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CHINA'S LOAN NEGOTIATIONS

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It is the purpose of this paper to explain, if possible, three things: 1st, the significance of Chinese loans; 2nd, the importance of securing and retaining an American interest therein, and 3rd, the peculiar difficulties encountered in the recent loan negotiations.

Dr. Arthur H. Smith, in that able and interesting work "Chinese Characteristics," pointed out that those who, understanding the vernacular, walk in China's streets will hear the passersby talk of little save money. As it has been with the daily life of the people so it is today with the political life of the nation. The question of money is all important. For the last ten years, and especially in the past twelve months which witnessed China's wonderful transformation from the oldest empire to the youngest republic in the world, there has been an incessant discussion of Chinese loans.

China's Loan history may be divided into four periods—
The first, immediately after the Chino-Japan War—when funds were secured from abroad to pay the indemnity exacted by Japan at its conclusion.

The second, following the so called "leasing years" when the great powers encouraged their bankers to finance railway construction in the regions which they had marked out as their spheres of special interest, and when besides acting as the politico-financial agents of their Governments, these bankers secured for the industry of their respective countries the orders for the materials required.

The third, following the Russo-Japanese War, when likin was pledged as security for loans and when a combination to which the American Group was later admitted was formed by

British, German and French financiers for undertaking Chinese loans, and for sharing the orders for materials required for their construction.

The fourth, and present period, in which a combination has been effected between the four Groups named above and Russian and Japanese interests, for jointly financing the re-organization of the Chinese Government.

American bankers were first interested in Chinese finance in the second period, in the Hankow-Canton Railroad; for business, not for politics. Their rights were sold back to China who financed the repurchase by a loan obtained from the Government of Hongkong, which thus for obvious political, because geographical, reasons, secured for British interests a preferential right to finance the construction of this road in case foreign capital should later be required.

During the third period the American Group was organized and became associated with the British, German and French banking groups. The American Group, moreover, greatly contributed to the successful formation of the combination which marks the fourth period, a combination which is the financial expression of John Hay's "Open Door" policy, and which makes of international finance a guarantee for the preservation, rather than an instrument for the destruction, of China's integrity.

Before discussing the most recent phase of China's loan negotiations, however, and the manner in which the American Group at the instance of the Department of State made its entry into this field, it is necessary briefly to review the history of the past few years, and to consider the factors in the creation of what has been called "Dollar Diplomacy."

Because of this so called "Dollar Diplomacy," President Taft, and his Secretary of State, Mr. Knox, have been subjected to no small measure of criticism. The Administration one hears has formed an unholy alliance with the Octopus; and Wall Street, the property scape-goat of our national political drama, is accused of seducing a reluctant and hitherto well-

domesticated Government into the maelstrom of international financial adventure.

As if this were not sufficient, sober and intelligent journals have demanded why American capital should seek foreign fields when there is so much work to be done at home. Others admitting the desirability of foreign investment and the possible necessity of diplomatic support for those who undertake it, have objected to the Administration's assisting certain institutions in Wall Street instead of American bankers in general. It must be remembered, however, that the success of any association of American capitalists undertaking this business depends primarily on their being of such standing as to command respect from financial Groups abroad and upon their willingness and ability to bear the expense of representation through tedious and too often unremunerative negotiations. Without these qualifications American Bankers are not equipped to become the instruments which our Government requires to assist in the extension of our foreign trade.

Another section of the press hails each and every over-sea venture with indiscriminate enthusiasm and rhetorically preens the feathers of the Bird of Freedom, sneering at or condemning our rivals, and lauding American enterprise with an impartial disregard of the real facts.

There has been too much unjust criticism, too much unwarranted praise, and too general a lack of candid exposition and intelligent comprehension of the reasons for, and possibilities of, "Dollar Diplomacy."

"Dollar Diplomacy" is a logical manifestation of our national growth, and of the rightful assumption by the United States of a more important place at the council table of nations. Our export trade is constantly increasing and foreign markets are becoming each year more and more necessary to our manufacturers. The new policy aims not only to protect those Americans already engaged in foreign trade but to promote fresh endeavor and by diplomatic action pave the way for those who have not yet been, but who will later be, obliged to sell either capital or goods abroad.

European diplomacy is engaged in solving a maze of complicated questions immediately political, ultimately commercial in character. France, Germany, Russia, Italy, Austria and Japan are endeavoring to acquire fresh fields for colonization or to create preferential markets for their merchants. Great Britain with her world-wide possessions is involved directly or indirectly, in almost every international question that arises and with these powers too, diplomacy has for years been of the "Dollar" variety.

International rivalry of this character, however, is found only in those countries whose native administrations are either decrepit or which are still militarily too weak to secure that consideration, which, unfortunately, depends not upon international equity, but upon the power of self-protection. In such lands a Government desiring to secure a market for its nationals must because of the pressure of its competitors either acquire territory or insist on an equality of commercial opportunity. It must either stake out its own claim, or induce other interested Powers, to preserve the "open door." There is no middle course. This is a statement not of benevolent theories, but of political facts.

The people of the United States do not desire fresh territory over seas. The policy of our Government has been to secure for American merchants the "open door." American industry has until recently been too much engaged by our own domestic expansion seriously to set about the establishment of foreign markets. A far-seeing administration has therefore inaugurated a new policy, the alliance of diplomacy, with industry, commerce and finance.

This is "Dollar Diplomacy." It has been active in various ways. In South America it has aided our merchants and manufacturers. In Central America, politics have played a more important part, and the Department of State has attempted to bring about financial reform in these smaller republics, and to prevent the recurrence of the revolutions whose leaders have almost without exception been actuated

solely by a desire to acquire control of the national revenues. In China certain very tangible results have been accomplished and it is to give a more accurate conception of this much discussed, but little understood subject, that this paper is written.

Prior to 1894, China had practically no foreign debt. In 1894-1896, however, she borrowed extensively from England, France and Germany, to finance the war with Japan and to provide the indemnity which she was forced to pay at its conclusion. These loans were secured upon the collections of the Imperial Maritime Customs, a Chinese service under the control of that able Irishman, Sir Robert Hart. In 1898, however, China made a number of contracts for loans for railway construction, with British, German, French, Belgian and American syndicates. Under all these agreements the bankers were entitled to a certain share in the profits of the lines, which were themselves to be mortgaged as security for the loans, and provision was made in almost every case for joint foreign and Chinese management. The railway materials and rolling stock required were purchased from the manufacturers of the countries whose bankers undertook to issue these loans.

The cession of Formosa to Japan at the termination of the Chino-Japanese war, the occupation of Chinese territory by Russia, Germany, France and England, in 1897-8 and the exchange of "diplomatic notes" between these Powers regarding the protection of their respective interests in China, together with the signature of the railway agreements mentioned gave rise to a discussion throughout the European and American Press of the imminent breakup of China and the partition of this ancient empire into "spheres of influence."

In China the broad significance of these events was probably appreciated by but few, even of the leading statesmen of the time, but these men, nevertheless, and the gentry and official classes throughout the provinces felt that their country was becoming dominated by the foreigner. Seaports had been wrested from them, and, not content with this, the

strangers were binding their helpless motherland with rails of steel.

For some years prior to 1898, the Empress Dowager had been in comparative retirement. The attempt of the young Emperor, Kuang Hsü, however, under the advice of Kang Yu Wei, suddenly to introduce widespread reform, brought this redoubtable lady to the front once more. Popular discontent, fomented by bigoted and ignorant officials was winked at if not encouraged by a Court which feared that the extension of Western influence might bring about administrative changes which would curtail their opportunities for illicit gain. The Boxer Outbreak was the result, and in 1900 the reactionaries made one last attempt to sweep the foreigner into the sea. Peking was occupied by the allied troops, the Manchu Court fled to Sianfu, and China was saddled with a fresh debt of about £60,000,000. to pay for her mid-summer madness. This was charged upon the Maritime Customs, upon certain likin collectorates and upon the salt gabelle.

In 1898-1899 the American Secretary of State, John Hay, anxious to prevent the partition of China and to protect the interests of general foreign trade against discrimination in the portions of Chinese territory already occupied by foreign powers, enunciated his "Open Door" policy. His proposition, favorably received at first and reaffirmed in the negotiations which followed the relief of Peking, won the adherence of other nations not because of any particular consideration for China but because of their mutual jealousy and their realization that partition would impose upon them responsibilities which they might find it difficult to bear.

They did not therefore surrender the ports which they had forcibly leased, but their acceptance of the "Open Door" doctrine nevertheless marked the beginning of a financial and commercial, rather than territorial, definition of their respective interests. The Russo-Chinese Bank had been created in 1895 as the chief instrument of Russia's ambition in her Manchurian adventure. This institution and the Hongkong & Shanghai

Bank, the Deutsch-Asiatische Bank, the Banque de l'Indo-Chine and the Yokohama Specie Bank, now became more and more generally recognized as indispensable financial means to the political and commercial ends of their respective Governments.

In contrast to the peaceful rivalry in China proper, the situation in Manchuria became more and more threatening. Russia despite her diplomatic assurances to the contrary did not evacuate this region occupied after the Boxer trouble. She persisted moreover in an attempt to acquire control over northern Korea as well, until Japan, avowedly the champion of China's integrity and the "Open Door" for the trade of all nations, declared war.

Relieved by the defeat of Russia Peking breathed more easily. This satisfaction, however, was short lived, for the Chinese soon became convinced that Japan not unnaturally intended to reap for herself and not assure to China, the fruits of her splendid victory. She had taken from Russia the Liaotung Peninsula, from which she had herself been ousted after the China-Japan War. More than that, she succeeded to Russia's rights in the railway running north from Port Arthur and in the coal mines at Fushun.

When His Excellency Yuan Shih Kai, now President of the Chinese Republic, went to Tientsin as Viceroy of Chihli Province, he had with him a number of officials, notably Tang Shao Yi and Liang Tun Yen, who had been recalled from America in the early 80's, but who had not after their return to China been given much share in the direction of affairs. Yuan soon found himself at the head of what might be called a "Reform" party, and these subordinates of his, able, accomplished and well versed in American and European methods greatly aided him in instilling new force and intelligence into the Peking Government. Administrative reforms were demanded, the Chinese Press, hitherto practically non-existent, began to assert itself, and young men educated abroad returned to direct a "rights recovery" agitation which soon developed

anti-Manchu propaganda and which found its final expression in the revolution of last year.

Peking became concerned about Japan's activity in Manchuria. Their Excellencies Hsü Shih Chang and Tang Shao Yi were sent to Mukden to establish, if possible, Chinese authority throughout the Three Eastern Provinces, and to exercise the right to develop this region under Chinese auspices, assured by the Portsmouth Treaty and the so-called Komura Convention, signed between China and Japan in the autumn of 1905.

They had no intention of interfering with the treaty rights acquired by Japan, but they wished, if possible, to induce British, German, French and American capitalists to invest in the development of this region.

In the autumn of 1907, Lord French, representing Messrs. Pauling & Company, the well known firm of English contractors signed with the Manchurian Viceroy a contract for the construction of a railroad from Hsinmintun a point on the Peking-Mukden Railway, to Fakumen, with the ultimate object of extending this line north to Tsitsihar on the Chinese Eastern Railway. Japan protested on the ground that the construction of such a road would violate the provisions of the secret protocol attached to the Komura Convention, stipulating that China should build no railway parallel to or competing with, the South Manchurian Road.

Subsequently in the summer of 1908, His Excellency Tang Shao Yi signed a Memorandum of Agreement for a loan of \$20,000,000., to be undertaken by American capitalists for the establishment of a bank which was to act as the financial agent of the Manchurian administration for development work. This marked the beginning of the negotiations which led to the organization of the American Group, the signature of the Chinchou-Aigun Railway Loan Agreement, the conclusion of the Currency Loan and the formation of the present Six Power Group.

In May 1908 Congress had approved President Roose-

velt's recommendation that the United States return to China a portion of the Boxer indemnity. Senator Root, then Secretary of State, and His Excellency W. W. Rockhill, then American Minister to China, suggested that the remitted funds should be expended in financing the education of Chinese students in the United States.

His Excellency Tang Shao Yi was appointed Special Ambassador, ostensibly to thank the American Government for its generous action. His real mission was to negotiate the Manchurian Loan with American bankers. On arriving in Washington, however, he advocated a much more comprehensive scheme. He proposed to Secretary Root that China should issue a loan of \$300,000,000. to be utilized for a programme of industrial development, for currency reform, and to finance the Chinese Administration during the period following the intended abolition of likin and until the consent of all the Powers to an increase in the customs tariff was obtained. Mr. Tang desired an international loan in which he wished the United States to take the lead and Mr. Root promised to support this plan. With the authority of Mr. Root and the sanction of President Roosevelt the matter was brought to the attention of American bankers, but it was necessary temporarily to abandon the project owing to the dismissal of His Excellency Yuan Shih Kai from the high office which he then held in Peking.

Following the inauguration of Mr. Taft, however, the President and Mr. Knox became keenly interested and the Department of State desired, as soon as an opportune moment should arise, to reopen the question of customs revision and likin abolition, as well as currency reform, in accordance with the stipulations of our Commercial Treaty with China of 1903. With a view to taking up the proposed loan at the proper time, the American bankers, who had been interested, closely followed the situation.

In May 1909 it became known that the British, French and German financial groups were about to conclude an agreement,

to be secured on provincial revenues, for the construction of the Hukuang Railways, *i.e.*, the lines from Hankow into Szechuan and from Hankow to Canton.

The Department of State held the promise of the Chinese Government that if any foreign money were required for the construction of the Hankow-Szechuan Line one-half should be secured from American and one-half from British capitalists. The fact that internal taxes, upon whose abolition the contemplated increase of the Maritime Customs tariff depended, were being pledged as security for the new railway loan, directly affected the fulfillment of the engagement which the Department of State had made to assist China in obtaining from the other Powers their consent to customs revision.

In order, therefore, that the United States might be entitled to a practical, and not a merely theoretical, voice in this matter, as well as to assure to American manufacturers a share in the profits of Chinese railway construction and the business arising therefrom, it was essential that representative American capitalists should participate in the Hukuang Loan. The Department of State offered this opportunity to the bankers already interested in the loan proposed by Mr. Tang Shao Yi and the American Group was organized creating an instrument which it was hoped might enable the Administration not only to further the interests of American trade but effectively to assist China in obtaining the consent of the Powers to the customs revision she so greatly desired.

In the autumn of 1909, immediately following the organization of the American Group, a preliminary agreement was entered into with the Viceroy of Manchuria, by the American Group and Messrs. Pauling & Co., for the construction of the Chinchou-Aigun Railway. Much has been written regarding this subject and in Europe especially, our Government has been criticized for the so-called Manchurian "Neutralization Proposals" advanced toward the close of 1909, and which were politely declined by Japan and Russia at the beginning of the following year. Although the story of the inception of this

project does not perhaps fall directly within the scope of this paper, it may be well here to recite certain facts in connection therewith which, had they been known, might have given a very different complexion to journalistic comment at the time.

The scheme of bringing the Russian and Japanese railroads in Manchuria under the control of a great international company was first conceived by the late Mr. E. H. Harriman, as a factor necessary to the realization of his dream of creating a "round the world" transportation system.

At the close of the Russo-Japanese War, Mr. Harriman visited the Far East. In September, 1905, working closely with the Hon. Lloyd Griscom, then American Minister to Japan, he drew up with the late Prince Ito and Count, now Prince, Katsura then Premier of Japan, a memorandum stipulating that the portion of the Chinese Eastern R. R. from Kwangchengtze to Port Arthur and Dalny (now known as the South Manchurian Railway), which had been acquired by Japan from Russia under the provisions of the Portsmouth Treaty, should be financed by an American loan and operated under joint Japanese and American direction.

This project was never realized. It was blocked by the late Marquis Komura, who, raised what appeared to be insuperable objections to Mr. Harriman's plan.

Mr. Harriman however, did not give up his idea. Agents of the Russian Government during 1906-1907 proposed to certain American bankers that they purchase from Russia the portion of the Chinese Eastern Railway which remained in Russian hands at the end of the war, *i.e.* the line running across Northern Manchuria, with its branch from Harbin south to Kwangchengtze. The Russians stated that they were willing to sell in case Japan also could be persuaded to dispose of the South Manchurian Railway.

In this connection it should be remembered that the agreement between China and the Russo-Asiatic Bank for the construction of the Chinese Eastern Railway, provided that China might repurchase the line after 36 years and that it

would in any case revert to China at the termination of an eighty year period.

Japan under the Komura Convention had been recognized by China as successor to the Russian rights, under this agreement, to the portion of the road acquired after the war.

It was proposed therefore that an international syndicate should anticipate the operation of this clause and repurchase the line on China's behalf, at this time, rather than later.

The scheme was discussed with Mr. Tang, during his stay in Washington, in the autumn of 1908 and he expressed the opinion that China would be glad to co-operate. An important Japanese financier who had been informally advised of the plan, however, stated that Japan would be unwilling to acquiesce therein.

Notwithstanding this fact the negotiations with Russia were continued and, in the summer of 1909, Mr. Harriman, through a leading Paris banker, approached M. Kokovtseff, then Minister of Finance, now Premier, of Russia, and was assured that on his return from a trip to Vladivostock, upon which he was about to start, M. Kokovtseff would recommend the sale of the Russian Railway. This he did in a public address on his return to Moscow.

The existence of the Harriman memorandum, and the attitude of the Russian Minister of Finance aside from the broader political considerations involved, justified the American proposals. An entente had been arranged between Japan and Russia, however, in 1907. Both powers were greatly disturbed by the neutralization scheme and thanks to the understanding reached by M. Isvolsky the Russian Minister for Foreign Affairs, and Baron Motono the Japanese Ambassador in St. Petersburg, they refused to join in Secretary Knox's plan. Russian objections to the Chinchou-Aigun project, as well as the conditions imposed by Japan as precedent to her participation therein, moreover prevented the construction of this road.

Furthermore lest there should be any further misunder-

ing as to their attitude these powers in the convention of July 4th, 1910 agreed jointly to safeguard their respective interests in Manchuria—an arrangement which, though undoubtedly a natural one, was not, it must be admitted, calculated to assure to China herself the right to develop this territory.

In May, 1910 an arrangement was reached with the French, German and British Groups for the participation of the American Group in the Hukuang Loan. At this time the three groups first mentioned invited the American Group to join them in the combination which they had effected the year before for undertaking Chinese loans.

This invitation was later accepted and an intergroup agreement was signed in November 1910.

On October 27th of that year the American Group had concluded a preliminary agreement for a £10,000,000. loan, to finance China's currency reform and to undertake certain industrial enterprises in Manchuria.

When the American Group was first organized, and actively supported by the State Department, was seeking participation in the Hukuang Loan, Secretary Knox had declared that the American Government believed that the interests of China and of international trade with that country could best be served by the friendly co-operation of the great lending nations and their banking groups.

It was in pursuance of this policy that the American Group entered into the combination with the other groups and admitted them to equal participation in the Currency Loan, the final contract for which was signed on April 15th, 1911.

The final agreement for the Hukuang Loan was also signed with China by the same parties on May 20th of that year.

In the present negotiations with China for the Reorganization Loan, as in fact in all loan negotiations during the past few years, the banking groups have found their greatest difficulty in the settlement of the question of "control." It may be well therefore before giving the story of the recent negotiations to review briefly the history of this much discussed term.

The word "control" has for some time commonly been used to denote the guarantees against improper expenditure of loan funds which the banking groups, in a greater or less degree, have insisted upon securing and to which the Chinese Government has from time to time reluctantly agreed, and constantly endeavored to modify.

"Control" in the at present accepted sense of the word was first embodied in the Agreement made by the Chinese Government in 1898, with the British and Chinese Corporation, for a loan to the Imperial Railways of North China.

Under this Agreement, and in several others concluded at about this time, the lenders, besides securing a first mortgage on the railway whose construction they financed, were entitled to a share in the profits of the line.

For this reason and also because of the inexperience of the Chinese in railway matters, the bankers required assurances that the loaned funds should be so expended that the mortgaged property would constitute a sufficient security.

They furthermore obtained a certain share in the management of these lines in order that there should be secured therefrom an adequate return, (to a certain percentage of which the Banks were entitled) and to prevent the administrative inefficiency and fraud which they feared if the operation of these railways were placed entirely in Chinese hands.

The original railway loan agreements embodying the provisions above described were all concluded prior to the Boxer outbreak of 1900.

The final Shanghai-Nanking and Canton-Kowloon Agreements (the Canton-Kowloon Agreement slightly modified the "Shanghai-Nanking" terms) confirming these stipulations were signed in 1904 and 1907 respectively. The Tientsin-Pukow Loan Agreement concluded in 1908, however, substantially altered these conditions.

Its signature marked the first recognition by the Banks of the increasing efficiency of the "Young China" party. These men demanded the radical modification of the old loan terms.

They considered "control" subversive of China's sovereign rights and flattered by the blandishments of rival foreign interests, they were determined to exact from the World a consideration similar to that accorded Japan after years of patriotic self-sacrifice and conscientious endeavor. The avowed purpose of these officials to weaken the hold of the foreigner on China was heartily applauded throughout the provinces. It served as a patriotic issue on which an appeal could be made to the masses and a cloak under which the provincial gentry could cover their real purpose, which was to restrict the extension of the Peking Government's authority by railways built with foreign loans, or otherwise, and their determination that if foreign loans were made, the chances for speculation should not be monopolized by the metropolitan mandarins.

Under the Tientsin-Pukow contract the Chinese Government, by a cash payment redeemed the right held by the Banks under the original agreement signed in 1898, to a share in the profits of the Railway. No mortgage on the line was given. The loan service was to be met from the earnings of the road or from certain provincial taxes; and in this Agreement it was for the first time stipulated that, in case of default on the loan service, the hypothecated revenues should be administered by the Maritime Customs Service. The principle of joint management was abandoned. The Banking Groups, however, insisted that the Chinese Government should employ foreign engineers for the construction of the line, and during the life of the loan, and that requisitions on loan funds specifying the purposes for which these sums were to be applied should be signed by the Director General. The construction accounts of the railway were to be open to examination by foreign auditors to be appointed by the Banks. Under former loan agreements the auditors had been empowered to stop the withdrawal of funds in case the Chinese officials were found guilty of speculation. This authority was not conferred by the Tientsin-Pukow contract and the effect of this modification soon became apparent.

The so-called "Tientsin-Pukow" terms did not prove to be an effective guarantee against "graft."

From the commencement of the construction of this line there have been numerous scandals, the most flagrant instance resulting in the degradation of the Director General and a number of his subordinates. The cost of construction has far exceeded even the most liberal estimates, and the loan service will therefore constitute a heavy charge on the revenues of the line.

Owing to the unsatisfactory operation of the so-called "Tientsin-Pukow" terms, negotiations were conducted in the winter of 1908-1909 between the British, German and French Groups and their respective Governments with a view to reaching an understanding as to the degree of "control" to be demanded from China as a condition precedent to future loans.

There are different versions as to the exact course of events in China at this time. It is, however, sufficient to state that in conducting *pour-parlers* with the Chinese authorities for a loan to construct the Canton-Hankow Railway,* the representative of the British and Chinese Corporation at Peking refused to agree to "Tientsin-Pukow" terms and insisted on more effective "control". The representative of the German Group, however, accepted these conditions and secured the contract. The diplomatic protests and recriminations amongst the bankers which followed resulted in a compromise under which the British and Chinese Corporation was subordinated to the Hongkong and Shanghai Bank, which with its French associates, combined with the German Group, to negotiate a loan to cover not only the Hankow-Canton but the Hankow-Szechuan Railways. The Agreement was initialled on the 6th of June 1909 and the "control" provisions accepted by the Banks were similar to those embodied in the Tientsin-Pukow Agreement.

*British capital had obtained a "preference" for financing the construction of this road. (See § 3, Page 2)

The inclusion of the loan for the construction of the Hankow Szechuan Railway in this operation entitled American interests to the participation which the American Group eventually secured.

Rivalry between the British and German Groups had enabled the Chinese in the original Hukuang Agreement to secure "Tientsin-Pukow" terms despite the fact that the operation thereof had demonstrated that more stringent "control" provisions were needed.

Furthermore, during the year which elapsed before an agreement was finally reached between the British, German and French Groups and the American Group, there was an ever-increasing "anti-loan" agitation in the provinces through which the Hukuang lines were to be constructed. Provincial Railway Companies* were formed and secured from the vacillating Peking Government rights which violated the terms of the Agreement initialled with the "Tripartite Banks," and in which the Chinese had agreed the American Group should be given a participation.

