout Korea. The movement had first been conceived by Korean exiles in the United States and then supported by their colleagues in other parts of the world in order to take the case of their country on appeal to the forthcoming Paris peace conference. In the peninsula, a similar venture was undertaken by some religious leaders; and this was eventually transformed into the most spectacular mass movement during the Japanese colonial period in the wake of the death of the ex-Korean emperor. Although the Korean movement failed because of high-handed suppression by the Japanese authorities, it expanded over the border into Korean communities in Chientao and Siberia and resulted in the establishment of the Korean provisional government in Shanghai.

In Chientao, it took the form of military attacks by the Korean independence army, called *Tongnipkun*, on the Japanese garrison units along the border from the latter part of 1919. Some big *Tongnipkun* units numbered, according to the Japanese military authorities, as many as 1,000 men. They established military training grounds in various parts of Chientao; issued orders calling up Korean youths for the *Tongnipkun*; levied contributions from all Koreans in the region; and stored war material for future military action. The Japanese authorities in Seoul met the threat from the Koreans over the Tumen by increasing the number of border guards at the end of September, and ordering that Japanese troops should cross the Tumen to pursue and annihilate the Koreans. This resulted in a number of skirmishes over the border area, in which the Koreans claimed victory in some cases.

Chapter 6: 1922–1928

6.1 The Mukden Agreement



[AUTHOR'S NOTE: THE Sino-Soviet Agreements, etc. of May 31, 1924 were not recognized by Marshal Chang Tso-lin, High Inspecting Commissioner of (independent) Manchuria, and the provisions relating to the Three Eastern Provinces could not, therefore, be fulfilled by the Central Government. In the latter part of September, when China was in the throes of civil war, and Marshal Chang Tso-lin was denounced as a "rebel" by the Central Government, a separate agreement was signed at Mukden between a Soviet emissary and representatives of Marshal Chang Tso-lin. The signatories of this agreement were: N. K. Kuznetzoff on behalf of Soviet Russia (Vice-Chairman of the Provincial Assembly) and Chung Shih-min (Commissioner for Foreign Affairs). The agreement as published by the Rosta News Agency was as follows.]

Agreement Entered into Between the Autonomous Government of the Three Eastern Provinces of the Republic of China and the Government of the Union of Soviet Socialist Republics.

(Signed in Mukden on September 20, 1924)

The Autonomous Government of the Three Eastern Provinces of the Republic of China and the Government of the Union of Soviet Socialist Republics, desiring to promote friendly relations and to adjust the various problems concerning mutual rights and privileges, have agreed to conclude an agreement, and have to that end named as their Plenipotentiaries, that is to say:

The Autonomous Government of the Three Eastern Provinces of the Republic of China: Cheng Chien, Lü Jung Huan and Chung Shih Ming;

The Government of the Union of Soviet Socialist Republics:—N. K. Kuznetzoff;

Who, having communicated to one another their respective full powers found to be in good and due form, have agreed upon the following Articles:

Article I.—The Chinese Eastern Railway.

The Governments of the two Contracting Parties agree to settle the question of the Chinese Eastern Railway as follows:

The Governments of the two contracting Parties declare that the Chinese Eastern Railway is a purely commercial enterprise.

The Governments of the two Contracting Parties mutually declare that with the exception of matters pertaining to the business operations which are under the direct control of the said Railway, all other matters affecting the rights of the National and the Local Governments of the Republic of China—such as judicial matters, matters relating to civil administration, military administration, police, municipal government, taxation, and landed property (with the exception of lands required by the said Railway itself)—shall be administrated by the Chinese Authorities.

6.2 Ex-emperor leaves Peking for Tientsin [1925]



In these last days in the Forbidden City I became more absurd and inconsistent than ever. While I upbraided the Household Department for overspending there was no limit to my own extravagance. I told the Household Department to buy me foreign dogs like the ones I saw in Western magazines and even had their food imported from abroad. If the dogs fell ill I would spend more on getting them cured than I would for sick humans. There was a veterinary surgeon at the Peking Police School who must have understood my character and ingratiated himself with me by writing many memorials on the keeping of dogs; he

received ten presents, including a green jade wristlet, a gold ring and a snuff bottle for his pains. Sometimes my interest would be drawn by an item in the papers about, say, a four-year-old who could read the ancient classic *Mencius* or somebody who had discovered a new sort of spider, and I would invite them to the palace and give them some money. At one time I had a passion for pebbles and gave huge rewards to people who bought them for me.

When I told the Household Department to reduce its staff they brought their numbers down from seven hundred to three hundred and cut the cooks from about two hundred down to thirty-seven. Yet at the same time I added a Western-style kitchen and the monthly cost of the materials used in the Western and Chinese kitchens was over 1,300 dollars.

My annual expenditure was 870,597 taels according to the reduced figures that the Household Department prepared for me in 1921, figures that did not cover my clothing, my food, or the outlay of the various bureaus and offices of the Household Department and only included my expenses and payments of "charity in obedience to the imperial edict".

This life went on until November 5, 1924, when the National Army of Feng Yu-hsiang drove me out of the Forbidden City.

The battle of Chaoyang in September of that year was the beginning of the second Chihli-Fengtien war. At first Wu Pei-fu's Chihli army was on top, but when Wu Pei-fu was attacking the forces of the Fengtien commander Chang Tso-lin at Shanhaikuan in October his subordinate Feng Yu-hsiang deserted him, marched his troops back to Peking and issued a peace telegram. Under the combined pressure of Feng Yu-hsiang and Chang Tso-lin, Wu Pei-fu's troops on the Shanhaikuan front collapsed and Wu himself fled. (Two years later he made a comeback by allying himself with Sun Chuan-fang, another warlord.) Even before the news of Wu's defeat at Shanhaikuan came through, Feng Yu-hsiang's National Army, now occupying Peking, had put Tsao Kun (the president of the Republic who had bought the votes for his election) under house arrest and dissolved the "piglet parliament". Huang Fu, a reactionary and opportunistic politician, organized a provisional cabinet with the backing of the National Army.

When the news of the *coup d'état* reached the palace I felt at once that the situation was dangerous. The palace guard was disarmed by Feng's

National Army and moved out of the city. Feng's troops also took over their barracks and their posts at the Gate of Divine Valour. I looked at Coal Hill through a telescope from the Imperial Garden and saw that it was swarming with soldiers whose uniforms were different from those of the palace guard. The Household Department sent them tea and food which they accepted, and although there was nothing alarming about their behavior everyone in the Forbidden City was worried. We all remembered that Feng Yu-hsiang had joined the "Army to Punish the Rebels" at the time of Chang Hsun's restoration and that if he had not been moved out of Peking in time he would undoubtedly have marched into the palace then. After Tuan Chi-jui had come to power Feng Yu-hsiang and some other generals had published telegrams demanding that the little court be expelled from the Forbidden City. This made us think that the *coup d'état* and the replacement of the palace guard boded ill for the future. Then we heard that all the political prisoners had been let out of jail and that "agitators" were active. The teachings of Chen Pao-shen and Johnston on the subject of "agitators" and "terrorists" had their effect on me, particularly the story that they wanted to kill every single nobleman. I sent for Johnston and asked him to go and find out the latest news from the foreign legations and arrange somewhere for me to take refuge.

All the princes were terrified. Some of them had already booked into the Wagons-Lits Hotel in the Legation Quarter, but when they heard that I wanted to leave the palace they said that it was not yet necessary: the foreign powers all recognized the Articles of Favourable Treatment and nothing serious could happen.

The inevitable at last occurred.

At about nine o'clock on the morning of November 5 I was sitting in the Palace of Accumulated Elegance (Chu Hsiu Kung) eating fruit with Wan Jung when the senior officials of the Household Department came rushing in. Shao Ying held a document in his hand and panted:

"Your Majesty, Your Majesty ... Feng Yu-hsiang has sent soldiers with an envoy saying that the Republic is going to annul the Articles of Favourable Treatment. They want your signature to this."

I jumped up, dropped my half-eaten apple to the floor, and grabbed the paper he was holding. On it was written:

By order of the President

Lu Chung-lin and Chang Pi have been sent to arrange with the Ching house for the revision of the Articles of Favourable Treatment. November 5, 13th Year of the Republic of China.

Acting Premier Huang Fu

* * *

The struggle between Lo Chen-yu and Cheng Hsiao-hsu with me as the object continued while I was in the [Japanese] legation. This round ended with a victory for Lo when Cheng asked to be relieved of his duties and went back to Shanghai.

Not long after my birthday Lo Chen-yu informed me that he had arranged with one of the legation officials that I should make preparations for going abroad in Tientsin as it was not at all convenient for me to go on staying in the [Japanese] legation. It would be best for me to find a house in the Japanese concession as the one I had already bought was unsuitably situated in the British concession. This all seemed sensible enough to me, particularly as I wanted to see the big city of Tientsin, so I agreed at once. I sent a "Companion of the Southern Study", to find me a house in the Japanese concession in Tientsin, and I finally settled on the Chang Garden. A few days later Lo Chen-yu told me that the house was ready and the National Army was changing its garrisons, so we should take this good opportunity and move at once. I talked it over with Yoshizawa and he agreed to my departure. He also had Tuan Chi-jui informed, and in addition to giving his consent Tuan offered to provide me with a military escort. Yoshizawa had already decided to bring the police chief of the Japanese consulate-general in Tientsin to Peking together with some plainclothes policemen; first I was to go under their protection and then my wives were to follow. All was now settled.

At 7 p.m. on February 23, 1925 I took my leave of the Japanese minister and his wife. We posed for photographs, I thanked them, and they wished me a safe journey. I then left by the back gate of the legation with a Japanese official and some plainclothes policemen and walked to the Chienmen railway station. Here I met Lo Chen-Yu and his son. At every station where the train stopped several Japanese policemen and special agents in black civilian clothes would get on, and by the time we reached Tientsin the carriage was almost full of them. As I got out of the train I was met by the Japanese consul-gen-

eral in Tientsin, Yoshida Shigeru, and several dozen officers and men of the Japanese garrison.

Three days later the *Shuntien Times* printed a statement issued by the Japanese Legation stating that my intention of leaving Peking had long been known to the Provisional Government, and that it had never wished to interfere with the plan. My sudden departure had been the result of the unstable situation in Peking.

* * *

[In 1931 Pu Yi moved to Manchuria.]

In October 1933, Hishikari Takashi, the new commander of the Kwantung Army, informed me officially that the Japanese Government was about to recognize me as the 'Emperor of Manchukuo'.

I went wild with joy, and my first thought was that I would have to get a set of imperial dragon robes.

These were brought from Peking, where they had been in the keeping of one of the High Consorts, but I was unable to wear them as the Kwantung Army pointed out to me that Japan recognized me not as the Great Ching Emperor but as the "Emperor of Manchukuo". Instead I had to wear the "dress uniform of the Generalissimo of the Land, Sea and Air Forces of Manchukuo".

"This won't do at all," I said to Cheng Hsiao-hsu. "I am the descendant of the Aisin-Gioro, so I have to continue the imperial system. Besides, what will the members of the Aisin-Gioro clan think if they see me ascend the throne in foreign-style uniform?"

"Your Majesty is quite right," said Cheng Hsiao-hsu, nodding as he looked at my dragon robes laid out on the table. "Your Majesty is quite right, but what will the Kwantung Army say?"

"Go and see them for me."

After he had gone I gazed with emotion at the dragon robes that the High Consort Jung Hui had preserved for twenty-two years. They were real imperial dragon robes that had been worn by the emperor Kuang Hsu, the robes I had been dreaming of for twenty-two years. I would wear them to re-ascend the throne, and that would mark the restoration of the Ching Dynasty.

Cheng Hsiao-hsu came back before I had calmed down and told me that the Kwantung Army insisted that I wear military uniform for the enthronement. I was not satisfied, so I sent Cheng to negotiate with them again.

They later agreed to allow me to wear the dragon robes to perform the ceremony of "announcing the accession to heaven" and this satisfied me.

On March 1, 1934 I performed the ancient ritual of announcing my accession on an earthen "Altar of Heaven" that had been erected in the eastern suburbs of Changchun, and after this I returned to my residence to change from the dragon robes into the "generalissimo" uniform to enact the enthronement ceremony. The "Office of the Chief Executive" was renamed the "Palace Office" and the place where I lived was now called the "Emperor's Palace". (The term "Imperial Palace" could not be used as that was the name of the palace of the Japanese emperor.) Apart from one new building, the palace was just the "Residence of the Chief Executive" redecorated and given a new name, and it was in one of its halls that the enthronement was held.

The floor was covered with a crimson carpet. A part of the north wall was hung with silk curtains in front of which was a high-backed chair carved with the "imperial emblem" of orchids. I stood before this, flanked on both sides by palace officials. The civil and military officials, headed by "Premier" Cheng Hsiao-hsu, stood in line before me and bowed low three times. I bowed in reply, then Hishikari, the commander of the Kwantung Army, presented me with his credentials as Japanese "Ambassador" and congratulated me. The ceremony over, the members of the Aisin-Gioro clan, who had come from Peking in all but full strength, and some former members of the Household Department performed the ninefold kotow to me as I sat on the chair.

Congratulatory memorials were sent by Ching veterans from China south of the Great Wall, and the Shanghai underworld boss Chang Yu-ching was among those who proclaimed themselves my subjects.

On June 6 Prince Chichibu (Chichibu-no-Miya Yasuhito) came to congratulate me on behalf of his brother the emperor of Japan and give the Japanese Grand Cordon of the Chrysanthemum to me and the Order of the Crown to Wan Jung.

6.3 Italian Assessment of Chang Tso-lin



PEKING, 19th June, 1927.—Yesterday, Chan-tso-lin assumed the title of 'generalissimo.' A local newspaper published a photograph of him in his

study, lighting a cigarette at the match held by an obsequious attendant. Under the photograph was written ‘now on the same footing as Mussolini.’ Chan-tso-lin rather fancies himself as a Chinese Mussolini and sees good omen in the similarity of their names: Chan-tso-lin and Mu-tso-lin.

The assumption of the new title was celebrated at a tea-party to which we were all invited (but not the ladies). A formidable military background served as foil to the peaceful civil ceremony. The streets were lined with troops and the shops were shuttered along the road that the Generalissimo had to follow on his way to the new Wai-chiao-pu, where the tea-party was given. The crowd, carefully kept in the background, gazed at the passing guests from the openings of the side-streets. This was very much what used to happen in the old days, when the Emperor went to pray at the Temple of Heaven at the winter solstice. But on those occasions, the troops would kneel at the passing of the Emperor. Now they only present arms. The motor-car in which the Generalissimo arrived was heavily armoured, with a machine-gun in front, and body-guards hanging on at either side. Other guards preceded and followed the car on motor-bicycles. In the entrance-hall and up the broad staircase of the Wai-chiao-pu, soldiers were posted, armed with Mauser pistols.

The tea-party was Western, and the buffet was in ‘foreign-style’: tea, served with sugar and milk (or lemon); sandwiches, pastry, orangeade and champagne (sweet and warm).

But the faces of our hosts were pure Asiatic.

Mongols and Northern Chinese, especially soldiers, seem to acquire a hard skin, brown and shiny, almost coriaceous in appearance. This is due to long exposure to cold winds, laden with desert sand. Even the peculiar shape of the slanting eyes is partly due to the necessity of keeping them continually half-closed and screwed up against an all-pervading dust.

Chan-tso-lin is a little man with half-veiled eyes. Thin and delicate looking, except for his bronzed face. Two lines, starting from above the nostrils, cross his face on either side towards the lobe of the ears. They are not wrinkles of age, but folds in the skin. He was dressed in the garb of Western uniform that the Chinese military have adopted for gala occasions and he hardly seemed out of place in that very commonplace social gathering of foreign and Chinese officials. But his faithful henchmen the Tupan of Hei-lung-tan, looked like the proverbial bull in a china shop. He is a huge man, with bow legs and shaven head like burnished copper. His ringing laugh cut across the buzz of drawing-room talk, like

a chest of cymbals. The Tupan is deaf, and like most deaf people breaks unconsciously into other people's conversations. He even interrupted the brief set speech that Chan-tso-lin made to his guests, coming out unexpectedly with some ribald remark and a broad guffaw of laughter. Chan-tso-lin glanced at him sideways, but took no notice.

I like the old Tupan. His presence at a diplomatic gathering is like a breath of wind off the Gobi in a room scented with musk. He told me he never really felt comfortable except on horseback. And he added something about a woman. I did not catch his meaning, though perhaps I can guess what he was driving at. He also told me that, during the last campaign, he was often in the saddle for forty-eight hours as a stretch. I felt sorry for his ponies and for his enemies.

6.4 Assassination of Chang Tso-lin



TO THE FRIENDS AND SUPPORTERS OF THE MOUKDEN MEDICAL COLLEGE
12 Dick Place, DINBURGH. 1st October, 1928.

Dear Friends,

We may now confidently hope that a better day is dawning for China. The Nationalist rule is yet in its infancy, and its development will naturally take time, but the real work of reconstruction has begun. Already the army is being steadily reduced, and important economic and political changes are taking place.

It is well that the nations are recognizing that a new China has come into being, and their readiness to revise treaties on a basis of equality augurs well for the future. Our own country has given a wise and generous lead, initiating a new relationship which will be of advantage to both nations.

For Manchuria we are full of hope. The tragic death of Chang Tso Lin was inevitably a shock to the country he had governed so long, but fortunately was followed by no disturbance. An hour after his train was blown up, some of our doctors were summoned to his aid, but he passed away just as they entered the door. His death was kept secret for some weeks, reassuring

announcements being made, and thus the excitement and fear among soldiers and people had no serious consequence.

The violent death of one in such high office, with whom I was so closely associated for many years, especially during times of war, famine, and plague, and who took a practical interest in our Hospital and College, is naturally felt keenly by myself, and is an important event in the history of our work in Manchuria. He had many good qualities, but his moral fibre was weak. His life is a striking example of the utter failure of great natural ability, exceptional administrative powers, and unbounded personal ambition, when unaccompanied by high moral principles.

His son, Chang Hsueh Liang, who rules in his place, has been a personal friend since his boyhood, and has always taken an interest in the College.

I have just received from Moukden a letter of date September 13, signed by the local members of the College Board of Management, and written mainly by its Chairman, Mr. C. F. Wang, a prominent Christian in Government service and a brother of the well-known Christian Nationalist, C. T. Wang, now Minister of Foreign Affairs. From this I give extracts.

"We think it only right that we should write you at this juncture and bring before you facts which show the remarkable stability which the political situation in Manchuria exhibits, and the great number of hopeful signs which seem to promise a good future for the province and for the College. We do so because we think it only natural for many people in Europe to be in uncertainty about the future.

"If you should find that our statements vary widely from those of the newspapers, we would ask you to consider that they are those of local members of the Board, some of whom are very close observers, with opportunities for looking at things from the inside.

"Let us first state that the weeks following the assassination of Generalissimo Chan Tso Lin were a time of great anxiety, lest those who planned this deed should succeed in bringing general confusion and anarchy over the province, followed by outside interference. Nothing of this kind happened. All the officials did their duty, and the crisis passed, and has been followed by a general feeling of confidence that has not been known for years. It is in fact a remarkable feat of good statesmanship.

"The new governor, Chang Tso Lin's son, is on the friendliest terms with the new Nationalist Government, and according to those who know best it is only a question of time when Manchuria links up with the rest of China. Another most reassuring thing is that Japan of late has modified her policy, and shown a much more conciliatory spirit. People who feared that Japan might intend to interfere and annex parts of China are now feeling relieved.

"That the province is going forward towards a peaceful future is shown, among other things, by the facts that the extensive schemes of railway construction are being proceeded with, that opium cultivation is prohibited from the end of this year, and that there is considerable activity in education. There has been a great afflux of students to the higher schools this autumn, always a reassuring fact, and it is much to our satisfaction that our College had a large number – over 60 – sitting its Entrance Examination.

"Finally we are pleased to point out that the traditional good relations to the officials are kept up. We hope that this will result in increased financial support from the Chinese side, now that conditions look more hopeful than for many years. Already the Hospital has received some large gifts, amounting to several thousand dollars Mex.

"Hoping that this statement will be of interest and of value to you and to our friends in Scotland, we send our united greetings with our thanks for all you have done for China through the College in the past.

(Signed) C. F. WANG"

I should like you to note the significance of the fact that although the date of the Entrance Examination came only a few weeks after the assassination of the Marshal and before his funeral, the number of candidates was considerably larger than last year. The outstanding feature of this year's examination is the high place taken by women, three of whom are at the top of the list.

Recent events have still further emphasised the importance of this work.

When missionaries had to leave their stations during the disturbances in the south, the Chinese doctors left in charge proved themselves capable of undertaking responsibilities and carrying on efficiently work hitherto done only by foreign medical men.

At the International Conference in Jerusalem this year it was reiterated that “provision must be made for first-class “training for doctors and nurses”, the reason being given that this is “with a view to acceptance by the indigenous churches of the “ministry of healing as part of their work.”

In Manchuria a definite step has been taken in handing over responsibility to the Chinese, making the call for well-trained men and women more pronounced than ever. Our own staff gives a striking proof of what Chinese doctors are capable of accomplishing.

Dr. Lo writes enthusiastically of the development of the Tuberculosis Department. A new ward is now ready with a special vita-glass chamber. The picture-films, secured through the kindness of Sir Robert Philip, have arrived and will be of great value. A public Anti-Tuberculosis campaign will be organized during the winter.

Dr. Gow (Kao), whom so many met and heard in this country in spring, returned to Moukden via Jerusalem, where he was one of the Chinese delegates. His experiences there were to him a great spiritual inspiration, which he is now passing on to large audiences. One of the missionaries writes, “Dr. Gow has returned to us like a benediction.”

I hope that this letter will remove any possible misgivings you may have had as to the situation in Manchuria, and will deepen your interest in this work.

Yours very sincerely,
Dugald Christie

Chapter 7: 1929–1931

7.1 Chinese attitudes following the New Unification Government



George Moss (Foochow) to Sir John Pratt (London), 12 March 1929

...I WISH YOU were anywhere in China today, preferably in Foochow for it is a lovely spring day and I would take you for a walk around the Chinese town and ask you, *si monumentum requiris circumspice.* (1)

It is today Sun Yat-sen's Death Anniversary, and a public holiday on which by Decree there is to be no marrying or burying, no drinking of wine, games or jollification 'for the work of the late revered leader is not yet accomplished'. Although most of the shops are, after the manner of Chinese, half-opened, as no decree is ever obeyed. Literally in this Country the solemn holiday is being observed by high and low, and municipal ceremonies and processions are taking place in Foochow today. Open flouting of the Decree would bring swift and public retribution, probably in the shape of a looted shop and a forlorn figure smeared with tar and wearing a dunce's cap stumbling along with hands tied behind the back in the midst of a tawdry and tired procession of boys and girls and trade unionists, urged along by hard-visaged professional politicians shouting slogans through megaphones for the crowd to shout back through the blare of a brass band trying to play 'Frere Jacques' or 'There is a Tavern' or 'Marching through Georgia'... [Text uncertain]

The point of all this is that you would see the new Chinese, a people consciously controlled and organized and prepared deliberately to demonstrate for or against anything as their Masters of the Kuomintang order. But they are no longer demonstrating against Britain and the British Empire, towards which their leaders have openly professed some degree of amity. Japanese and Communists are the popular enemies at

present. But hate and attack somebody they must; they must also glorify their late leader; their attention must be deflected from their own miseries, otherwise they would turn and rend each other. It still would not take much to turn them again against us. But every day we pass in amity and every occasion which leads their masters to affirm official friendship with us makes a revulsion to mass hatred harder to contemplate.

1. ‘If you are seeking a monument, look around’ – epitaph to Sir Christopher Wren in St Paul’s Cathedral, London

7.2 ‘The curious affair’ of the Sino-Soviet conflict, 1929

[Description of the short-lived war given by Britain’s minister to Peking, Sir Miles Lampson]



There also occurred in the Summer of 1929 the curious affair of the armed conflict between China and Russia over the Chinese Eastern Railway in North Manchuria. The incident was curious in that up to this time the key-note of the policy of the Union of Soviet Socialist Republics towards China had been to make all possible capital out of the surrender of the special rights and privileges of the Tsarist régime and to pose as the champions of oppressed China against the aggression and Imperialism of the West. Yet on this occasion, in 1929, the Far Eastern public was presented with the singular spectacle of armed action by the Union of Soviet Socialist Republics in Manchuria which was held up by the ‘Imperialist’ press of Treaty Ports as an example of how to deal with the Chinese. Moreover, so far as its immediate objective was concerned, the military intervention of the Union of Soviet Socialist Republics was commonly successful. The Chinese authorities in Manchuria, taking the Soviets at their face value and believing them to be as innocuous and pacific as their declarations, aided the Russian Consulate at Harbin, arrested a number of Soviet citizens, dismissed the Russian members of the Chinese Eastern Railway Staff, and proceeded to take over the full management of the line and its subsidiary enterprises. The Russians lodged the usual protests and sought during the Summer to reach a settlement by negotiation supported by military demonstrations on the frontier. The negotiations having failed to produce any result,

the frontier skirmishes developed in November into regular hostilities. The Chinese forces in North Manchuria proved completely worthless and, on being attacked by Russian cavalry, artillery and aeroplanes, fled in disorder to Hailar. The Mukden authorities thereupon capitulated and accepted the Russian terms, which in effect constituted a return to the *status quo ante*, including the reinstatement of the Russian element in the management of the Chinese Eastern Railway.

Other remarkable features of this affair were the rapidity and ease with which it was liquidated and the comparative absence of serious repercussions elsewhere in China and abroad. This was no doubt to be ascribed to the fact that there were no Russian interests in other parts of China to be affected by the pressure brought to bear in Manchuria, while the internal troubles in China Proper and the preoccupations of the Nanking Government also served to distract attention from what was passing in the distant North. On the other hand, when the Japanese only two years later sought to emulate the Russian example and arrive at a local settlement of their difficulties in South Manchuria by dealing the local Chinese authorities a swift and vigorous blow, they stirred up a hornet's nest throughout China and set in train a chain of international complications which are still in process of development.

7.3 Chinese Response to Japanese Military Intervention

Mr. Moss to Sir M. Lampson. Chinchow, November 28, 1931.



1. In pursuance of my instructions I left Peking on the 23rd November, with Colonel Badham-Thornhill, Lieutenant-Colonel Margetts and Lieutenant Aldrich of the United States army travelled on the same train under instructions from the American Minister.
2. A Japanese cruiser was lying off Chinwangtao and Shanhakuan, at which railway stations one or two Japanese soldiers were seen. At Shanhakuan we saw a party of about eighty unarmed Japanese sailors and three officers mustering in the station for a walk round the city, allegedly for sightseeing purposes.
3. We arrived at Chinchow at 1 P.M. on the 24th November, and were met by Captain F. H. A. Stables (language officer of the 5th Royal Gurkha Rifles) and a deputation of Chinese officials, who escorted us to the headquarters

of the Liaoning Provincial Government established temporarily in the buildings of the University of the Ministry of Communications. We were courteously received by General Mi Ch'un-lin, the chairman of the Provincial Government, who welcomed us in the name of the Government, and assured us of his willingness to keep us informed of any developments. Beyond stating that he believed the Japanese were preparing an advance from Mukden towards Sinmintun, and that the Chinese would defend Chinchow if attacked, but would in no event attack themselves, lest they should put themselves in the wrong with the League of Nations, General Mi could tell us little. He expatiated, however, on the difficult position of the Chinese troops and provincial Government. He said they received no definite instructions from the Chinese Government to retreat or to resist the Japanese onset. They were, however, insistently told that China had placed her case unreservedly in the hands of the League of Nations, and that they were to commit no act of aggression which might in any way prejudice China in the eyes of the League, to which the National Government had been advised to look for the support which they confidently expected. He and the people of Manchuria had great hopes that the League would assist them in their difficulties. They had desisted from fighting the invaders out of deference to the League Pact: aggression had, nevertheless, continued until they were now not in a position to resist successfully in Manchuria. All this made them the more dependent on the League, and he welcomed our presence at Chinchow as evidence of the practical interest taken by the Great Powers in their desperate plight. To this we merely replied that we had been sent by our respective Ministers to report to them exactly what we should observe. We were then allotted room upstairs in the main building.

4. General Jung Ch'en, commanding the troops at Chinchow, called soon afterwards, and repeated what we had heard about China's trust in the League from General Mi. All Chinese officials we meet here repeat the same story. They seem to have persuaded themselves to a faith in the power, efficacy and decision of the League which at this time and place where they are staking their territories, their position and the lives of many of their men on this same trust appears somewhat pathetic. So far they betray no signs of the reaction which disappointment may later bring. General Jung stated that his forces numbered about 25,000 men, including a regiment of artillery and one of cavalry. He denied emphatically that his army had been reinforced recently from within the Great Wall. If left without orders he would resist attack, but did not expect to be able to resist long. He would retreat if ordered to do so. He would in no case attack. He expected that the Japanese would attack Chinchow soon, from the direction of Yingkow and Mukden. Japanese naval forces might be expected to cut off retreat through Shanhakuan, leaving open

to his troops a retreat overland to Jehol. He had no definite plans; he would formulate them at the last moment. His orders came from Peking. His Government apparently feared to complicate China's position *vis-à-vis* the League by ordering either attack, determined defence or retreat. This attitude much cramped his freedom of decision. He made no complaints and asked no questions regarding the objects of our mission.

5. From this and subsequent conversations with Chinese military officers I have formed the opinion that their general plan, so far as they have any, is to refrain from abandoning any further territory except as a result of direct military pressure from the Japanese. When they have forced the Japanese to deploy for attack, those who do not surrender will retreat, and continue their retreat to within the Great Wall.
6. The Chinese here have from time to time furnished us with such military information as they can obtain. They are in direct telephone and wireless communication with the headquarters of Marshal Chang Hsueh-liang at Peiping, whence they derive all their news except from their own outposts. As the military attaché is reporting on the developments of the military situation and on the strength and dispositions of the Chinese military forces, I will not deal with that aspect of the situation. I must, however, state that, even as a civilian, I can safely testify that there are no signs of aggressive action on the part of the Chinese against the Japanese. On the contrary, their minds seem bent on defence and retreat.
7. I have met many Chinese notables here at dinners and conferences. On the 26th November I returned the call on Mr. Ku Chin-sheng, the district magistrate of Chinchow, who is the most striking personality I have met here. He assured me that the local administration was functioning as usual. The law courts were open, the police and P.W.D. were at their posts, the schools were well attended, the markets and shops were open, there were no signs of disorder or panic, and no local official had fled. Taxes were being collected. Municipal taxes were being paid as usual, but taxes on business had shrunk because of the stagnancy of wholesale trade. (The chief tax collector told me that he was collecting about 100,000 dollars a month at Chinchow.) The magistrate informed me that all taxes were remitted to the Provincial Treasury. Each district magistrate received back the sum allowed for in the budget approved for his district; what became of the balance was not his affair. The military indented for their expenses on the Provincial Treasury. The recent disturbances had not resulted in an increase of taxation, rather in remission on certain business taxes (this was later confirmed by members of the chamber of commerce). No extra taxes for military purpose had been recently levied. The relations between the troops and the population were amicable, as I could see for myself. The soldiers paid at special rates for what they bought. It was true that their pay was about two months in arrear; one month in arrear was normal,

and there was no discontent or threat of pillage by the soldiery, who were fed and clothed well. Even the silversmiths had their shops open. It was said that there were Japanese plain-clothes men in the city, but none had been detected. There was no monarchical or subversive movement. There was no local Tangpu to cause political trouble, and there were no secret societies at work. The people and the merchants detested the Japanese and were united in their loyalty to China. If the Japanese were to occupy Chinchow and the Chinese troops were to leave, the magistrate and the police and the City Protection Militia would remain at their posts. There were no brigands in the Chinchow neighbourhood, and there was no excuse for any Japanese aggression that he was aware of. He was being very careful not to overstate the case. He would not go so far as to say that there was no underlying dissatisfaction with the old régime, but there was absolutely no justification for any insinuation that the people wished to change their loyalties.

8. The magistrate accompanied me through the main streets. We visited a middle school for girls and found the pupils at work. I then met the chairman and the committee of the chamber of commerce, who confirmed generally the statements which the magistrate had made to me. Through frank questions showing my practical experience of Chinese administrative questions gained when I was district officer at Weihaiwei, I think I gained their confidence. They said that as long as they had a good district magistrate and paid their taxes they were not unduly oppressed by officials. They were very thankful that no local party headquarters were allowed to function in Manchuria as that would lead to constant interference by irresponsible politicians and to abuses of various kinds.
9. In the afternoon I called on General Mi, who told me that he was in charge of about eight districts which remained unoccupied by the Japanese. The officials were at their posts. Roughly speaking, one-third of the revenues collected went to the local administration, one-third to Marshal Chang Hsueh-liang for his troops inside the Great Wall, and one-third to the Military Head-quarters at Jehol. There was no more than the usual seasonal amount of banditry in the country, but he feared that the Japanese might instigate banditry on a larger scale. They were active among the Mongols to the north. He recounted at considerable length how the Japanese were supposed to have armed and paid Chinese and Mongolian bandits in other parts of Manchuria in order to create artificial disturbances which would give them excuses to extend their advance. In his territory there were no important Japanese enterprises or anything which could be said to require Japanese protection. The forty Japanese traders who had formerly traded here in narcotics had left shortly before Chinchow had been bombed. General Mi expressed the opinion that nothing short of pressure from

- the League of Nations would prevent the Japanese from occupying the whole of Liaoning.
10. Three Japanese aeroplanes have made solo reconnaissance flights over Chinchow since we have been here.
11. Besides the British and United States observers above mentioned there are here: Consul-General M. Lépice and Vice-Consul M. Jankelevitch and Air Attaché Commandant Fieschi, for the French; Counsellor of Legation Herr Kuhlborn, for the Germans.

G. S. MOSS, *Consular Observer*

Chapter 8: 1931–1932

8.1 Ma Chan-shan letter and the League of Nations



*The chairman of the Provincial Government of Heilungkiang (Ma Chan-shan) to
the Chinese Delegation at Geneva¹⁰*

[HEIHO,] April 14, 1932.

HISTORY RECORDS THAT the Manchus and the Chinese have been assimilated for the last five hundred years. During this period the Manchus and the Chinese have lived together in peace, their civilization, politics, customs, language and religion becoming identical. Therefore, although in 1911 the Chinese overthrew the Manchu Dynasty and instituted a republican regime in its stead, there has not been the slightest enmity between the Chinese and the Manchus; besides, the terminology used in designating the difference of the two peoples has disappeared even from the language. These facts are known commonly to all people who know anything about Chinese affairs and are not the opinion of an individual. It is clear, therefore, the expressions "Chinese" and "Manchu" are merely of historical significance and have no value *per se* in relationships of the two peoples today in the sense that the Manchu is not a part of the Chinese people and Manchuria not a part of China. Yet the Japanese insist on capitalizing this historical difference in nomenclature and exploiting the same in order to alienate the different groups of the Chinese people and occupy our territory. It is astonishing to see in this 20th century that there are still such a disregard for international right and justice and such inhuman actions which cannot but disturb the peace of the Far East.

According to Article X of the Covenant of the League of Nations, the Members of the League undertake to respect and preserve as against

external aggression the territorial integrity of all Members of the League. The provisions of the Nine Power Treaty signed in Washington guarantee to China her territorial and administrative integrity as well as the international policy known as the open door and equal opportunity relative to the Three Eastern Provinces. These are stumbling blocks to the Japanese in the way of their scheme to incorporate Manchuria as part of the Japanese Empire. To get around them the Japanese make use of the pretext of "self-determination" and the method of putting up a puppet government, at the head of which they placed Pu-yi, the deposed Manchu emperor, whom they kidnapped and smuggled into Manchuria from Tientsin, and partly by compulsion and partly by inducements they got hold of some of original officials of Manchuria to compose the personnel of the puppet government. It was reliably reported that Pu-yi, unwilling to be a traitor to his country, attempted many a time to end his life by taking poison during the journey to the scene where he was to be made head of the new government, but that his efforts were frustrated by his Japanese guards. The position in which he was must have been extremely difficult in that he sought consolation in death even in vain.

I, Ma Chan-san, was appointed by mandate of the National Government as Governor of the Provincial Government of Heilungkiang and concurrently Vice-commander-in-chief of the North-Eastern Defence Forces. In these capacities I was responsible for the defence of the border of the province of Heilungkiang. In the fulfillment of this duty I did not deviate in the slightest from my responsibilities. But since September 18th last, after their military occupation of the provinces of Liaoning (Mukden) and Kirin, the Japanese endeavored to realize the malicious intention which they harboured to occupy the Heilungkiang Province as well. For this purpose they used the pretext of repairing the Nonni River Bridge to attack our army. To defend ourselves I personally directed our forces at the front and for two weeks returned fire for fire with the Japanese. Finally our ammunition having been exhausted, we had to withdraw to Hailun. The emissaries from the Japanese headquarters came many times to me, stating that the military and civilian authorities of the Liaoning (Mukden) and Kirin Provinces had already decided on organizing a new government for the three provinces, that as soon as this new administration was set up, the Japanese forces would withdraw and that they had absolutely no intention to interfere in the internal politics of Manchuria. They also said that now only the province of Heilungkiang had not come into line. This might throw the whole territory into a state of uncertainty and danger.

I was, therefore, requested that for the sake of peace and tranquility of the three Provinces I should return to the capital of Heilungkiang, whereby the administration of the province would be restored to me without conditions and that the Japanese forces would be withdrawn on my return.

At the same time, the Japanese also instigated some of their hirelings in Liaoning (Mukden) and Kirin to come to me to say that the new government was truly independent in character; I was, therefore, permitted to return to my capital to investigate for myself the new conditions that had developed by which I was to make my own decision.

After my return to the capital I found the Japanese had utterly broken faith with me and disregarded all codes of honor. Not only did not one Japanese soldier withdraw—on the contrary, by using the pretext of a “United Three Provinces”, they had set up a puppet government as a step forward to the realization of establishing a Japanese domination over Manchuria. Thus, my appointment as a “member of the political council”, “the governor of Heilungkiang”, the “minister of war”, and what not followed one after the other in an illegal manner. I, Ma Chan-san, was able by the opportunity thus afforded me to detect the true character of the Japanese intrigues and to transmit to the information of the League, the symbol of world peace and international justice,—in truth, a fortunate circumstance in the midst of a series of unfortunate events.

8.2 The Lytton Commission and the search for Ma Chan-shan



Moss to Lockhart 14 July 1932

Stewart Lockhart Papers 4138/6

Account of my doings in Manchuria

HBM Minister instructed me by telegram to join Lord Lytton at Mukden to assist him and the Commissioners of the League of Nations Enquiry Commission generally as confidential Interpreter during their tour of Manchuria. I reported to Lord Lytton on April 24th at Mukden. Finding that only persons introduced by the Japanese authorities and by Japanese advisers to the new Manchurian State (Manchoukuo), which is effec-

tively under Japanese control, were allowed access to the Commission, I arranged to stay at HBM Consulate-General with my friend A.E. Eastes. By not using too often the motor cars placed officially at the disposal of the Commission I was able to get in touch, without being unduly spied upon, with members of the foreign Community, missionaries, Chinese and Manchu ex-officials, bankers, professional men and some of the common people. I was also employed to assist in receiving on behalf of the Commission Deputations of Chinese who called to state views favourable to the Manchoukuo. These generally left written Statements, the gist of which had to be translated at once for the Commissioners. This took a lot of time. I also attended some of the interviews with officials, Japanese and others. However I found time to play an occasional game of golf with Lord Lytton and with General McCoy (the United States Commissioner).

From Mukden we went to visit Changchun, the new Capital... Among other visits I was present at the Reception of the Commission by "Regent" Pu Yi. We had been told by the Chinese that he was a most unwilling tool of the Japanese and spent his nights weeping and sorrowing. However, I thought he looked remarkably well and cheery. He spoke without trace of nervousness in a loud, resonant voice and made appropriate remarks to the Commissioners, e.g. he talked of India and his former tutor (Sir Reginald Johnston) to Lord Lytton and of Mussolini to Count Aldrovandi...

From Mukden we visited Kirin in a special non-stop train which took three hours for the journey. It was raining slightly and all along the route were stationed troops and railway Guards, with Japanese troops on the station platforms. The same display of military power awaited us at Changchun, where we had a banquet with Japanese and carefully selected Chinese representing the Manchoukuo before interviewing the Governor. Mr Astor and I got away to meet some missionaries from whom we received a most interesting account of what had passed in Kirin.

We then went on to Harbin, a semi-Russian city, where I stayed at the Consulate with C.E. Garstin. We had several interesting interviews here, and I was able to do a lot of private interviews although I had to be most circumspect as we were much spied on... There was a good deal of fighting going on in the neighbourhood and we found it impossible to carry out our original intention of visiting the Chinese General Ma Chan-shan, who is still opposing the Manchoukuo. The Manchoukuo

look on him as a rebel and their officials were very much annoyed by our persistence in endeavouring to see him. But, from the Chinese point of view, they are the rebels! Eventually the Commissioners decided not to try to see him but to send four deputies (including myself) to see him via Manchuli, the Siberian railway and Blagovestchensk. But this also had to be given up because the Soviet refused visas, on the ground that they were not interested in the League's activities (also probably because they did not wish to annoy the Japanese with whom their relations were very strained.)

My own enthusiasm for the journey was much abated by hearing of the misdeeds of General Ma, a typical opium-smoking Chinese General who had formerly sold refugee Russians back to the Soviets and shot women and children on the ice of the Amur River. Ma is a very poor hero.

In the end the main body of the Commission returned to Mukden and 6 of us flew by Japanese aeroplane to Tsitsihar (the railway was considered unsafe) where we... had some unsatisfactory official interviews and some interesting private ones.

[On the return journey] At Taonan we had an interesting drive through the Chinese city and I managed to get into a car alone with the Chinese Magistrate and hear his true views which were very interesting. Like many of the old Magistrates he is carrying on because he feels he could do no good by resigning. Later, I had many invitations from old friends and new acquaintances and officials, but I got down to hard work and refused all invitations, until the work at the Waichiaopu was done. After that I took part in some most interesting interviews between the Commission and Chinese generals and also with Messrs Wang Ching-wei, T.V. Soong and Lo Wen-kan, the Ministerial Delegates of the National Government of China. The commission then prepared to leave for Japan and I obtained leave to return to my consulate at Weihaiwei.

They desired me to return to assist them on their return to Peking where they decided to write up their Report, but I argued that I had organized a Translation Bureau for them at Peking with Dr Woo in charge with four picked Professors, and that at Peking they could find many more competent translators than I and all the expert advice on things Chinese they could possibly need and that it would be needlessly expensive to retain my services which were really required during the summer at Weihaiwei, the British China Fleet Station, so I hope that I shall not need to return.

I came back to Weihaiwei in HMS Suffolk (Capt. J.H. Godfrey) visiting Chinwangtao, Shanhakuan and Chefoo on the way, after a most interesting experience. I am happy to say that I received a very nice letter of appreciation for my services from Lord Lytton on my return. At Weihaiwei I found a surprising accumulation of arrears but my family well and a warm welcome from the authorities.

I reported my personal impressions of the feelings of the inhabitants of Manchuria. For the Manchukuo: the Japanese of mixed careerist origins (political visionaries, adventurers, retired military officers and civil servants etc) who hold appointment in the new Administration. Chinese officials who seek revenge or self-aggrandizement. In determined and close connection with these are all the 250,000 Japanese residents in the country and all Koreans (900,000) identified with the Japanese and who are not anti-Japanese revolutionaries. Certain former officials of the Ching dynasty who are working for the restoration of the Imperial House. Some of these, like the Prime Minister, are genuinely imbued with the idea that they can form a Government fundamentally Chinese in character, which will later absorb China whilst remaining friendly to foreign powers. Associated with these is the small but rapidly increasing Mongol minority who see in the Manchoukuo a means of saving the Mongols of Inner Mongolia.

The most interesting interview at Dairen was the one with Count Uchida, who is now Foreign Minister of Japan. He is a remarkably good-looking and intelligent man of forceful presence. I had thought that my work was over, but Sir Miles Lampson who passed through Dairen on his way home lent my services for a further period to Lord Lytton. I therefore returned with the Commissioners to Mukden for another stay there of three days occupied with further interviews, before returning to Peiping (Peking) via Chinchou, Shanhakuan and Peit'aiho, where we stopped for inspections and interviews with Japanese and Chinese authorities.

In Manchuria we had collected some 60 Statements in Chinese favouring the Manchukuo and over 1700 letters in Chinese denouncing it. These letters reached us in all sorts of devious ways, chiefly through foreign Consulates. There was no machinery for translating this mass of documents and Lord Lytton asked me what I could do about it. I went to Mr Wellington Koo, the Chinese Delegate Assessor, and pointed out that as the majority of these documents were pro-Chinese and as

neither his Office nor the Chinese Official of the League of Nations, Dr Woo Sao-fong, were able to cope with the task of translation, I proposed to hire a staff of competent Chinese translators at 15 [yuan] a day if he would help me by providing an office and putting me in touch with appropriate Professors from the Universities or other qualified English or French scholars. This he promised and I went straight at Peiping to the Waichiaopu (Ministry of Foreign Affairs) where three large and handsomely furnished Salons were put at my disposal with three Chinese diplomats. In a short time I found myself working with Dr Woo Sao-fong, 4 Chinese diplomats, 7 highly qualified Professors (mostly PhDs of US Universities), 2 Chinese Doctors and 2 students, a Russian and 3 typists.

I undertook the supervision of the translations and the writing of the report on the pro-Manchoukuo documents and left Dr Woo to digest the pro-Chinese documents. In the end we signed a joint report and had translated all the important documents and summarized the rest in 12 working days. During this period I stayed with Mr Ingram, HBM chargé affaires, where Lord Lytton and Mr. Astor also stayed.

These Mongols are trying to resuscitate a feeling of race-consciousness and Nationalism among the Manchus. They and the Japanese claim that the Manchus are with them. The Chinese claim that the Manchus no longer exist as a separate race and have been merged with the Chinese, which seems to be the better option. A line of cleavage may however develop later under the stress of propaganda and self-interest. The above people are staunch supporters of the New State. Whatever its genesis, their true interests are bound up with it. They – and particularly the Japanese – will probably seek to control it by supporting the Minorities against the Pro-Chinese majority. They will ‘Divide et Impera’.

The balance of the pro-Manchoukuo factions may be classed as those whose loyalty is to their ‘rice-bowl’, e.g. officials who cannot get jobs elsewhere, troops, police etc etc.

Against the Manchoukuo may be put all the rest of the population, say at least 80% of the total of 30 millions. The Chinese civilian population is apparently overwhelmingly against the Manchoukuo. Their hearts are turned towards China and their deeper loyalties are truly Chinese. They may perforce submit, but they are opposed strongly to any non-Chinese Government.

As regards the Japanese statement that the mass of the Chinese population is passive and grateful to them for having got rid of the oppressive Chinese militaristic Government, whose place has been taken by an efficient Government ruling in accordance with the principles of Morality and Justice, the claim appears to be absurd to an independent observer of actual conditions. Quite apart from the question of deep-seated racial and national loyalties and prejudices, it would be necessary for the mass of the population to receive many tangible benefits in the way of increased security, considerably reduced taxation, financial control and popular political representation, etc, before they could be expected to regard favourably a New State, in whose formation they had no part. At present they regard it as entirely alien in conception. At present the Chinese masses appear to be bitterly hostile to the Manchoukuo.

The League Commission appears to realize that its task is to conciliate and not to exacerbate. They began by seeing the Japanese Government. Then they went to see the Nationalist Chinese Leaders in Nanking (it is difficult to speak honestly of a Chinese Government). Then they visited Manchuria. Informed with new knowledge, they interviewed again the Chinese Leaders in Peiping. They have now gone to Japan presumably to find some common ground for practical conciliation. They will then return to Peiping to write their final Report.

I think they realize the predominant military and naval position of Japan; also that the Japanese are in a state of spiritual excitement and tension in which anything like coercion or threats would be fatal. Japan is in a mood to 'call a bluff', and the plain fact is that no one wants to tackle her over Manchuria. She has or rather had a fundamentally sound case for a revision of her position with the Nationalists. Although she has flouted all the ideals which the League stands for, it is desired rather to bring her back to the international fold than to outlaw her. It is a great deal to hope for, but the aspiration is to find some practical means of satisfying the Moderates on both sides without sacrificing the League ideals.

General McCoy is highly thought of in Japan, where his work during the Earthquake Relief made him most popular. He has a practical cast of mind and is a man of wide sympathies and high moral character. He is also a good 'mixer', perhaps the only one of the Commissioners.

Lord Lytton is a fine leader for a League Mission. He believes whole-heartedly in its ideals and is a practical Christian. He has great dignity and speaks well from conviction. His practical experience in India and in Europe gives him the necessary balance which prevents him from losing contact with hard facts. He has a wide knowledge of personalities in Europe and is easily the most distinguished member of the Commission. It has been a great privilege to serve under him and to observe his utter unselfishness and conscientiousness in work and his courtesy in argument.

Count Aldrovandi, General Claudel and Dr. Schnee say very little and keep themselves rather apart. They are probably taking in a lot. They give the impression of behaving to orders. I think the initiatives will generally come from Lord Lytton and from General McCoy.

Hon. W.W. Astor is young and has a very keen intelligence. He is an admirable 'mixer' and despite his youth must be a very great help to Lord Lytton. He is an indefatigable worker.

Mr. Haas, a French Jew, is Secretary-General of the Mission. He is said to be a very able man. He has a comprehensive knowledge of the League machinery, and is an able negotiator.

Colonel Hiam, the Canadian Railway Expert, is a first-class man with a very clear brain and incisive speech. His work is excellent.

Dr Walter Young is an American authority on Manchuria and especially as regards the legal position. He speaks Chinese. He is still in his 30s and is apt to take offence and be obstinate. He is a difficult man to handle and has the defects of young American professors. But he is able.

The man I liked best was the Dutchman de Kat Angelino of Dutch East India Civil Services, Far Eastern Expert to the Dutch Government for years. In spite of his long association with the East he has retained his sanity and his European outlook. Others not remarkable.

8.3 Residents' View of the new Manchoukuo



Reminders

Lord Lytton and his colleagues may forgive our presumption in advancing one or two points on behalf of the new State of Manchoukuo, and in

endeavoring to explain Japan's special concern for the settlement of the Manchurian dispute now before the League of Nations. We have confidence that the Commission will give fullest and fairest service towards the discovery of the truth upon which to base a legal and equitable judgment. If we recount some of the points in the Manchoukuo brief we hope they will be accepted as an effort to get the major facts early before your attention. As a Manchoukuo citizen might list the issues, they are:

Independence: The State of Manchoukuo is an expression of determination of the people of Manchuria (hitherto the Provinces of Fengtien, Heilungkiang, Kirin and Jehol, and the special area of Harbin) to establish an orderly, republican, non-military, popular government, to replace the military exploitation under which they have groaned since the fall of Manchu Dynasty. You will discover for yourself, from the evidence of victims, how Manchuria was tortured and robbed until the occasion presented itself for the people to seize the golden opportunity to assert themselves. This opportunity was the disorganization of the military groups which had kept them in a state of slavery. When the Japanese forces clashed with the dictators the people hastened to establish a new regime based upon the popular will. In the creation of this new young government of a new young country they have found ardent support from the millions who form its citizenry, and from the conservative business groups who compose its chambers of commerce.

Duration: Manchoukuo is determined to resist any effort to thrust back upon it the self-appointed masters who have bled the country white. Schemes of restoration of partnership with China proper cannot be tolerated. Manchoukuo is blood brother of China, but it asserts its rights of brotherhood in setting up its own house and ruling it for its own benefit. Friendship for China there always will be. Surrender to the irresponsible groups who abused the trust of government—never. Manchoukuo as a State is here to stay. This policy is ours by virtue of right and justice, and by special privilege of the fundamental Wilsonian points. Self determination is ours to enjoy and to labor for.

Japanese relations: The State has announced a policy of friendship with all nations. Japan is a neighbor, entitled to a neighbor's special privileges of amity. Too much suffering has been caused in this edge of the world by a policy of opposition founded on foolish hatreds. We want the Japanese for our friends, as we want the Russians, and our own people of China most of all. In the reconstruction of a New Manchuria we

intend to make fullest use of all friendships without respect to race or nationality. We have admitted many Japanese to our councils without surrendering our rights of independence, and this policy will be followed by recourse to our friends from other lands. The Japanese now are co-operating in bandit control, and we are glad of it, for it is high time this country was made safe for a new democracy.

Our Leaders: Mr. Henry Pu Yi is a worthy son of a worthy line. His house will live again with renewed vigor. He has with him determined, loyal, and vigorous advisers and ministers. Their ranks will be supplemented as the State gains strength and the world comes to know that there is no turning back to the bad old days.

Finances: One of the foulest blows ever struck at a hard-working people by men of its own blood was the circulation of millions of dollars worth of valueless paper in return for their labor and produce. The State is now busily reorganizing its currency, and when plans are completed (they are already well advanced) Manchoukuo will be the only part of this continent with an honest monetary system. Moreover, we intend to recall, and pay for, the worthless paper of the old dictators. This reform alone is worth all the suffering that Manchuria has endured since last September.

Brigandage: You will have been told that Manchoukuo now is in the hands of bandits because the former armies have been disbanded. May we remind you that this bandit condition is not peculiar to Manchuria. There always have been bandits here. There are bandits now in Hopei, the Peking province from which you have just come. Bandits are countless in the Yangtze valley and beyond. Here it was the rule for the soldiery to co-operate with the bandits, by absenting themselves whilst towns were being looted, or by joining in such attacks. The reason for this condition was that the dictators, in spite of their ill-gotten millions, did not pay their troops. Manchoukuo is paying its defence forces, and soldiers will have no reason for becoming bandits.

The boycott: This question must be settled simultaneously with the Manchurian issue. The boycott strikes at the very heart of the League of Nations, for while the League of Nations advocates disarmament the boycott system offers nations an equally violent method of enforcing their views on others. The boycott in all its essentials is war. If a disorganized country cannot control small political groups who impose boycotts on their people, is it not time that measures of protection were taken by

the League on behalf of responsible nations? Boycotts are banned by law in civilized countries; the League now has a chance to introduce similar advance legislation internationally.

Recognition: It is unimportant whether Manchoukuo is recognized diplomatically or left to its own devices. We feel that the world has more to gain from recognition of Manchoukuo than this State has from the world. China (that small part of it under the direction of the Nanking Government), has had recognition for some time, yet we have failed to notice any improvement in that State.

The Japanese Army: We have been given assurances that the Japanese army would withdraw to its original zone when the causes of its presence have been removed. As far as we have been able to find out from the record of the League of Nations, Japan has lived up to its obligations in that body; there can be no reason to doubt any change in that policy, and we are confident the Tokyo Government will fulfill its promise.

Annexation: A lot of wild talk has been indulged in concerning Japanese plans for annexing Manchuria. The Commission will consider for itself the impracticability of any such plan. The holding of 30,000,000 people in subjection is a feat not hitherto carried out by other nations, and Japan may be given the benefit of drawing upon the experience of others.

Russia: There are predominant constructive political elements in Russia who should be able to control the military faction responsible for heavy concentrations of troops on the Siberian frontiers. No good can come of any such demonstrations, especially after Japan has repeatedly given assurances of a determination to avoid occasion of conflict with her old ally of 1910. The State of Manchoukuo is stimulating trade relations between itself and Russia, the surest sign of peaceful intent.

Chapter 9: 1933–1937

9.1 ‘Political Reorganisation in Manchukuo (1939)’



I POLITICAL DEVELOPMENT

1. Stabilization of Manchou Empire

THE EMERGENCE OF Manchoukuo and the declaration of her independence from China ushered in a new era in Manchuria and the Far East. In the midst of skeptical but scrutinizing international observance, the new State undertook a gigantic task of national reconstruction and its achievements during the first eight years of statehood have been nothing short of a marvel. In many respects, it has successfully carried out reforms which were believed to be practically impossible under the former military regime, and the epochal progress widens its horizon and deepens its penetration as the first five-year plan was successfully concluded and the second five-year plan was auspiciously inaugurated in 1937.

The backbone of this marvellous achievement is without doubt the successful execution of political reconstruction, the building of a modern State on the ruins of feudalistic war-lordism. Most significant in this sense was the official transition from Manchoukuo to Manchoutikuo or the Manchou Empire on March 1, 1934, when His Excellency Chief Executive Pu Yi was enthroned as Emperor Kangte. It may be recalled that Manchuria is the home of the Manchous, whence they sprang, and that Emperor Kangte is the last of the Manchou Dynasty, who ascended China’s dragon throne as a child but who was deposed when the revolution resulted in the establishment of the Republic of China in 1911.

Under the Organic Law of the Manchou Empire of 1934 (For the text see Fourth Report, Appendix No. 18), the State is completely centralized in the Throne. The Emperor represents the State; supervises the sovereign rights and exercises them in accordance with the Organic Law; issues or

causes to be issued ordinances for the maintenance of public peace and order and for the execution of laws; possesses the power to declare war, to make peace, and to conclude treaties; enjoys the supreme command of the army, navy, and air forces; and has the power to grant amnesty, special pardon, commutation of punishment, and restoration of civil rights. The Privy Council advises the Emperor on His various functions, while the legislative, judicial, and administrative authorities execute their respective functions under His general supervision. The people are guaranteed the freedom and rights of their life and property, which guarantees were completely lacking before the establishment of Manchoukuo. The basic philosophy of the Empire is the "Wangtao" or the "Way of Benevolent Ruler."

To perpetuate the Imperial Throne thus instituted and to strengthen the foundation of the Empire, the "Law Governing Succession to the Imperial Throne of the Empire of Manchou" was promulgated on March 1, 1937, on the occasion of the fifth anniversary of the founding of the State. It (For the text, see Appendix III, No.3) established the fundamental principle that the first ancestor of the Imperial lineage of Manchoukuo shall be H.I.M. the Emperor Kangte, and that the Imperial Throne shall be succeeded to by His Majesty's Imperial descendants for ages eternal. It then clarified the order of succession, first by the "Imperial eldest son," then by the "Imperial eldest grandson," and lastly by the "Imperial son next in age and by his descendants." When none of these descendants is available, then the succession reverted first to the "Imperial brother and his descendants," then to the "Imperial uncle and his descendants," and lastly to the nearest member among the rest of the Imperial Family and his descendants." The Law decreed one notable exception, namely, that "when the Imperial heir is suffering from an incurable disease of mind or body, or when any other weighty cause exists, the order of succession may be changed in accordance with the foregoing provisions with the advice of the Privy Council."

Orchid has been designated as the imperial flower and the Imperial crest has been designed from this honored flower.

2. Political Reorganization in Manchoukuo

During the first five years of Manchoukuo statehood, chief effort in the sphere of national administration was directed toward the abolition or

reform of all vestiges of the former regime and the perfection of a centralized machinery of administration through the incorporation of new constitutional principles. Thus was introduced the system of four independent branches of administration peculiar to Manchoukuo, namely, the State Council, the Legislative Council, the Courts of Justice, and the Supervisory Council. The Prime Minister headed the State Council and controlled the Ministers of eight Departments, namely, Civil Affairs, Foreign Affairs, Defence, Finance, Industry, Communications, Justice, and Education. The Hsingan Provincial Bureau within the State Council was later modified and raised to the Status of a Department under the name of the Department of Mongolian Affairs, thus completing the system of nine Departments. The Imperial Household Department looked after the affairs of the Imperial Household while the Privy Council advised the Emperor on important State affairs. And thus, for the first time in its history, Manchuria came to enjoy the real benefit of statehood with its administrative organs in the modern sense of the term (For details, see Fifth Report, Section 1).

After five years of experimentation and regimentation, however, a readjustment in various phases of national administration became a matter of necessity and a serious study was instituted in that direction as a pre-necessity and a serious study was instituted in that direction. As a preliminary to this projected reorganization, the first large-scale change in the personnel of the Government was announced on May 7, 1937. On that date, Chang Yen-ching, the Minister of Foreign Affairs, Ting Chien-hsiu, the Minister of Industry, Feng Han-ching, the Minister of Justice, and Chi-mo-te-sai-mu-pei-lo, the Minister of Mongolian Affairs, all of whom had occupied important positions in the Government ever since 1932, were formally relieved of their posts at their requests. Immediately following their resignation, Marshall Chang Ching-hui, the Prime Minister, was appointed concurrently to the portfolios of Foreign Affairs and Mongolian Affairs, and Chang Huan-hsiang, a former official of the Manchoukuo Concordia Association, was named the Minister of Justice. At the same time, Chi-mo-te-sai-mu-pei-lo was appointed a Privy Councillor while President Lo Chen-yu of the Supervisory Council and Privy Councillors Tseng Yun and Pao His resigned. In addition, Sun Chih-chang, former Minister of Finance, became the Minister of Civil Affairs; Han Yun-chieh, former Mayor of Hsinking Speial Municipality, was made the Minister of Finance; and Lu Jung-huan, former Minister of

Civil Affairs, was appointed the Minister of Industry. General Yu Chih-shan, Li Shao-keng, and Yuan Chen-te were reappointed respectively to the portfolio of Defence, Communications, and Education. Hideo Terazaki and Kotaro Ueda were named to fill the vacancies respectively as the Acting President of the Supervisory Council and the Acting Mayor of the Hsinking Special Municipality.

More sweeping and important was a complete reorganization of the national administrative machinery itself which was effected as of July 1, 1937. The main features of this momentous reorganization were the reversion to the system of three independent branches of administration, namely, the State Council, the Legislative Council, and the Courts of Justice, and the reshuffling of the number of Departments to six, namely, Public Peace, People's Welfare, Industry, Finance and Commerce, Communication, and Justice. The salient points in the reorganization may be summarized as follows:

- (1) Abolition of the practice of submitting views to the throne by the Privy Council.
- (2) Abolition of the Supervisory Council and creation of a Bureau of Audit in the State Council.
- (3) Establishment of an Office of Home Affairs in the State Council to take Charge, under the direct supervision of the Prime Minister, of matters concerning the General guidance of local organization and the general supervision of provincial governors.
- (4) Inauguration of a Planning Council, under the direct control of the Prime Minister, to study and to deliberate upon basic national policies.
- (5) Abolition of the Department of Foreign Affairs and creation of new Office of Foreign Affairs, under the direct supervision of the Prime Minister, to take charge of matters concerning the supervision of envoys and consuls abroad, international negotiations, guidance and protection of nationals abroad, and investigations of international political affairs transferring matters concerning commercial affairs to the new Department of Finance and Commerce.
- (6) Creation of the Department of Public Peace through amalgamation and reorganization of the Department of Defence and the Bureau of Police Affairs in the Department of Civil Affairs, to take charge of the police affairs of the State in addition to matters concerning national defence.
- (7) Abolition of the Department of Mongolian Affairs and creation of an Office of Hsingan Affairs, under the direct control of the Prime Minister, to coordinate matters concerning the administration of the Mongols.

- (8) Reorganization of the existing Departments of Civil Affairs, Industry, Finance, Communications, and Education into four Departments of People's Welfare, Industry, Finance and Commerce, and Communications: (a) the Department of People's Welfare to take charge chiefly of administration concerning education, social affairs, public health, stabilization of people's life, and elevation of national spirit; (b) the Department of Industry to take charge of administration concerning industrial activities in general and exploitation and conservation of national resources, incorporating within it the Bureau of Live-Stock Farming into which is merged the Horse Administration.

9.2 Four Years of Manchukuo Administration



Paul Butler (Mukden) to Foreign Office. MUKDEN, June 29, 1936

My approaching departure for England on home leave of absence after more than two years' service in Manchukuo under abnormal conditions seems to provide a suitable opportunity to review the general situation in this country.

Over four years have now elapsed since the establishment of Manchukuo, and with each year the friction of its independence has become more patent. The country is designed solely to serve Japanese interests, political, economic and military. The number of Japanese officials in the Government has increased steadily and now exceeds 50 per cent of the personnel of higher grades. Persecuted incessantly by gendarmerie and deprived of means of livelihood and opportunities for advancement by the great incursion of Japanese, the small Chinese educated class is in process of rapid disintegration. The inevitable outcome must be that all wealth and positions of responsibility will be monopolised by Japanese who will exploit an inarticulate Chinese peasantry. Judging from these indications and from the ambitious plans for Japanese and Korean immigration, one can only assume that it is intended to create a self-governing Japanese dominion rather than an independent Manchukuo State. Political, economic and military. The number of Japanese officials in the Government has increased steadily and now exceeds 50 per cent of the personnel.

Since my arrival in this country, the four greatest achievements of Manchukuo have probably been the stabilization of the currency (now

unified in all but name with that of Japan), the purchase of the Soviet interests in the former Chinese Eastern Railway, the conclusion of a trade with Germany, and the assurance of the abolition of extra-territoriality within a brief space of time. On the debit side, one is obliged to record the progressive alienation of the goodwill of the Manchurian population, the tolerance of an irresponsible, corrupt and brutal class of subordinate Japanese officials, the failure to suppress banditry, and the perpetuation of a state of crisis on the frontiers. The first and second factors naturally inter-react and the continuance of Soviet-Japanese tension may be due not so much to failure of policy as to deliberate design.

It must be admitted, however, that Lieutenant-General Itagaki, Chief of Staff of the Kwantung army, spoke with reason when he told press correspondents in Tokyo recently that a land frontier was something of which the Japanese, in all their history, had no experience and with which they had yet to learn to cope. This is but one of many features in the Manchurian situation which are strange to the Japanese and to which their permanent reaction still remains to be assessed.

For instance, a question arises as to the qualifications they possess for the government of alien peoples. Japan's achievements in Korea and Formosa afford little indication of this, for in the one case they had to deal with a flaccid and decadent people and, in the other, either with denationalised Chinese living in an extremely fertile island or primitive tribes of incomparably lower civilization. In Manchukuo, however, the Japanese have adopted the device of according a fictitious autonomy in the framework of an 'independent' Empire to sections of the Chinese and Mongol peoples in the expectation, as it may be supposed, that they will function as stool pigeons for their fellow-countrymen beyond the pale of the 'Kingly Way'. Paradoxically, they have placed this decoy-State, designed to give substance to dreams of Asiatic federation, under the control of a military despotism, whose methods can only be described as savage. The Kwantung army rely on terrorism as an instrument of policy, convinced apparently that Chinese antagonism can successfully be cowed by an unrestricted use of machine guns and torture. My knowledge of Chinese psychology does not suffice to enable me to estimate whether such methods are likely to attain their end but, in a situation so fraught with imminent dangers as that of the Far East, they are suggestive of hysteria. It should not have been beyond the ability

of the Japanese to conciliate, instead of antagonizing the Chinese and Mongol populations, and this would surely have been the safer course.

To those unversed with conditions in Manchukuo this criticism of Japanese methods may appear unduly severe, but experience leads me to believe it is just. Many well authenticated instances of the killing of Chinese, either outright or by torture, by Japanese gendarmerie or police have been reported to this consulate-general and that at Harbin. Moreover there are the strongest grounds for believing that a British subject, a German and an American, as well as several 'white' or Soviet Russian have met similar fates. Obviously, it is only in very rare instances that crimes of this kind become known to us. The employment of methods of torture, so far from being exceptional, appears to be a matter of routine especially in the more lawless regions, where Japanese troops and gendarmerie have absolute power, may be surmised without much difficulty, but the full story of the sufferings of the Chinese at Japanese hands will no doubt never become known.

The plight of the Manchurian peasantry, deplorable throughout 1934 and 1935, may reasonably be expected to improve if the promise of good harvests this year is fulfilled. The trade agreement recently concluded with Germany should also, by restoring the market for soya beans, contribute to the welfare of the peasant. Even the severest critic of the Japanese régime must admit the ill-luck that has dogged their adventure in this vital agrarian problem, successive years of drought and flood having coincided with world-wide agricultural depression.

9.3 Chiang Kai-shek on China's resistance to the Japanese



The damage done to the revolution by internal strife had a profound effect upon China's foreign relations. When the Nationalist Government established the capital in Nanking in 1927, the Ministry of Foreign Affairs issued a public statement declaring that there was no ground for the continuance of the unequal treaties made by the Peking Government with the foreign powers, and that the Nationalist Government would negotiate new treaties with the various nations. It also stated specifically that tariff autonomy would become effective on September

1, 1927, and that the state's temporary regulations for tariff rates would be put into effect soon. However, the military progress of the Northern Expedition was obstructed by both domestic and foreign difficulties, and the Japanese took advantage of this to declare their opposition to the new tariff regulations. Their example was followed by other countries, and our revolutionary diplomacy was thus brought to a standstill.

After the completion of the Northern Expedition in 1928, the Nationalist Government again announced its intention to negotiate new treaties. All countries having treaty relations with China began to discuss new agreements, with the question of tariff autonomy constituting the central problem. The first treaty completed was that between China and the United States, regulating the trade relations between the two countries. Subsequently, other countries also negotiated and signed tariff agreements with China. Only the Japanese imperialists delayed taking action, and it was not until 1930 that the Sino-Japanese Tariff Agreement was signed, with part of the old provisions still retained.

Negotiations for the abolition of consular jurisdiction [extraterritoriality] began in 1929, but unfortunately, civil war broke out and all the foreign powers adopted a policy of watchful waiting. In December, 1929, and again in December, 1930, the Nationalist Government set a date for the return of China's jurisdictional rights, but due to the civil war nothing was accomplished. In May, 1931, the "Regulations for Controlling Foreign Nationals in China" were published, to become effective as of January 1, 1932, but this date was subsequently postponed as a result of the "September 18th" incident [Japanese invasion of Manchuria, September 18, 1931].

The Japanese imperialists, in addition to passively delaying negotiations, actively sought opportune moments to provoke our country in order to bring pressure against us. During the ten years following the removal of the capital to Nanking, the Western powers, although they did not fully understand our nationalist movement, nevertheless recognized that there was hope for the political unification of China; the prestige of the Nationalist Government was heightened; and they made appropriate concessions. But the more successful China became in achieving political unity, the more actively the Japanese imperialists pursued their secret schemes for a military offensive against China. Following the May 3, 1928, incident [of Tsinan], there were the 'Wan-pao Shan' incident and the 'September 18th' incident. After the 'September 18th' incident, there

were battles of 'January 28th' [Shanghai, 1932], 'Yu Kuan' [Shanhaikwan area], 'Jehol,' and 'the Great Wall'; and the 'Ishimoto,' 'Chengtu,' and 'Pakhoi' incidents, leading up to the incident of the 'Marco Polo Bridge' [July, 1937] and the beginning of the total War of Resistance.

From the 'September 18th' incident to the beginning of the War of Resistance, the main issue in China's foreign affairs was the problem of Japan, and the main issue in domestic affairs was also what measures to take in order to resist Japan. We all know that modern warfare is scientific warfare, and that China's scientific inventions and industrial skill were in their infancy and inferior to Japan's. Modern wars are also wars involving the entire population, but China's feudal and counter-revolutionary forces were still engrossed in civil strife. Under these circumstances, the Nationalist Government could only adopt the following policy: 'Not until there is no hope of peace shall we abandon efforts to preserve peace, and not until sacrifice has reached its ultimate limit shall we scorn sacrifice.'

Politically, the Nationalist Government endeavored to be lenient and to make concessions to all factions in the hope of stopping all internal strife in order to unite against the foreign enemy. Socially, it launched the New Life Movement to arouse the people's spirit of self-confidence and self-respect. Militarily, it enforced the *pao chia* system and trained able-bodied young men with a view to making every citizen a soldier.¹⁰ It also expanded war industries and accumulated munitions and other military supplies. Since China had for so long been reduced to the status of a sub-colony [Sun Yatsen's term to describe China's status as even worse than that of a colony subject of the rule of only one country] and subjected to such intensive exploitation by the imperialists, it is hardly necessary to point out how difficult it was for her to prepare for a war against imperialism. Furthermore, during those six years, there were not many that showed real consideration for the needs of the Nationalist Government. Our central organization was naturally different from the governments at the end of the Sung and Ming dynasties, but the severity of the struggles among various factions within the country and the laxity of morale were far worse. Those that were decadent and passive wanted to live quietly under the Japanese and therefore advocated a policy of nonresistance. The militant radicals, on the other hand, urged a policy of immediate war by which they hoped to strengthen their own position within the country. The first group forgot that the policy of appeasement

followed at the end of the Sung dynasty had led the nation to the verge of total destruction. The second group failed to realize that the policy of immediate war pursued at the end of the Ming dynasty had resulted in heavy losses for border troops, whose defeat finally led to the tragic subjugation of the state. The Nationalist Government at that time [1931–37] was unwilling to explain its position to these various factions, because by so doing it would reveal to the imperialists its plans for resistance. What it relied upon was its deep confidence that despite nearly three hundred years of tyrannical rule by the Manchu dynasty, the people had preserved their sense of national consciousness; that after a century of imperialist aggression, they would be eager to avenge our national humiliation; and that in their desire for unity and independence, they would, in the final crisis, vigorously support the Nationalist Revolution and the Nationalist Government. The Government was also confident that those counter-revolutionaries that scorned our ancient virtues and attacked the Nationalist Revolution would ultimately be rejected by the People, while the correctness and realistic character of the Nationalist Revolution would eventually be demonstrated by the final results.

Chapter 10: 1938–1948

10.1 Manchukuo – A British Perspective

by

Dudley Cheke



MY EXPERIENCE OF living in Manchukuo, as a British consular officer, was between December 1937 and June 1942. I took eight months leave in October 1938 and returned to Mukden (Shenyang) just before the outbreak of war with Germany. I was interned in the Consulate-General at Mukden from December 1941 until June 1942.

British consular representation in Manchuria was at the Consulates-General at Mukden and Harbin, while there was a Consulate at Dairen (Talien) in the Kwantung Leased Territory under Japanese administration. At Mukden the staff consisted of a Consul-General, two vice-Consuls (one from the China Service and one from the Japan Service), one British clerical officer, and Chinese and Japanese staff. The residence-cum-office was in the middle of a walled garden of about two acres. The Vice-Consuls lived in rented accommodation outside.

The British view was that Manchuria in the 1930's was a part of China under Japanese occupation, specifically under the control of the Japanese Kwantung Army and the South Manchurian Railway. In accordance with the recommendation of the League of Nations, Britain had decided not to recognize the state of Manchuria. Since Britain held the Three Eastern Provinces to be part of China, she still claimed there the same extra-territorial rights to which she was entitled elsewhere in China.

British subjects were not subject to local jurisdiction and cases could on this view be heard in consular Courts under the jurisdiction of the British High Court in Shanghai. Naturally the Manchukuo authorities and the Japanese contested these claims.

In effect, 'Manchukuo', though de jure part of China, was de facto a dependency of Japan. The practical result was that the British Consulates in Manchuria operated under two Embassies. Reports which were addressed to the Tokyo Embassy were copied to the Embassy in China and vice versa. By steering reports to the more sympathetic quarter, it was often possible for local British officials to obtain instructions along the lines that they hoped. They therefore enjoyed a good measure of autonomy. Major diplomatic representations were made in Tokyo with the Government of the occupying power.

In practice, non-recognition did not greatly hamper our work. There were no official relations, in theory at least, with the central Government of Manchukuo in its new capital at Hsinking (Changchun). There was no contact at all with the Head of State, P'u Yi, the former Emperor of China and (from 1934) Emperor of Manchukuo. But there were normal relations with local authorities (municipal, police etc.) and with officials of the Japanese Government, the Japanese Consul-General, Mukden, and the Japanese Ambassador, Hsinking, who served concurrently as the Commander-in-Chief, Kwantung Army.

Our consular status was not contested. Day-to-day business was conducted quite normally: there were the regular bag customs facilities, cyphers etc. We obtained entry visas as a matter of routine (though delays developed as time went on). The consular staff enjoyed free passes on the South Manchurian Railway. Actually Mukden, which had the capital, Hsinking, in its consular district, was virtually a Legation, engaged in political and economic reporting scrutinizing the Official Gazette in Chinese and Japanese, and dealing with a spate of local laws affecting foreign residents.

The British community was varied and fairly large, some members having quite deep roots in the country. Apart from consular officials, there were bankers (the Hongkong and Shanghai Bank having handsome premises in Mukden); manufacturers, notably the British American Tobacco Company Subsidiary, the Chi Tung, which ran a cigarette factory at Mukden; small businessmen; Indian traders (mostly in silk); Control laws which governed remittances and were bound to be influenced

by the cutting of many traditional links with China and the increasing orientation towards Japan. However, as a fact of life, very close economic ties with North China remained.

As in Japan, we became increasingly plagued by the problem of 'dangerous thoughts' and of any show of interest being taken for spying. The missionaries were very exercised in their consciences about Christians taking part in Shinto and similar ceremonies which the Japanese regard as displays of right feeling towards the State. Exchange control hit almost everyone. It was even illegal to draw a cheque on one's home bank account and send the cheque out of the country. (A British bishop in Korea was jailed for this.) However, the close commercial ties between Japan, Manchukuo and North China led to a situation which we were able to turn to our advantage. The Japanese yen and the Manchukuan yuan stood at about 17 to the £. The North China \$ fluctuated fairly wildly, but was seldom above 50 to the £. Yet these three currencies were all officially at par with each other. So if one sold sterling in Tientsin and remitted the proceeds to Manchukuo, quite legally, one finished with 50 or more yuan to the £. Those who ventured on to the black market would get 70 or more.

So far I have said nothing particular about North Manchuria, where I did not serve. However, I did go to Harbin a couple of times and saw the train - twice-weekly I think it was - which regularly carried our mails across Siberia. A letter to Britain would take from 10 days to a fortnight. Harbin still had the air of a Russian city and I remember celebrating Easter there with all the pomp and exuberance of the Orthodox midnight service. But the Russians were given a hard time by both the Chinese and the Japanese, especially after the 'Nomonhan Incident' of 1939.

However 'white' they were, they tended to look rather wistfully towards even Soviet Russia as their great homeland. There were British fur merchants in the North and I believe Manchuria was then a major source of pheasants for the London Christmas market.

I have likened Manchuria to the Wild West. After Japan, there was an openness and freedom about it even for us consular officials - the more so, of course, because in our anomalous situation we were very much our own masters. This was true until about mid-1941 when travel restrictions were imposed and we would not demean ourselves to apply for permits.

In making representations against acts of the Manchukuo authorities, the British were on balance in a somewhat better position in

Manchukuo than the countries which had recognized the puppet regime. Those like Germany and Italy were obliged to take up all their problems with the puppet authorities in Hsinking. We dealt either in Tokyo with the Government of what was in truth the occupying power or directly with the Kwantung Army.

With the opening of the war with Germany, the Consulate issued daily news bulletins which were delivered or posted to British subjects. We were able to receive broadcasts on short-wave from London and also from the very patriotic Carol Alcott in Shanghai. We had always claimed to be 'in China' and not subject to Chinese jurisdiction and got away with having our short-wave sets, though there were restrictions on radio receivers elsewhere.

From about the middle of 1940 all conditions grew rapidly worse. Gradually an anti-British movement developed which led to restrictions. Chinese from the British Hospital and School were dragooned into taking part in an anti-British march through Mukden. By the autumn of 1940 British and American relations with Japan became very strained. Evacuation was recommended to Americans, Canadians and British. This was a dilemma for the missionaries and it only led to a minor 'thinning out' since most missionary wives without children stayed on. There were evidences of spymania on the part of the Manchukuo authorities. This may have arisen in the aftermath of the Changkufeng and Nomonhan 'incidents' in their homes. The wives were in due course allowed to pay visits to the Club and take washing etc.

An anomaly was that we had no protecting power. Obviously the Germans and Italians were not candidates and no neutral countries – or at least no suitable one – had recognized Manchukuo. So we just had to deal with the authorities direct. By this time, the Consul-General was a man from the China Service, so the rather invidious task fell on me. Manchukuo "Chinese" soldiers had encamped in the Consul-General's drawing-room and did not make for a very happy household. On one occasion, a guard brandished a fire-arm at us, but on the whole we got along together by seeing as little of each other as possible. We were in a good position in several respects: we had stored up a supply of local currency; the Consul-General kept his cook and some servants, and we had a reasonably large garden. On the other hand, we were very cut off. We received no news of families in the wartime conditions of Britain (except I think on one occasion when the Swiss Embassy in Japan sent

an emissary who was allowed to see us). We had to try to read between the lines in the local 'rag' and listen to the officials who would gleefully tell us of Japanese victories.

10.2 Sino-Soviet Treaty, 14 August 1945



The President of the National Government of the Republic of China, and the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics,

Desirous of strengthening the friendly relations that have always existed between China and the U.S.S.R. through an alliance and good neighbourly post-war collaboration,

Determined to assist each other in the struggle against aggression on the part of enemies of the United Nations in this world war, and to collaborate in the common war against Japan until her unconditional surrender,

Expressing their unswerving aspiration to co-operate in the cause of maintaining peace and security for the benefit of the peoples of both countries and of all the peace-loving nations,

Acting upon the principles enunciated in the Joint Declaration of the United Nations of January 1 1942, in the Four Power Declaration signed in Moscow on October 30, 1943, and in the Charter of the International Organization of the United Nations,

Have decided to conclude the present Treaty to this effect and appointed as their Plenipotentiaries:

The President of the National Government of the Republic of China:

His Excellency DR. WANG SHIH-CHIEH, Minister of Foreign Affairs of the Republic of China.

The Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics:

His Excellency MR. V. M. MOLOTOV, the People's Commissar of Foreign Affairs of the U.S.S.R.,

Who, after exchanging their full powers, found in good and due form, have agreed as follows:

Article I. The High Contracting Parties undertake in association with the other United Nations to wage war against Japan until final victory

is won. The High Contracting Parties undertake mutually to render to one another all necessary military and other assistance and support in this war.

Article II. The High Contracting Parties undertake not to enter into separate negotiations with Japan and not to conclude, without mutual consent, any armistice or peace treaty either with the present Japanese Government or with any other government or authority set up in Japan which do not renounce all aggressive intentions.

Article III. The High Contracting Parties undertake after the termination of the war against Japan, to take jointly all measures in their power to render impossible a repetition of aggression and violation of the peace by Japan.

In the event of one of the High Contracting Parties becoming involved in hostilities with Japan in consequence of an attack by the latter against the said Contracting Party, the other High Contracting Party shall at once give to the Contracting Party so involved in hostilities all the military and other support and assistance with the means in its power.

This Article shall remain in force until such time as the Organization, 'The United Nations', may on request of the two High Contracting Parties be charged with the responsibility for preventing further aggression by Japan.

Article IV. Each High Contracting Party undertakes not to conclude any alliance and not to take part in any coalition directed against the other High Contracting Party.

Article V. The High Contracting Parties having regard to the interests of the security and economic development of each of them, agree to work together in close and friendly collaboration after the coming of peace and to act according to the principles of mutual respect for their sovereignty and territorial integrity and of non-interference in the internal affairs of the other High Contracting Party.

Article VI. The High Contracting Parties agree to render each other every possible economic assistance in the post-war period with a view to facilitating and accelerating reconstruction in both countries and to contributing to the cause of world prosperity.

Article VII. Nothing in this Treaty shall be so construed as to affect the rights or obligations of the High Contracting Parties as members of the Organization 'The United Nations'.

Article VIII. The present Treaty shall be ratified in the shortest possible time. The exchange of the instruments of ratification shall take place as soon as possible in Chungking.

The present Treaty shall come into force immediately upon its ratification and shall remain in force for a term of thirty years.

If neither of the High Contracting Parties has given notice, a year before the expiration of the term, of its desire to terminate the Treaty, it shall remain valid for an unlimited time, each of the High Contracting Parties being able to terminate its operation by giving notice to that effect one year in advance.

IN FAITH WHEREOF the Plenipotentiaries have signed the present Treaty and affixed their seals.

Exchange of Notes

(I) SOVIET NOTE TO THE CHINESE PLENIPOTENTIARY

With reference to the Treaty of Friendship and Alliance signed to-day between the Republic of China and the U.S.S.R., I have the honour to put on record the understanding between the High Contracting Parties as follows:

1. In accordance with the spirit of the aforementioned Treaty, and in order to put into effect its aims and purposes, the Government of the U.S.S.R. agrees to render to China its moral support as well as aid in military supplies and other material resources, such support and aid to be entirely given to the National Government as the Central Government of China.
2. In the course of conversations regarding Dairen and Port Arthur and regarding the joint operation of the Chinese Changchun Railway, the Government of the U.S.S.R. regarded the Three Eastern Provinces as a part of China and reaffirmed its respect for China's full sovereignty over the Three Eastern Provinces and recognized their territorial and administrative integrity.
3. As for the recent developments in Sinkiang the Soviet Government confirms that, as stated in Article V of the Treaty of Friendship and Alliance, it has no intention of interfering in the internal affairs of China.

If Your Excellency will be so good as to confirm that the understanding is correct as set forth in the preceding paragraphs, the present

Note and Your Excellency's reply thereto will constitute a part of the aforementioned Treaty of Friendship and Alliance.

(Signed) V. MOLOTOV.

¹ Translation of the text of the Treaty which was published as *White Book* of the *Ministry of Foreign Affairs*, NO.67, November 1945.

10.3 The Fall of Mukden, [8 November] 1948



Our foregoing comments concern the longer view, rather the immediate future. As we say, what will come in the next several months, or even weeks, is almost impossible to predict. The fall of Mukden, which occurs as this is written, is likely the beginning of the final series of military debacles for Nationalist arms. At the moment it appears that the isolation of Hsuchou has begun. In this situation, of all the Government there are few, if any, save the Gimo who even profess confidence that the tide may yet be turned. Only a few days before Mukden fell, the Government had five well equipped, supplied and trained armies in the Manchurian field, the most formidable striking force at its command, and within few days these armies were lost. They were lost not from battle casualties, but from defection, although among their commanders were numbered officers long associated with the Gimo, and in whose loyalty he trusted implicitly. The troops at Hsuchou are far inferior to the former Mukden garrison, and their commanders are already resigned to defeat. There is no reason to believe in their will or ability to resist an offensive. And when they are gone, Nanking has no defenses worthy of the name.

It is not difficult to see why the Gimo retains some confidence in his star. His beginnings were modest, and from them, against great odds, he led a revolution and was the principal architect of a new state. For a time his government was successful. More than that he was able to maintain it through the eight years of his war with Japan and in the end to regain the territories that he had lost. His achievements are by no means inconsiderable, and they testify to his qualities. There is a tendency on our part to forget that Chiang succeeded as a revolutionary, and that he

still regards his party as a revolutionary party. It was his fate that there should develop in China another revolution in competition with his own, and that, in the broader view, the KMT has become to the communist revolution what the old, war-lord regimes were to Chiang as he rose to power. The Gimo does not understand this, and so, to some extent, he regards himself as the protagonist of a revolution which must in the end succeed because all men must recognize that it is essentially right. To that extent he must regard his triumph as inevitable and his reverses as but setbacks incidental to the temporary perversion of natural order. These are, in general, the reasons which constrain him to continue the struggle when it has become apparent that it is a lost cause.

There appears no reason to believe that the Gimo has, or will consider, a negotiated peace with the Communists, even should they agree to deal with him. This intransigence will prolong the conflict as long as there are any who will stand by him. It remains to be seen how many of his followers will remain when the news of Mukden becomes generally known. Their members will be appreciably less when the assault on Hsuchou begins. Whether he will have enough of a following to attempt a defense of Nanking is problematical, even doubtful, but it seems clear that once he has left Nanking in flight, he will never again be a really effective political force in this country.

[‘Gimo’ is the US abbreviation for ‘Generalissimo’.]

[Communicated to the Council
and the Members of the League.]

Official No.: C. 663. M. 320. 1932. V¹¹

Geneva, October 1st, 1932.

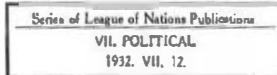
LEAGUE OF NATIONS

**APPEAL
BY THE CHINESE GOVERNMENT**

REPORT
OF THE
COMMISSION OF ENQUIRY

Note by the Secretary-General:

The Secretary-General has the honour to circulate to the Council and the Members of the League the Report of the Commission of Enquiry, which was signed by the Members of the Commission on September 4th, 1932, at Peiping.



NOTE:

[Maps, Special Studies and Appendices mentioned in the footnotes are not reproduced.]

REPORT OF THE COMMISSION OF ENQUIRY

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INTRODUCTION

On September 21st, 1931, the representative of the Chinese Government at Geneva wrote to the Secretary-General of the League of Nations asking him to bring to the attention of the Council the dispute between China and Japan which had arisen from the events which took place at Mukden on the night of September 18th-19th, and appealed to the Council, under Article 11 of the Covenant, to "take immediate steps to prevent the further development of a situation endangering the peace of nations".

On September 30th, the Council passed the following resolution :

" The Council :

" (1) Notes the replies of the Chinese and Japanese Governments to the urgent appeal addressed to them by its President and the steps that have already been taken in response to that appeal ;

" (2) Recognises the importance of the Japanese Government's statement that it has no territorial designs in Manchuria ;

" (3) Notes the Japanese representative's statement that his Government will continue, as rapidly as possible, the withdrawal of its troops, which has already been begun, into the railway zone in proportion as the safety of the lives and property of Japanese nationals is effectively assured and that it hopes to carry out this intention in full as speedily as may be ;

" (4) Notes the Chinese representative's statement that his Government will assume responsibility for the safety of the lives and property of Japanese nationals outside that zone as the withdrawal of the Japanese troops continues and the Chinese local authorities and police forces are re-established ;

" (5) Being convinced that both Governments are anxious to avoid taking any action which might disturb the peace and good understanding between the two nations, notes that the Chinese and Japanese representatives have given assurances that their respective Governments will take all necessary steps to prevent any extension of the scope of the incident or any aggravation of the situation ;

" (6) Requests both Parties to do all in their power to hasten the restoration of normal relations between them and for that purpose to continue and speedily complete the execution of the above-mentioned undertakings ;

" (7) Requests both Parties to furnish the Council at frequent intervals with full information as to the development of the situation ;

" (8) Decides, in the absence of any unforeseen occurrence which might render an immediate meeting essential, to meet again at Geneva on Wednesday, October 14th, 1931, to consider the situation as it then stands ;

" (9) Authorises its President to cancel the meeting of the Council fixed for October 14th, should he decide, after consulting his colleagues, and more particularly the representatives of the two Parties, that, in view of such information as he may have received from the Parties or from other Members of the Council as to the development of the situation, the meeting is no longer necessary. "

Formal
appeal by
China,
September
21st, 1931.

Resolution
of the Council,
September
30th.

— 6 —

In the course of the discussions that preceded the adoption of this resolution, the Chinese representative expressed the view of his Government that "the best method that may be devised by the Council for securing the prompt and complete withdrawal of the Japanese troops and police and the full re-establishment of the *status quo ante* is the sending of a neutral commission to Manchuria".

**Session of
the Council,
October
13th-24th.**

**Session of
the Council at
Paris,
November 16th-
December 10th.**

**Resolution
of December
10th.**

The Council held a further session for the consideration of the dispute from October 13th to the 24th. In consequence of the opposition of the Japanese representative, unanimity could not be obtained for the resolution proposed at this session.

The Council met again on November 16th in Paris and devoted nearly four weeks to a study of the situation. On November 21st, the Japanese representative, after stating that his Government was anxious that the resolution of September 30th should be observed in the spirit and letter, proposed that a Commission of Enquiry should be sent to the spot. This proposal was subsequently welcomed by all the other Members of the Council and, on December 10th, 1931, the following resolution was unanimously adopted :

"The Council :

"(1) Reaffirms the resolution passed unanimously by it on September 30th, 1931, by which the two Parties declare that they are solemnly bound ; it therefore calls upon the Chinese and Japanese Governments to take all steps necessary to assure its execution so that the withdrawal of the Japanese troops within the railway zone may be effected as speedily as possible under the conditions set forth in the said resolution ;

"(2) Considering that events have assumed an even more serious aspect since the Council meeting of October 24th, notes that the two Parties undertake to adopt all measures necessary to avoid any further aggravation of the situation and to refrain from any initiative which may lead to further fighting and loss of life ;

"(3) Invites the two Parties to continue to keep the Council informed as to the development of the situation ;

"(4) Invites the other Members of the Council to furnish the Council with any information received from their representatives on the spot ;

"(5) Without prejudice to the carrying out of the above-mentioned measures ;

"Desiring, in view of the special circumstances of the case, to contribute towards a final and fundamental solution by the two Governments of the questions at issue between them :

"Decides to appoint a Commission of five members to study on the spot and to report to the Council on any circumstance which, affecting international relations, threatens to disturb peace between China and Japan, or the good understanding between them upon which peace depends ;

"The Governments of China and of Japan will each have the right to nominate one Assessor to assist the Commission ;

"The two Governments will afford the Commission all facilities to obtain on the spot whatever information it may require ;

"It is understood that, should the two Parties initiate any negotiations, these would not fall within the scope of the terms of reference of the Commission, nor would it be within the competence of the Commission to interfere with the military arrangements of either Party ;

"The appointment and deliberation of the Commission shall not prejudice in any way the undertaking given by the Japanese Government in the resolution of September 30th as regards the withdrawal of the Japanese troops within the railway zone ;

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“ (6) Between now and its next ordinary session, which will be held on January 25th, 1932, the Council, which remains seized of the matter, invites its President to follow the question and to summon it afresh if necessary.”

In introducing this resolution, the President, M. Briand, made the following declaration :

“ It will be observed that the resolution which is before you provides for action on two separate lines : (1) to put an end to the immediate threat to peace ; (2) to facilitate the final solution of existing causes of dispute between the two countries.

“ The Council was glad to find during its present sittings that an enquiry into the circumstances which tend to disturb the relations between China and Japan, in itself desirable, would be acceptable to the Parties. The Council therefore welcomed the proposal to establish a Commission which was brought before it on November 21st. The final paragraph of the resolution provides for the appointment and functioning of such a Commission.

“ I shall now make certain comments on the resolution, paragraph by paragraph.

“ *Paragraph 1.* — This paragraph reaffirms the resolution unanimously adopted by the Council on September 30th, laying particular stress on the withdrawal of the Japanese troops within the railway zone on the conditions described therein as speedily as possible.

“ The Council attaches the utmost importance to this resolution and is persuaded that the two Governments will set themselves to the complete fulfilment of the engagements which they assumed on September 30th.

“ *Paragraph 2.* — It is an unfortunate fact that, since the last meeting of the Council, events have occurred which have seriously aggravated the situation and have given rise to legitimate apprehension. It is indispensable and urgent to abstain from any initiative which may lead to further fighting, and from all other action likely to aggravate the situation.

“ *Paragraph 4.* — Under paragraph 4, the Members of the Council other than the Parties are requested to continue to furnish the Council with information received from their representatives on the spot.

“ Such information having proved of high value in the past, the Powers which have the possibility of sending such representatives to various localities have agreed to do all that is possible to continue and improve the present system.

“ For this purpose, these Powers will keep in touch with the two Parties, so that the latter may, should they so desire, indicate to them the localities to which they would desire the despatch of such representatives.

“ *Paragraph 5* provides for the institution of a Commission of Enquiry. Subject to its purely advisory character, the terms of reference of the Commission are wide. In principle, no question which it feels called upon to study will be excluded, provided that the question relates to any circumstances which, affecting international relations, threaten to disturb peace between China and Japan, or the good understanding between them upon which peace depends. Each of the two Governments will have the right to request the Commission to consider any question the examination of which it particularly desires. The Commission will have full discretion to determine the questions upon which it will report to the Council, and will have power to make interim reports when desirable.

Declaration
of the
President.

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“ If the undertakings given by the two Parties according to the resolution of September 30th have not been carried out by the time of the arrival of the Commission, the Commission should as speedily as possible report to the Council on the situation.

“ It is specially provided that, ‘should the two Parties initiate any negotiations, these would not fall within the scope of the terms of reference of the Commission, nor would it be within the competence of the Commission to interfere with the military arrangements of either Party’. This latter provision does not limit in any way its faculty of investigation. It is also clear that the Commission will enjoy full liberty of movement in order to obtain the information it may require for its reports.”

**Reservations
and comments
of the two
Parties.**

The Japanese representative, in accepting the resolution, made a reservation concerning paragraph 2 of the resolution, stating that he accepted it on behalf of his Government, “on the understanding that this paragraph was not intended to preclude the Japanese forces from taking such action as might be rendered necessary to provide directly for the protection of the lives and property of Japanese subjects against the activities of bandits and lawless elements rampant in various parts of Manchuria”.

The Chinese representative, on his part, accepted the resolution, but asked that certain of his observations and reservations on points of principle should be placed on record as follows :

“ I. China must and does fully reserve any and all rights, remedies and juridical positions to which she is or may be entitled under and by virtue of all the provisions of the Covenant, under all the existing treaties to which China is a party, and under the accepted principles of international law and practice.

“ II. The present arrangement evidenced by the resolution and the statement made by the President of the Council is regarded by China as a practical measure embodying four essential and interdependent elements :

“ (a) Immediate cessation of hostilities ;

“ (b) Liquidation of the Japanese occupation of Manchuria within the shortest possible period of time ;

“ (c) Neutral observation and reporting upon all developments from now on ;

“ (d) A comprehensive enquiry into the entire Manchurian situation on the spot by a Commission appointed by the Council.

“ The said arrangement being in effect and in spirit predicated upon these fundamental factors, its integrity would be manifestly destroyed by the failure of any one of them to materialise and be effectively realised as contemplated.

“ III. China understands and expects that the Commission provided for in the resolution will make it its first duty to enquire into and report, with its recommendations, on the withdrawal of the Japanese forces, if such withdrawal has not been completed when the Commission arrives on the spot.

“ IV. China assumes that the said arrangement neither directly nor by implication affects the question of reparations and damages to China and her nationals growing out of the recent events in Manchuria, and makes a specific reservation in that respect.

“ V. In accepting the resolution laid before us, China appreciates the efforts of the Council to prevent further fighting and bloodshed by enjoining both China and Japan to avoid any initiative which may lead to further fighting or any other action likely to aggravate the situation. It must be clearly pointed out that this injunction should

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not be violated under the pretext of the existence of lawlessness caused by a state of affairs which it is the very purpose of the resolution to do away with. It is to be observed that much of the lawlessness now prevalent in Manchuria is due to the interruption of normal life caused by the invasion of the Japanese forces. The only sure way of restoring the normal peaceful life is to hasten the withdrawal of the Japanese troops and allow the Chinese authorities to assume the responsibility for the maintenance of peace and order. China cannot tolerate the invasion and occupation of her territory by the troops of any foreign country ; far less can she permit these troops to usurp the police functions of the Chinese authorities.

“ VI. China notes with satisfaction the purpose to continue and improve the present system of neutral observation and reporting through representatives of other Powers, and China will from time to time, as occasion requires, indicate the localities to which it seems desirable to despatch such representatives.

“ VII. It should be understood that, in agreeing to this resolution which provides for the withdrawal of the Japanese forces to the railway zone, China in no way recedes from the position she has always taken with respect to the maintenance of military forces in the said railway zone.

“ VIII. China would regard any attempt by Japan to bring about complications of a political character affecting China's territorial or administrative integrity (such as promoting so-called independence movements or utilising disorderly elements for such purposes) as an obvious violation of the undertaking to avoid any further aggravation of the situation.”

The Members of the Commission were subsequently selected by the President of the Council, and, after the approval of the two parties had been obtained, the membership was finally approved by the Council on January 14th, 1932, as follows :

**Appointment
of the
Commission of
Enquiry.**

H.E. Count ALDROVANDI (Italian),
Général de Division Henri CLAUDEL (French),
The Rt. Hon. The EARL OF LYTTON, P.C., G.C.S.I., G.C.I.E.
(British),
Major-General Frank Ross McCovey (American),
H.E. Dr. Heinrich SCHNEE (German).

**Organisation
of the
Commission.**

The European members, with a representative of the American member, held two sittings in Geneva on January 21st, at which Lord Lytton was unanimously elected Chairman and a provisional programme of work was approved. The Governments of Japan and China, each of which had, by virtue of the resolution of December 10th, “ the right to nominate one Assessor to assist the Commission ”, subsequently appointed as their Assessors H.E. Mr. Isaburo YOSHIDA, Ambassador of Japan in Turkey, and H.E. Dr. Wellington Koo, a former Prime Minister and former Minister for Foreign Affairs of China.

The Secretary-General of the League designated M. Robert HAAS, Director in the Secretariat of the League, to act as Secretary-General of the Commission.¹

¹ The Secretary-General had put at the disposal of the Secretariat of the Commission :

Mr. PELET, member of the Information Section; Mr. von KOTZE, assistant to the Under-Secretary-General in charge of International Bureaux; Mr. PASTUHOV, member of the Political Section; the Hon. W. W. ASTOR, temporary member of the Secretariat acting as Secretary of the Chairman of the Commission; and M. CHARRÈRE, of the Information Section.

Major P. JOUVELET, Army Medical Corps, French Army, acted as personal

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In the course of its work, the Commission was assisted by the technical advice of Professor G. H. BLAKESLEE, Professor at the Clark University, U. S. A., Ph.D., L.L.D.; M. DENNERY, Agrégé de l'Université de France; Mr. Ben DORFMAN, B.A., M.A., William Harrison Mills Fellow, University of California, U.S.A.; Dr. A. D. A. de KAT ANGELINO, Colonel T. A. HIAM, assistant to the Chairman of the Canadian National Railways; G. S. MOSS, Esq., C.B.E., H.B.M. Consul in Weihaiwei; Dr. C. Walter YOUNG, M.A., Ph.D., Far Eastern Representative of the Institute of Current World Affairs, New York City.

The European members of the Commission sailed from Le Havre and Plymouth on February 3rd, and were joined by the American member at New York on February 9th.

**Chinese
Appeal to the
League of
Nations under
Articles 10, 11
and 15 of the
Covenant.**

Meanwhile, the development of the situation in the Far East caused the Chinese Government, on January 29th, to submit a further appeal to the League of Nations under Articles 10, 11 and 15 of the Covenant. On February 12th, 1932, the Chinese representative requested the Council to submit the dispute to the Assembly in accordance with paragraph 9 of Article 15 of the Covenant. Since no further instructions were received from the Council, the Commission continued to interpret its mandate according to the resolution of the Council of December 10th. This included :

(1) An examination of the issues between China and Japan, which were referred to the Council, including their causes, development and status at the time of the enquiry;

(2) A consideration of a possible solution of the Sino-Japanese dispute which would reconcile the fundamental interests of the two countries.

This conception of its mission determined the programme of its work.*

Before reaching Manchuria, the main theatre of the conflict, contact was established with the Governments of Japan and China and with representatives of various shades of opinion, in order to ascertain the nature of the interests of the two countries. The Commission arrived in Tokyo on February 29th, where it was joined by the Japanese Assessor. It had the honour of being received by His Majesty the Emperor. Eight days were spent in Tokyo, and daily conferences were held with members of the Government and others, including the Prime Minister, Mr. INUKAI, the Minister for Foreign Affairs, Mr. YOSHIZAWA, the Minister of War, Lieutenant-General ARAKI, the Minister of Navy, Admiral OSUMI. Interviews were also held with leading bankers, business-men, representatives of various organisations and others. From all of these we received information regarding the rights and interests of Japan in Manchuria and her historical associations with that country. The Shanghai situation was also discussed. After leaving Tokyo, we learned while in Kyoto of the establishment of a new "State" in Manchuria, under the name of "Manchukuo" (the Manchu State). In Osaka, conferences were arranged with representatives of the business community.

The Commission reached Shanghai on March 14th and was joined there by the Chinese Assessor. Here a fortnight was occupied, in addition to our general enquiry, in learning as much as possible about the facts of the recent fighting and the possibility of an armistice, which we had

assistant to General Claudel, and Lieut. BIDDLE as personal assistant to General McCoy, and collaborated also in the general work of the Secretariat.

M. DEPEYRE, French Vice-Consul at Yokohama, acted as interpreter in the Japanese language.

Mr. AOKI and Mr. WOU SAO-FONG, members of the Information Section, collaborated with the Secretariat of the Commission.

* Note by the Secretariat : For the itineraries of the Commission, see the Appendix, page 140, and Maps Nos. 13 and 14.

**Arrival of
the Commission
at Tokyo,
February 29th,
1932.**

**Shanghai,
March
14th-26th.**

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previously discussed with Mr. YOSHIZAWA in Tokyo. We paid a visit to the devastated areas, and heard statements from the Japanese naval and military authorities regarding recent operations. We also interviewed some of the members of the Chinese Government and leaders of business, educational and other circles, including Canton.

On March 26th, the Commission proceeded to Nanking, some of its members visiting Hangchow on the way. During the following week, it had the honour of being received by the President of the National Government. Interviews were held with Mr. WANG CHING-WEI, President of the Executive Yuan; General CHIANG KAI-SHEK, Chairman of the Military Council; Dr. LO WEN-KAN, Minister for Foreign Affairs; Mr. T. V. SOONG, Minister of Finance; General CHENG MING-CHU, Minister of Communications; Mr. CHU CHIA-HUA, Minister of Education; and other members of the Government.

Nanking,
March 26th-
April 1st.

In order to acquaint ourselves more fully with representative opinion and with conditions existing in various parts of China, we proceeded on April 1st to Hankow, stopping *en route* at Kiukiang. Some representatives of the Commission visited Ichang, Wanhsien and Chungking in the province of Hupeh and Szechuan.

Yangtze Valley,
April 1st-7th.

On April 9th, the Commission arrived at Peiping (as Peking is now called), where several conferences were held with Marshal CHANG HSUEH-LIANG and with officials who had been members of the administration in Manchuria until September 18th. Evidence was also given by the Chinese Generals who had been in command of the troops at the barracks at Mukden on the night of September 18th.

Peiping,
April 9th-19th.

Our stay in Peiping was prolonged owing to a difficulty which arose regarding the entry into Manchuria of Dr. Wellington Koo, the Chinese Assessor.

In proceeding to Manchuria, the Commission divided into two groups, some of the party travelling to Mukden by rail via Shanhaikwan, and the remainder, including Dr. Koo, by sea via Dairen, thus remaining within the Japanese railway area. The objection to Dr. Koo's entry into "Manchukuo" territory was finally withdrawn after the arrival of the Commission in Changchun, the northern terminus of the Japanese railway area.

Manchuria,
April 20th-
June 4th.

We remained in Manchuria for about six weeks, visiting Mukden, Changchun, Kirin, Harbin, Dairen, Port Arthur, Anshan, Fushun and Chinchow. We had intended to visit Tsitsihar as well, but, while we were in Harbin, there was continuous fighting in the surrounding districts, and the Japanese military authorities stated that they were unable at that moment to guarantee the safety of the Commission by rail on the western branch of the Chinese Eastern Railway. Accordingly, some members of our staff visited Tsitsihar by air. From there they travelled by the Taonan-Angangchi and Ssipingkai-Taonan Railways and rejoined the main body in Mukden.

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During our stay in Manchuria we wrote a Preliminary Report, which we despatched to Geneva on April 29th.¹

We had numerous conferences with Lieutenant-General HONJO, Commander of the Kwantung Army, other military officers, and Japanese consular officials. At Changchun we visited the Chief Executive of "Manchukuo", the former Emperor, HSUAN TUNG, now known by his personal name of Henry PU-YI. We also had interviews with members of the "Manchukuo" Government, including officials and advisers of Japanese nationality, and Governors of Provinces. Delegations were received from the local population, most of which were presented by the Japanese or "Manchukuo" authorities. In addition to our public meetings, we were able to arrange interviews with a great number of individuals, both Chinese and foreign.

¹ See Annex I (separate volume).

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**Peiping,
June 5th-28th.**

The Commission returned to Peiping on June 5th, where an analysis of the voluminous documentary material collected was begun. Two more conferences were also held with Mr. WANG CHING-WEI, President of the Executive Yuan ; Dr. Lo WEN-KAN, Minister for Foreign Affairs ; and Mr. T. V. SOONG, Minister of Finance.

**Tokyo,
July 4th-15th.**

On June 28th the Commission proceeded to Tokyo via Chosen (Korea). Its departure for Japan was delayed by the fact that no Foreign Minister had yet been appointed in the Cabinet of Admiral Viscount Saito. After their arrival in Tokyo on July 4th, conferences were held with leaders of the new Government, including the Prime Minister, Admiral Viscount SAITO ; the Minister for Foreign Affairs, Count UCHIDA ; and the Minister of War, Lieutenant-General ARAKI. From these we learned the present views and policy of the Government regarding the development of the situation in Manchuria and Sino-Japanese relations.

**Peiping,
July 20th.**

Having thus renewed contact with both the Chinese and the Japanese Governments, the Commission returned to Peiping, where the drafting of the Report was undertaken.

Assessors.

The two Assessors, who throughout spared no effort to assist the work of the Commission, presented a great amount of valuable documentary evidence. The material received from each Assessor was shown to the other, and an opportunity given for subsequent comment. These documents will be published.

The large number of persons and organisations interviewed, as listed in the Appendix, will illustrate the amount of evidence examined. Further, in the course of our travels, we have been presented with a great quantity of printed pamphlets, petitions, appeals, and letters. In Manchuria alone, we received approximately 1,550 letters in Chinese and 400 letters in Russian, without mentioning those written in English, French or Japanese.

The arrangement, translation and study of these documents involved a considerable labour, which was carried out in spite of our continual movement from place to place. It was finally completed on our return to Peiping in July and before our last visit to Japan.

**The
conception
of its mission
under
resolution of
December 10th
determined the
plan of the
Commission's
Report.**

The Commission's conception of its mission, which determined the programme of its work and itinerary, has equally guided the plan of its Report.

First, we have tried to provide an historical background by describing the rights and interests of the two countries in Manchuria, which provide the fundamental causes of the dispute ; the more recent specific issues which immediately preceded the actual outbreak were then examined, and the course of events since September 18th, 1931, described. Throughout this review of the issues, we have insisted less on the responsibility for past actions than on the necessity of finding means to avoid their repetition in the future.

Finally, the Report concludes with some reflections and considerations which we have desired to submit to the Council upon the various issues with which it is confronted, and with some suggestions on the lines on which it seemed to us possible to effect a durable solution of the conflict and the re-establishment of a good understanding between China and Japan.

Chapter I.

OUTLINE OF RECENT DEVELOPMENTS IN CHINA.

The events of September 18th, 1931, which first brought the present conflict to the notice of the League of Nations, were but the outcome of a long chain of minor occasions of friction, indicating a growing tension in the relations between China and Japan. A knowledge of the essential factors in the recent relations of these two countries is necessary, to a complete understanding of the present conflict. It has been necessary, therefore, to extend our study of the issues beyond the limits of Manchuria itself and to consider in their widest aspect all the factors which determine present Sino-Japanese relations. The national aspirations of the Republic of China, the expansionist policy of the Japanese Empire and of the former Russian Empire, the present dissemination of Communism from the U.S.S.R., the economic and strategic needs of these three countries: such matters as these, for example, are factors of fundamental importance in any study of the Manchurian problem.

Situated as this part of China is geographically between the territories of Japan and Russia, Manchuria has become politically a centre of conflict, and wars between all three countries have been fought upon its soil. Manchuria is in fact the meeting-ground of conflicting needs and policies, which themselves require investigation before the concrete facts of the present conflict can be fully appreciated. We shall therefore begin by reviewing these essential factors *seriatim*.

The dominating factor in China is the modernisation of the nation itself which is slowly taking place. China to-day is a nation in evolution, showing evidence of transition in all aspects of its national life. Political upheavals, civil wars, social and economic unrest, with the resulting weakness of the Central Government, have been the characteristics of China since the revolution of 1911. Those conditions have adversely affected all the nations with which China has been brought into contact and, until remedied, will continue a menace to world peace and a contributory cause of world economic depression.

Of the stages by which the present conditions have been reached only a brief summary can here be given, which in no sense aims at being a comprehensive history. Throughout the first centuries of her intercourse with individual Occidentals, China remained, as far as Western influence is concerned, practically an isolated country. This condition of isolation was bound to come to an end when, at the beginning of the 19th century, the improvement of modern communication diminished distance and brought the Far East within easy reach of other nations, but in fact the country was not ready for the new contact when it came. As a result of the Treaty of Nanking, which ended the war of 1842, some ports were opened to foreign trade and residence. Foreign influences were introduced into a country whose Government had made no preparations to assimilate them. Foreign traders began to settle in her ports before she could provide for their administrative, legal, judicial, intellectual and sanitary requirements. The former therefore brought with them conditions and standards to which they were accustomed. Foreign cities sprang up in the Treaty

A knowledge
of antecedent
conditions
necessary to a
complete
understanding
of the present
conflict.

China,
a nation
in evolution.

China first
opened to
foreigners
in 1842.

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Ports. Foreign methods of organisation, of administration and business asserted themselves. Any efforts there may have been on either side to mitigate the contrast were not effective, and a long period of friction and misunderstanding followed.

The efficacy of foreign arms having been demonstrated in a series of armed conflicts, China hoped, by building arsenals and by military training according to Western methods, to meet force with force. Her efforts in this direction, restricted as they were in scope, were doomed to failure. Much more fundamental reforms were needed to enable the country to hold its own against the foreigner, but China did not desire such reforms. On the contrary, she wanted to protect her culture and dominion against them.

Japanese comparison.

Japan had to face similar problems when that country was first opened to Western influences : new contacts with disturbing ideas, the conflict of different standards, leading to the establishment of foreign settlements, one-sided tariff conventions and extra-territorial claims. But Japan solved these problems by internal reforms, by raising her standards of modern requirements to those of the West and by diplomatic negotiations. Her assimilation of Western thought may not yet be complete, and friction may sometimes be seen between the old and the new ideas of different generations, but the rapidity and the thoroughness with which Japan has assimilated Western science and technique and adopted Western standards without diminishing the value of her old traditions have aroused general admiration.

China's problem vastly more difficult.

However difficult Japan's problems of assimilation and transformation may have been, those faced by China were much more difficult, owing to the vastness of her territory, the lack of national unity of her people, and her traditional financial system, under which the whole of the revenue collected did not reach the central Treasury. Although the complexity of the problem which China has to solve may be so much greater than that which confronted Japan as to make unjust any comparison between the two, yet the solution required for China must ultimately follow lines similar to those adopted by Japan. The reluctance of China to receive foreigners and her attitude towards those who were in the country was bound to have serious consequences. It concentrated the attention of her rulers on resistance to and restriction of foreign influence, and prevented her from profiting by the experience of more modern conditions in the foreign settlements. As a result, the constructive reform necessary to enable the country to cope with the new conditions was almost completely neglected.

China's losses from conflict with foreign Powers.

The inevitable conflict of two irreconcilable conceptions of respective rights and international relations led to wars and disputes resulting in the progressive surrender of sovereign rights and the loss of territory, either temporary or permanent. China lost a huge area on the north bank of the Amur River, and the Maritime Province ; the Luchu Islands ; Hong-Kong ; Burma ; Annam ; Tongking ; Laos ; Cochin-China (provinces of Indo-China) ; Formosa ; Korea ; and several other tributary States ; she also granted long leases of other territories. Foreign courts, administration, police and military establishments were admitted on Chinese soil. The right to regulate at will her tariff on imports and exports was lost for the time being. China had to pay damages for injuries to foreign lives and property and heavy war indemnities which have been a burden to her finances ever since. Her very existence was even threatened by the division of her territory into spheres of interest of foreign Powers.

Reform movement starts after Boxer uprising in 1900.

Her defeat in the Sino-Japanese war of 1894-95, and the disastrous consequences of the Boxer uprising of 1900, opened the eyes of some thoughtful leaders to the necessity for fundamental reform. The reform movement was willing at first to accept the leadership of the Manchu House, but turned away from this dynasty after its cause and its leaders had been

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betrayed to the Empress Dowager, and the Emperor Kwang Hsu was made to expiate his hundred days of reform in virtual imprisonment to the end of his life in 1908.

The Manchu Dynasty had ruled China for 250 years. In its later years it was weakened by a series of rebellions: the Taiping rebellion (1850-1865), the Mohammedan risings in Yunnan (1856-1875), and the risings in Chinese Turkestan (1864-1877). The Taiping rebellion especially shook the Empire to its foundation and dealt a blow to the prestige of the dynasty, from which it never recovered. Finally, after the death of the then Empress Dowager in 1908, it collapsed through its own inherent weakness.

**Fall of the
Manchu
Dynasty.**

After some minor attempts at insurrection, the revolutionaries were successful in South China. A brief period followed during which a Republican Government was established at Nanking, with Dr. Sun Yat-sen, the leading figure of the Revolution, as provisional President. On February 12th, 1912, the then Empress Dowager, in the name of the child Emperor, signed a decree of abdication, and a provisional constitutional regime, with Yuan Shih-kai as President, was then inaugurated. With the abdication of the Emperor, his representatives in the provinces, prefectures and districts lost the influence and moral prestige which they had derived from his authority. They became ordinary men, to be obeyed only in so far as they were able to enforce their decisions. The gradual substitution of military for civil governors in the provinces was an inevitable consequence. The post of central executive could, likewise, be held only by the military leader who had the strongest army or was supported by the strongest group of provincial or local military chiefs.

This tendency towards military dictatorship, which was more apparent in the North, was facilitated by the fact that the army had gained some popularity by the support it had given in many instances to the Revolution. Military leaders did not hesitate to lay claim to the merit of having made the Revolution a success. Most of them were Northern leaders, to a certain extent grouped together in the so-called Peiyang Party — men who had risen from a low status to higher commands in the model army trained by Yuan Shih-kai after the Sino-Japanese war. They could more or less be trusted by him because of the tie of personal allegiance which, in China, has not yet given place to the corporate loyalty which characterises organisations in the West. These men were appointed military governors by Yuan Shih-kai in the provinces under his control. There the power rested in their hands and provincial revenues could accordingly be taken at will by them to be used for their personal armies and adherents.

**Tendency
towards
military
dictatorship
in the North.**

In the Southern provinces, the situation was different, partly as a result of intercourse with foreign countries and partly on account of the different social customs of the population. The people of South China have always been averse to military autocracy and official interference from outside. Dr. Sun Yat-sen and their other leaders remained faithful to the idea of constitutionalism. They had, however, little military force behind them, because the re-organisation of the army had not yet progressed very far in the provinces south of the Yangtze, and they had no well-equipped arsenals.

**Position in
the South.**

When, after much procrastination, the first Parliament was convened in Peking in 1913, Yuan Shih-kai had consolidated his military position, and lacked only sufficient financial resources to ensure the loyalty of the provincial armies. A huge foreign loan, the so-called Re-organisation Loan, provided him with the necessary financial means. But his action in concluding that loan without the consent of Parliament brought his political opponents of the Kuomintang or Nationalist Party, under Dr. Sun's leadership, into open revolt. In a military sense the South was weaker than the North, and was still more weakened when the victorious Northern

**Revolt against
Yuan Shih-kai,
1913.**

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commanders, after conquering a number of Southern provinces, placed the latter under Northern generals.

**Civil war and
political
unrest,
1914-1928.**

There were several attempts to reinstate the 1913 Parliament, which had been introduced by Yuan Shih-kai, or to convene bogus Parliaments, two attempts to establish monarchical rule, many changes of Presidents and Cabinets, continuous shifting of allegiance among military leaders, and many declarations of temporary independence of one or more provinces. In Canton, the Kuomintang Government, headed by Dr. Sun, succeeded in maintaining itself from 1917 onwards, with occasional intervals during which it ceased to function. During these years China was ravaged by warring factions ; and the ever-present bandits grew into veritable armies by the enlistment of ruined farmers, desperate inhabitants of famine-stricken districts, or unpaid soldiers. Even the constitutionalists, who were fighting in the South, were repeatedly exposed to the danger of militarist fends arising in their midst.

**Re-organisation
of the
Kuomintang.**

In 1923, convinced by Russian revolutionists that a definite programme, strict party discipline, and systematic propaganda were necessary to ensure the victory of his cause, Dr. Sun Yat-sen re-organised the Kuomintang with a programme which he outlined in his "Manifesto" and "Three Principles of the People"¹. Systematic organisation ensured party discipline and unity of action through the intermediary of a Central Executive Committee. A political training institute instructed propagandists and organisers of local branches, while a military training institute at Whampoo, with the help of Russian officers, was instrumental in providing the party with an efficient army, the leaders of which were permeated with the idea of the party. Thus equipped, the Kuomintang was soon ready to establish contacts with the people at large. Sympathisers were organised in local branches or in peasant and labour unions affiliated to the party. This preliminary conquest of the people's mind was, after the death of Dr. Sun in 1925, followed up by the successful Northern Expedition of the Kuomintang Army, which, by the end of 1928, succeeded in producing a nominal unity for the first time in many years, and a measure of actual unity which lasted for a time.

The first, or military, phase of Dr. Sun's programme had thus been brought to a successful end.

The second period of political tutelage under party dictatorship could begin. It was to be devoted to the education of the people in the art of self-government and to the reconstruction of the country.

**A Central
Government
established.**

In 1927, a Central Government was established at Nanking. It was controlled by the party — it was, in fact, merely one important organ of the party. It consisted of five Yuans or Boards (the Executive, the Legislative, the Judicial, the Control, and the Examination Boards). The Government had been modelled as closely as possible on the lines of Dr. Sun's "Five-Power Constitution" — the Trias Politica of Montesquieu with the addition of two old Chinese institutions, the Censorate and the Public Services Examination Board — in order to facilitate the transition to the final or constitutional stage, when the people, partly directly and partly through its elected representatives, would itself take charge of the direction of its government.

In the provinces, similarly, a committee system was adopted for the organisation of provincial governments, while in villages, towns and districts, the people were to be trained in the handling of local self-government. The party was now ready to put into operation its schemes of political and economic reconstruction, but was prevented from doing so by internal dissensions, the periodical revolt of various Generals with personal armies,

¹ National Independence, Democratic Government and Social Re-organisation.

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and the menace of Communism. In fact, the Central Government had repeatedly to fight for its very existence.

For a time unity was maintained on the surface. But not even the semblance of unity could be preserved when powerful war lords concluded alliances amongst themselves and marched their armies against Nanking. Though they never succeeded in their object, they remained, even after defeat, potential forces to be reckoned with. Moreover, they never took the position that war against the Central Government was an act of rebellion. It was in their eyes simply a struggle for supremacy between their faction and another one which happened to reside in the national capital and to be recognised as the Central Government by foreign Powers. This lack of hierarchical relations is all the more dangerous because serious dissensions in the Party itself have weakened the title of the Central Government to be the unquestioned successors of Dr. Sun. The new schism has led to the estrangement of influential Southern leaders, who retired to Canton, where the local authorities and the local branch of the Kuomintang frequently act independently of the Central Government.

From this summary description it appears that disruptive forces in China are still powerful. The cause of this lack of cohesion is the tendency of the mass of the people to think in terms of family and locality, rather than in terms of the nation, except in periods of acute tension between their own country and foreign Powers. Although there are, nowadays, a number of leaders who have risen above particularist sentiments, it is evident that a national outlook must be attained by a far greater number of citizens before real national unity can result.

Although the spectacle of China's transitional period, with its unavoidable political, social, intellectual and moral disorder, is disappointing to her impatient friends and has created enmities which have become a danger to peace, it is nevertheless true that, in spite of difficulties, delays and failures, considerable progress has in fact been made. An argument which constantly reappears in the polemics of the present controversy is that China is "not an organised State" or "is in a condition of complete chaos and incredible anarchy", and that her present-day conditions should disqualify her from membership of the League of Nations and deprive her of the protective clauses of the Covenant. In this connection, it may be useful to remember that an altogether different attitude was taken at the time of the Washington Conference by all the participating Powers. Yet, even at that time, China had two completely separate Governments, one at Peking and one at Canton, and was disturbed by large bandit forces which frequently interfered with communications in the interior, while preparations were being made for a civil war involving all China. As a result of this war, which was preceded by an ultimatum sent to the Central Government on January 13th, 1922, when the Washington Conference was still in session, the Central Government was overthrown in May, and the independence of Manchuria from the Government installed at Peking in its place was declared in July by Marshal Chang Tso-lin. Thus, there existed no fewer than three Governments professing to be independent, not to mention the virtually autonomous status of a number of provinces or parts of provinces. Although, at present, the Central Government's authority is still weak in a number of provinces, the central authority is not, at least openly, repudiated, and there is reason to hope that, if the Central Government as such can be maintained, provincial administration, military forces and finance will acquire an increasingly national character. Those, among others, were doubtless the reasons which induced the Assembly of the League of Nations last September to elect China to the Council.

The present Government has tried to balance its current receipts and expenditure and to adhere to sound financial principles. Various taxes have been consolidated and simplified. In default of a proper budgetary

The authority
of the
Central
Government
challenged
from without
and weakened
by dissensions
within.

Present
condition of
China
compared with
that at the time
of the
Washington
Conference.

Efforts for
Chinese
reconstruction.

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system, an annual statement has been issued by the Ministry of Finance. A Central Bank has been established. A National Financial Committee has been appointed, which includes among its members influential representatives of banking and commercial interests. The Ministry of Finance is also trying to supervise the finances of the provinces, where the methods of raising taxes are often still highly unsatisfactory. For all these measures the Government is entitled to credit. It has, however, been forced by recurrent civil wars to increase its domestic indebtedness by about a billion dollars (silver) since 1927. Lack of funds has prevented it from executing its ambitious plans of reconstruction, or completing the improvement of communications which is so vitally necessary for the solution of most of the country's problems. In many things, no doubt, the Government has failed, but it has already accomplished much.

Nationalism.

The nationalism of modern China is a normal aspect of the period of political transition through which the country is passing. National sentiments and aspirations of a similar kind would be found in any country placed in the same position. But, in addition to the natural desire to be free from any outside control in a people that has become conscious of national unity, the influence of the Kuomintang has introduced into the nationalism of China an additional and abnormal tinge of bitterness against all foreign influences, and has expanded its aims so as to include the liberation of all Asiatic people still subject to "imperialistic oppression". This is partly due to the slogans of its early communistic connection. Chinese nationalism to-day is also permeated by memories of former greatness, which it desires to revive. It demands the return of leased territories, of administrative and other not purely commercial rights exercised by a foreign agency in railway areas, of administrative rights in concessions and settlements, and of extra-territorial rights which imply that foreigners are not amenable to Chinese laws, law courts and taxation. Public opinion is strongly opposed to the continuance of these rights, which are regarded as a national humiliation.

**Attitude of
foreign
Powers on the
subject
of extra-
territoriality.**

Foreign Powers have in general taken a sympathetic attitude towards these desires. At the Washington Conference, 1921-22, they were admitted to be acceptable in principle, though there was divergence of opinion as to the best time and method of giving effect to them. It was felt that an immediate surrender of such rights would impose upon China the obligation to provide administration, police and justice of a standard which, owing to financial and other internal difficulties, she could not at present attain. The present single issue of extra-territoriality might lead to a number of separate issues with foreign Powers if the former were abolished prematurely. It was also felt that international relations would not improve but would deteriorate if foreign nationals were to be exposed to the same unjust treatment and extortionate taxation as Chinese citizens were subjected to in so many parts of the country. In spite of these reservations, much was actually accomplished, especially at Washington, or as a result of that Conference. China has recovered two out of five leased territories, many concessions, administrative rights in the area of the Chinese Eastern Railway, Customs autonomy, and postal rights. Many treaties on the basis of equality have also been negotiated.