The National Assembly, the forerunner of the proposed Chinese Parliament was convoked for the first time in the autumn of 1910. Its members from the outset interested themselves in the question of finance and showed a determination to scrutinize government expenditures, which the bankers felt would serve to restrict, even though it might not prevent, official speculation.

The National Assembly, moreover, was entitled to pass upon all Government loans and was known to be opposed to a foreign loan for the construction of the Hukuang Railways by the

*Considerable sums, quite insufficient however to build the railways in question, were secured by popular subscription, and in Szechuan province by taxation also. Construction work was commenced, and abandoned, and in a number of well authenticated cases the funds obtained by the companies were either lost by the Directors thereof, who speculated heavily in the Shanghai "Rubber Boom," or stolen by more simple and direct methods. The demonstrated inability of the Provincial Companies to do the work they had undertaken was used by the Imperial Government to justify its very sound policy of Railway "Nationalization."

Central Government, instead of by the Provincial Companies. Sheng Kung Pao, Minister of Communications, was determined, however, to build the Hukuang lines, and in response to the protests of the Assembly he pointed out that in negotiating the loan in question, he was fulfilling an obligation entered into in 1909, prior to the convocation of the Assembly, by the Grand Councillor Chang Chih Tung. He was obliged therefore to adhere as strictly as possible to the terms of the original contract, and would not and could not have consented to any new "control" conditions at this time.

In this arrangement the Bankers acquiesced, feeling that the punishment inflicted after the Tientsin-Pukow frauds and the surveillance of the National Assembly over the expenditure of loan funds, as well as the difficulties by which the Central Government was confronted, justified them in confirming the "control" provisions of the original agreement.

The Currency Loan was of a different character, coming under the head of "Government" or "administrative" loans. Practically the only loans previously falling within this category had been required to pay indemnities abroad and there was no necessity therefore that the lenders should exercise "control" over their expenditure. The Currency Loan, however, was to carry out a definite programme and not for general administrative purposes. The four Banking Groups now acting in harmony believed some form of supervision to be necessary, and it was thought that the "control" machinery devised for railway loans, could, with certain modifications be utilized for assuring the proper application of the borrowed funds under the Currency Reform Programme.

The Chinese had reluctantly agreed to various control provisions in Railway Loan Agreements, but they feared that to admit the principle of supervision over administrative expenditures would be to pave the way for foreign control over China's general finances. An arrangement was finally made, however, whereby China submitted to the Groups her programme of Currency Reform for their acceptance, and agreed to expend

the loan funds only in accordance therewith, to publish quarterly reports of disbursements made, and to engage a foreign expert to assist the Bureau of Currency Reform.

The loan has not been issued but it is open to question whether this "control," in practice, would have prevented speculation, and insured the proper expenditure of loan funds, and the effective operation of the Currency Reform Programme.

Immediately following the outbreak at Wuchang, on October 11th, 1911, which marked the beginning of the revolution* in China the representatives of the four banking groups in Peking were approached regarding a loan to the Imperial Government. The Manchus, however, seemed unable to cope with the rapidly developing revolt and the Groups were unwilling to advance funds to a government whose continued existence seemed problematical. Their Governments moreover decided to observe absolute neutrality as between the contending factions and refused to approve any loans to either side. The financial history of the Revolution has been ably told by Mr. George Bronson Rea in the *Far Eastern Review* and in this account those who are interested may read of the various negotiations, practically all of them unsuccessful, undertaken by both the Imperial and Republican authorities during this period.

*It has been generally stated that the disturbances in Szechuan province in August and September last marked the beginning of the revolutionary movement. This is not the case except that the general unrest created thereby contributed to the rapid spread of anti-Manchu sentiment. The Szechuan agitation is said to have been directed against the "Nationalization" of Railways, and the Banking Groups therefore have been accused of being the indirect cause of the revolt. This again is not true. The agitation was not against Railway "Nationalization" which the most intelligent leaders of Chinese public opinion recognized as desirable, but against the manner in which it was carried into effect. Shung Kung Pao, the Minister of Communication, upon the signature of the Hukuang Loan Agreement took steps to repurchase the rights of the Provincial Companies in accordance with the "Nationalization" plan. Incidentally, it is reported on the best authority, he bought up the major portion of some of the Provincial bonds, and offered to redeem them at par. He did not acquire control of the Szechuan bonds and therefore offered only 60 per cent on the face value. Hence the riots.

The Prince Regent of China retired on December 6th, 1911, turning over the reins of government to Yuan Shih Kai, whom he had dismissed three years before at a time when he stood out, as he does today, as the only man capable of coping with China's domestic troubles and the difficulties by which she is threatened from abroad.

The Emperor abdicated on February 12, 1912, and on March 10th Yuan Shih Kai was inaugurated as provisional President of the Chinese Republic.

The present loan negotiations with the Chinese Government were commenced in the middle of February, when the acting Minister of Finance, His Excellency Chou-Tzu-Chi, approached the representatives of the so called "Four Groups" (*i. e.*, British, German, French and American) at Peking, and asked for an immediate loan.

On February 26th, Mr. Tang-Shao-Yi, representing the Republican Authorities at Nanking, arrived in Peking for the purpose of arranging a Coalition Government. On the following day, at Mr. Tang's invitation, the representatives of the Four Groups discussed with him the question of the loan broached some days before.

Mr. Tang stated the immediate requirements of the Chinese Government, and requested the representatives to ask their Groups to finance the same. In addition he discussed the Chinese Revenues available as security for a large loan to reorganize the Chinese Administration, and to initiate a scheme of commercial and industrial development. He asked the representatives how much China could borrow on this security, and finally, himself suggested the figure of £60,000,000, which he wished the Banks to loan in five annual instalments of £12,000,000 each.

Pursuant to Mr. Tang's request for an immediate advance, the Groups on the following day paid in Shanghai the sum of Taels 2,000,000, to meet the urgent requirements of the Nanking authorities.

The four representatives had reported Mr. Tang's request to their principals in Europe and America.* No reply had been received when on the night of February 29th a number of the Chinese Troops quartered in Peking mutinied, looted and burned portions of the city, and openly defied the authority of the Provisional Government. On the following day, March 1st, it was suggested to Mr. Tang that it would be desirable that he should make some statement to reassure the Groups who were considering his proposition, regarding the probable effect of the outbreak, and the ability of the Government to cope therewith.

Mr. Tang's explanation was unsatisfactory, and the burning and looting continued on the night of March 1st. On March 2nd, acting under instructions from Yuan-Shih-Kai, the acting Minister of Finance requested from the Four Groups an immediate advance of 1,015,000 Taels. He stated in his letter that the President appreciated that in view of the critical state of affairs in Peking, the Groups would not be prepared to lend this money without the authority of their Governments, and requested the representatives to secure the necessary sanction from their Ministers as soon as possible.

Though Mr. Tang in order to justify the signature of the "Belgian loan" subsequently stated that the Groups had refused to render assistance when approached after the mutiny of February 29th, no other requests for immediate advances other than that mentioned above was received by the Groups at this time.

The seriousness of the situation at this time is shown by the fact that on the same day Mr. Tang-Shao-Yi had addressed a note to the British Minister stating that he feared the Peking

*A number of writers on this subject have stated that on February 27th the Group representatives made a definite agreement to furnish certain sums. This is not true. The Group representatives merely agreed to report Mr. Tang's proposition to their principals. They did, however, in view of the urgent need of funds in Nanking (it was feared that the troops might mutiny if not paid immediately) themselves assume the responsibility of making the advance of Tls. 2,000,000, referred to in the final paragraph of the preceding page.

Authorities would no longer be able to control the situation, and requesting the Diplomatic Corps to take steps to assist the Chinese in preserving order. Yuan-Shi-Kai later denied having authorized Mr. Tang to take this action.

On March 9th the necessary authority having been received from the Four Governments, the Groups advanced the sum requested under an exchange of letters, which

1. Assured to the Groups the firm option for furnishing "the further monthly requirements of the Chinese Government for the months of March, April, May and June, and if necessary, July and August" and

2. In view of the assistance rendered the Chinese Government in advancing the sums mentioned above as well as in undertaking the contemplated advances for monthly requirements and maintaining Chinese credit on the markets of the world. (by paying Chinese loan interest coupon charges which the Chinese Government itself had been unable to meet), the Chinese Government assured to the Groups the firm option on the Reorganization Loan (provided their terms were equally advantageous with those otherwise obtainable).

From the proceeds of this projected Reorganization Loan it was intended to redeem the Treasury Bills, which were to be issued to cover the advances.

So urgent were the needs of the Chinese Government, that the Four Groups did not at this time arrange the terms upon which they would discount these Bills, it being impossible to settle this point until after the Conference in Europe of the Four Groups, which had been called for March 12th.

The terms on which the Groups were prepared to undertake this business were not, however, communicated to the Chinese Authorities, for on the evening of the 14th the four representatives learned that an agreement had that morning been con-

cluded with the so-called "Belgian Group" for a loan of £1,000,000 carrying an option for a further large loan.*

This transaction was completed at a time when the President and Mr. Tang knew that the representatives were hourly expecting a definite reply from the Four Groups to the proposals made by Mr. Tang on February 27th.

The signature of the "Belgian Loan" was virtually the first official act involving the new Administration's relations with foreigners. It was a clear breach of contract. The Groups, more especially the British, French and German, had since the outbreak of the Revolution in October, been themselves advancing funds to pay interest charges on Chinese Loans which they had issued. They had done this to protect the public to which they had sold Chinese Bonds, and to protect the credit of China where they had very large vested interests.

Despite the chaotic conditions prevailing throughout the provinces, and the absence of any really effective authority in Peking the Groups with the support of their Governments had been ready to advance to China funds sufficient to put the Peking administration on its feet at a time when no public issue of Chinese Bonds was possible, in order to do their part in assisting the restoration of stable conditions.

The signature of the Belgian Loan, however, affected the security for the large loan which the Groups had been asked to undertake—and it carried no guarantee whatsoever that the funds furnished or to be furnished would be properly expended, it increased China's liabilities without insuring any increase in the effectiveness of her administration and instead of rehabilitating, it was calculated to prejudice, her credit.

*The Belgian loan was secured on the Peking-Kalgau R. R. the earnings of which together with the earnings of other "productive enterprises" controlled by the Board of Communications, had been pledged as security for the Anglo-French loan of 1908. The British and French Ministers successfully protested against the alienation of this security. The price paid by the Bankers for the Belgian loan was not as high as that which the Four Groups were ready to give—but there were no "control" provisions in the contract.

The "Belgian Loan" Contract had been drawn subject to ratification by the "Advisory Council" at Nanking.

Despite the protest made by the Four Group representatives on March 15th, Mr. Tang urged, and finally persuaded, the Council to ratify this agreement, on the ground that the Four Groups had refused to assist China after the outbreak of February 29th. There is no evidence that Mr. Tang at this time informed the Council of the assistance which the Groups had rendered, and were prepared to render, or of the existence of the letters of agreement of March 9th.

The British, German, French and American Ministers on March 25th formally protested against the conclusion of the "Belgian" loan. Mr. Tang Shao Yi, then Prime Minister in the newly organized Cabinet nevertheless attempted to secure further funds from the "Belgian" Group. This failing, the Chinese Government on April 15th replied to the Minister's protest describing the signature of the "Belgian" Loan—and the violation of the letters of agreement of March 9th, as a "misunderstanding" and requesting the Ministers to instruct the Group representatives to resume negotiations with the Premier on his return to Peking.

The Four Ministers refused to accept the explanation offered, and insisted that the Government should admit its breach of contract with the Four Groups.*

This condition was accepted and negotiations were resumed. During the next few weeks the Groups paid over further amounts, making the total sum advanced 12,100,000 taels, or approximately £1,800,000. Agreements, covering these later advances were signed on May 17th, and June 12th under which, after considerable difficulty, the Chinese had been persuaded to agree to the safeguards which the Groups considered essential to assure the application of the loan funds

*The "Belgian" Group included the Russo-Asiatic Bank which was later designated by the Russian Government to participate in the "Six Power" Syndicate. Under the Paris agreement of June 20th, 1912 the members of the "Belgian" Group were recognized by the combination as members of the "Russian" Group.

to the payment of troops and to the other purposes for which they were borrowed.

At the request of their respective governments the original four Groups with the approval of Yuan Shih Kai had agreed to admit banking interests designated by the Russian and Japanese Governments, to a participation in these transactions, and after protracted and most delicate negotiations an agreement was reached between the six Groups on June 20, 1912, in Paris, regarding the conditions upon which they were prepared jointly to undertake the proposed Reorganization Loan to China.

The Groups were presented with the problem of financing the reconstruction of China on conditions which would be attractive to the bond purchasing public despite the disorganized condition of that country. To appreciate the difficulties which they were obliged to take into consideration, it is necessary to summarize the situation existing at this time.

They had been requested by China to furnish roughly 10,000,000 Taels or £1,300,000 a month for six months and to provide other sums making the aggregate amount to be advanced 80,000,000 Taels or about £10,000,000.

It would have been impossible to issue a Chinese loan at this time except at a figure so low as to prejudice the quotations for Chinese bonds already on the market, in the hands of the public, not of the Groups. To furnish the sums immediately required therefore the Banks would have been obliged to discount, Treasury Bills, which they would have either had to hold themselves, or dispose of to a very limited *clientele*.

These advances were required to pay the army, to finance the disbandment of superfluous troops, and to meet the current expenses of the Government. The large loan was to be expended to redeem the Treasury Bills, to clear off arrears in China's indemnity and loan services, and to meet certain pressing outstanding obligations. Mr. Tang proposed to use the balance to make up the loss of likin, which he desired immediately to abolish, pending the consent of the Powers to an increase in the customs tariff. In addition he had certain vague

schemes for railway construction, afforestation, and the establishment of mills of various sorts.

For the advances and large loan requested the Chinese Government proposed to pledge the Salt Gabelle as security. The service of the Boxer Indemnity is a first charge on this revenue. It was estimated however that it now yields Tael 47,000,000 per annum—and could be increased to at least half as much again if honestly collected.*

The Chinese Government at this time was powerless to collect the taxes which it offered as security and was unable to meet indemnity and loan payments, to pay troops or to finance its current administrative expenses and its permanence was by no means assured.

During the course of the negotiations, from February to June the Chinese officials had shown little appreciation of the magnitude of their financial task and had evinced little ability in dealing effectively therewith.

The Groups nevertheless had advanced Tael 12,100,000 in order to enable the administration to meet its most urgent needs and to prevent the disorders and mutinies which it was feared would occur unless funds, which the Government could not secure from its own people, were obtained.

These advances had been made subject to certain conditions to insure their proper application to the purposes for which they were borrowed yet the Chinese officials charged with their expenditure had placed every obstacle in the way of a proper and efficient audit, to which they had agreed.

Patriotic Chinese, proud of their Republic and hopeful and confident of its future may regret the necessity of including such facts in this statement. These men, however, if they be fair minded, must admit that the Banking Groups, no matter

*Experience at Tientsin and Tsingtao has shown the enormous increase that might be obtained were this tax properly administered. In Tientsin a single station under the foreign managed "Provisional Government" temporarily installed after the Boxer outbreak, collected in six months as much revenue as the entire district had yielded in a year. At Tsingtao the collections of a station placed under foreign direction were at once increased six-fold.

how friendly they might be to China, would not have been warranted in disregarding them.

Because of these facts the Groups were unwilling to undertake the business without the joint support of their respective Governments. Because of these facts, moreover, they deemed it possible to proceed with advances and to undertake the Reorganization Loan only on certain conditions which were briefly as follows:—

First, That the Groups should have the right to satisfy themselves as to purposes for which funds were required.

Second, That China should herself create a system of audit in which foreigners should be employed with powers not merely advisory, but also executive, so as to ensure the effective expenditure of funds borrowed for the purposes specified.

Third, That the salt taxes to be hypothecated for the service of this loan should be administered either by the existing Maritime Customs organization or by a separate Chinese service like the Customs, however, under foreign direction, thus safeguarding the proper administration of the security despite the possible continuation or recurrence of unsettled conditions in China.

Fourth, That the Groups should take the first series of the loan of £60,000,000, at a fixed price, and should be assured an option on the subsequent series at a price to be based on the market quotation of the first issue, thus giving China the benefit of any improvement in her credit.

Fifth, That to protect the quotation of bonds issued and to assure a successful marketing of subsequent series China should not borrow through other Groups until after the entire loan of £60,000,000 had been issued.*

Sixth, That for a period of five years China should appoint the Groups its Financial agents to assist the Administration in its work of Reorganization.

*In the contract for the so-called "Crisp" loan of £10,000,000, China agreed to a stipulation which virtually prevented her from borrowing, except through the Crisp syndicate, for the period of one year or until the loan had been issued in entirety.

These conditions were submitted to the Chinese Government and in reply the Group representatives in Peking were informed that it would be impossible for China to accept a loan on such terms. Negotiations, however, though interrupted, were not formally broken off, and from the end of June discussions were continued between the Chinese officials and the Group representatives, but without result.*

The difficulty was not a question of the price at which the Bankers should take the bonds. It was the question of "control." The Chinese particularly objected to placing the Salt Gabelle under the Maritime Customs, or any foreign directed service, to the creation of a proper audit department and to appointing the Groups Financial Agents.

It has of late years become the fashion, particularly among officials, who like Tang Shao Yi, and Liang Tun Yen served for a short time in the Maritime Customs to criticize Sir Robert Hart and his administration. Mr. Drew will give you an account of the life and work of this man, one of the truest friends China ever had.

The younger men, however, forget his splendid service—they do not realize that he did much to save their country, for them, from foreign aggression, and it galls them to admit that for years the Customs Service has been, and is today, with the exception of the Postal Service, also created by Sir Robert Hart, the only branch of their entire Government which can, if judged by Western standards, be termed efficient.

The suggestion that the Salt Gabelle should be put under the Maritime Customs therefore, was refused, nor would the Peking authorities agree to create a similar organization to undertake this work. Chinese and many foreign critics have pointed out that the Customs Service functions at the ports—and that it would therefore be unsuitable for the collection of internal revenue. The Postal Service also under

* In a letter dated July 9th addressed to the Group representatives, the Minister of Finance stated that China could not agree to the Group's terms and would be obliged to borrow elsewhere. *Pour-parlers* were, however, reopened shortly afterward.

foreign direction, however, has been successful in its work, conducted throughout China, while customs officials have shown great ability in dealing with likin collectorates and in solving customs problems in the interior of Manchuria.

The Groups have not insisted upon the exact form the proposed administration should take. They have, and do, believe that the salt gabelle does not constitute, and cannot be considered, an adequate security unless by placing these taxes under a Chinese Government Service,—but with foreign direction, inspectors, and auditors,—an efficient and honest collection be assured.

In the present state of China when the Peking administration has by no means established its authority—when cabinets are formed and dissolved with kaleidoscopic rapidity, when revenues are not being collected, and when there are large bodies of armed men throughout the country, ready at any time to break into open revolt—the Groups felt that before engaging to undertake so large a loan as that requested, they should be able to be in a position to guide and advise China in her reorganization work, the success of which depends primarily on sound finance. It was for this reason that they asked to be appointed Financial Agents.

Many of the leading men in Peking have privately recognized the wisdom of the Group's conditions and the advantages to be gained should China accept them. Officially, however, these gentlemen have not dared recommend their adoption, fearing that their political opponents might make any concession to the foreigner the excuse for stirring up an agitation which they would be powerless to quell.

Hoping to obtain less onerous terms the Minister of Finance in July last proposed that the Groups should continue advances to be redeemed from a loan of £10,000,000.

This sum, however, would have been scarcely sufficient to meet China's immediate outstanding obligations. The safeguards which were suggested by the Chinese moreover were inadequate. A transaction of the character suggested would

have increased China's debt when she was in default on existing loans without creating any machinery to enable her better to sustain it. The groups therefore were unable to negotiate on this basis. The officials then stated that as the Groups would not lend on "reasonable" terms they would be obliged to secure funds from their own people. The Group representatives and the foreign Ministers in Peking welcomed the suggestion, and urged them to make a "popular" loan. This was attempted but without success; the "people" contributed small sums, but not enough. The Government next approached certain commercial houses and secured small loans, in return for large contracts for arms and ammunition. Tramway concessions were offered in return for cash advances, and other expedients adopted to secure funds sufficient to meet the Governments running expenses, all of which while calculated to relieve a temporary necessity made no provision for the future and would therefore merely have increased the difficulties of an already almost hopeless financial problem.

Early in September it was reported that on August 30th the Chinese Minister in London had signed a loan agreement with Messrs. C. Birch Crisp & Co., of London. Enquiry addressed to the Minister of Finance in Peking evoked the information that he, the Minister of Finance, had had nothing to do with the conclusion of the London contract which had been arranged by his predecessor acting in an informal capacity. The Minister of Finance assured the representatives that China desired to deal with the Six Groups as the only combination capable of furnishing within the next few years the enormous sums which China would need to reorganize her administration and finance the industrial development upon which the Peking Government wished to embark. At the time this discussion took place funds advanced by Messrs. C. Birch Crisp & Co. had already been transferred to China and placed to the credit of the Chinese Government in a Tientsin bank. This fact became known to the representatives who brought it to the attention of the Minister of Finance. He reiterated his former declara-

tion that China desired to deal with the Six Groups and as late as September 23rd handed the representatives a statement of conditions which he informed them China would be ready to make the basis for the continuation of negotiations for the Reorganization Loan. These terms were not considered acceptable by the Group representatives. The Minister of Finance thereupon informed them that since they had refused the terms proposed by China he considered that the option which the Groups had held, had lapsed and that China was free to negotiate with other parties. The so-called "Crisp" loan was issued in London shortly afterward.

From the above facts it would seem that the Chinese Government was prepared to repudiate the contract signed with London bankers on August 30th., in case the Six Groups were willing to come to terms.

This incident, in connection with others mentioned above is not cited for the purpose of impugning the good faith of the Chinese Government. Those familiar with the difficulties with which the Provisional Government has been endeavoring to deal are not inclined to hold China too strictly to account for what her real friends will regard as mistaken and unfortunate, rather than reprehensible, efforts to solve her financial problem. At the same time, with all possible consideration for China and every sympathy for her officials in the performance of their onerous tasks, it must be recognized that such actions will, if continued, make it impossible to maintain Chinese credit.

It will be said perhaps that by concluding the so-called "Crisp loan," China demonstrated her ability to borrow in the markets of the world, under an agreement which contained no safeguards as to the proper expenditure of loan funds. This may be true, but the fact that China could in this case secure funds was due largely to public confidence in the stability of the Chinese Administration based on the willingness of the Six Power Group to advance funds to the Provisional Government even prior to the inauguration of the President, Yuan

Shih Kai, and the belief that the Six Groups would in the end come to an arrangement with Peking which would give value to all Chinese securities.

Many gentlemen in the United States have pointed out in discussing this subject that the American banking group in particular should remember the history of our own country and not be too exacting in its dealings with the Chinese Republic.

The comparison, however, is not justifiable for it should be remembered that when our Federal Government was first established there was no large public debt while the resources of the young American Republic were enormous. The funds secured from abroad during our revolution, and immediately following its conclusion, had been advanced by the French Government, not so much with the idea of assisting the struggling colonies as for the purpose of embarrassing Great Britain. Only when Alexander Hamilton, had reorganized the finances of the country, securing the assumption by the Federal Government of the larger part of the debt of the states, and after he had put the administration of the Treasury Department on a sound basis, were the United States able to borrow from foreign bankers on satisfactory terms. The Ministry of Finance in Peking, however, is still operated on lines scarcely conformable to our ideas of a business administration, despite the efforts of able men like Dr. Chen Chin Tao, while the Republican Government has assumed the obligations of its Imperial predecessor for which the revenues of China are to a very large degree already hypothecated, and for the service of which they are at the present time insufficient.

Not long ago I happened to be present when the loan question was discussed by a distinguished gentleman who had just returned from the Far East. He had been greatly impressed by what the revolution had accomplished, was full of admiration for the Chinese people and confident of the bright future of the Republic. He felt that the Bankers were mistaken in demand-

ing terms which the Chinese considered so onerous and thought that the wiser policy for the Groups would be to work for the future by now making concessions calculated to relieve the Chinese officials of their immediate embarrassments. He thought that for American merchants the fairest, and at the same time the ultimately most profitable, attitude to adopt toward China was to strive for the maintenance of the "open door" under which with a strong Central Government international trade would greatly prosper.