Having started upon the road of international co-operation for the purpose of solving her difficulties, as was done at Washington, China might have made more substantial progress in the ten years that have since elapsed had she continued to follow that road. She has only been hampered by the virulence of the anti-foreign propaganda which has been pursued. In two particulars has this been carried so far as to contribute to the creation of the atmosphere in which the present conflict arose — namely, the use made of the economic boycott, to which reference is made in Chapter VII, and the introduction of anti-foreign propaganda into the schools.

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It is provided in the Provisional Constitution of China promulgated on June 1st, 1931,¹ that "the Three Principles of the People shall be the basic principles of education in the Republic of China". The ideas of Dr. Sun Yat-sen are now taught in the schools as if they had the same authority as that of the Classics in former centuries. The sayings of the master receive the same veneration as the sayings of Confucius received in the days before the Revolution. Unfortunately, however, more attention has been given to the negative than to the constructive side of nationalism in the education of the young. A perusal of the text-books used in the schools leaves the impression on the mind of a reader that their authors have sought to kindle patriotism with the flame of hatred, and to build up manliness upon a sense of injury. As a result of this virulent anti-foreign propaganda, begun in the schools and carried through every phase of public life, the students have been induced to engage in political activities which sometimes have culminated in attacks on the persons, homes or offices of Ministers and other authorities, and in attempts to overthrow the Government. Unaccompanied by effective internal reforms or improvements in national standards, this attitude tended to alarm the foreign Powers and to increase their reluctance to surrender the rights which are at the moment their only protection.

In connection with the problems of maintaining law and order, the present inadequate means of communication in China is a serious handicap. Unless communications are sufficient to ensure prompt transportation of national forces, the safeguarding of law and order must largely, if not completely, be entrusted to provincial authorities, who, on account of the distance of the Central Government, must be allowed to use their own judgment in handling provincial affairs. Under such conditions, independence of mind and action may easily cross the boundary of law, with the result that the province gradually takes on the aspect of a private estate. Its armed forces are also identified with their commander, not with the nation. The transfer of a commander from one army to another by order of the Central Government is, in many cases, impossible. The danger of civil war must continue to exist so long as the Central Government lacks the material means to make its authority swiftly and permanently felt all over the country.

The problem of banditry, which may be traced throughout the history of China, and which exists to-day in all parts of the country, is subject to the same considerations. Banditry has always existed in China and the administration has never been able to suppress it thoroughly. Lack of proper communications was one of the reasons which prevented the administration from getting rid of this evil, which increased or decreased according to changing circumstances. Another contributing cause is to be found in the local uprisings and rebellions which have often occurred in China, especially as a result of maladministration. Even after the successful suppression of such rebellions, bandit gangs recruited from the ranks of the rebels often remained active in parts of the country. This was specially the case in the period following the suppression of the Taiping rebellion (1850-1865). In more recent times, bandits have also originated from the ranks of unpaid soldiers who were not able to find other means of living and had been accustomed to looting during the civil wars in which they had taken part.

Other causes which have given rise to an increase of banditry in parts of China were floods and droughts. These are more or less regular occurrences, and they have always brought famine and banditry in their wake. The problem has been further aggravated by the pressure of a rapidly increasing population. In congested areas, normal economic difficulties were still further increased and, amongst people living on a bare subsistence

Nationalism
in the schools.

Problems of
law and order :
Necessity of
adequate
communications.

Local armies.

Banditry.

¹ Article 47 of the Chapter on "Education of the Citizens".

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level with no margin to meet times of crisis, the slightest deterioration in the conditions of life might bring large numbers to the point of destitution. Banditry, therefore, has been largely influenced by the prevailing economic conditions. In prosperous periods or districts it has diminished, but where for any of the reasons mentioned the struggle for existence was intensified or the political conditions were disturbed it was sure to increase.

When once banditry had become well established in any area, its suppression by force was rendered difficult because of the defective communications in the interior of the country. It is in regions which are difficult of access, where a few miles may involve days of travel, that large armed bands can move freely, appearing and disappearing suddenly, without their abodes and movements being known. When bandit suppression has been long neglected, and when the soldiers even co-operate with bandits secretly, as has happened often enough, traffic along highways and waterways is interfered with. Such occurrences can only be stopped by adequate police forces. In the districts of the interior, bandit suppression is much more difficult, because guerrilla warfare inevitably develops.

But, though the personal armies of local Generals and the prevalence of bandit hordes throughout the country may disturb the internal peace of the country, they are no longer a menace to the authority of the Central Government as such. There is, however, a menace of this kind from another source — namely, Communism.

The Communist movement in China, during the first years of its existence, remained restricted within intellectual and labour circles, where the doctrine gained considerable influence in the period 1919-1924. Rural China was, at that time, scarcely touched by this movement. The manifesto of the Soviet Government of July 25th, 1919, declaring its willingness to renounce all privileges "extorted" from China by the former Tsarist Government, created a favourable impression throughout China, especially amongst the intelligentsia. In May 1921, the "Chinese Communist Party" was formally constituted. Propaganda was especially conducted in labour circles at Shanghai, where red syndicates were organised. In June 1922, at its second congress, the Communist Party, which did not then number more than three hundred members, decided to ally itself with the Kuomintang. Dr. Sun Yat-sen, although opposed to the Communist doctrine, was prepared to admit individual Chinese Communists into the party. In the autumn of 1922, the Soviet Government sent a Mission to China, headed by Mr. Joffe. Important interviews, which took place between him and Dr. Sun resulted in the joint declaration of January 26th, 1923, by which assurance was given of Soviet sympathy and support to the cause of the national unification and independence of China. It was explicitly stated, on the other hand, that the Communist organisation and the Soviet system of government could not be introduced at that time under the conditions prevailing in China. Following this agreement, a number of military and civil advisers were sent from Moscow by the end of 1923, and "undertook, under the control of Dr. Sun, the modification of the internal organisation of the Kuomintang and of the Cantonese Army".

At the first National Congress of the Kuomintang, convened in March 1924, the admission of Chinese Communists into the party was formally agreed to, on condition that such members should not take any further part in the preparation of the proletarian revolution. The period of tolerance with regard to Communism thus began.

This period lasted from 1924 until 1927. Early in 1924 the Communists counted about 2,000 adherents, and red syndicates approximately 60,000 members. But the Communists soon acquired enough influence inside the Kuomintang to raise anxiety amongst the orthodox members of the party. They presented to the Central Committee, at the end of 1926, a proposal going so far as to include the nationalisation of all landed properties

Communism a challenge to the authority of the Central Government.

Origin of Communism in China, 1921.

Period of tolerance with regard to Communism, 1924-1927.

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except those belonging to workmen, peasants or soldiers ; the re-organisation of the Kuomintang ; the elimination of all military leaders hostile to Communism ; and the arming of 20,000 Communists and 50,000 workmen and peasants. This proposal, however, was defeated, and the Communists ceased to support the intended campaign of the Kuomintang against the Northern militarists, although they had previously been most active in the organisation of the Nationalist forces. Nevertheless, at a later stage, they joined in it, and when the Northern Expedition reached Central China and established a Nationalist Government at Wu-Han in 1927, the Communists succeeded in obtaining a controlling position in it, as the Nationalist leaders were not prepared to join issue with them until their own forces had occupied Nanking and Shanghai. The Wu-Han Government put into operation in the provinces of Hunan and Hupeh a series of purely communistic measures. The Nationalist Revolution was almost on the point of being transformed into a Communist Revolution.

The Nationalist leaders at last decided that Communism had become too serious a menace to be tolerated any longer. As soon as they were firmly established at Nanking, where another National Government was constituted on April 10th, 1927, a proclamation was issued in which the Nanking Government ordered the immediate purification of the Army and the Civil Service from Communism. On July 15th, the majority of the Central Executive of the Kuomintang at Wu-Han, who had so far refused to join the Nationalist leaders at Nanking, adopted a resolution excluding Communists from the Kuomintang and ordering the Soviet advisers to leave China. As a result of this decision, the Kuomintang regained its unity and the Government at Nanking became generally recognised by the party.

During the period of tolerance, several military units had been gained to the Communist cause. These had been left in the rear, mostly in Kiangsi Province, when the Nationalist Army was marching to the North. Communist agents were sent to co-ordinate these units and to persuade them to take action against the National Government. On July 30th, 1927, the garrison at Nanchang, the capital of Kiangsi Province, together with some other military units, revolted and subjected the population to numerous excesses. However, on August 5th, they were defeated by the Government forces and withdrew to the South. On December 11th, a Communist rising at Canton delivered control of the city for two days into their hands. The Nanking Government considered that official Soviet agents had actively participated in these uprisings. An order of December 14th, 1927, withdrew the *exequatur* of all the consuls of the U.S.S.R. residing in China.

The recrudescence of civil war favoured the growth of Communist influence in the period between 1928 and 1931. A Red army was organised, and extensive areas in Kiangsi and Fukien were sovietised. Only in November 1930, shortly after the defeat of a powerful coalition of Northern militarists, was the Central Government able to take up the suppression of Communism in earnest. The Communist forces had operated in parts of Kiangsi and Hunan Provinces and were then reported to have caused in two or three months the loss of 200,000 lives and of property valued at about one billion dollars (silver). They had now become so strong that they were able to defeat the first and frustrate the second expedition sent against them by the Government. The third expedition, directed by the Commander-in-Chief, General Chiang Kai-shek, defeated the Communist armies in several encounters. By the middle of July 1931, the most important Communist strongholds had been taken, and their forces were in full retreat towards Fukien.

Whilst constituting a political commission to re-organise the areas which had been devastated, General Chiang Kai-shek pursued the Red armies, and drove them into the mountainous region north-east of Kiangsi.

**Break between
Kuomintang
and
Communism,
1927.**

**Affairs of
Nanchang and
Canton.**

**Continuation
of armed
struggle
with the
Communist
armies.**

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The Nanking Government was thus on the point of putting the principal Red army out of action, when events occurred in different parts of China which obliged them to suspend this offensive and to withdraw a large part of their troops. In the North had occurred the rebellion of General Shih Yu-san, supported by a hostile intervention on the part of the Cantonese troops in the province of Hunan ; simultaneously with this intervention came the events of September 18th at Mukden. Encouraged by these circumstances, the Reds resumed the offensive, and before long the fruits of the victorious campaign were almost completely lost.

Present extent of Communist organisations.

Large parts of the provinces of Fukien and Kiangsi, and parts of Kwangtung, are reliably reported to be completely sovietised. Communist zones of influence are far more extensive. They cover a large part of China south of the Yangtze, and parts of the provinces of Hupeh, Anhwei, and Kiangsu north of that river. Shanghai has been the centre of Communist propaganda. Individual sympathisers with Communism may probably be found in every town in China. So far, two provincial Communist governments only have been organised in Kiangsi and Fukien, but the number of minor Soviets runs into hundreds. The Communist government itself is formed by a committee elected by a congress of local workers and peasants. It is, in reality, controlled by representatives of the Chinese Communist Party, which sends out trained men for that purpose, a large number of whom have been previously trained in the U.S.S.R. Regional Committees, under the control of the Central Committee of the Chinese Communist Party, in their turn control provincial committees and these, again, district committees, and so on, down to the Communist cells organised in factories, schools, military barracks, etc.

Methods employed by the Communists.

When a district has been occupied by a Red army, efforts are made to sovietise it, if the occupation appears to be of a more or less permanent nature. Any opposition from the population is suppressed by terrorism. A Communist government, as described above, is then established. The complete organisation of such governments comprises : Commissariats for Internal Affairs, for the struggle against the anti-revolutionaries (G. P. U.), for Financial Affairs, for Rural Economy, for Education, for Hygiene, for Post and Telegraph, for Communications ; and Committees for Military Affairs and for the control of workmen and peasants. Such elaborate government organisations exist only in completely sovietised districts.

Elsewhere the organisation is much more modest.

The programme of action consists in the cancellation of debts, the distribution amongs landless proletarians and small farmers of land forcibly seized, either from large private owners or from religious institutions, such as temples, monasteries and churches. Taxation is simplified ; the peasants have to contribute a certain part of the produce of their lands. With a view to the improvement of agriculture, steps are taken to develop irrigation, rural credit systems, and co-operatives. Public schools, hospitals and dispensaries may also be established.

Thus the poorest farmers derive considerable benefit from Communism, whereas the rich and middle-class landowners, merchants and local gentry are completely ruined, either by immediate expropriation or by levies and fines, and, in applying its agrarian programme, the Communist Party expects to gain the support of the masses. In this respect, its propaganda and action have met with considerable success, notwithstanding the fact that Communist theory conflicts with the Chinese social system. Existing grievances resulting from oppressive taxation, extortion, usury and pillage by soldiery or bandits were fully exploited. Special slogans were employed for farmers, workmen, soldiers and intellectuals, with variations specially adapted to women.

Special character of Communism in China.

Communism in China not only means, as in most countries other than the U.S.S.R., either a political doctrine held by certain members of existing parties, or the organisation of a special party to compete for power with

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other political parties. It has become an actual rival of the National Government. It possesses its own law, army and government, and its own territorial sphere of action. For this state of affairs there is no parallel in any other country. Moreover, in China, the disturbance created by the Communist war is made more serious by the fact that the country is going through a critical period of internal reconstruction, still further complicated during the last eleven months by an external crisis of exceptional gravity. The National Government seems to be determined to regain the control of the districts under Communist influence, and to pursue in those districts, once their recovery is achieved, a policy of economic rehabilitation ; but in its military campaigns, apart from difficulties already mentioned, both internal and external, it is hampered by lack of funds and defective communications. The problem of Communism in China is thus linked up with the larger problem of national reconstruction.

In the summer of 1932, important military operations, having for their object a final suppression of the Red resistance, were announced by the Government of Nanking. They were commenced and, as stated above, were to have been accompanied by a thorough social and administrative reorganisation of the recaptured regions, but up to the present no important results have been announced.

So far as Japan is China's nearest neighbour and largest customer, she has suffered more than any other Power from the lawless conditions described in this chapter. Over two-thirds of the foreign residents in China are Japanese, and the number of Koreans in Manchuria is estimated at about 800,000. She has more nationals, therefore, than any other Power, who would suffer if they were made amenable to Chinese law, justice and taxation under present conditions.

Japan felt it impossible to satisfy Chinese aspirations so long as satisfactory safeguards to take the place of her Treaty rights could not be hoped for. Her interests in China, and more especially in Manchuria, began to be more prominently asserted as those of the other major Powers receded into the background. Japan's anxiety to safeguard the life and property of her subjects in China caused her to intervene repeatedly in times of civil war or of local disturbances. Such action was bitterly resented by China, especially when it resulted in an armed clash such as occurred in 1928 at Tsinan. In recent years, the claims of Japan have come to be regarded in China as constituting a more serious challenge to national aspirations than the rights of all the other Powers taken together.

This issue, however, though affecting Japan to a greater extent than other Powers, is not a Sino-Japanese issue alone. China demands immediately the surrender of certain exceptional powers and privileges because they are felt to be derogatory to her national dignity and sovereignty. The foreign Powers have hesitated to meet these wishes as long as conditions in China did not ensure adequate protection of their nationals, whose interests depend on the security afforded by the enjoyment of special Treaty rights. The process of fermentation, inevitable in a period of transition, which this chapter has attempted to describe, has developed forces of public opinion which will probably continue to embarrass the Central Government in the conduct of its foreign policy, as long as it is weakened by failure to complete the unification and reconstruction of the country. The realisation of China's national aspirations in the field of foreign relations depends on her ability to discharge the functions of a modern Government in the sphere of domestic affairs, and until the discrepancy between these two has been removed the danger of international friction and of incidents, boycotts, and armed interventions will continue.

The present extreme case of international friction having forced China once more to seek the intervention of the League of Nations should, if a satisfactory settlement can be effected, convince her of the advantages of

**Effect of these
conditions
upon
Sino - Japanese
relations.**

**International
interest in the
problems of
Chinese
reconstruction.**

**International
co-operation
offers the**

— 24 —

*best hope of
their solution.*

the policy of international co-operation, which was inaugurated at Washington with such beneficial results in 1922. China has not at the moment the capital nor the trained specialists necessary for the unaided accomplishment of her national reconstruction. Dr. Sun Yat-sen himself realised this, and actually drew up an ambitious plan of international participation in the economic development of his country. The National Government, too, has in recent years sought and accepted international help in the solution of her problems — in financial matters since 1930, in matters relating to economic planning and development in liaison with the technical organisations of the League of Nations since the constitution of the National Economic Council in 1931, and in relief of the distress caused by the great flood of the same year. Along this road of international co-operation, China would make the surest and most rapid progress towards the attainment of her national ideals, and such a policy would make it easier for foreign Powers to give what support the Central Government may seek, and to help in the removal as rapidly and as effectively as possible of any causes of friction which may endanger her peaceful relations with the rest of the world.

Chapter II.

MANCHURIA.

DESCRIPTION, RELATIONS WITH THE REST OF CHINA AND WITH RUSSIA.

1. DESCRIPTION.

Introductory.

Manchuria, which is known in China as the Three Eastern Provinces, a large, fertile region only forty years ago almost undeveloped and even now still under-populated, has assumed an increasingly important role in the solution of the surplus population problems of China and Japan. The provinces of Shantung and Hopei have poured millions of destitute farmers into Manchuria, while Japan has exported to that country her manufactured articles and capital, in exchange for food supplies and raw materials. In providing for the respective needs of China and Japan, Manchuria has proved the usefulness of their partnership. Without Japan's activity, Manchuria could not have attracted and absorbed such a large population. Without the influx of Chinese farmers and labourers, Manchuria could not have developed so rapidly, providing Japan thereby with a market and with supplies of food, fertilisers and raw materials.

*Manchuria a
coveted
region, first on
account of its
strategic
advantages,
subsequently
on account of
agricultural
and mineral
resources.*

Yet, Manchuria, so largely dependent on co-operation, was destined, for reasons already indicated, to become a region of conflict : at first between Russia and Japan, later between China and her two powerful neighbours. At first, Manchuria entered into this great conflict of policies only as an area, the occupation of which was thought to imply domination of Far-Eastern politics. It became coveted for its own sake later, when its agricultural, mineral and forestry resources had been discovered. Exceptional treaty rights were acquired in the first instance by Russia at the expense of China. Those which concerned South Manchuria were subsequently transferred to Japan. The use of the privileges so acquired became more and more instrumental in furthering the economic development of South Manchuria. Strategical considerations have remained paramount, but the extensive economic interests resulting from the active part taken

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by Russia and Japan in the development of Manchuria found an ever-increasing insistence in the foreign policy of these two countries.

China at first showed little activity in the field of development. She almost allowed Manchuria to pass from her control to that of Russia. Even after the Treaty of Portsmouth, which reaffirmed her sovereignty in Manchuria, the economic activities of Russia and Japan in developing those provinces figured more prominently than her own in the eyes of the world. Meanwhile the immigration of millions of Chinese farmers settled the future possession of the land. This immigration was in fact an occupation—peaceful, inconspicuous, but none the less real. While Russia and Japan were engaged in delimiting their respective spheres of interest in North and South Manchuria, Chinese farmers took possession of the soil and Manchuria is now unalterably Chinese. In such circumstances, China could afford to wait for a favourable opportunity to reassert her sovereign rights. The Russian revolution of 1917 gave her that opportunity in North Manchuria. She began to take a more active part in the government and development of the country, which had been so long neglected. In recent years she has tried to diminish Japan's influence in South Manchuria. Growing friction resulted from that policy, the culminating point of which was reached on September 18th, 1931.

The total population is estimated at about 30,000,000, of whom 28,000,000 are said to be Chinese or assimilated Manchus. The number of Koreans is put at 800,000, of whom a large number are congregated in the so-called Chientao District on the Korean border, the remainder being widely scattered in Manchuria. Mongol tribes live in the pasture lands bordering Inner Mongolia, their number being small. There may be about 150,000 Russians in Manchuria, most of them living in the area along the Chinese Eastern Railway, especially at Harbin. About 230,000 Japanese are mainly concentrated in the settlements along the South Manchuria Railway and in the Kwantung Leased Territory (Liaotung Peninsula). The total number of Japanese, Russians and other foreigners (excluding Koreans) in Manchuria does not exceed 400,000.

Manchuria is a vast country with an area as large as that of France and Germany taken together, estimated at about 380,000 square miles. In China it is always referred to as the "Three Eastern Provinces" because of its administrative division into the three provinces of Liaoning (or Feng-tien) in the South, Kirin in the East, and Heilungkiang in the North. Liaoning is estimated to have an area of 70,000 square miles, Kirin of 100,000, Heilungkiang of over 200,000.

Manchuria is continental in its characteristics. There are two mountain ranges, the Changpai Range in the south-east and the Great Khingan Range in the north-west. Between these two mountain ranges lies the great Manchurian plain, of which the northern part belongs to the basin of the Sungari River and the southern part to that of the Liao River. The watershed between them, which has some historical importance, is a range of hills dividing the Manchurian plain into a northern and a southern part.

Manchuria is bounded on the west by the province of Hopeh and by Outer and Inner Mongolia. Inner Mongolia was formerly divided into three special administrative areas—Jehol, Chahar and Suiyuan—which were given the full status of provinces by the National Government in 1928. Inner Mongolia, and more especially Jehol, has always had relations with Manchuria, and exercises some influence in Manchurian affairs. On the north-west, north-east, and east, Manchuria is bounded by the Siberian provinces of the U.S.S.R., on the south-east by Korea, and on the south by the Yellow Sea. The southern end of the Liaotung Peninsula has been held by Japan since 1905. Its area is over 1,300 square miles, and it is administered as a Japanese leased territory. In addition, Japan exercises

**Occupation of
the soil by
Chinese
farmers.**

Population.

Area

Geography.

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certain rights over a narrow strip of land, which extends beyond the Leased Territory, and which contains the lines of the South Manchuria Railway. The total area is only 108 square miles, whereas the length of the lines is 690 miles.

Economic resources.

The soil of Manchuria is generally fertile, but its development is dependent on transportation facilities. Many important towns flourish along its rivers and railways. Formerly, development was practically dependent on the river system, which is still of much importance, though the railways have now taken the first place as a means of transport. The production of important crops, such as soya beans, kaoliang, wheat, millet, barley, rice, oats, has doubled in fifteen years. In 1929, these crops were estimated at over 876,000,000 bushels. According to estimates given in the *Manchurian Year-Book*, 1931, only 12.6 per cent of the total area has been brought under cultivation in 1929, whereas 28.4 per cent was cultivable. A large increase of production may therefore be expected in the future if economic conditions improve. The total value of the agricultural products of Manchuria for the year 1928 was estimated at over £130,000,000 sterling. A large part of the agricultural produce is exported. Pongee or tussah silk is another important article of export from Manchuria.

Timber and minerals

The mountainous regions are rich in timber and minerals, especially coal. Important deposits of iron and gold are also known to exist, while large quantities of oil shale, dolomite, magnesite, limestone, fireclay, steatite, and silica of excellent quality have been found. The mining industry may therefore be expected to become of great importance.¹

2. RELATIONS WITH THE REST OF CHINA.

Early history of the fall of the Manchu Dynasty.

Manchuria has, since the dawn of history, been inhabited by various Tungus tribes, who mixed freely with Mongol Tartars. Under the influence of Chinese immigrants of superior civilisation they learned to organise themselves and established several kingdoms which sometimes dominated the greater part of Manchuria and some northern districts in China and Korea. The Liao, Chin, and Manchu Dynasties even conquered large parts or the whole of China over which they ruled for centuries. China, on the other hand, under strong emperors, was able to stem the tide from the North, and in her turn to establish sovereignty over large parts of Manchuria. Colonisation by Chinese settlers was practised at a very early date. Various Chinese towns which radiated the influence of Chinese culture through the surrounding districts date from the same early time. For two thousand years a permanent foothold has been maintained, and Chinese culture has always been active in the southernmost part of Manchuria. The influence of this culture had become very strong during the rule of the Ming Dynasty (1368-1644), whose authority extended over practically the whole of Manchuria. The Manchus were permeated by Chinese culture and had amalgamated to a great extent with the Chinese before they overthrew the Ming administration in Manchuria in 1616, and in 1628 passed the Great Wall to conquer China. In the Manchu Army were large numbers of Chinese who were organised in separate military units known as Chinese Banners.

After the conquest, the Manchus quartered their garrisons in the more important cities of China, forbade Manchus to engage in certain professions, prohibited intermarriage between Manchus and Chinese, and restricted the immigration of Chinese into Manchuria and Mongolia. These measures were inspired more by political than by racial discrimination, and aimed at safeguarding the permanent dominance of the dynasty. They did not

¹ See also Chapter VII and the special studies No. 2 and No. 3 annexed to this Report.

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affect the numerous Chinese Bannermen, who enjoyed practically the same privileged status as the Manchus themselves.

The exodus of the Manchus and their Chinese allies greatly reduced the population of Manchuria. However, in the South, Chinese communities continued to exist. From this foothold a few settlers spread across the central part of Fengtien province. Their number was increased by a continuous infiltration of immigrants from China, who succeeded in evading the exclusion laws or who had profited by their modifications from time to time. Manchus and Chinese became still more amalgamated, and even the Manchu language was virtually replaced by Chinese. The Mongols, however, were not assimilated but pushed back by the advancing immigrants. Finally, to stem the Russian advance from the North, the Manchu Government decided to encourage Chinese immigration. In 1878, various parts of Manchuria were accordingly opened and various forms of encouragement given to immigrants, with the result that, at the time of the Chinese Revolution in 1911, the population of Manchuria was estimated at 18,000,000.

In 1907, a few years only before its abdication, the Manchu Dynasty had decided to reform the administration in Manchuria. These provinces had hitherto been administered as a separate, extra-mural dominion, with its own form of government. The Chinese practice of entrusting the civil administration in the provinces to scholars who had passed the competitive examinations had not been followed in Manchuria, which had been placed under a purely military regime in which Manchu officials and traditions were maintained. In China, officials were not allowed to hold office in their native province. Each Manchurian province had a military governor, who exercised complete power in civil as well as in military matters. Later, attempts had been made to separate military and civil administration. The results were not satisfactory. The demarcation of the respective spheres of authority was not adequate; misunderstandings and intrigues were frequent and inefficiency resulted. In 1907, therefore, this attempt was given up. The three military governors were replaced by a Viceroy for all Manchuria, with the object of centralising authority, especially in the domain of foreign policy. Provincial civil governors under the control of the Viceroy were in charge of provincial administration. This reorganisation prepared the way for the later administrative reforms which introduced the Chinese system of provincial government. These last measures of the Manchus were very effective, thanks to the able administrators in charge of Manchurian affairs after 1907.

When the Revolution broke out in 1911, the Manchurian authorities who were not in favour of the Republic succeeded in saving these provinces from the turmoil of civil war by ordering Chang Tso-lin, who was later to become the dictator of both Manchuria and North China, to resist the advance of the revolutionary troops. When the Republic had been established, the Manchurian authorities accepted the *fait accompli* and voluntarily followed the leadership of Yuan Shih-kai, who was chosen the first President of the Republic. To each province both civil and military governors were appointed. In Manchuria, as in the rest of China, the military governors soon succeeded in putting their civil colleagues into the background.

In 1916, Chang Tso-lin was appointed military governor of Fengtien province, concurrently acting as civil governor. His personal influence extended much further. When the question arose of declaring war against Germany, he joined the military leaders in China in their request to dissolve the Parliament which had opposed that measure. When the request was rejected by the President, he declared his province independent from the Central Government at Peking. Later, he withdrew that declaration and in 1918, in recognition of his service to the Central Government, he was appointed Inspector-General of all Manchuria. In this way Manchuria again became an administrative unit with its own special regime.

After the fall of
the Manchu
Dynasty.

1916.
Chang Tso-lin
appointed
Governor
of Fengtien
province.

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1922.
He severs
allegiance to
Central
Government
at Peking.

**The Mukden
Agreement
with
U.S.S.R.
1924.**

**Marshal Chang
Tso-lin defeats
General
Wu Pei-fu.**

**Mutiny of Kuo
Sung-lin, 1925.**

**Meaning of
Manchurian
independence.**

Chang Tso-lin accepted the honours accorded by the Central Government, but his attitude from time to time depended on the nature of his personal relations with the military leaders who controlled the changing central authorities. He seems to have looked upon his relations with the Government in the sense of a personal alliance. In July 1922, when he failed to establish his authority south of the Great Wall and saw his rivals taking control of the Peking Government, he renounced allegiance to the Central Government and maintained complete independence of action in Manchuria until he extended his authority south of the Wall and became master of Peking as well. He expressed his willingness to respect foreign rights, and accepted the obligations of China, but he requested foreign Powers to negotiate henceforth directly with his administration in all matters concerning Manchuria.

Accordingly, he repudiated the Sino-Soviet Agreement of May 31st, 1924, though very advantageous to China, and persuaded the U.S.S.R. to conclude a separate agreement with him in September 1924. It was virtually identical with that of May 31st, 1924, with the Central Government. This fact emphasised Chang Tso-lin's insistence on the recognition of his complete independence of action, both in domestic and foreign policy.

In 1924, he invaded China again and was successful, because General (now Marshal) Feng Yu-hsiang abandoned his superior, General (now Marshal) Wu Pei-fu, at a critical moment in the campaign. The immediate result was the overthrow of the Central Government and the expansion of Marshal Chang's influence as far south as Shanghai.

In 1925, Marshal Chang had again to resort to arms, this time against his late ally, General Feng. In this campaign one of his commanders, Kuo Sung-lin, abandoned him at a most critical moment in favour of General Feng. The mutiny of Kuo Sung-lin in November 1925 was of more than passing interest, because it involved both the U.S.S.R. and Japan, the action of the former having been indirectly of advantage to General Feng and that of the latter to Marshal Chang. Kuo Sung-lin, though a subordinate of the Marshal, shared General Feng's views about social reform, and turned against his superior in the belief that his downfall was necessary to put an end to civil war. This defection put the Marshal in a most critical position. Kuo Sung-lin was in possession of the territory west of the railway and the Marshal was at Mukden with greatly reduced forces. At this moment, Japan, in her own interests in South Manchuria, declared a neutral zone of 20 li (7 miles) on each side of the South Manchuria Railway, across which she would allow no troops to pass. This prevented Kuo Sung-lin from advancing against the Marshal and allowed time for the reinforcements from Heilungkiang to reach him. They were delayed by the action of the Soviet railway authorities, who refused to allow them to travel over the railway without first paying their fares in cash, but they managed to travel by another route.

The arrival of these reinforcements and the more or less open help given by the Japanese settled the campaign in the Marshal's favour. Kuo Sung-lin was defeated and General Feng was forced to withdraw and to abandon Peking to Marshal Chang. Marshal Chang resented the action of the authorities of the Chinese Eastern Railway on this occasion and left no stone unturned to retaliate by continuous encroachments on the rights of this railway. The experience provided by this incident appears to have been an important factor in causing him to build an independent railway system connecting the three provincial capitals of Manchuria.

The independence declared by Marshal Chang Tso-lin at different times never meant that he or the people of Manchuria wished to be separated from China. His armies did not invade China as if it were a foreign country, but merely as participants in the civil war. Like the war lords of any other province, the Marshal alternately supported, attacked, or declared

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his territory independent of the Central Government, but never in such a way as to involve the partition of China into separate States. On the contrary, most Chinese civil wars were directly or indirectly connected with some ambitious scheme to unify the country under a really strong Government. Through all its wars and periods of "independence", therefore, Manchuria remained an integral part of China.

Although Marshal Chang Tso-lin and the Kuomintang had been allies in the wars against Wu Pei-fu, the former did not himself accept the doctrines of the Kuomintang. He did not approve of the constitution as desired by Dr. Sun, as it did not seem to him to harmonise with the spirit of the Chinese people; but he desired the unification of China, and his policy with regard to the spheres of interest of the U.S.S.R. and Japan in Manchuria shows that he would have liquidated both if he could have done so. Indeed, he almost succeeded in accomplishing this in the case of the sphere of the U.S.S.R. and initiated the policy of railway construction already referred to, which was to cut off the South Manchuria Railway from some of its feeder districts. This attitude towards U.S.S.R. and Japanese interests in Manchuria may be attributed partly to impatience at the limitations of his authority in dealing with these countries and partly to the resentment which he shared with all shades of Chinese opinion regarding the privileged position of foreigners in China. In fact, in November 1924, he invited Dr. Sun to a re-organisation conference in the programme of which the latter wanted to include the improvement of the standard of living, the convening of a national convention, and the abolition of unequal treaties. Dr. Sun's fatal illness prevented this conference from taking place; but his proposals suggest a certain understanding with the Marshal and a possible basis of agreement between them with regard to the foreign policy of their country.

In the last years of his life, Marshal Chang Tso-lin showed increasing unwillingness to allow Japan to profit by the privileges she derived from various treaties and agreements. Their relations at times became somewhat strained. Japanese advice that he should keep out of the factional strife in China and concentrate his energy on the development of Manchuria he resented and disregarded, as did his son after him. After the defeat of General Feng, Chang Tso-lin became the chief of the alliance of the Northern militarists, with the title of Great Marshal.

In 1928, he suffered defeat at the hands of the Kuomintang Army in their Northern Expedition referred to in Chapter I, and was advised by Japan to withdraw his armies into Manchuria before it was too late. The declared object of Japan was to save Manchuria from the evils of civil war which would have resulted from the entry of a defeated army pursued by its victors.

The Marshal resented the advice, but was obliged to follow it. He left Peiping (formerly Peking) on June 3rd, 1928, for Mukden, but was killed the next day by an explosion which wrecked his train just outside the city at the spot where the Peiping-Mukden Railway passes underneath the bridge over which run the lines of the South Manchuria Railway.

The responsibility for this murder has never been established. The tragedy remains shrouded in mystery, but the suspicion of Japanese complicity to which it gave rise became an additional factor in the state of tension which Sino-Japanese relations had already reached by that time.

After the death of Marshal Chang Tso-lin, his son, Chang Hsueh-liang, became the ruler of Manchuria. He shared many of the national aspirations of the younger generation, and desired to stop civil warfare and assist the Kuomintang in its policy of unification. As Japan had already some experience of the policy and tendencies of the Kuomintang, she did not welcome the prospect of such influences penetrating into Manchuria. The young Marshal was advised accordingly. Like his father, he resented that

Chang Tso-lin
and the
Kuomintang.

Last years of
Chang Tso-lin.

Death of
Marshal
Chang Tso-lin,
June 4th, 1928.

Succeeded by
his son,
Marshal
Chang
Hsueh-liang.

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**The young
Marshal
declares
allegiance to
the Central
Government.**

**Kuomintang
connection
more nominal
than real.**

**Effect of
union with
Nationalist
Government on
foreign policy
in Manchuria.**

advice and decided to follow his own counsel. His relations with the Kuomintang and with Nanking became closer and, in December 1928, he accepted the national flag and declared his allegiance to the Central Government. He was made Commander-in-Chief of the North-Eastern Frontier Army and was also confirmed as chief of the administration of Manchuria, with the addition of Jehol, a part of Inner Mongolia with an area of about 60,000 square miles.

The union of Manchuria with Nationalist China necessitated some changes in the administrative organisation, which was made to approximate to that of the Central Government. The committee system was introduced and Kuomintang headquarters were established. In reality, the old system and its personnel continued to function as before. The interference of party branches with the local administrations, such as continually occurred in China, was not tolerated in Manchuria. The provision which required all important military officers and civil officials to be members of the Kuomintang was treated as a mere formality. The relationship with the Central Government depended, in all affairs — military, civil, financial and foreign — on voluntary co-operation. Orders or instructions requiring unquestioning obedience would not have been tolerated. Appointments or dismissals against the wishes of the Manchurian authorities were unthinkable. In various other parts of China, a similar independence of action in government and party affairs existed. All important appointments are, in such cases, really made by the local authorities and only confirmed by the Central Government.

In the domain of foreign policy, the union of Manchuria with the Nationalist Government was to have more important consequences, although, in this respect, the local authorities were also left much liberty of action. The persistent assaults of Marshal Chang Tso-lin on the position of the Chinese Eastern Railway in Manchuria and his disregard of certain rights claimed by Japan show that, in Manchuria, a "forward policy" had already been adopted before the union with the Nationalists. However, after the union, Manchuria was opened to well-organised and systematic Kuomintang propaganda. In its official party publications and numerous affiliated organs, it never ceased to insist on the primary importance of the recovery of lost sovereign rights, the abolition of unequal treaties, and the wickedness of imperialism. Such propaganda was bound to make a profound impression in Manchuria, where the reality of foreign interests, courts, police, guards or soldiers on Chinese soil, was apparent. Through the Nationalist school-books, party propaganda entered the schools. Associations such as the Liaoning Peoples' Foreign Policy Association made their appearance. They stimulated and intensified the nationalist sentiment and carried on an anti-Japanese agitation. Pressure was brought to bear on Chinese house-owners and landlords to raise the rents of Japanese and Korean tenants, or to refuse renewal of rent contracts¹. The Japanese reported to the Commission many cases of this nature. Korean settlers were subjected to systematic persecution. Various orders and instructions of an anti-Japanese nature were issued. Cases of friction accumulated and dangerous tension developed. The Kuomintang Party headquarters in the provincial capitals were established in March 1931, and subsequently branch organisations were set up in the other towns and districts. Party propagandists from China came North in increasing numbers. The Japanese complained that the anti-Japanese agitation was intensified every day. In April 1931, a five-days' conference under the auspices of the People's Foreign Policy Association was held at Mukden, with over three hundred delegates from various parts of Manchuria in attendance. The possibility of liquidating the Japanese position in Manchuria was discussed, the

¹ See special study No. 9, annexed to this Report.

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recovery of the South Manchuria Railway being included in the resolutions adopted. At the same time, the U.S.S.R. and her citizens suffered from similar tendencies, while the White Russians, although they had no sovereign rights or exceptional privileges to surrender, were subjected to humiliation and ill-treatment.

As regards domestic affairs, the Manchurian authorities had retained all the power they wanted, and they had no objection to following administrative rules and methods adopted by the Central Government so long as the essentials of power were not affected.

Soon after the union, the Political Committee of the North-Eastern Provinces was established at Mukden. It was, under the nominal supervision of the Central Government, the highest administrative authority in the North-Eastern Provinces. It consisted of thirteen members, who elected one of their number as President. The Committee was responsible for the direction and supervision of the work of the Governments of the four provinces of Liaoning, Kirin, Heilungkiang and Jehol, and of the so-called Special District which, since 1922, had replaced the administrative sphere of the Chinese Eastern Railway. The Committee had authority to deal with all matters not specifically reserved to the Central Government and to take any action which did not conflict with their laws and orders. It was the duty of the Governments of the Provinces and of the Special District to carry out the decisions reached by the Committee.

The administrative system of the Provinces did not differ essentially from the organisation adopted in the rest of China. The concession made with regard to the preservation of Manchuria as an administrative unit was the most important difference. Without this concession, voluntary union would probably not have taken place. In fact, notwithstanding external changes, the old conditions continued to exist. The Manchurian authorities realised that, as before, their power derived much more from their armies than from Nanking.

This fact explains the maintenance of large standing armies numbering about 250,000 men, and of the huge arsenal on which more than \$200,000,000 (silver) are reported to have been spent. Military expenses are estimated to have amounted to 80 per cent of the total expenditure. The remainder was not sufficient to provide for the costs of administration, police, justice and education. The treasury was not capable of paying adequate salaries to the officials. As all power rested in the hands of a few military men ; office could be owned only through them. Nepotism, corruption, and maladministration continued to be unavoidable consequences of this state of affairs. The Commission found grave complaints concerning this maladministration to be widely current. This state of affairs, however, was not peculiar to Manchuria, as similar or even worse conditions existed in other parts of China.

Heavy taxation was needed for the upkeep of the army. As ordinary revenues were still insufficient, the authorities further taxed the people by steadily depreciating the irredeemable provincial currencies¹. This was often done, particularly of late, in connection with "official bean-buying" operations, which by 1930 had already assumed monopolistic proportions. By gaining control over Manchuria's staple products, the authorities had hoped to enhance their gains by compelling the foreign bean-buyers, particularly the Japanese, to pay higher prices. Such transactions show the extent to which the authorities controlled banks and commerce. Officials likewise engaged freely in all sorts of private enterprise, and used their power to gather wealth for themselves and their favourites.

Whatever the shortcomings of the administration in Manchuria may have been in the period preceding the events of September 1931, efforts

**Effect on
domestic
affairs.**

**The Political
Committee of
the
North - Eastern
Provinces.**

**The Army —
Military
expenditure
80 per cent
of total
expenditure.**

**Constructive
efforts of the**

¹ See special studies No. 4 and No. 5, annexed to this Report.

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Chinese administration in Manchuria.

were made in some parts of the country to improve the administration, and certain achievements must be noted, particularly in the field of education, progress, of municipal administration, and of public utility work. It is necessary, in particular, to emphasise that, during this period, under the administration of Marshal Chang Tso-lin and Marshal Chang Hsueh-liang, the Chinese population and Chinese interests played a much greater part than formerly in the development and organisation of the economic resources of Manchuria¹.

The extensive settlement of Chinese immigrants, already mentioned, helped to develop the economic and social relations between Manchuria and the rest of China. But apart from this colonisation, it was during this period that Chinese railways, independent of Japanese capital, notably the Mukden-Hailung, the Tahushan-Tungliao (a branch of the Peiping-Mukden system), the Tsitsihar-Koshan, and the Hulutao Harbour project, the Liao River Conservancy work, and some navigation enterprises on various rivers were started. Official and private Chinese interests participated in many enterprises. In mining, they had an interest in the Penhsihu, Muling, Chalainoerh and Laotoukou coal-mines, and sole responsibility for the development of other mines, many of them under the direction of the official North-Eastern Mining Administration; they were also interested in gold-mining in Heilungkiang province. In forestry, they had a joint interest with Japanese in the Yalu Timber Company and were engaged in the timber industry in Heilungkiang and Kirin Provinces. Agricultural experimental stations were started in various places in Manchuria, and agricultural associations and irrigation projects were encouraged. Finally, Chinese interests were engaged in milling and textile industries, bean, oil and flour mills in Harbin, spinning and weaving mills for Pongee or Tussah silk, cotton and wool.

Commercial relations with the rest of China.

Commerce between Manchuria and the rest of China also increased². This trade was partly financed by Chinese banks, notably the Bank of China, which had established branches in the leading towns in Manchuria. Chinese steamships and native junks plied between China Proper and Dairen, Yingkow (New-chwang) and Antung. They carried increasing amounts of cargo and occupied second place in Manchuria's shipping, being exceeded only by Japanese tonnage. Chinese insurance business was also on the increase, and the Chinese Maritime Customs derived an ever-increasing revenue from the trade of Manchuria.

Thus, during the period preceding the conflict between China and Japan, both the political and economic ties between Manchuria and the rest of China were gradually strengthened. This growing interdependence contributed to induce Chinese leaders, both in Manchuria and in Nanking, to pursue an increasingly nationalist policy directed against the interests and rights acquired by Russia or Japan.

3. RELATIONS WITH RUSSIA.**Russo-Chinese Relations.**

The Sino-Japanese war of 1894-95 had given Russia an opportunity to intervene, ostensibly on behalf of China, but in fact in her own interest, as subsequent events proved. Japan was forced by diplomatic pressure to return to China the Liaotung Peninsula in South Manchuria, which had been ceded to Japan by the Treaty of Shimonoseki in 1895, and Russia assisted China to pay off the war indemnities which had been imposed by Japan. In 1896, a secret defensive alliance was concluded between the two countries and, in the same year, in consideration of the services above

¹ See also Chapter VIII and special study No. 3, annexed to this Report.

² See also Chapter VIII and special study No. 6, annexed to this Report.

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referred to, Russia was authorised by China to carry a branch of the Trans-Siberian Railway across Manchuria in a direct line from Chita to Vladivostok. This line was said to be needed for the transportation of Russian forces to be sent to the East in case Japan should again attack China. The Russo-Chinese Bank (later the Russo-Asiatic Bank) was established to mask somewhat the official character of the enterprise. The Bank formed in its turn the Chinese Eastern Railway Company for the construction and operation of the railway. By the terms of the contract of September 8th, 1896, between the Bank and the Chinese Government, the Company was to build the railway and operate it for eighty years, at the end of which it was to become the property of China free of charge, but China had the right of purchasing it at a price to be agreed upon at the end of thirty-six years. During the period of the contract, the company was to have the absolute and exclusive right of administration of its lands. This clause was interpreted by Russia in a much broader way than various other stipulations in the contract seem to warrant. China protested against the continuous Russian attempts to enlarge the scope of the contract, but was not able to prevent it. Russia gradually succeeded in exercising in the Chinese Eastern Railway area, with its rapidly developing railway towns, rights equivalent to rights of sovereignty. China had also consented to hand over free of charge all Government lands needed by the railway, while private lands might be expropriated at current prices. The Company had, furthermore, been permitted to construct and operate the telegraph lines necessary for its own use.

In 1898, Russia secured a lease for twenty-five years of the southern part of the Liaotung Peninsula, which Japan had been forced to give up in 1895, and also secured the right to connect the Chinese Eastern Railway at Harbin with Port Arthur and Dalny (now Dairen) in the leased territory. Authority was given for the construction of a naval port at Port Arthur. In the area traversed by this branch line, the Company was granted the right to cut timber and to mine coal for the use of the railway. All the stipulations of the contract of September 8th, 1896, were extended to the supplementary branches. Russia was authorised to make her own tariff arrangements inside the leased territory. In 1899, Dalny (now Dairen) was declared a free port and opened to foreign shipping and commerce. No railway privileges were to be given to the subjects of other Powers in the area traversed by the branch line. In the neutral ground north of the leased territory, no ports were to be opened to foreign trade and no concessions or privileges were to be granted without the consent of Russia.

In 1900, Russia occupied Manchuria on the ground that the Boxer rising had endangered her nationals. Other Powers protested and demanded the withdrawal of her forces, but Russia delayed taking action in this sense. In February 1901, the draft of a secret Sino-Russian treaty was discussed in St. Petersburg, by the terms of which China, in return for the restoration of her civil authority in Manchuria, was to sanction the maintenance of the railway guards which Russia had established under Clause 6 of the Fundamental Contract of 1896, and to engage not to transfer to other nations or their subjects, without the consent of Russia, mines or other interests in Manchuria, Mongolia, and Sinkiang. These and some other clauses in the draft treaty, when they became known, aroused opposition from public opinion in China and other countries and, on April 3rd, 1901, the Russian Government issued a circular note to the effect that the project had been withdrawn.

Japan followed these manœuvres with particular attention. On January 30th, 1902, she had concluded the Anglo-Japanese Treaty of Alliance and accordingly felt herself more secure. However, she was still concerned at the prospect of Russian encroachments into Korea and Manchuria. She therefore pressed with the other Powers for the evacuation

The Chinese
Eastern
Railway.

Contract of
September 8th,
1896.

Lease of the
Liaotung
Peninsula
to Russia,
1898.

Russian
occupation of
Manchuria,
1900.

Japan
resorted to
war against
Russia,
February 10th,
1904.

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of the Russian forces in Manchuria. Russia declared her willingness to withdraw on conditions which would have virtually closed Manchuria and Mongolia to other than Russian enterprise. In Korea, Russian pressure increased also. In July 1902, Russian troops appeared at the mouth of the Yalu River. Several other acts convinced Japan that Russia had decided upon a policy which was a menace to her interests, if not to her very existence. In July 1903, she began negotiations with Russia concerning the maintenance of the policy of the Open Door and the territorial integrity of China, but, having met with no success whatever, she resorted to war on February 10th, 1904. China remained neutral.

**Treaty of
Portsmouth**

Russia was defeated. On September 5th, 1905, she concluded the Treaty of Portsmouth, whereby she relinquished her exceptional rights in South Manchuria in favour of Japan. The leased territory and all rights connected with the lease were transferred to Japan, and also the railway between Port Arthur and Changchun, with its branches, as well as all coal-mines in that region belonging to or worked for the benefit of the railway. Both parties agreed to restore to the exclusive administration of China all portions of Manchuria occupied or under the control of their respective troops, with the exception of the leased territory. Both reserved the right to maintain (under certain specified conditions) guards to protect their respective railway lines in Manchuria, the number of such guards not to exceed fifteen per kilometre.

Russia had lost half of her sphere of influence, which was henceforth to be restricted to North Manchuria. She retained her position there and increased her influence in the following years, but, when the Russian Revolution broke out in 1917, China decided to reassert her sovereignty in this area.

**Russian
influence
restricted to
North
Manchuria.**

**Siberian
expedition.**

At first, her action was restricted to participation in the Allied intervention (1918-1920) which, in connection with the chaotic conditions rapidly developing, after the Russian Revolution, in Siberia and North Manchuria, had been proposed by the United States of America for the double purpose of protecting the vast stores of war material and supplies accumulated at Vladivostok and of assisting the evacuation of some 50,000 Czechoslovak troops, who were retreating from the eastern front across Siberia. This proposal was accepted and it was arranged that each country should send an expeditionary force of 7,000 men to be assigned to its own special section of the Trans-Siberian line, the Chinese Eastern Railway being confined to the sole charge of the Chinese. To ensure the working of the railways in co-operation with the Allied forces, a special Inter-Allied Railway Committee was formed in 1919 with technical and transportation boards under it. In 1920, the intervention came to an end and the Allied forces were withdrawn from Siberia except the Japanese, who had become involved in open hostilities with the Bolsheviks. The fighting dragged on for nearly two years. In 1922, after the Washington Conference, the Japanese troops were also withdrawn and, simultaneously, the Inter-Allied Committee, with its technical board, ceased to exist.

**After outbreak
of Russian
Revolution in
1917, China
revokes
privileges
granted to
Russia in 1896.**

Meanwhile, China, after an abortive attempt of General Horvath, the head of the Chinese Eastern Railway, to set up an independent regime in the railway area, assumed responsibility for the preservation of order in that area (1920). In the same year, she concluded an agreement with the re-organised Russo-Asiatic Bank and announced her intention of assuming temporarily supreme control of an agreement with a new Russian Government. China also announced her intention of resuming the advantages conferred on her by the contract of 1896 and the original statutes of the Company. Thenceforth, the President and four members of the Board of Directors of the Company and two members of the Audit Committee were to be nominated by the Chinese Government. Russian predominance was also weakened by other measures which followed. The Russian armed

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forces in the railway area were disarmed and replaced by Chinese soldiers. The extra-territorial status of Russians was abolished. The courts were forcibly entered and closed. Russians were made amenable to Chinese law, justice and taxation. They could be arrested by the Chinese police and held by them indefinitely, as the police had large powers and were insufficiently controlled.

In 1922, the railway area which so far had been under the administration of the Company was transformed into a Special District of the Three Eastern Provinces under a Chief Administrator directly responsible to Mukden. The administration of the lands belonging to the railway was also interfered with. Marshal Chang Tso-lin had practically liquidated the Russian sphere before Russia's new Government had been recognised, and private interests had suffered heavily in the process. When the Soviet Government succeeded to the Manchurian inheritance of its predecessor, the railway had been shorn of most of its privileges.

The declarations of policy made in 1919 and 1920 by the Soviet Government with regard to China implied a complete relinquishment of the special rights which the Imperial Government had acquired in China, notably those acquired in North Manchuria.

In accordance with this policy, the Soviet Government agreed to the regularisation of the *fait accompli* by a new agreement. By the Sino-Russian Agreement of May 31st, 1924, the Chinese Eastern Railway became a purely commercial concern under joint management, in which China also acquired a financial interest. The Government of the U.S.S.R. had, however, the right of appointing the General Manager (who exercises extensive and ill-defined powers) and, under the Agreement, the Government of the U.S.S.R. exercised a preponderant influence in the affairs of the railway and was able to retain the essential parts of its economic interests in North Manchuria. As mentioned above, the Agreement of May 1924, concluded with the Chinese Government at Peking, was not accepted by Marshal Chang Tso-lin, who insisted on a separate Agreement being concluded with himself. This Agreement, signed in September 1924, was almost identical in its terms, but by it the lease of the railway was shortened from eighty to sixty years.

This Agreement did not inaugurate a period of friendly relations between the U.S.S.R. and the administration of Marshal Chang Tso-lin in Manchuria.

The convening of the conference which was to deal with the many questions left unsettled in the two Agreements of 1924 was postponed on various pretexts. On two occasions, in 1925 and 1926, the General Manager of the Chinese Eastern Railway refused to transport troops of the Marshal on the railway. The second incident led to the arrest of the General Manager and to an ultimatum from the U.S.S.R. (January 23rd, 1926). Nor were these isolated incidents. Nevertheless, the Chinese authorities persisted in a policy which was directed against Russian interests and which was resented both by the Government of the U.S.S.R. and by the White Russians.

After the adherence of Manchuria to the Nanking Government, nationalist spirit increased in strength, and the efforts of the U.S.S.R. to maintain predominating control over the railway were, more than ever before, resented. In May 1929, an attempt was made to liquidate the last remnants of the Russian sphere of interest. The attack started with a raid on the Soviet consulates at various places by the Chinese police, who made many arrests and claimed to have found evidence proving that a Communist revolution was being plotted by employees of the Soviet Government and of the Chinese Eastern Railway. In July, the telegraph and telephone systems of the railway were seized, and many important Soviet organisations and enterprises were forcibly closed down. Finally, the Soviet Manager of the railway was requested to hand over the management to a Chinese

Special
Administrative
Districts
joined.

Sino-Soviet
agreement.

Agreement
of 1924.

Chang Tso-lin's
aggressive
policy against
the interests
of the
U.S.S.R.

Final efforts
of China to
liquidate Soviet
influence in
Manchuria,
1929.

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appointee. He refused to do so and was thereupon forbidden to carry on his duties. The Chinese authorities replaced freely members of the Soviet staff by their own nominees, many Soviet citizens were arrested, and some were deported. The Chinese justified the violent action taken on the ground that the Soviet Government had broken its pledge not to engage in propaganda directed against the political and social systems of China. The Soviet Government, in its note of May 30th, denied the charge.

Action of the U.S.S.R.

In consequence of the forcible liquidation of the remaining Russian rights and interests, the Soviet Government decided to take action. After the exchange of several notes, it recalled from China its diplomatic and commercial representatives, and all its nominees to posts in the Chinese Eastern Railway, and severed all railway communications between its territory and China. China, likewise, broke off relations with the U.S.S.R. and withdrew all Chinese diplomatic officers from Soviet territory. Raids by Soviet troops across the Manchurian border began and developed into a military invasion in November 1929. After having suffered defeat and severe loss of prestige, the Manchurian authorities, to whom the Nanking Government entrusted the settlement of the dispute, were forced to accept the demands of the U.S.S.R. On December 22nd, 1929, a Protocol was signed at Habarovsk whereby the *status quo* was re-established. During the dispute, the Soviet Government had always taken the position, in answer to various memoranda from third-Power signatories to the Pact of Paris, that her action had been taken in legitimate self-defence and could in no way be interpreted as a breach of that agreement.

Before describing the interests of Japan in Manchuria, which are dealt with at length in the next chapter, a brief reference must be made, in this account of the position of Russia in Manchuria, to the relations between that country and Japan since 1905.

Protocol of Habarovsk, December 22nd, 1929.**Russo-Japanese relations regarding Manchuria since 1905.****Policy of co-operation, 1907-1917.****Effect of the Russian Revolution on Japan.**

It is an interesting fact that the war between Russia and Japan was followed almost immediately by a policy of close co-operation, and when peace was concluded they were able to strike a satisfactory balance between their respective spheres of interest in North and South Manchuria. Such traces of the conflict as might have remained behind were rapidly effaced by controversies with other Powers which wanted to engage actively in the development of Manchuria. The fear of other rivals hastened the process which was reconciling the two countries. The Treaties of 1907, 1910, 1912 and 1916 brought the two countries progressively closer together.

The Russian Revolution of 1917, followed by the declarations of the Soviet Government of July 25th, 1919, and of October 27th, 1920, regarding its policy towards the Chinese people and, later, by the Sino-Soviet Agreements of May 31st, 1924, and September 20th, 1924, shattered the basis of Russo-Japanese understanding and co-operation in Manchuria. This fundamental reversal of policy radically changed the relations of the three Powers in the Far East. Moreover, the Allied intervention (1918-1920), with its aftermath of friction between the Japanese and Soviet forces in Siberia (1920-1922), had accentuated the change in the relations between Japan and Russia. The attitude of the Soviet Government gave a strong impetus to China's nationalistic aspirations. As the Soviet Government and the Third International had adopted a policy opposed to all imperialist Powers which maintained relations with China on the basis of the existing treaties, it seemed probable that they would support China in the struggle for the recovery of sovereign rights. This development revived all the old anxieties and suspicions of Japan towards her Russian neighbour. This country, with which she had once been at war, had, during the years which followed that war, become a friend and ally. Now this relationship was changed, and the possibility of a danger from across the North-Manchurian border again became a matter of concern to Japan. The likelihood of an alliance between the Communist doctrines in the

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North and the anti-Japanese propaganda of the Kuomintang in the South made the desire to impose between the two a Manchuria which should be free from both increasingly felt in Japan. Japanese misgivings have been still further increased in the last few years by the predominant influence acquired by the U.S.S.R. in Outer Mongolia and the growth of Communism in China.

The Convention concluded between Japan and the U.S.S.R. in January 1925 served to establish regular relations, but did not revive the close co-operation of the pre-revolution period.

Chapter III.

MANCHURIAN ISSUES BETWEEN JAPAN AND CHINA.

(Before September 18th, 1831)

1. JAPAN'S INTEREST IN CHINA.

During the quarter of a century before September 1931, the ties which bound Manchuria to the rest of China were growing stronger and, at the same time, the interests of Japan in Manchuria were increasing. Manchuria was admittedly a part of China, but it was a part in which Japan had acquired or claimed such exceptional rights, so restricting the exercise of China's sovereign rights, that a conflict between the two countries was a natural result.

By the Treaty of Peking of December 1905, China gave her consent to the transfer to Japan of the Kwantung Leased Territory, which was formerly leased to Russia, and of the southern branch of the Russian-controlled Chinese Eastern Railway as far north as Changchun. In an additional agreement, China granted to Japan a concession to improve the military railway line between Antung and Mukden and to operate it for fifteen years.

Japan's Treaty Rights of 1905.

In August 1906, the South Manchuria Railway Company was organised by Imperial Decree to take over and administer the former Russian Railway, as well as the Antung-Mukden Railway. The Japanese Government acquired control of the company by taking half of the shares in exchange for the railway, its properties, and the valuable coal-mines at Fushun and Yentai. The company was entrusted, in the railway area, with the functions of administration and was allowed to levy taxes; it was also authorised to engage in mining, electrical enterprises, warehousing, and many other branches of business.

South
Manchuria
Railway
Company
was organised
in August 1906.

In 1910, Japan annexed Korea. This annexation indirectly increased Japanese rights in Manchuria, since Korean settlers became Japanese subjects over whom Japanese officials exercised jurisdiction.

Annexation of Korea.

In 1915, as a result of the group of exceptional demands made by the Japanese and generally known as the "Twenty-one Demands", Japan and China signed a Treaty and exchanged Notes on May 25th regarding South Manchuria and Eastern Inner Mongolia. By those agreements, the lease of the Kwantung Territory, including Port Arthur and Dalny (now Dairen), which was originally for a period of twenty-five years, and the concessions for the South Manchuria and the Antung-Mukden Railways, were all extended to ninety-nine years. Furthermore, Japanese subjects in South Manchuria acquired the right to travel and reside, to engage in business of any kind, and to lease land necessary for trade, industry and agriculture. Japan also obtained rights of priority for railway and certain other loans in

The Treaty and Notes of 1915.

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South Manchuria and Eastern Inner Mongolia, and preferential rights regarding the appointment of advisers in South Manchuria. At the Washington Conference, 1921-22, however, Japan relinquished her rights regarding the loans and the advisers.

These treaties and other agreements gave to Japan an important and unusual position in Manchuria. She governed the leased territory with practically full rights of sovereignty. Through the South Manchuria Railway, she administered the railway areas, including several towns and large sections of such populous cities as Mukden and Changchun ; and in these areas she controlled the police, taxation, education and public utilities. She maintained armed forces in many parts of the country : the Kwantung Army in the Leased Territory, Railway Guards in the railway areas, and Consular Police throughout the various districts.

This summary of the long list of Japan's rights in Manchuria shows clearly the exceptional character of the political, economic and legal relations created between that country and China in Manchuria. There is probably nowhere in the world an exact parallel to this situation, no example of a country enjoying in the territory of a neighbouring State such extensive economic and administrative privileges. A situation of this kind could possibly be maintained without leading to incessant complications and disputes if it were freely desired or accepted on both sides, and if it were the sign and embodiment of a well-considered policy of close collaboration in the economic and in the political sphere. But, in the absence of those conditions, it could only lead to friction and conflict.

II. CONFLICT BETWEEN THE FUNDAMENTAL INTERESTS OF JAPAN AND CHINA IN MANCHURIA.

Chinese attitude towards Manchuria.

The Chinese people regard Manchuria as an integral part of China and deeply resent any attempt to separate it from the rest of their country. Hitherto, these Three Eastern Provinces have always been considered both by China and by foreign Powers as a part of China, and the *de jure* authority of the Chinese Government there has been unquestioned. This is evidenced in many Sino-Japanese treaties and agreements, as well as in other international conventions, and has been reiterated in numerous statements issued officially by Foreign Offices, including that of Japan.

Manchuria, China's first line of defence.

The Chinese regard Manchuria as their "first line of defence". As Chinese territory, it is looked upon as a sort of buffer against the adjoining territories of Japan and Russia, a region which constitutes an outpost against the penetration of Japanese and Russian influences from those regions into the other parts of China. The facility with which China, south of the Great Wall, including the city of Peiping, can be invaded from Manchuria has been demonstrated to the Chinese from historical experience. This fear of foreign invasion from the north-east has been increased in recent years by the development of railway communication, and has been intensified during the events of the past year.

China's economic interest in Manchuria.

Manchuria is also regarded by the Chinese as important to them for economic reasons. For decades they have called it the "granary of China", and more recently have regarded it as a region which furnishes seasonal employment to Chinese farmers and labourers from neighbouring Chinese provinces.

Whether China as a whole can be said to be over-populated may be open to question, but that certain regions and provinces — as, for example, Shantung — are now peopled in such numbers as to require emigration is generally accepted by the most competent authorities on this subject¹. The Chinese, therefore, regard Manchuria as a frontier region, capable

¹ See also special study No. 3, annexed to this Report.

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of affording relief for the present and future population problems of other parts of China. They deny the statement that the Japanese are principally responsible for the economic development of Manchuria, and point to their own colonisation enterprises, especially since 1925, to their railway development, and other enterprises, in refutation of these claims.

Japanese interests in Manchuria differ both in character and degree from those of any other foreign country. Deep in the mind of every Japanese is the memory of their country's great struggle with Russia in 1904-05, fought on the plains of Manchuria, at Mukden and Liaoyang, along the line of the South Manchuria Railway, at the Yalu River, and in the Liaotung Peninsula. To the Japanese the war with Russia will ever be remembered as a life-and-death struggle fought in self-defence against the menace of Russian encroachments. The facts that a hundred thousand Japanese soldiers died in this war and that two billion gold yen were expended have created in Japanese minds a determination that these sacrifices shall not have been made in vain.

Japanese interest in Manchuria, however, began ten years before that war. The war with China, in 1894-95, principally over Korea, was largely fought at Port Arthur and on the plains of Manchuria; and the Treaty of Peace signed at Shimonoseki ceded to Japan in full sovereignty the Liaotung Peninsula. To the Japanese, the fact that Russia, France and Germany forced them to renounce this cession does not affect their conviction that Japan obtained this part of Manchuria as the result of a successful war and thereby acquired a moral right to it which still exists.

Manchuria has been frequently referred to as the "life-line" of Japan. Manchuria adjoins Korea, now Japanese territory. The vision of a China, unified, strong and hostile, a nation of four hundred millions, dominant in Manchuria and in Eastern Asia, is disturbing to many Japanese. But to the greater number, when they speak of menace to their national existence and of the necessity for self-defence, they have in mind Russia rather than China. Fundamental, therefore, among the interests of Japan in Manchuria is the strategic importance of this territory.

There are those in Japan who think that she should entrench herself firmly in Manchuria against the possibility of attack from the U.S.S.R. They have an ever-present anxiety lest Korean malcontents in league with Russian Communists in the nearby Maritime Province might in future invite, or co-operate with, some new military advance from the North. They regard Manchuria as a buffer region against both the U.S.S.R. and the rest of China. Especially in the minds of Japanese military men, the right claimed, under agreements with Russia and China, to station a few thousand railway guards along the South Manchuria Railway is small recompense for the enormous sacrifices of their country in the Russo-Japanese War, and a meagre security against the possibility of attack from that direction.

Patriotic sentiment, the paramount need for military defence, and the exceptional treaty rights all combine to create the claim to a "special position" in Manchuria. The Japanese conception of this "special position" is not limited to what is legally defined in treaties and agreements either with China or with other States. Feelings and historical association, which are the heritage of the Russo-Japanese War, and pride in the achievements of Japanese enterprise in Manchuria for the last quarter-century, are an indefinable but real part of the Japanese claim to a "special position". It is only natural, therefore, that the Japanese use of this expression in diplomatic language should be obscure, and that other States should have found it difficult, if not impossible, to recognise it by international instruments.

The Japanese Government, since the Russo-Japanese War, has at various times sought to obtain from Russia, France, the United Kingdom

Japanese
interests in
Manchuria :
sentiment
resulting
from the Russo-
Japanese War.

Japan's
strategic
interest in
Manchuria.

Japan's
"special
position"
in Manchuria.

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and the United States of America recognition of their country's "special position", "special influence and interest", or "paramount interest" in Manchuria. These efforts have only met with partial success, and, where recognition of such claims has been accorded, in more or less definite terms, the international agreements or understandings containing them have largely disappeared with the passage of time, either by formal abrogation or otherwise — as, for example : the Russo-Japanese secret Conventions of 1907, 1910, 1912 and 1916, made with the former Tsarist Government of Russia ; the Anglo-Japanese Conventions of Alliance, Guarantee and Declaration of Policies ; and the Lansing-Ishii Exchange of Notes of 1917. The signatories of the Nine-Power Treaty of the Washington Conference of February 6th, 1922¹, by agreeing "to respect the sovereignty, the independence, and the territorial and administrative integrity" of China, to maintain "equality of opportunity in China for the trade and industry of all nations", by refraining from taking advantage of conditions in China "in order to seek special rights or privileges" there, and by providing "the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government", challenged to a large extent the claims of any signatory State to a "special position" or to "special rights and interests" in any part of China, including Manchuria.

But the provisions of the Nine-Power Treaty and the abandonment, by abrogation or otherwise, of such agreements as those mentioned above have led to no change in the attitude of the Japanese. Viscount Ishii doubtless well expressed the general view of his countrymen in his recent *Memoirs* (*Gaiko Yoroku*), when he said :

"Even if the Lansing-Ishii agreement is abolished, Japan's special interests unshakably exist there. The special interests which Japan possesses in China neither were created by an international agreement, nor can they become the objects of abolition."

This Japanese claim with respect to Manchuria conflicts with the sovereign rights of China and is irreconcilable with the aspirations of the National Government, which seeks to curtail existing exceptional rights and privileges of foreign States throughout China and to prevent their further extension in the future. The development of this conflict will be clearer from a consideration of the respective policies pursued by Japan and China in Manchuria.

Until the events of September 1931, the various Japanese Cabinets, since 1905, appeared to have the same general aims in Manchuria, but they differed as to the policies best suited to achieve these aims. They also differed somewhat as to the extent of the responsibility which Japan should assume for the maintenance of peace and order.

The general aims for which they worked in Manchuria were to maintain and develop Japan's vested interests, to foster the expansion of Japanese enterprise, and to obtain adequate protection for Japanese lives and property. In the policies adopted for realising these aims there was one cardinal feature which may be said to have been common to them all. This feature has been the tendency to regard Manchuria and Eastern Inner Mongolia as distinct from the rest of China. It resulted naturally from the Japanese conception of their country's "special position" in Manchuria. Whatever differences may have been observable between the specific policies advocated by the various Cabinets in Japan — as, for example, between the so-called "friendship policy" of Baron Shidehara and the so-called "positive policy" of the late General Baron Tanaka — they have always had this feature in common.

**Japan's claims
to a "special
position" in
Manchuria in
conflict with
China's sove-
reign rights
and policies.**

**Japan's general
policy towards
Manchuria.**

¹ The nine Powers were : the United States of America, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands, Portugal.

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The “friendship policy” developed from about the time of the Washington Conference and was maintained until April 1927; it was then supplanted by the “positive policy”, which was followed until July 1929; finally, the “friendship policy” was again adopted and continued the official policy of the Foreign Office until September 1931. In the spirit which actuated the two policies there was a marked difference: the “friendship policy” rested, in Baron Shidehara’s words, “on the basis of good will and neighbourliness”; the “positive policy” rested upon military force. But, in regard to the concrete measures which should be adopted in Manchuria, these two policies differed largely on the question as to the lengths to which Japan should go to maintain peace and order in Manchuria and to protect Japanese interests.

The “positive policy” of the Tanaka Ministry placed greater emphasis upon the necessity for regarding Manchuria as distinct from the rest of China; its positive character was made clear by the frank declaration that, “if disturbances spread to Manchuria and Mongolia, and, as a result, peace and order are disrupted, thereby menacing our special position and rights and interests in these regions”, Japan would “defend them, no matter whence the menace comes”. The Tanaka policy definitely asserted that Japan would take upon herself the task of preserving “peace and order” in Manchuria — in contrast to previous policies which limited their objectives to protecting Japanese interests there.

The Japanese Government has generally pursued a firmer policy in Manchuria than elsewhere in China, in order to preserve and develop those vested interests which are peculiar to that region. Certain of the Cabinets have tended to place great reliance on the use of interventionist methods, accompanied by a threat of force. This was true especially at the time of the presentation of the “Twenty-one Demands” on China in 1915, but as to the wisdom of the “Twenty-one Demands”, as well as to other methods of intervention and force, there has always been a marked difference of opinion in Japan.

The Washington Conference, although it had a marked effect upon the situation in the rest of China, made little actual change in Manchuria. The Nine-Power Treaty of February 6th, 1922, in spite of its provisions with respect to the integrity of China and the policy of the “Open Door”, has had but qualified application to Manchuria in view of the character and extent of Japan’s vested interests there, although textually the Treaty is applicable to that region. The Nine-Power Treaty did not materially diminish the claims based on these vested interests, although, as already stated, Japan formally relinquished her special rights regarding loans and advisers which had been granted in the Treaty of 1915.

The effect of
the
Washington
Conference
upon Japan’s
position
and policy in
Manchuria.

During the period from the Washington Conference until the death of Marshal Chang Tso-lin in 1928, the policy of Japan in Manchuria was chiefly concerned with its relations with the *de facto* ruler of the Three Eastern Provinces. Japan gave him a measure of support, notably during the Kuo Sung-lin mutiny mentioned in the last chapter. Marshal Chang Tso-lin, in return, although opposed to many of the Japanese demands, felt it necessary to give due recognition to Japan’s desires, since these might at any time be enforced by superior military power. He also wished to be able, upon occasion, to obtain Japanese support against Russian opposition in the North. Upon the whole, Japanese relations with Marshal Chang Tso-lin were reasonably satisfactory from her point of view, although they became increasingly disturbed towards the end of his life in consequence of his failure to fulfil some of his alleged promises and agreements. Some evidence even of a revulsion of Japanese feeling against him became apparent in the months preceding his defeat and final retreat to Mukden in June 1928.

Japan’s
relations with
Chang Tso-lin.

In the spring of 1928, when the Nationalist armies of China were marching on Peking in an effort to drive out the forces of Chang Tso-lin,

Japan’s claim
to maintain

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**peace and
order in
Manchuria.**

the Japanese Government, under the premiership of Baron Tanaka, issued a declaration that, on account of her "special position" in Manchuria, Japan would maintain peace and order in that region. When it seemed possible that the Nationalist armies might carry the civil war north of the Great Wall, the Japanese Government, on May 28th, sent to the leading Chinese generals a communication which said :

"The Japanese Government attaches the utmost importance to the maintenance of peace and order in Manchuria, and is prepared to do all it can to prevent the occurrence of any such state of affairs as may disturb that peace and order, or constitute the probable cause of such a disturbance.

"In these circumstances, should disturbances develop further in the direction of Peking and Tientsin, and the situation become so menacing as to threaten the peace and order of Manchuria, Japan may possibly be constrained to take appropriate effective steps for the maintenance of peace and order in Manchuria."

At the same time, Baron Tanaka issued a more definite statement, that the Japanese Government would prevent "defeated troops or those in pursuit of them" from entering Manchuria.

The announcement of this far-reaching policy brought protests from both the Peking and the Nanking Governments, the Nanking note stating that such measures as Japan proposed would be not only "an interference with Chinese domestic affairs, but also a flagrant violation of the principle of mutual respect for territorial sovereignty".

In Japan itself, this "positive policy" of the Tanaka Government, while it received strong support from one party, was vigorously criticised by another, especially by the Shidehara group, on the ground that the preservation of peace and order over all Manchuria was not the responsibility of Japan.

**Strained
relations
between Japan
and Chang
Hsueh-liang.**

Japan's relations with Marshal Chang Hsueh-liang, who succeeded his father in 1928, were increasingly strained from the outset. Japan wished Manchuria to remain separate from the newly established National Government at Nanking, while Marshal Chang Hsueh-liang was in favour of recognising the authority of that Government. Reference has already been made to the urgent advice given by Japanese officials that allegiance should not be pledged to the Central Government. When, however, the Mukden Government raised the Nationalist flag over Government buildings in Mukden in December 1928, the Japanese Government made no attempt to interfere.

Japanese relations with Marshal Chang Hsueh-liang continued to be strained and acute friction developed in the months immediately preceding September 1931.

III. SINO-JAPANESE RAILWAY ISSUES IN MANCHURIA.

**Manchurian
international
politics largely
railway
politics.**

The international politics of Manchuria for a quarter of a century have been largely railway politics. Considerations of a purely economic and railway-operating character have been overshadowed by the dictates of State policies, with the result that Manchurian railways cannot be said to have contributed their maximum to the economic development of the region. Our study of Manchurian railway questions has revealed that in Manchuria there has been little or no co-operation between the Chinese and Japanese railway builders and authorities directed to achieving a comprehensive and mutually beneficial railway plan. In contrast with railway development in such regions as Western Canada and Argentina, where economic considerations have in large measure determined railway expansion, railway development in Manchuria has been largely a matter

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of rivalry between China and Japan. No railway of any importance has ever been constructed in Manchuria without causing an interchange of notes between China and Japan or other interested foreign States.

Manchurian railway construction began with the Russian-financed-and-directed Chinese Eastern Railway which, after the Russo-Japanese War, was replaced in the South by a Japanese-controlled system, the South Manchuria Railway, thus making inevitable future rivalry between China and Japan. The South Manchuria Railway Company, although nominally a private corporation, is, in fact, a Japanese Government enterprise. Its functions include, not only the management of its railway lines, but also exceptional rights of political administration. From the time of its incorporation, the Japanese have never regarded it as a purely economic enterprise. The late Viscount Goto, first President of the Company, laid down a fundamental principle that the South Manchuria Railway should serve Japan's "special mission" in Manchuria.

The South Manchuria Railway system has developed into an efficient and well-managed railway enterprise and has contributed much to the economic development of Manchuria, serving at the same time as an example for the Chinese in its numerous services of a non-railway character, such as its schools, laboratories, libraries and agricultural experiment stations. But this has been accompanied by limitations and positive hindrances arising out of the political character of the Company, its connection with party politics in Japan, and certain large expenditures from which no commensurate financial returns can have been expected. Since its formation, the policy of the Railway Company has been to finance the construction of only such Chinese lines as would be connected with its own system; thus, by means of through-traffic agreements, to divert the major part of the freight to the South Manchuria Railway for seaboard export at Dairen in the Japanese leased territory. Very large sums have been expended in financing these lines and it is doubtful if their construction, in certain cases, was justified on purely economic grounds, especially in view of the large capital advances made and the loan considerations involved.

The very existence of such a foreign-controlled institution as the South Manchuria Railway on Chinese soil was naturally looked upon with disfavour by the Chinese authorities, and questions concerning its rights and privileges under treaties and agreements have constantly arisen since the Russo-Japanese War. More particularly, after 1924, when the Chinese authorities in Manchuria, having come to recognise the importance of railway development, sought to develop their own railways independent of Japanese capital, did these problems become more critical. Both economic and strategic considerations were involved. The Tuhushan-Tungliao line, for example, was projected to develop new territory and to increase the revenues of the Peking-Mukden Railway, while, on the other hand, the Kuo Sung-lin mutiny in December 1925 demonstrated the possible strategic and political value of independently owned and operated Chinese lines. The Chinese attempt to overcome the Japanese monopoly, and to place obstacles in the way of its future development, anteceded the period of political influence of the Nationalist Government in Manchuria, the Tuhushan-Tungliao, Mukden-Hailungeheng and Hulan-Hailun Railways, for example, having been constructed while Marshal Chang Tsao-lin was in power. The policy of Marshal Chang Hsueh-liang, after his assumption of authority in 1928, re-enforced by the widespread movement for "rights recovery" sponsored by the Central Government and the Kuomintang, came into collision with Japan's monopolistic and expansionist policies, centred, as they were, around the South Manchuria Railway Company.

In the Japanese justification of their resort to forceful means in Manchuria, on and after September 18th, 1931, they have alleged violation of Japan's "treaty rights" and have emphasised China's failure to carry out an

The South
Manchuria
Railway served
Japan's
"Special
Mission" in
Manchuria.

Chinese efforts
to build their
own railways
anteceded
Manchuria's
declaration of
allegiance to
Nanking.

The conflict
over "parallel
lines".

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engagement made by the Chinese Government during the Sino-Japanese Conference held at Peking in November-December 1905, which was to the following effect :

“ The Chinese Government engages, for the purpose of protecting the interests of the South Manchuria Railway, not to construct, prior to the recovery by it of the said railway, any main line in the neighbourhood of and parallel to that railway, or any branch line which might be prejudicial to the interests of the above-mentioned railway. ”

This dispute over the question of so-called “ parallel railways ” in Manchuria is of long-standing importance. The issue first arose in 1907-08, when the Japanese Government, asserting this claim of right, prevented the Chinese from constructing, under contract with a British firm, the Hsinmin-tun-Fakumen Railway. Since 1924, when the Chinese in Manchuria undertook with renewed vigour to develop their own railways independent of Japanese financial interest, the Japanese Government has protested against the construction by the Chinese of the Tuhushan-Tungliao and the Kirin-Hailungcheng lines, although both these lines were completed and opened to traffic in spite of Japanese protests.

**The question
as to the
existence of a
“ treaty right ”
or a “ secret
protocol ”.**

Prior to the arrival of the Commission in the Far East, there had been much doubt as to the actual existence of any such engagement as was claimed by Japan. In view of the longstanding importance of this dispute, the Commission took special pains to obtain information on the essential facts. In Tokyo, Nanking and Peiping, all the relevant documents were examined, and we are now able to state that the alleged engagement of the Chinese plenipotentiaries of the Peking Conference of November-December 1905 regarding so-called “ parallel railways ” is not contained in any formal treaty ; that the alleged engagement in question is to be found in the minutes of the eleventh day of the Peking Conference, December 4th, 1905. We have obtained agreement from the Japanese and Chinese Assessors that no other document containing such alleged engagement exists beyond this entry in the minutes of the Peking Conference.

**The real
question
at issue.**

The real question at issue, therefore, is not whether there exists a “ treaty right ” whereby Japan is entitled to claim that certain railways in Manchuria have been constructed by the Chinese in violation of such an engagement, but whether this entry in the minutes of the Peking Conference of 1905, whether called a “ protocol ” or not, is a binding commitment on the part of China, having the force of a formal agreement and without limitations as to the period of circumstances of its application.

The determination of the question whether this entry into the minutes of the Peking Conference constituted, from an international legal point of view, a binding agreement, and whether, if so, there is but one interpretation which may reasonably be placed upon it, was properly a matter for judgment by an impartial judicial tribunal.

The Chinese and Japanese official translations of this entry into the minutes of the Conference leave no doubt that the disputed passage concerning “ parallel railways ” is a declaration or statement of intention on the part of the Chinese plenipotentiaries.

That there was a statement of intention has not been disputed by the Chinese, but there has, throughout the controversy, been a difference of opinion between the two parties as to the nature of the intention expressed. Japan has claimed that the words employed preclude China from building or allowing to be built any railway which, in the opinion of the South Manchuria Railway Company, was in competition with its system. The Chinese, on the other hand, contend that the only commitment involved in the disputed passage was a statement of intention not to build lines with the deliberate object of unduly impairing the commercial usefulness and value of the South Manchuria Railway. During the exchange of notes of 1907

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concerning the Hsinmuntun-Fakumen-Railway project, Prince Ching, representing the Chinese Government, stated to Baron Hayashi, the Japanese Minister, in a communication dated April 7th, 1907, that the Japanese plenipotentiaries in the Peking Conference, while refusing to agree to a definition of the term "parallel line" in terms of specific mileage from the South Manchuria Railway, declared that Japan "would do nothing to prevent China from any steps she might take in the future for the development of Manchuria". It would seem, therefore, that the Chinese Government during this period admitted in practice that there was, on their part, an obligation not to construct railways palpably and unreasonably prejudicial to the interests of the South Manchuria Railway, though they have always denied that Japan had any valid claim to a right to monopolise railway construction in Southern Manchuria.

There has never been a definition as to what would constitute a parallel railway, although the Chinese desired one. When the Japanese Government opposed the construction of the Hsinmuntun-Fakumen Railway in 1906-1908, the impression was created that Japan considered a "parallel" railway one within approximately thirty-five miles of the South Manchuria Railway, but, in 1926, the Japanese Government protested against the construction of the Tuhushan-Tungliao Railway as a "competitive parallel line", noting that the distance between the proposed railway and the South Manchuria Railway would be "no more than seventy miles on the average". It would be difficult to make a thoroughly satisfactory definition.

From a railway-operating point of view, a "parallel" line can be considered a "competing line": one which deprives another railway of some part of the traffic which naturally would have gravitated to it. Competitive traffic includes both local and through traffic and, especially when the latter is considered, it is not difficult to see how a stipulation against the construction of "parallel" lines is capable of very broad interpretation. Nor is there any agreement between China and Japan as to what constitutes a "main line" or a "branch line". These terms, from a railway-operating point of view, are subject to change. The Peiping-Mukden Railway line from Tuhushan extending north was originally considered by that administration as a "branch line", but, after the line had been completed from Tuhushan to Tungliao, it was possible to regard this as a "main line".

It was only natural that the interpretation of the undertaking in regard to parallel railways should lead to bitter controversy between China and Japan. The Chinese attempted to build their own railways in South Manchuria, but in almost every case met with a protest from Japan.

A second group of railway issues which increased the tension between China and Japan before the events of September last were those which arose from the agreement under which the Japanese advanced money for the construction of various Chinese Government Railways in Manchuria. Japanese capital to the present value, including arrears and interests, of 150,000,000 yen had been expended in the building of the following Chinese lines: the Kirin-Changchun, the Kirin-Tunhua, the Ssipingkai-Taonan, and the Taonan-Angangchi Railways, and certain narrow-gauge lines.

The Japanese complained that the Chinese would not pay these loans, nor make adequate provision for them, nor carry out various stipulations in the agreements, such as those respecting the appointment of Japanese railway advisers. They made repeated demands that the Chinese should fulfil the alleged promises made by their Government that Japanese interests should be permitted to participate in the construction of the Kirin-Kwainei Railway. This projected line would extend the Kirin-Tunhua Railway to the Korean border, and would make available for Japan a new short sea-and-rail route from her seaports to the centre of Manchuria, and, in conjunction with the other railways, shorten the communications with the interior.

Difficulties in
interpretation
of a clause
phrased so
broadly and
non-
technically

Issues caused
by Japanese
loans for
construction of
Chinese
railways in
Manchuria.

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**The Chinese
defence.**

In defence of the failure to repay their loans, the Chinese pointed out that these were not normal financial transactions. They claimed that the loans were made largely by the South Manchuria Railway in order to monopolise railway construction in South Manchuria ; that the object was primarily strategic and political ; and that, in any case, the new lines had been so heavily over-capitalised that they were, at least for the time being, financially unable to earn the necessary money to repay the construction expenses and loans. They contended that in each instance of alleged failure to fulfil obligations, an impartial examination would show adequate justification for their conduct. As for the Kirin-Kwainei Railway, they denied the moral, and even the legal, validity of the alleged agreements.

**The South
Manchuria
Railway
desired a
system of
branch lines.**

There were certain conditions which existed in connection with those railway agreements which made it natural for the loan controversy to arise. The South Manchuria Railway had practically no branches and wished to develop a system of feeder lines in order to increase its freight and passenger traffic. The Company was therefore willing to advance money for the building of such new lines, even though there was little likelihood that the loans would be repaid in the near future ; it was also willing to continue to make further advances when earlier loans were still outstanding.

In these circumstances, and so long as the newly constructed Chinese lines functioned as feeders to the South Manchuria system and were operated in some measure under its influence, the South Manchuria Railway Company appeared to make no special effort to force payment of the loans, and the Chinese lines operated with ever-increasing debt obligations. But when certain of these lines were connected with a new Chinese railway system, and in 1930-31 started a serious competition with the South Manchuria Railway, the non-payment of the loans at once became a subject of complaint.

**The Nishihara
loans.**

Another complicating factor, in the case of certain of these loan agreements, was their political character. It was as a result of the "Twenty-one Demands" that the Kirin-Changchun Railway was placed under the direction of the South Manchuria Railway Company, and the outstanding indebtedness of the line converted into a long-term loan, maturing in 1947. The advance of 20,000,000 yen made in 1918 in consequence of the so-called "Four Manchuria-Mongolia Railways Agreement" was one of the so-called "Nishihara loans", made to the military Government of the "Anfu clique", without any restriction as to the purpose for which it might be used. Similarly, it was from a Nishihara loan that an advance was made of 10,000,000 yen to this clique in connection with the preliminary loan contract agreement of 1918 for the construction of the Kirin-Kwainei Railway. Chinese national sentiment has been greatly aroused over the subject of the "Nishihara loans" ever since their negotiation; but, in spite of this, the Chinese Government has never repudiated them. In these circumstances, the Chinese felt little moral obligation to fulfil the conditions of the loan contracts.

**The
Kirin-Kwainei
Railway
project.**

Especially important in Sino-Japanese relations were the issues over the Kirin-Kwainei Railway project. The first act of issues related to the section of the line from Kirin to Tunhua, the construction of which was completed in 1928. From that time on, the Japanese complained because the Chinese would not convert the Japanese advances for construction purposes into a formal loan secured by the earnings of the railway, and maintained that the Chinese were violating the contract by their refusal to appoint a Japanese accountant for the line.

The Chinese in turn claimed that the construction costs submitted were not only much higher than the estimates of the Japanese engineers, but were greatly in excess of the amount for which vouchers were presented. They refused to take over the line formally until the construction costs should be settled ; and contended that, until they should do so, they were under no obligation to appoint a Japanese accountant.

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These issues, definite and technical, involving no problems of principle or policy, were obviously suited for arbitration or judicial discrimination, but they remained unsettled and served to intensify the mutual resentment of Chinese and Japanese.

Of much greater importance, and far more complicated, was the issue over the construction of the railway from Tunhua to Kwainei. This section would complete the railway from Changchun to the Korean border, where it would connect with a Japanese railway running to a nearby Korean port. Such a line, giving direct entrance to Central Manchuria and opening a region rich in timber and mineral resources, would be of economic value as well as of great strategic importance to Japan.

The projected
Tunhua-
Kwainei
line.

The Japanese were insistent that this line should be built and that they should participate in its financing. They claimed that China had given treaty assurances to this effect. The Chinese Government had promised, they pointed out, in the Chientao Agreement of September 4th, 1909, to build the line "upon consultation with the Government of Japan", the promise being given in part as a consideration for Japan's relinquishing the old claims of Korea to the Chientao region in Manchuria. Later, in 1918, the Chinese Government and the Japanese banks signed a preliminary agreement for a loan for the construction of this line and, in accordance with the agreement, the banks advanced to the Chinese Government the sum of 10,000,000 yen. This, however, was one of the Nishihara loans, a fact which, in the view of the Chinese, affected the validity of the engagement.

Neither of them, however, was a definitive loan contract agreement, obliging China, without condition and before a specific date, to permit Japanese financiers to participate in the construction of such a line.

The contracts
of May 1928.

It was alleged that formal, definitive contracts for the construction of this line were signed in Peking in May 1928, but there was much uncertainty regarding their validity. Such contracts were doubtless signed, under very irregular circumstances, on May 13th-15th by a representative of the Ministry of Communications of the Government at Peking, then under Marshal Chang Tso-lin. But the Chinese contend that the Marshal, who was then hard-pressed by the Nationalist Armies and was about to evacuate Peking, gave his consent that this official should sign, under "a duress of compulsion", due to threats of the Japanese that, if he should not sanction the contracts, his retreat to Mukden would be endangered. Whether Marshal Chang Tso-lin himself also signed the contracts has been a matter of dispute. After the death of the Marshal, the North-Eastern Political Council at Mukden and Marshal Chang Hsueh-liang both refused to approve the contracts on the ground that they were faulty in form and negotiated under duress and had never been ratified by the Peking Cabinet or the North-Eastern Political Council.

The underlying reason for the opposition of the Chinese to the construction of the Tunhua-Kwainei line was their fear of Japan's military and strategic purposes and their belief that their sovereign rights and interests would be threatened by this new Japanese approach to Manchuria from the Japan Sea.

This particular railway issue was not primarily a financial or commercial problem, but involved a conflict between the State policies of Japan and China.

There were additional issues over through-traffic arrangements between the Chinese and Japanese lines, rate questions and rivalries between the seaport of Dairen and such Chinese ports as Yingkow (Newchwang).

Through-
traffic
controversies.

By September 1931, the Chinese had built unaided and were owning and operating railways with a total length of nearly a thousand kilometres, of which the most important were: the Mukden-Hailung, the Hailung-Kirin, the Tsitsihar-Koshan, the Hulan-Hailun and the Tahushan-Tungliao

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(a branch of the Peiping-Mukden system) lines ; and they owned the Peiping-Mukden Railway and the following Japanese-financed lines: the Kirin-Changchun, the Kirin-Tunhua, Ssipingkai-Taonan and Taonan-Angangchi lines. During the two years preceding the outbreak of the present conflict, the Chinese attempted to operate these various lines as a great Chinese railway system and made efforts to route all freight, if possible, exclusively over the Chinese-operated lines, with a seaboard exit at the Chinese port of Yingkow (Newchwang) — potentially at Hulutao. As a result, the Chinese made through-traffic arrangements for all ports of their railway system and refused in important sections to make similar traffic agreements between their lines and the South Manchuria system. The Japanese claimed that this discrimination deprived the South Manchuria Railway of much freight from North Manchuria which would normally pass over at least a part of its line and would find an outlet at Dairen.

**A war of
railway rates.**

Associated with these through-traffic controversies, a bitter rate war sprang up between the Japanese and Chinese lines, which began in 1929-30, when the Chinese reduced their rates after the opening of the Tuhushan-Tungliao and the Kirin-Hailung lines. The Chinese lines appeared to have a natural advantage at that time due to the fall in the value of the Chinese silver currency, which made the silver rates on these lines cheaper than the gold-yen rates on the South Manchuria Railway. The Japanese claimed that the Chinese rates were so low that they constituted unfair competition, but the Chinese replied that their aim was not primarily to make profits, as was the case with the South Manchuria, but to develop the country and to enable the rural population to reach the markets as cheaply as possible.

**Allegations of
national
discrimination
iu favour of
native-
manufactured
goods.**

Incidental to this rivalry in rate-cutting, allegations were made by each side that the other indulged in rate discrimination or secret rebates in favour of its own nationals. The Japanese complained that the Chinese made railway classifications which enabled Chinese products to be carried over Chinese lines more cheaply than foreign goods, and that they gave lower rates than normal for native goods and for freight shipped over Chinese lines to a Chinese-controlled seaport. The Chinese, on their side, charged the South Manchuria Railway with granting secret rebates, pointing out particularly that a Japanese forwarding agency was quoting rates for freight consigned through them which were lower than the regular scheduled rates of the South Manchuria line.

These issues were highly technical and involved, and it was difficult to determine the justice of the charges which each side was making against the other. It is obvious that such questions as these should normally be settled by a Railroad Commission or by regular judicial determination¹.

**Port
controversies.**

The railway policies of the Chinese authorities in Manchuria were focussed upon the new port development at Hulutao. Yingkow was to be the secondary port and, pending the completion of Hulutao, the principal one. Many new railways were projected which would serve practically all parts of Manchuria. The Japanese claimed that the through-traffic arrangements and the low rates put into effect by the Chinese deprived the port of Dairen of much cargo that would normally have moved to it and that this situation was particularly evident in 1930. They stated that the export freight carried to Dairen by the South Manchuria Railway fell off over a million metric tons in 1930, while the port of Yingkow actually showed an increase over the previous year. The Chinese, however, pointed out that the falling-off in freight at Dairen was due principally to the general depression and to the especially severe slump in soya beans, which constituted a large part of the freight normally carried over the South Manchuria line. They claimed also that the increase at Yingkow was the result of traffic from regions recently opened by the new Chinese railway lines.

¹ See special study No. 1, annexed to this Report.

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The Japanese appeared to be especially concerned over the potential competition of the Chinese lines and the port of Hulutao, and complained that the purpose of the Chinese in planning to construct many new railways and in developing Hulutao Harbour was to make "the port of Dairen as well as the South Manchuria Railway itself as good as valueless".

Viewing these many railroad issues as a whole, it is evident that a number of them were technical in character and were quite capable of settlement by ordinary arbitral or judicial process, but that others of them were due to intense rivalry between China and Japan which resulted from a deep-seated conflict in national policies.

Practically all these railway questions were still outstanding at the opening of the year 1931. Beginning in January and continuing sporadically into the summer, a final but futile effort was made by both Japan and China to hold a conference in order to reconcile their policies with respect to these outstanding railway questions. These Kimura-Kao negotiations, as they were called, achieved no result. There was evidence of sincerity on both sides when the negotiations began in January, but various delays occurred for which both Chinese and Japanese were responsible, with the result that the formal conference, for which extended preparations had been made, had not yet met when the present conflict started.

The
Sino-Japanese
railway
negotiations
of 1931.

IV. THE SINO-JAPANESE TREATY AND NOTES OF 1915 AND RELATED ISSUES.

With the exception of their railway controversies, the Sino-Japanese issues of greatest importance which were outstanding in September 1931 were those which arose from the Sino-Japanese Treaties and Notes of 1915, which in turn were a result of the so-called "Twenty-one Demands". These issues mainly concerned South Manchuria and Eastern Inner Mongolia, since, with the exception of the question of the Hanyehping Mine (near Hankow), the other agreements negotiated in 1915 had either been replaced by new ones or had been voluntarily given up by Japan. The controversies in Manchuria were over the following provisions :

The
Twenty-one
Demands and
the Treaty and
Notes of 1915.

- (1) The extension of the term of Japanese possession of the Kwantung Leased Territory to ninety-nine years (1997);
- (2) The prolongation of the period of Japanese possession of the South Manchuria Railway and the Antung-Mukden Railway to ninety-nine years (2002 and 2007 respectively);
- (3) The grant to Japanese subjects of the right to lease land in the interior of "South Manchuria"—i.e., outside those areas opened by treaty or otherwise to foreign residence and trade;
- (4) The grant to Japanese subjects of the right to travel, reside and conduct business in the interior of South Manchuria and to participate in joint Sino-Japanese agricultural enterprises in Eastern Inner Mongolia.

The legal right of the Japanese to enjoy these grants and concessions depended entirely upon the validity of the Treaty and Notes of 1915, and the Chinese continuously denied that these were binding upon them. No amount of technical explanation or argument could divest the minds of the Chinese people, officials or laymen, of their conviction that the term "Twenty-one Demands" was practically synonymous with the "Treaties and Notes of 1915" and that China's aim should be to free herself from them. At the Paris Conference, 1919, China demanded their abrogation on the ground that they had been concluded "under coercion of a Japanese ultimatum threatening war". At the Washington Conference, 1921-22, the Chinese delegation raised the question "as to the equity and justice of these agreements and therefore as to their fundamental validity", and,

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in March 1923, shortly before the expiration of the original twenty-five-year lease of the Liaotung (Kwantung) Territory which China granted in 1898 to Russia, the Chinese Government communicated to Japan a further request for the abrogation of the provisions of 1915, and stated that "the Treaties and Notes of 1915 have been consistently condemned by public opinion in China". Since the Chinese maintained that the agreements of 1915 lacked "fundamental validity", they declined to carry out the provisions relating to Manchuria except in so far as circumstances made it expedient to do so.

The Japanese complained bitterly of the consequent violations of their treaty rights by the Chinese. They contended that the Treaties and Notes of 1915 were duly signed and ratified and were in full force. To be sure, there was a considerable body of public opinion in Japan which from the first did not agree with the "Twenty-one Demands"; and, more recently, it has been common for Japanese speakers and publicists to criticise this policy. But the Japanese Government and people appeared unanimous in insisting upon the validity of those provisions which related to Manchuria.

Two important provisions in the Treaty and Notes of 1915 were those for the extension of the lease of the Kwantung Territory from twenty-five to ninety-nine years, and of the concessions of the South Manchuria and the Antung-Mukden Railways to a similar period of ninety-nine years. For the dual reasons that these extensions were a result of the 1915 agreements and that recovery of the territories originally leased by former Governments was included in the Nationalist "Rights Recovery" movement directed against foreign interests in China, the Kwantung Leased Territory and the South Manchuria Railway were made objects, at various times, of agitation and even diplomatic representation on the part of the Chinese. The policy of Marshal Chang Hsueh-liang of declaring Manchuria's allegiance to the Central Government and of permitting the spread of Kuomintang influence in Manchuria made these issues acute after 1928, although they remained in the background of practical politics.

Associated also with the Treaty and Notes of 1915 was the agitation for the recovery of the South Manchuria Railway, or for stripping that institution of its political character in order to reduce it to a purely economic enterprise. As the earliest date fixed for the recovery of this railway on repayment of the capital and interest outlay was 1939, the mere abrogation of the 1915 Treaties would not in itself have recovered the South Manchuria Railway for China. It was extremely doubtful whether China, in any case, would have been able to obtain the capital for this purpose. The occasional utterances of Chinese Nationalist spokesmen, urging recovery of the South Manchuria Railway, served as an irritant to the Japanese, whose legitimate rights and interests were thereby threatened.

The disagreement between the Japanese and Chinese as to the proper functions of the South Manchuria Railway continued from the time of the railway company's organisation in 1906. Technically, of course, the railway company is organised under Japanese law as a private joint-stock enterprise and is quite beyond the pale of Chinese jurisdiction in practice. Particularly since 1927, there had been an agitation among Chinese groups in Manchuria for divesting the South Manchuria Railway of its political and administrative functions and converting it into a "purely commercial enterprise". No concrete plan for achieving this end seems to have been proposed by the Chinese. The railway company was in fact a political enterprise. It was a Japanese Government agency, the Government controlling a majority of its shares; its administrative policy was so closely controlled by the Government that the company's higher officials were almost invariably changed when a new Cabinet came into power in Japan. Moreover, the company had always been charged, under Japanese

**The extension
of the lease
of the Liaotung
Territory and
of the
concessions
for the South
Manchuria and
Antung-
Mukden
Railway.**

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law, with broad political administrative functions, including police, taxation and education. To have divested the company of these functions would have been to abandon the entire "special mission" of the South Manchuria Railway, as originally conceived and subsequently developed.

Numerous issues arose in regard to the administrative rights of the Japanese within the South Manchuria Railway area, especially as to the acquisition of land, the levying of taxes, and the maintenance of railway guards.

The railway area includes, in addition to a few yards on each side of the railway tracks, fifteen municipalities, termed Japanese "railway towns", situated along the entire system of the South Manchuria Railway from Dairen to Changchun and from Antung to Mukden. Some of these railway towns, such as those at Mukden, Changchun and Antung, comprise large sections of populous Chinese cities.

The right of the South Manchuria Railway to maintain practically complete municipal governments in the railway area rested legally upon a clause in the original Russo-Chinese Railway Agreement of 1896, which gave the railway company "absolute and exclusive administration of its lands". The Russian Government, until the Sino-Soviet Agreement of 1924, and later the Japanese Government, which acquired the original rights of the Chinese Eastern Railway so far as concerned the South Manchuria Railway, interpreted this provision as granting political control of the railway area. The Chinese always denied this interpretation, insisting that other provisions in the Treaty of 1896 made it clear that this clause was not intended to grant such broad administrative rights as control of police, taxation, education, and public utilities.

Disputes regarding the acquisition of land by the railway company were common. By virtue of one of the clauses of the original Agreement of 1896, the railway company had the right to acquire by purchase or lease private lands "actually necessary for the construction, operation and protection of the line". But the Chinese contended that the Japanese attempted to make improper use of this right, in order to obtain additional territory. The result was almost continuous controversy between the South Manchuria Railway Company and the Chinese local authorities.

Conflicting claims as to the right to levy taxes within the railway area led to frequent controversy. The Japanese based their claim upon the original grant to the railway company of the "absolute and exclusive administration of its lands"; the Chinese, upon the rights of the sovereign State. Speaking generally, the *de facto* situation was that the railway company levied and collected taxes from Japanese, Chinese and foreigners residing in the railway areas, and that the Chinese authorities did not exercise such authority, although they claimed the legal right to do so.

A type of controversy which was frequently arising was where the Chinese attempted to tax produce (such as soya-bean shipments) which was being carted to the South Manchuria Railway towns for transport by rail to Dairen over the Japanese line. This was described by the Chinese as a uniform tax, necessarily to be collected at the boundaries of the Japanese "railway towns", since to refrain from doing so would have been to discriminate in favour of produce carried by the South Manchuria Railway.

The issues as to Japanese railway guards led to almost continuous difficulty. They were also indicative of a fundamental conflict of State policies in Manchuria already referred to and were the cause of a series of incidents, resulting in considerable loss of life. The legal basis of Japan's alleged right to maintain these guards was the oft-quoted clause in the original Agreement of 1896 which granted to the Chinese Eastern Railway "the absolute and exclusive right of administration of its lands". Russia maintained, and China denied, that this gave the right to guard the railway line by Russian troops. In the Portsmouth Treaty, 1905, Russia and Japan,

The railway
area.

Land
disputes.

Controversies
over the right
of taxation
in the railway
areas.

The question of
Japan's right to
maintain
"railway
guards" along
the South
Manchuria
Railway.

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as between themselves, reserved the right to maintain railway guards "not to exceed 15 men per kilometre". But in the subsequent Treaty of Peking, signed by China and Japan later in the same year, the Chinese Government did not give its assent to this particular provision of the agreement between Japan and Russia. China and Japan, however, did include the following provision in Article II of the Additional Agreement of December 22nd, 1905, which is an annex to the Sino-Japanese Treaty of Peking of that date :

"In view of the earnest desire expressed by the Imperial Chinese Government to have the Japanese and Russian troops and railway guards in Manchuria withdrawn as soon as possible, and in order to meet this desire, the Imperial Japanese Government, in the event of Russia's agreeing to the withdrawal of her railway guards, or in case other proper measures are agreed to between China and Russia, consents to take similar steps accordingly. When tranquillity shall have been re-established in Manchuria and China shall have become herself capable of affording full protection to the lives and property of foreigners, Japan will withdraw her railway guards simultaneously with Russia."

Japanese contention.

It is this article upon which Japan based her treaty right. Russia, however, long since withdrew her guards and she relinquished her rights to keep them by the Sino-Soviet Agreements of 1924. But Japan contended that tranquillity had not been established in Manchuria and that China was not herself capable of affording full protection to foreigners; therefore she claimed that she still retained a valid treaty right to maintain railway guards.

Japan has appeared increasingly inclined to defend her use of these guards less upon treaty right than upon the grounds of "absolute necessity under the existing state of affairs in Manchuria".

Chinese contention.

The Chinese Government consistently controverted the contention of Japan. It insisted that the stationing of Japanese railway guards in Manchuria was not justified either in law or in fact and that it impaired the territorial and administrative integrity of China. As to the stipulation in the Sino-Japanese Treaty of Peking, already quoted, the Chinese Government contended that this was merely declaratory of a *de facto* situation of a provisional character and that it could not be said to confer a right, especially of a permanent character. Moreover, it claimed that Japan was legally obliged to withdraw her guards, since Russia had withdrawn hers, tranquillity had been re-established in Manchuria, and the Chinese authorities were able to give adequate protection to the South Manchuria Railway, as they were doing for other railway lines in Manchuria, provided the Japanese guards would permit them to do so.

The controversies which arose regarding the Japanese railway guards were not limited to their presence and activities within the railway area. These guards were regular Japanese soldiers and they frequently carried their police functions into adjoining districts or conducted manoeuvres outside the railway areas, with or without the permission of, and with or without notification to, the Chinese authorities. These acts were particularly obnoxious to the Chinese, officials and public alike, and were regarded as unjustifiable in law and provocative of unfortunate incidents.

Frequent misunderstandings and considerable damage to Chinese farm crops resulted from the manoeuvres, and material remuneration failed to alleviate the hostile feelings thus aroused.

Japanese Consular Police.

Closely associated with the question of the Japanese railway guards was that of the Japanese consular police. Such police were attached to the Japanese consulates and branch consulates in all the Japanese consular districts in Manchuria, not only along the South Manchuria Railway, but in such cities as Harbin, Tsitsihar and Manchouli, as well as in the so-called

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“ Chientao District ”, the area in which lived a large number of the Koreans resident in Manchuria.

The Japanese claimed that the right to maintain consular police was a corollary to the right of extra-territoriality ; that it was merely an extension of the judicial functions of the consular courts, these police being necessary to protect and discipline Japanese subjects. In fact, Japanese consular police, in smaller numbers, have also been attached to Japanese consulates in other parts of China, contrary to the general practice of countries having extra-territorial treaties.

As a practical matter, the Japanese Government apparently believed that the stationing of consular police in Manchuria was a necessity under the conditions which prevailed there, especially in view of the importance of the Japanese interests involved and the large number of resident Japanese subjects, including Koreans.

The Chinese Government, however, always contested this position advanced by Japan as justification for stationing Japanese consular police in Manchuria and sent frequent protests to Japan on the subject. She claimed that there was no necessity to station Japanese police officers anywhere in Manchuria, that the question of police could not be associated with extra-territoriality, and that their presence was without treaty basis and a violation of China's sovereignty.

Whether justified or not, the presence of consular police led in a number of cases to serious conflicts between members of their force and those of the local Chinese authorities.

The Sino-Japanese Treaty of 1915 provided that “ Japanese subjects shall be free to reside and travel in South Manchuria and to engage in business and manufacture of any kind whatsoever ”. This was an important right, but one which was objectionable to the Chinese, since in no other part of China were foreigners as a class permitted to reside and to engage in business outside the Treaty Ports. It was the policy of the Chinese Government to withhold this privilege until extra-territoriality should be abolished and foreigners should be subject to Chinese laws and jurisdiction.

In South Manchuria, however, this right had certain limitations : the Japanese were required to carry passports and observe Chinese laws and regulations while in the interior of South Manchuria ; but the Chinese regulations applicable to Japanese were not to be enforced until the Chinese authorities had first “ come to an understanding with the Japanese Consul ”.

On many occasions, the action of the Chinese authorities was inconsistent with the terms of this agreement, the validity of which they always contested. The fact that restrictions were placed upon the residence, travel and business activities of Japanese subjects in the interior of South Manchuria, and that orders and regulations were issued by various Chinese officials prohibiting Japanese or other foreigners from residing outside the Treaty Ports or from renewing leases of buildings is not contested in the documents officially presented to the Commission by the Chinese Assessor. Official pressure, sometimes supported by severe police measures, was exerted upon the Japanese to force them to withdraw from many cities and towns in South Manchuria and Eastern Inner Mongolia, and upon Chinese property owners to prevent them from renting houses to Japanese. It was stated by the Japanese that the Chinese authorities also refused to issue passports to Japanese, harassed them by illegal taxes, and, for some years before September 1931, failed to carry out the stipulation in the agreement by which they had undertaken to submit to the Japanese Consul the regulations which were to be binding upon the Japanese.

The object of the Chinese was the execution of their national policy of restricting the exceptional privileges of Japanese in Manchuria and thus strengthening the control of China over these Three Eastern Provinces. They justified their actions on the ground that they regarded the Treaty

**The Japanese
justification
for stationing
Consular
Police in
Manchuria.**

**The Chinese
denied the
Japanese
claims.**

**The right of
the Japanese to
travel, reside
and conduct
commercial
enterprises in
interior places
in South
Manchuria.**

**The defence
and the
explanation
of the Chinese.**

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of 1915 as without "fundamental validity". They pointed out, moreover, that the Japanese attempted to reside and conduct business in all parts of Manchuria, although the treaty provision was limited to South Manchuria.

In view of the conflicting national policies and aims of China and Japan, it was almost inevitable that continuous and bitter controversies should arise over this treaty provision. Both countries admit that the situation was a growing irritant in their mutual relations up to the events of September 1931.

This
controversy
was a constant
irritant until
the events of
September
1931.

The land
lease issue.

Closely associated with the right to reside and to do business in the interior of South Manchuria was the right to lease land, which was granted to Japanese by the Treaty of 1915 in the following terms: "Japanese subjects in South Manchuria may, by negotiation, lease land necessary for erecting suitable buildings for trade and manufacture or for prosecuting agricultural enterprises". An exchange of notes between the two Governments at the time of the treaty defined the expression "lease by negotiation" to imply, according to the Chinese version, "a long-term lease of not more than thirty years and also the possibility of its unconditional renewal"; the Japanese version simply provided for "leases for a long term up to thirty years and unconditionally renewable". Disputes naturally arose over the question whether the Japanese land leases were, at the sole option of the Japanese, "unconditionally renewable".

The Chinese interpreted the desire of the Japanese to obtain lands in Manchuria, whether by lease, purchase, or mortgage, as evidence of a Japanese national policy to "buy Manchuria". Their authorities therefore very generally attempted to obstruct efforts of the Japanese to this end, and became increasingly active in the three or four years preceding September 1931, a period during which the Chinese "Rights-Recovery Movement" was at its height.

In making strict regulations against the purchase of land by the Japanese, their ownership of it in freehold, or their acquisition of a lien through mortgage, the Chinese authorities appeared to be within their legal rights, since the treaty granted only the privilege of leasing land. The Japanese, however, complained that it was not in conformity with the spirit of the treaty to forbid mortgages upon land.

Chinese officials, however, did not accept the validity of the treaty and consequently put every obstacle in the way of Japanese leasing land, by orders, provincial and local, calculated to make the leasing of lands to Japanese punishable under the criminal laws; by imposition of special fees and taxes payable in advance on such leases; and by instructions to local officials prohibiting them, under threat of punishment, from approving such transfers to Japanese.

The Japanese
have acquired
land by lease,
mortgage and
purchase in
"North
Manchuria"
as well as in
"South
Manchuria".

Sino-Japanese
negotiations
on the issue
of land lease.

In spite of these obstacles, great tracts of land have, as a matter of fact, not only been leased by the Japanese, but actually obtained in freehold — although the titles might not be recognised in a Chinese court — through outright purchase, or by the more usual means of foreclosing a mortgage. These mortgages on land have been obtained by Japanese loan operators, especially large loan associations, certain of which have been organised especially for the purpose of acquiring land tracts. The total area of lands leased to Japanese in the whole of Manchuria, and in Jehol, according to Japanese official sources, increased from about 80,000 acres in 1922-23 to over 500,000 acres in 1931. A small proportion of this total was in North Manchuria, where the Japanese had no legal right under Chinese law and international treaty to acquire land leases.

Due to the importance of this land lease issue, there were at least three attempts during the decade preceding 1931 to reach some agreement by direct Sino-Japanese negotiation. A possible solution, which there is reason to believe was under consideration, would have treated together the two subjects of land leasing and the abolition of extra-territoriality: in

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Manchuria, the Japanese were to surrender extra-territoriality and the Chinese were to permit the Japanese to lease land freely. But the negotiations were unsuccessful.

This long-standing Sino-Japanese controversy over the right of Japanese to lease land arose, like the other issues already mentioned, out of the fundamental conflict between rival State policies, the allegations and counter-statements concerning violation of international agreements being less consequential in themselves than the underlying objectives of each policy.

5. THE KOREAN PROBLEM IN MANCHURIA.

The presence of about 800,000 Koreans in Manchuria, who possess Japanese nationality under the Japanese law, served to accentuate the conflict of policies of China and of Japan. Out of this situation there arose various controversies, in consequence of which the Koreans themselves were victimised, being subjected to suffering and brutalities¹.

Chinese opposition to Korean acquisition, by purchase or lease, of land in Manchuria was resented by the Japanese, who claimed that the Koreans were entitled, as Japanese subjects, to the privileges of land-leasing acquired by Japan in the Treaty and Notes of 1915. The problem of dual nationality also arose, as the Japanese refused to recognise the naturalisation of Koreans as Chinese subjects. The use of Japanese consular police to invigilate and protect the Koreans was resented by the Chinese and resulted in innumerable clashes between Chinese and Japanese police. Special problems arose in the Chientao District, just north of the Korean border, where the 400,000 Korean residents outnumber the Chinese by three to one. By 1927, these questions led the Chinese to pursue a policy of restricting the free residence of Koreans in Manchuria — a policy which the Japanese characterised as one of unjustifiable oppression.

The status and rights of Koreans in Manchuria are determined largely in three Sino-Japanese agreements — viz., the Agreement relating to the Chientao Region, September 4th, 1909 ; the Treaty and Notes of May 25th, 1915, concerning South Manchuria and Eastern Inner Mongolia ; and the so-called "Mitsuya Agreement" of July 8th, 1925. The delicate question of dual nationality in the case of the Koreans has never been regularised by Sino-Japanese agreement.

By 1927, the Chinese authorities in Manchuria generally came to believe that the Koreans had become, in fact, "a vanguard of Japanese penetration and absorption" of Manchuria. In this view, so long as the Japanese refused to recognise the naturalisation of Koreans as Chinese subjects, and especially since the Japanese consular police constantly exercised surveillance over Koreans, the acquisition of land by Koreans, whether by purchase or lease, was an economic and political danger "which threatened the very existence of Chinese people in Manchuria".

The view was prevalent among the Chinese that the Koreans were being compelled to migrate from their homeland in consequence of the studied policy of the Japanese Government to displace Koreans with Japanese immigrants from Japan, or to make life so miserable for them, politically and economically, especially by forcing them to dispose of their land holdings, that emigration to Manchuria would naturally follow. According to the Chinese view, the Koreans, being an "oppressed race" ruled by an alien Government in their own land, where the Japanese monopolised all the important official posts, were forced to migrate to Manchuria to seek political freedom and an economic livelihood. The Korean immigrants, 90 per cent of whom are farmers, and almost all of whom cultivators of ricefields, were thus at first welcomed by the Chinese as an economic asset

Sino-Japanese
agreements
governing the
status of
Koreans in
Manchuria.

Chinese
contentions.

¹ See special study No. 9, annexed to this Report.

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and favoured out of a natural sympathy for their supposed oppression. They contended that, but for the Japanese refusal to permit Koreans to become naturalised Chinese subjects and the Japanese policy of pursuing them into Manchuria on the pretext of offering them necessary police protection, this Korean colonisation in Manchuria would have created no major political and economic problems. The Chinese deny that the efforts admittedly made by their officials in Manchuria, especially after 1927, to restrict the free settlement of Koreans on the land in Manchuria, except as mere tenants or labourers, can be regarded as instances of "oppression".

The Japanese admit that the Chinese suspicion was the principal cause of Chinese "oppression" of the Koreans, but vigorously deny the allegation that they pursued any definite policy of encouraging Korean migration to Manchuria, stating that "Japan having neither encouraged nor restricted it, the Korean emigration to Manchuria must be regarded as the outcome of a natural tendency", a phenomenon uninfluenced by any political or diplomatic motives. They therefore declare that "the fear on the part of China that Japan is plotting the absorption of the two regions by making use of Korean immigrants is entirely groundless".

These irreconcilable views intensified such problems as those related to the leasing of land, questions of jurisdiction and the Japanese consular police, these having created a most unfortunate situation for the Koreans and embittered Sino-Japanese relations¹.

There exist no Sino-Japanese agreements which specifically grant or deny the right of Koreans to settle, reside, and conduct occupations outside the Treaty Ports, or to lease or otherwise acquire land in Manchuria, except in the so-called Chientao District. Probably, however, over 400,000 Koreans do live in Manchuria outside Chientao. They are widely distributed, especially in the eastern half of Manchuria, and are numerous in the regions lying north of Korea, in Kirin Province, and have penetrated in large numbers into the region of the eastern section of the Chinese Eastern Railway, the lower Sungari valley and along the Sino-Russian border from North-Eastern Korea to the Ussuri and the Amur River valleys, their migration and settlement having overflowed into the adjoining territories of the U.S.S.R. Moreover, partly because a very considerable group of the Koreans are natives of Manchuria, their ancestors having immigrated generations ago, and partly because others have renounced their allegiance to Japan and have become naturalised Chinese subjects, a great many Koreans to-day actually possess agricultural lands in Manchuria, outside of Chientao, both by virtue of freehold title and leasehold. The vast majority, however, cultivate paddy fields simply as tenant farmers under rental contracts, on a crop-division basis, with the Chinese landlords, these contracts usually being limited to periods from one to three years, renewable at the discretion of the landlord.

The Chinese deny that the Koreans have the right to purchase or lease agricultural lands in Manchuria outside the Chientao District, since the only Sino-Japanese agreement on the point is the Chientao Agreement of 1909, which is restricted in its application to that area. Only Koreans who are Chinese subjects, therefore, are entitled to purchase land, or, for that matter, to reside and lease land in the interior of Manchuria. In denying the claim of right of the Koreans to lease land freely in Manchuria, the Chinese Government has contended that the Chientao Agreement of 1909, which granted Koreans the right of residence with special landholding privileges in the Chientao District alone and specified that the Koreans were to be subject to Chinese jurisdiction, is in itself a self-contained instrument "purporting to settle, by mutual concessions, local issues then pending between China and Japan in that area". The Chientao

Japanese denial of these Chinese accusations.

The Korean problem intensified the Sino-Japanese hostilities, victimising the Koreans themselves.

The Koreans and the land lease question.

Conflict over the Sino-Japanese agreements concerning the right of Koreans to lease land.

¹ See special study No. 9, annexed to this Report.

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Agreement contained a *quid pro quo*, Japan waiving the claim of jurisdiction over the Koreans, China granting them the special privilege of possessing agricultural lands.

Both countries continued to observe the agreement after the annexation of Korea by Japan in 1910, China contending that the Treaty and Notes of 1915 could not alter the stipulations of the Chientao Agreement, especially as the new Treaty contained a clause specifying that "all existing treaties between China and Japan relating to Manchuria shall, except as otherwise provided for by this Treaty, remain in force". No exception was made for the Chientao Agreement. The Chinese Government further contends that the Treaty and Notes of 1915 do not apply to the Chientao District, since the latter is not geographically a part of "South Manchuria" — a term which is ill-defined both geographically and politically.

The Chinese contention.

This Chinese contention has been contested by the Japanese since 1915, their position being that, inasmuch as the Koreans became Japanese subjects by virtue of the annexation of Korea in 1910, the provisions of the Sino-Japanese Treaty and Notes of 1915 concerning South Manchuria and Eastern Inner Mongolia, which grant Japanese subjects the right to reside and lease lands in South Manchuria and to participate in joint agricultural enterprises in Eastern Inner Mongolia, apply equally to the Koreans. The Japanese Government has contended that the Chientao Agreement was superseded by those provisions of the 1915 agreements in conflict therewith, that the Chinese contention that the Chientao Agreement is a self-contained instrument is untenable, since the right secured by the Koreans in Chientao was actually in consequence of Japan's agreement to recognise that region as a part of Chinese territory. It asserts that it would be discriminatory on its part to refrain from seeking for the Koreans in Manchuria rights and privileges granted to other Japanese subjects.

The Japanese contention.

The Japanese reason for favouring the acquisition of land by Koreans in Manchuria is partly due to their desire to obtain rice exports for Japan, a desire which, so far, has been but partly satisfied, since probably half the rice production of over seven million bushels in 1930 is consumed locally, and the export of the balance has been restricted. The Japanese assert that the Korean tenants, after having reclaimed waste lands and making them profitable for the Chinese owners, have been unjustly ejected. The Chinese, on the other hand, while equally desirous of having the cultivable lowlands producing rice, have generally employed the Koreans as tenants or labourers to prevent the land itself from falling into Japanese hands. Many Koreans have therefore become naturalised Chinese subjects in order to possess land, some of them, however, having acquired such titles, transferring them to Japanese land-mortgage associations. This suggests one reason why there has been a difference of opinion among the Japanese themselves as to whether naturalisation of Koreans as Chinese subjects should be recognised by the Japanese Government.

The effect of these rival contentions on the conditions of the Koreans.

Under a Chinese Nationality Law of 1914, only aliens who, under the law of their own country, were permitted to become naturalised in another were capable of being naturalised Chinese subjects. The Chinese revised Nationality Law of February 5th, 1929, however, contained no provision by which an alien was required to lose his original nationality in order to acquire Chinese nationality. Koreans were therefore naturalised as Chinese regardless of the Japanese insistence that such naturalisation could not be recognised under Japanese law. The Japanese nationality laws have never permitted Koreans to lose their Japanese nationality and, although a revised Nationality Law of 1924 contained an article to the effect that "a person who acquires foreign nationality voluntarily loses Japanese nationality", this general law has never been made applicable to the Koreans by special Imperial Ordinance. Nevertheless, many Koreans in Manchuria, varying from 5 to 20 per cent of the total Korean population in certain districts, especially where they are

The problem of dual nationality of Koreans in Manchuria.

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relatively inaccessible by the Japanese consular officials, have become naturalised as Chinese. Others, incidentally, when migrating beyond the Manchurian borders into Soviet territory, have become citizens of the U.S.S.R.

Effect of dual nationality of the Koreans on Chinese policy.

This problem of dual nationality of the Koreans influenced the National Government of China and the provincial authorities in Manchuria generally to look with disfavour upon indiscriminate naturalisation of Koreans, fearing that they might, by temporarily acquiring Chinese nationality, become potential instruments of a Japanese policy of acquiring agricultural lands. In Regulations issued by the Kirin Provincial Government, September 1930, governing the purchase and sale of land throughout the province, it was provided that "when a naturalised Korean purchases land, investigation must be made in order to discover whether he wants to purchase it as a means of residing as a permanently naturalised citizen or on behalf of some Japanese". The local district officials, however, seem to have wavered in their attitude, at times enforcing the orders of the higher authorities, but frequently issuing temporary naturalisation certificates in lieu of formal certificates requiring the approval of the provincial government and the Ministry of the Interior at Nanking. These local officials, especially in areas far removed from Japanese consulates, often readily consented to the issuing of such certificates to the Koreans who applied for them and, on occasion, no doubt actually compelled the Koreans to become naturalised or to leave the country, their actions being influenced both by the policy of the Japanese and by the revenue derivable from the naturalisation fees. The Chinese have asserted, moreover, that some Japanese themselves actually connived at this business of naturalising Koreans in order to use them as dummy land-owners or to acquire lands by transfer from such naturalised Koreans. Generally speaking, however, the Japanese authorities discountenanced naturalisation of Koreans and assumed jurisdiction over them wherever possible.

Problems arising from conflicting claims to police jurisdiction peculiarly serious, involving the Koreans.

The Japanese claim of right to maintain consular police in Manchuria as a corollary of extra-territoriality became a source of constant conflict where the Koreans were involved. Whether the Koreans desired such Japanese interference, ostensibly in their behalf, or not, the Japanese consular police, especially in the Chientao District, undertook, not only protective functions, but also freely assumed the right to conduct searches and seizures of Korean premises, especially where the Koreans were suspected of being involved in the Independence Movement, or in Communist or anti-Japanese activities. The Chinese police, for their part, frequently came into collision with the Japanese police in their efforts to enforce Chinese laws, preserve the peace, or suppress the activities of "undesirable" Koreans. Although the Chinese and Japanese police did co-operate on many occasions, as provided for in the so-called "Mitsuya Agreement" of 1925, in which it was agreed that, in Eastern Fengtien Province, the Chinese would suppress "the Korean societies" and turn over "Koreans of bad character" to the Japanese on the latter's request, the actual state of affairs was really one of constant controversy and friction. Such a situation was bound to cause trouble.

The special problem of Chientao.

The Korean problems and the resulting Sino Japanese relations over the Chientao District had attained a peculiarly complicated and serious character. Chientao (called "Kanto" in Japanese and "Kando" in Korean) comprises the three districts of Yenchi, Holung and Wangching in Liaoning (Fengtien) Province, and, in practice, as evidenced by the attitude of the Japanese Government, includes also the district of Hunchun, which four districts adjoin the north-east corner of Korea just across the Tumen River.

The Japanese attitude and policy towards Chientao.

The Japanese, describing the traditional attitude of the Koreans towards the Chientao area, have been disinclined to admit that the Chientao Agreement of 1909 closed once and for all the issue whether this territory

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should belong to China or to Korea, the idea being that, since the district is predominantly Korean, over half of the arable land being cultivated by them, "they have so firmly established themselves in the locality that it may practically be regarded as a Korean sphere". In Chientao, more than elsewhere in Manchuria, the Japanese Government has been insistent on exercising jurisdiction and surveillance over the Koreans, over 400 Japanese consular police having been maintained there for years. The Japanese Consular Service, in co-operation with Japanese functionaries assigned by the Government-General of Chosen, exercise broad powers of an administrative character in the region, their functions including maintenance of Japanese schools, hospitals and Government-subsidised financing media for the Koreans. The area is regarded as a natural outlet for Korean emigrants who cultivate rice-fields, while politically it has special importance, since Chientao has long been a refuge of Korean independence advocates, Communist groups and other disaffected anti-Japanese partisans, a region where, as evidenced by the Hunchun Rising of Koreans against the Japanese in 1920, after the Independence Outbreak in Korea, the Japanese have had serious political problems intimately associated with the general problem of governance of Korea. The military importance of this region is obvious from the fact that the lower reaches of the Tumen River form the boundary between Japanese, Chinese and Soviet territory.

The Chientao Agreement provided that "the residence of Korean subjects, as heretofore, on agricultural lands lying north of the River Tumen", should be permitted by China; that Korean subjects residing on such lands should henceforth "be amenable to the jurisdiction of the Chinese local officials"; that they should be given equal treatment with the Chinese; and that, although all civil and criminal cases involving such Koreans should be "heard and decided by the Chinese authorities", a Japanese consular official should be permitted to attend the court, especially in capital cases, with the right to "apply to the Chinese authorities for a new trial" under special Chinese judicial procedure.