He recognized that the authority of the present Peking Administration was not generally established in the provinces, that revenues were not being collected and that without money the Central Government could not become strong. He admitted that while he had met many officials he had seen few whom he considered competent to direct the expenditure of large sums in the manner most likely to assure the speedy restoration of normal conditions throughout the country and he believed therefore that the Chinese Government should employ advisers and accept their advice.

The distinguished traveller had predicated his hope for the future on the establishment of a strong Central Government which would be able to collect sufficient revenue to finance its own reorganization. Unfortunately, however, this cannot be accomplished unless the Chinese Government first secures from abroad money sufficient to give it the power to make these collections and pay off its pressing debts under safeguards which will protect it for the time being from external aggression.

If his conclusions as to the ability of Chinese officials now in power were warranted, and his observations correct regarding the present state of affairs in China, his recommendation that the Groups "play for the future," by lending money on terms acceptable to the Chinese, would scarcely seem justified by his premises. Those who have lived in China and grown to know and admire the Chinese, however, will readily understand this point of view. It is impossible not to sympathize with the aspirations of the young men who are now striving to

do what they can for their country. At the same time American bankers would not be acting as true friends of China if they failed to look the facts of the situation in the face. They would not be "playing for" the best future for China should they lend money on conditions which might satisfy the vanity of Chinese officialdom but which instead of assisting the establishment of a strong central Government would encourage improvident financial methods and lead inevitably to foreign intervention.

The present financial situation in China is set forth in an article in the "North China Herald" of Sept. 28th 1912—an abstract of which is given below:

"The obligations that China is bound to liquidate are as follows. First of all, Tls. 12,000,000 advanced by the Sextuple Group from February to July, on the distinct understanding that the Chinese Government would sign the loan with them, including this sum in the total amount for which the loan is signed. The Chinese Government gave the banks treasury bills, and at the exchange fixed the total works out at £1,750,000 sterling. Secondly, there are amounts due to the shipbuilding firms in England and the United States for works executed by them on orders given by the Manchu Government but completed during this year. In the list of their outstanding debts furnished by them to the Sextuple Group the Chinese Government have £700,000 against this item.

Thirdly, there are the Hupeh and Nanking loans of about £300,000 each given by the banks to the Viceroys of the two provinces on the authority of Peking during the Manchu regime. These sums have been overdue for some time, and as the new Government has undertaken responsibility for all the past obligations they must be paid the moment it obtains funds. Fourthly, there are two loans contracted at recent dates on the understanding that they would be repaid as soon as China signed the big loan. The Diederichsen loan of Mks. 5,000,000 and the Carlowitz loan of Tls. 6,000,000 come under this category. Part of these amounts was received in cash, although the major portion consisted of amounts due on arms and ammunition supplied by these firms during the revolution.

Fifthly, the Skoda loan contracted with Arnold, Karberg & Co. during the revolution, the moiety of which was received in cash and the rest in the shape of arms and ammunition, amounts to about £450,000. Sixthly, as the currency loan was floated by members of the Group, and as it is not likely to be floated by them if the present arrangements are continued,

they will be entitled to demand repayment of the advance of £400,000 made to the Government last year in April 1913.

In the seventh place, the amounts due on indemnities, which have been outstanding since October last will work out at over £2,500,000. The total to be paid by China on this account works out roughly at £250,000 per month. Making due allowance for last year's surplus from the Customs revenue and the accumulation of Native Customs revenue, which Dr. Morrison referred to recently, there would still be outstanding the amounts due from January this year.

Lastly seeing that the Chinese dropped the Anglo-Belgian syndicate loan after taking an advance of £1,250,000, the syndicate will not have the least hesitation in demanding immediate payment of the amount. Besides there are a number of small Japanese loans, and small German loans, other than those we have mentioned, mostly for arms supplied during the revolution—the date of payment of which is long overdue. Everybody has been anxiously waiting for the big loan, especially as no security has been given besides the bond of the Chinese authorities.

Further, it is necessary to state in this connection that the merchants, banks and other rich Chinese who helped the new Government, both during the struggle and after, now stand badly crippled from want of funds. They have been often told that their outstandings would be cleared as soon as the first loan with the foreigner was closed. Trade is badly in need of the funds spent on the revolution; and if a moiety of the debts of the Government is not paid even after a foreign loan becomes an actuality, the failure may give rise to acute discontent. The amount on this score is not available, but the lowest estimate puts it at about Tls. 20,000,000.

Let us suppose that the London Syndicate is able to float the whole of the £10,000,000* in October. The loan is expected to be floated at 95, brokerage and other expenses incident on the flotation may be put at 3 per cent., and by the time the loan is floated, if at all successfully, China would have received and spent at least £150,000. The net receipts from the loan would therefore amount to £9,050,000. The total foreign indebtedness, of which China could not in honor delay payment, amounts to £8,950,000. Thus she will have a residue of £100,000 with which to pay her unpaid troops and disband them, and begin setting the Republic in order.

If China refuses to pay all her outstanding debts at present except the indemnity instalments that have fallen in arrears—in order to save the Salt Gabelle from being taken over by the Powers—she will have fully £6,500,000 to pay her soldiers with and begin reforms at once—so it is suggested in some quarters. In the case of an individual such refusal would mean bank-

*£5,000,000 was floated in September. The Bankers paid 89 for the bonds—China received not more than £4,450,000.

ruptcy; in the case of a nation it would mean the utter ruination of its credit in the markets of the world. And China must necessarily borrow much more than £10,000,000. There is no disguising the fact that China has no security to offer—security in the proper sense of the word. Her performances in the past have not been such as to inspire confidence. And her hidden resources need an enormous amount of capital in order that any tangible result may be got out of them.

It may be remembered that in his speech in March before the Assembly at Nanking the then Premier, Mr. Tang Shao Yi, stated that £25,000,000, besides the revenue, would be absolutely needed within the next twelve months. What he said then was substantially correct, and remains true today. The interval has only slightly added to the total needs, as the soldiers are still being kept and paid from want of funds to pay and disband them—although in the interim a number of small loans and advances have all been received and spent. It is quite interesting to note the different items for which funds are needed although our list is not identical with that supplied to the Assembly by Mr. Tang Shao Yi.

If China wishes to preserve her credit as a Power, she must liquidate her pressing debts before beginning any constructive work. First and foremost is the foreign indebtedness to the tune of £9,000,000—the details of which we have mentioned above. Secondly, her merchants, bankers and gentry, who supplied funds to prosecute the revolution and carry on the new Government deserve better consideration than they have received; and the sums owing to them are estimated at about Tls. 20,000,000, or roughly £3,000,000. Thirdly, she must pay the troops, who are now eating their heads off, and disband the major portion of them. It was estimated that expenditure on this score would cost £5,000,000 some four months ago. A certain number of troops have been disbanded, but the cost of getting rid of the rest of them has not greatly been lessened, owing to the delay.

Fourthly, she will have to buy back the Republican Bonds, on which she has to pay interest half yearly at the rate of 8 per cent. per annum, while the bonds are continually depreciating. Sums received on account of the "so-called patriotic loan," while of no practical utility to her, are depleting the resources of the trade in the provinces. These suggestions are made with the view to enable China to start with a clean slate, if she wishes to proceed with the work of reorganization without encumbrances. Thus before she begins any construction work she stands to have to pay out £19,000,000.

Now as regards sums needed for construction work and reform. The basis of all reorganization in China is currency reform, and so long as the currency is what it is there is no hope of making headway of any kind. It may be remembered that in the currency loan arrangement of 1911, £7,000,000 was set

apart for currency reform; and that amount does not err on the side of extravagance. Whatsoever may be the final decision in regard to the standard, there is no doubt that a considerable amount of silver would have to be purchased presently and coined; and one may rest assured that in working out the details in connection with bringing about a uniform currency throughout the length and breadth of the country, more funds may be needed later on.

Of equal importance is the immediate necessity for taking measures to minimize the effects of the famines and floods, which cause a perennial loss to the country and bring death and ruin to thousands, if not millions, year after year. Mr. Jameson's scheme of constructing dykes should be taken in hand immediately, and afforestation should be carried on simultaneously. An expenditure of £5,000,000 distributed during the next five years is not beyond the mark; and the loss averted during this period, judging by past experience, would be fully that amount. Of course, when a loan is arranged, it should be for the full amount, for the sooner the works are finished the more profitable they would be for the country. In so far as such expenditure would amply repay itself, it is hardly to be reckoned among China's debts. But it is a charge for which, in the first place, a large sum of ready money will be required.

The ideal of any loan to China at present should be to enable her to pay back the past and present borrowings. Of course, the basis of such an ideal are the untapped resources of China for taxation, the great industrial and agricultural possibilities of the land and the hidden resources of the country. But even to find these money is needed; to develop them much more. Development in this direction alone, under the aegis of a good government and a sound currency, would enable China to pay interest and principal of past, present and future debts. Expedients like those of the increase of the customs dues or the salt tax would prove only of temporary utility, and under certain conditions, might even do harm.

The currency loan of last year included provision for £3,000,000 for Manchurian industrial development. And thrice three millions sterling for the eighteen provinces for industrial development and administrative reform would only err on the side of economy. Of course, this programme does not take into account sums needed for railway construction in the country or private industrial enterprises. And in China's present financial state it would be ridiculous to dream of spending money for military or naval advancement. Thus, it would seem that if foreign loans should serve any beneficent purpose at all for China, a sum of £40,000,000 is necessary during the year ending, say, next June; and further amounts, into the details of which it is too early now to go, appear likely to be needed in the coming years.

This total of China's needs for the year is based on the sup-

position that the revenue of the country will meet its ordinary expenditure. Mr. Tang said there would be a deficit of Tls. 40,000,000 this year, and probably the same amount next—the obvious deduction being, of course, that borrowings will have to be increased to this extent. Anyhow, there is no doubting that any syndicate proposing to lend money to China should be able to arrange for £40,000,000 during the next nine months, and be able to pay about £60,000,000 during the next three years. The original proposal of the Sextuple Group was arranged on this basis, and the total of £60,000,000 was agreed upon as necessary for the regeneration of the country.

Again it should not be forgotten that the annual payments on foreign loans by China will almost be trebled from 1916. The amortization of the railway loans starts from then, and the indemnity payments would then be more than double the present amounts. If China is not up and doing, with something in the way of reorganization she must be deeper in the mire than ever by 1916. At present everything in the way of reform needs large initial expenditure. To stop squeeze in the collection of revenue it is necessary to have good accounting, and officials with a salary which would place them above temptation. The land tax in China gives a ridiculously low yield; to increase it an effectual survey costing millions of taels is essential.

That the banks composing the Sextuple Group, with their respective Governments at their back, would be able to supply China with this large total with more facility than any number of other syndicates is beyond question. The Chinese themselves know it, and hence their anxiety to keep on good terms with the Group in spite of their latest action.

Apropos of the apparent success of the new loan we understand that already demands have been made upon Peking by several individuals and institutions in China. The funds of the Bank of China were drawn upon to further the cause of the revolution; and the Bank naturally requires money to carry on its ordinary business. This bank is the best of institutions of a similar kind in China and deserves the help of the Government—at least to the extent of receiving back what it paid out. But then, how far will £10,000,000 go?"

Such is the situation as seen by the Shanghai business man. The Six Groups because of the support of their Governments, and because they believe that a loan properly safeguarded is the only means by which normal conditions can be restored in China, are ready to assist the Chinese Government, in dealing with the conditions described above. They are criticized, however, because they are unwilling to loan funds except on terms which the Chinese regard as humiliating.

It has frequently been stated moreover that one of the chief Chinese objections to the "Six Power" Group has been the fear of any combination in which Russia and Japan is represented. Those who are familiar with Far Eastern politics and who have considered their relation to European affairs, are aware that this grouping of the Powers is a safeguard rather than a menace to China's integrity. They will realize that if this combination be maintained and China be willing to co-operate therewith, she will be able better to protect herself against the selfish designs of individuals which even though they may not be prevented will certainly be restricted by the necessities of joint action.*

Those who have criticized the attitude of the Six Power Group have in a measure lost sight of some of the elementary functions of a banking house which handles foreign loans. They have forgotten that it is not the Bankers themselves who provide the money to finance a foreign loan, though they may for a time advance from their own resources certain preliminary payments. Bond issues, however, are sold to the public the bankers receiving their commission on the sale and the reputation of a house of issue like that of any other commercial establishment depends upon the quality of the commodity which it sells. Bankers would not be justified in requesting their clients to take bonds on a sentimental and not a business basis any more than the President of an insurance company would be warranted in loaning funds for which he was responsible to a personal friend regarding whose solvency he had no guarantee.

The Groups engaged in the present Chinese loan negotiations are institutions of the highest standing in their respective countries. The rupture in negotiations did not come because the Bankers attempted to obtain an unreasonable commission but because they felt they could not afford to place upon the market

*Had it not been for the agreement between the Six Powers to take no separate and individual action during the Revolution Japan would have sent an expedition to China to keep the Manchus on the Throne. She was prevented from taking this step by the representations of the British Government which insisted that nothing should be done to prejudice continued joint action by all the Great Powers.

a loan which they did not consider sound in the present state of China unless they obtained safeguards such as they have demanded, not to add to their own profit, but in the interest of the prospective investor.

Fair-minded observers of recent events in the Far East recognize that the American Banking Group has during the past three years demonstrated its friendship for China. The American bankers personally wish for the success of the Chinese Republic. As real friends of China, however, it would be just as reprehensible for them to offer for sale bonds secured from China on terms which they did not consider calculated to restore and increase her credit, as it would be for them to issue to the public securities which they did not feel assured would constitute a sound investment.

It has been stated by men in authority in Peking that they would rather sell their country bit by bit than submit to the terms asked by the Six Power Group. Concessions have been offered giving to foreigners the right to construct and operate railways for forty years in return for a cash down payment of 5,000,000 Taels. This indeed would be to sell the nation's birthright for a mess of pottage and to sow the dragon's teeth of financial bondage. Yet it is proposed by the very men who complain most bitterly of the conditions required by the Six Groups which are mild in comparison and which are calculated to build up a strong Central Government rather than create a nest of warring foreign interests which would cause China trouble and shame for years to come.

In these negotiations the banking groups have been charged with a very heavy responsibility. Their terms were submitted only after long and careful deliberation. China's difficulties were fully and sympathetically considered and the conditions required by the Groups were prepared in her interest as well as in the interests of the Groups and the prospective bondholders.

Recognizing, however, the peculiar difficulties of the present Peking Government the Groups have throughout been willing to consider any plan which the Chinese themselves might

propose, calculated to free them from embarrassment, and at the same time carrying with it safeguards sufficient to make any loan based thereon a sound investment.

The Six Groups have been endeavoring to induce China to undertake real constructive work while the Peking authorities have either failed to realize the necessity therefor or have been unwilling to assume the responsibility of undertaking a practical and comprehensive scheme. In following this course these officials are China's worst enemies for the reckless financial policy of the past few months if continued will lead to that very intervention, which in refusing the Six Groups' terms, these gentlemen have been avowedly trying to avoid.

The Groups have not been attempting to force money, with humiliating conditions attached, on China. They have stated merely that they are willing, only upon certain conditions, to loan the money which China has requested them to furnish. The Groups do not insist that China borrow if their conditions are unacceptable. They do say that they will not issue Chinese bonds on terms which they regard as unsatisfactory. The "Six Power" Groups do not constitute a monopoly but they are not willing to undertake any loan unless assured that they will be entitled to furnish on sound conditions funds to complete the transactions, the initiation of which they finance, and that they shall have a clear market until the different loan series for which they contract are sold.

For the sake of the preservation of China's integrity and the commercial "open door" it is to be hoped that some mutually satisfactory understanding may be reached between China and the "Six Power" Group. It is to China's interest that this combination should be maintained, and it is to the interest of China as well as of the United States, that we should retain our present position therein. China's great problem to-day is that of finance. It is to her advantage that we are entitled to a practical voice in its solution, and it is to the advantage of American trade that the United States continue to be an active party in Chinese loan negotiations.

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The Politics of Chinese Finance

ADDRESS

Delivered by

MR. WILLARD STRAIGHT

At the Dinner of the East Asiatic Society of Boston

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THE POLITICS OF CHINESE FINANCE.

It is a privilege to be permitted to address the East Asiatic Society of Boston. You have an Eastern tradition. Your interest in China is based upon something more than a general desire to scrutinize world movements. It springs from associations inherited from those who first brought this country into touch with Far Cathay.

You will, I know be critical. I shall not attempt therefore to generalize concerning conditions in China, nor to prophesy regarding the future of the Young Republic but, if you will bear with me, shall discuss Far Eastern problems frankly in the light of my own experience in connection with loan negotiations carried on with China during the past four years. The question of American participation in the so-called "Six Power Loan," and the attitude of the Administration in Washington with regard thereto, have evoked such widespread interest throughout this country that I venture to hope you may deem my subject worthy of your consideration. The withdrawal of the American Group of bankers from China has been so recent, and my own relation with these matters so intimate, that you may feel it impossible for me to approach the question impersonally or to regard it with an adequate and proper perspective. I trust, however, that, while you may not concur in my views, you will at least admit my opinions to be based on actual business contact and not on theories as to what might, or ought, to be.

When Boston merchants maintained princely establishments at Shanghai, Canton and Hongkong, when the American flag was seen in every Chinese port and floated over the steamers

which plied the Yangtze and the West River, there was perhaps no great need for what recently has been stigmatized as "Dollar Diplomacy;" but when the Boston merchants withdrew from the East to devote their energies and the fortunes made in the China trade to the development of our own west, American interests in the Orient suffered—our stock went below par. In anticipation of the day when American merchants and manufacturers would again be obliged actively to enter the export trade, President Taft and his advisers conceived it to be the task of far-seeing statesmanship to accept the invitation of the Chinese Government and by obtaining an American interest in Chinese loans stake out not a territorial but a commercial claim for our future business in China. A banking group commanding confidence at home and respect abroad was the instrument essential to the success of this plan. The American people, however, if one is warranted in gauging their sentiments by the expressions of editorial writers throughout the country, could not conceive it possible that a group of Wall Street bankers should be willing to serve the Administration in carrying out its diplomatic policy. Our Government has too long been characterized as the creature of "big business," and to the popular mind any association of Government and bankers was repugnant because the majority of our fellow-citizens, or, at any rate, the most vociferous amongst them, seem to believe that the bankers, and not the Government, would control such a partnership. The countries of Europe have profited by the intelligent cooperation of diplomacy and finance, but with us "Dollar Diplomacy" has been made a term of reproach.

The members of the East Asiatic Society doubtless are familiar with the main facts in the chapter of American Far Eastern relations so recently closed. You will perhaps pardon me, however, if I recall to your memory certain transactions which must be considered in order adequately to appreciate the nature of the relations between President Taft's Administration and the American Group of bankers and the vital bear-

ing of the loan negotiations on the recent history of China—Empire or Republic—as the case may be.

President Taft and President Wilson doubtless have been both inspired similarly by a desire to assist China and to promote the interests of legitimate American trade, yet while the one announced the formation of the American Group, the other has taken a position which rendered impossible the continuation of the American Group's interest in the "Six Power" or other Chinese loan negotiations. Mr. Taft heralded the entry of the American Government as a practical factor in Far Eastern politics. It seems not unlikely now that, for a time at least, the United States must remain an onlooker, and no longer participate actively in the world drama which is being played in Eastern Asia.

When Secretary of State John Hay enunciated his "open door" doctrine, following the seizure of Kiaochow by Germany, of Port Arthur by Russia, of Wei-hai-wei by Great Britain, and of Kwangchowwan by France, and when this doctrine was reaffirmed after the Boxer outbreak of 1900, no nation felt in a position overtly to stand aloof. In those days England and Germany looked askance at France and Russia. Japan and Russia growled at each other in Korea. The balance of world power was delicately adjusted. Mr. Hay's proposal, therefore, was welcomed not so much because the other nations desired to acquiesce therein, as because they feared the consequences of independent action.

This situation was altered radically by the Russo-Japanese War. England was allied with Japan, France with Russia. *Ententes* were arranged between England and France, and between France and Japan, while Russia and Japan soon adjusted their differences to make common cause in the very region where they had so recently faced each other on the battle field.

In Europe Germany was supported by Italy and Austria—the other members of the Triple Alliance—but while there was growing friction with Great Britain at home, German and

British financial and political interests continued to co-operate in the Far East. All of these powers had large vested interests in China and held portions of Chinese territory.

Inspired by the success of the Island Empire and encouraged by Japan's declared intention to restore Chinese sovereignty and to preserve the commercial "open door" in Manchuria, the Chinese immediately after the Treaty of Portsmouth, were inclined to accept the leadership of Japan. Events in Manchuria, however, soon made them feel that although the Japanese had driven Russia from Mukden, they were determined themselves to reap the fruits of their hard fought victories and that, however altruistic their pronouncements, they would not readily subordinate their own interests to those of China.

The situation in 1906 and 1907 is reviewed not for the purpose of reopening the discussion which was general at that time regarding Japan's relation to the Manchurian problem but to recall the conditions which prompted China to request American assistance.

It should be remembered that it was this request which formed the basis for the organization of the American banking group.

The "open door" theory, to which all the powers had subscribed, was being tested in the laboratory of Manchurian politics.

The Chinese realized that they could prevent the absorption of Manchuria by Russia and Japan only by creating in this region a community of foreign interests to develop the country and thus to re-enforce and maintain the already feeble Chinese administration. China turned to the United States, as the champion of the "open door" to take the initiative in bringing about this result. The Chinese purpose, and the support which it received from the United States, was neither anti-Japanese nor anti-Russian. No action was attempted which conflicted with the repeated declarations of the Russian and Japanese Governments. But as was proven by

subsequent events, both of these powers, while nominally adhering to Mr. Hay's policy, in reality were determined to permit neither the reassertion of Chinese authority nor the introduction of a foreign investment in Manchuria and Mongolia to threaten the dominant position to which they felt themselves entitled by their sacrifices in the Russo-Japanese War.

In the summer of 1907 the Chinese Government requested an American capitalist* to undertake a Manchurian loan of \$20,000,000. Owing to the panic which occurred in the autumn of that year no active steps were taken until the summer of 1908, when a memorandum of agreement was signed by Tang Shao Yi, then Governor of Mukden, and the American Consul-General in that city. This memorandum, with the approval of Mr. Root, then Secretary of State, was referred to a New York banking firm. Nominally to thank the United States Government for the remission of a portion of the Boxer Indemnity, but actually for the purpose of concluding this loan, Mr. Tang Shao Yi came to the United States as Special Ambassador, in the autumn of 1908. While in Washington he proposed to the Secretary of State a much more ambitious project, a loan of \$300,000,000., in the negotiation of which he desired American bankers to assume the leadership but in which the bankers of other nations also were to participate.

Early in January, 1909, following the death of the Emperor Kuang Hsü and of the great Empress Dowager, Yuan Shih Kai, who had been directing China's foreign policy and who had sent Mr. Tang to the United States, was driven from power by the intrigues of his enemies. Tang Shao Yi was recalled and the negotiations were abandoned.

In the spring of 1909, British, French and German banking groups were negotiating a loan for the construction of the Hukuang Railways. Under notes exchanged in 1903 and 1904 by the Chinese Foreign Office and the American Legation at Peking, American capital was guaranteed an interest in this loan if China should borrow from abroad.

* The late Mr. E. H. Harriman.

At the suggestion of the Administration, the bankers to whom Mr. Tang's plan had been referred organized the American Group to reopen the negotiations for the Manchurian Loan when expedient and to undertake the participation in the Hukuang Loan to which American capital was entitled. The objects of the Administration in securing the assistance of this banking group were set forth in President Taft's message to Congress of December 7th, 1909, which reads in part as follows:

"By the Treaty of 1903 China has undertaken the abolition of likin with a moderate and proportionate raising of the customs tariff along with currency reform. These reforms being of manifest advantage to foreign commerce as well as to the interests of China, this Government is endeavoring to facilitate these measures and the needful acquiescence of the treaty Powers. When it appeared that Chinese likin revenues were to be hypothecated to foreign bankers in connection with a great railway project, it was obvious that the Governments whose nationals held this loan would have a certain direct interest in the question of the carrying out by China of the reforms in question. Because this railroad loan represented a practical and real application of the open door policy through cooperation with China by interested Powers as well as because of its relations to the reforms referred to above, the Administration deemed American participation to be of great national interest. Happily, when it was as a matter of broad policy urgent that this opportunity should not be lost, the indispensable instrumentality presented itself when a group of American bankers, of international reputation and great resources, agreed at once to share in the loan upon precisely such terms as this Government should approve. The chief of those terms was that American railway material should be upon an exact equality with that of the other nationals joining in the loan in the placing of orders for this whole railroad system. After months of negotiation the equal participation of Americans seems at last assured. It is gratifying that Americans will thus take their share in this extension of these great highways of trade, and to believe that such activities will give a real impetus to our commerce and will prove a practical corollary to our historic policy in the Far East."