The Japanese, however, have taken the position that the Sino-Japanese Treaty and Notes of 1915 override the Chientao Agreement in so far as jurisdictional questions are concerned, and that, since 1915, Koreans, as Japanese subjects, are entitled to all the rights and privileges of extra-territorial status under the Japanese treaties with China. This contention has never been admitted by the Chinese Government, the Chinese insisting that the Chientao Agreement, if applicable in so far as the right granted to Koreans to reside on agricultural lands is concerned, is also applicable in those articles where it is provided that the Koreans should submit to Chinese jurisdiction. The Japanese have interpreted the article permitting Korean residence on agricultural lands to mean the right to purchase and lease such lands in Chientao; the Chinese, contesting this interpretation, take up the position that the article must be interpreted literally and that only Koreans who have become naturalised Chinese subjects are entitled to purchase land there.

The actual situation is therefore anomalous, since, as a matter of fact, there are non-naturalised Koreans in Chientao who have acquired lands in freehold title, with the connivance of the local Chinese officials, although as a general rule the Koreans themselves recognise the acquisition of Chinese nationality as a necessary condition of obtaining the right to purchase land in Chientao. Japanese official figures represent over half the arable land of Chientao (including Hunchun) as "owned" by Koreans, their figures admitting that over 15 per cent of the Koreans there have become naturalised as Chinese subjects. Whether it is these naturalised Koreans who "own" those lands is impossible to say. Such a situation naturally gave rise to numerous irregularities and constant differences, often manifested by open clashes between the Chinese and Japanese police.

**Conflicts of
the Chinese
and Japanese
interpretations
of the Chientao
Agreement.**

**The actual
situation as to
Korean land
ownership
is anomalous.**

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**Japanese
allegations of
Chinese
oppression of
the Koreans.**

The Japanese assert that, about the end of 1927, a movement for persecuting Korean immigrants in Manchuria broke out, under Chinese official instigation, as an aftermath of a general anti-Japanese agitation, and state that this oppression was intensified after the Manchurian provinces declared their allegiance to the National Government at Nanking. Numerous translations of orders issued by the central and local Chinese authorities in Manchuria have been submitted as evidence to the Commission of a definite Chinese policy of oppressing the Koreans by forcing them to become naturalised as Chinese, driving them from their rice-fields, compelling them to re-migrate, subjecting them to arbitrary levies and exorbitant taxation, preventing them from entering into contracts of lease or rental for houses and lands, and inflicting upon them many brutalities. It is stated that this campaign of cruelty was particularly directed against the " pro-Japanese " Koreans, that Korean Residents' Associations, which are subsidised by the Japanese Government, were the objects of persecution, that non-Chinese schools maintained by or for the Koreans were closed, that " undesirable Koreans " were permitted to levy blackmail and perpetrate atrocities upon Korean farmers, and that Koreans were compelled to wear Chinese clothing and renounce any claim of reliance upon Japanese protection or assistance in their miserable plight.

The fact that the Manchurian authorities did issue orders discriminatory against non-naturalised Koreans is not denied by the Chinese, the number and character of these orders and instructions, especially since 1927, establishing beyond a doubt that the Chinese authorities in Manchuria generally regarded the Korean infiltration, in so far as it was accompanied by Japanese jurisdiction, as a menace which deserved to be opposed.

**Special
attention
given to the
Korean
problem by
the
Commission.**

Because of the seriousness of the Japanese allegations and the pitiable plight of the Korean population of Manchuria, the Commission gave special attention to this subject and, without accepting all these accusations as adequately descriptive of the facts, or concluding that certain of these restrictive measures applied to the Koreans were entirely unjustified, is in a position to confirm this general description of the Chinese actions towards the Koreans in certain parts of Manchuria. While in Manchuria, numerous delegations, who represented themselves as spokesmen of Korean communities, were received by the Commission.

It is obvious that the presence of this large minority of Koreans in Manchuria served to complicate the Sino-Japanese controversies over land leasing, jurisdiction and police, and the economic rivalries which formed a prelude to the events of September 1931. While the great majority of the Koreans only wanted to be left alone to earn their livelihood, there were among them groups which were branded by the Chinese or Japanese, or both, as " undesirable Koreans ", including the advocates and partisans of the independence of Korea from Japanese rule, Communists, professional law breakers, including smugglers and drug traders, and those who, in league with Chinese bandits, levied blackmail or extorted money from those of their own blood. Even the Korean farmer himself frequently invited oppression by his ignorance, improvidence and willingness to incur indebtedness to his more agile-minded landlord.

**The Chinese
explanation of
their
treatment of
the Koreans.**

Aside from the involvement of the Koreans, however unwittingly, in the controversies which, in the Chinese view, were the inevitable results of the general Japanese policies with respect to Manchuria, the Chinese submit that much of what has been termed " oppression " of the Koreans should not properly be so called, and that certain of the measures taken against the Koreans by the Chinese were actually either approved or connived at by the Japanese authorities themselves. They assert that it should not be forgotten that the great majority of the Koreans are bitterly anti-Japanese and unreconciled to the Japanese annexation of their native land, and that the Korean emigrants, who would never have left their

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homeland but for the political and economic difficulties under which they have suffered, generally desire to be free from Japanese surveillance in Manchuria.

The Chinese, while admitting a certain sympathy with the Koreans, draw attention to the existence of the "Mitsuya Agreement" of June-July 1925 as evidence both of a willingness on the part of the Chinese authorities to curb the activities of Koreans whom the Japanese consider "bad characters" and a menace to their position in Korea, and of official sanction on the part of the Japanese themselves for certain of those very acts which the Japanese would have others believe are instances of Chinese "oppression" of the Koreans. This agreement, which has never been widely known abroad, was negotiated by the Japanese Police Commissioner of the Government-General of Chosen and the Chinese Police Commissioner of Fengtien Province. It provided for co-operation between the Chinese and Japanese police in suppressing "Korean societies" (presumably of an anti-Japanese character) in Eastern Fengtien Province, stipulating that "the Chinese authorities shall immediately arrest and extradite those leaders of the Korean societies whose names had been designated by the authorities of Korea", and that Koreans of "bad character" should be arrested by the Chinese police and turned over to the Japanese for trial and punishment. The Chinese assert, therefore, that "it is largely for the purpose of giving practical effect to this agreement that certain restrictive measures have been put into force governing the treatment of Koreans. If they are taken as evidence proving the oppression of Koreans by Chinese authorities, then such measures of oppression, if indeed they are, have been resorted to principally in the interest of Japan". Furthermore, the Chinese submit that, "in view of the keen economic competition with native farmers, it is but natural that the Chinese authorities should exercise their inherent right to take measures to protect the interests of their own countrymen".

So-called
"Mitsuya
Agreement",
1925.

6. THE WANPAOSHAN AFFAIR AND THE ANTI-CHINESE RIOTS IN KOREA.

The Wanpaoshan affair, together with the case of Captain Nakamura, have been widely regarded as the causes immediately contributing to the Sino-Japanese crisis in Manchuria. The intrinsic importance of the former, however, was greatly exaggerated. The sensational accounts of what occurred at Wanpaoshan, where there were no casualties, led to a feeling of bitterness between Chinese and Japanese and, in Korea, to the serious attacks by Koreans upon Chinese residents. These anti-Chinese riots, in turn, revived the anti-Japanese boycott in China. Judged by itself, the Wanpaoshan affair was no more serious than several other incidents involving clashes between Chinese and Japanese troops or police which had occurred during the past few years in Manchuria.

The relations
of the
Wanpaoshan
affair to the
events of
September
1931.

Wanpaoshan is a small village located some 18 miles (30 kilometres) north of Changchun, adjoining a low marshy area alongside the Itung River. It was here that one Hao Yung-teh, a Chinese broker, leased on behalf of the Chang Nung Agricultural Company, from the Chinese owners, a large tract of land by a contract dated April 16th, 1931. It was stipulated in the contract that it should be null and void in case the District Magistrate refused to approve its terms.

A lease
contract for
rice-land
between the
Chinese
landowners
and the
Chinese broker
required the
official
approval of
the Chinese
authorities.

Shortly after this, the lessee sub-leased this entire plot of land to a group of Koreans. This second contract contained no provision requiring official approval for enforcement and took for granted that the Koreans would construct an irrigation canal with tributary ditches. Hao Young-teh had sub-leased this land to the Korean farmers without first having obtained Chinese formal approval of the original lease contract with the Chinese owners.

This land was
sub-leased by
the Chinese
broker to the
Korean
tenants.

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The digging of an irrigation ditch by the Koreans across land owned by Chinese farmers was the principal cause of local Chinese opposition.

The Chinese farmers demanded the cessation of work on the irrigation ditch and the evacuation of the Koreans.

The Chinese and Japanese authorities at Changchun agreed upon a joint investigation.

Inclusive investigation.

The incident of July 1st.

The anti-Chinese riots in Korea.

Heavy loss of life and property among the Chinese residents.

Alleged responsibility of the Japanese

Immediately after the conclusion of the second lease, the Koreans began digging an irrigation ditch or canal, several miles long, in order to divert the water of the Itung River and distribute it over this low marshy area for the purpose of making it suitable for paddy cultivation. This ditch traversed large areas of land cultivated by Chinese who were not parties to either lease transaction, since their lands lay between the river and that leased by the Koreans. In order to provide ample water supply to be deflected through this ditch to their holdings, the Koreans undertook to construct a dam across the Itung River.

After a considerable length of the irrigation ditch had been completed, the Chinese farmers whose lands were cut by the canal rose up *en masse* and protested to the Wanpaoshan authorities, begging them to intervene in their behalf. As a result, the Chinese local authorities despatched police to the spot and ordered the Koreans to stop excavation work at once and to vacate the area. At the same time, the Japanese Consul at Changchun sent consular police to protect the Koreans. Local negotiations between the Japanese and Chinese representatives failed to solve the problem. Somewhat later, both sides sent additional police, with resulting protests, counter-statements and attempted negotiations.

On June 8th, both sides agreed to withdraw their police forces and to conduct a joint investigation of the situation at Wanpaoshan. This investigation revealed the fact that the original lease contained a clause providing that the entire contract would be "null and void" if it should not be approved by the Chinese District Magistrate, and that this approval was never given.

The joint investigators, however, apparently failed to agree upon their findings, the Chinese maintaining that the digging of the irrigation ditch could not fail to violate the rights of the Chinese farmers whose lands were cut by it and the Japanese insisting that the Koreans should be permitted to continue their work, since it would be unfair to eject them on account of the error in the lease procedure for which they were in no way at fault. Shortly thereafter, the Koreans, assisted by Japanese consular police, continued to dig the ditch.

Out of this train of circumstances came the incident of July 1st, when a party of 400 Chinese farmers whose lands were cut by the irrigation ditch, armed with agricultural implements and pikes, drove the Koreans away and filled in much of the ditch. The Japanese consular police thereupon opened rifle fire to disperse the mob and to protect the Koreans, but there were no casualties. The Chinese farmers withdrew and the Japanese police remained on the spot until the Koreans completed the ditch and the dam across the Itung River.

After the incident of July 1st, the Chinese municipal authorities continued to protest to the Japanese Consul at Changchun against the action of the Japanese consular police and of the Koreans.

Far more serious than the Wanpaoshan affair was the reaction to this dispute in Chosen (Korea). In consequence of sensational accounts of the situation at Wanpaoshan, especially of the events of July 1st, which were printed in the Japanese and Korean Press, a series of anti-Chinese riots occurred throughout Korea. These riots began at Jinsen on July 3rd, and spread rapidly to other cities.

The Chinese state, on the basis of their official reports, that 127 Chinese were massacred and 393 wounded, and that Chinese property to the value of 2,500,000 Yen was destroyed. They claim, moreover, that the Japanese authorities in Korea were in large measure responsible for the results of these riots, since, it was alleged, they took no adequate steps to prevent them and did not suppress them until great loss of Chinese life and property had resulted. The Japanese and Korean newspapers were not prevented from publishing sensational and incorrect accounts of the Wanpaoshan incident

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of July 1st, which were of a character to arouse the hatred of the Korean populace against the Chinese residents.

The Japanese claim, however, that these riots were due to the spontaneous outburst of racial feeling, and that the Japanese authorities suppressed them as soon as possible.

A result of importance was the fact that these outbreaks in Korea served directly to revive the anti-Japanese boycott throughout China.

Shortly after the anti-Chinese riots in Korea and while the Wanpaoshan affair was still unsettled, the Chinese Government made a protest to Japan, on account of the riots, charging Japan with full responsibility for failure to suppress them. The Japanese Government, in reply, on July 15th, expressed regret at the occurrence of these riots and offered compensation for the families of the dead.

From July 22nd until September 15th, there were negotiations and exchanges of notes between the Chinese and Japanese local and central authorities over the Wanpaoshan affair. The Chinese maintained that the difficulties at Wanpaoshan were due to the fact that the Koreans were living where they had no right to be, since their privileges of residing and leasing of land did not extend outside the Chientao District, in accordance with the Chientao Agreement of September 4th, 1909.

The Chinese Government protested against the stationing of Japanese consular police in China and asserted that the despatch of a large force of these police to Wanpaoshan was responsible for the incident of July 1st.

The Japanese, on the other hand, insisted that the Koreans had a treaty right to reside and lease land at Wanpaoshan, since their privileges were not limited to those specified in the Chientao Agreement, but included the rights, granted to Japanese subjects in general, of residing and leasing land throughout South Manchuria. The status of the Koreans, it was claimed, was identical with that of other Japanese subjects. The Japanese also urged that the Koreans had undertaken their rice cultivation project in good faith and that the Japanese authorities could not assume responsibility for the irregularities of the Chinese broker who arranged the lease. The Japanese Government consented to the withdrawal of the consular police from Wanpaoshan, but the Korean tenants remained and continued to cultivate their rice-lands.

A complete solution of the Wanpaoshan affair had not been reached by September 1931.

7. THE CASE OF CAPTAIN NAKAMURA.

The case of Captain Nakamura was viewed by the Japanese as the culminating incident of a long series of events which showed the utter disregard of the Chinese for Japanese rights and interests in Manchuria. Captain Nakamura was killed by Chinese soldiers in an out-of-the-way region in Manchuria during the mid-summer of 1931.

Captain Shintaro Nakamura was a Japanese military officer on active duty and, as was admitted by the Japanese Government, was on a mission under the orders of the Japanese Army. While passing through Harbin, where his passport was examined by the Chinese authorities, he represented himself as an agricultural expert. He was at that time warned that the region in which he intended to travel was a bandit-ridden area, and this fact was noted on his passport. He was armed, and carried patent medicine which, according to the Chinese, included narcotic drugs for non-medical purposes.

On June 9th, accompanied by three interpreters and assistants, Captain Nakamura left Ilikotu Station on the western section of the Chinese Eastern Railway. When he had reached a point some distance in the interior, in the direction of Taonan, he and the other members of his party were placed

authorities
in Korea.

The riots in
Korea
intensified
the
anti-Japanese
boycott in
China.

The Japanese
Government
expressed
regret for the
anti-Chinese
riots and
offered
compensation
for the
families of
the dead.

The grounds
for Chinese
protests
concerning the
Wanpaoshan
affair.

The Japanese
position.

Importance of
the Nakamura
case.

Captain
Nakamura was
on a military
mission in
interior
Manchuria.

Captain
Nakamura and
companions
were killed by
Chinese
soldiers.

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under detention by Chinese soldiers under Kuau Yuheng, the Commander of the Third Regiment of the Reclamation Army. Several days later, about June 27th, he and his companions were shot by Chinese soldiers and their bodies were cremated to conceal the evidence of the deed.

The Japanese contention.

The Japanese insisted that the killing of Captain Nakamura and his companions was unjustified and showed arrogant disrespect for the Japanese Army and nation ; they asserted that the Chinese authorities in Manchuria delayed to institute official enquiries into the circumstances, were reluctant to assume responsibility for the occurrence, and were insincere in their claim that they were making every effort to ascertain the facts in the case.

The Chinese contention.

The Chinese declared, at first, that Captain Nakamura and his party were detained pending an examination of their permits, which, according to custom, were required of foreigners travelling in the interior ; that they had been treated well ; and that Captain Nakamura was shot by a sentry while endeavouring to make his escape. Documents, including a Japanese military map and two diaries, they stated, were found on his person, which proved that he was either a military spy or an officer on special military mission.

Investigations.

On July 17th, a report of the death of Captain Nakamura reached the Japanese Consul-General at Tsitsihar and, at the end of the month, Japanese officials in Mukden informed the local Chinese authorities that they had definite evidence that Captain Nakamura had been killed by Chinese soldiers. On August 17th, the Japanese military authorities in Mukden released for publication the first account of his death (see *Manchuria Daily News*, August 17th, 1931). On the same day, Consul-General Hayashi, and also Major Mori, who had been sent by the Japanese General Staff from Tokyo to Manchuria to investigate the circumstances, had interviews with Governor Tsang Shih-yi, of Liaoning Province. Governor Tsang promised to investigate it at once.

Immediately thereafter, Governor Tsang Shih-yi communicated with Marshal Chang Hsueh-liang (who was then ill in a hospital in Peiping) and with the Minister for Foreign Affairs in Nanking and, also, appointed two Chinese investigators, who proceeded at once to the scene of the alleged murder. These two men returned to Mukden on September 3rd. Major Mori, who had been conducting an independent investigation on behalf of the Japanese General Staff, returned to Mukden on September 4th. On that day Consul-General Hayashi called on General Yung Chen, the Chinese Chief of Staff, and was informed that the findings of the Chinese investigators were indecisive and unsatisfactory, and that it would therefore be necessary to conduct a second enquiry. General Yung Chen left for Peiping on September 4th to consult with Marshal Chang Hsueh-liang on the new developments in the Manchurian situation, returning to Mukden on September 7th.

Efforts of Chinese to reach a settlement.

Having been informed of the seriousness of the situation in Manchuria, Marshal Chang Hsueh-liang instructed Governor Tsang Shih-yi and General Yung Chen to conduct, without delay and on the spot, a second enquiry into the Nakamura case. Learning from his Japanese military advisers of the deep concern of the Japanese military over this affair, he sent Major Shibayama to Tokyo to make it clear that he wished to settle the case amicably. Major Shibayama arrived in Tokyo on September 12th, and stated, according to subsequent Press reports, that Marshal Chang Hsueh-liang was sincerely desirous of securing an early and equitable termination of the Nakamura issue. In the meantime, Marshal Chang had sent Mr. Tang Er-ho, a high official, on a special mission to Tokyo to consult with the Minister for Foreign Affairs, Baron Shidehara, in order to ascertain what common ground might be found for a solution of various pending Sino-Japanese questions concerning Manchuria. Mr. Tang Er-ho had conversations with Baron Shidehara, General Minami and other high military officials.

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On September 16th, Marshal Chang Hsueh-liang gave out an interview to the Press which reported him as saying that the Nakamura case, in accordance with the wish of the Japanese, would be handled by Governor Tsang Shih-yi and the Manchurian authorities, and not by the Foreign Office at Nanking.

The second Chinese commission of investigation, after visiting the scene of the killing of Captain Nakamura, returned to Mukden on the morning of September 16th. On the afternoon of the 18th, the Japanese Consul called upon General Yung Chen, when the latter stated that Commander Kuan Yu-heng had been brought to Mukden on September 16th charged with responsibility for the murder of Captain Nakamura and would be immediately tried by a military court-martial. Later, it was made known by the Japanese, after their occupation of Mukden, that Commander Kuan had been detained by the Chinese in a military prison.

Consul-General Hayashi, Mukden, was reported on September 12th-13th to have reported to the Japanese Foreign Office that "an amicable settlement would probably be made after the return of the investigators to Mukden", especially as General Yung Chen had definitely admitted that Chinese soldiers had been responsible for the death of Captain Nakamura. The Mukden correspondent of the *Nippon Dempo Service* telegraphed a despatch on September 12th stating that "an amicable settlement of the alleged murder case of Captain Shintaro Nakamura of the Japanese General Staff Office by soldiers of the Chinese Reclamation Army Corps is in sight". Numerous statements of Japanese military officers, however, especially those of Colonel K. Doihara, continued to question the sincerity of the Chinese efforts to arrive at a satisfactory solution of the Nakamura case, in view of the fact that Commander Kuan, alleged to have been responsible for the death of Captain Nakamura, had been taken into custody in Mukden by the Chinese authorities, the date of his court-martial having been announced as to occur within a week. Since the Chinese authorities admitted to Japanese consular officials in Mukden, in a formal conference held on the afternoon of September 18th, that Chinese soldiers were responsible for the death of Captain Nakamura, expressing also a desire to secure a settlement of the case diplomatically without delay, it would seem that diplomatic negotiations for attaining a solution of the Nakamura case were actually progressing favourably up to the night of September 18th.

The Nakamura case, more than any other single incident, greatly aggravated the resentment of the Japanese and their agitation in favour of forceful means to effect a solution of outstanding Sino-Japanese difficulties in regard to Manchuria. The inherent seriousness of the case was aggravated by the fact that Sino-Japanese relations just at this time were strained on account of the Wanpaoshan affair, the anti-Chinese riots in Korea, the Japanese military manœuvres across the Tumen River on the Manchurian-Korean frontier, and the Chinese mob violence committed at Tsingtao, in protest against the activities of the local Japanese patriotic societies.

Captain Nakamura was an army officer on active service, a fact which was pointed to by the Japanese as a justification for strong and swift military action. Mass meetings were held in Manchuria and in Japan for the purpose of crystallising public sentiment in favour of such action. During the first two weeks of September, the Japanese Press repeatedly declared that the army had decided that the "solution ought to be by force", since there was no other alternative.

The Chinese claimed that the importance of the case was greatly exaggerated and that it was made a pretext for the Japanese military occupation of Manchuria. They denied the contention of the Japanese that there was insincerity or delay on the part of the Chinese officials in dealing with the case.

The results of
the Nakamura
case.

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By the end of August 1931, therefore, Sino-Japanese relations over Manchuria were severely strained in consequence of the many controversies and incidents described in this chapter. The claim that there were 300 cases outstanding between the two countries and that peaceful methods for settling each of them had been progressively exhausted by one of the parties cannot be substantiated. These so-called "cases" were rather situations arising out of broader issues, which were rooted in fundamentally irreconcilable policies. Each side accuses the other of having violated, unilaterally interpreted, or ignored the stipulations of the Sino-Japanese agreements. Each side had legitimate grievances against the other.

The account here given of the efforts made by one side or the other to secure a settlement of these questions at issue between them shows that some efforts were being made to dispose of these questions by the normal procedure of diplomatic negotiation and peaceful means, and these means had not yet been exhausted. But the long delays put a severe strain on the patience of the Japanese. Army circles in particular were insisting on the immediate settlement of the Nakamura case and demanded satisfactory reparation. The Imperial Ex-Soldiers' Association, amongst others, was instrumental in rousing public opinion.

In the course of September, public sentiment regarding the Chinese questions, with the Nakamura case as the focal point, became very strong. Time and again the opinion was expressed that the policy of leaving so many issues in Manchuria unsettled had caused the Chinese authorities to make light of Japan. Settlement of all pending issues, if necessary by force, became a popular slogan. Reference was freely made in the Press to a decision to resort to armed force, to conferences between the Ministry of War, the General Staff and other authorities for the discussion of a plan with this object, to definite instructions regarding the execution, in case of necessity, of that plan to the Commander-in-Chief of the Kwantung Army and to Colonel Doihara, Resident Officer at Mukden, who had been summoned to Tokyo early in September and who was quoted by the Press as the advocate of a solution of all pending issues, if necessary by force and as soon as possible. The reports of the Press regarding the sentiments expressed by these circles and some other groups point to a growing and dangerous tension.

Chapter IV.

NARRATIVE OF EVENTS IN MANCHURIA ON AND SUBSEQUENT TO SEPTEMBER 18th, 1931.

Situation immediately preceding the outbreak.
(See Map No. 5*)

In the preceding chapter, the growing tension between the Japanese and Chinese interests in Manchuria was discussed and its effect on the attitudes of the military forces of the two nations described. Certain internal, economic and political factors had undoubtedly for some time been preparing the Japanese people for a resumption of the "positive policy" in Manchuria. The dissatisfaction of the army; the financial policy of the Government; the appearance of a new political force emanating from the army, the country districts and the nationalist youth, which expressed dissatisfaction with all political parties, which despised the compromise methods of Western civilisation and relied on the virtues of Old Japan and which included in its condemnation the self-seeking methods whether of financiers or politicians; the fall in commodity prices,

* Note by the Secretariat : All maps are to be found in the pocket of the Cover.

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which inclined the primary producer to look to an adventurous foreign policy for the alleviation of his lot; the trade depression, which caused the industrial and commercial community to believe that better business would result from a more vigorous foreign policy: all these factors were preparing the way for the abandonment of the Shidehara "policy of conciliation" with China which seemed to have achieved such meagre results. This impatience in Japan was even greater among the Japanese in Manchuria, where the tension throughout the summer was increasing. As September wore on, this tension reached such a point that it was apparent to all careful observers that a breaking-point must soon be reached. The public Press of both countries tended rather to inflame than to calm public opinion. Vigorous speeches of the Japanese War Minister in Tokyo, counselling direct action by their army in Manchuria, were reported. Protracted delay by the Chinese authorities in making satisfactory investigation of and redress for the murder of Captain Nakamura had particularly incensed the young officers of the Japanese Army in Manchuria, who clearly showed their sensitiveness to irresponsible remarks and slurs made by equally irresponsible Chinese officers on the streets or in restaurants and other places of close contact. And so the stage was set for the events which followed.

On the morning of Saturday, September 19th, the population of Mukden woke to find their city in the hands of Japanese troops. During the night sounds of firing had been heard, but there was nothing unusual in this; it had been a nightly experience throughout the week, as the Japanese had been carrying out night manoeuvres involving vigorous rifle and machine-gun firing. True that, on the night of September 18th, the booming of guns and the sound of shells caused some alarm to the few that distinguished them, but the majority of the population considered the firing to be merely another repetition of Japanese manoeuvres, perhaps rather noisier than usual.

Appreciating the great importance of this occurrence, which, as will be shown, was the first step of a movement which resulted in the military occupation of practically the whole of Manchuria, the Commission conducted an extensive enquiry into the events of that night. Of great value and interest, of course, were the official accounts of the Japanese and Chinese military leaders involved. The Japanese case was presented by Lieutenant Kawamoto, who is the earliest witness in the story, by Lieutenant-Colonel Shimamoto, the Commanding Officer of the battalion which carried out the attack on the North Barracks (Peitaying), and by Colonel Hirata, who captured the walled city. We also heard evidence from Lieutenant-General Honjo, the Commander-in-Chief of the Kwantung Army, and from several members of his staff. The Chinese case was presented by General Wang I-Cheh, the officer in command of the Chinese troops in the North Barracks, supplemented by the personal narratives of his Chief of Staff and of other officers who were present during the operations. We also heard the evidence of Marshal Chang Hsueh-liang and of his Chief of Staff, General Yung Chen.

According to the Japanese versions, Lieutenant Kawamoto, with six men under his command, was on patrol duty on the night of September 18th, practising defence exercises along the track of the South Manchuria Railway to the north of Mukden. They were proceeding southwards in the direction of Mukden. The night was dark but clear and the field of vision was not wide. When they reached a point at which a small road crosses the line, they heard the noise of a loud explosion a little way behind them. They turned and ran back, and after going about 200 yards they discovered that a portion of one of the rails on the down track had been blown out. The explosion took place at the point of junction of two rails; the end of each rail had been cleanly severed, creating a gap in the

The night of
September
18th-19th.
(See
Map No. 6)

The Japanese
version.

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line of 31 inches. On arrival at the site of the explosion, the patrol was fired upon from the fields on the east side of the line. Lieutenant Kawamoto immediately ordered his men to deploy and return the fire. The attacking body, estimated at about five or six, then stopped firing and retreated northwards. The Japanese patrol at once started in pursuit and, having gone about 200 yards, they were again fired upon by a larger body, estimated at between three and four hundred. Finding himself in danger of being surrounded by this large force, Lieutenant Kawamoto then ordered one of his men to report to the Commander of No. 3 Company, who was also engaged in night manœuvres some 1,500 yards to the north ; at the same time, he ordered another of his men to telephone (by means of a box telephone near the spot) to Battalion Headquarters at Mukden for reinforcements.

At this moment the south-bound train from Changchun was heard approaching. Fearing that the train might be wrecked when it reached the damaged line, the Japanese patrol interrupted their engagement and placed detonators on the line in the hope of warning the train in time. The train, however, proceeded at full speed. When it reached the site of the explosion it was seen to sway and heel over to one side, but it recovered and passed on without stopping. As the train was due at Mukden at 10.30 p.m., where it arrived punctually, it must have been about 10 o'clock p.m., according to Lieutenant Kawamoto, when he first heard the explosion.

Fighting was then resumed. Captain Kawashima, with No. 3 Company, having heard the explosion, was already proceeding southwards when he met Lieutenant Kawamoto's messenger, who guided them to the spot. They arrived at about 10.50 p.m. Meanwhile, Lieutenant-Colonel Shimamoto, the Battalion Commander, on receipt of a telephone message, at once ordered the 1st and 4th Companies that were with him at Mukden to proceed to the spot. He also sent orders to the 2nd Company, which was at Fushun — an hour and a-half away — to join them as soon as possible. The two Companies proceeded by rail from Mukden to Liutiaohu Station, and then on foot to the scene of action, where they arrived a little after midnight.

Lieutenant Kawamoto's patrol, reinforced by Captain Kawashima's Company, was still sustaining the fire of the Chinese troops concealed in the tall kaoliang grass, when the two Companies arrived from Mukden. Although his force was then only 500, and he believed the Chinese army in the North Barracks numbered 10,000, Lieutenant-Colonel Shimamoto at once ordered an attack on the Barracks, believing, as he told us, that "offence is the best defence". The ground between the railway and the North Barracks — a distance of about 250 yards — was difficult to cross in mass formation because of patches of water, and, while the Chinese troops were being driven back over this ground, Lieutenant Noda was sent up the railway with a section of the 3rd Company to intercept their retreat. When the Japanese reached the North Barracks, which were described as glittering with electric light, an attack was made by the 3rd Company, which succeeded in occupying a corner of the left wing. The attack was vigorously contested by the Chinese troops within, and there was fierce fighting for some hours. The 1st Company attacked on the right and the 4th Company in the centre. At 5 a.m. the south gate of the Barracks was blown in by two shells from a small cannon left in an outhouse immediately opposite to it by the Chinese, and by 6 o'clock a.m. the entire barracks were captured at the cost of two Japanese privates killed and twenty-two wounded. Some of the barracks caught fire during the fighting ; the remainder were burned out by the Japanese on the morning of the 19th. The Japanese stated that they buried 320 Chinese, but only found about 20 wounded.

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In the meantime, operations in other places were being carried out with equal rapidity and thoroughness. Colonel Hirata received a telephone message from Lieutenant-Colonel Shinamoto about 10.40 p.m. to the effect that the South Manchuria Railway track had been destroyed by Chinese troops and that he was about to start to attack the enemy. Colonel Hirata approved his action and himself decided to attack the walled city. The concentration of his troops was complete by 11.30 p.m. and his attack commenced. No resistance was offered, only occasional fighting on the streets, mostly with the Chinese police, of whom 75 were killed. At 2.15 a.m. the wall of the city was scaled. By 3.40 a.m. he had captured it. At 4.50 a.m. he received information that the staff of the 2nd Division and a part of the 16th Regiment had left Liaoyang at 3.30 a.m. These troops arrived shortly after 5 a.m. At 6 a.m. the occupation of the eastern wall was completed; the arsenal and aerodrome were captured at 7.30. The East Barracks were then attacked and by 1 p.m. were occupied without fighting. The total casualties in these operations were 7 Japanese wounded and 30 Chinese killed.

Lieutenant-General Honjo, who had only returned from his tour of inspection that very day, received the first news of what was happening at Mukden by telephone from a newspaper agency at about 11 o'clock a.m. The Chief of Staff received a telegraphic report at 11.46 a.m. from the Special Service Station at Mukden, giving details of the attack, and orders were immediately sent to the troops at Liaoyang, Yingkow and Fenghuangsheng to proceed to Mukden. The fleet was ordered to leave Port Arthur and proceed to Yingkow and the Commander-in-Chief of the Japanese Garrison Army in Korea was asked to send reinforcements. Lieutenant-General Honjo left Port Arthur at 3.30 a.m. and arrived at Mukden at noon.

According to the Chinese version, the Japanese attack on the Barracks (Peitaying) was entirely unprovoked and came as a complete surprise. On the night of September 18th, all the soldiers of the 7th Brigade, numbering about 10,000, were in the North Barracks. As instructions had been received from Marshal Chang Hsueh-liang on September 6th¹ that special care was to be taken to avoid any clash with the Japanese troops in the tense state of feeling existing at the time, the sentries at the walls of the Barracks were only armed with dummy rifles. For the same reason, the west gate in the mud wall surrounding the camp which gave access to the railway had been closed. The Japanese had been carrying out night manœuvres around the barracks on the nights of September 14th, 15th, 16th and 17th. At 7 p.m. on the evening of the 18th, they were manœuvring at a village called Wenkuantun. At 9 p.m., Officer Liu reported that a train composed of three or four coaches, but without the usual type of locomotive, had stopped there. At 10 p.m. the sound of a loud explosion was heard, immediately followed by rifle fire. This was reported over the telephone by the Chief of Staff to the Commanding Officer, General Wang I-Cheh, who was at his private house situated near the railway, about six or seven miles from the barracks, to the south. While the Chief of Staff was still at the telephone, news was brought to him that the Japanese were attacking the barracks and that two sentries had been wounded. At about 11 o'clock p.m., a general attack on the south-west corner of the barracks began, and at 11.30 p.m. the Japanese had effected an entry

The Chinese
version.

¹ The text of the telegram shown to the Commission at Peiping was as follows :

"Our relations with Japan have become very delicate. We must be particularly cautious in our intercourse with them. No matter how they may challenge us, we must be extremely patient and never resort to force, so as to avoid any conflict whatever. You are instructed to issue, secretly and immediately, orders to all the officers, calling their attention to this point."

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through a hole in the wall. As soon as the attack began, the Chief of Staff gave orders for the lights to be extinguished, and again reported to General Wang I-Cheh by telephone. The latter replied that no resistance was to be offered. Distant artillery fire was heard at 10.30 o'clock p.m. from the south-west and north-west. At midnight, live shells began to fall inside the barracks. On reaching the south gate, the retreating troops of the 621st Regiment found that the Japanese were attacking that gate and that the guard was withdrawing. They accordingly took shelter in some trenches and earthworks until after the Japanese soldiers had passed through into the interior, when they were able to make their escape through the south gate and reached the village of Erhtaitze, to the north-east of the barracks, about 2 a.m. Other troops made their escape through the east gate and the empty barracks just outside the east wall, finally reaching the same village between 3 and 4 a.m.

The only resistance was offered by the 620th Regiment, quartered in the north-east corner building and the second building south of it. The commander of this regiment stated that, when the Japanese troops entered through the south gate at 1 a.m., the Chinese troops withdrew from one building to another, leaving the Japanese to attack empty buildings. After the main body of the Chinese troops had withdrawn, the Japanese turned eastwards and occupied the eastern exit. The 620th Regiment thus found themselves cut off, and had no option but to fight their way through. They started to break through at 5 a.m., but did not get completely clear until 7 a.m. This was the only actual fighting that took place in the barracks and was responsible for most of the casualties. This regiment was the last to reach the village of Erhtaitze.

As soon as they were all assembled, the Chinese troops left the village in the early morning of the 19th for Tungling Station. From here they made their way to a village near Kirin, where they obtained a supply of winter clothing. Colonel Wang was sent to obtain permission from General Hsi Hsia for the troops to enter Kirin City. The Japanese residents at Kirin were so alarmed at the approach of the Chinese soldiers that reinforcements were at once sent from Changchun, Ssupingkai and Mukden to Kirin. Consequently, the Chinese turned back towards Mukden. They left their trains 13 miles outside Mukden, separated into nine groups, and marched round Mukden by night. To escape detection by the Japanese, General Wang I-Cheh himself rode through the town disguised as a peasant. In the morning, the Japanese obtained news of their presence and sent aeroplanes to bomb them. They were obliged to lie hidden by day, but continued their march at night. Eventually they reached a station on the Peiping-Mukden railway, and here they were able to order seven trains, which brought them to Shanhakwan by October 4th.

**Opinion of the
Commission.**

Such are the two stories of the so-called incident of September 18th as they were told to the Commission by the participants on both sides. Clearly, and not unnaturally in the circumstances, they are different and contradictory.

Appreciating the tense situation and high feeling which had preceded this incident, and realising the discrepancies which are bound to occur in accounts of interested persons, especially with regard to an event which took place at night, the Commission, during its stay in the Far East, interviewed as many as possible of the representative foreigners who had been in Mukden at the time of the occurrences or soon after, including newspaper correspondents and other persons who had visited the scene of conflict shortly after the event, and to whom the first official Japanese account had been given. After a thorough consideration of such opinions, as well as of the accounts of the interested parties, and after a mature study of the considerable quantity of written material and a careful weighing

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of the great mass of evidence which was presented or collected, the Commission has come to the following conclusions :

Tense feeling undoubtedly existed between the Japanese and Chinese military forces. The Japanese, as was explained to the Commission in evidence, had a carefully prepared plan to meet the case of possible hostilities between themselves and the Chinese. On the night of September 18th-19th, this plan was put into operation with swiftness and precision. The Chinese, in accordance with the instructions referred to on page 69, had no plan of attacking the Japanese troops, or of endangering the lives or property of Japanese nationals at this particular time or place. They made no concerted or authorised attack on the Japanese forces and were surprised by the Japanese attack and subsequent operations. An explosion undoubtedly occurred on or near the railroad between 10 and 10.30 p.m. on September 18th, but the damage, if any, to the railroad did not in fact prevent the punctual arrival of the south-bound train from Changchun, and was not in itself sufficient to justify military action. The military operations of the Japanese troops during this night, which have been described above, cannot be regarded as measures of legitimate self-defence. In saying this, the Commission does not exclude the hypothesis that the officers on the spot may have thought they were acting in self-defence.

The narrative of the subsequent events must now be resumed.

On the night of September 18th, the Japanese troops in Manchuria were distributed as follows : In addition to the four Companies of the Battalion of Railway Guards which took part in the attack on the North Barracks, and the 29th Regiment of the 2nd Division under Colonel Hirata, which captured the Walled City of Mukden, already described, the rest of the 2nd Division was distributed in various places ; the Headquarters of the 4th Regiment was at Changchun, of the 16th at Liaoyang, of the 30th at Port Arthur ; other parts of these regiments were stationed at Antung, Yingkow, and at many smaller places on the Changchun-Mukden branch and the Antung-Mukden branch of the South Manchuria Railway. Another battalion of Railway Guards was at Changchun, and units of the Railway Guards and Gendarmerie were distributed with the 2nd Division in the smaller places already mentioned. Lastly, there were the garrison troops of Korea.

**Movements of
Japanese
troops.**

All the forces in Manchuria, and some of those in Korea, were brought into action almost simultaneously on the night of September 18th over the whole area of the South Manchuria Railway from Changchun to Port Arthur. Their total strength was as follows : 2nd Division, 5,400 men and 16 field-guns ; Railway Guards about 5,000 men ; Gendarmerie about 500. The Chinese troops at Antung, Yingkow, Liaoyang and other smaller towns were overcome and disarmed without resistance. The Railway Guards and Gendarmerie remained in these places, while the units of the 2nd Division at once concentrated at Mukden to take part in the more serious operations. The 16th and 30th Regiments arrived in time to join Colonel Hirata and assisted in the capture of the East Barracks. The 39th Mixed Brigade of the 20th Division (4,000 men and artillery) concentrated at 10 a.m. on the 19th at Shingishu on the Korean frontier, crossed the Yalu river on the 21st, and arrived at Mukden at midnight. From here detachments were sent to Liaoyuan and Hsinmin, which they occupied on the 22nd.

The Chinese Garrisons of Kuanchengtze and Nanling at Changchun, with an estimated strength of 10,000 men and 40 guns, were attacked on the night of September 18th by the 4th Regiment of the 2nd Division and 1st Railway Guard Battalion stationed there (under Major-General Hasebe). Here, however, some resistance was shown by the Chinese. Fighting began at midnight. Nanling barracks were captured by 11 a.m. on the 19th, those of Kuanchengtze by 3 p.m. that day. The total Japanese casualties

**Occupation of
Changchun on
September
18th-19th,
and Kirin on
September
21st.**

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involved were 3 officers and 64 men killed and 3 officers and 85 men wounded. As soon as the fighting at Mukden was over, the Regiments of the 2nd Division were concentrated at Changchun, the staff, with General Tamon, the 30th Regiment and one Battalion of Field Artillery arriving on the 20th, and the 15th Brigade under General Amano arriving on the 22nd. Kirin was occupied on the 21st without the firing of a shot, and the Chinese troops were removed to a distance of about 8 miles.

The Herald of Asia, a semi-official Japanese publication of that time, states that all military operations were then regarded as completed, and that no further movements of troops were anticipated. The military operations which in fact ensued are attributed to Chinese provocation : an anti-Japanese demonstration at Chientao on the 20th, the destruction of a railway station at Lungchingtsun, and the explosion of some bombs which did no damage on Japanese premises at Harbin on September 23rd are mentioned as examples of such provocation. Complaint is also made of growing banditry and of the activities of disbanded soldiers. All of these things, it is claimed, finally forced the Japanese to new military operations against their will.

Bombing of
Chinchow.

The first of these operations was the bombing, on October 8th, of Chinchow, to which place the Provincial Government of Liaoning Province had been transferred by Marshal Chang Hsueh-liang at the end of September. According to the Japanese account, the bombing was chiefly directed against the military barracks and the Communications University, where the offices of the Civil Government had been established. The bombing of a civil administration by military forces cannot be justified and there is some doubt whether the area bombed was in fact as restricted as the Japanese allege. Mr. Lewis, an American honorary adviser of the Chinese Government, arrived at Chinchow on October 12th and wrote an account of what he found there to Dr. Koo, who passed on the information later to the Commission in his capacity of Assessor. According to Mr. Lewis, the military barracks were in fact not touched at all and a multitude of bombs fell everywhere in the town, even on the hospital, as well as on the University buildings. The Commander of the bombing-planes informed a Japanese newspaper shortly afterwards that four planes from Changchun were ordered to Mukden at 8.30 a.m. on the 8th. There they joined other planes and a squad of six scouting and five bombing-planes were immediately despatched to Chinchow heavily loaded with bombs and fuel. They arrived at about 1 p.m., within ten to fifteen minutes dropped eighty bombs, and immediately returned to Mukden. The Chinese, according to Mr. Lewis, did not return the fire.

Nonni Bridge
operations.

The next operation was that of the Nonni River Bridges, which started in the middle of October and ended on November 19th with the occupation of Tsitsihar by the Japanese troops. The justification for this given by the Japanese was that they were attacked while repairing the bridge over the Nonni River which had been destroyed by General Ma Chan-shan. But the story must be begun earlier and an explanation given of the destruction of the bridges.

At the beginning of October, General Chang Hai-peng, the Garrison Commander at Taonan, who in former times had held the same rank as Ma Chan-shan and Wan Fu-lin, and had tried to become Governor of Heilungkiang Province in their place, started an advance movement along the Taonan-Angangchi Railway with the obvious object of seizing the Provincial Government by force. It is alleged in the Chinese Assessor's document No. 3, and this view is supported by information from neutral sources, that this offensive was instigated by the Japanese. In order to prevent the advance of Chang Haipeng's troops, General Ma Chan-shan ordered the destruction of the bridges over the Nonni river and both armies faced each other across the large and swampy valley of that river.

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The Taonan-Angangchi Railway had been built with capital supplied by the South Manchuria Railway and the line was pledged as security for the loan. Accordingly, the South Manchuria Railway authorities felt that the interruption to the traffic on this line could not be allowed to continue at a season when the transportation of crops from the north of Manchuria was particularly needed. The Japanese Consul-General at Tsitsihar, on instructions from his Government, requested General Ma Chan-shan, who had arrived at Tsitsihar on October 20th, to have the bridges repaired as soon as possible, but no time-limit accompanied this request. The Japanese authorities believed that General Ma Chan-shan would delay as long as possible the repairing of the bridges, as this interruption helped him to keep General Chang Hai-peng's troops at a distance. On October 20th, a small party of employees of the Taonan-Angangchi Railway and the South Manchuria Railway, without military escort, attempted to inspect the damage to the bridges, and was fired upon by Chinese troops in spite of explanations previously given to an officer of the Heilungkiang Provincial forces. This aggravated the situation and accordingly, on October 28th, Major Hayashi, the representative of General Honjo at Tsitsihar, demanded the completion of the repairs by noon of November 3rd, stating that, if they were not carried out by that date, engineers of the South Manchuria Railway, under the protection of Japanese troops, would take over the work. The Chinese authorities asked for an extension of the time-limit, but no answer was returned to this request and Japanese troops were despatched from Ssupingkai for the purpose of protecting the execution of the repair work.

By November 2nd, the negotiations had not progressed and no decision had been reached. On that day, Major Hayashi delivered an ultimatum to Generals Ma Chan-shan and Chang Hai-peng, demanding that neither of them should use the railway for tactical purposes and that both should withdraw their forces to a distance of 10 kilometres from each side of the river. It was intimated that, if the troops of either of these Generals obstructed the repair of the bridges by the engineers of the South Manchuria Railway, the Japanese would regard them as enemies. The ultimatum was to take effect as from noon of November 3rd, and the Japanese protective detachment was under orders to advance to Tahsing Station, on the north side of the valley, by noon of November 4th. The Chinese Assessor (document No. 3), the Japanese Consul-General at Tsitsihar and various officers of the 2nd Division all concur that General Ma Chan-shan replied that, pending instructions from the Central Government, he provisionally accepted, on his own authority, the Japanese demands. But the Japanese witnesses, on the other hand, added that they did not believe in the sincerity of General Ma, who obviously did not intend to permit the damaged bridges to be quickly or effectively repaired. Twice on November 4th a joint commission, including Major Hayashi, a representative of the Japanese Consul-General, and Chinese officers and civil officials went to the bridges in order to avoid an outbreak of hostilities, and the Chinese delegates asked for a postponement of the Japanese advance. The demand was not complied with, and Colonel Hamamoto, the Commander of the 16th Infantry Regiment, in compliance with his orders, advanced to the bridges with one battalion of his regiment, two companies of field artillery and one company of engineers, to begin the repair work in accordance with the terms of the Japanese ultimatum. The engineers, under the command of Captain Hanai, started work on the morning of November 4th, and one infantry company, with two Japanese flags, began its advance to Tahsing Station by noon of that day.

Hostilities actually began during the second attempt of the above-mentioned mixed commission, which went to the spot early in the afternoon of the 4th in order to make a last attempt to secure the withdrawal of the

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Chinese troops. As soon as firing began, Colonel Hamamoto realised that his men were in a very difficult position and went immediately to their support with whatever troops he had available. A rapid reconnaissance convinced him that a frontal attack was impossible on account of the swampy ground, and that nothing but an encircling movement against the left wing of the opposing force would help him out of this difficult situation. Accordingly, he despatched his reserve companies to attack the hill on which the left wing of the opposing forces rested, but the small number of his forces and the impossibility of bringing his guns near enough for action prevented him from gaining the position before nightfall. The hill was captured by 8.30 p.m., but no further advance was possible on that day.

The Kwantung Army Headquarters, on receiving a report of the position, immediately despatched strong reinforcements, and another battalion of infantry arrived during the night, enabling the Colonel to re-open his attack at dawn of November 5th. Even then, after a couple of hours and reaching the first Chinese position, he found himself confronted with a strong line of trenches, defended, according to his own statement to the Commission, with about seventy automatic and machine-guns. His attack was held up, and his troops suffered heavy losses as a result of a Chinese encircling counter-attack executed by infantry and cavalrymen. The Japanese troops were forced to retire and for the second time they could do nothing but hold their position until nightfall. During the night of November 5th-6th, two fresh battalions arrived. This relieved the situation, and a renewed attack on the morning of the 6th rolled up the entire Chinese front, and brought Tahsing Station into the hands of the Japanese troops by noon. As Colonel Hamamoto's mission was only to occupy Tahsing Station in order to cover the repair work of the bridges, no pursuit of the retreating Chinese troops was made, but the Japanese troops remained in the vicinity of the station.

The Chinese Assessor, in the same document No. 3, alleges that Major Hayashi, on November 6th, made a new request to the Heilungkiang Government, asking (1) that General Ma Chan-shan should resign from the Governorship in favour of General Chang Hai-peng, and (2) that a public safety committee should be organised. A photograph of Major Hayashi's letter containing these requests was shown to the Commission. This document further states that, on the following day, without waiting for a reply, the Japanese troops began a new attack on the provincial forces now stationed at Sanchienfang, about 20 miles north of Tahsing, and that, on November 8th, Major Hayashi sent another letter repeating the demand for General Ma Chan-shan's retirement from the Governorship of the province in favour of General Chang Hai-peng, and for a reply before midnight of that day. On November 11th, the Chinese account continues, General Honjo himself asked by telegram for General Ma Chan-shan's retirement, the evacuation of Tsitsihar, and the right for the Japanese troops to advance to Angangchi Station, again requiring a reply before nightfall of that day. On November 13th, Major Hayashi increased the third demand to one for the Japanese troops to occupy, not only Angangchi Station, but Tsitsihar Station as well. General Ma Chan-shan pointed out in reply that Tsitsihar Station had nothing to do with the Taonan-Angangchi Railway.

On November 14th and 15th, the Japanese combined forces renewed their attack with the support of four aeroplanes. On November 16th, General Honjo demanded the retreat of General Ma Chan-shan to the north of Tsitsihar, the withdrawal of Chinese troops to the north of the Chinese Eastern Railway, and an undertaking not to interfere in any way with the traffic and operation of the Taonan-Angangchi Railway, these demands to be carried out within ten days from November 15th, and a reply to be sent to the Japanese Special Bureau at Harbin. When General Ma Chan-shan declined to accept these terms, General Tamon began a

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new general attack on November 18th. General Ma Chan-shan's troops retreated, first to Tsitsihar, which was taken by the Japanese on November 19th, and then to Hailun, to which place the administrative offices of the Government were removed.

According to the evidence of Japanese Generals commanding on the spot, the new operations did not begin before November 12th. General Ma Chan-shan at that time had gathered about 20,000 of his troops to the west of Sanchienfang, and even sent for the land colonisation troops in Heilungkiang Province and the forces of General Ting Chao. Against these large forces, which showed an increasingly threatening attitude, the Japanese could oppose only the now concentrated division of General Tamon, consisting of two brigades under Generals Amano and Hasabe. In order to relieve this tense situation, General Honjo demanded, on November 12th, that all Heilungkiang troops should retire to the north of Tsitsihar and that his troops should be allowed to proceed northward for the protection of the Taonan-Angangchi Railway. The advance did not begin before November 17th, when the Chinese sent cavalry troops around the right flank of the Japanese and attacked them. General Tamon informed the Commission that, in spite of his small strength of 3,000 infantrymen and 24 field-guns, he ventured to attack the Chinese forces and completely defeated them on November 18th, with the result that Tsitsihar was occupied on the morning of the 19th. One week later, the 2nd Division returned to its original quarters, leaving General Amano with one infantry regiment and one battery of artillery at Tsitsihar to hold the place against General Ma Chan-shan's troops. This small Japanese force was subsequently reinforced by the newly-formed "Manchukuo" troops, but these new troops, at the time of our visit to Tsitsihar in May 1932, were not yet considered capable of fighting the forces of General Ma Chan-shan.

The attached Map No. 7 (Military Situation Chart) shows the distribution of regular troops of both sides at the time of the first resolution of the Council. No account is taken of disbanded soldiers and bandit groups which, at that time, specially infested the areas east and west of the Liao River and the Chientao district. Both the parties have accused each other of purposely instigating banditry — the Japanese attributing to the Chinese the motive of wishing to create disorder in the lost parts of Manchuria, and the Chinese suspecting the Japanese of wishing to find pretexts for occupying the country and still further extending their military operations. The strength and military value of these gangs are so vague and changeable that it would not be possible to insert an accurate estimate of their significance into the picture of the military situation. The chart shows that the Command of the North-Eastern troops had succeeded in organising a force of considerable strength in the south-western part of Liaoning Province. These troops had been able to construct a strongly entrenched position on the right bank of the Taling River very close to the foremost Japanese outposts. Such a situation may well have caused the Japanese military authorities some anxiety, as they estimated the total strength of these regular troops at 35,000 men, or about double the total admitted strength of their own forces in Manchuria at that moment.

This situation was relieved by action taken in consequence of certain events which occurred at Tientsin during the month of November. Reports as to the origin of the trouble differ widely. There were two outbreaks, on November 8th and 26th, respectively, but the whole affair is extremely obscure.

According to the Japanese account in the *Herald of Asia*, the Chinese population at Tientsin was divided between those who supported and those who opposed Marshal Chang Hsueh-liang, and the latter organised forces to create a political demonstration in the Chinese city by attacking the guardians of public order on November 8th. In this dispute between

(See
Map No. 7)

The Tientsin
incident.

Outbreak of
November 8th :
Japanese
version.

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two Chinese factions, the Commander of the Japanese garrison observed strict neutrality from the beginning, but was forced to open fire when Chinese guards in the vicinity of the Japanese Concession began to shoot indiscriminately into his district. His demand that the combating Chinese forces should keep at 300 yards distance from the border of the Concession did not relieve the situation, which grew so tense that, on November 11th or 12th, all foreign garrisons mounted guard.

**Chinese
version.**

The account given by the Municipal Government of Tientsin is very different. They assert that the Japanese employed Chinese ruffians and Japanese plain-clothes men, who were formed into operating gangs within the Japanese Concession, in order to start trouble in the Chinese city. Their police authorities, being timely informed by agents of this situation, were able to repulse the disorderly bands emerging from the Japanese Concession. They say that, from the confession of arrested members of these gangs, they are able to prove that the riot was organised by the Japanese and that the men were armed with guns and ammunition of Japanese make. They admit that the Japanese garrison Commander complained on the morning of the 9th that some of his men had been wounded by stray bullets and that he had asked for a withdrawal to a distance of 300 yards, but they assert that, in spite of their acceptance of these conditions, the Japanese regular troops attacked the Chinese city with armoured cars and shelled it.

The account of the Municipal Government further states that, on November 17th, an agreement was reached which fixed the details for the withdrawal to a distance of 300 yards, but it asserts that the Japanese did not carry out their part of the agreement, and that consequently the situation grew worse.

On November 26th, a terrific explosion was heard, immediately followed by firing of cannon, machine-guns and rifles. The electric lights in the Japanese Concession were put out, and plain-clothes men emerged from it attacking the police stations in the vicinity.

**Outbreak of
November
26th :
Conflicting
accounts.**

The Japanese account of this later disturbance as given in the *Herald of Asia* is to the effect that, on the 26th, the situation had become so much better that their volunteer corps was disbanded and that, on the same evening, the Chinese opened fire on the Japanese barracks, and as the fire, in spite of their protests, did not stop until noon of the 27th, they had no choice but to accept the challenge and to fight the Chinese. The battle went on until the afternoon of the 27th, when a peace conference was held. On that occasion, the Japanese demanded the immediate cessation of hostilities and the withdrawal of Chinese troops and police forces to a distance of 20 Chinese li from all places where foreign troops were stationed. The Chinese agreed to withdraw their soldiers, but not their police forces, which were alone responsible for the safety of foreigners in that district. The Japanese say that, on November 29th, the Chinese offered their withdrawal from the neighbourhood of the Concession ; their offer was accepted ; the Chinese armed police withdrew on the morning of the 29th and the defence work was removed on the 30th.

**Effect of the
Tientsin
disturbances
on the
situation in
Manchuria.**

The threatening situation at Tientsin on the 26th caused the staff officers of the Kwantung Army to propose to the Commander an immediate expedition of troops via Chinchow and Shanhakwan to reinforce the endangered small force at Tientsin. As a mere transport problem it would have been easier and quicker to despatch reinforcements by sea via Dairen. But considered strategically, the suggested route had this advantage, that it would enable the advancing troops to dispose *en route* of the very inconvenient Chinese concentration around Chinchow. It was assumed that the delay in taking this route would not be long, as little or no resistance from the Chinese was anticipated. The suggestion was approved, and one armoured train, one troop train, and a couple of aeroplanes crossed the Liao River on November 27th, and their attack on the first Chinese outposts was sufficient

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to initiate a retreat of the Chinese troops from their entrenched position. The armoured-car corps also changed its position. A shade of resistance led the Japanese to reinforce their strength by more armoured trains, infantry trains, and artillery. They also repeatedly threw bombs on Chinchor, but news of the improved situation at Tientsin soon deprived the expedition of its original objective and, on November 29th, to the great surprise of the Chinese, the Japanese forces were withdrawn to Hsinmin.

Another consequence of the earlier disturbances at Tientsin was that the former Emperor, who had been living in the Japanese Concession there, sought a safer refuge at Port Arthur on November 13th, after a talk with Colonel Doihara.

The districts evacuated by the Japanese were re-occupied by the Chinese troops, and this fact was widely advertised. Chinese *morale* was slightly raised; and the activities of irregular forces and bandits increased. Profiting by the winter season, they crossed the frozen Liao River at many points and raided the country around Mukden. The Japanese military authorities realised that, even to maintain their existing positions, reinforcements would be necessary, and with these reinforcements they hoped to be able to get rid of the menace of the Chinese concentration at Chinchor.

Meanwhile, the situation in Manchuria was a subject of further discussion in Geneva. When accepting the resolution on December 10th, the Japanese delegate stated that his acceptance "was based on the understanding that this paragraph (No. 2) was not intended to preclude the Japanese forces from taking such action as might be necessary 'to provide directly for the protection of the lives and property of Japanese subjects against the activity of bandits and lawless elements rampant in various parts of Manchuria'. Such action was admittedly 'an exceptional measure called for by the special situation prevailing in Manchuria', and its necessity would end when normal conditions should be restored there". To that the Chinese representative replied "that the injunction to the parties not to aggravate the situation should not be violated under the pretext of the existence of lawlessness caused by the state of affairs in Manchuria", and several Council members taking part in the discussion admitted that "circumstances might arise there causing danger to Japanese lives and property and in such an emergency it might be inevitable that Japanese forces in the neighbourhood should take action". When this matter has been referred to by Japanese officers who have given evidence before the Commission, it has been usually asserted that the resolution of December 10th "gave Japan the right to maintain her troops" in Manchuria, or made the Japanese Army responsible for the suppression of banditry there. In describing the subsequent operations, they assert that, while executing this right against the bandit forces near the Liao River, they incidentally came in conflict with the remaining Chinese forces near Chinchor, which were in consequence withdrawn within the Great Wall. The fact remains that, having made their reservation at Geneva, the Japanese continued to deal with the situation in Manchuria according to their plans.

The 2nd Division, with the exception of its garrison at Tsitsihar, was concentrated west of Mukden. Reinforcements soon began to arrive: the 4th Brigade of the 8th Division¹ between December 10th and 15th. On December 27th, Imperial sanction was obtained for the despatch of the Staff of the 20th Division and another brigade from Korea. Changchun and Kirin were for the time being only protected by Independent Railway Guards.

As a Japanese advance on Chinchor was imminent, the Chinese Minister for Foreign Affairs made an attempt to prevent further fighting by offering to withdraw the Chinese troops to within the Great Wall, provided that three or

The occupation of Chinchor.

Japanese reservation when accepting the resolution of the Council on December 10th.

Arrival of reinforcements.
(See Map No. 8.)

Abortive negotiations for the withdrawal of Chinese troops.

¹ All the statements here given concerning numbers of units and strength of the Japanese forces are based on official Japanese information.

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four foreign Powers were willing to guarantee the maintenance of a neutral zone north and south of Chinchow. Nothing came of the proposal. Meanwhile, conversations were initiated between Marshal Chang Hsueh-liang and the Japanese Chargé d'Affaires at Peiping, but these too were abortive for different reasons. The Chinese allege in their document No. 3, Annex E, that, at each successive visit, on December 7th, 25th and 29th, the Japanese delegate increased his demands concerning the Chinese retreat, and his promises with regard to the restraint of the Japanese troops became more and more vague. The Japanese, on the other hand, claim that the Chinese promises to withdraw were never sincere.

**Attack on
Chinchow.**

The concentrated attack of the Japanese forces began on December 23rd, when the 19th Chinese Brigade was forced to give up its position. From that day, the advance continued with perfect regularity and hardly met with any resistance at all, the Chinese Commander having given out a general order to retreat. Chinchow was occupied on the morning of January 3rd and the Japanese forces continued their advance right up to the Great Wall at Shanhaikwan, where they established a permanent contact with the Japanese garrison in that place.

The complete evacuation of Manchuria by the troops of Marshal Chang Hsueh-liang, practically without striking a blow, was not unconnected with the internal conditions of China south of the Wall. Reference has been made in an earlier chapter to the feuds between rival Generals and it must be remembered these feuds had not ceased.

**The
occupation of
Harbin.**

The comparative ease with which the offensive down to Shanhaikwan was carried out enabled the Japanese to release some of their troops from their original positions and make them available for advances in other directions. The main force of the 2nd Division, which had done nearly all the fighting so far, returned to their quarters at Liaoyang, Mukden, and Changchun for a rest. On the other hand, the increased length of railway line to be protected against possible bandit raids at any point necessitated the use of a large number of troops the fighting strength of which was diminished by their distribution over such wide areas. The two brigades under the command of the Staff of the 20th Division were left for this purpose in the newly occupied zone, and the 4th Brigade of the 8th Division joined them more to the north. The Japanese military authorities assured us that, within these well-guarded areas, a state of law and order was soon established and that banditry was practically extinguished on both sides of the Liao River during the following weeks. This statement was made to us in the month of June, but, at the moment of writing this Report, we read of vigorous raids from volunteer troops on Yingkow and Haicheng, with threats even to Mukden and Chinchow.

The district which, at the beginning of this year, gave more trouble than any other was that north and east of Harbin, to which the remaining followers of the two former Provincial Governments of Kirin and Heilung-kiang had withdrawn. The Chinese Generals in this northern sector seemed to have maintained some contact with Headquarters at Peiping, whence they received some support from time to time. The advance on Harbin began, as that on Tsitsihar had done, by an encounter between two Chinese forces. General Hsi Hsia at the beginning of January prepared for an expedition to the North with the view to occupying Harbin. Between him and that city were Generals Ting Chao and Li Tu, with what are described as anti-Kirin forces. According to information provided by the Japanese Assessor, when our preliminary report was under consideration, satisfactory terms would have been arranged by negotiation between the parties had it not been for the influence of the authorities at Peiping. Negotiations were in fact initiated and, while they were being carried on, General Hsi Hsia advanced with his troops as far as Shuangchong, which they reached on January 25th, but, when it came to serious fighting on

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the following morning in the immediate neighbourhood south of the city, the advance was at once checked. The situation thus created was felt by the Japanese to be full of danger for the large Japanese and Korean colonies at Harbin. Fighting between two more or less irregular Chinese forces in the immediate neighbourhood would have resulted in the retreat on the town of a defeated army, the horrors of which the recent history of China provides so many examples. Urgent appeals were therefore sent to the Kwantung Army, even Chinese merchants, so the Japanese assert, joining in the appeal from fear that their property might be looted.

Colonel Doihara, now General, who, in this emergency, was sent to Harbin on the 26th in order to take over the office of the special Japanese service there, told the Commission that the fighting between the two Chinese forces around Harbin continued for about ten days, and that there was great anxiety for the 4,600 Japanese residents, who mostly lived in a menaced area, together with 1,600 Koreans in the Chinese suburb of Fuchiatien, who were exposed to the danger of massacre. In spite of the fact that the anti-Kirin forces held the town during ten days of continual fighting, the casualties among the Korean and Japanese residents were comparatively few. The latter organised themselves into armed volunteer bands and helped their nationals to escape from the Chinese suburb. One Japanese and three Koreans are said to have been killed while trying to escape. In addition, one of the Japanese aeroplanes, sent to reconnoitre the threatening situation, was forced to land owing to engine trouble and its occupants are said to have been killed by Ting Chao's troops.

These two incidents decided the Japanese military authorities to intervene. Again the 2nd Division was called upon to help its endangered countrymen. But this time the problem was not so much one of lighting as of transportation, the railing north of Changchun being a joint Sino-Russian undertaking. As the rolling-stock of the southern branch of the Chinese Eastern Railway was greatly depleted, the Commander of the 2nd Division decided to send, in the first instance, only General Hasebe and two infantry battalions. Negotiations with the railway authorities were started, but, when these seemed likely to be long drawn out, the Japanese officers decided to enforce the transport of their troops. The railway authorities protested and refused to work the trains, but, in spite of their opposition, the Japanese military authorities succeeded on the night of January 28th in forming three military trains, which went as far north as the second Sungari bridge, which they found damaged by the Chinese forces. As the repairs were made on the 29th, Shuangcheng was reached on the afternoon of January 30th. Early on the following morning, and still under cover of darkness, the small Japanese force was attacked by Ting Chao's troops and severe fighting took place, resulting in the repulse of the Chinese, but no further progress was possible that day. By that time, the Soviet and Chinese railway authorities had agreed that the transport of Japanese troops on the Chinese Eastern Railway would be allowed, on the understanding that they were proceeding with the sole object of giving protection to the Japanese residents at Harbin. The fares of the troops were paid for in cash. On February 1st, the Japanese troops began to arrive and the main force of the 2nd Division was concentrated near Shuangcheng on the morning of February 3rd. Reinforcements were even called upon from Tsitsihar, where, as will be remembered, a part of the 2nd Division had remained since November 19th. But many difficulties had still to be overcome, as the line between Harbin and Tsitsihar was cut by the Chinese, who, at the same time, attacked detachments of the Independent Railway Guards on the southern branch of the Chinese Eastern Railway at different places.

On February 3rd, the anti-Kirin troops, now estimated to have a total strength of about 13,000 to 14,000 soldiers with 16 guns, had taken up an

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entrenched position along the southern boundary of the city. The 2nd Division began to advance against this position on the same day, reaching the Weitangkou (Nanchengtze) River, about 20 miles north of Shuangcheng, on the night of February 3rd-4th. Fighting commenced on the following morning. On the evening of the 4th, the Chinese position was partly taken by the Japanese troops, and by noon of the 5th a final decision was reached. Harbin was occupied on the afternoon of the same day, and the Chinese withdrew in the direction of Sanhsing.

**Further
Japanese
military
operations up
to the end of
August 1932.
(See Maps
Nos. 9 and 10.)**

The successful attack of the 2nd Division brought the town of Harbin into the hands of the Japanese authorities, but, as it was not immediately followed by any pursuit of the retiring Chinese forces, little change was produced on the situation in Northern Manchuria as a whole. The railways north and east of Harbin and the important waterway of the Sungari River still remained under the control of the anti-Kirin troops and those of Ma Chan-shan. The arrival of further reinforcements, repeated expeditions to the east and north and six months of fighting took place before the occupied area was extended as far as Hailun in the north and the districts of Fangchung and Hailin in the east. According to Japanese official statements, the anti-Kirin troops, with those of General Ma Chan-shan, were completely routed, but, according to official Chinese sources, they are still in existence. Although reduced in their fighting strength, they continually hamper the Japanese forces, at the same time avoiding actual encounters in the open field. According to newspaper information, both the eastern and western branches of the Chinese Eastern Railway are still being attacked and damaged at different places between Harbin and Hailin.

The Japanese operations since the beginning of February may be summarised as follows :

Towards the end of March, the main part of the 2nd Division left Harbin in the direction of Fangcheng in order to suppress the anti-Kirin troops of Generals Ting Chao and Li Tu. The Division advanced as far as the region of Sanhsing and returned to Harbin in the earlier part of April. By that time, the 10th Division had arrived at Harbin and took over the sector from the 2nd Division. This unit was engaged for about a month in constant fighting against the anti-Kirin troops with the greater part of its forces in the district near Sanhsing and with a minor detachment along the eastern branch of the Chinese Eastern Railway, in the direction of Hailin.

In the earlier part of May, the Japanese forces in the north of Manchuria were further reinforced by the 14th Division. A detachment of this unit took part in the fighting against the anti-Kirin forces and advanced as far as the valley of Mutan River, south of Sanhsing, forcing the opposing troops to withdraw to the most eastern corner of Kirin Province. But the main operations of the 14th Division, which began in the latter part of May, took place in the region north of Harbin and were directed against the troops of General Ma Chan-shan. The 14th Division carried out its main attack to the north of Harbin, along the Hulan-Hailun Railway, and, with minor forces to the east of Koshan, the proposed terminus of the Tsitsihar-Koshan Railway. The Japanese claim that, during the earlier part of August, the troops of General Ma Chan-shan were again effectively routed and that they have strong evidence that the General himself was killed. The Chinese assert that the General is still alive. In this action, cavalry newly arrived from Japan likewise took part.

During the month of August, several minor engagements took place on the borders of Fengtien and Jehol Provinces, mainly near the Chinchor-Peipiao branch line (of the Peiping-Mukden Railway), which is the only means of access to Jehol by railway. There are widespread fears in China that these events are only a prelude to larger military operations at an early date, aimed at the occupation of Jehol by the Japanese. The main lines

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of communication which still exist between China Proper and the Chinese forces in Manchuria run through Jehol, and the fear of a Japanese attack in this province, which is already claimed as part of the territory of "Manchukuo", is not unreasonable. Its imminence is freely discussed in the Japanese Press.

The Japanese version of the recent events submitted to the Commission by the Japanese Assessor is as follows :

An official attached to the Kwantung Army Headquarters named Ishimoto was kidnapped by Chinese "volunteers" on July 17th from a train travelling between Peipiao and Chinchow, within the boundaries of the Province of Jehol. A small detachment of Japanese infantry with light artillery made an immediate attempt to rescue him, but failed in their purpose, and the result was the occupation of a village on the frontier of Jehol by Japanese troops.

During the latter part of July and in August, Japanese aeroplanes demonstrated several times over this part of Jehol and dropped some bombs, but "uninhabited areas outside the villages" were carefully selected. On August 19th, a Japanese staff officer was sent to Nanling, a small town situated between Peipiao and the provincial boundary to negotiate for the release of Mr. Ishimoto. On his return journey with a small infantry detachment, he was fired upon. In self-defence the fire was returned and, on the arrival of another infantry detachment, Nanling was occupied but evacuated on the following day.

Through the Chinese Assessor, extracts were submitted to the Commission from the reports of General Tang Yu-ling, the Governor of the Province of Jehol. These reports claim that fighting on a much larger scale took place, and that a Chinese battalion of railway guards was in action against a superior number of Japanese infantry, supported by two armoured trains. They claim that the bombing referred to by the Japanese was directed against Chaoyang, one of the larger towns in that region, and that, as a result, 30 casualties were caused among both military and civilians. The Japanese offensive was resumed on August 10th, when an armoured train attacked Nanling.

The information given by the Japanese Assessor concludes by stating that, although the maintenance of order in Jehol is "a matter of internal policy for Manchukuo, Japan cannot be indifferent to the situation in that region in view of the important role played by Japan in the maintenance of peace and order in Manchuria and Mongolia, and that any disorders in Jehol would immediately produce very serious repercussions throughout Manchuria and Mongolia". General Tang Yu-ling concludes his report by stating that all possible measures were being taken to offer effective resistance should the Japanese attacks be renewed.

From these communications, it seems that an extension of the area of conflict in this region is a contingency which must be reckoned with.

Although the main Chinese Army was withdrawn within the Great Wall at the end of 1931, the Japanese continued to meet with opposition of an irregular kind in different parts of Manchuria. There have been no further battles such as occurred on the Nonni River, but fighting has been constant and widely dispersed. It has been the practice of the Japanese to describe indiscriminately as "bandits" all the forces now opposed to them. There are, in fact, apart from bandits, two distinct categories of organised resistance to the Japanese troops or to those of "Manchukuo" — namely, the regular and irregular Chinese troops. It is extremely difficult to estimate the number of these two and, as the Commission was not able to meet any of the Chinese Generals still in the field, it is necessary to make reservations with regard to the reliability of the information given below. Chinese authorities are naturally reluctant to give away exact information about such troops as are still offering resistance to the Japanese in Manchuria.

**Nature of
resistance
offered by the
Chinese.**

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Japanese authorities, on the other hand, are disposed to minimise the numbers and fighting value of the forces still opposed to them.

**Remnants of
the original
North-Eastern
Armies.**

The remnants of the original North-Eastern Armies are to be found exclusively in the provinces of Kirin and Heilungkiang. The re-organisation of troops which took place around Chinchow late in 1931 was not of long duration, because all those units were subsequently withdrawn inside the Great Wall. But the regular Chinese troops, which, before September 1931, were stationed in the Sungari region and along the Chinese Eastern Railway, have never been seriously engaged with the Japanese troops, and continue to carry on a guerilla warfare which has given, and still gives, much trouble to the Japanese and "Manchukuo" forces. The Generals Ma Chan-shan, Ting Chao and Li Tu have acquired great fame throughout China as leaders of these troops. All three are former brigade-generals in command of railway guards or garrison troops in North Manchuria. Probably the greater part of the troops under their command remained faithful to their respective leaders and the cause of China after the destruction of the Young Marshal's regime. The strength of General Ma's troops cannot easily be determined, because, as will be remembered, this General changed his allegiance.

As Governor of Heilungkiang Province, he was in command of all the provincial troops, the number of which was given to us as seven brigades in all. Since the month of April, he has definitely taken up a position against Japan and "Manchukuo". The number of troops at his disposal between Hulan River, Hailun and Taheiho is estimated by Japanese authorities as six regiments, or between 7,000 and 8,000 men. Generals Ting Chao and Li Tu control six old brigades of Chang Hsueh-liang's Army, and have since raised in the country three additional brigades. Their total strength at the time of our Preliminary Report was estimated by Japanese authorities at about 30,000: but it is very probable that the troops of General Ma Chan-shan, as well as those of Generals Ting Chao and Li Tu, have considerably diminished in number since the month of April and are now below the estimated figure. Both units, as will be seen later on, have suffered a great deal from concentrated attacks of regular Japanese troops since the occupation of Harbin. At present, they seem unable to hinder any operation by the Japanese troops and carefully avoid meeting them in the open field. The use of aeroplanes by the Japanese and the complete absence of this weapon on the other side account for the greater part of such losses as they have sustained.

**Irregular
forces.
Volunteers.**

When considering the irregular forces, it is necessary to distinguish between the different volunteer forces in Kirin Province co-operating with the Armies of Generals Ting Chao and Li Tu. In our Preliminary Report of April 29th, 1932, we mentioned, on page 5, under the heading "Volunteers", three different volunteer armies and several minor corps, one of the latter between Tunhua and Tienpaoshan remaining in touch with these regular troops of Generals Ting Chao and Li Tu. Owing to the absence of railways and other means of communication in those districts, this corps still keeps the same position. Its Chief, Wang Teh-ling, united different "anti-Manchukuo" forces and kept them firmly under his command. Though this force may be of small significance compared with Japanese troops (which hardly exhibit any activity to the east of Tunhua), it seems well able to hold its own against the "Manchukuo" troops and maintains its position in a considerable part of Kirin Province. No evidence is available concerning the present activity of the "Big Sword Society" which, while keeping in touch with Wang Teh-ling, created considerable disturbance in the Chientao district. On the other hand, no action of importance has been undertaken against it by Japanese troops.

An official Japanese document has been submitted to the Commission enumerating a large number of so-called route-armies and other Chinese

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units, each containing not more than 200 to 400 men, which form the subdivisions of the volunteer armies. Their field of activity extends to the areas around Mukden and the Antung-Mukden Railway, to Chinchor and the boundary between Jehol and Fengtien Provinces, to the western branch of the Chinese Eastern Railway and to the district between Hsinmin and Mukden. Thus the area covered by these volunteers and the anti-Kirin forces combined comprises the greater part of Manchuria.

In the middle of August, fighting broke out in the immediate neighbourhood of Mukden, at different places of the southern part of the South Manchuria Railway, especially at Haicheng and at Yingkow. On several occasions, the Japanese troops have found themselves in a difficult position, but nowhere have the volunteers succeeded in attaining a victory of any importance. It seems doubtful whether any change in the general situation in Manchuria is to be anticipated in the near future, but, at the time of the completion of our Report, fighting continues over a wide area.

As in China, banditry has always existed in Manchuria. Increasing or diminishing in numbers in relation to the activity or the weakness of the Government, professional bandits are to be found in all parts of the Three Provinces and their services were often employed by different parties for political purposes. The Chinese Government has presented to the Commission a document stating that, during the last twenty or thirty years, Japanese agents to a great extent instigated bandits to serve their political interests. A passage from the "Second Report of Progress of Manchuria to 1930", published by the South Manchuria Railway, is quoted in this document to the effect that, within the railway area alone, the number of cases of banditry had increased from 9 cases in 1906 to 368 in 1929. According to the Chinese document quoted above, banditry has been encouraged by the smuggling of arms and munitions on a large scale from Dairen and the Kwantung Leased Territory. It is asserted, for instance, that the notorious bandit chief, Lin Yin-shin, was provided in November last with arms, munitions and other means in order to establish the so-called Independent Self-Defence Army which was organised with the help of three Japanese agents and destined to attack Chinchor. After the failure of this attempt, another bandit chief got Japanese help for the same purpose, but fell into the hands of the Chinese authorities with all his material of Japanese origin.

Japanese authorities, of course, see the state of banditry in Manchuria in quite a different light. According to them, its existence is due exclusively to the inefficiency of the Chinese Government. They allege also that Chang Tso-lin, to a certain extent, favoured the existence of bandit gangs in his territory, because he thought that, in time of need, they could easily be converted into soldiers. The Japanese authorities, while admitting the fact that the complete overthrow of Chang Hsueh-liang's Government and Army greatly added to the number of bandits in the country, claim that the presence of their troops in the country will enable them to wipe out the principal bandit units within from two to three years. They hope that the organisation of "Manchukuo" police and of self-defence corps in each community will help to put an end to banditry. Many of the present bandits are believed to have been peaceful citizens who, on account of the complete loss of their property, were induced to take up their present occupation. Given the opportunity of resuming the occupation of farming, it is hoped that they will return to their former peaceful mode of life.

(See
Map No. 6.)

Bandits.

Chapter V.

SHANGHAI.

**The
Shanghai
affair.**
*(See Map
No. 11.)*

At the end of January, fighting broke out at Shanghai. The story of that affair has already been told in its broad outlines down to February 20th by the Consular Committee appointed by the League. The fighting was still in progress when the Commission arrived at Tokyo on the 29th, and several discussions took place with members of the Japanese Government on the origin, motives and consequences of their armed intervention in this place. When we reached Shanghai, on March 14th, the fighting was over, but the negotiations for an armistice were proving difficult. The arrival of the Commission at this moment was opportune, and may have helped to create a propitious atmosphere. We were able to appreciate the tense feeling which had been created by the recent hostilities and to obtain an immediate and vivid impression both of the difficulties and of the issues involved in this controversy. The Commission was not instructed to continue the work of the Consular Committee or to make a special study of the recent events there. In fact, we were informed by the Secretary-General of the League of Nations that the Chinese Government had expressed themselves as opposed to any suggestion that the Commission should delay its journey to Manchuria for the purpose of studying the situation at Shanghai.

We heard the views of both the Chinese and the Japanese Governments on the Shanghai affair, and were the recipients of a large amount of literature from both sides on the subject. We also visited the devastated area and heard statements from Japanese naval and military officers on the recent operations. In an individual capacity, too, we had conversations with the representatives of many shades of opinion on matters which were fresh in the memory of everyone living in Shanghai. But we did not, as a Commission, officially investigate the Shanghai affair and therefore express no opinion upon the disputed points connected with it. We shall, however, for purposes of record, complete the story of the operations from February 20th until the final withdrawal of the Japanese troops.

**Narrative of
events at
Shanghai from
February 20th
onwards.**
*(See Map
No. 12.)*

The last report of the Consular Committee ended, it will be remembered, by stating that the Japanese, on February 20th, opened a new attack in the Kiangwan and Woosung areas. This attack brought no marked success to the Japanese troops, despite the fact that it was continued on the following days, but it enabled them to learn that parts of the so-called Chinese Bodyguard Army — viz., the 87th and 88th Divisions — were now fighting against them as well as the 19th Route Army. This fact, together with the difficulties which the nature of the country presented, decided the Japanese to reinforce their troops by two more divisions — namely, the 11th and 14th.

On February 28th, the Japanese troops occupied the western part of Kiangwan, which had been evacuated by the Chinese. On the same day, the Woosung fort and fortifications along the Yangtse River were again bombed from the air and from the sea, and bombing-planes operated over the whole front, including the aerodrome at Hungjao and the Nanking Railway. General Shirakawa, who was appointed to the supreme command of the Army, arrived in Shanghai on February 29th. From this date onwards the Japanese Headquarters announced substantial progress. In the district of Kiangwan they advanced slowly, and the Naval Headquarters stated that the opposing forces at Chapei showed signs of giving way as a consequence of the daily bombardment. On the same day, the aerodrome

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at Hangchow, which is 100 miles distant from Shanghai, was bombed from the air.

On March 1st, as the frontal attack had advanced but slowly, the Japanese Army Commander initiated a wide enveloping movement by landing the main force of the 11th Division at some distance on the right bank of the Yangtze River, in the vicinity of Tsiyakow, for the purpose of making a surprise attack on the left flank of the Chinese Army. The manoeuvre was successful in compelling an immediate retreat of the Chinese forces beyond the 20-kilometre limit originally asked for in the Japanese Commander's ultimatum of February 20th. Woosung fort had been evacuated by the Chinese troops when, on March 3rd, it was entered by the Japanese troops after many aerial and naval bombardments. On the previous day, bombing operations had been extended as far as 7 kilometres east of Quinsan Station on the Shanghai-Nanking Railway, with the alleged object of preventing the transportation of reinforcements to the Chinese front.

On the afternoon of March 3rd, the Japanese Commander gave the order to stop fighting. The Chinese Commander issued a similar order on March 4th. A strong complaint was made by the Chinese that the 14th Japanese Division was landed at Shanghai between March 7th and 17th, after the cessation of hostilities, and about a month later was transported to Manchuria in order to reinforce the Japanese troops there.

In the meantime, attempts to secure a cessation of hostilities through the good offices of friendly Powers and of the League of Nations had been continued. On February 28th, the British Admiral, Sir Howard Kelly, received on his flagship the delegates of both parties. An agreement on the basis of mutual and simultaneous withdrawal and of a temporary character was proposed. The conference was not successful, owing to the differing opinions of the two parties as to the basis of the negotiations.

On February 29th, the President of the Council of the League of Nations made recommendations which contemplated, amongst other things, "a mixed conference in the presence of other interested Powers in view of the final conclusion of the fighting and for a definite cessation of hostilities, subject to local arrangements". Both parties accepted, but a successful outcome of the negotiations was rendered impossible by the conditions of the Japanese delegates, who demanded that : (1) the Chinese troops should first begin to withdraw, and (2) the Japanese, having ascertained that the withdrawal was taking place, should then retire, not, as formerly stated, to the International Settlement and the extra-Settlement streets, but to an area extending from Shanghai to Woosung.

On March 4th, the Assembly of the League, recalling the suggestions of the Council, (1) called on both Governments to make the cessation of hostilities effective ; (2) requested other interested Powers to inform the Assembly on the execution of the previous paragraph ; and (3) recommended negotiations, with the assistance of other Powers, for the conclusion of the arrangements in order to render definite the cessation of hostilities and to regulate the withdrawal of the Japanese troops, wishing to be informed by the Powers on the development of these negotiations.

On March 9th, the Japanese sent a memorandum to the Chinese through the intermediary of the British Minister, in which their readiness to negotiate on the basis of the points laid down by the Assembly was expressed.

On March 10th, the Chinese replied through the same channel that they too were ready to negotiate on this basis, but on condition that the conference should be limited to matters pertaining to the definite cessation of hostilities and the complete and unconditional withdrawal of the Japanese troops. On March 13th, the Japanese intimated that they were not disposed to regard the Chinese reservations as modifying the sense of the resolutions of the League of Nations or in any way binding on themselves. They thought that both parties should meet on the basis of the resolutions.

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On March 24th, the Sino-Japanese Conference on the cessation of hostilities was opened. In the meantime, the withdrawal of Japanese military and naval forces had actually begun. On March 20th naval and air contingents left Shanghai, reducing the remaining strength to something not far above normal. The Japanese Headquarters announced on March 27th, on the occasion of further withdrawal, that this had nothing to do with the above-mentioned Conference or with the League of Nations, but was simply the outcome of the independent decision of the Headquarters of the Imperial Japanese Army to recall units no longer required at Shanghai.

On March 30th, the Conference announced that, on the preceding day, an agreement relative to a definite cessation of hostilities had been reached, but further difficulties supervened and it was not till May 5th that a complete armistice agreement was ready for signature. It provided for a definite cessation of hostilities, fixed a line to the west of Shanghai as a temporary limit for the advance of Chinese troops, pending further arrangements upon the re-establishment of normal conditions, and provided for the withdrawal of the Japanese troops to the International Settlement and the extra-Settlement roads (streets) as previous to January 28th. Certain areas outside the Settlement had to be temporarily included, because the number of Japanese troops was too large to be quartered within the Settlement alone, but these do not require to be mentioned as they have since been evacuated. A Joint Commission, in which the assistant friendly Powers — the United States of America, Great Britain, France and Italy — and the two parties were represented, was established to certify the mutual withdrawal. This Commission was also to collaborate in arranging for the transfer from the Japanese forces to the Chinese Police.

The Chinese added two qualifications to the agreement. The first declared that nothing in the agreement was to imply permanent restriction of the movement of Chinese troops in Chinese territory, and the second that it was to be understood that, even in areas temporarily provided for the stationing of the Japanese troops, all municipal functions, including that of policing, would remain with the Chinese authorities.

The terms of this agreement as a whole have in the main since been carried out. The evacuated areas were turned over to the Chinese Special Police Force between May 9th and 30th. The turning-over, however, of these four areas has been somewhat delayed. It was but natural that, when the Chinese owners of houses and factories, officials of railways and companies, and others began to re-enter the evacuated areas, numerous complaints concerning looting, wilful destruction and carrying away of property should have been addressed to the Japanese military authorities. In the opinion of the Chinese, the whole question of reparations remains for further negotiations. They estimate the casualties in killed, wounded and missing as 24,000 officers, men and civilians, and the total material loss at approximately 1,500,000,000 Mexican dollars. A draft agreement dealing with the extra-Settlement road areas has been initialled by representatives of the Shanghai Municipal Council and of the Chinese Municipality of Greater Shanghai, but it has not yet received the approval of either the Municipal Council or of the City Government. The Municipal Council has referred it to the Senior Consul for the observations of the Consular Body.

**Effect on the
Manchurian
situation of
the Chinese
resistance at
Shanghai.**

The Shanghai affair undoubtedly exercised considerable influence upon the situation in Manchuria. The ease with which the Japanese had been able to occupy the greater part of Manchuria, and the absence of any resistance by the Chinese troops, not only led to a belief in Japanese naval and military circles that the fighting quality of the Chinese Army was negligible, but also caused profound depression throughout China. The stout resistance put up from the first by the Chinese 19th Route Army,

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with the assistance later of the 87th and 88th Guard Divisions, was hailed throughout China with the greatest enthusiasm, and the fact that the original 3,000 marines had to be supplanted by three divisions and a mixed brigade of the Japanese Army before the Chinese forces were finally dislodged and driven back after six weeks of fighting created a profound impression upon the Chinese *morale*. The feeling prevailed that China must be saved by her own efforts. The Sino-Japanese conflict was brought home to the people throughout China. Everywhere opinion hardened and the spirit of resistance increased. Former pessimism gave place to equally exaggerated optimism. In Manchuria, the news from Shanghai put fresh heart into the scattered forces still opposing the Japanese troops. It encouraged the subsequent resistance of General Ma Chan-shan and stimulated the patriotism of the Chinese all over the world. The resistance of the Volunteer Armies increased. Expeditions to suppress them met with indifferent success, and in some areas the Japanese stood on the defensive, taking up positions along certain railway lines, which were frequently attacked.

The hostilities at Shanghai were followed by several other incidents, one of which was the short bombardment of Nanking. This incident created much excitement and alarm, even outside China. It happened on the late evening of February 1st, but did not last for more than an hour. The incident was probably caused by a misunderstanding, but had the important consequence of a temporary removal of the Chinese Government from Nanking to Loyang.

Chinese and Japanese versions both of the origin and of the facts are widely divergent. Two justifications were given to us from Japanese sources. The first was that, since the outbreak of hostilities at Shanghai, the Chinese had extended the Lion Hill Forts, constructed trenches and established artillery positions at the gates near the river and on the opposite side of it, thus making military preparations on a scale sufficient to arouse concern amongst the Japanese, who had warships on the river. The second was that the vernacular papers had spread untruthful stories of Chinese victories at Shanghai, which had caused great excitement among the Chinese population of Nanking. In consequence, Chinese employed by Japanese were, it is alleged, forced by threats to give up their situations, and Chinese merchants refused to sell even the necessary food supplies to Japanese residents, including the Consular staff and the crews of warships.

The Chinese did not comment on these complaints. They assert that the general uneasiness and tense atmosphere prevailing were caused by the fact that the Japanese, after the Shanghai outbreak, increased the number of their warships from two to five, and subsequently to seven (the Japanese authorities give the number as six, these being three old gunboats and three destroyers); that the Commander of the warships landed a certain number of sailors and put them on guard duty before the wharf of the Nisshin Kisen Kaisha, where the Japanese Consular staff and all the Japanese residents had taken refuge on a hulk. With the events of Shanghai fresh in their memories, such measures may well have filled the minds of the already-excited population at Nanking with fears of a similar experience.

We know from a report of the Police Commissioner of Nanking to the Ministry of Foreign Affairs that the authorities at Nanking who were solely responsible for the protection of their own subjects and of foreign nationals at that place greatly resented the landing of Japanese naval forces. They addressed representations to the Japanese Vice-Consul, who replied that he was unable to do anything in the matter. At the same time, special instructions were given to the local police station at Hsiakwan, where the warships were anchored and the above-mentioned wharf was situated, to prevent, if possible, any contact between Chinese and Japanese in this area, especially at night-time. According to the Japanese official reports, their refugees were taken on board a steamer

The incident
of Nanking,
February 1st,
1932.

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of the name *Nisshin Kisen Kaisha* during the days following January 29th, and a considerable number were transported to Shanghai. On the late evening of February 1st, the Japanese assert that three gunshots were suddenly fired, apparently from the Lion Hill Forts. At the same time, Chinese regulars fired on the Japanese naval guards on the river banks, causing two casualties, of which one was fatal. The fire was returned, but directed only at the immediate neighbourhood of their landing-place and stopped as soon as the firing from the shore had ceased. Such is the Japanese version. The Chinese, on the other hand, stoutly deny that any firing at all took place, but allege that eight shells in all were fired at the forts, at Hsiakwan station and at other places, accompanied by machine-gun and rifle firing, and that during this time searchlights were directed at the shore. This caused considerable panic amongst the inhabitants, who rushed into the interior of the city; but no casualties were reported and the material damage was not great.

It is also possible that the incident was first started by the firing of crackers by the excited Chinese population, celebrating a supposed victory at Shanghai.

Chapter VI.

“MANCHUKUO”.

PART I. — STAGES IN THE FORMATION OF THE “NEW STATE”.

Chaotic conditions resulting from Japanese occupation of Mukden.

As a result of the events of September 18th, 1931, as described in Chapter IV, the civil administration of Mukden City and of the Province of Liaoning (Fengtien) was completely disorganised and even that of the other two provinces was affected to a lesser extent. The suddenness of the attack on Mukden, which was not only the political centre of all Manchuria but, next to Dairen, also the most important commercial centre of South Manchuria, created a panic among the Chinese population. Most of the prominent officials, and the leading members of the educational and commercial communities who could afford to do so, left immediately with their families. During the days following September 19th, over 100,000 Chinese residents left Mukden by the Peiping-Mukden Railway, and many who could not get away went into hiding. The police, and even the prison warders, disappeared. The municipal, district and provincial administrations at Mukden completely broke down, the public utility companies for the supply of electric light, water, etc., the buses and tramways, and the telephone and telegraph services, ceased to function. Banks and shops kept their doors closed.

Restoration of order and civil administration in Mukden City.

The immediate necessity was the organisation of a municipal government and the restoration of the ordinary civic life of the city. This was undertaken by the Japanese and carried through quickly and efficiently. Colonel Doihara was installed as Mayor of Mukden, and within three days normal civil administration was restored. Several hundred police and most of the prison warders were brought back with the help of General Tsang Shih-yi, the Civil Governor of the Province, and the public utility services were restored. An Emergency Committee, with a majority of Japanese members, helped Colonel Doihara, who held his post for one month. On October 20th, the reins of municipal government were restored to a qualified Chinese body, with Dr. Chao Hsin-po (a lawyer who had studied for eleven years in Japan and was a Doctor of Law of Tokyo University) as Mayor.

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The next problem was to re-organise the provincial administration in each of the Three Provinces. This task was more difficult in Liaoning than in either of the other two, because Mukden was the centre of this provincial administration ; most of the influential men had fled, and for a time a Chinese provincial administration continued to be carried on at Chinchow. It was three months, therefore, before the re-organisation was completely accomplished. Lieutenant-General Tsang Shih-yi, the existing President of the Liaoning Provincial Government, was first approached on September 20th and invited to organise a Provincial Government, independent of the Chinese Central Government. This he refused to do. He was then put under arrest and released on December 15th.

After General Tsang Shih-yi had refused to help in the establishment of an independent Government, another influential Chinese official, Mr. Yuan Chin-kai, was approached. He was a former provincial governor and a Vice-President of the North-Eastern Political Committee. The Japanese military authorities invited him and eight other Chinese residents to form a " Committee for the Maintenance of Peace and Order ". This Committee was declared to have been formed on September 24th. The Japanese Press at once acclaimed it as the first step in a separatist movement, but Mr. Yuan Chin-kai publicly disclaimed any such intention on October 5th. The Committee, he said, had " been brought into being to preserve peace and order after the breakdown of the former administration. It assisted, moreover, in relieving refugees, in restoring the money market, and it attended to some other matters, solely for the sake of preventing unnecessary hardship. It had, however, no intention of organising a Provincial Government or declaring independence".

On October 19th, the Committee opened the Board of Finance, and Japanese advisers were appointed to assist the Chinese functionaries. The Director of the Board of Finance had to obtain the approval of the military authorities before giving effect to the Board's decisions. In the districts, the tax collectors' offices were controlled by the Japanese gendarmerie or other agencies. In some cases, they had to submit their books daily for inspection to the gendarmerie, whose approval had to be obtained for the disbursement of any monies on public objects, such as police, justice, education, etc. Any case of remittance of taxes to the " hostile party " at Chinchow was to be at once reported to the Japanese authorities. At the same time, a Financial Readjustment Committee was organised the chief business of which was to re-organise the taxation system. Japanese representatives and the representatives of Chinese guilds were allowed to take part in discussions on taxation. According to a statement in the " History of the Independence of Manchukuo ", dated May 30th, 1932, and submitted to the Commission by the " Department of Foreign Affairs " at Changchun, these discussions led to the abolition on November 16th, 1931, of six taxes, the reduction of four others by half, the transfer of eight others to local governments, and the prohibition of all levies, without a legal basis.

On October 21st, the Board of Industry was opened by the Committee, whose name was now changed to that of " Liaoning Province Self-Government Office ". The consent of the Japanese military authorities was sought and obtained and a number of Japanese advisers were appointed. Before issuing any orders, the Director was required to obtain the approval of the Japanese military authorities.

Lastly, the Liaoning Self-Government Office organised a new North-Eastern Communications Committee, which gradually assumed control of various railways, not only in Liaoning Province, but also in Kirin and Heilungkiang. This Committee was separated from the Liaoning Self-Government Office on November 1st.

On November 7th, the Liaoning Province Self-Government Office transformed itself into the Liaoning Provincial Government *ad interim*,

**The
re-organisation
of Provincial
Government :
(1) LIAONING
PROVINCE**

**General Tsang
Shih-yi refuses
to organise
an independent
Provincial
Government.**

**Formation of a
" Peace and
Order
Maintenance
Committee "
under the
chairmanship
of Mr. Yuan
(Chin-kai,
Septemb. 25th.**

**Board of
Finance
opened,
October 19th.**

**Board of
Industry
established,
October 21st.**

**North-Eastern
Communi-
cations
Committee.**

**Declaration of
November 7th,**

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**and
establishment
of a Provincial
Government on
November 10th.**

**Appointment
of Supreme
Advisory
Board.**

**Name of
Province
changed to
Fengtien on
November 20th,
and General
Tsang Shih-yi
installed as
Governor on
December 15th.**

**(2) KIRIN
PROVINCE**

**(3) THE SPECIAL
ADMINISTRA-
TIVE DISTRICT
OF THE CHINESE
EASTERN
RAILWAY**

which issued a declaration by which it severed its relations with the former North-Eastern Government and with the Central Government at Nanking. It requested the local governments in Liaoning to abide by the decrees it had issued, and announced that henceforth it would exercise the authority of a Provincial Government. On November 10th, a public opening ceremony took place.

Simultaneously with the transformation of the Self-Government Office into the Liaoning Provincial Government *ad interim*, a Supreme Advisory Board was inaugurated under the chairmanship of Mr. Yu Chung-han, who had been Vice-Director of the Peace and Order Maintenance Committee. Mr. Yu announced the objects of this Board as : the maintenance of order, the improvement of administration by the suppression of bad taxes, the reduction of taxation, and the improvement of the organisation of production and sale. The Board was, furthermore, to direct and supervise the acting Provincial Government, and to foster the development of local self-government in accordance with the traditions of local communities and with modern needs. It comprised sections dealing with general affairs, investigation, protocol, guidance, supervision, and an Institute for Training in Self-Government. Nearly all the important functionaries were Japanese.

On November 20th, the name of the Province was changed to that of Fengtien, which had been its name before its union with Nationalist China in 1928, and, on December 15th, Mr. Yuan Chin-kai was replaced by General Tsang Shih-yi, who was released from his confinement and installed as Governor of Fengtien Province.

The task of establishing a provincial Government in the province of Kirin was far easier. On the 23rd, the Commander of the 2nd Division, Major-General Tamon, had an interview with Lieutenant-General Hsi Hsia, the acting head of the provincial administration in the absence of General Chang Tso-hsiang, and invited him to assume the chairmanship of the Provincial Government. After this interview, General Hsi Hsia summoned the various Government organisations and public associations to a meeting on September 25th, which was also attended by Japanese military officers. No opposition was expressed to the idea of establishing a new provisional government, and a proclamation to that effect was published on September 30th. The Organic Law of the new Provincial Government of Kirin was subsequently announced. The committee system of government was abolished, and Governor Hsi Hsia took full responsibility for the conduct of government. Some days later, the principal officials of the new Government were appointed by him and some Japanese functionaries were added later. The chief of the Bureau of General Affairs was a Japanese. In the districts also, some administrative re-organisation and change of personnel took place. Out of forty-three districts, fifteen were re-organised, which involved the dismissal of the Chinese District Officers. In ten others, the District Officers were retained after declaring their allegiance to General Hsi Hsia. The others still remained under Chinese military leaders loyal to the old regime, or kept aloof from the contending factions.

The Chief Administrator of the Special District, Lieutenant-General Chang Ching-hui, was friendly to the Japanese. He had no military force behind him, whereas the old regime could still dispose of considerable forces both in Kirin and Heilungkiang, as well as the railway guards in the Special District itself. On September 27th, he summoned a conference in his office at Harbin to discuss the organisation of the Emergency Committee of the Special District. This Committee was formed with General Chang as Chairman and eight other members, amongst whom were General Wang Juihwa and General Ting Chao, who later, in January 1932, became the leader of the "anti-Kirin" forces, in opposition to General Hsi Hsia. On November 5th, the anti-Kirin Army, under the command of the Generals

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of Chang Tso-hsiang, established a new Kirin Provincial Government at Harbin. After General Chang Ching-hui had been appointed, on January 1st, 1932, Governor of Heilungkiang, he declared in that capacity the independence of the Province on January 7th. On January 29th, General Ting Chao took possession of the office of the Chief Administrator and placed General Chang under restraint in his own house. The latter regained his liberty when the Japanese forces came north and occupied Harbin on February 5th, after defeating General Ting Chao. From that time onwards, the Japanese influence made itself increasingly felt in the Special District.

In Heilungkiang Province, a more complicated situation had arisen owing to the conflict between General Chang Hai-peng and General Ma Chan-shan, which was described in the last chapter. After the occupation of Tsitsihar by the Japanese on November 19th, a Self-Government Association of the usual type was established, and this Association, which was said to represent the will of the people, invited General Chang Ching-hui, of the Special District, to act concurrently as Governor of Heilungkiang. As the situation around Harbin was still unsettled, and no definite agreement with General Ma had been reached, this invitation was not accepted until early in January 1932. Even then General Ma's attitude was ambiguous for some time. He co-operated with General Ting Chao until the latter's defeat in February, and then came to terms with the Japanese, accepting the Governorship of Heilungkiang out of General Chang's hands, and subsequently co-operated with the other Governors in the establishment of the new State. A Self-Government Guiding Committee was established at Tsitsihar on January 25th, and the same form of Provincial Government as in the other Provinces was gradually established.

The Province of Jehol has hitherto kept aloof from the political changes which have taken place in Manchuria. Jehol is part of Inner Mongolia. Over 3,000,000 Chinese settlers now live in the Province and they are gradually pushing out to the north the nomadic Mongols, who still live under their traditional tribal or Banner system. These Mongols, who are said to number about one million, have maintained some relations with the Mongol Banners settled in the west of Fengtien Province. The Mongols in Fengtien and Jehol have formed "Leagues" the most influential of which is the Cherim League. The Cherim League joined the Independence movement, as did also the Mongols in the Barga District, or Hulunbuir, in the west of Heilungkiang, who have often attempted to free themselves from Chinese rule. The Mongols do not easily assimilate with the Chinese. They are a proud race, and every Mongol remembers the exploits of Genghis Khan and the conquest of China by Mongol warriors. They resent Chinese over-lordship and they resent particularly the immigration of Chinese settlers, by which they are being gradually extruded from their territory. The Leagues of Chaota and Chosatu in Jehol are keeping in touch with the Banners in Fengtien, which are now ruled by committees. General Tang Ju-lin, the Governor of the Province, is reported to have assumed full responsibility for his Province on September 29th, and to have kept in touch with his colleagues in Manchuria. At the inauguration of "Manchukuo" on March 9th, Jehol was included in the new State. In fact, however, no decisive step was taken by the Government of the Province. The latest events in this Province were referred to at the end of chapter IV.

The local self-governing administrations thus established in all the Provinces were subsequently combined into a separate and independent "State". To understand the ease with which this was accomplished and the amount of evidence which it has been possible to bring forward of Chinese support for it when it was accomplished, it is necessary to consider the peculiar feature of Chinese organised life which in some circumstances is a strength and in others a weakness. As has been already stated in Chapter I, the community obligations recognised by the Chinese are rather

(4)
HEILUNGKIANG.

(5) JEHOL.

The creation
of an
independent
"State".

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to the family, to a locality, or to persons, than to the State. Patriotism as it is understood in the West is only beginning to be felt. Guilds, associations, leagues, armies, are all accustomed to follow certain individual leaders. If, therefore, the support of a particular leader can be secured by persuasion or coercion, the support of his adherents over the whole area of his influence follows as a matter of course. The foregoing narrative of events shows how successfully this Chinese characteristic was utilised in the organisation of the Provincial Governments, and the agency of the same few individuals was used to complete the final stage.

The Self-Government Guiding Board.

The chief agency in bringing about independence was the Self-Government Guiding Board, which had its central office in Mukden. By reliable witnesses, it was stated to the Commission to have been organised, and in large part officered, by Japanese, although its chief was a Chinese, and to have functioned as an organ of the Fourth Department of the Kwantung Army Headquarters. Its main purpose was to foster the independence movement. Under the direction and supervision of this Central Board, local self-government executive committees were formed in the districts of Fengtien Province. To those various districts, as occasion demanded, the Central Board sent out members from its large and experienced staff of inspectors, directors and lecturers, many of whom were Japanese. It utilised also a newspaper, which it edited and published.

The proclamation of the Self-Government Guiding Board, Mukden, January 7th.

The nature of the instructions given by the Central Board is apparent from the proclamation which it issued as early as January 7th, under date of January 1st. The proclamation stated that the North-East was faced with the need for developing, without delay, a great popular movement for the establishment of a new independent State in Manchuria and Mongolia. It described the development of its work in various districts in Fengtien Province, and outlined its plan for the extension of its activities to the remaining districts and even to the other Provinces. It then appealed to the people of the North-East to overthrow Marshal Chang Hsueh-liang, to join the Self-Government Association, to co-operate in setting up a clean administration and improving the living conditions of the people, and it ended with the words : “Organisations of the North-East, Unite ! Towards the new State ! Towards Independence !” Of this proclamation, fifty thousand copies were distributed.

Plans of the Chief of the Board in January.

As early as January also, the Chief of the Self-Government Guiding Board, Mr. Yu Chung-han, was already making plans, together with Governor Tsang Shih-yi, for the new State which, it was reported, was to be established on February 10th. But the Harbin outbreak of January 29th and General Ma’s ambiguous attitude during the conflict with Ting Chao appear to have been the main reasons for the temporary postponement of further preparations at that time.

The Mukden Conference, February 16th-17th.

Later, after Ting Chao’s defeat, negotiations between Lieutenant-General Chang Ching-hui and General Ma had brought about, on February 14th, a settlement according to which General Ma was to become Governor of Heilungkiang. The meeting at which the foundation of the new State was to be arranged was held on February 16th and 17th at Mukden. The Governors of the Three Provinces and the Special District were present in person, as well as Dr. Chao Hsin-po, who had played a prominent part in all the preparatory work.

At a meeting of these five men, it was decided that a new State should be established, that a North-Eastern Administrative Council should be organised which would exercise temporarily the supreme authority over the Provinces and the Special District, and, finally, that this Supreme Council should, without delay, make all necessary preparations for the founding of the new State. On the second day of the Conference, two Mongol Princes attended, one representing the Barga District (Hulunbuir) in Western Heilungkiang, the other, Prince Chiwang of the Cherim Leagues,

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representing practically all Banners, who respect this Prince more than any other leader.

The Supreme Administrative Council was constituted the same day. Its members were Lieutenant-General Chang Ching-hui, Chairman of the Council, the Governors of Fengtien, Kirin, Heilungkiang and Jehol, and Prince Chiwang and Prince Ling Sheng for the Mongolian districts. The first decisions of the Council were : to adopt the republican system for the new " State " ; to respect the autonomy of the constituting Provinces ; to give the title of " Regent " to the Chief Executive, and to issue a Declaration of Independence, to be signed by the Governors of the four Provinces and the Special District, by Prince Chiwang for all the Banners, and by Prince Kueifu for Hulunbuir in Heilungkiang. The Commander-in-Chief of the Kwantung Army gave that night an official dinner in honour of the " Heads of the new State ", whom he congratulated on their success and assured of his assistance in case of need.

The Declaration of Independence was published on February 18th. It referred to the ardent wishes of the people to have permanent peace and to the duty of the Governors, who were said to have been chosen by the people, to fulfil those wishes. The Declaration referred to the necessity for the establishment of a new State, and claimed that the North-Eastern Administrative Council had been constituted for this purpose. Now that relations with the Kuomintang and the Government at Nanking had been severed, the people were promised the enjoyment of good government. This Declaration was sent by circular wire to all places in Manchuria. Governor Ma and Governor Hsi Hsia then returned to their respective provincial capitals, but they designated representatives to meet Governor Tsang Shih-yi, Governor Chang Ching-hui, and Mayor Chao Hsin-po for the purpose of working out the details of the plan.

In a subsequent meeting held by this group, on February 19th, it was decided to establish a Republic, to lay down the principle of the separation of powers in the Constitution, and to ask the former Emperor Hsuan-Tung to become the Chief Executive. In the following days, it was decided that the capital should be Changchun ; the new era of government was to be styled " Tatung " (Great Harmony), and the design of the national flag was fixed. Notification of the decisions taken was sent, on February 25th, to all provincial governments, including Jehol, as well as to the Mongol administrative offices of Hulunbuir and of the Cherim, Chaota and Chosatu Leagues. The last-named Leagues are established in Jehol. They could, therefore, as already stated, take no steps against the wishes of the Chairman of the Government of that Province.

After the Declaration of Independence and the announcement of the plans for the new State, the Self-Government Guiding Board took the leading part in organising popular manifestations of support. It was instrumental in forming societies for the " Acceleration of the Foundation of the New State ". It instructed its branches in the various districts throughout Fengtien, the Self-Government Executive Committees, to do everything possible to strengthen and hasten the independence movement. In consequence, the new " Acceleration Societies " sprang up rapidly, centring around the Self-Government Executive Committees.

From February 20th onwards, these newly-formed " Acceleration Societies " became active. Posters were prepared, slogans printed, books and pamphlets issued, a *North-Eastern Civilisation Half-Monthly* was edited and red scrolls were distributed. Leaflets were sent by post to various prominent citizens asking them to help the propaganda work. At Mukden the scrolls were distributed by the Chinese Chamber of Commerce, to be placed on the door-posts.

During the same time, the Self-Government Executive Committees in the districts summoned meetings of popular representatives, such as

**The Supreme
Administrative
Council,
February 17th.**

**Declaration of
Independence,
February 18th.**

**Plans for the
new State.**

**The State
Foundation
Acceleration
Movement.**

**The
organisation**

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of popular approval of independence.

The Mukden resolutions favouring a New State, February 28th.

The Independence Movement in Kirin Province.

In Heilungkiang Province.

members of the local gentry, and the chairmen and prominent members of commercial, agricultural, industrial and educational associations. In addition, mass meetings were organised and parades or processions were conducted through the principal streets of the district capitals. Resolutions expressing the wishes either of the people in general or of special groups were passed at conferences of prominent local men and at the mass meetings, in which it was claimed many thousands of persons took part. These resolutions were naturally sent to the Self-Government Guiding Board at Mukden.

After the Acceleration Societies and the Self-Government Executive Committees had been active in various districts of Fengtien, a provincial convention was organised at Mukden to give concrete evidence of the general desire of the people for the establishment of the State. Accordingly, on February 28th, a meeting was held in which about 600 persons took part, including all the district officers of the Province and the representatives of nearly all classes and organisations. This meeting issued a declaration which stated that it expressed the joy of the 16,000,000 inhabitants of Fengtien Province at the downfall of the old oppressive military caste and the dawn of a new era. As far as Fengtien was concerned, the movement had thus been brought to a conclusion.

The movement in Kirin Province in favour of a new State was also organised and directed. While in the Conference at Mukden on February 16th, Governor Hsi Hsia sent a circular telegram to his District Officers asking them to enlighten him as to public opinion in regard to the policy to be followed by the new State. The District Officers were enjoined to give adequate guidance to the various guilds and associations in their districts. In direct response to the telegram, independence movements sprang up everywhere. On February 20th, the Kirin Provincial Government created the State Foundation Committee, which was to guide the various organisations in conducting their independence campaigns. On February 24th, the People's Association at Changchun held a mass meeting in which about 4,000 persons are reported to have taken part. They demanded the acceleration of the foundation of the new State. Similar meetings were held in other districts and also in Harbin. On February 25th, the mass meeting for the whole Province was held at the city of Kirin. About ten thousand persons were reported to have been present. A declaration was duly issued similar to that passed at Mukden on February 28th.

In Heilungkiang Province, the Mukden Self-Government Guidance Board played an important part. On January 7th, after General Chang Ching-hui had accepted the governorship of Heilungkiang, he declared the Province to be independent.

The Board lent its assistance in conducting the acceleration movement in Heilungkiang. Four directing officers, two of whom were Japanese, were despatched from Mukden to Tsitsihar. Two days after their arrival, on February 22nd, they convened a meeting in the reception hall of the Government House, in which a large number of associations were represented. It was a Pan-Heilungkiang Conference, which was to decide upon the methods of preparing for the establishment of the State. It was resolved to hold a mass demonstration on February 24th.

Many thousands of persons took part in the mass demonstration at Tsitsihar, which was covered with posters, scrolls, streamers and pennants in commemoration of the event. The Japanese artillery fired 101 guns in honour of the day. Japanese planes circled overhead, dropping down leaflets. A declaration was promptly issued which favoured a republican form of government, with a responsible Cabinet and a President as the head of the State. All powers were to be concentrated in the Central Government, and the provincial governments were to be abolished, leaving districts and municipalities as the units of local government.

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By the end of February, Fengtien, Kirin, Heilungkiang and the Special District had passed the stages of district and provincial declarations. The Mongol Banners had also given their allegiance to the new State, since it was known that it would mark off special autonomous Mongol districts and would in other ways guarantee the rights of the Mongol inhabitants. The Mohammedans had already, at a meeting on February 15th, at Mukden, pledged their allegiance. The majority of the small number of unassimilated Manchus were also in favour of the new State as soon as it had become known that their former Emperor would probably be offered the post of Chief Executive.

After the districts and provinces had given formal support to the plan of a new State, the Self-Government Guiding Board took the lead in convening an All-Manchuria Convention, which was held at Mukden on February 29th. There were present official delegates from the provinces, the districts of Fengtien Province and the Mongol territories, and, in addition, many others, including representatives of various groups, such as the Koreans in Kirin Province and the Special District, and the branches of the Youth League of Manchuria and Mongolia : altogether over 700 persons.

Speeches were delivered and a declaration and resolution were unanimously approved, the former denouncing the previous regime, the latter welcoming the new State. A second resolution was also adopted designating as the provisional President of the new State the former Emperor Hsuan Tung, now known by his personal name as Mr. Henry Pu-yi.

The North-Eastern Administrative Council met at once in urgent session and elected six delegates to proceed to Port Arthur, to convey their invitation to the former Emperor at Port Arthur, where he had been residing since he left Tientsin in the previous November. Mr. Pu-yi at first declined it, but on March 4th a second delegation comprising twenty-nine delegates obtained his consent to accept the post for one year only. Then the Administrative Council elected its chairman, Lieutenant-General Chang Ching-hui, and nine others, to be the Reception Committee. On March 5th, the Committee went to Port Arthur and was received in audience. In response to its request, the former Emperor, on March 6th, left Port Arthur for Tangkangtze, and after two days began, on the 8th, to receive homage as the Regent of "Manchukuo".

The inauguration ceremonies were held at the new capital, Changchun, on March 9th. Mr. Pu-yi, as Regent, made a declaration in which he promised to found the policy of the new State upon the basis of "morality, benevolence and love". On the 10th, the principal members of the Government were appointed ; the members of the Cabinet, the Presidents of the Board of Legislation and the Board of Control ; the President and Vice-President and Councillors of the Privy Council, the Governors of the Provinces and of the Special District, the Commanders of the Defence Forces of the Provinces, and some other high officials. A notice regarding the establishment of "Manchukuo" was issued by telegram on March 12th to the foreign Powers. The declared purpose of this notice was to communicate to the foreign Powers the fundamental object of the formation of "Manchukuo" and its principles of foreign policy ; and to request that they recognise it as a new State.

Prior to the arrival of the Regent, a number of laws and regulations, on which Dr. Shao Hsin-po had been working for some time, had been made ready for adoption and promulgation. They came into force on March 9th, simultaneously with the law regulating the organisation of the Government, while the laws which theretofore had been in effect, in so far as they were not in conflict with the new laws, or with the fundamental policy of the State, were provisionally adopted by special ordinance of the same date.

The All-
Manchuria
Convention,
Mukden,
February 29th.

Mr. Henry
Pu-yi,
the former
Emperor,
accepts
the headship
of
"Manchukuo"

The
inauguration
ceremonies,
Changchun,
March 9th.

The date of the
establishment
of
"Manchukuo";
Laws and
Regulations.

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Sources of information.

This narrative of the stages by which the "State of Manchukuo" was created has been compiled from all the sources of information available. The events were reported at length, as they occurred, in Japanese newspapers, and most fully, perhaps, in the columns of the Japanese-edited *Manchuria Daily News*. The two documents entitled "Histoire de l'Indépendance du Mandchoukouo — Ministère des Affaires étrangères du Mandchoukouo", and "A General Outline of Manchukuo — Department of Foreign Affairs, Manchukuo", which were prepared at Changchun on May 30th by the present administration, and the "Memorandum on the so-called Independence Movement in the Three Eastern Provinces", prepared by the Chinese Assessor, have also been carefully studied. In addition, wherever possible, neutral sources of information were utilised.

Civil Administration since September 18th.

The measures of civil administration taken by the Japanese military authorities between September 18th and the establishment of the "Manchukuo Government", notably the control of the Banks, the administration of the public utility services and the management of the railways, indicated that, from the commencement of the operations, objects more permanent than the requirements of a temporary military occupation were being pursued. Immediately after the occupation of Mukden, on September 19th, guards were placed in or in front of all Chinese banks, railway offices, the administrative offices of public utility services, the office of the Mining Administration, and similar premises. Investigations were then conducted into the financial and general situation of these enterprises. When they were allowed to re-open, Japanese were appointed as advisers, experts, or secretaries to officials, usually with administrative powers. Many business enterprises were owned by the former administration of the Three Eastern Provinces, as well as by the provincial administrations; and, as the previous Government was regarded as an enemy Government in time of war, no bank, no mining, agricultural or industrial enterprise, no railway offices, no public utility — in fact, no single source of revenue in which they had been interested in either their public or private capacities — was left without supervision.

Railways.

As regards railways, the measures taken by the Japanese authorities from the outset of the period of military occupation were designed to settle definitely, in a manner favourable to Japanese interests, some of the questions which had long been in dispute between the Chinese and Japanese railways, and which have been described in Chapter III. The following measures were promptly taken :

1. All the Chinese-owned railways north of the Great Wall, and the monies standing to their credit in banks in Manchuria, were seized.
2. In order that the railways might be co-ordinated with the South Manchuria Railway, certain changes were made in the arrangement of tracks in and around Mukden, by cutting the tracks of the Peiping-Mukden Railway at the viaduct under the South Manchuria Railway, thus closing the Liaoning Central station, the Fengtien East station, the Fengtien North Gate station, and thus severing the connection with the Chinese Government railway to Kirin (later replaced).
3. At Kirin, a physical connection was made between the Hailun-Kirin line and the Kirin-Tunhua and Kirin-Changchun Railways.
4. A staff of Japanese technical advisers was installed in various departments of the railways.
5. The "special rates" adopted by the Chinese authorities were abolished and the original tariffs restored, thus bringing freight rates on Chinese railways more into conformity with those of the South Manchuria Railway.

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During the period between September 18th, when the North-Eastern Communications Committee ceased to function, and the date of the creation of the " Manchukuo Ministry of Communications ", the Japanese authorities assumed entire responsibility for the administration of the railways.

Measures of a similar kind, which went beyond those which were necessary for the protection of the lives and property of their nationals, were taken by the Japanese in respect of the public electricity supplies at Mukden and Antung. Also, in the period between September 18th and the establishment of " Manchukuo ", the Japanese authorities made changes in the administration and management of the Chinese Government telephone, telegraph and wireless services which would ensure their intimate co-ordination with the Japanese telephone and telegraph services in Manchuria.

Since September 18th, 1931, the activities of the Japanese military authorities, in civil as well as in military matters, were marked by essentially political considerations. The progressive military occupation of the Three Eastern Provinces removed in succession from the control of the Chinese authorities the towns of Tsitsihar, Chinchor and Harbin, finally all the important towns of Manchuria ; and following each occupation, the civil administration was re-organised. It is clear that the Independence Movement, which had never been heard of in Manchuria before September 1931, was only made possible by the presence of the Japanese troops.

A group of Japanese civil and military officials, both active and retired, who were in close touch with the new political movement in Japan to which reference was made in Chapter IV, conceived, organised and carried through this movement, as a solution to the situation in Manchuria as it existed after the events of September 18th.

With this object, they made use of the names and actions of certain Chinese individuals, and took advantage of certain minorities among the inhabitants, who had grievances against the former administration.

It is also clear that the Japanese General Staff realised from the start, or at least in a short time, the use which could be made of such an autonomy movement. In consequence, they provided assistance and gave direction to the organisers of the movement. The evidence received from all sources has satisfied the Commission that, while there were a number of factors which contributed to the creation of " Manchukuo ", the two which, in combination, were most effective, and without which, in our judgment, the new State could not have been formed, were the presence of Japanese troops and the activities of Japanese officials, both civil and military.

For this reason, the present regime cannot be considered to have been called into existence by a genuine and spontaneous independence movement.

PART II. — THE PRESENT GOVERNMENT OF " MANCHUKUO "

" Manchukuo " is governed in accordance with an Organic Law and a Guarantee Law of Civil Rights. The Organic Law prescribes the fundamental organisation of the governmental organs. It was promulgated by Ordinance No. 1 issued on March 9th, the first year of Tatung (1932).

The Regent is head of the State. All executive power is vested in him, and he has also the authority to overrule the Legislative Council. He is assisted by a Privy Council, which is to advise him upon important affairs.

A characteristic feature of the Organic Law is the separation of governmental power into four divisions or departments : the Executive, the Legislative, the Judicial and the Supervisory.

The functions of the Executive department are carried out, under the direction of the Regent, by the Premier and the Ministers of State, who together form a State Council or Cabinet. The Premier supervises

Other public utilities.

Conclusions.

The Organic Law.

The Executive Department.

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the work of the Ministries and, through the powerful Board of General Affairs, has direct charge of their confidential matters, personnel, accounting and supplies. Subordinate to the State Council are various bureaux, especially the important Advisory Bureau and the Legislative Bureau. Executive power is thus largely concentrated in the hands of the Premier and the Regent.

**The
Legislative
Department.**

The legislative power is vested in the Legislative Council. Its approval will be necessary for all laws and revenue Acts. But should it reject any Bill, the Regent may ask the Council to re-consider its decision and, if it should again reject it, the Regent, after consulting the Privy Council, shall decide the matter. At present, however, no law has yet been passed for the organisation of the Council, with the result that laws are drafted by the State Council and become effective after the Privy Council has been consulted and the approval of the Regent has been obtained. So long as the Legislative Council is not organised, the Premier's position is predominant.

**The Judicial
Department.**

The judiciary comprises a number of law courts, divided into three grades, the Supreme Court, Higher Courts, and District Courts.

**The
Supervisory
Department.**

The Supervisory Council supervises the conduct of officials and audits their accounts. The members of the Council may not be dismissed except for a criminal offence or disciplinary punishment, and may not be subjected to suspension or transfer of office or reduction of salary against their wishes.

**Provinces and
Special
Districts.**

For purposes of local government, "Manchukuo" is divided into five provinces and two special districts. The provinces are Fengtien, Kirin, Heilungkiang, Jehol, and Hsin-An or Hsingan. The last-named, which contains the Mongol districts, is subdivided into three areas or sub-provinces, so as to conform to the traditional Banner system and the union of Banners into Leagues. The special districts are the old Chinese Eastern Railway, or Harbin district, and the newly established Chientao, or Korean district. By means of this administrative division, the important minorities, Mongols, Koreans and Russians, are to be guaranteed, as far as possible, special administration in conformity with their needs. Although the Commission made several requests to be shown a map of the area claimed to be included in the "State of Manchukuo", this was not provided, but a letter was received giving the boundaries of the "State" as follows:

"The new State is bounded on the south by the Great Wall, and the Mongol Leagues and Banners in the same comprise Hulinbuir and the Leagues of Cherim, Chaota and Chosatu and their Banners."

At the head of the provinces are Civil Governors. But since it is desired to concentrate executive power in the Central Government, they are to be given no authority over either troops or finance. In the provinces, as well as in the central government, the General Affairs Department holds a controlling position. It is in charge of confidential matters, of personnel, accounting, correspondence, and matters which do not come under other departments.

**Districts and
municipalities.**

Provinces are divided into districts. These are administered largely by district self-government offices, which have under their direction various governmental departments, particularly that of General Affairs. Municipal governments exist at Mukden, Harbin, and Changchun. At Harbin, however, it is planned to create a Greater Harbin, which will include both the Russian and the Chinese cities. The Special Railway District is to be abolished. Part of it will be included in Greater Harbin, and the remainder, stretching east and west along the Chinese Eastern Railway, is to be added to Heilungkiang and Kirin Province.

The "Government of Manchukuo" regards the provinces as administrative areas, and the districts and the municipalities as units of finance.

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It determines the amount of their taxes and passes upon the budget. All local revenues must be paid into the Central Treasury, which will then supervise the proper disbursement. These revenues may not be retained, in whole or in part, by the local authorities, as was customary under the old regime. Naturally, this system has not as yet been brought into satisfactory operation.

In the "Government of Manchukuo", Japanese officials are prominent, and Japanese advisers are attached to all important Departments. Although the Premier and his Ministers are all Chinese, the heads of the various Boards of General Affairs, which, in the organisation of the new State, exercise the greatest measure of actual power, are Japanese. At first they were designated as advisers, but more recently those holding the most important posts have been made full Government officials on the same basis as the Chinese. In the Central Government alone, not including those in local governments or in the War Office and the military forces or in Government enterprises, nearly 200 Japanese are "Manchukuo" officials.

**Japanese
officials
and advisers.**

Japanese control the Board of General Affairs and the Legislative and Advisory Bureaux, which in practice constitute a Premier's Office, the General Affairs Department in the Ministries and in the Provincial Governments, and the Self-Government Directing Committees in the Districts, and the police departments in the Provinces of Fengtien, Kirin, and Heilungkiang. In most bureaux, moreover, there are Japanese advisers, counsellors and secretaries.

There are also many Japanese in the railway offices and in the Central Bank. In the Supervisory Council, Japanese hold the posts of Chief of the Bureau of General Affairs, Chief of the Control Bureau, and Chief of the Auditing Board. In the Legislative Council, the Chief Secretary is a Japanese. Finally, some of the most important officials of the Regent are Japanese, including the Chief of the Office of Internal Affairs and the Commander of the Regent's bodyguard¹.

The aim of the Government, as expressed in the proclamation of the North-Eastern Administrative Committee of February 18th, and of the "Government of Manchukuo" of March 1st, is to rule in accordance with the fundamental principle of "Wang Tao". It is difficult to find an exact English equivalent for this phrase. The interpreters provided by the "Manchukuo" authorities translated it "love", but scholars give the meaning as the "kingly way", which may have many shades of meaning. Traditionally, the Chinese have used the expression "Wang Tao" as antithetical to "Pa Tao", which latter expression as discussed by Dr. Sun Yat-sen in his "San Min Chu Yi" (Three People's Principles), connotes reliance upon physical force and compulsion. Sun Yat-sen explained that "Wang Tao", therefore, was the antithesis of "Might makes right".

**The aims of
the
Government.**

The policy of the Self-Government Guiding Board, the chief agency in the creation of the new Government, was continued by the Advisory Bureau, which had superseded it. Military officers were not to be allowed to interfere in matters of administration. Regulations governing the qualifications for Government service are to be enacted and appointments are to be made on the basis of the ability of the candidates.