The Group sent its representative to China and shortly afterward, jointly with Messrs. Pauling & Company, a firm of English contractors, concluded with the Viceroy of Manchuria a preliminary agreement for the financing and construction of a railway from Chinchou, on the Gulf of Pechili,

to Aigun, on the Amur River. This agreement, together with the memorandum drawn up by Mr. E. H. Harriman with Marquis Ito in 1905, and the informal negotiations for the sale of the Chinese Eastern Railway, conducted since 1906 by the Russian Government with American bankers, formed the basis for the famous Knox Manchurian neutralization proposals, which were blocked effectively by Russia and Japan.

The Chinese were greatly concerned at the failure of Mr. Knox's plan and regarded the Chinchou-Aigun Railway scheme as affording their only chance to save Manchuria. Under pressure from Tokyo and St. Petersburg, the British Government, however, refused to interest itself on behalf of Messrs. Pauling & Company. Peking, nevertheless, still hoped that the American Government would actively support the construction of the line, and that the American Group would finance the various industrial enterprises which it was proposed to inaugurate in connection therewith.

The American Government could not have encouraged China to proceed with the construction of the railway in the face of the Russian and Japanese protest. The transaction might have been profitable for the American bankers and had it been pressed doubtless would have involved the United States in nothing more serious than an extended diplomatic correspondence. Both Russia and Japan, however, were in a position severely to punish China had she, with American support, disregarded their mandate. The American people, would not have fought Russia or Japan, or both, to preserve the "open door" in Manchuria. As against these powers, therefore, the United States would have been powerless to interfere on China's behalf and the State Department and the American Group in the interest of China, but to the bitter disappointment of the Peking Government, were obliged to do nothing.

In the summer of 1910 the Chinese evolved a fresh plan. By the provisions of our Treaty of 1903 with China the American Government was pledged to assist Chinese currency reform.

At the invitation of the Chinese Government in 1903-4, Dr. J. W. Jenks had made an exhaustive study of currency conditions in China and submitted valuable recommendations which if adopted would have given China an effective monetary system. Certain high officials in Peking, referring to this interest of our Government in this subject, through the American Minister, requested the State Department to offer to American bankers a loan for Currency Reform. The Department referred the matter to the banking group already formed for Chinese business. At about this time the Viceroy of Manchuria also opened negotiations with the American Group for a provincial loan. As has been not infrequently the case, the Chinese attempted to play off one banking group against the other, and simultaneously approached the British, French and German Groups, who were associated together for undertaking Chinese loans. The American bankers had a claim to the proposed transaction under the memorandum of agreement of August 12th, 1908. The other groups also had a claim under an agreement signed in November of the same year. Each party in good faith believed that it had a preferential right to the loan. Therefore they adjusted their differences and they had agreed to undertake the business jointly when the Viceroy signed a contract with a gentleman who claimed to represent a New York syndicate. The Peking Government, however, refused to approve this transaction and decided to merge the Manchurian with the Currency Reform loan under a single agreement.

British, French and German political and financial interests in China were far greater than those of the United States. These interests would be vitally affected by currency reform. The experience of the preceding year with the Manchurian Railway scheme had demonstrated it to be impossible for the American Government alone, through the American Group, effectively to support China in Manchuria. The American Government felt, therefore, that neither currency reform nor Manchurian development could be undertaken success-

fully unless the co-operation of the British, French and German Governments and their banking groups could be secured. It was then determined that the American Group should accept the invitation extended by these groups some months before to join with them in a general agreement for Chinese business in the hope that all four, acting together, and with their Governments might be able to be of real assistance to China.

Mr. Knox thus made a practical application of Mr. Hay's policy of the "open door."

The Currency Reform and Manchurian Development Loan agreement was concluded in April, 1911, after protracted and difficult negotiations. Russia and Japan immediately objected, both in Paris and London, to the Manchurian features of the contract. They held that Article 16 conferred upon the so-called "Four Power" Group a monopoly for financing Manchurian development and condemned this clause as a violation of the "open door." They objected, moreover, to the hypothecation of Manchurian revenues as security for any loan in which they themselves did not take part. It was suggested that they should receive an equal participation but they were unwilling, by accepting this offer, to place themselves on a footing of equality with other powers in Manchuria. They were determined that their predominant position should be recognized.

Because of the Franco-Russian alliance, the French Group was greatly embarrassed, but the British, German and American Groups were prepared to issue the loan. On October 11th, 1911, however, the Chinese revolution broke out in Wuchang.

During the months of uncertainty which followed, when the fate of the Manchu Dynasty was hanging in the balance, all felt that independent action by any one Power might menace the peace of the Far East. This fear was not without foundation and it is interesting to note that a Japanese expedition to China to maintain the Manchus on the Throne was prevented only by the remonstrance of the British Government.

During these stormy days both the Republican and the Imperial authorities made frequent attempts to borrow funds abroad. Certain small sums were secured but acting in harmony the six great governments refused to approve loans by their nationals to either of the contending factions. Had this not been done it is possible that the lives of foreigners residing in the interior might have been sacrificed. Because of this neutral attitude foreign property was damaged only as the unavoidable result of military operations and not because of any anti-foreign feeling.

When the Republican and Imperial delegates met in Shanghai at the end of December, 1911, the Six Ministers in Peking, with the approval of their respective governments, urged both Plenipotentiaries to come to an early settlement in the interest of humanity and of general foreign trade.

This was the first formal act of the Six Power combination.

The position of the American Government was set forth in a note addressed by Mr. Knox to the German Ambassador, on February 3rd, 1912, in which he stated—

"It is, therefore, evident to this Government that all the Powers have up to the present, by common consent, not only refrained from independent action and from intervening in China's internal affairs, but have acted in full accord with their mutual assurances that they would respect its integrity and sovereignty."

When the Manchus had finally abdicated, naming Yuan Shih Kai as the executor of their much involved estate, it was apparent that the work of reconstruction could not be undertaken unless funds were immediately available. No money was to be obtained from Chinese sources. Many taxes had been abolished or suspended, and it was impossible to collect most of those which were still in force.

During the Revolution the Republican authorities had maintained themselves largely by forced levies or by subscriptions received from Chinese residing abroad, while the Peking officials, and the army under their control, had received

nothing save the few millions of taels extracted from the Palace treasure.

The two factions having adjusted their differences it was imperative that the coalition Government obtain funds at once.

On February 26th, 1912, the representatives of the British, French, German and American Groups in Peking, who had been invited to meet the Chinese authorities agreed immediately to advance 2,000,000 taels in Shanghai to forestall a threatened mutiny by the troops at Nanking. Arrangements were made also for a further advance in Peking.

On this occasion Tang Shao Yi, who later became the first Premier of the Chinese Provisional Republic proposed that China borrow from these Groups the sum of £60,000,000. to be utilized in general administrative reorganization. The Group representatives agreed to refer this matter to their principals.

This marked the commencement of the negotiations for the much discussed "Six-Power Loan."

The British, French, German and American Governments recognized that a large foreign loan was necessary to put the Peking Government on its feet and to enable it to establish its authority throughout the country. They believed joint action in China by the great powers would constitute the most effective guarantee for the stability of the young Republic. The four banking groups therefore were informed that their respective governments desired Russian and Japanese interests to co-operate in any loan which might be undertaken. The Group representatives in Peking were instructed to ascertain the position of the Chinese Government and in response to their enquiries were assured that the President, Yuan Shih Kai, would welcome Russian and Japanese participation.

Owing to various complications, into the details of which it is not necessary to enter, the arrangements for co-operation between the six banking groups were not concluded until the following June.

During the preceding months the British, French, German

and American Groups had made advances aggregating \$9,000,000., against treasury bills, to finance the urgent requirements of the Chinese Government and to prevent the chaos which it was feared might ensue if these funds were not made available.

The terms upon which the Six Groups were willing to loan the £60,000,000 requested by China were submitted by the Groups in June 1912 and were rejected by the Chinese authorities. Negotiations, however, were continued, although interrupted from time to time for various reasons.

At the end of January 1913, the Chinese were prepared to sign a contract embodying all the essential features of the conditions originally presented by the banking groups.

The terms of the draft loan agreement were approved by the six governments, who, in addition thereto, insisted that the foreigners to be employed should be engaged under contracts which would assure them sufficient power effectively to perform their duties.

The banking details had been settled. These supposedly final discussions had been undertaken on the understanding that China would engage foreigners under satisfactory contracts. Despite this fact, however, on the night before the agreement was to be signed, the Chinese in an informal manner advised the Legations that they proposed to engage a Dane, an Italian and a German, for the various positions created under the loan agreement, giving only vague, verbal assurances that these men would be granted adequate powers and saying nothing definite regarding the terms of their contracts.

The French Minister, acting with his Russian colleague, declined to accept the Chinese nominations. They demanded that officials of the nationalities of the bankers making the loan should be appointed and refused to permit signature of the loan agreement.

A deadlock ensued. The American, British, German and Japanese Governments were willing to accept the officials named by China and deplored the introduction of fresh

political considerations in an already almost hopelessly complicated situation. Their councils, however, did not prevail. France and Russia were firm and since these powers insisted that appointments be made on national lines, Germany demanded that a German be named chief of the Salt Gabelle.

It was not until a month later that the six governments adjusted their differences and agreed that instead of accepting the Chinese appointments (*i.e.* a Dane as Inspector General of the Salt Gabelle, an Italian for the Audit Department and a German for the Loan Bureau) an Englishman should be appointed as Inspector-General of the Salt Gabelle, a German to the Loan Bureau and a Frenchman and a Russian, with joint power, to the Audit Department, while a German was also to be appointed Assistant Inspector-General of the Salt Gabelle.

Both the United States and Japan desiring the early conclusion of the loan agreement while reserving the right to future claims refrained from insisting that positions be given to their nationals.

Acting once more in harmony the Six Legations and the representatives of the Six Groups approached the Chinese who refused, however, to accept the solution agreed upon.

It was not a question whether China should or should not appoint foreign officials. It was a question merely as to who should be appointed.

This was the situation on March 4th, when President Taft was succeeded by President Wilson.

The American Group had entered upon Chinese loan negotiations at the instance of the Department of State and had taken each successive step with its approval and under its direction. From a financial standpoint the business had been unattractive. The cost of representation in Peking had been heavy, the cable charges enormous and the possible remuneration by no means commensurate with the time and money expended.

The American bankers, nevertheless, were willing to main-

tain their position in these negotiations so long as they could assist the government in its diplomatic policy, provided of course there seemed a reasonable prospect that at some future time they would receive a return to justify, if not to compensate them for, their efforts.

This position was explained to Mr. Bryan in an interview suggested by him.

The Administration's attitude was clearly set forth in the announcement which the President made to the Press on March 18th as follows:—

" We are informed that at the request of the last administration a certain group of American bankers undertook to participate in the loan now desired by the government of China (approximately \$125,000,000). Our government wished American bankers to participate along with the bankers of other nations, because it desires that the good will of the United States toward China should be exhibited in this practical way; that American capital should have access to that great country, and that the United States should be in a position to share with other powers any political responsibilities that might be associated with the development of the foreign relations of China in connection with her industrial and commercial enterprises. The present administration has been asked by this group of bankers whether it would also request them to participate in the loan. The representatives of the bankers through whom the administration was approached declared that they would continue to seek their share of the loan under the proposed agreements only if expressly requested to do so by the government. The administration has declined to make such request because it did not approve the conditions of the loan or the implications of responsibility on its own part which it was plainly told would be involved in the request.

The conditions of the loan seem to us to touch very nearly the administrative independence of China itself; and this administration does not feel that it ought even by implication to be a party to those conditions. The responsibility on its part which would be implied in requesting the bankers to undertake the loan might conceivably go the length in some unhappy contingency of forcible interference in the financial and even the political affairs of that great oriental state, just now awakening to a consciousness of its power and of its obligations to its people. The conditions include not only the pledging of particular taxes, some of them antiquated and burdensome, to secure the loan, but also the administration of those taxes by foreign agents. The responsibility on the

part of our government implied in the encouragement of a loan thus secured and administered, is plain enough and obnoxious to the principles upon which the government of our people rests.

The government of the United States is not only willing but earnestly desirous of aiding the great Chinese people in every way that is consistent with their untrammelled development and its own immemorial principles. The awakening of the people of China to a consciousness of their possibilities under free government is the most significant if not the most momentous event of our generation. With this movement and aspiration the American people are in profound sympathy. They certainly wish to participate and participate very generously in opening to the Chinese and to the use of the world, the almost untouched and perhaps unrivalled resources of China.

The government of the United States is earnestly desirous of promoting the most extended and intimate trade relationships between this country and the Chinese republic.

The present administration will urge and support the legislative measures necessary to give to American merchants, manufacturers, contractors and engineers the banking and other financial facilities which they now lack and without which they are at a serious disadvantage as compared with their industrial and commercial rivals. This is its duty. This is the main material interest of its citizens in the development of China. Our interests are those of the open door—a door of friendship and mutual advantage. This is the only door we care to enter."

The President's action was heartily endorsed by newspapers throughout the country. During the preceding months when the loan negotiations had dragged wearily on, Mr. Taft's administration and the American bankers had been subjected to severe journalistic criticism. It had been charged that the "Six Power" Group was forcing China to borrow enormous sums which she did not require, that the bankers were endeavoring to secure a monopoly of China's loan business for thirty years to come; that the terms demanded by the Groups affronted China's national dignity, interfered with her administrative independence and threatened her territorial integrity; that in order to obtain their security, the bankers were fastening upon the Chinese people an iniquitous and antiquated tax, and that through their machinations they had obliged their respective governments to withhold recognition of the Chinese

republic until the loan had been concluded. The American Government and the American Group moreover, in addition to their equal share in this general denunciation, were accorded particular attention as being the venal tools of European diplomacy.

Yet the Chinese themselves had asked for \$300,000,000 (£ 60,000,000) a figure which later was reduced to \$125,000,000. Those who are familiar with China's financial position recognize that even this sum will not be sufficient to pay off obligations already due, to reorganize the machinery of government and to inaugurate the industrial development which is essential alike to the well being of the Chinese people and the welfare of foreign trade.

The governments did not wish to intervene in China in the interests of their bondholders. They did not wish to seize Chinese territory to compensate them for China's failure to pay the interest on her foreign debt. They appreciated that China's credit would suffer and that the borrowing power upon which she must rely for years to come would be impaired unless her outstanding and overdue obligations were at once paid off. They recognized, moreover, that in China, as in any other country, there can be no effective government unless there be intelligent and honest financial administration. This the six governments and the six groups desired to create.

The loan conditions stigmatized as derogatory to China's sovereign rights were in reality those calculated to uphold the authority of the Peking Government and to bring about that administrative centralization which is essential to China's national existence.

During the recent revolution the Chinese Maritime Customs Service, which since its establishment has been under foreign direction, collected its revenues without interference by either the Imperial or Republican factions. Inspired by this example the governments and the groups desired to place the salt gabelle under a similar administration, that there might be no possibility of default and therefore no necessity for intervention despite the continuation or recurrence of unsettled conditions.

It has been estimated by experts, moreover, that if the salt administration be reorganized as is contemplated the quality of the salt will be improved, the price thereof to the people lowered, and the returns to the government increased two-fold.

The bankers attempted to secure no monopoly in China. They desired merely to take the necessary and usual precaution of insisting that before loaning money to an admittedly weak and embryonic government they should be assured, First, that the money loaned would be effectively spent in accordance with a general reconstruction programme; Second, that they should not enable China to incur fresh obligations without at the same time making sure that she could meet those already existing, as well as to sustain the proposed increase in her burden of indebtedness. Third, that they should have a clear market for the sale of the bonds which they contracted to issue (*i.e.*, that no other loan should be placed on the market until these bonds had been sold), and, Fourth, that they should not risk committing themselves to the initial stages of reorganization work unless guaranteed in advance a preferential right for financing its completion.

These particular provisions of the loan contract applied to loans for administrative purposes. No attempt was made by the "Six Power" Group to secure to themselves the right to issue the industrial loans which certainly will be required so soon as political conditions in China become more settled.

You, Gentlemen, are familiar with financial operations and appreciate the ordinary procedure in connection with the issue of a loan. You realize that bankers who underwrite a loan do so in the expectation of being able to sell the bonds and that the public buys from houses in which it has confidence. You know therefore that of necessity it is the policy, as well as the duty, of bankers of reputation to contract for, and to offer for sale, only such loans as they believe to be sound.

The newspapers and the general public have criticized the six governments and the banking groups for refusing to lend

money except on terms to which at first the Chinese objected (and to which now they have agreed). Yet such critics themselves would be the last to subscribe to a loan based on nothing more than hope in the ultimate solvency of the borrower. Furthermore, if the governments and the banking groups had agreed to the terms proposed by the Chinese, if the loan funds had been wasted and no steps taken toward administrative reform, such critics would have been the first to assail the governments for permitting, and the bankers for concluding, a transaction which encouraged corruption in China and failed to protect the bond purchasing public in Europe and in the United States. Had the loan been issued, moreover, and had the bankers been content to secure their flotation profits taking no steps to protect the quotation of the bonds from being prejudiced by subsequent irresponsible issues, they would have been charged also with exploiting Chinese credit and the investing public for their own selfish ends.

Much has been said and written in this country about the failure of the powers to recognize the Chinese Republic. The banking groups have been accused of forcing their governments to withhold recognition until the Reorganization Loan was concluded. The bankers, however, have proved their practical friendship for China by their readiness to loan money to a Provisional Government. Recognition would have facilitated the sale of Chinese bonds. The American bankers have withdrawn from China, and yet though the American Government in the middle of March announced its intention to extend immediate recognition it was found impossible to welcome the Sister Republic into the family of nations until the 2nd of May because the Chinese themselves despite the formal opening of their new Parliament in Peking were unable to adjust their mutual jealousies sufficiently even to permit the election of Parliamentary officers.

The American Government and the American Group were accused of being parties to European aggression in China, largely because the attitude of the French and Russian

Governments seemed to give color to the allegations that China was being coerced. It is not necessary here to discuss whether their action was consonant with our own peculiar political theories. In justice, however, it should be recognized that even if these two Powers may have been a little inclined to disregard the embarrassment of the Peking authorities the chief charge that can be made against them is not that they were arrogant but that they might have been more generous.

French industry and thrift, as doubtless you know, have made Paris the greatest bond market of the world. Recognizing this fact the French Government has utilized intelligently the investing power of the French public as a national asset. No foreign loan can be quoted on the Paris Bourse without the permission of the Ministry of Foreign Affairs, as well as of the Ministry of Finance. No quotation is granted unless by giving its consent the French Government in some way can further the political or commercial interests of France. Experience has shown that although foreign loans may be issued in Berlin, London, Brussels, Amsterdam, or New York, as well as in Paris, a large number of the bonds, especially from Berlin and New York, and in some cases even from London, eventually find their way to France. The French Government, therefore, having little confidence in the stability of the Chinese Republic has felt obliged to protect the interests of its own nationals in connection with the so-called "Six Power Loan" to China.

Russia, on the other hand, although not a lending nation is vitally interested in China's credit. In 1896, when it was necessary for the Chinese Government to borrow £16,000,000, in Paris to meet the Japanese War Indemnity, the Russian Government guaranteed the loan. Under notes exchanged with the Russian Minister in Peking at that time, the Chinese Government promised that if foreigners were ever engaged by China in connection with her financial administration Russian interests would be protected by the appointment of a Russian official.

The Boxer Indemnity constitutes the first charge on the salt

revenues which China now has pledged as security for the Reorganization Loan. Twenty-eight per cent of the total indemnity is due to Russia.

While some observers, therefore, may see evidence of an ulterior political purpose, in St. Petersburg's insistence that a Russian be appointed by China in connection with the Reorganization Loan the position taken by the Russian Government is by no means unwarranted by the actual conditions.

On December 31, 1912 the Chinese Government had obligations due at home and abroad aggregating about \$51,000,000. Between January and June, 1913 further amounts totalling \$36,500,000 become due. The terms of some of these obligations have been extended but even the most considerate creditors cannot be expected indefinitely to postpone their demand for settlement.

Repeated attempts to induce the Chinese people themselves to subscribe to so-called "patriotic" loans have been dismally unsuccessful. China has been obliged to secure funds from abroad. Even the semblance of a central government could not longer have been maintained had not this money been forthcoming for already the process of disintegration had set in.

It had been hoped that the so-called "Six Power Loan" would furnish the needed funds on conditions which would assist in the establishment of a strong and centralized authority in Peking. As party to this transaction, through the American Group, the American Government would have been able to exert its friendly influence on China's behalf.

There seems to have been a feeling amongst some Chinese, however, that once the American Government had withdrawn from the Six Power combination China would be able to secure the needed funds in the United States and perhaps in Europe through the instrumentality of an American syndicate not identified with the so-called "Six Power Group."

But the American public is not as yet accustomed to foreign government securities. A share in a loan undertaken by an international syndicate, in which American bankers partici-

pated, might have been sold in this country. It is doubtful, however, if a Chinese loan could be issued successfully in New York, when the London and Berlin issues, if made, would be frowned upon by the British and German Governments, and when owing to the opposition of the French Government, no quotation could be secured on the Paris Bourse. The efforts to obtain a loan in New York, therefore, have been unsuccessful and, as was inevitable, the Chinese Government, under the agreement signed on April 27th, has arranged to borrow from the banking combination of which the American Group originally formed a part but from which it has now withdrawn.

As you well know, since the outbreak of the revolution in October, 1911, China has been in a most disorganized state. Powerless to defend herself she would, while in this condition, be an easy prey to any power which might utilize some unfortunate incident as the excuse for armed aggression.

China can be preserved from such aggression in one of two ways; by foreign military support, or by the creation of a diplomatic understanding between the Great Powers under which each is bound by a self-denying ordinance not to seek selfish gain at the expense of China or of the other Powers concerned.

The group of the Six Powers, whose bankers were interested in the Reorganization Loan, were acting under such a diplomatic arrangement.

The Russian advance in Mongolia, the position of Russia and Japan in Manchuria and of Great Britain in Thibet, perhaps do not speak well for the efficacy of this arrangement.

On the other hand, however, it is necessary to recognize that it was the Manchu Dynasty that brought Mongolia, Manchuria and Thibet within the boundaries of the Chinese Empire. These territories owed their allegiance to the ruling house; they had never since the 10th century been conquered by Chinese arms. The Manchus were driven from the Throne by the Chinese. The last Imperial Edict it is true bequeathed the rights of sovereignty to the people themselves. This act, however, can scarcely be interpreted as a justification for insistence by the

Chinese that Thibetans or Mongolians submit to a "so-called" Republic, nominally deriving its mandate from the consent of the governed. Manchuria, which is populated largely by the Chinese, perhaps does not fall within the same category.

The Mongolians, it is generally conceded, would rather be ruled by Russia. They regard the Chinese much as the American Indian must have regarded our own forefathers. The Thibetans for the same reason would rather have Great Britain as an over-lord, and even in Manchuria where there are but few Manchus remaining the Chinese settlers have found the Japanese administration more progressive and more intelligent than their own.

These facts are called to your attention, not for the purpose of condoning the action of any of the three Powers mentioned, but as a not unnatural explanation thereof, particularly in view of the fact that no matter how great our sympathy for China may be, it is impossible not to admit that the present Chinese Government has given ample technical justification for the action of Russia, Great Britain and Japan.

Your main interest and the interest of all true friends of China I assume is in the development of the Chinese people themselves, the inhabitants of the eighteen provinces, and not in the question of whether or no they are able to maintain what has never been more than a shadowy sovereignty over these outlying territories.

It is the development of the Chinese people that President Taft's Administration endeavored to assure, and in this task I believe the American Group was of very material assistance. No matter how great our own good will toward China may be, this development will be impossible unless the other great powers, whose actual interests in China are far more extensive than our own, can be induced to co-operate in assisting the young Republic.

American influence in China, thanks very largely to the activity of the American missions, and to the fact that so many

Chinese have been educated in this country, is primarily a moral one. The influence of other Powers is based rather on territorial or commercial and financial interests. Because of this distinction our European friends have been fearful lest we Americans should capitalize our moral influence to the detriment of their material interests and it must be admitted that we have shown little disposition to consider the rights which others, rightly or wrongly, consider that they possess in China.