Taxation is to be reduced and placed on a legal basis, and reformed in accordance with sound principles of economics and administration. Direct taxes are to be transferred to the District and Municipal Governments, while the Central Government is to secure the income derived from indirect taxes.

Taxation.

¹ The more important appointments have meanwhile been announced in the *Manchuria Government Gazette*.

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The documents supplied by the Changchun authorities state that a number of taxes have already been abolished, while others have been reduced. Hopes are expressed that readjustment of Government enterprises and Government-owned resources will increase revenue and that the eventual reduction of the military forces will lessen expenditure. However, for the time being, the financial position of the new State is unsatisfactory. Guerrilla warfare has kept military expenditure high, while, at the same time, the Government is not receiving revenues from various normal sources. Expenditure for the first year is now roughly estimated at \$85,000,000, against revenue \$65,000,000, showing a deficit of \$20,000,000, which it is intended to cover by a loan from the newly established Central Bank as explained hereafter¹.

The Government declared its intentions, as financial conditions improve, to spend as much as possible of its revenue upon education, public welfare, and development of the country, including reclamation of waste land, exploitation of mineral and forestry resources, and extension of the system of communications. It states that it will welcome foreign financial assistance in the development of the country, and that it will adhere to the principles of Equal Opportunity and of the Open Door.

Education.

The Government has already begun to re-open primary and secondary schools, and it intends to train a large number of teachers who will thoroughly understand the spirit and policies of the new State. A new curriculum is to be adopted, new text-books compiled, and all anti-foreign education abolished. The new educational system will aim to improve primary schools and to stress vocational education, the training of the primary school-teachers, and the teaching of sound ideas as to sanitary living. The teaching of English and Japanese is to be compulsory in the middle schools, and of Japanese is to be voluntary in the primary schools.

Justice and police.

The "Manchukuo" authorities have decided that, in the domain of justice, the interference of administrative authorities should not be tolerated. The status of judicial officers is guaranteed by the law, and their salaries are to be adequate. The qualifications for judicial positions will be raised. Extra-territorial rights, for the time being, will be respected, but the Government intends to start negotiations with foreign Powers for their abolition as soon as adequate reforms in the present system shall have been effected. The police are to be properly selected, trained and paid, and completely separated from the Army, which is not to be allowed to usurp police functions.

The Army.

Re-organisation of the Army is planned, but, since at present it consists largely of the old Manchurian soldiery, caution is felt to be necessary in order to avoid increasing discontent and mutiny.

The Central Bank of "Manchukuo" was established on June 14th, and officially opened its doors for business on July 1st. The Bank has its head offices in Changchun, the capital of "Manchukuo", and branches and sub-branches to the number of 170 in most of the cities of Manchuria.

The Bank was organised as a joint-stock company with a charter to run for thirty years. Its first officers were Chinese and Japanese bankers and financiers. It was empowered to "regulate the circulation of the domestic currency, maintain its stability and control the financing service". The capital of the bank was authorised at \$30,000,000 (silver) and permission was given it to issue notes against a specie reserve of at least 30%.

The old provincial banks, including the Frontier Bank, were amalgamated with the new Central Bank, and their entire businesses, including affiliated enterprises, were turned over to it. Provision was further made for liquidating the non-Manchurian branches of the old provincial banks.

"Manchukuo"
Central Bank
opened its
head offices in
Changchun and
branches in
many other
Manchurian
cities on
July 1st, 1932.

**The Central
Bank absorbed
all of the old
provincial
banks,
including the
Frontier Bank.**

¹ See special study No. 4, annexed to this Report.

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In addition to what it will be able to salvage from the old banks, the Central Bank has a Japanese loan reported at 20,000,000 Yen¹ and a subscription to its capital of \$7,500,000 (silver) from the "Manchukuo Government" on which to establish itself². The Bank has planned to unify all the Manchurian currencies by redeeming them for new notes at rates which have been officially prescribed as from July 1st, 1932. These new notes are based on the silver dollar and are to be covered to the extent of at least 30 per cent by silver, gold, foreign currencies or deposits. Whether or not the new currency is to be convertible on demand and without limit into hard money is not made clear in official pronouncements. The old notes will be permitted to circulate for two years from the passage of the Conversion Act, but will not be valid after that time.

The order for the new Central Bank notes has been placed with the Japanese Government, but thus far neither the notes nor the new hard money are in circulation. The present currencies of Manchuria remain what they were prior to September 18th, 1931, with the exception that the notes are being surcharged with the signature of Mr. Yung-hou (the President of the new Central Bank) as they pass through the various banks.

It is not clear how the new "Manchukuo" Bank can hope to accomplish its ambitious programme of unifying and stabilising all the present Manchurian currencies with the limited amount of capital at its disposal. The resources inherited from the old provincial banking institutions with the addition of a loan from Japanese banks and a subscription to its capital from the "Manchukuo Government" seem entirely inadequate for the purpose. Moreover, it is not clear on what basis the financial relations between the Bank and the "Manchukuo Government" will be established. According to the preliminary "Manchukuo" budget supplied to the Commission by the Finance Minister, "Manchukuo" expects to face a deficit of over 20,000,000 Yuan³ during its first year of existence. According to the Minister, this was to be covered by a loan from the Central Bank (not then in existence). A Government which subscribes 7,500,000 Yuan to its bank and then borrows over 20,000,000 Yuan from it to balance its budget is not establishing either its Central Bank or its budget on a sound financial basis.

Unless the Central Bank can obtain more actual hard money than it now appears to possess, it can hardly hope to unify and stabilise all Manchurian currencies on a *convertible* silver-dollar basis. Even if it were to succeed in creating a currency which was uniform though not convertible, it would possibly have accomplished something, but even a uniform currency the stability of which is not guaranteed by conversion falls short of the requirements of a sound monetary system.⁴

In regard to various public utilities, as well as in regard to the railways, arrangements have been made which have tended to link up the Chinese and Japanese systems. Before the outbreak at Mukden, the Japanese were anxious to bring this about, but the Chinese consistently refused to give their consent. Between September 18th, however, and the formation of

New currency
to be based on
the silver
dollar, but
whether it will
be convertible
is not clear.

Present
Manchurian
currencies
essentially
what they were
prior to
September
18th, 1931.

"Manchukuo's"
unification
programme
based on
inadequate
supply of
hard money.

Central Bank
more likely to
unify the
currencies than
to make them
convertible.

The Japanese
extend their
control over the
Chinese
Public Utility
System.

¹ It is quite possible that this was intended to be "Yuan".

² According to the preliminary budget furnished the Commission by the "Manchukuo" Finance Minister on May 5th, 1932.

³ This and the following items in the budget were given as *Yen* in an interview by the "Manchukuo" Finance Minister with a Commissioner, but in the English translation of "A General Outline of Manchukuo" presented by the Department of Foreign Affairs, Manchukuo, they are given in terms of Yuan. The Commission therefore takes the liberty of using *Yuan* rather than *Yen* in its reference to this and the following budgetary items.

The fact that the Chinese symbol for *Yuan* is the same as the one which the Japanese employ for the *Yen* has been a constant source of difficulty in dealing with the English and French translations supplied the Commission by both the Chinese and Japanese.

⁴ See special study No. 5, annexed to this Report.

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“ Manchukuo ”, steps were at once taken to realise the wishes of the Japanese as already mentioned in the first section of this chapter. Since the formation of the “ new State ”, the policy of the “ Manchukuo Ministry of Communications ” seems to be to enter into agreements with the South Manchuria Railway Company for the exploitation of at least some of the main railway lines under its authority.

The Chinese Telephone, Telegraph and Radio Systems.

The Chinese telephone, telegraph and radio systems in Manchuria, being entirely Government-owned, had their own executives and, in addition, were subject to a unified control by the North-Eastern Telephone, Telegraph and Radio Administration. Since September 18th, all three of these systems have been brought into closer co-operation with existing Japanese systems throughout Manchuria. Moreover, arrangements have been made between the Japanese and the North-Eastern Telegraph Administration for through telegrams from or to any place in Manchuria and to or from any place in Kwantung Leased Territory, Japan, Korea, Formosa, and the South Sea Islands. Between the principal centres in North Manchuria and the Japanese post offices at Dairen, Mukden and Changchun, direct circuit lines have been constructed to ensure the quick transmission of messages.

Japanese “ kana ”¹ messages have been given especially low rates. To learn to handle Japanese “ kana ” syllables, special training is being given to the Chinese staff, and it is planned to have Japanese clerks gradually join the Chinese telegraph workers at the chief centres. Thus, every facility has been given to favour telegraphic intercourse between Manchuria and the whole Japanese Empire. Naturally, the commercial connections between the countries are thereby greatly strengthened.

After the events of September 18th - 19th, the Japanese authorities issued orders to the offices and banks in which the revenue of the Salt Gabelle was retained that no payment from these funds was to be made without their consent.

Supervision over the Salt Gabelle was insisted upon on the ground that the greater part of the revenue from this source, though nominally national, had in fact been retained by Marshal Chang Hsueh-liang’s Government. Income from this source, in 1930, had amounted to about \$25,000,000 silver, of which \$24,000,000 had been retained in Manchuria. Only \$1,000,000 had been remitted to the Inspectorate-General of the Salt Gabelle in Shanghai.

After Marshal Chang Hsueh-liang had joined the National Government in December 1928, he agreed to pay the monthly quota of \$86,600 silver which had been fixed as the amount due from Manchuria towards the loans secured on the Salt Gabelle. Somewhat later, in April 1930, a revised table was announced in which the Manchurian monthly quota was raised to \$217,800. Because of local pressure upon the Manchurian finances, however, Marshal Chang requested a postponement of the new assignment. At the time of the Mukden incident, his arrears amounted to \$576,200. The first remittance at the new rate of \$217,800 was actually made on September 29th, 1931, by consent of the Japanese Army officers. Since then, to March 1932 inclusive, the newly-established authorities in Manchuria have remitted to the Central Government, not only these monthly quotas, but also the quota arrears left unpaid by Marshal Chang Hsueh-liang. The surplus from the Salt revenue, however, they regarded as Manchurian, and not national, income, and therefore considered that they were justified in retaining it for local purposes.

After the Mukden Committee for the Maintenance of Peace and Order had been transformed into the Provincial Government *ad interim*, it ordered the District Salt Inspectorate at Newchwang to transfer all its funds to the Provincial Bank for disbursement by the Board of Finance. According to Chinese official reports, the Bank of China at Newchwang was likewise,

The Salt Gabelle. The Japanese military authorities took control in September 1931, of the funds of the Salt Gabelle.

Marshal Chang Hsueh-liang agreed in 1928 to pay the Manchurian quota.

The seizure of Salt funds at Newchwang (Yinkow) in October and November 1931.

¹ A Japanese phonetic script.

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on October 30th, forced to give up the Salt funds on deposit, amounting to \$672,709.56 silver without authority from the original depositors. A receipt was given in the name of the Liaoning Finance Board, which was signed only by the Japanese adviser to that Board.

The new Kirin Provincial Government took similar steps with regard to the Salt Transportation Office of Kirin and Heilungkiang. According to Chinese official report, it demanded the transfer of the Salt revenue to its provincial treasury. When the Chief of the Office refused, he was detained for some days and replaced by a nominee of Governor Hsi Hsia, who, on October 22nd, forcibly took possession of the Office, while the Auditorate Office was closed under Governor Hsi Hsia's orders. In this case, too, the Salt funds deposited in the Bank of China and the Bank of Communications were claimed by the new Kirin authorities and, on November 6th, were transferred to the Provincial Bank. Since then, Salt funds have from time to time been withdrawn and expended by the local authorities, while the monthly quotas have been sent regularly to Shanghai. From October 30th, 1931, to August 25th, 1932, for which period Chinese official figures are available, Salt revenue amounting to \$14,000,000 silver was retained in Manchuria.

The Salt Administration throughout Manchuria continued to function, although under the restrictions described and under supervision, until March 28th, when the Minister of Finance of the "Manchukuo Government" ordered that the deposits, accounts, documents, and other properties belonging to the Inspectorate should be handed over on the following day to the Salt Comptroller of "Manchukuo", and that the collection of Salt revenue, which was originally undertaken by the Bank of China, should be transferred to the Bank of the Three Eastern Provinces. He stated that those officials who wished to continue their service in the Salt Gabelle Administration of the "Manchukuo" should report their names to the Salt Comptroller's Office, and promised that their applications would receive serious consideration provided they first renounced allegiance to the Government of the Republic of China.

On April 15th, the District Inspectorate at Newchwang was dissolved by force. The Director and Deputy-Director were put out of office. The premises were occupied, and safes and documents and seals were seized. The remaining officials were requested to continue their service, but they are all reported to have refused. A number of those who had been in the Salt Administration followed the Director to Tientsin and waited for further instructions from Shanghai. The work of the former Salt Inspectorate in the Three Eastern Provinces was thus completely taken over by the new Comptroller's Office of "Manchukuo". The new Government, however, has stated that it is prepared to continue to pay its equitable proportion of the sums required for the service of the foreign loans secured on the Salt revenue.

Since the Customs funds collected in Manchuria had always been remitted to the Central Government, the Japanese military authorities did not interfere with the Customs administration nor with the remittance of funds to Shanghai. Interference with this revenue was first made by the "Manchukuo Government" on the ground that their State was independent.

One of the first acts of the North-Eastern Administrative Committee, which was established on February 17th as the Provincial "Government of Manchukuo", was to instruct the Superintendents of Customs at the Manchurian Treaty ports that, although the Customs revenue belonged of right to "Manchukuo" and would, in the future, be under the control of the Committee, for the time being the Superintendents and Commissioners of Customs should carry on their duties as usual. They were informed that a Japanese Customs Adviser had been appointed at each Manchurian

The new Kirin Provincial Government also seized the Salt Revenue.

The "Government of Manchukuo" took over the administration of the Salt Gabelle.

The Customs.

Customs revenue in Manchuria.

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port for the purpose of supervising the general Customs administration. The ports concerned were Lungchingtsun, Antung, Newchwang and Harbin, together with some sub-stations, at which the revenue collected in 1931 amounted respectively to Hk. Tls. 574,000, 3,682,000, 3,792,000, and 5,272,000. The port of Aigun, which is still outside the sphere of control of the "Manchukuo Government", is functioning under the Chinese Customs Service. The port of Dairen, in the Kwantung Leased Territory, has a distinct status. The fact that the Customs revenue collected in the Manchurian ports, including Dairen, amounted in 1930 to 14.7 per cent and in 1931 to 13.5 per cent of the total for all China shows the importance of Manchuria in the Chinese Customs Administration.

The procedure by which the "Manchukuo" authorities took over the entire Customs administration in Manchuria is well illustrated by the action taken at Antung, which has been described as follows by the Inspectorate-General of Customs :

**The
"Government
of
Manchukuo"
took over the
Customs
Administration
and Revenue,
March-June
1932.**

A Japanese Customs Adviser was appointed to the Antung Customs Office in March, but he took no active steps until the middle of June, when he sent definite orders from the "Manchukuo" Ministry of Finance to the Bank of China that Customs funds were no longer to be remitted to Shanghai. On June 16th, four armed "Manchukuo" police, accompanied by the Assistant Superintendent of Police, a Japanese, visited the Bank of China and informed the Manager that they had come to guard the revenue. On June 19th, the Bank of China handed over to the Bank of the Three Eastern Provinces Tls. 783,000, and informed the Commissioner that this action was taken as a result of *force majeure*.

On June 26th and 27th, a Japanese Adviser of the "Manchukuo Government" demanded that the Customs House at Antung should be handed over to him. The Commissioner refused, but "Manchukuo" police, all Japanese, forced the Commissioner to leave the Customs House. The Commissioner, however, still attempted to carry on the Customs work in his home, since 80 per cent of the Antung Customs revenue is collected in the railway area, hoping that the Japanese authorities would not permit interference within this area. But the "Manchukuo" police entered the Japanese railway zone, arrested a number of Customs staff, intimidated the others, and forced the Commissioner to suspend the Chinese Customs Service.

**The Customs
situation at
Dairen.**

Until June 7th, the Dairen Customs revenue was remitted to Shanghai at intervals of three or four days, but, under date of June 9th, the "Manchukuo Government" gave notice that these remittances should no longer be made. When no further funds reached Shanghai, the Inspector-General of Customs took up the matter by telegraph with the Japanese Commissioner at Dairen. As a result, the Commissioner refused to send on the Customs receipts on the ground that the Chief of the Foreign Section of the Government of the Japanese Leased Territory had advised him that the remittance of the Customs revenue might severely affect Japanese interests. The Inspector-General therefore, on June 24th, dismissed the Dairen Commissioner for insubordination.

The "Manchukuo Government", on June 27th, appointed the dismissed Commissioner and the members of his staff as "Manchukuo" officials, to serve in their former positions. It had threatened to establish a new Customs House at Wafangtien, on the frontier of the Leased Territory, if the Japanese authorities should prevent them from taking charge of the Dairen Customs. The Japanese authorities of the Leased Territory did not oppose the passing of the Customs administration into the hands of the newly appointed "Manchukuo" officials. They maintained that the problem did not concern Japan, but was an issue solely between "Manchukuo" on the one hand and the Government of China and its Dairen Commissioner on the other.

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The " Manchukuo Government " maintains that, since " Manchukuo " is an independent State, it exercises, of right, complete jurisdiction over the Customs administration of its territory. But it has stated that, in view of the fact that various foreign loans and indemnities were based upon the Chinese Customs revenue, it is prepared to pay its equitable proportion of the annual sums necessary to meet these obligations. It hopes that, after depositing this amount in the Yokohama Specie Bank, there will be a Customs surplus for 1932-33 available for local use of about \$19,000,000 silver.

The Japanese military authorities in Manchuria, after September 18th, did not greatly interfere with the Post Office, apart from exercising a certain censorship of newspapers and letters. After the establishment of " Manchukuo ", the Government desired to take over the postal services of the territory, and appointed, on April 14th, special officers to take charge of the transfer of the Postal Administration. On April 24th, it applied for permission to join the International Post Union, for which it has not yet qualified.

As the Postal Commissioners refused to surrender their offices, the *status quo* was for some time respected, although " Manchukuo " supervisors were placed in certain offices with a view to exercising a measure of control. The " Manchukuo Government ", however, finally decided to issue its own stamps and to discontinue the use of the Chinese stamps. By ordinance of the Ministry of Communications of July 9th, it informed the public that the new stamps and cards would be offered for sale on August 1st. At this stage, the Chinese Government ordered the Postal Commissioners to close the office in Manchuria and to give the staff the choice of receiving three months' pay or of returning to designated bases in China for service at other places. The " Manchukuo " authorities, in turn, offered to take into their service all the postal employees who wished to remain, and promised to guarantee their financial and other rights acquired under the Chinese Administration. On July 26th, the " Manchukuo Government " took over completely the postal service throughout Manchuria.

The " Manchukuo Government " has stated that it will respect private property and all concessions awarded by either the Central Government of China or by the former Government of Manchuria, provided the concessions were legally granted in accordance with the laws and regulations previously in force. It has also promised to pay the lawful debts and obligations of the former administration and has appointed a Commission to pass upon claims of indebtedness. In regard to the properties belonging to Marshal Chang Hsueh-liang and some of the other prominent leaders of the former regime, it is yet too early to state what action will be taken. According to Chinese official reports, all the personal property of Marshal Chang Hsueh-liang, General Wan Fu-lin, General Po Yu-lin, and certain others has been confiscated. The " Manchukuo " authorities, however, take the view that, since the former Government officials used their power to amass wealth for themselves, they are not yet prepared to recognise property thus acquired as properly " private property ". A careful investigation is being made of the possessions of the former officials. This is reported to have been finished as far as Bank deposits are concerned.

Having thus described the organisation of the " Manchukuo Government ", its programme, and some of the measures it has taken to affirm its independence from China, we must state our conclusions regarding its operations and its principal characteristics.

The programme of this " Government " contains a number of liberal reforms the application of which would be desirable, not only in Manchuria, but also in the rest of China ; in fact, many of these reforms figure equally in the programme of the Chinese Government. In their interviews with

The view of
the
" Manchukuo
Government "
regarding the
Customs.

The Postal
Administration
in Manchuria.

The treatment
of private
property.

Comments.

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the Commission, the representatives of this "Government" claimed that, with the help of the Japanese, they would be able to establish peace and order within a reasonable time and would thereafter be able to maintain it permanently. They expressed the belief that they would be able to secure the support of the people in time by assuring them an honest and efficient administration, security from bandit raids, lower taxation as the result of reduced military expenditure, currency reform, improved communications and popular political representation.

But, after making every allowance for the short time which has hitherto been at the disposal of the "Manchukuo Government" for carrying out its policy, and after paying due regard to the steps already taken, there is no indication that this "Government" will in fact be able to carry out many of its reforms. To mention but one example¹: there seem to be serious obstacles in the way of the realisation of their budgetary and currency reforms. A thorough programme of reforms, orderly conditions and economic prosperity could not be realised in the conditions of insecurity and disturbance which existed in 1932.

As regards the "Government" and the public services, although the titular heads of the Departments are Chinese residents in Manchuria, the main political and administrative power rests in the hands of Japanese officials and advisers. The political and administrative organisation of the "Government" is such as to give to these officials and advisers opportunities, not merely of giving technical advice, but also of actually controlling and directing the administration. They are doubtless not under the orders of the Tokyo Government, and their policy has not always coincided with the official policy either of the Japanese Government or of the Headquarters of the Kwantung Army. But in the case of all-important problems, these officials and advisers, some of whom were able to act more or less independently in the first days of the new organisation, have been constrained more and more to follow the direction of Japanese official authority. This authority, in fact, by reason of the occupation of the country by its troops, by the dependence of the "Manchukuo Government" on those troops for the maintenance of its authority both internally and externally, in consequence, too, of the more and more important role entrusted to the South Manchuria Railway Company in the management of the railways under the jurisdiction of the "Manchukuo Government", and finally by the presence of its consuls, as liaison agents, in the most important urban centres, possesses in every contingency the means of exercising an irresistible pressure. The liaison between the "Manchukuo Government" and Japanese official authority is still further emphasised by the recent appointment of a special ambassador, not officially accredited, but resident in the capital of Manchuria, exercising in his capacity of Governor-General of the Kwantung Leased Territory a control over the South Manchuria Railway Company and concentrating in the same office the authority of a diplomatic representative, the head of the Consular Service, and Commander-in-chief of the Army of Occupation.

The relations between "Manchukuo" and Japan have hitherto been somewhat difficult to define, but the latest information in the possession of the Commission indicates that it is the intention of the Japanese Government to define them before long. A letter dated August 27th, 1932, addressed to the Commission by the Japanese Assessor, states that the Special Ambassador, General Muto, "left Tokyo on August 20th for Manchuria. On arrival he will commence negotiations for the conclusion of a fundamental treaty concerning the establishment of friendly relations between Japan and Manchuria. The Government of Japan regards the conclusion of this treaty as a formal recognition of "Manchukuo".

¹ See special studies Nos. 4 and 5, annexed to this Report.

PART III. — THE OPINIONS OF THE INHABITANTS
OF MANCHURIA.

It was one of the objects of the Commission to ascertain the attitude of the inhabitants of Manchuria towards the new "State". Owing to the circumstances in which the enquiry had to be made, however, the obtaining of evidence presented some difficulty. The danger, real or supposed, to the Commission from bandits, Korean Communists, or supporters of the new Government who might be angered by the presence of the Chinese Assessor on account of his criticisms of that regime, provided a reason for exceptional measures of protection. There were no doubt occasional real dangers in the unsettled conditions of the country, and we are grateful for the efficient protection with which we were provided throughout our tour. But the effect of the police measures adopted was to keep away witnesses; and many Chinese were frankly afraid of even meeting members of our staff. We were informed at one place that, before our arrival, it had been announced that no one would be allowed to see the Commission without official permission. Interviews were therefore usually arranged with considerable difficulty and in secrecy, and many informed us that it was too dangerous for them to meet us even in this way.

Attitude of the inhabitants of Manchuria.

In spite of these difficulties, we were able to arrange private interviews with business-men, bankers, teachers, doctors, police, tradesmen and others, in addition to our public interviews with "Manchukuo" officials, Japanese consuls and military officers. We also received over 1,500 written communications, some delivered by hand, the majority sent by post to different addresses. The information so received was checked as far as possible from neutral sources.

Deputations and prepared statements.

Many delegations representing public bodies and associations were received, and usually presented to us written statements. Most of the delegations were introduced by the Japanese or "Manchukuo" authorities, and we had strong grounds for believing that the statements left with us had previously obtained Japanese approval. In fact, in some cases persons who had presented them informed us afterwards that they had been written or substantially revised by the Japanese and were not to be taken as the expression of their real feelings. These documents were remarkable for the studied neglect to comment either favourably or otherwise upon Japanese participation in the establishment or maintenance of the "Manchukuo" administration. In the main, these statements were concerned with the relation of grievances against the former Chinese administration and contained expressions of hope and confidence in the future of the new "State".

Letters.

The letters received came from farmers, small tradesmen, town workers and students, and related the feelings and experiences of the writers. After the return of the Commission to Peiping in June, this mass of correspondence was translated, analysed and arranged by an expert staff specially selected for the purpose. All these 1,550 letters, except two, were bitterly hostile to the new "Manchukuo Government" and to the Japanese. They appeared to be sincere and spontaneous expressions of opinion.

Officials of the "Manchukuo"

The higher Chinese officials of the "Manchukuo Government" are in office for various reasons. Many of them were previously in the former regime and have been retained either by inducements or by intimidation of one kind or another. Some of them conveyed messages to the Commission to the effect that they had been forced to remain in office under duress, that all power was in Japanese hands, that they were loyal to China, and that what they had said at their interviews with the Commission in the presence of the Japanese was not necessarily to be believed. Some officials have remained in office to prevent their property from being confiscated, as has happened in the case of some of those who have fled into China.

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Others, men of good repute, joined in the hope that they would have power to improve the administration, and under promise of the Japanese that they would have a free hand. Some Manchus joined in the hope of getting benefits for persons of Manchu race. Some of these have been disappointed and complained that no real authority was conceded to them. Lastly, a few men are in office because they had personal grievances against the former regime or for reasons of profit.

Minor and local officials.

The minor and local officials have in the main retained their offices under the new regime, partly because of the necessity for earning a living and supporting their families and partly because they feel that if they go worse men might be put in their place. Most of the local magistrates have also remained in office, partly from a sense of duty to the people under their charge and partly under pressure. While it was often difficult to fill the higher posts with reputable Chinese, it was an easy matter to get Chinese for service in minor posts and local offices, though the loyalty of the service rendered in such circumstances is at least questionable.

Police.

The "Manchukuo" Police are partly composed of members of the former Chinese police, partly of new recruits. In the larger towns, there are actually Japanese officers in the police, and in many other places there are Japanese advisers. Some individual members of the police who spoke to us expressed their dislike of the new regime, but said they must continue to serve to make a living.

Army.

The "Manchukuo" Army also consists in the main of the former Manchurian soldiers re-organised under Japanese supervision. Such troops were at first content to take service under the new regime provided they were merely required to maintain local order. But, since they have on occasions been called upon to engage in serious warfare against Chinese forces and to fight under Japanese orders side by side with Japanese troops, the "Manchukuo" Army has become increasingly unreliable. Japanese sources report the frequent defection of "Manchukuo" forces to the Chinese side, while the Chinese claim that one of their most reliable and fruitful sources of warlike supplies is the "Manchukuo" Army.

Business-men and bankers.

The Chinese business-men and bankers who were interviewed by us were hostile to "Manchukuo". They disliked the Japanese; they feared for their lives and property, and frequently remarked: "We do not want to become like the Koreans." After September 18th, there was a large exodus of business-men to China, but some of the less rich ones are now returning. Generally speaking, the smaller shopkeepers expect to suffer less from Japanese competition than do the larger merchants and manufacturers, who often had profitable relations with the former officials. Many shops were still closed at the time of our visit. The increase in banditry adversely affected business in the countryside, and the machinery of credit has largely broken down. The announced Japanese intention to exploit Manchuria economically, and the numerous visits of Japanese economic missions to Manchuria in the last few months, have caused apprehension among Chinese business-men, in spite of the fact that many of these missions are reported to have returned to Japan disappointed.

Professional classes : doctors, teachers, students.

The professional classes, teachers and doctors, are hostile to "Manchukuo". They allege that they are spied upon and intimidated. The interference with education, the closing of Universities and some schools, and the alterations in the school text-books, have added to their hostility, already great on patriotic grounds. The censorship of the Press, post and opinion is resented, as is also the prohibition of the entry into "Manchukuo" of newspapers published in China. There are, of course, Chinese who have been educated in Japan who are not included in this generalisation. Many letters were received from students and young people directed against "Manchukuo".

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Evidence regarding the attitude of farmers and town workers is divergent and naturally difficult to obtain. Opinion among foreigners and educated Chinese was to the effect that they were either hostile or indifferent to "Manchukuo". The farmer and worker is politically uneducated, usually illiterate, and normally takes little interest in the Government. The following reasons were advanced by witnesses for the agricultural populations being hostile to "Manchukuo", and were confirmed in some of the letters received from this class of person. The farmers have good grounds for believing that the new regime will lead to an increased immigration of Koreans, and possibly of Japanese. The Korean immigrants do not assimilate with the Chinese, and their methods of agriculture are different. While the Chinese farmer mainly grows beans, kaoliang and wheat, the Korean farmer cultivates rice. This means digging canals and dykes and flooding the fields. If there are heavy rains, the dykes built by the Koreans are liable to burst and flood neighbouring Chinese land, ruining the crops. There have also been constant quarrels in the past with Koreans over land ownership and rents. Since the establishment of "Manchukuo" the Chinese allege that the Koreans have often ceased to pay rent, that they have seized lands from the Chinese, and that the Japanese have forced the Chinese to sell their lands at an unfavourable price. The farmers near the railways and towns have suffered from orders forbidding the planting of kaoliang — a crop which grows to ten feet in height and favours the operations of bandits — within five hundred metres of railway lines and towns. The falling-off of the seasonal migration of labourers from China proper, due to the economic depression and accentuated to some extent by the political disturbances, continues. The public lands, usually available on terms to immigrants from China, have now been taken over by "Manchukuo".

**Farmers and
town workers.**

Since September 18th, 1931, there has been an unparalleled growth of banditry and lawlessness in the countryside, partly due to disbanded soldiery and partly due to farmers who, having been ruined by bandits, have to take to banditry themselves for a living. Organised warfare, from which Manchuria, compared to the rest of China, had been free for many years, is now being waged in many parts of the Three Provinces between Japanese and "Manchukuo" troops and the scattered forces still loyal to China. This warfare naturally inflicts great hardships on the farmers, especially as the Japanese aeroplanes have been bombing villages suspected of harbouring anti-"Manchukuo" forces. One result has been that large areas have not been planted, and next year the farmer will find it harder than ever to pay his taxes. Since the outbreak of disorders, large numbers of the more-recently-established immigrants from China have fled back inside the Wall. These material reasons, when added to a certain ingrained dislike of the Japanese, caused many witnesses to tell us that the Chinese farmers, who constitute the overwhelming mass of the population of Manchuria, suffer from and dislike the new regime, and that their attitude is one of passive hostility.

As regards the townspeople, in certain places they have suffered from the attitude of Japanese soldiers, gendarmes and police. Generally speaking, the behaviour of the Japanese troops has been good, there being no widespread lootings or massacres, though we have received in our letters complaints of individual brutality. On the other hand, the Japanese have been vigorous in suppressing elements that they believed to be hostile. The Chinese allege that many executions have taken place, and also that prisoners have been threatened and tortured in Japanese gendarmerie stations.

It was, we were told, impossible to stimulate in the towns a show of popular enthusiasm for the inauguration ceremonies of "Manchukuo".

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Generally speaking, the attitude of the town population is a mixture of passive acquiescence and hostility.

Minorities.

While we found the Chinese majority either hostile or indifferent to the "Manchukuo", the new Government receives some support from among various minority racial groups in Manchuria, such as the Mongols, Koreans, White Russians and Manchus. They have in varying degrees suffered oppression from the former administration, or economic disadvantage from the large immigration of Chinese in the last few decades, and, while no section is entirely enthusiastic, they hope for better treatment from the new regime, whose policy in turn is to encourage these minority groups.

Mongols.

The Mongols have remained a race apart from the Chinese and have, as already stated, preserved a strong race-consciousness, as well as their tribal system, aristocracy, language, dress, special modes of life, manners, customs and religion. Though still mainly a pastoral people, they are increasingly engaged in agriculture and in the transportation of products by carts and animals. The Mongols bordering Manchuria have suffered increasingly from Chinese immigrants who obtain possession of and cultivate their lands from which they are being gradually extruded. This leads to chronic and unavoidable ill-feeling. Mongol delegations we received complained also of past sufferings from the rapaciousness of Chinese officials and tax-gatherers. The Mongols of Inner Mongolia have seen Outer Mongolia pass under the influence of the U.S.S.R., whose extension to Inner Mongolia they dread. They wish to preserve their separate national existence against the encroachments of the Chinese on the one hand and the U.S.S.R. on the other. Placed in this precarious position, they have greater hope of preserving their separate existence under the new regime. It must be observed, moreover, that the Princes are mainly dependent for their wealth on fixed property and on their special privileges, and that they therefore tend to become amenable to *de facto* authorities. A deputation, however, of Mongol Princes was received by the Commission in Peiping and stated their opposition to the new regime. At present, the connection between the Mongols bordering on Manchuria and the "Manchukuo Government" is undefined, and the "Manchukuo Government" has so far refrained from interfering in their administration. While the support of certain of these Mongol elements at present is genuine, if cautious, they are quite prepared to withdraw it should the Japanese prove a menace to their independence or economic interests at some future date.

Manchus.

The Manchus have been almost completely assimilated with the Chinese, although in Kirin and Heilungkiang there still exist small and politically unimportant colonies of Manchus who, though bilingual, remain distinctly Manchu. Since the establishment of the Republic, the remnants of the Manchu race lost their privileged position : although the Republic promised to continue the payment of their subsidies, they were paid in depreciated currency, and were therefore forced to take up farming and trade, in which they had no experience. The few distinct Manchu groups that remain may cherish hopes that, with the establishment of "Manchukuo", whose backers spoke so often about the inhabitants of Manchuria being distinct in race from those of the rest of China, and in which the last of the Manchu Emperors is the chief executive, they may once more get privileged treatment. Persons of Manchu race have entered the Government with such hopes, but Chinese witnesses in Manchuria alleged that these office-holders have been disillusioned by finding all the power in Japanese hands and their own proposals ignored. Although there may still exist some sentimental loyalty to the ex-Emperor among persons of Manchu blood, there does not exist any race-conscious Manchu movement of any significance. They have been so largely assimilated with the Chinese that, although efforts have been made to recruit Manchus for the administration

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and to stimulate Manchu race-consciousness, this source of support for the new Government is not sufficient to give it any title to represent the people.

In the past, there has been much friction between Korean farmers backed by the Japanese authorities on the one hand, and Chinese officials, landowners and farmers on the other. There is no doubt that, in the past, Korean farmers suffered from violence and extortion.

The Korean deputations which appeared before the Commission generally welcomed the new regime, but we cannot say to what extent they were representative of their community. In any case, those Koreans who are political refugees having emigrated to escape Japanese domination might not be expected to welcome an extension of that domination. These refugees have proved a fertile ground for Communist propaganda, and maintain contact with the revolutionary groups inside Korea.¹

Of all the minority communities in Manchuria, the small colony of White Russians — at least 100,000 in number — in and around Harbin has suffered the most in recent years. Because they are a minority community with no national Government to protect them, they have been subjected to every kind of humiliation by the Chinese officials and police. They are in conflict with the Government of their own country and are, even in Manchuria, in constant anxiety on that account. The richer and more educated members of their community can earn a livelihood, but they have been liable to suffer whenever the Chinese authorities have thought some advantage was to be gained from the U.S.S.R. at their expense. The poorer members find it very hard to make a living and have suffered continually at the hands of the police and the Chinese courts. In a province where taxes are assessed by a process of bargaining, they have been made to pay a higher portion of their assessed taxes than their Chinese neighbours. They have experienced many restrictions on their trade and movements and have had to pay bribes to the officials to have their passports examined, their contracts approved or their land transferred. It is not to be wondered at that many members of this community, whose condition could not well be made worse, should have welcomed the Japanese and now entertain hopes that their lot may be improved under the new administration.

We received a deputation of White Russians when we were in Harbin, as well as many letters, and we gathered from them that they would support any regime which would guarantee to them :

- (1) The right of asylum ;
- (2) An honest and efficient police administration ;
- (3) Justice in the law courts ;
- (4) An equitable system of taxation ;
- (5) Rights of trade and settlement, not dependent on the payment of bribes ;
- (6) Facilities for educating their children.

Their requirements in this respect were chiefly efficient teaching of foreign languages to enable them to emigrate, and good technical education to enable them to obtain business employment in China.

- (7) Some assistance regarding land settlement and emigration.

Such are the opinions of the local population conveyed to us during our tour in Manchuria. After careful study of the evidence presented to us in public and private interviews, in letters and written statements, we have come to the conclusion that there is no general Chinese support for the "Manchukuo Government", which is regarded by the local Chinese as an instrument of the Japanese.

Koreans.

**White
Russians.**

**Conclusions
of the
Commission.**

¹ See also Chapter III and special study No. 9, annexed to this Report.

Chapter VII.

JAPAN'S ECONOMIC INTERESTS AND THE CHINESE BOYCOTT^{1 2}.

**Chinese boycott
of Japanese
goods an
important
factor in
Sino-Japanese
struggle.**

**Japan's over-
population.**

**Agrarian
difficulties.**

The three preceding chapters have been chiefly confined to a description of military and political events since September 18th, 1931. No survey of the Sino-Japanese conflict would be accurate or complete without some account of another important factor in the struggle — namely, the Chinese boycott of Japanese goods. To understand the methods employed in this boycott movement and their effect on Japanese trade, some indication must be given of the general economic position of Japan, of her economic and financial interests in China, and of the foreign trade of China. This is also necessary to understand the extent and character of the economic interests of both China and Japan in Manchuria, which will be discussed in the next chapter.

During the Meiji Restoration period in the sixties of the last century, Japan emerged from her isolation of over two centuries, and within less than fifty years developed into a world Power of the first rank. A population formerly almost stationary started to grow rapidly from 33,000,000 in 1872 until it reached a figure of 65,000,000 in 1930; and this tremendous growth still continues at the rate of about 900,000 per year.

The population of Japan compared with its total surface is approximately 437 persons per square mile, as against about 41 in the United States, 330 in Germany, 349 in Italy, 468 in the United Kingdom, 670 in Belgium and 254 in China.

Comparing the population of Japan per square mile of *arable* land with that of other countries, the ratio for Japan is exceptionally high, due to the particular geographical formation of the Island Empire :

Japan	2,774	Germany	806
The United Kingdom . . .	2,170	France	467
Belgium	1,709	United States of America . . .	229
Italy	819		

Due to a highly concentrated population on agricultural land, the individual holdings are exceedingly small, 35 per cent of the farmers tilling less than one acre and 34 per cent less than two and a-half acres. The expansion limit of tillable land has been reached, as has also the limit of cultivation intensity — in short, the soil of Japan cannot be expected to produce much more than it does to-day, nor can it provide much additional employment.

Moreover, as a result of intensive cultivation and the widespread use of fertilisers, the cost of production is high.

The price of land is far higher than in any other part of Asia, and even in the most overcrowded parts of Europe. Much discontent seems to exist amongst the heavily indebted population, and conflicts between tenants and landowners are on the increase. Emigration has been considered a possible remedy, but, for reasons dealt with in the next chapter, it has not, up to the present time, proved to be a solution.

¹ "Boycott" ... The word was first used in Ireland, and was derived from the name of Captain Charles Cunningham Boycott (1832-1897), agent for the estates of the Earl of Erne in County Mayo. For refusing in 1880 to receive rents at figures fixed by the tenants, Captain Boycott's life was threatened, his servants were compelled to leave him, his fences torn down, his letters intercepted and his food supplies interfered with. The term soon came into common English use, and was speedily adopted into many foreign languages. — *Encyclopædia Britannica*.

² See special study (No. 8) on this subject, annexed to this Report.

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Japan at first turned to industrialism to foster the growth of an urban population which would both provide a home market for agricultural products and turn labour to the production of goods for domestic and foreign use. Several changes have occurred since that time. Where, formerly, Japan was more than self-sufficing from the point of view of food supply, of recent years from 8 to 15 per cent of its total imports have been foodstuffs, the fluctuation being due to the varying conditions of the home crops, principally rice. The importation of foodstuffs, and the probable increasing need of these imports, necessitate an attempt to offset the country's already unfavourable trade balance by an increase in exports of industrial products.

If Japan is to find employment for her increasing population through the process of further industrialisation, the development of her export trade and of foreign markets capable of absorbing an increasing amount of her manufactured and semi-manufactured goods becomes more and more essential. Such markets would, at the same time, serve as a source of supply of raw materials and of foodstuffs.

Japanese export trade, as hitherto developed, has two main directions : her luxury product, raw silk, goes to the United States of America and her staple manufactures, chiefly cotton textiles, go to the countries of Asia, the United States taking 42.5 per cent of her exports and the Asia market as a whole taking 42.6 per cent. Of this latter trade, China, the Kwantung Leased Territory and Hong-Kong take 24.7 per cent, and a large share of the remainder is handled by Chinese merchants in other parts of Asia.¹

During 1930, the last year for which complete figures are available, the total exports of Japan amounted to 1,469,852,000 Yen, and her imports to 1,546,071,000 Yen. Of the exports, 260,826,000 Yen, or 17.7 per cent, went to China (excluding the Kwantung Leased Territory and Hong-Kong), while, of the imports, 161,667,000 Yen, or 10.4 per cent, came from China (excluding the Kwantung Leased Territory and Hong-Kong).

Analysing the principal commodities exported by Japan to China, it will be found that China takes 32.8 per cent of all aquatic products exported by Japan ; 84.6 per cent of refined sugar ; 75.1 per cent of coal and 31.9 per cent of cotton tissues, or an average of 51.6 per cent.

The same analysis applied to the commodities imported from China shows that 24.5 per cent of the total amount of beans and peas imported by Japan comes from China ; 53 per cent of the oil-cake ; and 25 per cent of vegetable fibres ; or an average of 34.5 per cent.

As these figures are for China only, excluding Hong-Kong and the Kwantung Leased Territory, they do not indicate the extent of Japanese trade with Manchuria, which passes mainly through the port of Dairen.

The facts and figures just given clearly show the importance to Japan of her trade with China. Nor is Japan's interest in China limited to trade alone ; she has a considerable amount of capital invested in industrial enterprises, as well as in railways, shipping and banking, and, in all of these branches of financial and economic activity, the general trend of development has been increasing considerably during the last three decades.

In 1898, the only Japanese investment of any consequence was a small cotton gin in Shanghai owned jointly with Chinese, representing a value of about 100,000 taels. By 1913, the estimated total of Japanese investments in China and Manchuria amounted to 435,000,000 Yen out of a total of 535,000,000 Yen estimated investments abroad. By the end of the World War, Japan had more than doubled her investments in China and Manchuria over those of 1913, a considerable part of this increase being due to the famous "Nishihara loans", which had been partially granted for political considerations. Notwithstanding this setback, Japan's investments in China and Manchuria in 1929 were estimated at almost 2,000,000,000

Need for
further
industrialisa-
tion.

China a market
for Japanese
export trade.

Importance of
Sino-Japanese
trade relations.

Japanese
investments
in China.

¹ Figures for 1929 — *Japan Year-book of 1931*.

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Yen¹ out of her total investments abroad of 2,100,000,000 Yen, showing that Japan's investments abroad have been almost entirely confined to China and Manchuria, the latter having absorbed by far the greater part of this investment (particularly in railways).

Apart from these investments, China has been indebted to Japan for various State, provincial and municipal loans which, in 1925, were estimated at a total of 304,458,000 Yen (the greater part unsecured), plus 18,037,000 Yen interest.

Although the bulk of Japan's investments are in Manchuria, a considerable amount is invested in industries, shipping and banking in China proper. Nearly 50 per cent of the total number of spindles operated in the spinning and weaving industry in China in 1929 were owned by Japanese. Japan was second in the carrying trade of China, and the number of Japanese banks in China in 1932 is put at thirty, a few of which are joint Sino-Japanese enterprises.

Although the foregoing figures are stated from the standpoint of Japan, it is easy to see their relative importance from the standpoint of China. Foreign trade with Japan has held first place in the total foreign trade of China up to 1932. In 1930, 24.1 per cent of her exports went to Japan, while in the same year 24.9 per cent of her imports came from Japan. This, in comparison with the figures from Japan's standpoint, shows that the trade of China with Japan is a greater percentage of her total foreign trade than is the trade of Japan with China of the total foreign trade of Japan. But China has no investments, banking or shipping interests in Japan. China requires, above all else, to be able to export her products in increasing quantities to enable her to pay for the many finished products she needs and in order to establish a sound basis of credit on which to borrow the capital required for further development.

From the foregoing, it is evident that Sino-Japanese economic and financial relations are both extensive and varied, and, consequently, easily affected and disorganised by any disturbing factor. It also appears that, in its entirety, Japanese dependence on China is greater than China's dependence on Japan. Hence Japan is the more vulnerable and has more to lose in case of disturbed relations.

It is therefore clear that the many political disputes which have arisen between the two countries since the Sino-Japanese war of 1895 have in turn affected their mutual economic relations, and the fact that, in spite of these disturbances, the trade between them has continued to increase proves that there is an underlying economic tie that no political antagonism has been able to sever.

For centuries the Chinese have been familiar with boycott methods in the organisation of their merchants, bankers and craft guilds. These guilds, although they are being modified to meet modern conditions, still exist in large numbers and exercise great power over their members in the defence of their common professional interests. The training and attitude acquired in the course of this century-old guild life has been combined, in the present-day boycott movement, with the recent fervent nationalism of which the Kuomintang is the organised expression.

The era of modern anti-foreign boycotts employed on a national basis as a political weapon against a foreign Power (as distinct from a professional instrument used by Chinese traders against each other) can be said to have started in 1905, with a boycott directed against the United States of America because of a stipulation in the Sino-American Commercial Treaty, as renewed and revised in that year, restricting more severely than before the entry of Chinese into America. From that moment onward

**China's
interests
in the
development
of trade
with Japan.**

**Sino-Japanese
economic and
financial
relations
easily affected
by any
disturbing
factor.**

**Origin of
boycott.**

**Modern
anti-foreign
boycotts.**

¹ According to another estimate, Japan's investments in China, including Manchuria, total approximately 1,800,000,000 Yen.

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until to-day there have been ten distinct boycotts which can be considered as national in scope (besides anti-foreign movements of a local character), nine of which were directed against Japan¹ and one against the United Kingdom.

If these boycotts are studied in detail, it will be found that each of them can be traced back to a definite fact, event or incident, generally of a political nature and interpreted by China as directed against her material interests or detriments to her national prestige. Thus, the boycott of 1931 was started as a direct sequel to the massacre of Koreans in July, following the Wanpaoshan incident in June of that year, and has been accentuated by the events at Mukden in September and at Shanghai in January 1932. Each boycott has its own immediately traceable cause, but none of the causes in themselves would have initiated economic retaliation on so extensive a scale had it not been for the mass psychology described in Chapter I. The factors contributing to the creation of this psychology are : a conviction of injustice (rightly or wrongly considered as such), an inherited faith in Chinese cultural superiority over foreigners, and a fervent nationalism of a Western type mainly defensive in aims but in which certain aggressive tendencies are not lacking.

**Causes of
these boycott
movements.**

Although a Society for the Regeneration of China (Hsing Chung Hui), which may be considered the progenitor of the Kuomintang, was founded as far back as 1893, and although there can be no doubt that all the boycotts from 1905 to 1925 were launched with the war-cry of Nationalism, there is no concrete evidence that the original nationalist associations, and later the Kuomintang, had a direct hand in their organisation.

**Boycott
movements
before 1925.**

Inspired by Dr. Sun Yat-sen's new creed, Chambers of Commerce and Student Unions were fully capable of such a task, guided as they were by century-old secret societies, guild experience and guild mentality. The merchants furnished the technical knowledge, means of organisation and rules of procedure, while the students inspired the movements with the enthusiasm of their newly acquired convictions and their spirit of determination in the national cause, and helped to put them into operation. While the students were generally moved by nationalistic feelings alone, the Chambers of Commerce, though sharing those feelings, thought it wise to participate from a desire to control the operation of the boycott. The actual rules of the earlier boycotts were designed to prevent the purchase of the goods of the country against which the movement was directed. Gradually, however, the field of action was extended to a refusal to export Chinese goods to the country concerned or to sell or render services to its nationals in China. Finally, the avowed purpose of the more recent boycotts has become to sever completely all economic relations with the "enemy country".

It should be pointed out that the rules thus established were never carried out to the fullest extent, for reasons which have been fully dealt with in the special study annexed to this Report. Generally speaking, the boycotts have always had more impetus in the South, where nationalistic feelings found their first and most fervent adherents, than in the North, Shantung especially having withheld support.

¹ The date and immediate cause of each of these boycotts is :

- 1908 The *Tatsu Maru* incident.
- 1909 The Antung-Mukden Railway question.
- 1915 The "Twenty-one Demands".
- 1919 The Shantung question.
- 1923 Port Arthur and Dairen recovery question.
- 1925 May 30th incident.
- 1927 Despatch of troops to Shantung.
- 1928 Tsinan incident.
- 1931 The Manchurian affair (Wanpaoshan and Mukden events).

Boycott movement since 1925. Action of the Kuomintang Party.

From 1925 onward, a definite change took place in the boycott organisation. The Kuomintang, having from its creation supported the movement, increased its control with each successive boycott until to-day it is the real organising, driving, co-ordinating and supervising factor in these demonstrations.

In doing this, the Kuomintang, as indicated by evidence in the possession of the Commission, did not dismiss the associations which had hitherto been responsible for the direction of boycott movements. It rather co-ordinated their efforts, systematised and made uniform their methods, and put unreservedly behind the movement the moral and material weight of its powerful party organisation. Having branches all over the country, possessing vast propaganda and information services, and inspired by a strong nationalistic sentiment, it rapidly succeeded in organising and stimulating a movement which had, up to that time, been somewhat sporadic. As a consequence, the coercive authority of the organisers of the boycotts over the merchant and the general public became stronger than ever before, although at the same time a fair margin of autonomy and initiative was left to the individual boycott associations.

Methods employed.

The boycott rules continued to vary according to local conditions, but, parallel with the strengthening of the organisation, the methods employed by the Boycott Societies became more uniform, more strict and effective. At the same time, the Kuomintang Party issued instructions prohibiting the destruction of commercial houses belonging to Japanese or the infliction of physical harm. This does not mean that the lives of Japanese in China have never been threatened in the course of a boycott, but as a whole it may be stated that, during the more recent boycotts, acts of violence against Japanese subjects have been less numerous and serious than in earlier days.

An examination of the technique of the methods employed shows that the atmosphere of popular sentiment without which no boycott could succeed is created by a formidable propaganda uniformly carried out all over the country, using slogans well chosen to incite the popular mind against the "enemy" country.

Anti-Japanese propaganda.

In the present boycott directed against Japan, which the Commission has seen in operation, every available means was employed to impress upon the people the patriotic duty of not buying Japanese goods. The columns of the Chinese Press were filled with propaganda of this kind ; the walls of buildings in the towns were covered with posters, often of an extremely violent character¹; anti-Japanese slogans were printed on currency notes, on letters and telegram-forms ; chain letters went from hand to hand, etc. These examples are by no means exhaustive, but serve to show the nature of the methods employed. The fact that this propaganda does not differ essentially from that used in certain countries of Europe and America during the World War 1914-1918 only proves the degree of hostility towards Japan which the Chinese have come to feel as a result of the political tension between the two countries.

Boycott rules adopted by Anti-Japanese Associations.

Essential as the political atmosphere of a boycott may be to its ultimate success, nevertheless no such movement could be effective if the boycott associations had not secured a certain uniformity in their rules of procedure. The four general principles adopted at the first meeting of the Shanghai Anti-Japanese Association held on July 17th, 1931, may serve as an illustration of the main objects aimed at by these rules. They were :

¹ In most cities visited by the Commission, these posters had been removed beforehand, but declarations from reliable local witnesses, who often possessed samples of these posters, bore out the fact mentioned above. Moreover, samples are to be found in the archives of the Commission.

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- (a) To withdraw the orders for Japanese goods already ordered ;
- (b) To stop shipment of Japanese goods already ordered but not yet consigned ;
- (c) To refuse to accept Japanese goods already in the godowns but not yet paid for ;
- (d) To register with the Anti-Japanese Association Japanese goods already purchased and to suspend temporarily the selling of these goods. The procedure of registration will be separately decided upon.

Subsequent resolutions adopted by the same Association are much more detailed and contain provisions for all possible cases and eventualities.

A powerful means of enforcing the boycott is the compulsory registration of Japanese goods held in stock by Chinese merchants. Inspectors of the anti-Japanese societies watch the movement of Japanese goods, examine those of doubtful origin in order to ascertain whether or not they are Japanese, undertake raids on stores and godowns where they suspect the presence of non-registered Japanese goods, and bring to the attention of their principals any case of the violation of the rules they may discover. Merchants who are found to be guilty of such a breach of the rules are fined by the Boycott Associations themselves, and publicly exposed to popular disapproval, while the goods in their possession are confiscated and sold at public auction, the proceeds going into the funds of the anti-Japanese organisation.

The boycott is not limited to trade alone. Chinese are warned not to travel on Japanese ships, to use Japanese banks or to serve Japanese in any capacity, either in business or in domestic service. Those who disregard these instructions are subjected to various forms of disapproval and intimidation.

Another feature of this boycott, as of previous ones, is the wish not only to injure Japanese industries, but to further Chinese industries by stimulating the production of certain articles which have hitherto been imported from Japan. The principal result has been an extension of the Chinese textile industry at the expense of Japanese-owned mills in the Shanghai area.

The boycott of 1931, organised on the lines just described, continued until about December of that year, when a certain relaxation became apparent. In January 1932, in the course of the negotiations then proceeding between the Mayor of Greater Shanghai and the Japanese Consul-General in that city, the Chinese even undertook to dissolve voluntarily the local anti-Japanese association.

**Fluctuations
of the boycott
movement in
1931-32.**

During the hostilities in Shanghai, and the months immediately following the evacuation of the Japanese troops, the boycott, although never completely abandoned, was moderated, and during late spring and early summer it even looked as if Japanese trade in different parts of the country might resume. Then, quite suddenly, at the end of July and beginning of August, coinciding with the reported military activity on the borders of Jehol, there was a marked revival of the boycott movement. Articles urging the people not to buy Japanese goods appeared anew in the Chinese Press, the Shanghai Chamber of Commerce published a letter suggesting a resumption of the boycott, and the Coal Merchants' Guild in the same city decided to restrict to the minimum the importation of Japanese coal. At the same time, more violent methods were employed, such as the throwing of a bomb into the compound of a coal dealer suspected of having handled Japanese coal, and the sending of letters to store-keepers threatening to destroy their property unless they stopped selling Japanese commodities.

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Some of the letters reproduced in the newspapers were signed the "Blood-and-Iron Group" — or the "Blood-and-Soul Group for the Punishment of Traitors".

Such is the situation at the time of writing this Report. This resurgence of the boycott activity caused the Japanese Consul-General in Shanghai to lodge a formal protest with the local authorities.

Material effects of boycott movement.

The various boycott movements, and the present one in particular, have seriously affected Sino-Japanese relations, both in a material and in a psychological sense.

As far as the material effects are concerned — that is, the loss of trade — the Chinese have a tendency to under-state them in their desire to present the boycott as rather a moral protest than as an act of economic injury, while the Japanese attach too absolute a value to certain trade statistics. The arguments used in this connection by the two parties are examined in the annexed study already referred to. In that study, also, will be found full particulars of the extent of the damage done to Japanese trade, which has certainly been considerable.

Another aspect of the subject should also be mentioned. The Chinese themselves suffer losses from goods already paid for, not registered with the Boycott Associations, and seized for public auction ; from fines paid to the associations for violation of the boycott rules ; from revenue not received by the Chinese Maritime Customs, and, generally speaking, from loss of trade. These losses are considerable.

Psychological effect on Sino-Japanese relations.

The psychological effect of the boycott on Sino-Japanese relations, although even more difficult to estimate than the material effect, is certainly not less serious, in that it has had a disastrous repercussion on the feelings of large sections of Japanese public opinion towards China. During the visit of the Commission to Japan, both the Tokyo and the Osaka Chambers of Commerce stressed this subject.

The knowledge that Japan is suffering injuries against which she cannot protect herself has exasperated Japanese public opinion. The merchants whom we interviewed at Osaka were inclined to exaggerate certain abuses of boycott methods as racketeering and blackmailing, and to under-estimate or even to deny completely the close relationship between Japan's recent policy towards China and the use of the boycott as a defensive weapon against that policy. On the contrary, instead of regarding the boycott as China's weapon of defence, these Japanese merchants insisted that it was an act of aggression against which the Japanese military measures were a retaliation. Anyway, there is no doubt that the boycott has been amongst the causes which have profoundly embittered the relations between China and Japan in recent years.

Controversial issues in connection with the boycott :

- (1) Whether the movement is spontaneous or organised.

There are three controversial issues involved in the policy and methods of the boycott.

The first is the question whether the movement is purely spontaneous, as the Chinese themselves claim, or whether, as the Japanese allege, it is an organised movement imposed upon the people by the Kuomintang by methods which at times amount to terrorism. On this subject much may be said on both sides. On the one hand, it would appear to be impossible for a nation to exhibit the degree of co-operation and sacrifice involved in the maintenance of a boycott over a wide area and for a long period if there did not exist a foundation of strong popular feeling. On the other hand, it has been clearly shown to what extent the Kuomintang, using the mentality and the methods which the Chinese people have inherited from their old guilds and secret societies, has taken control of the recent boycotts, and particularly of the present one. The rules, the discipline, and the sanction used against the "traitors", which form such an essential part of the present boycott, show that, however spontaneous, the movement is certainly strongly organised.

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All popular movements require some measure of organisation to be effective. The loyalty of all adherents to a common cause is never uniformly strong and discipline is required to enforce unity of purpose and action. Our conclusion is, that the Chinese boycotts are both popular and organised; that, though they originate in and are supported by strong national sentiment, they are controlled and directed by organisations which can start or call them off, and that they are enforced by methods which certainly amount to intimidation. While many separate bodies are involved in the organisation, the main controlling authority is the Kuomintang.

The second issue is whether or not, in the conduct of the boycott movement, the methods employed have always been legal. From the evidence collected by the Commission, it is difficult to draw any other conclusion than that illegal acts have been constantly committed, and that they have not been sufficiently suppressed by the authorities and the courts. The fact that these methods are mainly the same as those used in China in olden days may be an explanation, but not a justification. When in former days a guild elected to declare a boycott, searched the houses of suspected members, brought them before the Guild Court, punished them for a breach of rules, imposed fines and sold the goods seized, it acted in conformity with the customs of that time. Moreover, it was an internal affair of a Chinese community, and no foreigner was involved. The present situation is different. China has adopted a code of modern laws, and these are incompatible with the traditional methods of trade boycotts in China. The memorandum in which the Chinese Assessor has defended his country's point of view with regard to the boycott does not contest this statement, but argues that "the boycott... is pursued, generally speaking, in a legitimate manner". The evidence at the disposal of the Commission does not bear out this contention.

(2) Legality
or otherwise of
boycott
methods.

In this connection, a distinction should be made between the illegal acts committed directly against foreign residents *in casu* Japanese, and those committed against Chinese with the avowed intention, however, of causing damage to Japanese interests. As far as the former are concerned, they are clearly not only illegal under the laws of China but also incompatible with treaty obligations to protect life and property and to maintain liberty of trade, residence, movement and action. This is not contested by the Chinese, and the boycott associations, as well as the Kuomintang authorities, have tried, although they may not always have been successful, to prevent offences of this kind. As already stated, they have occurred less frequently during the present boycott than on previous occasions.¹

With regard to illegal acts committed against Chinese, the Chinese Assessor observed on page 17 of his memorandum on the boycott:

"We would like to observe, in the first place, that a foreign nation is not authorised to raise a question of internal law. In fact, we find ourselves confronted with acts denounced as unlawful but committed by Chinese nationals in prejudice to other Chinese nationals. Their suppression is a matter for the Chinese authorities, and it seems to us that no one has the right of calling into account the manner in which the Chinese penal law is applied in matters where both offenders and sufferers belong to our own nationality. No State has the right of intervention in the administration of exclusively domestic affairs of another State. This is what the principle of mutual respect for each other's sovereignty and independence means."

¹ According to recent Japanese information, there were thirty-five instances in which goods belonging to Japanese merchants were seized and kept in detention by members of the Anti-Japanese Associations in Shanghai during the period from July 1931 to the end of December 1931. The value of the goods involved was estimated approximately at \$287,000. Of these instances, in August 1932, five were reported as still remaining unsolved.

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So stated, the argument is incontestable, but it overlooks the fact that the ground of the Japanese complaint is not that one Chinese national has been illegally injured by another, but that the injury has been done to Japanese interests by the employment of methods which are illegal under Chinese law, and that failure to enforce the law in such circumstances implies the responsibility of the Chinese Government for the injury done to Japan.

(3) Responsibility of the Chinese Government for the boycott.

This leads to a consideration of the last controversial point involved in the policy of the boycott — namely, the extent of the responsibility of the Chinese Government. The Chinese official attitude is that "the liberty of choice in making purchases is a personal right which no Government can interfere with ; while the Governments are responsible for the protection of lives and property, they are not required by any commonly recognised regulations and principles to prohibit and punish the exercise of an elemental right of every citizen".

The Commission has been supplied with documentary evidence which is reproduced in the Study No. 8 annexed to this Report and which indicates that the part taken by the Chinese Government in the present boycott has been somewhat more direct than the quotation above would tend to indicate. We do not suggest that there is anything improper in the fact that Government departments should support the boycott movement ; we only wish to point out that official encouragement involves a measure of Government responsibility. In this connection, the question of relations between the Government and the Kuomintang must be considered. Of the responsibility of the latter there can be no question. It is the controlling and co-ordinating organ behind the whole boycott movement. The Kuomintang may be the maker and the master of the Government, but to determine at what point the responsibility of the party ends and that of the Government begins is a complicated problem of constitutional law on which the Commission does not feel it proper to pronounce.

Comments.

The claim of the Government that the boycott is a legitimate weapon of defence against military aggression by a stronger country, especially in cases where methods of arbitration have not previously been utilised, raises a question of a much wider character. No one can deny the right of the individual Chinese to refuse to buy Japanese goods, use Japanese banks or ships, or to work for Japanese employers, to sell commodities to Japanese, or to maintain social relations with Japanese. Nor is it possible to deny that the Chinese, acting individually or even in organised bodies, are entitled to make propaganda on behalf of these ideas, always subject to the condition, of course, that the methods do not infringe the laws of the land. Whether, however, the organised application of the boycott to the trade of one particular country is consistent with friendly relations or in conformity with treaty obligations is rather a problem of international law than a subject for our enquiry. We would express the hope, however, that, in the interest of all States, this problem should be considered at an early date and regulated by international agreement.

In the course of the present chapter, it has been shown first that Japan, in connection with her population problem, is seeking to increase her industrial output and to secure for this purpose reliable oversea markets ; secondly, that, apart from the export of raw silk to the United States of America, China constitutes the principal market for Japanese exports and at the same time supplies the Island Empire with an important amount of raw materials and foodstuffs. Further, China has attracted nearly the whole of Japan's foreign investments, and even in her present disturbed and undeveloped condition, offers a profitable field to Japanese economic and financial activities of various types. Finally, an analysis of the injury caused to Japanese interests in China by the various boycotts which have

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succeeded one another from 1908 until to-day has drawn attention to the vulnerable character of those interests.