While our chief interest may be our concern regarding the moral growth of the Chinese people, China's material necessities are now most pressing and even her national existence is menaced by domestic intrigues and by the failure to meet her obligations abroad. Unless a Chinese government be firmly established, and unless the national administration be reorganized on an effective basis, the moral development of the Chinese people is likely, therefore, to be undertaken under foreign, not native, auspices.

If we in this country were able alone to finance the reorganization of the Chinese administration and to furnish funds for China's industrial development, and should attempt to do so, we would find ourselves the object of the united political opposition of the other great powers who might moreover attempt to make China suffer in some way for relying upon American aid. We could not, therefore, undertake this task unless prepared at the same time to extend to China our active military support. This, you will agree, is impossible.

It seemed therefore that the only course which, in the interest of China, we could follow, was to co-operate with other interested nations so frankly and so honorably, despite even their possible failure to adopt an attitude as friendly to China as our own, that they could have no cause to suspect that we intended to capitalize our moral influence at their expense. It seemed essential, therefore, that the American banking group should act with the bankers of Great Britain, France, Germany, Russia and Japan.

Whatever the alleged purposes of other members of this combination may be, there are some who, like ourselves, wished to help China develop into a strong and self-sustaining nation. As long as we were willing to work with their groups we could have counted upon the cooperation of these powers in China's behalf, even though the support rendered might not always have been as forceful as we might have wished. Despite the fact that these powers may share our hope for China's progress, however, they might be forced, owing to the exigencies of European politics, to oppose us in case we attempted to act alone.

President Wilson's Administration has served notice on the European powers that the United States will independently pursue a policy of friendship toward China and the American Group has withdrawn from the "Six Power Loan" negotiations and from any further participation in Chinese business.

The action of the American Government it is asserted was approved in China. Time will show, however, whether the acclamation by which President Wilson's declaration is reported to have been greeted, may not be followed by criticism of the United States, when it is discovered that our friendly professions have been of little practical assistance in China's present difficulties, when assistance must be practical to be of value.

We will not fight on China's behalf—and in concluding a loan with the five groups, President Yuan Shih Kai at least, apparently realized that there was little possibility of securing funds in the United States. The newly assembled Parliament apparently had refused to elect Yuan Shih Kai President until he had concluded the foreign loan which even his enemies admitted to be essential. Parliament, however, refused also to approve the only terms upon which the foreign bankers were willing to advance funds. China had to have money and Yuan had the courage to assume the responsibility of signature.

Thus China, has been forced to borrow upon terms*

* NOTE. It had been agreed in January last that the "Six Power" loan of \$125,000,000 should pay 5½% interest per annum, the Chinese Government receiving 90¢ for the bonds. It is now stated that the "Five Power" loan for the same sum (£25,000,000) will bear 5% interest per annum, the Chinese Government receiving 84¢ for the bonds. It is understood that there are practically no other changes in the loan terms.

which President Wilson disapproved and from bankers of the nations in whose policy of joint action the American Government found it impossible to concur.

Many intelligent people have asserted that the United States having withdrawn entirely from the so-called international "concert" in China, as a disinterested party would be able to intervene with the European powers on China's behalf more successfully than before.

This admirable hope may be realized. It must be admitted, however, that it would not be strange if the governments with whom we have refused longer to keep company should hesitate to welcome our well meant but perhaps not altogether practical advice. The dispute with Great Britain regarding the Panama Canal Toll question is still unsettled. Our relations with St. Petersburg since the Russo-Japanese War have not been happy. They were not bettered by the manner in which the Manchurian neutralization proposals were put forward nor by the energy, no matter how well directed, of the American ex-Treasurer-General in Persia, while the abrogation of our commercial treaty and the attitude of the American press on the Jewish passport question have not made the Russian Government particularly anxious to accept our council especially since the interests involved are theirs rather than our own. At the present time, moreover, despite our refusal to tolerate any discrimination between American citizens of whatever race by any foreign government we find the people of California demanding anti-Japanese legislation, which the Federal Government condemns and which it is making every effort to prevent.

No longer able to justify representations on China's behalf, by our equal interest in financing China's administrative reorganization the American Government therefore is not in a happy position, either on moral grounds or by an appeal to the sanctity of treaty obligations to champion China's cause with Great Britain, Russia and Japan, the nations most concerned in China's future.

Some of those who have heartily approved President Wilson's declaration as a manifestation of American friendship for the Chinese Republic have asserted that the policy inaugurated thereby would greatly benefit American trade with China. It is to be feared, however, that wishes, not knowledge, have fathered this thought.

The sale of Standard oil, of American cigarettes, of Singer sewing machines, and of cotton piece goods, may not be materially affected, although well informed merchants feel that this trade would have been benefited by the extension of American investment. The profits of industrial undertakings in China, however, go to the manufacturers of those nations whose bankers are interested therein. Experience has shown that American railway material will not obtain fair consideration on lines whose construction is financed by British or German capital. Electric lighting plants, water works, manufacturing installations, all require machinery and countless accessories which quite rightly will be ordered from Great Britain from Germany or Belgium unless American bankers can be induced to enter this field.

The United States, furthermore, unfortunately will have no share in assisting Chinese currency reform—a problem in which our government in the past has been greatly interested, and to which Dr. J. W. Jenks has given so much labor. The negotiations for this loan were undertaken under the leadership of the American bankers but are now wholly in the hands of the British, French and German Groups.

It is perhaps un-American for the government to request any particular banking group to undertake foreign business and thus even indirectly to guarantee a degree of diplomatic support which such a request might imply. At the same time it is doubtful if the United States has as yet developed to the point where, from merely a business point of view, American bankers will find it desirable (except at the instance of the Government), to embark on any very large operations in a country whose political future is as uncertain as is that of China.

Even though the United States has withdrawn from the Six Power combination the American people undoubtedly desire to assist China. Through our schools and colleges, and through the efforts of the American educators who are working in the Far East, we have rendered, and doubtless we will continue to render, a great service of which we all may well be proud. Such moral guidance may be fruitful of more ultimate benefit to China than the more practical financial aid supplied by others. This question is open to argument.

We must look, nevertheless, to Great Britain, France, Germany, Russia and Japan, whose bankers have concluded the "Five-Power Loan," to furnish the means essential to China's administrative reform and it is to be hoped that the continued joint action of these powers may constitute in the future, as it has during the two years just passed, a guarantee for the integrity of China's territory sufficiently effective to permit the unhampered fruition of the intellectual and moral seed which it is claimed we have sown, and are sowing.

Our trade with China may suffer or it may increase with the general development of that country. It will not at any rate be fostered by our assumption of any share in the task of establishing an effective government in Peking. If we do profit by the re-establishment of stable conditions in China we shall profit by the efforts of others and because they have braved risks with which we refused actively and positively to deal.

We are a young people and it is too early, perhaps, for us seriously and intelligently to undertake the extension of our foreign trade. We do not apparently as a nation as yet appreciate as fully as others the weight of treaty obligations and the necessity for making our national practice conform to our international professions and we may not seem sometimes to be able to co-operate with other nations unless it suits our convenience to do so.

Even while we were parties to the "Four-Power" and to the "Six-Power" combinations, our associates, rightly or wrongly, not infrequently felt that we were inconsiderate and

that we did not always proceed with either the grace or the regard for the susceptibilities and rights of others which facilitates the maintenance of cordial diplomatic relations. It may be impossible for a democracy such as ours to inaugurate a constructive foreign policy. It may be that it would be unwise for us to attempt to do more than to live and let live and that we should not assume any position which would commit us to act jointly with powers to whose policies we might take exception. It is certainly better that we should not attempt a constructive foreign policy than that we should try and fail because of the indifference or the lack of information of the American people. We will fail, and persistently fail, until we realize that in the intercourse of nations good manners are essential as they are in the daily contact of individuals, and until we understand that we cannot expect great consideration from others so long as the mass of our people are ready to subordinate our international interests to the exigencies of domestic politics or the whims of domestic prejudice. It may be as well therefore that the United States has withdrawn from the Chinese loan negotiations.

The Foreign Offices of Europe are protagonists in a world struggle for political influence because the European governments desire to assure to their nationals their proper share in the world's commercial opportunity. Great Britain by diplomacy is endeavoring to conserve that which has been won by the enterprise of British manufacturers, merchants and bankers. German diplomacy, in co-operation with German industry and finance is striving to extend the trade secured by the foresight of the government and the government-directed energy of German business men. Our own merchants and bankers, unlike their English cousins, however, have been too busy at home very actively as yet to interest themselves in foreign fields. President Taft attempted to profit by the German, not the British, example, but our traditions are English not Prussian and apparently we believe that it is the function of government to protect and not to promote.

Therefore, although we have refused to assume certain political responsibilities abroad, and although we may have sacrificed certain possible commercial advantages, we have at least resumed a position which seems to be more in harmony with the wishes of the American people. Whether the American people are far-seeing and whether the course which they approve will be beneficial to them is a question which time will answer and regarding which you, Gentlemen, must judge.

FOREIGN TRADE
AND FOREIGN LOANS

Address prepared by

WILLARD STRAIGHT

President, American Asiatic Association

For the

National Foreign Trade Convention

Washington, D. C., May 27th and 28th, 1914

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FOREIGN TRADE AND FOREIGN LOANS.

The United States is rapidly becoming an industrial as well as an agricultural country. For the first time since the Civil War destroyed our merchant marine and the construction of the great transcontinental railroads demanded our concentrated energy, we are actively interesting ourselves in the extension of our export trade, in the hope that we may penetrate, or create, new and more capacious markets.

For the successful accomplishment of this purpose we need a credit machinery which will adequately finance the manufacture and distribution of our products and which will "carry" these goods until they are paid for by the purchasers.

This financing of the transition from the producer to the consumer is, in the case of ordinary commercial transactions, handled automatically as a matter of banking routine. The purchaser may settle at once or arrange for sixty or ninety days,—or perhaps six months,—credit from the merchant, and the merchant, in turn, is either "carried" by his bankers or by the manufacturer who would, in the latter case, also be obliged to rely upon the bank for the necessary accommodation. When the purchaser, however, desires credit for a period of from five to sixty years, it is no longer an ordinary banking transaction; and it becomes necessary for him to obtain funds by the sale, on the

market, of stocks or bonds rather than by discounting commercial paper.

In other words, the purchaser, instead of obtaining credit from the merchant, the manufacturer or the banker, through the banker as his agent, borrows from the investing public.

Most of the countries which are now rapidly developing their resources and which cannot themselves finance such development, must secure money in this way. If we expect to realize the full possibilities of our export trade, we must, by our readiness to purchase foreign bond issues, be able to extend to foreign purchasers the accommodation which they now obtain in the markets of our competitors.

This, roughly, is the problem of the foreign loan and foreign trade. Its satisfactory solution, which is of vital interest to our merchants and manufacturers, depends primarily upon the attitude of the American investors who, while they may not directly benefit by the increased sale of particular American commodities will, in addition to the return on their investment, share in the ensuing general prosperity.

This paper is especially concerned with the direct bearing of foreign loans on our export trade. It is impossible adequately to treat this subject, however, without analyzing the general aspects of international finance.

We must distinguish between foreign securities purchased solely as an investment and foreign loans which, in addition to their investment value, bring to the lender certain collateral advantages. Under the first classification should be included, for example, railway bonds or stocks, issued in the United States, but purchased in Europe for investment or for speculative purposes. In the same category would fall bonds issued by the Russian, Spanish or other Governments, which, though politically and financially independent, require for their development larger amounts than they themselves are able to supply.

Foreign holders of such bonds or stocks do not attempt to share in the management of the American railway corporation and are powerless to control the action of the

Russian, Spanish or other Government, whose needs they have financed. Such loans, therefore, are judged according to their investment value.

Under the second classification would fall, loans issued on behalf of a foreign government or corporation in the markets of the bankers who negotiate the loan. These may be roughly classified as follows:

(1) Loans secured upon revenues which are collected under the supervision of the lenders, as in the case of certain loans to Greece, Turkey, Egypt, China, Nicaragua and Santo Domingo.

(2) Loans, the proceeds of which are expended under the supervision of the lenders, as in the case of certain loans to Turkey, China and Egypt; or

(3) Loans, the proceeds of which are utilized to purchase goods manufactured by the lender, as in the case of certain loans to Russia and Spain, to various of the South American Republics, to Turkey and to China.

Loans of the foregoing character, besides the return to the actual subscriber thereto, assure certain advantages to the Government or industry of the lending nation, which are shared directly or indirectly by the investing public.

France, Great Britain, Germany, the United States, Belgium, Switzerland and Holland, are the chief lending nations. Switzerland and Holland are concerned primarily with investing their surplus capital. The British, German, and Belgian—even the Russian and Japanese—and particularly the French, Governments, however, have recognized the value of their investing power as a political instrument in the great diplomatic struggle in which all are engaged to secure markets for their foreign trade.

The great European nations are so well prepared for war that none dare to fight, except under the most extreme provocation, as was proved by their success in not becoming embroiled in the Balkan war. They have therefore evolved a system of co-operative international finance, under which they maintain stable conditions, favorable to trade development, and secure an equality of commercial opportunity for their nationals, in the countries whose

political independence has been impaired by financial debauchery. Thus in Egypt and Turkey the foreign debt is administered by commissions, representing the English, German, French, Russian, Austrian and Italian bankers, acting under the direction of their respective governments. Thanks to a similar arrangement which is still in force, Greek credit was re-established in 1908, and although there is no foreign debt commission, practically the same relation now exists between China and the lending powers.

A highly efficient mechanism of economic production has only a potential value. The aggressive strength of a nation depends on its political and financial stability, and its international position upon its investing power and the disposition of its government effectively to represent its citizens or subjects and to assist in the extension of their trade.

The great lending nations recognize both these facts. They utilize their investing power as a national asset. By building up the weaker nation through financial reorganization and the development of its resources, they create for themselves a financial and political influence which they convert to their commercial advantage. In this task Government, bankers, merchants and manufacturers, supported by the investing public, which the Government represents, and of which the bankers, merchants and manufacturers are an integral part, co-operate for the common good.

The political and commercial importance of foreign loans, if not most clearly appreciated, is at least most effectively utilized by the French Government, which counts upon the absorbing power of the French investor as a factor more potent even than the French Army or Navy, in the maintenance of the diplomatic prestige of France and in the extension of French foreign trade. No foreign loan can be quoted on the Paris Bourse without the approval of the Minister of Foreign Affairs as well as the Minister of Finance.

In Germany, although the Government does not formally sanction a foreign loan before a quotation is granted, the great bankers work in close co-operation with the

Foreign Office; and no loan of which the Government does not approve is apt to be listed on the Berlin, Hamburg or Frankfort Stock Exchange.

In England, while the Foreign Office encourages and supports foreign loans, there have been frequent instances in which foreign issues have been listed on the Stock Exchange despite governmental opposition.

The United States became a world power on the conclusion of the war with Spain. We have only recently developed an investment capacity, the potentialities of which we do not appreciate, although we have already, without evolving any general policy, attempted to utilize it both for the maintenance of order and for the extension of our trade.

The first instance, as far as the author is aware, in which the American Government took official cognizance of the political importance of foreign loans, was under the Platt Amendment, which provides that the Cuban Government shall not increase its indebtedness until it has first satisfied the American Government that such increase will not, by creating an excessive charge upon the Cuban revenues, prejudice the financial stability of that Republic. In making the stipulation, the American Government desired to preclude foreign financial domination and to safeguard the credit of the Cuban Republic, in order that the people of the United States, as well as the Cubans, might benefit by the development of the resources of the Island.

In the case of Santo Domingo, our Government assumed much the same position as that taken by the European Powers with respect to Turkey and Egypt, and latterly with respect to China. The finances of the Dominican Republic were reorganized and its foreign debt consolidated by means of an American loan, and the collection of the revenues hypothecated as security therefor was placed under American supervision. While similar arrangements were proposed, but not consummated, with Honduras, they were successfully effected with Nicaragua.

Corrupt Governments of the countries bordering the Caribbean Sea have, in times past, sold their national

birth-right to foreign concessionaires. They themselves were not able, or apparently willing, honestly to administer their finances and, unable to borrow for their development on ordinary "financial" terms, they were obliged to give additional inducements, which have threatened to impair their sovereign rights. When they defaulted on their interest payments, their European creditors have in comparatively few instances attempted to collect their debts by force. Yet these debtor nations have not escaped the penalty of improvidence, for their credit cannot be restored until they meet their obligations. This situation has become increasingly embarrassing to the United States.

Dr. Henry Jones Ford, in a paper entitled "Disorderly States," in the Atlantic Monthly for May, points out that President Wilson, in his speech before the Southern Commercial Congress at Mobile, has supplemented the "Monroe" by the "Wilson," Doctrine. The former was aimed at military or territorial aggression. The latter serves notice on those who would attempt to dominate American States by financial means. President Wilson anticipated the day when, through the beneficent influence of the United States, the weaker South and Central American States would be enabled to borrow on their national credit and no longer be obliged to grant concessions. These nations derive practically their entire income from their customs dues. Possession of the custom-houses, therefore, is the aim of each recurrent revolution. President Wilson's object can only be attained by placing these collectorates under foreign supervision, as has already been done in Santo Domingo and Nicaragua. Such action would assure a regular revenue amply sufficient to meet the service of the loans which these republics now need. Without such security, except in the case of railways which the lenders could control, neither European nor American bankers will loan money to these countries on ordinary financial terms. The profit on investment must be proportionate to the risk involved.

These nations, however, must not be permitted to utilize the Monroe Doctrine to protect themselves from the consequences of financial profligacy. We cannot refuse to

permit foreign Governments to collect the debts due their subjects, unless we ourselves are willing to insure their payment. If we insist that the European countries shall not intervene, the United States must assume a corresponding responsibility. If we object to the enforcement of the mortgage, we must act as receivers ourselves, and must either by Congressional enactment guarantee the foreign debt of these countries, or by diplomatic arrangements and by utilizing the services of American bankers, bring about financial reorganization by the establishment of reliable customs collectorates.

If the first of these alternatives were adopted, the United States Government, in case of default, would be obliged either itself to pay the debts of the recalcitrant republics, or by intervention to force them to meet their obligations. If the second, the chance of default would be minimized if not entirely avoided by assuring in advance a sufficient and safe revenue.

If we desire, therefore, to avoid complications with the European powers and develop our own export and import trade in the Caribbean Sea, we must, by means of foreign loans, establish ourselves as the guardians of the financial stability as well as the territorial integrity of some of our southern neighbors.

In China, the Administration of President Taft attempted a task of a somewhat more ambitious character. The balance of power in the Far East, to which China owed and still owes her continued existence as a nation, has for some years, and is now, largely maintained by the nice adjustment of the financial and commercial, and therefore political, interests of the great powers. It is to the advantage of all that none should exercise a dominating influence. It is to their mutual interest to maintain the "open door" and share in the general Chinese trade, rather than by the seizure of territory to endeavor to monopolize the commerce of any particular region. President Taft desired to assist in the maintenance of the "open door," by securing for the United States a voice in this council of nations, the weight of whose influence depends primarily

upon the extent of their material interest. He wished also to gain for American manufacturers a share in the profits of China's industrial development. He, therefore, induced a group of American bankers to establish an organization in China with a view to securing for this country a participation in Chinese loans. It was hoped that, owing to the approval of the Government and the reputation of the bankers concerned, an American investment in China might be created, and American influence be established upon a sound economic basis, as well as upon the friendship and goodwill which had been gained by the work of American missionaries and educators. The time for this undertaking, however, was not yet ripe. The Taft Administration was accused of supporting an American banking monopoly and of co-operating with European financiers in the exploitation of China. With the apparent hearty approval of the American public, President Wilson denounced the policy which had been adopted by his predecessor.

Foreign bonds have never been a popular investment in this country. It was hoped that a market for this class of security might gradually have been created. The action of the Administration, with respect to the Chinese Reorganization Loan made this task more difficult, and developments in the Mexican situation have not encouraged the investor to take an interest in foreign loans. Because of the circumstances above set forth, as well as because of the generally unsatisfactory market conditions, American bankers have recently been obliged to refuse to undertake a number of South American and Chinese loans, the issue of which, in this country, would have strengthened the influence of our Government in the borrowing countries, and the proceeds of some of which would have been directly expended in the purchase of American materials. This then is the situation by which we are confronted.

Our Government is stable; our credit is good; we can finance our domestic needs, and are able to obtain from the European markets much of the fluid capital which we require. We are in a position analogous to that of the

prosperous merchant who, while borrowing from his banker to extend his plant and to finance his business, employs his surplus in advertising and in developing new markets. Germany, whose situation is similar to our own, while obtaining commercial accommodation in London or Paris, has utilized its investing power to increase German political influence and German trade throughout the world.

We ourselves have reached a point where we must be less introspective and seriously consider the possibilities of developing our trade in a similar manner. This, doubtless, will be admitted. It remains to devise means by which this purpose can be accomplished. Merchants and manufacturers blame the bankers for lack of enterprise. The bankers are inclined to blame the Government, and the Government, in turn, looks to the banker, the merchant and the manufacturer to take the initiative.

Under present conditions, if the market is good, American bankers will doubtless from time to time be ready, by attempting to sell foreign securities, to aid our merchants and manufacturers.

The Department of Commerce is specifically charged by Congress to encourage foreign commerce, and our Diplomatic and Consular officials show commendable zeal in their efforts to aid the development of our export trade. Such undertakings, therefore, would doubtless receive official approval and assistance. In the present state of public opinion, however, any administration may be attacked if it utilizes the power of the Government for the profit of private interests, no matter what indirect advantage might accrue to the country as a whole.

There are those who would even urge the separation of business and politics. The one is the vitals, the other the brain of the nation. Attempted segregation will result in disaster. In this country we have, perhaps, in times past, suffered from indigestion. There are those who claim that we are now afflicted by brainstorm. Neither condition is salutary. We pride ourselves on being a practical people, tempered by idealism. If this estimate is just we

should have the intelligence to recognize, and the imagination constructively to deal with, facts.

Governments to-day, although some are still autocratic, are no longer purely personal. International relations are concerned, not with the conflicting ambitions of sovereigns, but with the economic development of nations. Contemporary struggles are for markets in which to sell—rather than for territory to exploit—between bankers, merchants and manufacturers, and not between the armed forces which are now maintained as a guarantee against war, rather than as instruments of aggression. International trade and finance, therefore, are the focal points of international politics, just as our own business life, upon which we all depend for our well-being, furnishes us with our most important domestic problems.

We recognize that the prosperity of the nation depends upon the business success of the individuals who form its component parts: the capitalist seeking investment, the merchant seeking trade and the laboring man who will benefit by the increased demand for the fruits of his labor. Our Government concerns itself with adjusting the domestic affairs of its citizens, and it should actively exert itself in conserving and extending their interests abroad.

There should be effective co-operation between the Government, the bankers, the merchants, the manufacturers and the public. Such concerted action is particularly essential in matters affecting our international position. We should aim to develop public opinion to approve the use of our national investing power for the extension of our trade. This would enable the Government to adopt a definite policy and to declare that proper diplomatic support would be given to promoters and investors in foreign loans, the terms of which had been submitted to and approved by the Departments of State and Commerce.

It might be objected that in enunciating such a policy the Government would pledge itself to use the Army and Navy to extract interest payments due individual American investors.

Such a contention, however, is scarcely justified. Just as debtors prisons have been abolished in civilized countries, so international opinion deprecates the collection of debts by military pressure. Private contracts are enforced by the courts, and international differences, thanks to the increasing recognition of the economic waste of war, are now generally adjusted by diplomacy and arbitration. The creditor nations employ their lending power to develop the resources and strengthen the credit of their clients. It is no longer considered sound finance to debauch a weaker Government by encouraging it to borrow; to create a mortgage which will ultimately be foreclosed by the seizure of territory. The British, German and French Governments insist that their bankers demand certain loan conditions, not because they desire to extend their political control, but because through assuring financial stability they hope to avoid the necessity of intervention. Debtor nations, therefore, increasingly realize that they must maintain their credit if they desire to expend borrowed funds free from the supervision of the lender. They are aware also that repudiation of their debts, or failure to meet obligations when due, will prevent them from obtaining funds on "financial" terms, not in one only, but in all the money markets of the world. The world's lending capacity depends upon the investing power of the creditor nations, not upon the accumulations of a few individuals. Money is highly sensitive: active in times of peace, timorous in the face of any form of military activity. It is becoming increasingly evident, therefore, that because of its international character and its democratic foundation, world-finance must be regarded as a guarantee of world-peace and commercial development, rather than the means by which the stronger are enabled to exploit the weaker nations.