The dependence of Japan on the Chinese market is fully recognised by the Japanese themselves. On the other hand, China is a country which stands in the most urgent need of development in all fields of economic life, and Japan, which in 1931, notwithstanding the boycott, occupied the first place in her total foreign trade, seems, more than any other foreign Power, indicated as an ally in economic matters.

The interdependence of the trade of those two neighbouring countries and the interests of both call for an economic *rapprochement*, but there can be no such *rapprochement* so long as the political relations between them are so unsatisfactory as to call forth the use of military force by one and the economic force of the boycott by the other.

Chapter VIII.

ECONOMIC INTERESTS IN MANCHURIA.¹

It has been shown in the preceding chapter that the economic requirements of Japan and China, unless disturbed by political considerations, would lead to mutual understanding and co-operation and not to conflict. The study of the inter-relation between Japanese and Chinese economic interests in Manchuria, taken in themselves and apart from the political events of recent years, leads to the same conclusion. The economic interests of both countries in Manchuria are not irreconcilable; indeed, their reconciliation is necessary if the existing resources and future economic possibilities of Manchuria are to be developed to the fullest extent.

In Chapter III, the claim of Japanese public opinion that the resources, both actual and potential, of Manchuria are essential to the economic life of their country has been fully examined. The object of this chapter is to consider how far this claim is in conformity with economic facts.

It is a fact, in South Manchuria, that Japan is the largest foreign investor, whereas in North Manchuria the same is true of the U.S.S.R. Taking the Three Provinces as a whole, the Japanese investments are more important than those of the U.S.S.R., although precisely to what extent it is difficult to say because of the impossibility of obtaining reliable comparative figures. As the subject of investments is examined in detail in an annex to this Report, a few essential figures will be sufficient to illustrate the relative importance of Japan, the U.S.S.R. and other countries as participating factors in the economic development of Manchuria.

Investments.

According to a Japanese source of information, Japanese investments were estimated in 1928 at about 1,500,000,000 Yen, a figure which, if correct, must have grown to-day to approximately 1,700,000,000 Yen.² A Russian source puts Japanese investments at the present time at about 1,500,000,000 Yen for the whole of Manchuria inclusive of the Kwantung Leased Territory, and at about 1,300,000,000 Yen for the Three Provinces, the bulk of Japanese capital being invested in Liaoning Province.

¹ See, for this chapter, special studies Nos. 2, 3, 6, 7, annexed to this Report.

² Another Japanese authority puts the total of Japanese investments in China, including Manchuria, in 1929 at a figure of approximately 1,500,000,000 Yen.

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With regard to the nature of these investments, it will be found that the majority of the capital has been devoted to transportation enterprises (mainly railways), agriculture, mining and forestry coming next. As a matter of fact, the Japanese investments in South Manchuria centre mainly round the South Manchuria Railway, while the investments of the U.S.S.R. in the North are to a great extent, directly or indirectly, linked up with the Chinese Eastern Railway.

Foreign investments other than Japanese are more difficult to estimate and, in spite of the helpful assistance of those immediately interested, the information obtained by the Commission has been meagre. Most of the figures given by the Japanese are prior to 1917 and consequently out of date. For the U.S.S.R., as has been stated, no definite estimate is possible. With regard to other countries, a recent Russian estimate for North Manchuria only, which it has not been possible to verify, indicates the United Kingdom as the next largest investor with 11,185,000 gold dollars, followed by Japan with 9,229,400 gold dollars, the United States of America with 8,220,000 gold dollars, Poland with 5,025,000 gold dollars, France with 1,760,000 gold dollars, Germany with 1,235,000 gold dollars, and miscellaneous investments 1,129,600 gold dollars, making a total of 37,784,400 gold dollars. For South Manchuria, similar figures are not available.

It is now necessary to analyse the part Manchuria plays in the economic life of Japan. A detailed study on this subject will be found in an Annex to this Report, from which it will be seen that, although this part is an important one, it is at the same time limited by circumstances which must not be overlooked.

It does not seem from past experience that Manchuria is a region suitable for Japanese emigration on a large scale. As already stated in Chapter 11, the farmers and coolies from Shantung and Shihli (now Hopei) have in the last few decades taken possession of the soil. Japanese settlers are, and for many years will mostly be, business-men, officials, salaried employees, who have come to manage the investments of capital, the development of various enterprises, and the utilisation of natural resources.

Agriculture.

As regards her supplies of agricultural produce, Japan to-day depends on Manchuria mainly for the soya bean and its derivatives, the use of which as foodstuff and forage may even increase in the future. (As a fertiliser, which is to-day one of its chief uses, its importance is likely to decrease with the growth of chemical industries in Japan.) But the question of food supply is not at the moment acute for Japan, the acquisition of Korea and Formosa having helped to solve at least for the time her rice problem. If at some future date the need for this commodity becomes urgent for the Japanese Empire, Manchuria may be able to provide an additional source of supply. But in that case a large amount of capital would have to be spent in the development of a sufficient irrigation system.

Heavy industries.

Larger still, it seems, will be the amount of capital necessary for the creation of Japanese heavy industries, if these are destined to become independent of foreign countries, as a result of the utilisation of the resources of Manchuria. Japan seeks, above all, to develop in the Three Eastern Provinces the production of those raw materials which are indispensable to her national defence. Manchuria can supply her with coal, oil and iron. The economic advantages, however, of such supplies are uncertain. For coal, only a comparatively small part of the production is utilised in Japan; oil is extracted from shale only in very limited quantities, while it would appear that iron is definitely produced at a loss. But economic considerations are not the only ones which influence the Japanese Government. The resources of Manchuria are intended to assist the development of an independent metallurgic system. In any case, Japan must seek abroad a great part of her coke and certain non-siliceous ores. The Three Eastern Provinces may ensure greater security in the supplies of certain products which are

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indispensable for her national defence, but heavy financial sacrifices may be involved in obtaining them. The strategic interests of Japan in Manchuria involved in this question have been mentioned elsewhere.

Further, Manchuria is not likely to supply Japan with those raw materials which she needs most for her textile industries.

The Three North-Eastern Provinces provide a regular market for Japanese manufactured goods ; and the importance of this market may even increase with their growth in prosperity. But Osaka, in the past, has always depended more on Shanghai than on Dairen. The Manchurian market may perhaps offer more security, but it is more restricted than the Chinese market.

Manchuria as a market for Japanese products.

The idea of economic " blocs " has penetrated to Japan from the West. The possibility of such a bloc comprising the Japanese Empire and Manchuria is often found in the writings of Japanese statesmen, professors and journalists. In an article written shortly before he took office, the present Minister of Commerce and Industry pointed to the formation in the world of such economic blocs, American, Soviet, European and British, and stated that Japan should also create with Manchuria such a bloc.

There is nothing at present to show that such a system is practicable. Some voices have recently been raised in Japan to warn their compatriots against dangerous illusions. Japan depends for the bulk of her commerce far less on Manchuria than she does on the United States of America, China proper and British India.

Manchuria may become, in the future, of great assistance to an over-populated Japan, but it is as dangerous not to discern the limitations of its possibilities as it is to under-estimate their value.

China's economic relations with Manchuria.

When studying the economic relations of the rest of China with her Three Eastern Provinces, it will be apparent that, contrary to what we have seen in the case of Japan, her chief earlier contribution to their development consisted in the sending of seasonal workers and permanent settlers, to whom the great agricultural development of the country is due. More recently, however, particularly in the last decade, her participation in railway construction, in industry, trade and banking, and in the development of mineral and forestry resources, has also shown a marked progress the extent of which cannot be adequately shown due to lack of data. On the whole, it may be said that the principal ties between Manchuria and the rest of China are racial and social rather than economic. It has been recalled in Chapter II that the present population of Manchuria is, in the main, drawn from recent immigrations. The spontaneous character of these immigrations show clearly how they have fulfilled a real need. They have been a consequence of famine, although they were encouraged to some extent by both the Japanese and Chinese.

The Japanese have for a number of years recruited Chinese labour for the Fushun mines, for the Dairen harbour works and for the construction of railway lines. But the number of Chinese thus recruited has always been very limited and this recruitment ceased in 1927, when it appeared that the local supplies of labour were sufficient.

The Provincial authorities in Manchuria have also on several occasions assisted the settlement of Chinese immigrants, although in practice these activities of the authorities of the Three Eastern Provinces have only had a limited influence on immigration. The authorities in North China, and the charitable societies, have also in certain periods endeavoured to encourage the settlement of families in Manchuria.

The principal assistance received by the immigrants has been the reduced rates offered by the South Manchuria Railway, the Chinese lines, and the Chinese Eastern Railway. These encouragements given to newcomers showed that, at least until the end of 1931, the South Manchuria Railway, the Manchurian provincial authorities and the Chinese Government regarded

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this exodus with favour ; all of them profited by the peopling of the Three Eastern Provinces, although their interests in the movement were not always identical.

Emigrants, once settled in Manchuria, maintain their relations with their province of origin in China proper. This is best shown by a study of the remittances that the emigrants sent back to their families in the villages of their birth. It is impossible to estimate the total of these remittances, which are effected through banks, through the post and through money taken back by returning emigrants. It is believed that twenty million dollars are so taken annually into Shantung and Hopei, while the Post Office statistics showed in 1928 that the Provinces of Liaoning and Kirin remitted to the Province of Shantung by money orders a sum equal to the amount remitted to that province by all the other provinces in China. There is no doubt that these remittances form an important economic link between Manchuria and China proper. They are the index of the contact maintained between the emigrants and their families in the provinces of their origin. This contact is all the easier because conditions on either side of the Great Wall do not greatly differ. The produce of the soil is in the main the same and the agricultural methods identical. The most pronounced variation between agricultural conditions in Manchuria and in Shantung are caused by differences of climate, varying density of population and different states of economic development. These factors do not prevent the agriculture of the Three Eastern Provinces from tending to resemble more and more the agricultural conditions in Shantung. In Liaoning, a long-settled territory, rural conditions resemble more closely those in Shantung than do those in Heilungkiang, a territory more recently opened up.

The organisation of direct trade with the agriculturists in Manchuria resembles also the conditions in China proper. In the Three Provinces, such commerce is in the hands of Chinese, who alone buy directly from the farmers. Similarly, in the Three Provinces, as in China proper, credit performs an important function in such local trade. One can even say that the resemblance in commercial organisation in Manchuria and China proper is found not only in local countryside trade, but also in trade in the towns.

In fact, the social and economic Chinese organisation in Manchuria is a transplanted society which has kept the customs, dialect and activities of its home. The only changes necessary are those required to meet the conditions of a land more vast, less inhabited and more open to outside influences.

The question arises whether this mass migration has been merely an episode or whether it will continue in the future. When account is taken of the areas in South Manchuria and certain valleys in the south and east, such as the Sungari, Liao and Mutan Valleys, it is clear that, from the purely agricultural point of view, Manchuria can still absorb numerous colonists. According to one of the best experts on the staff of the Chinese Eastern Railway, the population of Manchuria could reach in forty years a figure of 75,000,000.

But economic conditions may in the future limit the rapid growth of the population of Manchuria. Economic conditions in fact alone render the future of soya-bean farming uncertain. On the other hand, crops recently introduced into Manchuria, especially rice-farming, may develop there. The hopes which some Japanese have placed in the development of cotton-growing seem to be subject to certain limitations. Consequently, economic and technical factors may to some extent limit the entry of newcomers into the Three Provinces.

The recent political events are not the only cause of the decline of Chinese migration into Manchuria. The economic crisis had already, in the first six months of the year 1931, diminished the importance of the seasonal migration. The world depression added to the effect of an unavoidable

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local crisis. Once this economic crisis is over and order has been re-established, Manchuria may once more serve as an outlet for the population of China proper. The Chinese are the people best adapted for the colonisation of Manchuria. An artificial restriction of this migration by arbitrary political measures would be prejudicial to the interests of Manchuria, as it would be to the interests of Shantung and Hopei.

The ties between Manchuria and the rest of China remain chiefly racial and social. At the same time, economic ties are continuously becoming stronger, which is shown by the growing commercial relations between Manchuria and the rest of China. Nevertheless, according to Customs returns, Japan remains the best customer and chief supplier of Manchuria, China proper occupying the second place.

The chief imports from Manchuria into the rest of China are the soya bean and its derivatives, coal and small amounts of groundnuts, raw silk, miscellaneous cereals and a very limited amount of iron, maize, wool, and timber. The chief exports to Manchuria from China proper are cotton piece-goods, tobacco preparations, silken and other textiles, tea, cereals and seeds, raw cotton, paper and wheat flour.

Consequently, China proper relies on Manchuria for certain foodstuffs, most important of which is the soya bean and its derivatives, but her imports of minerals, with the exception of coal and her imports of timber, animal products and raw materials for manufacturing purposes have in the past been slight. Furthermore, China proper is able to use only a portion of Manchuria's favourable balance to offset its own unfavourable balance. It is able to do this, not by virtue of its political affiliation as such, as is generally thought, but chiefly because the Manchurian Post Offices and Customs have been highly profitable institutions and because of the substantial remittances of Chinese settlers to their families in Shanghai and Hopei.

The resources of Manchuria are great and as yet not fully ascertained. For their development they require population, capital, technical skill, organisation and internal security. The population is almost entirely supplied by China. Large numbers of the existing population were born in provinces of North China, where their family ties are still very close. Capital, technical skill and organisation have hitherto chiefly been provided by Japan in South Manchuria and by Russia north of Changchun. Other foreign countries to a much smaller degree have interests throughout the Three Provinces, but principally in the large cities. Their representatives have exercised a conciliatory influence in the recent years of political tension, and will continue to do so, provided that Japan, as the dominating economic Power, does not attempt to monopolise the field. The all-important problem at the present time is the establishment of an administration acceptable to the population and capable of supplying the last need — namely, the maintenance of law and order.

No foreign Power could develop Manchuria or reap any benefit from an attempt to control it without the good-will and wholehearted co-operation of the Chinese masses which form the bulk of the population, tilling its soil, and supplying the labour for practically every enterprise in the country. Neither will China ever be free from anxiety and danger unless these Northern Provinces cease to afford a battleground for the conflicting ambitions of neighbouring Powers. It is as necessary, therefore, for China to satisfy the economic interests of Japan in this territory as for Japan to recognise the unalterably Chinese character of its population.

Parallel to an understanding of this kind and in order to allow all interested Powers to co-operate in the development of Manchuria, it seems essential that the principle of the Open Door should be maintained, not only from the legal point of view, but also in the actual practice of trade, industry and banking. Amongst foreign business-men in Manchuria other than Japanese, there is a fear that Japanese business concerns will try to

Comment.**Maintenance of
the Open Door.**

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reap benefit from the present political position by other means than those of free competition. If this fear came to be justified, foreign interests would be discouraged and the population of Manchuria might be the first to suffer. The maintenance of a real Open Door, manifested by free competition in the field of trade, investment and finance, would be in the interests of both Japan and China.¹

Chapter IX.**PRINCIPLES AND CONDITIONS OF SETTLEMENT.****Review of
previous
chapters.**

In the previous chapters of this Report, it has been shown that, though the issues between China and Japan were not in themselves incapable of solution by arbitral procedure, yet the handling of them by their respective Governments, especially those relating to Manchuria, had so embittered their relations as sooner or later to make a conflict inevitable. A sketch has been given of China as a nation in evolution with all the political upheavals, social disorders and disruptive tendencies inseparable from such a period of transition. It has been shown how seriously the rights and interests claimed by Japan have been affected by the weakness of the authority of the Central Government in China, and how anxious Japan has shown herself to keep Manchuria apart from the government of the rest of China. A brief survey of the respective policies of the Chinese, Russian and Japanese Governments in Manchuria has revealed the fact that the administration of these Provinces has more than once been declared by their rulers to be independent of the Central Government of China, yet no wish to be separated from the rest of China has ever been expressed by their population, which is overwhelmingly Chinese. Finally, we have examined carefully and thoroughly the actual events which took place on and subsequent to September 18th, 1931, and have expressed our opinion upon them.

**Complexity of
the problem.**

A point has now been reached when attention can be concentrated on the future, and we would dismiss the past with this final reflection. It must be apparent to every reader of the preceding chapters that the issues involved in this conflict are not as simple as they are often represented to be. They are, on the contrary, exceedingly complicated, and only an intimate knowledge of all the facts, as well as of their historical background, should entitle anyone to express a definite opinion upon them. This is not a case in which one country has declared war on another country without previously exhausting the opportunities for conciliation provided in the Covenant of the League of Nations. Neither is it a simple case of the violation of the frontier of one country by the armed forces of a neighbouring country, because in Manchuria there are many features without an exact parallel in other parts of the world.

¹ In this connection, it is necessary to mention the extraordinary extent to which goods are being smuggled into Manchuria, especially over the Korean border and through Dairen. Not only is this practice detrimental to the Customs revenue, but it disorganises trade, and rightly or wrongly gives rise to the belief that the Power which has virtual control over the Customs Administration might discriminate against the trade of other Powers.

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The dispute has arisen between two States, both Members of the League, concerning a territory the size of France and Germany combined, in which both claim to have rights and interests, only some of which are clearly defined by international law; a territory which, although legally an integral part of China, had a sufficiently autonomous character to carry on direct negotiations with Japan on the matters which lay at the root of this conflict.

Japan controls a railway and a strip of territory running from the sea right up into the heart of Manchuria, and she maintains for the protection of that property a force of about 10,000 soldiers, which she claims the right by treaty to increase, if necessary, up to 15,000. She also exercises the rights of jurisdiction over all her subjects in Manchuria and maintains consular police throughout the country.

**Conditions in
Manchuria
unparalleled
elsewhere.**

These facts must be considered by those who debate the issues. It is a fact that, without declaration of war, a large area of what was indisputably the Chinese territory has been forcibly seized and occupied by the armed forces of Japan and has, in consequence of this operation, been separated from and declared independent of the rest of China. The steps by which this was accomplished are claimed by Japan to have been consistent with the obligations of the Covenant of the League of Nations, the Kellogg Pact and the Nine-Power Treaty of Washington, all of which were designed to prevent action of this kind. Moreover, the operation which had only just begun when the matter was first brought to the notice of the League was completed during the following months and is held by the Japanese Government to be consistent with the assurances given by their representative at Geneva on September 30th and December 10th. The justification in this case has been that all the military operations have been legitimate acts of self-defence, the right of which is implicit in all the multilateral treaties mentioned above, and was not taken away by any of the resolutions of the Council of the League. Further, the administration which has been substituted for that of China in the Three Provinces is justified on the ground that its establishment was the act of the local population, who, by a spontaneous assertion of their independence, have severed all connection with China and established their own Government. Such a genuine independence movement, it is claimed, is not prohibited by any international treaty or by any of the resolutions of the Council of the League of Nations, and the fact of its having taken place has profoundly modified the application of the Nine-Power Treaty and entirely altered the whole character of the problem being investigated by the League.

**Diversity of
interpretations.**

It is this plea of justification which makes this particular conflict at once so complicated and so serious. It is not the function of our Commission to argue the issue, but we have tried to provide sufficient material to enable the League of Nations to settle the dispute consistently with the honour, dignity and national interest of both the contending parties. Criticism alone will not accomplish this: there must also be practical efforts at conciliation. We have been at pains to find out the truth regarding past events in Manchuria and to state it frankly; we recognise that this is only part, and by no means the most important part, of our work. We have throughout our mission offered to the Governments of both countries the help of the League of Nations in composing their differences, and we conclude it by offering to the League our suggestions for securing, consistently with justice and with peace, the permanent interest of China and Japan in Manchuria.

It must be clear from everything that we have already said that a mere restoration of the *status quo ante* would be no solution. Since the present conflict arose out of the conditions prevailing before last September, to restore these conditions would merely be to invite a repetition of the trouble. It would be to treat the whole question theoretically and to leave out of account the realities of the situation.

**Unsatisfactory
suggestions of
settlement :**
(1) RESTORA-
TION OF THE
status quo ante.

(2) THE
MAINTENANCE
OF
“MANCHUKUO”

From what we have said in the two preceding chapters, the maintenance and recognition of the present regime in Manchuria would be equally unsatisfactory. Such a solution does not appeal to us compatible with the fundamental principle of existing international obligations, nor with the good understanding between the two countries upon which peace in the Far East depends. It is opposed to the interests of China. It disregards the wishes of the people of Manchuria, and it is at least questionable whether it would ultimately serve the permanent interests of Japan.

About the feelings of the people of Manchuria towards the present regime there can really be no doubt; and China would not voluntarily accept as a lasting solution the complete separation of her Three Eastern Provinces. The analogy of the distant province of Outer Mongolia is not an entirely pertinent one, as Outer Mongolia is bound to China by no strong economic or social ties, and is sparsely inhabited by a population which is mainly non-Chinese. The situation in Manchuria is radically different from that in Outer Mongolia. The millions of Chinese farmers now settled permanently on the land have made Manchuria in many respects a simple extension of China south of the Wall. The Three Eastern Provinces have become almost as Chinese in race, culture and national sentiment as the neighbouring Provinces of Hopei and Shantung, from which most of the immigrants came.

Apart from this, past experience has shown that those who control Manchuria have exercised a considerable influence on the affairs of the rest of China — at least of North China — and possess unquestionable strategic and political advantages. To cut off these provinces from the rest of China, either legally or actually, would be to create for the future a serious irredentist problem which would endanger peace by keeping alive the hostility of China and rendering probable the continued boycott of Japanese goods.

The Commission received from the Japanese Government a clear and valuable statement of the vital interests of their country in Manchuria. Without exaggerating the economic dependence of Japan on Manchuria beyond the limits ascribed to it in a previous chapter, and certainly without suggesting that economic relationship entitles Japan to control the economic, still less the political, development of those provinces, we recognise the great importance of Manchuria in the economic development of Japan. Nor do we consider unreasonable her demand for the establishment of a stable Government which would be capable of maintaining the order necessary for the economic development of the country. But such conditions can only be securely and effectively guaranteed by an administration which is in conformity with the wishes of the population and which takes full account of their feelings and aspirations. And equally is it only in an atmosphere of external confidence and internal peace, very different from that now existing in the Far East, that the capital which is necessary for the rapid economic development of Manchuria will be forthcoming.

In spite of the pressure of increasing over-population, the Japanese have not as yet fully utilised their existing facilities for emigration, and the Japanese Government has not hitherto contemplated a large emigration of their people to Manchuria. But the Japanese do look to further industrialisation as a means to cope with the agrarian crisis and with the population problem. Such industrialisation would require further economic outlets and the only large and relatively sure markets that Japan can find are in Asia and particularly in China. Japan requires, not only the Manchurian, but the whole Chinese market, and the rise in the standard of living which will certainly follow the consolidation and modernisation of China should stimulate trade and raise the purchasing power of the Chinese market.

This economic *rapprochement* between Japan and China, which is of vital interest to Japan, is of equal interest to China, for China would find that a closer economic and technical collaboration with Japan would

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assist her in her primary task of national reconstruction. China could assist this *rapprochement* by restraining the more intolerant tendencies of her nationalism and by giving effective guarantees that, as soon as cordial relations were re-established, the practice of organised boycotts would not be revived. Japan, on her side, could facilitate this *rapprochement* by renouncing any attempt to solve the Manchurian problem by isolating it from the problem of her relations with China as a whole, in such a way as to make impossible the friendship and collaboration of China.

It may, however, be less economic considerations than anxiety for her own security which has determined the actions and policy of Japan in Manchuria. It is especially in this connection that her statesmen and military authorities are accustomed to speak of Manchuria as "the life-line of Japan". One can sympathise with such anxieties and try to appreciate the actions and motives of those who have to bear the heavy responsibility of securing the defence of their country against all eventualities. While acknowledging the interest of Japan in preventing Manchuria from serving as a base of operations directed against her own territory, and even her wish to be able to take all appropriate military measures if in certain circumstances the frontiers of Manchuria should be crossed by the forces of a foreign Power, it may still be questioned whether the military occupation of Manchuria for an indefinite period, involving, as it must, a heavy financial burden, is really the most effective way of insuring against this external danger; and whether, in the event of aggression having to be resisted in this way, the Japanese troops in Manchuria would not be seriously embarrassed if they were surrounded by a restive or rebellious population backed by a hostile China. It is surely in the interest of Japan to consider also other possible solutions of the problem of security, which would be more in keeping with the principles on which rests the present peace organisation of the world, and analogous to arrangements concluded by other great Powers in various parts of the world. She might even find it possible, with the sympathy and good-will of the rest of the world, and at no cost to herself, to obtain better security than she will obtain by the costly method she is at present adopting.

Apart from China and Japan, other Powers of the world have also important interests to defend in this Sino-Japanese conflict. We have already referred to existing multilateral treaties, and any real and lasting solution by agreement must be compatible with the stipulations of these fundamental agreements, on which is based the peace organisation of the world. The considerations which actuated the representatives of the Powers at the Washington Conference are still valid. It is quite as much in the interests of the Powers now as it was in 1922 to assist the reconstruction of China and to maintain her sovereignty and her territorial and administrative integrity as indispensable to the maintenance of peace. Any disintegration of China might lead, perhaps rapidly, to serious international rivalries, which would become all the more bitter if they should happen to coincide with rivalries between divergent social systems. Finally, the interests of peace are the same the world over. Any loss of confidence in the application of the principles of the Covenant and of the Pact of Paris in any part of the world diminishes the value and efficacy of those principles everywhere.

The Commission has not been able to obtain direct information as to the extent of the interests of the U.S.S.R. in Manchuria, nor to ascertain the views of the Government of the U.S.S.R. on the Manchurian question. But, even without sources of direct information, it cannot overlook the part played by Russia in Manchuria nor the important interests which the U.S.S.R. have in that region as owners of the Chinese Eastern Railway and of the territory beyond its north and north-east frontiers. It is clear that any solution of the problem of Manchuria which ignored the important

**International
interests.**

**Interests of
U.S.S.R.**

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interests of the U.S.S.R. would risk a future breach of the peace and would not be permanent.

Conclusions.

These considerations are sufficient to indicate the lines on which a solution might be reached if the Governments of China and Japan could recognise the identity of their chief interests and were willing to make them include the maintenance of peace and the establishment of cordial relations with each other. As already stated, there is no question of returning to the conditions before September 1931. A satisfactory regime for the future might be evolved out of the present one without any violent change. In the next chapter, we offer certain suggestions for doing this, but we would first define the general principles to which any satisfactory solution should conform. They are the following :

**Conditions of
a satisfactory
solution.**

1. *Compatibility with the interests of both China and Japan.*

Both countries are Members of the League and each is entitled to claim the same consideration from the League. A solution from which both did not derive benefit would not be a gain to the cause of peace.

2. *Consideration for the interests of the U.S.S.R.*

To make peace between two of the neighbouring countries without regard for the interests of the third would be neither just nor wise, nor in the interests of peace.

3. *Conformity with existing multilateral treaties.*

Any solution should conform to the provisions of the Covenant of the League of Nations, the Pact of Paris, and the Nine-Power Treaty of Washington.

4. *Recognition of Japan's interests in Manchuria.*

The rights and interests of Japan in Manchuria are facts which cannot be ignored, and any solution which failed to recognise them and to take into account also the historical associations of Japan with that country would not be satisfactory.

5. *The establishment of new treaty relations between China and Japan.*

A re-statement of the respective rights, interests and responsibilities of both countries in Manchuria in new treaties, which shall be part of the settlement by agreement, is desirable if future friction is to be avoided and mutual confidence and co-operation are to be restored.

6. *Effective provision for the settlement of future disputes.*

As a corollary to the above, it is necessary that provision should be made for facilitating the prompt settlement of minor disputes as they arise.

7. *Manchurian autonomy.*

The government in Manchuria should be modified in such a way as to secure, consistently with the sovereignty and administrative integrity of China, a large measure of autonomy designed to meet the local conditions and special characteristics of the Three Provinces. The new civil regime must be so constituted and conducted as to satisfy the essential requirements of good government.

8. *Internal order and security against external aggression.*

The internal order of the country should be secured by an effective local gendarmerie force, and security against external aggression should be provided by the withdrawal of all armed forces other than gendarmerie, and by the conclusion of a treaty of non-aggression between the countries interested.

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9. *Encouragement of an economic rapprochement between China and Japan.*

For this purpose, a new commercial treaty between the two countries is desirable. Such a treaty should aim at placing on an equitable basis the commercial relations between the two countries and bringing them into conformity with their improved political relations.

10. *International co-operation in Chinese reconstruction.*

Since the present political instability in China is an obstacle to friendship with Japan and an anxiety to the rest of the world (as the maintenance of peace in the Far East is a matter of international concern), and since the conditions enumerated above cannot be fulfilled without a strong Central Government in China, the final requisite for a satisfactory solution is temporary international co-operation in the internal reconstruction of China, as suggested by the late Dr. Sun Yat-sen.

If the present situation could be modified in such a way as to satisfy these conditions and embody these ideas, China and Japan would have achieved a solution of their difficulties which might be made the starting-point of a new era of close understanding and political co-operation between them. If such a *rapprochement* is not secured, no solution, whatever its terms, can really be fruitful. Is it really impossible to contemplate a new relationship even in this hour of crisis? Young Japan is clamorous for strong measures in China and a policy of thoroughness in Manchuria. Those who make these demands are tired of the delays and pin-pricks of the pre-September period; they are impetuous and impatient to gain their end. But, even in Japan, appropriate means must be found for the attainment of every end. After making the acquaintance of some of the more ardent exponents of this "positive" policy, and those especially who, with undoubted idealism and great personal devotion, have constituted themselves the pioneers of a delicate undertaking in the "Manchukuo" regime, it is impossible not to realise that, at the heart of the problem for Japan, lies her anxiety concerning the political development of modern China, and the future to which it is tending. This anxiety has led to action with the object of controlling that development and steering its course in directions which will secure the economic interests of Japan and satisfy strategic requirements for the defence of her Empire.

Japanese opinion is nevertheless vaguely conscious that it is no longer practicable to have two separate policies, one for Manchuria and one for the rest of China. Even with her Manchurian interests as a goal, therefore, Japan might recognise and welcome sympathetically the renaissance of Chinese national sentiment, might make friends with it, guide it in her direction and offer it support, if only to ensure that it does not seek support elsewhere.

In China, too, as thoughtful men have come to recognise that the vital problem, the real national problem, for their country is the reconstruction and modernisation of the State, they cannot fail to realise that this policy of reconstruction and modernisation, already initiated with so much promise of success, necessitates for its fulfilment the cultivation of friendly relations with all countries, and above all with that great nation which is their nearest neighbour. China needs, in political and economic matters, the co-operation of all the leading Powers, but especially valuable to her would be the friendly attitude of the Japanese Government and the economic co-operation of Japan in Manchuria. All the other claims of her newly awakened nationalism — legitimate and urgent though they may be — should be subordinated to this one dominating need for the effective internal reconstruction of the State.

Results which
would follow
from the
fulfilment of
these
conditions.

Chapter X.

CONSIDERATIONS AND SUGGESTIONS TO THE COUNCIL.

Suggestions to facilitate a final solution.

It is not the function of the Commission to submit directly to the Governments of China and Japan recommendations for the solution of the present dispute. But, in order "to facilitate the final solution of existing causes of dispute between the two countries", to quote the words used by M. Briand when explaining to the Council the text of the resolution which originated the Commission, we now offer to the League of Nations, as the result of our studies, suggestions designed to help the appropriate organ of the League to draw up definite proposals for submission to the parties to the dispute. It should be understood that these suggestions are intended as an illustration of one way in which the conditions we have laid down in the preceding chapter might be met. They are mainly concerned with broad principles; they leave many details to be filled in and are susceptible of considerable modification by the parties to the dispute if they are willing to accept some solution on these lines.

Even if the formal recognition of "Manchukuo" by Japan should take place before our Report is considered in Geneva — an eventuality which we cannot ignore — we do not think that our work will have been rendered valueless. We believe that, in any case, the Council would find that our Report contains suggestions which would be helpful for its decisions or for its recommendations to the two great Powers concerned, with the object of satisfying their vital interests in Manchuria.

It is with this object that, whilst bearing in mind the principles of the League of Nations, the spirit and letter of the Treaties concerning China and the general interests of peace, we have not overlooked existing realities, and have taken account of the administrative machinery existing and in process of evolution in the Three Eastern Provinces. It would be the function of the Council, in the paramount interest of world peace, whatever may be the eventuality, to decide how the suggestions made in our Report may be extended and applied to events which are still developing from day to day, always with the object of securing a durable understanding between China and Japan by utilising all the sound forces, whether in ideals or persons, whether in thought or action, which are at present fermenting in Manchuria.

We suggest, in the first place, that the Council of the League should invite the Governments of China and Japan to discuss a solution of their dispute on the lines indicated in the last chapter.

If the invitation is accepted, the next step would be the summoning as soon as possible of an Advisory Conference, to discuss and to recommend detailed proposals for the constitution of a special regime for the administration of the Three Eastern Provinces.

Such conference, it is suggested, might be composed of representatives of the Chinese and Japanese Governments and of two delegations representing the local population, one selected in a manner to be prescribed by the Chinese Government and one selected in a manner to be prescribed by the Japanese Government. If agreed by the parties, the assistance of neutral observers might be secured.

If the conference were unable to reach agreement on any particular point, it would submit to the Council the point of difference, and the Council would then attempt to secure an agreed settlement on these points.

Simultaneously with the sitting of the Advisory Conference, the matters at issue between Japan and China relating to respective rights and interests

Invitation to the parties to discuss settlement.

An Advisory Conference.

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should be discussed separately, in this case also, if so agreed, with the help of neutral observers.

Finally, we suggest that the results of these discussions and negotiations should be embodied in four separate instruments :

1. A Declaration by the Government of China constituting a special administration for the Three Eastern Provinces, in the terms recommended by the Advisory Conference ;
2. A Sino-Japanese Treaty dealing with Japanese interests ;
3. A Sino-Japanese Treaty of Conciliation and Arbitration, Non-Aggression and Mutual Assistance.
4. A Sino-Japanese Commercial Treaty.

It is suggested that, before the meeting of the Advisory Conference, the broad outlines of the form of administration to be considered by that body should be agreed upon between the parties, with the assistance of the Council. Among the matters to be considered at that stage are the following :

The place of meeting of the Advisory Conference, the nature of the representation, and whether or not neutral observers are desired ;

The principle of the maintenance of the territorial and administrative integrity of China and the grant of a large measure of autonomy to Manchuria ;

The policy of creating a special gendarmerie as the sole method of maintaining internal order ;

The principle of settling the various matters in dispute by means of the separate treaties suggested ;

The grant of an amnesty to all those who have taken part in the recent political developments in Manchuria.

When once these broad principles have been agreed upon beforehand the fullest possible discretion as regards the details would be left to the representatives of the parties at the Advisory Conference or when negotiating the treaties. Further reference to the Council of the League of Nations would only take place in the event of failure to agree.

Among the advantages of this procedure, it is claimed that, while it is consistent with the sovereignty of China, it will enable effective and practical measures to be taken to meet the situation in Manchuria as it exists to-day and, at the same time, allow for such modifications hereafter as the changes in the internal situation in China may warrant. Notice, for instance, has been taken in this Report of certain administrative and fiscal changes which have either been proposed or actually carried out in Manchuria recently, such as the re-organisation of provincial governments, the creation of a central bank, the employment of foreign advisers. These features might be retained with advantage by the Advisory Conference. The presence at the conference of representatives of the inhabitants of Manchuria, selected in some such way as we have suggested, should also facilitate the passage from the present to the new regime.

**Advantages
claimed for
the procedure.**

The autonomous regime contemplated for Manchuria is intended to apply to the three provinces of Liaoning (Fengtien), Kirin and Heilungkiang only. The rights at present enjoyed by Japan in the province of Jehol (Eastern Inner Mongolia) would be dealt with in the treaty on the subject of Japanese interests.

The four Instruments can now be considered *seriatim* :

I. THE DECLARATION.

The final proposals of the Advisory Conference would be submitted to the Chinese Government, and the Chinese Government would embody them in a Declaration, which would be transmitted to the League of Nations and

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to the signatory Powers of the Nine-Power Treaty. The Members of the League and the signatory Powers of the Nine-Power Treaty would take note of this Declaration, which would be stated to have for the Chinese Government the binding character of an international engagement.

The conditions under which subsequent revision of the Declaration, if required, might take place would be laid down in the Declaration itself, as agreed to in accordance with the procedure suggested hereabove.

The Declaration would distinguish between the powers of the Central Government of China in the Three Eastern Provinces and those of the autonomous local Government.

It is suggested that the powers to be reserved to the Central Government should be the following :

Powers to be reserved to the Central Government.

1. The control of general treaty and foreign relations not otherwise provided for ; it being understood that the Central Government would not enter into any international engagements inconsistent with the terms of the Declaration.

2. The control of the Customs, the Post Office, and the Salt Gabelle, and possibly of the administration of the stamp duty and the tobacco and wine taxes. The equitable division, between the Central Government and the Three Eastern Provinces, of the net income from these revenues would be determined by the Advisory Conference.

3. The power of appointment, at least in the first instance, of the Chief Executive of the Government of the Three Eastern Provinces in accordance with the procedure to be laid down in the Declaration. Vacancies would be filled in the same way, or by some system of selection in the Three Eastern Provinces, to be agreed upon by the Advisory Conference and inserted in the Declaration.

4. The power of issuing to the Chief Executive the carrying out of the international engagements entered into by the Central Government of China in matters under the administration of the autonomous Government of the Three Eastern Provinces.

5. Any additional powers agreed upon by the Conference.

All other powers would be vested in the autonomous Government of the Three Eastern Provinces.

Powers of the local government.

Some practical system might be devised to secure an expression of the opinion of the people on the policy of the Government, possibly through the traditional agency of the Chambers of Commerce, Guilds and other civil organisations.

Minorities.

Some provision should also be made to safeguard the interests of White Russians and other minorities.

Gendarmerie.

It is suggested that a special gendarmerie should be organised, with the collaboration of foreign instructors, which would be the only armed force within the Three Eastern Provinces. The organisation of the gendarmerie should either be completed within a period to be specified in advance, or the time of its completion should be determined in accordance with a procedure to be laid down in the Declaration. As this special corps would be the only armed force in the territory of the Three Eastern Provinces, its organisation, when completed, should be followed by the retirement from this territory of all other armed forces, including any special bodies of police or railway guards, whether Chinese or Japanese.

Foreign advisers.

An adequate number of foreign advisers would be appointed by the Chief Executive of the autonomous Government, of whom a substantial proportion should be Japanese. The details would be worked out by the procedure described above and would be stated in the Declaration. Nationals of small States, as well as of the Great Powers, would be eligible.

The appointment of two foreigners of different nationalities to have supervision of (1) the constabulary and (2) the fiscal administration would

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be made by the Chief Executive from a panel submitted by the Council of the League. These two officials would have extensive powers during the period of organisation and trial of the new regime. The powers of the advisers would be defined in the Declaration.

The appointment of one foreigner as a general adviser to the Central Bank of the Three Eastern Provinces would be made by the Chief Executive from a panel submitted by the Board of Directors of the Bank for International Settlements.

The employment of foreign advisers and officials is in conformity with the policy of the founder of the Chinese Nationalist Party and with that of the present National Government. It will not, we hope, be difficult for Chinese opinion to recognise that the actual situation and the complexity of the foreign interests, rights and influences in those provinces require special measures in the interests of peace and good government. But it cannot be too strongly emphasised that the presence of the foreign advisers and officials here suggested, including those who, during the period of the organisation of the new regime, must exercise exceptionally wide powers, merely represents a form of international co-operation. They must be selected in a manner acceptable to the Chinese Government and one which is consistent with the sovereignty of China. When appointed, they must regard themselves as the servants of the Government employing them, as has always been the case in the past with the foreigners employed in the Customs and Postal administration or with the technical organisations of the League that have collaborated with China. In this connection, the following passage in the speech of Count Uchida in the Japanese Diet on August 25th, 1932, is of interest :

“ Our own Government, since the Meiji Restoration, has employed many foreigners as advisers or as regular officials ; their number, for instance, in the year 1875 or thereabout exceeded 500. ”

The point must also be stressed that the appointment of a relatively large number of Japanese advisers, in an atmosphere of Sino-Japanese co-operation, would enable such officials to contribute the training and knowledge specially suited to local conditions. The goal to be kept in view throughout the period of transition is the creation of a civil service composed of Chinese, who will ultimately make the employment of foreigners unnecessary.

2. THE SINO-JAPANESE TREATY DEALING WITH JAPANESE INTERESTS.

Full discretion would of course be left to those who will negotiate the three suggested treaties between China and Japan, but it may be useful to indicate the matters with which it is suggested they should deal.

The treaty dealing with Japanese interests in the Three Eastern Provinces and with some Japanese interests in the Province of Jehol would have to deal principally with certain economic rights of Japanese nationals and with railway questions. The aims of this treaty should be :

- (1) The free participation of Japan in the economic development of Manchuria, which would not carry with it a right to control the country either economically or politically ;
- (2) The continuance in the Province of Jehol of such rights as Japan now enjoys there ;
- (3) An extension to the whole of Manchuria of the right to settle and lease land, coupled with some modification of the principle of extra-territoriality ;
- (4) An agreement regarding the operation of the railways.

Aims of the Treaty.

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Japanese rights of settlement.

Hitherto, the rights of settlement of Japanese nationals have been confined to South Manchuria, though no definite boundary line between North and South Manchuria has ever been fixed, and to Jehol. These rights have been exercised under conditions which China found unacceptable and this caused continued friction and conflicts. Extra-territorial status as regards taxation and justice was claimed both for the Japanese and the Koreans, and in the case of the latter there were special stipulations which were ill-defined and the subject of disputes. From evidence given before the Commission, we have reason to believe that China would be willing to extend to the whole of Manchuria the present limited right of settlement, provided it was not accompanied by extra-territorial status, the effect of which, it was claimed, would be to create a Japanese State in the heart of a Chinese territory.

It is obvious that the right of settlement and extra-territoriality are closely associated. It is, however, equally clear that the Japanese would not consent to abandon their extra-territorial status until the administration of justice and finance had reached a very much higher standard than has hitherto prevailed in Manchuria.

Two methods of compromise have suggested themselves. One is that the existing rights of settlement, accompanied by extra-territorial status, should be maintained, and that such rights should be extended both to Japanese and Koreans in North Manchuria and Jehol without extra-territorial status. The other is that the Japanese should be granted the right to settle anywhere in Manchuria and Jehol with extra-territorial status, and that the Koreans should have the same rights without extra-territorial status. Both proposals have some advantages to recommend them and both have rather serious objections. It is obvious that the most satisfactory solution of the problem is to make the administration of these Provinces so efficient that extra-territorial status will no longer be desired. It is with this object that we recommend that at least two foreign advisers, one of whom should be of Japanese nationality, should be attached to the Supreme Court, and other advisers might with advantage be attached to other Courts. The opinions of these advisers might be made public in all cases in which the Courts were called upon to adjudicate on matters in which foreign nationals were involved. We also think that, in the period of re-organisation, some foreign supervision of the administration of finance is desirable and, in dealing with the Declaration, we have presented some suggestions to that effect.

A further safeguard would be provided by the establishment, under the treaty of conciliation, of an arbitration tribunal to deal with any complaints which the Chinese or Japanese Governments might bring in their own names or in those of their nationals.

The decision of this complicated and difficult question must rest with the parties negotiating the treaty, but the present system of foreign protection, when applied to a minority group as numerous as the Koreans, who are, moreover, increasing in number and who live in such close touch with the Chinese population, is bound to produce many occasions of irritation, leading to local incidents and foreign intervention. In the interests of peace, it is desirable that this fruitful source of friction should be removed.

Any extension of the rights of settlement in the case of Japanese would apply on the same conditions to the nationals of all other Powers which enjoy the benefits of a "most-favoured-nation" clause, provided that those Powers whose nationals enjoy extra-territorial rights enter into a similar treaty with China.

Railways.

As regards railways, it has been pointed out in Chapter III that there has been little or no co-operation in the past between the Chinese and Japanese railway builders and authorities directed to achieving a

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comprehensive and mutually beneficial railway plan. It is obvious that, if future friction is to be avoided, provisions must be made in the treaty at present under discussion for bringing to an end the competitive system of the past, and substituting a common understanding as regards freights and tariffs on the various systems. The subject is discussed in the special study No. 1 annexed to this Report. In the opinion of the Commission, there are two possible solutions, which could be considered either as alternatives or as stages to one final solution. The first, which is the more limited in scope, is a working agreement between the Chinese and Japanese railway administrations, which would facilitate their co-operation. China and Japan might agree to manage their respective railway systems in Manchuria on the principle of co-operation, and a joint Sino-Japanese Railway Commission, with at least one foreign adviser, might exercise functions analogous to those of boards which exist in some other countries. A more thorough remedy would be provided by an amalgamation of the Chinese and Japanese railway interests. Such an amalgamation, if it could be agreed upon, would be the true mark of that Sino-Japanese economic collaboration to secure which is one of the objects of this Report. While safeguarding the interests of China, it would place at the disposal of all the railways in Manchuria the benefit of the great technical experience of the South Manchuria Railway and could be evolved without difficulty from the system which has been applied to the railways of Manchuria in the last few months. It might even pave the way in the future to some wider international agreement which might include the Chinese Eastern Railway. Though a fairly detailed description of such an amalgamation is to be found in the annex as an example of the sort of thing that might be done, only direct negotiations between the parties could evolve a detailed scheme. Such a solution of the railway question would make the South Manchuria Railway a purely commercial enterprise, and the security provided by the special corps of gendarmerie, when once this body was fully organised, would enable the Railway Guards to be withdrawn, thus saving a considerable item of expense. If this is done, it would be well that special land regulations and a special municipal administration should previously be instituted in the railway area in order to safeguard the vested interests of the South Manchuria Railway and of Japanese nationals.

If a treaty on these lines could be agreed upon, a legal basis for Japanese rights in the Three Eastern Provinces and in Jehol would have been found which would be at least as beneficial to Japan as the present treaties and agreements, and one which would be more acceptable to China. China might then find no difficulty in recognising all the definite grants made to Japan by such treaties and agreements as those of 1915, unless abrogated or modified by the new treaty. All minor rights claimed by Japan, the validity of which may be open to dispute, should be the subject of agreement. In case of disagreement, resort should be made to the procedure outlined in the treaty of conciliation.

3. THE SINO-JAPANESE TREATY OF CONCILIATION AND ARBITRATION, NON-AGGRESSION AND MUTUAL ASSISTANCE.

It is not necessary to describe in any detail the subject-matter of this treaty, of which there are many precedents and existing examples.

Such a treaty would provide for a board of conciliation, whose functions would be to assist in the solution of any difficulties as they arise between the Governments of China and Japan. It would also establish an arbitration tribunal composed of persons with judicial experience and the necessary knowledge of the Far East. This tribunal would deal with any disputes

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between the Chinese and Japanese Governments regarding the interpretation of the declaration or of the new treaties, and with such other categories of disputes as might be specified in the treaty of conciliation.

Finally, in conformity with the provisions for non-aggression and mutual assistance inserted in the treaty, the contracting parties should agree that Manchuria should gradually become a demilitarised area. With this object, it would be provided that, after the organisation of the gendarmerie had been effected, any violation of the demilitarised territory by either of the parties or by a third party would constitute an act of aggression entitling the other party, or both parties in the case of a third-party attack, to take whatever measures might be deemed advisable to defend the demilitarised territory, without prejudice to the right of the Council of the League to take action under the Covenant.

If the Government of the U.S.S.R. desired to participate in the non-aggression and mutual assistance section of such a treaty, the appropriate clauses could be embodied in a separate tripartite agreement.

4. THE SINO-JAPANESE COMMERCIAL TREATY.

The commercial treaty would naturally have as its object the establishment of conditions which would encourage as much as possible the exchange of goods between China and Japan, while safeguarding the existing treaty rights of other countries. This treaty should also contain an undertaking by the Chinese Government to take all measures within its power to forbid and repress organised boycott movements against Japanese trade, without prejudice to the individual rights of Chinese consumers.

* * *

The above suggestions and considerations regarding the objects of the proposed Declaration and treaties are submitted for the consideration of the Council of the League. Whatever may be the details of future agreements, the essential point is that negotiations should be begun as soon as possible and should be conducted in a spirit of mutual confidence.

Our work is finished.

Manchuria for a year past has been given over to strife and turmoil.

The population of a large, fertile and rich country has been subjected to conditions of distress such as it has probably never experienced before.

The relations between China and Japan are those of war in disguise, and the future is full of anxiety.

We have reported the circumstances which have created these conditions.

Everyone is fully aware of the gravity of the problem which confronts the League of Nations and of the difficulties of the solution.

At the moment of concluding our Report, we read in the Press two statements by the Foreign Ministers of China and Japan, from each of which we would extract one point of the utmost importance.

On August 28th, Mr. Lo Wen Kan declared at Nanking :

"China is confident that any reasonable proposal for the settlement of the present situation will necessarily be compatible with the letter and spirit of the Covenant of the League of Nations and the anti-war Pact, and the Nine-Power Treaty, as well as with China's sovereign power, and will also effectively secure a durable peace in the Far East."

On August 30th, Count Uchida is reported to have declared at Tokyo :

"The Government considers the question of Sino-Japanese relations as more important than the question of Manchuria and Mongolia."

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We cannot close our Report more appropriately than by reproducing here the thought underlying these two statements : as exactly does it correspond with the evidence we have collected, with our own study of the problem, and consequently with our own convictions, so confident are we that the policy indicated by these declarations, if promptly and effectively applied, could not fail to lead to a satisfactory solution of the Manchurian question in the best interests of the two great countries of the Far East and of humanity in general.

Signed at Peiping, September 4th, 1932.

LYTTON.
ALDROVANDI.
H. CLAUDEL.
Frank McC●Y.
SCHNEE.

APPENDIX.

ITINERARY IN THE FAR EAST OF THE
LEAGUE OF NATIONS COMMISSION OF ENQUIRY.

(Council Resolution of December 10th, 1931.)

(See also Maps Nos. 13 and 14.)

Date	Arrived or departed	Place	Means of travel	Remarks	Map symbol	Personnel
February 29th	Arr.	Yokohama	Water	S.S. <i>President Coolidge</i>	1	Commissioners, Peit, von Kotze, Pastuhov, Astor, Jouvelet, Biddle. Joined by Haas (arrived February 25th, from Shanghai).
	Left Arr.	Yokohama Tokyo	Rail			
February 29th to March 8th		Tokyo			1	Joined by Aoki (February 29th). Dropped Haas (March 8th, followed party to Ōsaka, March 9th).
March 8th 9th 10th	Left Arr. Left Arr. Left Arr.	Tokyo Kyoto " Nara " Osaka	Rail		1	
11th	Left	Osaka	Motor and cable car	Via Mt. Rokko		Rejoined by Haas (from Tokyo).
	Arr. Left	Kobe "	Water	S.S. <i>President Adams</i>		
14th	Arr.	Shanghai				
14th to 26th		Shanghai			1	Joined by Charrère, Wou (March 14th) and Young (March 18th, from Peiping). Dropped Aoki (March 25th, returned to Tokyo) and Haas (March 26th; followed party to Nanking, March 28th).

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Date	Arrived or departed	Place	Means of travel	Remarks	Map symbol	Personnel
March 26th	Left	Shanghai	Rail		1	Claudel, McCoy, Schnee, Young, Blakeslee, von Kotze, Jouvelet, Biddle.
27th	Arr. Left Arr. Left Arr.	Hanghow " Ihsing " Nanking	Motor			
28th	Left	Shanghai	Water	S.S. <i>Toongwo</i>	1	Lyttton, Aldrovandi, Pelt, Pastuhov, Astor, Charrère, Wou.
27th to April 1st		Nanking			1	Rejoined by Haas (March 29th, from Shanghai). Dropped Young and Astor (April 1st; see A, below).
April 1st	Left	Nanking	Air		A	Young, Astor.
2nd	Arr. Left	Hankow " Chungking				
3rd	Arr. Left	" Ichang				
4th	Arr. Left Arr.	Hankow				Rejoined main party.
1st	Left	Nanking	Water	S.S. <i>Loongwoo</i>	1	Commissioners, Haas, Blakeslee, Pelt, von Kotze, Pastuhov, Jouvelet, Charrère, Wou, Biddle.
3rd	Arr. Left	Kiukiang " Hankow				
4th	Arr.					Rejoined by Young and Astor (See A, above).
5th	Left	Hankow				
6th	Arr.	Kiukiang				
7th	Left Arr. Left	" Pukow "	Rail			
8th	Arr. Left	Tsinan "				
9th	Arr. Left Arr.	Tientsin " Peiping				
9th to 19th		Peiping			1	Joined by Angelino (April 14th, from Java).
19th 20th	Left Arr.	Peiping Chinwangtao				
20th	Left	Chinwangtao	Water	Chinese and Japanese warships	2	Lyttton, Claudel, Schnee, Pelt, Pastuhov, Astor, Jouvelet, Wou.
21st	Arr. Left Arr.	Dairen " Mukden	Rail			

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Date	Arrived or departed	Place	Means of travel	Remarks	Map symbol	Personnel		
April 20th 21st	Left	Chinwangtao	Rail		2	Aldrovandi, McCoy, Haas, Angelino, Young, Blakeslee, von Kotze, Charrère, Biddle.		
	Arr. Left	Shanhaikwan						
	Arr. Left	"						
	Arr. Left	Chinwaugtao						
	Arr. Left	"						
	Arr.	Shanhaikwan						
April 21st to May 2nd		Mukden	Rail		2	Joined by Hiam (April 21st ; arrived April 16th, from Canada), Moss (May 1st, from Weihaiwei) and de Peyre (May 1st, from Kobe).		
May 2nd	Left	Mukden	Rail		2	Commissioners, Haas, Angelino, Hiam, Young, Blakeslee, Pelt, von Kotze, Pastuhov, Astor, Jouvellet, Moss, de Peyre, Charrère, Wou, Biddle		
	Arr. Left	Kungehuling						
	Arr.	Kungehuling Changehun						
2nd to 7th		Changehun						
7th	Left Arr. Left Arr.	Changehun Kirin " Changehun						
7th to 9th		Changehun						
9th	Left Arr.	Changehun Harbin						
9th to 21st		Harbin			2	Joined by Dennery (May 9th ; arrived May 6th, from Paris), Dorfman (May 10th ; arrived May 9th, from Tokyo). Dropped : von Kotze, Hiam, Astor, Moss, Biddle (May 21st ; see B, below) ; Young (May 21st ; followed to Mukden, May 23rd) ; Pelt, Dennery, Dorfman (May 21st ; followed to Changchun and Mukden (May 23rd).		

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Date	Arrived or departed	Place	Means of travel	Remarks	Map symbol	Personnel
May 21st,	Left	Harbin	Rail		2	Commissioners, Haas, Angelino, Blakeslee, Pastuhov, Jouvelet, Charrère, Wou, de Peyre.
	Arr. Left Arr.	Changchun " " Mukden				
22nd	Left	Harbin	Air		B	Von Kotze, Hiam, Astor, Moss, Biddle.
	Arr.	Tsitsihar				
22nd to 24th		Tsitsihar				
24th	Left	Tsitsihar	Rail			
	Arr.	Taonan				
25th	Left	" " Mukden				
21st to 25th		Mukden			2	Departed : de Peyre (May 21st, for Kobe). Rejoined by : Young (May 24th, from Harbin); Pelt, Dennery, Dorfman (May 25th, from Harbin and Changchun) ; von Kotze, Hiam, Astor, Moss, Biddle (May 25th; see B, above).
25th	Left	Mukden	Rail		2	Commissioners, Haas, Angelino, Hiam, Young, Blakeslee, Pelt, Dennery, Dorfman, von Kotze, Pastuhov, Astor, Jouvelet, Moss, Charrère, Wou, Biddle.
26th 27th	Arr. Left Arr. Left Arr.	Dairen " " Port Arthur " " Dairen	Motor			
26th to 30th		Dairen				Dropped : Angelino, Young, Pastuhov (May 30th; preceded party to Peiping, via Tangku).
30th	Left	Dairen	Rail		2	Commissioners, Haas, Hiam, Blakeslee, Pelt, Dennery, Dorfman, von Kotze, Astor, Jouvelet, Moss, Charrère, Wou, Biddle
30th	Arr. Left Arr.	Anshan " " Mukden				Dropped Dennery (followed to Mukden, May 31st).

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Date	Arrived or departed	Place	Means of travel	Remarks	Map symbol	Personnel
May 30th to June 4th		Mukden			2	Rejoined by Dennery (May 31st, from Anshan). Dropped : Dennery (June 1st, preceded party to Fushun); Haas, Hiam (June 1st; preceded party to Peiping, via Shanhaikwan); Pelt, Dorfman (June 2nd; see C, below).
June 1st	Left	Mukden	Rail		2	Commissioners, von Kotze, Blakeslee, Pelt, Dennery, Dorfman, Astor, Jouvelet, Moss, Charrère, Wou, Biddle.
	Arr.	Fushun				Rejoined by Dennery (preceded party from Mukden).
	Left	"				Dropped Dennery (proceeded to Dairen).
	Arr.	Mukden				
2nd 3rd	Left Arr.	Mukden Dairen	Rail		C	Pelt, Dorfman. Rejoined by Dennery (arrived June 2nd, from Fushun).
3rd to 6th		Dairen				
6th 7th	Left Arr. Left Arr.	Dairen Tangku " Peiping	Water Rail	S.S. <i>Saitsu Maru</i>		
4th 5th	Left	Mukden	Rail		2	Commissioners, von Kotze, Blakeslee, Astor, Jouvelet, Moss, Charrère, Wou, Biddle.
	Arr. Left Arr.	Chinehow " Shanhaikwan				
	Left Arr.	" Peitaiho Beach				
	Left Arr.	" Peiping				
5th to 28th		Peiping			3	Departed : Moss (June 26th, for Weihaiwei). Dropped : Dennery (June 25th, preceded party to Tientsin); Dorfman (June 27th; see D, below).

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Date	Arrived or departed	Place	Means of travel	Remarks	Map symbol	Personnel
June 8th	Left	Peiping	Rail		3	Lyttton, Aldrovandi, Schnee, Charrère, Biddle.
9th	Arr.	Tsingtao				
10th	Left	"				
11th	Arr.	Taiian				
12th	Left	"				
	Arr.	Peiping				
27th	Left	Peiping	Rail		D	Dorfman.
29th	Arr.	Nanking				
30th	Left	"				
Arr.	Shanghai					
June 30th to July 15th						
July 15th 17th	Left	Shanghai				
	Arr.	Peiping				
June 28th	Left	Peiping	Rail		4	Commissioners, Haas, Young, Blakeslee, Pelt, Astor, Jouvelet, Charrère, Biddle. Rejoined by Denney (arrived June 25th, from Peiping).
	Arr.	Tientsin				
29th	Left	"				
Arr.	Shanhaikwan					
30th	Left	"				
Arr.	Mukden					
Left	"					
Arr.	Antung					
Left	"					
Arr.	Keijo					
Left	"					
Arr.	Fusan					
Left	"					
Arr.	Shimono-seki					
Left	"					
Arr.	Tokyo					
3rd	Arr.					
4th	Left					
Arr.						
June 28th to July 20th		Peiping			E	Angelino, Hiam, Dorfman, von Kotze, Pastuhov, Wou. Dropped Hiam (June 29th; see F, below), von Kotze (July 2nd, see H, below), Pastuhov (July 4th, followed main party to Tokyo). Rejoined by Pelt (July 10th; see G, below). Dropped Pelt (July 19th, proceeded to Tsinan by air).

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Date	Arrived or departed	Place	Means of travel	Remarks	Map symbol	Personnel
June 29th July 1st 4th 6th	Left Arr. Left Arr. Arr. Left Arr.	Peiping Shanghai " " Kobe " Tokyo	Rail Water S.S. <i>Empress of Japan</i> Rail		F	Hiam. Rejoined main party.
June 30th July 1st 2nd	Left Arr. Left Arr.	Mukden Changchun " Harbin	Rail		G	Pelt.
2nd to 7th		Harbin				
7th 8th 9th 10th	Left Arr. Left Arr.	Harbin Mukden " Peiping				
2nd	Left Arr.	Peiping Shanghai	Air		H	von Kotze.
2nd to 6th		Shanghai				
6th	Left Arr.	Shanghai Peiping				
4th to 16th		Tokyo			4	Rejoined by Aoki (July 4th; arrived March 30th, from Shanghai), Hiam (July 6th; see F, above), Pastuhov (July 8th, from Peiping). Departed: Hiam (July 8th, for Canada). Dropped Lytton (July 15th; preceded party to Kobe, by water from Yokohama), Haas (July 15th, preceded party to Kyoto), Young (July 15th; see I, below).
9th	Left Arr.	Tokyo Miyano-shita	Rail and motor			Aldrovandi, Claudel, McCoy, Schnee, Young, Blakeslee, Pastuhov, Jouvelet, Biddle.
9th to 11th		Miyano-shita				
11th	Left Arr.	Miyano-shita Tokyo				

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Date	Arrived or departed	Place	Means of travel	Remarks	Map symbol	Personnel
July 14th	Left Arr.	Tokyo Nikko	Rail and motor			Aldrovandi, McCoy, Schnee, Biddle.
15th	Left Arr.	Nikko Tokyo				
15th 16th	Left Arr.	Tokyo Shimono-seki	Rail		I	Young.
17th	Left Arr. Left Arr.	Fusan " Keijo	Water Rail	S.S.		
17th to 20th		Keijo				
20th 21st	Left Arr. Left Arr.	Keijo Kwainei " Lungching-tsun	Rail			
21st to 23rd		Lungching-tsun				
23rd	Left	Lungching-tsun	Air			
	Arr.	Kirin				
	Left Arr.	" Changchun				
24th	Left	" Dairen	Rail			
25th	Left	"	Water	S.S. Chōhei Maru		
26th	Arr. Left Arr.	Tangku " Peiping	Rail			Rejoined party.
16th	Left	Tokyo	Rail		4	Aldrovandi, Claudel, McCoy, Schnee, Dennerly, Pastuhov, Astor, Jouvelot, Charrère, Aoki, Biddle.
17th	Arr.	Kyoto				Rejoined by Haas (arrived July 16th, from Tokyo).
	Left	"				
	Arr.	Kobe				Rejoined by Lytton (arrived July 16th, from Tokyo).
	Left	"	Water	S.S. Chichibu Maru		
19th	Arr.	Tsingtao				
20th	Left Arr.	" Tsinan	Rail			Rejoined by Pelt (arrived July 19th; by air, from Peiping).
20th	Left	Tsinan	Rail			Aldrovandi, McCoy, Schnee, Haas, Pelt, Pastuhov, Charrère, Biddle.
	Arr.	Peiping				

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Date	Arrived or departed	Place	Means of travel	Remarks	Map symbol	Personnel
July 20th	Left Arr.	Tsinan Peiping	Air		4	Lytton, Claudel, Dennery, Astor, Jouvelet.
July 20th to September 4th		Peiping			4	Rejoined by : Angelino, Doriman, von Kotze, Wou (July 20th ; see E, above) ; Young (July 26th ; see I, above). Departed : Dennery (August 26th, for Paris via U.S.A.) ; Blakeslee (August 31st, for U.S.A.) ; Lytton, Aldrovandi, McCoy, von Kotze, Astor, Biddle (September 4th for Geneva, via Shanghai and Suez) ; Claudel, Schnee, Jouvelet (September 5th, for Geneva, via Siberia).