The Government of the United States is each year being drawn farther into the vortex of world politics. As a nation we are seemingly not yet conscious that the very development which has resulted from our irresistible energy and restless ambition imposes upon us greatly increased

responsibilities to ourselves and to the nations with whom we are obliged by mutual interest to deal.

We have hitherto stood somewhat aloof, but this is no longer possible. Our enterprise has carried our interests beyond the seas. The present tariff, as President Wilson has stated, will stimulate our commercial and industrial genius by forcing us to meet the keen test of world competition. The Government, therefore, should co-ordinate the foreign trade activities of the nation. American diplomacy should stand sponsor for those whose resources and character guarantee the honorable performance of their obligations. Our export trade has been constantly increasing because the American merchant and manufacturer give "a dollar's worth of service with a dollar's worth of goods." This should assure to them the assistance of our Government in extending their activities. Such assistance should now be forthcoming in connection with the development of our foreign trade by means of foreign loans.

FOREIGN RELATIONS AND OVERSEA
TRADE

Address before

The Southern Commercial Congress
Muskogee, Oklahoma, April 30th, 1915

by

WILLARD STRAIGHT,
representing the
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As good Americans and businessmen, you will agree that we wish to preserve friendly relations with all the world and increase our foreign trade. Taking this for granted, how may we best realize our desires? Having once determined what you want, you set about to get it. The most effective method, you will admit, is to study your problem, anticipate probable and possible difficulties, and make your plans accordingly. You take stock of your own abilities, remedy your deficiencies where you can, and with preparations complete embark upon your enterprise. This, Gentlemen, is my text.

I have already expressed to Dr. Owens, your genial and able Managing Director, and through him to your Governing Board, my appreciation of their invitation to be present on this occasion. They and you have done me great honor in permitting me to address you. It is a privilege to be here, and an opportunity. History is in the making, Gentlemen, and the mills of the Gods are not only grinding exceeding small, but exceeding fast at the present time. Our position in world affairs may be very largely determined by the course which we now follow. We have reached the period in which, as Bismarck prophesied many years ago, we are to undergo the real test of the American Democracy. Our broad lands are rapidly being filled. The period of exploitation is past. The age upon which we are entering will be one of conserva-

tion, of co-operation, of the international division of labor. The various elements in our national life must be co-ordinated to serve a common and national end. Our exports of raw material in normal times no longer wholly suffice to pay for our imports from abroad. Our domestic consumption of foodstuffs and other raw products grows larger each year, and we are in consequence increasingly interested in the selling of our manufactured goods to maintain our trade balance. A trade opportunity brings with it a diplomatic responsibility. The extension of this foreign trade, which we so urgently require, is in no small measure dependent upon the conduct of our foreign relations. I shall, therefore, if you will permit me, call to your attention certain facts—not upon the assumption that you are unfamiliar therewith, but in the hope that an attempt to show the interaction of diplomacy and foreign trade may be of interest.

The progress of the world has been marked by the discovery and co-ordination of forces whose existence and mutual bearing had been previously unsuspected. Just as Science has demonstrated synthetic relationships of which we had been unconscious, so the war which is now devastating Europe has made us suddenly aware that we are not after all isolated from the rest of the world, or by any means independent of each other. You gentlemen of the South who saw a bumper cotton crop held up by the closure of your European markets, have been made very keenly alive to this situation. The Eastern bankers who relied upon your annual shipments to meet the drain of funds caused by tourists expenditure in Europe and interest falling due on American securities held abroad, moreover, found themselves greatly embarrassed by your—which has also been their—predicament. The war, in fact, has X-rayed the body politic, and shown to us the delicately adjusted, closely articulated commercial and financial structure which sustains the vastly diversified business of our country.

Our premises then rest on the following facts: We wish

to, because we must, develop our foreign trade. This development to be permanently successful must be accompanied by a more general understanding of the importance of foreign relations. Like our overseas trade, our diplomatic policy therefore affects no one section of the country and no one phase of our national life, but is directly or indirectly the concern of the whole country and all the people. With this statement I believe you will agree. That being the case what are we going to do about it?

Our attention at the present time, insofar as it is not confined to our own immediate affairs, is very largely concentrated on the trenches in Western Europe, on the battlefields of East Prussia, on the operations in the Dardanelles, and on the diplomatic correspondence which our Government has been exchanging with the various belligerents. This is natural. The true significance of these events, however, lies not in their present military interest, but in the probable effect of the forces now in conflict, and of the forces which this war has called into being, upon the political and economic future. The clash has been long inevitable, and its result for some years at least, we hope, will be decisive. It is this result consecrated on a hundred battlefields—not the battles themselves, that will affect the United States. Our commercial genius and our statesmanship therefore must understand the present and the past in order intelligently to anticipate the future.

The struggles which marked the close of the eighteenth and the beginning of the nineteenth centuries were the military climax of a ferment which bred our own and the French Revolution, and which found renewed expression in the events of 1830 and 1848. Despite the period of reaction which immediately followed the Congress of Vienna, the Napoleonic wars had sealed the fate of absolute monarchy and marked the beginning of constitutional government in Central Europe. We are now witnessing a continuation of the same conflict, which is as old as history and will persist when we are gone. It is in its present manifestation an issue between a paternalism of which militarism is but a phase, and democracy; between two conceptions of

the State as the master or as the servant of the people. For us it is vitally important to observe that Democracy to meet Paternalism is adopting of its own volition the centralized national organization which Paternalism has imposed. Both England and France, like Germany, are no longer armed nations, but nations in arms. Every interest in German national life has been co-ordinated under Government control. It is the remarkable efficiency of this administrative machinery which has enabled her to stand the crucial test so well. The military and naval establishments are but one portion of a complex system which enables the State to gather copper from the village kitchens, administer the grain supply, order the conservation of potato-peelings and the slaughter of pigs which might otherwise consume the cereal needed for the food of the people.

To-day the French and British democracies are themselves constructing similar mechanisms, not as yet so elaborate, but effective in meeting each situation as it may arise. Railway and steamship lines are in effect under Government control. A series of measures, brilliant alike in conception and execution, have not only enabled the British banking system to withstand the sudden shock of war, but have kept the London discount market open for financing Great Britain's foreign trade. War loans have been issued in England and France, as well as Germany, to an amount which almost staggers the imagination, and arrangements have been made between the Finance Ministers of Great Britain, Russia and France for a joint policy by which the three great Allied Governments will meet their own problems and jointly assist in financing some of their weaker fellows. The British Treasury supervises the London, the French Government the Paris, Stock Exchange. In order that the nation's financial resources may be conserved for the prosecution of the war no new foreign loans may be issued in London without the special authorization of the British Treasury. The French Government has for some years exercised a similar power. Besides

extending their control over finance and transportation, the European Governments have in many cases actually assumed, or been empowered to assume, the direction of the manufacture of goods required for the war. A system is being developed which is practically the organization of labor into a national industrial reserve quite as important as the military reserves which guard lines of communication instead of actually being engaged on the firing line. And now further to increase national efficiency the sale of vodka and absinthe has been forbidden in Russia and France, and prohibition in absolute or modified form is advocated in Great Britain.

These steps towards the socialization of the State—not State Socialism—once taken are not likely to be retraced. The value of co-operative effort will be conclusively demonstrated and will be as valuable in the readjustment which will follow the war as it is essential to its successful prosecution.

When the war is over there may, perhaps, be a period of political reaction and of financial and industrial depression throughout Europe. Industry must absorb again the men who are now serving in the field. German foreign trade will be disorganized. The Russian market which has been vitally important will, it is said, be closed as far as possible to German goods. Great Britain's world wide commerce, which has depended largely upon the ability of the London market to finance the foreign consumer, may not flourish as before, because—for a time at least—capital will be required at home and may not be available for foreign development. Yet this dislocation may not be attended by results as serious as some suppose, because the output of the factories will be required in no small measure to make up for the wastage of the war. The whole world, moreover—commercial and financial at least—has been involved in the present crisis. Where all are affected there is a greater likelihood that some common measures will be found gradually, and with a minimum of hardship, to meet new conditions. Therefore, while numberless individuals and lo-

calities may be impoverished, it would seem likely that the world as a whole, though it will suffer, will do so because developments which would have been undertaken will not now be attempted, rather than because of the actual destruction that has taken place.

From the American point of view the most important result of the war will be not the possible temporary financial, commercial and industrial embarrassment in Europe, but the impetus which has been given to more effective national organization in Great Britain and France, as well as in Germany. There will be a new Russia, a consolidated Italy, disciplined and alert States in the Balkans and Scandinavia, and Japan self-confident and self-conscious in the fulfillment of her Imperial destiny.

These are the facts by which we will be confronted and with which we must be prepared to deal. What is our position?

Following the outbreak of hostilities in Europe in August last, we ourselves to a certain extent learned the value and necessity of co-operation.

Luckily for us, the Federal Reserve Board had been appointed before the crisis came. These gentlemen promptly mobilized the banking interests of the country. A syndicate took care of the New York City debt. The so-called gold and cotton "pools" were formed to pay what we owed abroad and to look after the interests of the South. Then, as if by magic, thanks to our enormous exports, the situation was reversed. Where eight months ago it was estimated that we owed Europe three hundred millions of dollars in immediate maturities, it is claimed that, without considering the debit against us because of foreign holdings of American securities, we now have something like six hundred millions due us from the other side. The dislocation of the European exchanges, moratoria, and the urgent necessities of our merchants and our customers, have enabled us, under the provisions

of the Federal Reserve Act in a few months to develop a discount market which, under ordinary circumstances, would have taken us a much longer period to acquire. Through this channel we are financing shipments of goods to and from the United States. Our access to European capital has been cut off, but reserves heretofore unavailable, have been released and we are easily absorbing such American securities as Europe wishes to sell. At the same time, in order to stabilize exchange we are stimulating and facilitating our export trade by granting credits to Europe to pay for goods purchased in this country. For the first time in our history we are through these very necessary operations establishing a market for foreign loans. This education of our public, should make it possible for our bankers later to undertake transactions which, by encouraging development particularly in South America, and perhaps in Russia, will create new markets for American goods. Thus our investors in addition to securing a satisfactory interest return will be utilizing American money for the benefit of American industry.

These recent developments afford an assurance that what has heretofore been the most serious obstacle to the extension of our foreign trade, is now in a fair way to being overcome. We have been accustomed to finance our production. We are now learning to finance the distribution of our goods through the "acceptance" and sale of Bills of Exchange, and the public, by the purchase of foreign securities, is playing its part in granting the credits which our customers require.

The perfection of our selling methods abroad, however, is still a matter demanding careful attention. The President, in his recent address before the United States Chamber of Commerce at Washington, discussed the manner in which our manufacturers might combine in selling organizations for the promotion of their export business. The inhibition placed upon the development of foreign trade by the Sherman Law and the Clayton Bill must be removed if American industry in the

future is successfully to compete with the foreign combinations, which have been and will be developed. This is a problem for the new Federal Trade Commission to solve.

There is also the question of transportation. The Government Shipping Bill was suggested to meet a temporary aggravation of a situation which has long existed. I shall not venture an opinion as to whether or not it would have been successful. One thing, however, is clear; Transportation is a commodity like any other. In our industry we have by a protective tariff assured a certain standard of living to the American workman, and even under the high cost imposed by our navigation laws we have been able to operate vessels in the coast-wise trade by reserving it exclusively for American shipping. But this is impossible in foreign trade where the business of selling transportation is highly competitive. We may be able, despite our high labor costs, to market our manufactured goods abroad because the efficiency of our workmen and the labor-saving devices which we use enable us to keep down the cost of production. But in shipping not only is there no labor-saving machinery, but our navigation laws make it necessary for American ships to carry larger crews than are required to man foreign vessels. If we wish to transport our goods under the American, rather than the British or the German, the Dutch or the Norwegian, flag, we must be prepared to furnish transportation at competitive prices. This can be done in one of two ways: either by permitting American shipowners to purchase and operate vessels on the same basis as their competitors as to the cost of construction and labor charges; or by empowering the Government to bear the difference between the cost of ships and labor in the open world market and the cost thereof under our own tariff and navigation laws. Whether the Government meets this cost by subsidy or by itself buying or building ships involves the question of public or private ownership, not the charge upon the taxpayer. The difference is in name, not in substance, for subsidy—like Government ownership—means that the public pays the

charges which are imposed in the interest of labor. The only difference lies in the fact that a subsidy might encourage investment in a business which has not heretofore promised any interest return, except where, as has frequently been done, American owned ships are operated under foreign flags. If the American people desire a merchant marine and desire at the same time to insist that there should be American officers and that the crews should have certain accommodations, certain food, and be in sufficient numbers to man a certain number of lifeboats, the American people will have to pay—otherwise the business will be done under flags other than our own.

The financing of production and distribution, selling organization and transportation are the principal direct factors in the development of our foreign trade. They immediately concern the merchant and the manufacturer, the farmer, the banker and the shipper, as well as the laboring man, but under our form of administration they are all more or less dependent upon Government action or subject in some measure to Government control. The conduct of our international relations, however, is essentially a Governmental function. It is in reality the promotion of our oversea commerce in the most comprehensive sense, and may be, and is, performed in numerous ways, the variety and the importance of all of which are not sufficiently appreciated.

One of the most striking results of the European war already apparent has been the strengthening of the ties between the United Kingdom and her Colonies. Imperial preference was first discussed after the bonds of Empire had been knit close by the strain of the South African war. It would seem not at all improbable, therefore, that this matter would again be taken up with renewed vigor. Aside from sentimental and political considerations the fact that wages in England have already been increased—and are unlikely to be greatly reduced—and that industry must be assured its profits, will afford an added argument for some form of Imperial British protective tariff;

while the present financial co-operation of England, France and Russia, moreover, may also later form the basis for a customs understanding.

We have regarded the tariff primarily as a source of revenue and as a safeguard and stimulant for American production. We have a Reciprocity Treaty with Cuba, and once discussed a similar agreement with Canada. The provisions of the Underwood-Simmons Act contemplate the negotiation of trade agreements subject to the approval of Congress. But few of us, save when startled by threatened reprisals, have been alive to the possibilities of our tariff and our treaty-making power as diplomatic instruments in the development of our foreign trade. There are certain favors which we can grant and certain things which we ourselves need. The negotiation of reciprocal arrangements should be facilitated and the institution of reprisals made possible. The creation of a Tariff Board composed of representatives of the Departments of State, the Treasury, Commerce, Justice, and Labor, empowered to deal with these matters may before very long be found to be necessary in the interests of American commerce.

We are generally familiar with the effective work performed by our Consular officers, and the ability and enthusiasm which the Secretary of Commerce—Mr. W. C. Redfield—and his assistants have shown in the task of extending American trade. The important functions and the very real services of our Embassies and Legations, however, are apparently not always so clearly appreciated or understood. It is too often supposed that diplomacy has no very direct relation with, or bearing upon, the humdrum affairs of business life. In the minds of some a diplomat is a gentleman in a top hat who makes himself pleasant to ladies at tea parties. There are, it is true, countless matters of routine from the viséing or issue of passports to the presentation of ladies at Court. Yet even these details are important, for they, equally with matters of seemingly far greater moment, affect our position abroad. The work is

definite and technical, and requires trained intelligence, tact and wide knowledge of business and politics. Diplomacy is not an abstract science or system of philosophy, it is really a Court of Equity in international affairs and our foreign relations are but the aggregate of questions in one way or another arising from our oversea commerce. We may not approve of armed intervention in the affairs of another nation to enforce American claims. Such drastic action, on our part, however, is unnecessary save in certain cases, fortunately extremely rare, where general conditions rather than particular interests demand the restoration of law and order. All legitimate American interests abroad whether they be those of the missionary, or the investor, the merchant or the ranchman, are entitled to diplomatic protection and support. Unless such protection and support are assured, foreign enterprise becomes a speculation and not an investment. It will attract gamblers, not sound business men, for the confidence which security begets is the basis of all honest trade. For this protection we look to the Department of State and our Embassies, Legations and Consular establishments. They it is who must safeguard our interests in foreign lands, and adjust questions which may arise between citizens of our country and the Government of another, or between another Government and our own in the development of national policies.

We in this country, unfortunately, have been too prone to look upon our foreign relations as a sort of football which we might kick about to suit the whims of domestic politics. It is not so many years ago that every Fourth of July orator twisted the lion's tail for the edification of his auditors. Our isolation made us not only confident, but unmannerly, in what we considered to be our immunity. We have been inclined to disregard the facts of our history. For this inaccurate teaching and mistaken patriotism have been largely responsible. But surely true patriotism does not consist in playing the ostrich, but in

recognizing, in order to deal with, even disagreeable facts. Otherwise progress becomes impossible.

One hundred years ago we were part of the European system. American independence was but a collateral—though tremendously important—result of the wars which preceded the French Revolution. We passed unscathed through the Napoleonic Era, and emerged essentially uninjured from the War of 1812—not because of our inherent strength, but because England, France and Spain were more vitally concerned elsewhere. In the enunciation of the Monroe Doctrine, which we like to consider particularly our own, we were encouraged by a British Minister, Canning. He sought, not so much to safeguard American liberty as to assure to British merchants opportunities for South American trade by preserving that region from the domination of the Holy Alliance. In China, in Africa, in India, South America and Russia, American merchants played their part in the adventurous trading of the first half of the nineteenth century. But these men, like our statesmen of that time, were largely guided, or at least affected, by the influences which dominated or agitated Europe. In these days our oversea commerce was essential to the life of the nation and our diplomacy was correspondingly important. During the Civil War the clipper ships, famous the world over, were driven from the seas. After 1865 we concentrated our energies upon reconstruction in the South and the opening of the West, severing our more intimate relation with the Continental system and entering upon a period of incubation when we gave little heed to our foreign trade and during which our diplomacy was provincial. In this, as in the preceding stage of our national development, we were secure from outside interference—not so much because of our ability to resist aggression, as because of our geographical position and the pre-occupation of the Powers across the Atlantic. Even in 1895 at the time of the Venezuelan boundary dispute, Lord Salisbury anticipated the coming struggle with Germany and was unwilling to clash with the United States. So later, when Germany endeavored

to form a coalition of the Powers to support Spain, Great Britain refused to participate and held the field clear while we occupied Cuba and Porto Rico and defeated the Spanish fleet at Manila Bay. It would be humiliating to feel that we could not, if called upon to do so, defend the Monroe Doctrine against all comers; but the fact remains that we have been able to develop this, practically the only positive principal in our foreign policy, chiefly thanks to the exigencies of European politics. The Monroe Doctrine, like the "open door" in China, has been accepted lest any interference therewith disturb the delicately adjusted European "Balance of Power."

This "Balance of Power" which has in the past afforded us our protection may, when this war is over, be unbalanced for sometime to come—for one side or the other will probably emerge victorious. The spirit of nationality in Europe will be emphasized. Like the United States after the Civil War, when we induced England to pay the *Alabama* claims—and suggested that the forces of Napoleon III leave Mexico—the nations which have fought may be more, rather than less belligerent: they may be less tolerant of argument and more prone to action. The strengthening of democracy should be a guarantee for the preservation of peace, but it will be a peace in which our friends across the water will be active and aggressive, rather than charitable and considerate.

Following the cessation of hostilities in Europe there will be a readjustment in world affairs unparalleled in history. The future of Europe, of Asia, and Africa will be settled for some time to come and it is inconceivable that the Americas will not be intimately affected by, if indeed they are not included within the scope of, this forthcoming international congress.

During the past few months the Administration in Washington has shown tact, judgment and sound common sense in its efforts to protect our neutral commerce from belligerent interference. It has been inevitable, however, that in the process we have, by the very correctness of our position, provoked bitter criticism in the European press and amongst

the peoples at war. We have made demands which they have considered unreasonable and which they may not readily forget.

We are apt sometimes to be blind to the inconsistencies in our own policy, but that does not by any means make them invisible to others, who perhaps may be quite as unconscious of the beam in their own eye as we are of the mote in ours. Imagine for an instant what our view would be in case American lives and property were sacrificed in, say, China, and if Japan in refusing to allow us to secure satisfaction from the Chinese Government, was unwilling herself to take action. As we would have others do to us, so must we do to them. Therefore, instead of being too vociferous in our denunciation of those whom we feel are restricting our foreign business, it might be well for us to remember that during the past few years British, French and German property has been destroyed in Hayti, Santo Domingo and Mexico. Under the Monroe Doctrine we assumed a benevolent guardianship over the affairs of this hemisphere. We have been granted a comparatively free hand to deal with these questions because European rivalries have been so delicately balanced that no power dared risk dispersing its strength in an American adventure. On the conclusion of hostilities, however, this situation will no longer exist. We may take it for granted that we too shall then be asked for an accounting. We shall either have to fulfil or forego the responsibilities which we have in the eyes of the world at least, assumed for the behavior of our Southern neighbors.

You may feel, perhaps, that in raising this point I have departed from my subject and entered upon a discussion of a domestic question wholly unconnected with our foreign trade or our general foreign relations. If so I cannot agree with you. It is impossible to separate such matters into watertight compartments. When we demand that Russia modify her domestic policy regarding the Jews to recognize American passports carried by our Jewish citizens, we cannot expect Japan and China cheerfully to acquiesce in our exclusion

of their subjects under the American immigration Laws. We cannot impose our will upon another nation in Persia and expect consideration and hearty co-operation in settling a dispute in Peru. We cannot isolate problems in diplomacy and at our discretion say that we will arbitrate this one and settle that one as we may deem desirable. We cannot eat our cake and have it.

This subject is referred to not with any desire to criticize the Administration in Washington, which inherited and did not create the Mexican problem. If we have shirked what our critics consider to be our obvious duties, it has not been so much the fault of President Wilson or Mr. Bryan as it has of the American people whom they represent. We are a Democracy. The very nature of diplomacy requires constructive and farsighted leadership. But with us in the last analysis it must conform to the will of our people, and our foreign policy will be intelligent and effective or otherwise according to the public understanding or ignorance of its relation to our national life.

It is, therefore, imperative that as a nation we should now, while we have yet time, set our house in order. If we would avoid embarrassments for the future, or assume fresh responsibilities, our present obligations must be recognized.

It is foolish, moreover, for us now to talk complacently of capturing British and German trade, because Europe is at war, and because the Monroe Doctrine is supposed to give some sort of a hypnotic claim to the profits of South American commerce. We hear that the trade of the world will be ours; that we shall supplant London as the world's credit center. But we should remember that much of the business upon which we are now engaged is directly attributable to the war, and may be greatly diminished by its conclusion. We should not, therefore, be lulled to a happy sleep by siren songs. We cannot sit down and wait for good things to continue to drop, like ripe apples, into our lap. Once the war is over it will not be long before Europe, commercially and industrially

better organized than before, will aggressively undertake to recoup itself for its losses by extending and developing its foreign trade. Interruption in European exports has made it possible to introduce American goods where heretofore they have been denied a fair trial, but any advantages which we may now gain will be temporary, rather than permanent in character, unless we are able firmly to establish ourselves in the markets which, for the time being, are opened.

Our ability to meet the test will depend upon the quality and prices of our goods, upon the facilities for financing their distribution and upon the efficiency of our selling methods. The activities of our merchants and manufacturers however must be encouraged by an intelligent, alert, and responsible diplomacy, maintaining increasingly cordial relations with the rest of the world with which we desire to do business.

I fear, Gentlemen, that this has been a somewhat rambling talk, that I have offered no concrete suggestions as to ways and means of securing foreign trade. I have certainly not ventured to outline a diplomatic policy for our Government. But you are interested in foreign trade development, and it is the inter-dependence of our foreign relations and our foreign trade that I have endeavored to analyze—their mutual relationship that I have attempted to make clear. I have hoped, by describing the warp and woof, to give an impression of the fabric as a whole, and to show that the problems of both are in reality the same, although expressed, perhaps, in different terms.

To sell goods abroad it is necessary to understand and satisfy a foreign market. To cultivate friendly diplomatic relations it is essential to appreciate and sympathize with the ideals and aspirations of a nation other than our own. Diplomacy, like trade, is largely a matter of square dealing, in apprehending and adjusting differences, as well as common interests—in recognizing, not in dodging, facts. Foreign trade and diplomacy, after all, are like most other human relations. The twin keys to success therein are courtesy and common sense.

As Southerners and as businessmen, you are endowed with the one, and know the value of the other. The future is before us. We wish to share the profits of the world's trade, and creditably to bear our responsibilities in the world's affairs. To realize these aspirations for this democracy of ours we must have confidence in one another, understand the fundamental identity of our interests and co-operate for a common end. The essential thing is to see our problem clearly and, to realize its bearing upon every phase of our national life.

Once we can do this, you know and I know that we shall succeed.

End

mistake. Great Britain will be confronted with some of the gravest problems with which it has ever been faced. . . . With wisdom, sagacity and foresight we shall go through it, but let us think about it in time, and lay down our plans accordingly.

I should like to commend to our leaders in finance and industry Lloyd George's appeal to think about it in time and lay down our plans for facing the reaction that is certain to follow this present abnormal activity in our industries and commerce. We are becoming more and more dependent for the full employment of our plants upon the stability and permanency of the demand for our manufactured products from the neutral markets of the world, and the surest way to establish such permanency is through liberal investments of our capital in South and Central American enterprises.

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GOVERNMENTAL POLICY AND TRADE RELATIONS WITH THE FAR EAST¹

WILLARD STRAIGHT

THE chairman has referred to the war in Europe. A few days ago I heard someone remark that whether the Allies or the Central European powers were victorious, it would be German organization that would win the war. That seems obvious. It might, nevertheless, be well to consider for a moment the implications of this statement. We have seen the operation of a wonderful national machine in Germany, and, at the same time, we have witnessed efforts in England and France and Russia to organize on a national scale not only the military and naval, but the industrial forces which those powers must bring to bear to combat the German system. It is true that British and French finance was at the very outset of the war subjected to a governmental control which up to that time had never been contemplated. Yet it took some time for the British and the French democracies to realize that they must, if they would be successful, attempt in some way to secure a unity and concentration of effort in industry and agriculture as well.

Discussion of this point may seem a far cry from the subject which has been assigned to me today. I do not think so. You are familiar with the fact that early in our history it was the policy of the American government to further its trade relations, particularly with the nations of the Far East. Various gentlemen traveled in American men-of-war to negotiate treaties with Korea, with China and Siam. Commodore Perry succeeded in establishing an understanding with Japan, which resulted in the conclusion of our first treaty of commerce with that country. I do not suppose that those gentlemen even dreamed of the term which was later applied to that form of

¹ Read at the meeting of the Academy of Political Science, November 12, 1915.

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governmental activity—"dollar diplomacy." As a matter of fact, they were engaged much more than Mr. Taft's administration in an effort, by direct governmental intervention, to establish trade relations with the nations of the East. It was, of course, their object at that time to pave the way for the establishment of the commercial relations of that period. At that time international commerce was in reality barter. Vessels carried goods from the United States, which they exchanged for other goods. These were again exchanged, until the merchant adventurers returned to Boston or Salem or New York with a handsome profit on the voyage.

It was only when the element of finance was injected into the situation, when it became necessary for the government, through a financial instrument, to assist in the establishment of trade relations, that criticism was provoked. That criticism was due, it seems to me, primarily to a misunderstanding of the functions of finance in the development of trade, and a lack of appreciation of the proper functions of the government as regards both commerce and finance. In considering these subjects, and our relations with the Far East, we are again confronted by the fact that it was the effectiveness of German organization which made it necessary for our government to develop the much-criticized "dollar diplomacy." The German occupation of Tsingtau in 1897 precipitated the international scramble which eventually resulted in the formation of what was at one time known as the "Six-Power" group which was denounced by President Wilson shortly after he entered the White House.

The Germans first appreciated the value of national organization for trade development. This policy was imposed upon them by the necessity of their position. When the German Empire was organized after the Franco-Prussian war, German merchants found the markets of the world occupied very largely by their British competitors. British trade had been built up in more or less haphazard manner, thanks to the adventurous disposition of British merchants, also in a large measure to the lack of opportunity in the British Isles and to the ability of the London market to finance certain foreign

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End

loans. There was no real organization, however, in British overseas trade. The Germans, in order to enter world markets, analyzed their situation and developed a scheme by which their commercial and financial interests could be operated in connection with the agencies of the government.

German competition in China became serious when Germany seized Tsingtau. German merchants, it is true, had traded in Hongkong, Shanghai and elsewhere, but the occupation of that port, the determination of Germany to extend its influence through the province of Shantung, brought a new element into the situation. The other powers promptly followed Germany's example, established naval bases on Chinese soil, and secured from the Chinese government concessions for railways to run through certain areas, which they delimited as their spheres of influence. This scramble by the foreign powers was largely responsible for the growth of unrest in China which culminated in the Boxer outbreak of 1900. In the expedition of the Allied forces to Peking, and immediately thereafter in the settlement of that trouble, there was introduced for the first time an element of international co-operation, the necessity for which had been foreseen by Secretary Hay when he enunciated his "open door" policy.

The various powers had originally subscribed to that doctrine not so much because they were actuated by any particularly altruistic motives, as because Secretary Hay's formula happened at that time to meet their peculiar needs. They recognized that it would be impossible for them to occupy by military force and to hold without an expense entirely out of proportion to the benefit to be derived, any portion of China. They had, therefore, determined upon this policy of finding spheres of influence. But even with these spheres of influence they had found that their interests were not developing as they might wish. The Chinese government was weak, and endeavored to protect itself by setting one power against another, with the resulting friction between the powers, which culminated in the Russo-Japanese war. Following the struggle, it became necessary to effect a new readjustment.

The powers which had at first established spheres of influ-

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ence, and which later came to a certain agreement as regards the development of their respective interests in China, were actuated by the desire to secure markets for their goods. As Mr. Muchnic has pointed out this afternoon, the manufacturers of the nations whose bankers furnished the money for the construction of railways were the manufacturers who secured the orders for all the railway material. As railways were built under British, German, French and Belgian engineers, a market was created for other goods which were introduced into China by these engineers and with which the Chinese became acquainted for the first time.

It had long been the policy of the American government to assist China in her own development. It was that friendship for China which had inspired Secretary Hay's "open door" policy. It would be incorrect, however, to say that that policy was entirely altruistic. Certainly it was in no small measure prompted by the belief that that friendship for China was a sound policy, and one calculated to develop American trade in the East. But owing to the development of the railway policy of the European powers, it became apparent that it would be practically impossible for our manufacturers to secure a share of Chinese business unless American bankers could be induced to finance Chinese enterprises. To secure the opportunity which we should otherwise have lacked, Secretary Knox suggested that an American banking group should go to China and endeavor to secure participation in certain loans then being discussed. Although this desire to secure trade was a strong factor, there was in addition a hope that if American interests secured a foothold in China, it would be possible for them to co-operate with other national interests and to make of the "open door" doctrine a really effective instrument by clothing it with a commercial, as well as a political, character. It was believed that the integrity of the Chinese Empire, which from time to time had been threatened, would be safeguarded by such co-operation among the great powers. The American banking group withdrew from China, but the situation today is very similar to that which existed some six years ago, and the problem before this country is the same and requires the same remedy.

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End

It has been frequently asserted that the American government could not lend its support to any banking group or any contractor in collecting debts—that is, could not collect debts by force. That criticism was very largely directed against the so-called policy of "dollar diplomacy." Many people said it meant a "gun-boat policy," and it was widely asserted and believed that our government proposed to send out the American fleet to collect interest due bankers in case of default. As a matter of fact, the function of the government is not, and cannot be, that of a collecting agency. It is true that from time to time it may be necessary to invoke official assistance in inducing some foreign government to live up to a contract with an American firm or corporation, but in the main, and as regards the Far East—and in the Far East, China is really the only country concerned—it should be the function of our government to assure to American enterprise an equality of opportunity. That equality of opportunity in China can be obtained, no matter what the government may do, only if it is possible to induce American bankers to finance Chinese enterprises.

The modern conception of the banker is very different from that which was generally held a few years ago. Opinion even in this country is rapidly changing. We have recently seen an issue of five hundreds of millions of bonds by the English and French governments, not to secure money which those governments could use for their own purposes in England or in France, but to finance the purchases which they had made in this country.

It is exactly that function which it is necessary that the bankers should perform for American industry if American industry is to have its share of the Chinese trade. It is not essential, as so many people have asserted, that our governments should guarantee the bonds that our bankers are to take, but it is essential that the governments should co-operate with our banking and commercial interests in order to see that they secure an equality of opportunity and are not hampered by the political activity of their commercial rivals.

The situation in China is somewhat different from that which

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exists in South America. The relation as between commerce and finance is the same, but the function of the government in China is more important than in South America. In South and Central America, with one or two exceptions, the governments are stable and are not subject to or driven by outside influences. In China, on the other hand, the government is, and has been, weak. There is constant pressure on all sides. One legation insists that a certain contract should be concluded with this person, another demands that the contract should be concluded with that firm. In many cases the contract is awarded to the people whose diplomatic representatives have brought the strongest influences to bear. The situation is unfortunate. It would be much better for all concerned if the Chinese government were not so weak, if it could withstand demands of this sort and consider proposals submitted on their commercial merit alone. But facts are facts, and must be taken into consideration if progress is to be made.

It was the aim of Mr. Hay's "open door" policy, and it was the aim of Secretary Knox in furthering negotiations which resulted in the establishment of the "Six-Power" group, to create international co-operation in China as distinct from conflicting national interests. It was believed that such co-operation would be beneficial to China, that it would give China an opportunity to work out her own salvation, and that it would assist in the development of China's foreign trade.

In the long run, it might be as well for the Chinese people if their government were subordinated to some other, but as the world develops it becomes more and more unlikely that any people will be willing to live permanently under alien control, and for that reason I feel that it is necessary, if China is to progress, to revive that idea of international co-operation which has for the time being been abandoned. It may be impossible to do anything, to take any steps along this line, until the war in Europe is over. But it seems to me that the time is not far distant when the American government may have a great opportunity to reassert the policy enunciated by Secretary Hay, and continued by Secretary Knox in an effort to bring this about.

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The developments of the past year have brought to people in this country a more intelligent appreciation of the necessity for the co-operation between government and commerce and finance. The manufacturers and the bankers must work hand in hand. The manufacturers cannot sell their goods unless the bankers are able to sell their loans, and the bankers will not be able to sell their loans because there will be no public to buy the loans unless the manufacturers in turn are prosperous.

It is impossible to divide public and private credit into water-tight compartments. It is impossible to regard the problem of the manufacturers without considering the problem of finance. It is impossible to regard the problem of finance without considering the problems created by industry. As the government is the representative of all interests, as it is only through the government that all interests can really co-operate, the general prosperity of the country and the strength of the government depend upon the development of commerce and industry and finance. It is essential, if we are to develop our commercial relations with the Far East, that we should have a just appreciation of the important bearing of American diplomacy on those commercial relations.

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THE RELATION OF PUBLIC
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THE RELATION OF PUBLIC FINANCE TO PRIVATE CREDIT

The economist or the student of finance, in discussing the theory of credits, must necessarily analyze the interaction of gold reserves, of inflation and depreciation, and the effect of favorable or adverse balances of trade. Deferring to your superior knowledge of these most interesting and important matters, I shall not attempt to deal therewith. I shall, if I may, ask you to approach the general subject from a somewhat different angle, and to regard private credit as the national basis upon which any constructive international commercial and financial development must depend.

In the past, we in the United States unfortunately have been accustomed too generally to consider credit problems not on their intrinsic merits but from partisan points of view. Thanks to our enormous resources, we have been able to borrow freely, and on easy terms, from Europe. Our own capital, therefore, inevitably has been attracted by quick returns, and we have been influenced by reasons of immediate expediency rather than guided by a clear conception of the ultimate goal. In consequence, we were long blind to the necessity of evolving a well-balanced, consistent and progressive national financial policy, designed to correlate and galvanize into effective cooperation the agricultural, industrial

and commercial activities from whose cumulative power such a policy should derive its momentum. Our failure to appreciate the importance of creating adequate credit machinery cost us dearly. We persistently disregarded the bitter experience of recurring panics, and were long deaf to the recommendations of men who, like the late Senator Aldrich and Mr. Paul Warburg, urged the organization of a banking system which would enable us to mobilize our reserves and to utilize to the fullest extent our credit resources.

In the twenty years preceding our Civil War, the United States had traded in every sea. Foreign commerce in those days was largely a question of barter. The intricate problems of international finance, which are now so absorbing, were unheard of, and the development of markets by judicious investment was virtually unknown. Great Britain, Germany and France later discovered that bankers held the golden key to over-seas trade. We, however, were busily engaged in borrowing abroad and ourselves had no surplus funds for foreign investment. We exported raw materials and imported manufactured goods. Following the Spanish war, however, American industry, through the great combinations, became organized in units sufficiently powerful to enable it to enter the export trade. Our manufacturers soon realized that unless American bankers would finance their foreign customers, they could not compete with British and German industry. An American banking group was organized for China, and loans to South and Central American Republics were considered. A certain stage of what might be termed economic saturation having been reached within our own boundaries, we began to look abroad. Just as the development of our eastern seaboard enabled the merchants of the early fifties to hold their own in the trading competition of the period, so the general standard throughout our country just prior to the European war had brought our bankers and manufacturers to the point where increasing production and accumulating capital at home

and the ability to borrow on low terms in London and Paris, made them anxious to enter the financial-commercial struggle for trade with the as yet undeveloped corners of the earth. The Federal Reserve Act, by releasing reserves, added tremendously to our credit resources and promised to give a fresh impetus to our desire for trade expansion. Before the efficacy of this new machinery could be tested, however, it was subjected to the sudden strain of war.

The American Republics were differently affected by this world wide crisis. We, who have been able to sell largely to Europe have been enriched. The countries which have depended upon European capital for their development have been obliged to postpone many important works. But all of us shall be wise indeed if by closely observing the manner in which the nations now at war deal with the problems to which this crisis has given rise, we are able to profit by their example and to avoid the consequences of their mistakes.

At the outset, Germany alone was prepared. Not only her armies, but her financial and industrial resources were at once mobilized. In France and in Great Britain, the magnitude of the task and the necessity for correlating every form of national activity in the supreme struggle for victory was not at once realized.

But coincident with military and naval endeavor, the importance of conserving national credit was recognized from the outset. The German problem of war finance has been simplified by Germany's inability to import goods from abroad. The question of at present providing gold exchange has consequently been one of subordinate importance. Great Britain and France, on the other hand, have been obliged to purchase vast quantities of material, and their financial measures will repay the most careful study. Early steps were taken by these two governments to assure the continuance of business as nearly as possible along normal lines. In England, bill brokers and foreign ex-

change houses, as well as manufacturers and merchants engaged in overseas trade, were given special guarantees by the Government. Proceeds of the war loans were utilized in a manner calculated to assure uninterrupted and profitable business, in order that the proceeds thereof might be subject to yet further calls. When the London Stock Exchange was opened early in the present year, it was announced that no new foreign issues might be made without the permission of the Chancellor of the Exchequer. The financial resources of Great Britain were to be conserved for the prosecution of the war. Pressure was brought to bear upon British investors to induce them to sell their holdings of American securities in order that they might invest in the British war loans. Only recently the Government has taken steps to mobilize American obligations held in Great Britain, to be utilized under Government direction to maintain exchange between London and New York. In France, through the co-operation of some of the large private banking houses, French investors were induced to deposit their holdings of American issues to provide the basis for a credit which was negotiated in this country. In both England and France, every effort was made to issue war loans in a form which would attract the small investor. In other words, European financial policies have been calculated to insure the national organization of credit to provide means for continuing the war not only by financing military operations, but by granting extraordinary facilities to conserve financial, industrial and commercial resources to the fullest extent possible. Such synchronization of effort;—co-operation on such a scale,— is without precedent. For us in the United States at least, it would, in the absence of special legislation, be impossible. Yet we too have widened our financial outlook and engaged in operations which two years ago we would have considered fantastic. In the Autumn of 1914, our most pressing problem, the stabilization of exchange by the settlement of

our immediate debt to Europe, required the united energy of the newly organized Federal Reserve Board and the bankers who loyally stepped into the breach. Within six months after the commencement of hostilities, however, we were busily engaged in this country in devising ways and means by which we might assist Europe to pay for our goods which were being purchased in increasing volume. We bought back from Europe great quantities of our securities. A series of minor credit operations culminated in the flotation of the great Allied loan. The success of the war loans in Great Britain, France and Germany depended upon the credit of the countless private individuals who subscribed their savings to support mobilized and correlated military, financial, industrial and commercial activities. In making a public offering of the Anglo-French loan in this country, the American bankers were performing a function analogous to that of the Governments in Europe. By mobilizing our private capital, they were endeavoring to create a public credit to finance the great export trade from which our present prosperity has been derived. This transaction was almost as important to this country as a whole as it was to the powers now at war. Every individual who has invested in the European credits which have been negotiated here, has stimulated American industry by facilitating the export of American goods and, by acquiring a private investment, has performed a public service.

Prior to the outbreak of the war in Europe, there had been intimate commercial relations between the American nations. The trade between this country and our sister republics farther to the South, however, had not been developed. There was a long established British and French investment in the Argentine, in Brazil, in Uruguay, in Chile and Peru, and the dealings between South and North America were largely conducted through London and Paris. The relationship was triangular—imports into the United States from South America were heavily in excess of

our exports—and our debit balance was settled in Pounds Sterling. The declaration of moratoria, the dislocation of credit machinery, the interruption of shipping, affected the entire American continent. Canada only was at war. The neutral nations, finding the old channels of trade suddenly blocked, looked to each other. We set to work to examine our mutual needs, and endeavored to find means by which we might be of mutual assistance. Steps were taken to handle exchange direct between New York and the other American financial centers. Branches of the National City Bank were opened to provide facilities which had not theretofore existed. Informal discussions between diplomats and representatives of American business developed into the Pan-American Financial Conference held last Spring under the auspices of our Secretary of the Treasury. Pan-Americanism, which too long had been a pleasant after dinner phrase gradually assumed practical significance, as it was realized more generally throughout both continents that an increasing intimacy would be mutually beneficial.

It is difficult to generalize. Each nation has problems peculiarly its own, which must be given separate consideration, and regarded in the light of particular needs. It is, nevertheless, possible to state that in almost every case, the republics to the South require capital for their development, while the United States is seeking more extensive markets for its manufactured goods.

By reason of our present great and increasing prosperity, and the restrictions which the necessity for reconstruction will impose upon the European bankers who have hitherto financed development enterprises throughout the world, it would seem inevitable that those who are seeking capital must, for a time at least, largely depend upon the accommodation which they may be able to secure in this country. Fortunately, with the increase of our investing power, there has come a rapidly growing appreciation of the fact that this power, constituting as it does a national

asset, should be utilized for national ends. The resources which we will have at our command will undoubtedly in some measure be available for the rehabilitation of European industry after the war. It will be to our selfish interest to assist insofar as we consistently can in the restoration of normal financial, and commercial conditions throughout the world. In order that American industry, upon which our prosperity so largely depends, may benefit by the use of our lending power, however, it must be a primary feature of our policy, as far as possible, to utilize our available capital in co-operation with the borrowers to create and assure a market for American goods. But the readiness of American bankers to undertake to offer foreign securities will necessarily depend upon the credit of the prospective borrower, and upon the return to be derived from the purchase of the securities offered. The credit of certain of our sister republics in South and Central America is unquestioned, but the development of others, equally rich in resources, has in the past been hampered by political disturbance. They have afforded fields for speculation, rather than for investment, and foreign capital has too frequently allied itself with one political party or another for illicit mutual gain rather than to secure a legitimate profit for public work well done. It has often been urged that our own government should in some way guarantee or assure the safety of foreign investments undertaken by its nationals. Our State Department may use its good offices to secure the enforcement of a just contract entered into in good faith, but it cannot, and should not, act as a collecting agency. It is in the interest of those who desire to borrow, nations as well as individuals, to maintain their credit in order that they may secure necessary financial assistance on reasonable terms. To assure public is to safeguard private credit. Where private credit is unquestioned, national borrowing power is secure.

The European war has given to the American Republics a new bond of mutual dependence. Politically we are closer than ever

before. In our mutual necessity, there is a need, and at the same time, an opportunity for much more intimate commercial and financial co-operation. You require capital while we in turn must try to stimulate the exchange of products between this country and our sister republics to the South. In order that we may sell our goods to you, we must enable you to produce more which we in turn can purchase. We are beginning to realize that we must furnish capital to our customers if we would market our goods. We must maintain a relationship which, in being mutually profitable, will bring a better mutual understanding of our aspirations and ideals. Such a relationship can be established if those who would secure financial assistance offer conditions which will attract our investment, and if we in turn are willing to grant the credits which will enable you to purchase in this country the articles which you require. Both lender and borrower must mobilize private credit, the borrower in order that he may borrow advantageously for the development of his resources; the lender, in order that he may lend intelligently for the extension of his national trade. Private credit is the ultimate basis of international finance, and we are just entering upon an era where public finance will play an increasingly important part as the most powerful instrument of constructive domestic, as well as foreign, national policy.

THE TARIFF IN ITS RELATION
TO FOREIGN TRADE

Address prepared by

WILLARD STRAIGHT

Chairman, Committee on Foreign Trade Aspect of Tariff,
National Foreign Trade Council.

for the

Annual Convention of the
National Implement and Vehicle Manufacturers' Association
of the United States
Atlantic City, October 20, 1916

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THE TARIFF IN ITS RELATION TO FOREIGN TRADE

Speech before the National Implement and Vehicle Manufacturers'
Association of the United States.

In honoring me with an invitation to be present on this occasion, your President suggested that I address you on "Foreign Trade." The subject is a large one. As practical business men, you would, I am sure, prefer that I discuss particular aspects of this question rather than deal with broader generalities. You know your own business. I do not. You do a large export trade and desire still further to increase your sales abroad. Your Association, as I understand it, was organized to help your members by creating a medium through which, if necessary, you could take joint action. Each firm or Corporation must manufacture and market its own product. These are your day to day problems. By giving expression to your common desires, through your Association, however, you are able to influence the general conditions under which you all are conducting your individual affairs. It is right and proper that associations such as yours should endeavor to secure legislation which they believe to be beneficial to your own interests, and beneficial to the country as a whole. I propose, therefore, to deal with two specific matters in which I believe you should be interested and with regard to which I trust your Association may see its way clear to take definite and immediate action.

We have reached a period during which the policies which will make or mar the economic future of this country must be determined. In this democracy of ours, it seems that the most intelligent initiative in the formulation of such policies must be taken

not by those who are in politics, but by associations of business men such as your own.

I shall ask you, therefore, to consider the importance of the Tariff, not as a high tariff or a low tariff, a protective tariff or a tariff for revenue only. As to these functions of the tariff you have doubtless your own opinions I shall ask you to consider the tariff in its collateral aspect as an instrument, whatever be its underlying principle, to be utilized in securing for American products fair and equivalent treatment in the markets of the world.

I shall ask you also to consider the urgent necessity of securing legislative authorization for co-operation by our exporters, in order that having secured access to foreign markets, they may be in a position successfully to compete with our commercial rivals.

The European War is the overshadowing fact in the world today. We have ceased to speculate as to the immediate reasons for the war and thinking people, for sometime past, have been concerning themselves with its probable results. Its fundamental causes were economic. Its results will be economic. Military necessity has already caused a startling transformation in the financial and industrial structures of the belligerent countries. Two years ago people prophesied that Europe would be crushed for a decade at least. Although it is obvious that the period of reconstruction will be difficult, it is equally obvious that the centralization of authority, and the coordination of finance, industry and transportation, have created economic machinery which will deal as effectively with the problems of readjustment as they have with the conduct of the war.

The warring governments have done more than establish their control over finance, industry and transportation, within their own borders. They have mobilized their economic, as they have their military forces, and the members of each of the belligerent groups are now cooperating to an extent heretofore unknown and almost inconceivable. These Powers, associated by their common determination to crush their enemies are now discussing economic alliances for the future. It is proposed that they establish preferential arrangements amongst them-

selves and that they jointly deal with their trade with neutral nations. Confronted by the necessity for recouping their losses these Powers are devising means by which they can assure, and derive the greatest possible profit from, their commercial expansion after the war.

The United States has been enriched during the past two years, first, because of our huge sales to Europe, and second, because we have found less active European competition in neutral markets. The United States will be Europe's greatest competitor after the war. Production in this country has been stimulated. As our gold reserves accumulate, we are witnessing a period of rising prices, which will be further enhanced by labor's increasing demands for higher pay. With the cessation of the abnormal demand for munitions and foodstuffs which will inevitably follow the conclusion of peace, we shall under any circumstances be obliged to pass through a difficult period of readjustment. To meet this situation it is essential that we maintain as far as possible our export trade as an outlet for our surplus products. Our exports will in any event be curtailed by a diminishing European demand. If, in addition, Europe is able, under a system of preferential tariffs, to discriminate against us in non-European markets, our whole economic structure will be menaced.

In meeting this situation two facts are in our favor. Despite the contemplated arrangements between the two groups of Allies, and their possible reciprocal understandings with other countries not now at war, Europe must continue to make considerable purchases in this country. More than that, after the war, with our prevailing high prices, Europe, in order to find an outlet for her products, will seek access to this market. Our purchasing power is our first line of economic defense. We must utilize this purchasing power to protect our producers and our exporters against discrimination by the Economic Alliances now being organized in Europe. We must be on guard against possible preferential arrangements between the members of these Alliances, and between these two groups and other countries not now at war, in order that our manufacturers may

be able to compete with European manufacturers on a basis of equality throughout the world.

By capitalizing our purchasing power, we must protect our domestic producers against the unrestricted importation of foreign goods and assure our export markets. To accomplish these two results we must have a flexible trading tariff. Once our markets are assured, our manufacturers must be able to meet organized competition and organized buying by equally effective combinations amongst themselves.

Approximately three-fourths of our total normal foreign trade is conducted with the countries now at war and their colonies. Sweeping changes of tariff, navigation or financial policy on the part of either group of allies, such as are now contemplated, may seriously affect the domestic prosperity of the United States, in which foreign trade is a vital element.

Will either the Entente or Central Economic Alliance continue to grant what really amounts to most-favored-nation treatment to the products of the United States? In other words, assuming the adoption of a tariff (for revenue and protection) in the United Kingdom, will the United Kingdom, France and Russia give the United States the same tariff treatment that they extend to each other and to their colonies, receiving in return no more favorable treatment than the United States accords German and Austrian products? Or will they make an exclusive concession under the American tariff the price of a favorable entry into their own markets? The same query applies to an economic alliance of the Central Powers. It is apparent that with a tariff the United Kingdom will be in a strong position to claim concessions in neutral markets in return for continued free or favorable admission to the vast market of the British Islands. Latin-American countries enjoying free trade in the United Kingdom now have, as with the United States, little or nothing to gain from negotiation. If the British Government, and other European Governments, however, demand preference for the entry of their manufactures into Latin-American countries as the price of favorable treatment of Latin-American products, a serious

obstacle will confront the ambition of the United States more largely to supply Latin-American needs in manufactured merchandise.

The European need of cheap foodstuffs and raw materials is a possible deterrent to the tariff taxation necessarily the basis for such reciprocity overtures.

Although the European Governments, except the British, maintain tariff systems with ample machinery for negotiation of special commercial treaties, inter-European tariff relations were stabilized, prior to the war, by British free-trade and the most-favored-nation provision of the Treaty of Frankfort which ended the Franco-Prussian war.

No country, therefore, had reason to discriminate against the products of the British Isles, which offered the world's greatest free market. Neither France nor Germany could extend any tariff concession to a third that they did not accord to each other. Germany, however, had given notice of revision of all commercial treaties in 1917. The Treaty of Frankfort was abrogated by war and the terms of the Entente Economic Alliance forbid renewal of its most-favored-nation provision. British free trade is menaced by advocacy of a United Kingdom tariff for revenue, or protection, or both; and while certain free traders oppose the Paris economic resolutions as a step away from British fiscal policy since the repeal of the Corn Laws, others, hitherto no less conspicuous in devotion to the doctrine of Cobden, have declared that new conditions require new remedies.

A United Kingdom tariff would give what is now the world's greatest free market a basis, first, for the preferential treatment of colonial and allied products, and secondly, for the negotiation of preferential tariff agreements with non-British countries.

The other Entente Allies, moreover, all maintaining tariffs, are free from the restraints of their former commercial treaties with Germany, and Austria-Hungary, and in a position to offer concessions to those countries with which they desire to extend their trade. Similarly, the Central Powers have a greater liberty of negotiation than before the war. All European nations, therefore,

will, with peace, have a large market to offer, and may be expected to yield it only for opportunities to extend, or protect from discrimination, their foreign trade. The United States is normally the best customer of the United Kingdom and is one of the most profitable markets for France, Germany, and all the other belligerents.

Immediately the war ends, a period of commercial treaty adjustment will begin. More treaty making will be in progress in the five years after the declaration of peace than in any similar period of the world's history. The most-favored-nation relation which the European Governments have permitted the United States to enjoy, despite frequent American tariff changes and the extension of American tariff preferences to Cuba and to the colonies acquired from Spain, may not easily escape jeopardy. Many of the treaties between the United States and European Governments are ancient, with obsolete phraseology out of tune with modern expression of a new treaty system.

Even with no European disposition to discriminate, certain changes in these treaties will be inevitable if only to bring their provisions into harmony with the new agreements.

This renders highly important the United States treaty-making power. Their parliamentary system gives European Governments a superior efficiency in treaty making as compared with the United States, where the treaties are negotiated by the Executive, subject to the ratification of the Senate by a two-thirds vote. With us also, agreements affecting the revenues, must obtain the approval of the House of Representatives. The necessity of a two-thirds Senate vote for ratification requires that treaties be so drawn as to command general approval, a difficult task which can be accomplished only by the most careful consultation of public opinion prior to negotiation, the most skillful handling of the American case in the exchanges and convincing presentation of the facts to the public in order to command sentiment in favor of ratification and maintenance of the treaty obligation afterward.

The Dingley Act provided that the President might negotiate

reciprocity treaties for the encouragement of American foreign commerce. He did so. The Senate declined to act upon them. The history of commercial treaties in the United States is marked by frequent senatorial disregard of the recommendations of the State Department.

The State Department now lacks, but should immediately provide, skilled resources for study of the entire treaty situation. The education of American public opinion upon treaty legislation is necessary.

The present United States tariff, approved October 3, 1913, ten months before the European war, was styled by its advocates "a competitive tariff", but the schedules were adjusted more along the lines of domestic than foreign policy. It replaced a maximum and minimum tariff, the minimum rates of which were extended to all nations which did not unduly discriminate against products of the United States. The maximum schedule added 25% ad valorem to all duties and was frankly a retaliatory weapon to be used against undue discrimination. The maximum schedule was never put into effect, although the possibility of its employment enabled the United States to obtain the removal of certain threatened discriminations. It was generally regarded as a dangerous weapon in that it could only be used against all the dutiable products of a discriminating nation, possibly involving a dislocation of commercial intercourse, more serious to the United States than a continuance of the discrimination.

The Underwood-Simmons tariff abandoned the retaliatory system, and consists of a single schedule. Paragraph A of Section IV provides:

"For the purpose of readjusting the present duties on importations into the United States, and at the same time to encourage the export trade of this country, the President of the United States is authorized and empowered to negotiate trade agreements with foreign nations, wherein mutual concessions are made looking forward toward freer trade relations and further reciprocal expansion of trade and commerce; Provided, however, that such trade agreements, before becoming operative, shall be submitted to the Congress of the United States for ratification or rejection."

No commercial agreements have been negotiated thereunder. Whether they would have been attempted save for the war it is impossible to say, but many familiar with foreign trade feel the tariff is practically barren of trading margin. The duties on manufactures were placed as low as seemed advisable, even to radical tariff revisionists, and so many natural products, food-stuffs and raw materials were free listed that upwards of 60% of the total value of all imports now enter the United States duty free; 95% of the value of imports from South America are on the free list and with the exception of Cuba, the same proportion of imports from Central America and the West Indies; while 90% of the imports from Africa, 97% of those from Oceania, and 79% of those from Asia pass our customs houses without yielding a cent of duty.

The countries in these rapidly developing parts of the world have little to gain from negotiation with the United States, and since Europe is also a heavy customer and a source of capital, are doubly disinclined to accord the United States concessions not equally extended to Europe.

Present public discussion of the tariff in this country deals almost entirely with its domestic aspect. Little is heard of its administrative character, whether it should be a maximum and minimum, a general and conventional, a reciprocity or bargaining tariff.

Despite all the tariff talk the approaching election will not supply a verdict on one of the most important phases of this problem, namely, the method of dealing with the preferential arrangements among other nations, which may discriminate against the foreign trade of the United States. That commerce normally valued at nearly five million dollars is a vital element in our domestic prosperity for one man in every ten, daily is engaged in some activity made necessary by foreign trade. Employment, both of labor and of capital, will be favorably or adversely affected by the extension or curtailment of this trade. The economic policies which are developing as a result of the European war make it imperative that we consider the potentialities of the tariff. Yet

public knowledge of tariff technicalities is so slight that the result of no election can be accepted as an expression of national opinion as to the utilization of the tariff as an instrument to encourage or protect our foreign trade. That must remain a question of policy which Congress is urged to consider. But without disrespect it may fairly be said that only a small number of senators and representatives have given detailed attention to the problem. Congress has, however, created the United States Tariff Commission to meet a well nigh unanimous demand for a more scientific investigation of Tariff questions and it is encouraging that this body is to come into existence at the precise moment when foreign trade problems, affecting our tariff policy, are arising in every quarter of the globe.

Section 704 of the Revenue Bill, approved September 8, 1916, provides:

"That the Commission shall have power to investigate the tariff relations between the United States and foreign countries, commercial treaties, preferential provisions, economic alliances, the effect of export bounties and preferential transportation, rates. The volume of importations compared with domestic production, consumption and conditions, causes and effects relating to competition of foreign industries with those of the United States including dumping and cost of production."

The six members of the Tariff Commission have not yet been appointed by the President. The provisions of the Revenue Bill creating the Commission limit its authority to reporting to Congress on the first Monday in December of each year or to the President, the Ways and Means Committee of the House and the Finance Committee of the Senate, whenever requested. The Commission shall make investigations when requested by any or all of these authorities. In creating this Commission, Congress has relinquished nothing of its power to fix tariff rates. The Commission is confined to the gathering of information. The determination of the Tariff policy, that is, whether it shall be a high or low protective tariff or a revenue tariff, remains with Congress, presumably to be decided by the expression of the people at the polls.

It will be one of the duties of the Tariff Commission, therefore,

to consider the effect of foreign tariff changes upon the United States and the policies necessary to meet them. Its success will largely depend upon the completeness and accuracy of information obtainable from the business of the United States and other countries.

That the personnel of any tariff commission should be highly qualified goes without saying, but it is doubly true at a time when Congress on the basis of the Commission's reports of analyzed and digested facts, should anticipate possible discriminations against American commerce. The best minds of Europe are shaping economic policies to be given effect after the war, and the United States government should be no less diligent. The reduction of the salaries of the Tariff Commissioners below those of members of other government commissions is a blow at the efficiency of the Commission and should be remedied.

The relation of the Tariff to foreign trade, regardless of whether the tariff be hereafter adjusted on the high or low protective or the revenue plane has been given the earnest attention of the National Foreign Trade Council, a body of fifty manufacturers, merchants, railroad and steamship men, farmers, bankers, created by the First National Foreign Trade Convention held at Washington in May 1914, for the continuing investigation of the problems of oversea commerce. By publishing and widely distributing its reports, and holding annually a convention to which are invited all commercial industrial organizations, corporations, firms and individuals, interested in export and import trade, the Council endeavors to encourage the development of a sound national foreign trade policy. It performs no function for the individual business of its members for they stand as general representatives, upon the Council, of their various lines of industry.

At the Third Annual Meeting of the Council in New York, on September 21 last, the importance of utilizing the tariff to encourage foreign trade and to protect it from discrimination was recognized in the following resolution, which was unanimously adopted:

WHEREAS, the United States offers, normally, a steadily increasing market for the products of countries which require a foreign supply of articles which are produced in the United States and its possessions, and

WHEREAS, the extension of the foreign trade of the United States, as a safeguard against domestic depression largely depends upon a favorable tariff treatment of American exports and their freedom from foreign discrimination in favor of like products of competing nations, and

WHEREAS, as a result of the European war European Economic Alliances have been formed and are proposed, which by establishing tariff preferences among their members, would discriminate against neutrals, and

WHEREAS, approximately three-fourths of normal American foreign trade is with the belligerents, whose commercial treaties regulating tariff relations will be revised after the war, and cannot escape the effect of far-reaching changes of tariff policy on their part, especially since all European governments, except the British, maintain tariffs devised for concessions or retaliation in the interest of foreign trade and a possibility exists of the establishment of a tariff in the United Kingdom affording a basis for preferential agreements with markets whose needs the United States desires more largely to share, and

WHEREAS, American labor and producers are entitled to every resource of government policy necessary to preserve and extend their share of foreign markets in return for the market here afforded foreign products; therefore, be it

RESOLVED, that the National Foreign Trade Council bring urgently to the attention of the President, the Congress and the Tariff Commission, when organized, the necessity that the American tariff system, whatever be its underlying principle, shall possess adequate resources for the encouragement of the foreign trade of the United States by commercial treaties or agreements or executive concessions within defined limits and its protection from undue discrimination in the markets of the world. And be it further

RESOLVED, THAT THE NATIONAL FOREIGN TRADE COUNCIL continues its investigation of the effect of European Economic Alliances upon the foreign commerce of the United States, and related subjects, with a view of placing its findings before the United States Tariff Commission when organized, or before the President or Congress, as may be deemed expedient, and

that the Council co-operate with other organizations in the interest of a better public understanding of the foreign trade aspect of the tariff problem.

You will observe that this is a strictly non-partisan declaration, for it is applicable to any tariff system "whatever be its underlying principle."

It is possible that the European Economic Alliances may not be given the extreme expression now being discussed. Their complete operation may be found impractical. Whether this be the case or not, the whole international structure of commercial treaties must be reconstituted. In these negotiations we shall be obliged to take part, and in order that we may secure advantages for American trade and even to maintain our present equality of opportunity, it is necessary that we should be in a position to give concessions for concessions or possibly in extreme cases to retaliate, but never to our own disadvantage, against undue discrimination. The wisest general revision of the tariff cannot be expected to foresee all the contingencies which will arise in a world wide commercial readjustment. Therein lies the peculiar value, at this time, of the tariff commission, provided always its personnel is equal to the problems by which it will be confronted. But it is essential to the success of the commission that the business public, including labor, should study the situation. It will be necessary for associations such as your own to consider these questions, and to place before the tariff commission all possible information and to urge that legislation found necessary in the interest of our foreign trade as well as a greater domestic commerce shall be enacted. The matter is urgent and we shall be culpable if we fail to recognize the handwriting on the wall.

Just prior to the war, when industry languished, labor was idle and machinery stood still. A steady increase of foreign trade beginning in 1908, had been arrested. Exports in 1914 had fallen below 1913, but imports had increased. Natural commodities predominated in the exports and finished manufactures represented the enterprise of a comparatively small number of

industries. The recent enactment of the Underwood tariff Bill had turned the eyes of many producers to foreign markets. Slack demand at home prompted investigation of opportunities abroad, for both those already embarked in export trade and those desirous of beginning, found across their path the obstacle of European government-encouraged combinations enabled by co-operation to eliminate destructive competition, reduce the cost and increase the efficiency of foreign selling.

The natural tendency of American exporters was to resort to similar tactics but here they found themselves hobbled by doubt as to the legality of such co-operative effort under the American anti-trust laws. Legal opinion from bench and counsel, presented a welter of conflict. The average business man declined to take any chance of prosecution. Bankers declined to finance combinations, the legality of which was open to question. Manufactures, devised by American inventive skill and fabricated by American labor, well adapted to foreign needs remained unexported because the cost of introduction to the over-sea consumer was too great for the individual company, and co-operative effort on the European plan legally too hazardous. Meanwhile, leagues of foreign buyers skillfully playing one group of American producers against another were obtaining the products of American fields, forests and mines at less than domestic prices.

Foreign manufacturers thus obtained American raw materials more cheaply than American manufacturers, a telling advantage in the ultimate contest to market the finished merchandise. The American producers thus exploited dared not co-operate. An incalculable advantage rested with Europe.

The war brought us great prosperity. In 1913 the per capita foreign trade of England was \$149, of Germany \$79, and of the United States only \$44. In 1916 it is estimated that that of the United States will be \$63 or \$58 without ammunition and fire-arms. Our foreign trade has increased, however, because our European competitors were otherwise engaged, not because we ourselves had developed an intelligent foreign trade policy.

Abnormal conditions having prevailed for nearly two years many Americans are in danger of relying upon them as permanent.

After the war, with return of confidence, in Europe there will be a demand for materials for immediate reconstruction of devastated districts and a revival of development enterprises. Programmes for capturing world markets more ambitious than any heretofore contemplated are being considered.

Europe will create cartels and trade associations of producers, manufacturers, exporters and bankers re-inforced by the backing of the State, and, unless the discussions with which industrial Europe now vibrates shall fail, supplemented by economic, to succeed present military alliances.

The liberty which rivals and customers of American exporters have enjoyed to co-operate has produced highly organized foreign purchasing and selling organizations, which will constitute the apex of a wedge forced by mobilized financial, industrial, transportation, and government resources into foreign markets.

The need of unquestioned right to co-operate is shared by two main classes of American exports. In the normal year of 1913, the United States exported \$2,448,000,000 worth of products which, from the standpoint of the effect of organized foreign competition may be divided as follows:

Raw and partly manufactured products.....	\$1,676,000,000
Manufactured products.....	772,000,000

or about 68 per cent raw, and 32 per cent manufactured.

Since Europe's existence in the industrial world largely depends upon importation of raw materials and re-exportation of a considerable portion of them in far more valuable finished manufactured form, European co-operation is used as a two-edged sword to cut the American prices of raw and partly manufactured products and to under-sell or otherwise defeat American export manufacturers. It is significant that of the \$772,000,000 of manufactured exports in 1913, \$430,000,000 or nearly sixty per cent are included in the three classifications: "Agricultural implements," Mineral Oil," and "iron and steel," the three lines of industry built up by large corporations based upon the prin-

ciple of co-operation and possessing capital, resources and ability to withstand initial losses comparable to the cartels and co-operative selling organizations of Europe. But this advantage of organization for foreign trade is not enjoyed by many industries of moderate size whose administration and labor require a foreign outlet.

Since the American wage scale is the highest in the world and even the inroads of war upon the artisan class are unlikely to raise the European scale to its level, our foreign trade labors under an initial disadvantage which can be offset only by greater efficiency in manufacture and distribution. The legal doubt which retards formation of co-operative foreign selling organizations is a bar to the achievement of the efficiency attained by European rivals.

In exportation of manufactures, whether competing or non-competing, co-operation will permit:

Maintenance of highly organized export service at a minimum cost to participants, employment of American advantages in advertising, technical demonstration and "follow-up" methods.

Improved credit information and financing of foreign sales, more advantageous traffic contracts through greater and regular tonnage, superior facilities for customs brokerage and warehousing.

Assumption, by the co-operative organization, of credit extension which manufacturers dependent upon a quick turn-over of capital, are unable to provide.

Survival of initial losses, fatal to an individual company which are sometimes incurred before American goods gain a foothold.

Division of foreign business upon an agreed basis adapted to the mutual interest of all participants from the standpoint of sustained labor employment, and ability to produce at a price to meet foreign competition.

Co-operation among competitors in a given line will permit retention of the highest talent for foreign representation. This is necessary for engineering products, the sale of which is often

related to development projects by governments or large financial interests. The maintenance abroad of representatives with wide technical experiences, initiative and commanding personality, is beyond the means of any save the largest corporations and is not justified by the volume of business available to a single company dividing the field with others. Co-operating competitors could reduce the over-head and increase the efficiency of export sales by division of orders so that each competitor will fill only those orders he is best fitted to execute in the quickest time at the lowest cost.

American manufacturers in the same line frequently engage in destructive competition for foreign construction contracts. Where elaborate plans must be submitted, the expense spells loss for those who fail and decreases the profit of the successful. Bidders on railway and power projects sometimes spend \$100,000 in preparation of bids. Other advantages of co-operation are improved distribution of comparatively small articles manufactured by different factories, none of which may be in sufficient demand to warrant the establishment of individual selling agencies and all of which must meet with keen foreign competition in one form or another; and improved handling of articles of constant consumption sold at low prices and at small profit on which service and ability to handle promptly and regularly are of prime necessity. Again, orders too large for a single factory promptly to fill can be effectively handled by a co-operative organization representing a number of competitors.

Joint effort by manufacturers and merchants in kindred but not competing lines would permit the following economic advantages:

Development of "full lines" as, for instance, axes hatchets, carpenters' tools, and building hardware or (as has been successfully tried) paper, type, printing presses, machinery, ink, stationery, other printing supplies. A first class salesman can be a specialist in all articles of a kindred line. Arriving, for instance, at Bahia, Brazil, he will discover in a day that no demand exists for printing presses, but can employ time, while waiting for the next ship, in selling paper, type, or ink. Experienced foreign traders attach the greatest importance to the

handling of full lines, one article sells another, and salesmen are kept constantly employed, a more direct representation by abler selling forces than individual companies can afford.

The right of co-operation should be sufficiently unrestricted to permit whatever organization is required, in good faith, to forward export trade.

National interests no less than the welfare of certain industries and the labor thereupon dependent require that the right to co-operation equally extend to competing and non-competing lines without regard to extent of operation or capital and that the organization of co-operative effort possess no compulsory features as to participants not characteristic of the formation of the ordinary corporation, except that for filing essential information with the Federal Trade Commission.

For the protection of individual American exporters from possible oppression at the hands of a more formidable co-operative export organization, the Federal Trade Commission has recommended that the laws against unfair competition be extended to the export trade.

The Webb Bill, which provides for co-operation for the export trade, passed the lower House of Congress during the session just closed. This measure should be placed with certain amendments upon the statute books as soon as possible.

But although co-operative sales organizations will enable us more effectively to distribute our products and to meet competition abroad, the creation of such selling machinery does not solve our problem. Our exporters, whether they be able to combine or not, must be protected against discrimination in the markets in which they desire to trade. This result may best be assured by the utilization of the tariff as an instrument to safeguard and develop our foreign trade.

Ideas Ideas chih nan

XXIII.

止當候贖 chih³ tan⁴ hou⁴ shu² closing of fan holding him

"judge by appearance only"

X 止知其外不知其內 chih³ chih¹ che² wai⁴ ju⁴ chih¹ che² nei⁴

You only know of things on the surface, but know the inside

白借 pai² chieh⁴ "lend without interest"

支持得住 chih¹ chih² te² chu⁴ struggle along right on your own

膽子可就壯了 tan³ tzu³ ko³ chiu⁴ chuang⁴ la Encouraged

烟土 yen¹ tu³ opium

直往下這麼一掉 chih² wang⁴ fa⁴ che⁴ mo¹-tiao⁴ Dropped with a jump

拉躺下 la¹ tang³ hsia⁴ brought down

放着穩當買賣不做 fang⁴ che³ wen³ tang¹ mai³ mai⁴ pu² to⁴
going up a legitimate business

穩當 wen³ tang¹ legitimate

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。 Kuan Hua chih Han 。

Part II.

。 XXIII 。

妄想發財 Wang⁴ hsiang³ fa³ tsai²。 Over-egerness to get rich。

眼前歡 jen³ chuei² huan¹。 Short lived pleasure。 X

損人利己 ^{Chun} sun³ jen² li⁴ chi³。 "business that benefits himself by injuring others。 injures business。

土局子 tu³ chu² tzu¹。 Opium warehouse。

四遠馳名 ssu⁴ yuan³ chih² ming²。 is well known

成羣 cheng² chun²。 a stud a great many。

會一敗塗地了 hui⁴ pai⁴ tu² ti⁴ la。 Failed。

敢情是 kai³ ching² shih⁴。 Actually, Really!

納福 na⁴ fu²。 Enjoying himself。 X

。 Kuan Hua chih Han 。

Part II.

。 XXIII 。

一概不知道 kai¹ mi⁴ chih¹ tao⁴。 Knew nothing at all。 about it。

一口氣 kou³ chi⁴。 Vexation。

一場病 chan² ping⁴。 Sickness。

脚下 chiao³ hsia⁴。 now at present。

吃一頓挨一頓 chi¹ tin⁴ ai² tin⁴。 Get no meal go without the next。 Half starved

收場 shou¹ chang²。 Result。 what comes of。

。 Kuan Hua chih nan 。

Part II.

。 XXIV 。

江蘇 Chiang' Su'。 Kiangsu 。

原本 Yuan² pen³。 當初 Just。

所不順 So³ pu⁴ shün⁴。 nothing has gone right。 X

舊居停 chiu⁴ chiu¹ tung²。 Patron 。

候補道 Hou⁴ pu³ tao⁴。 Expedant Taotai。

舉薦 chiu³ chien⁴。 Recommend guarantee。

欺生 chi' hseug'。 To impose on one's ignorance。

諸事掣肘 chi' shih⁴ che⁴ chou³。 Obstructed in working。 X

咬羣 iao³ chin²。 Unresolvable

But a piece 。

。 Kian Hwa chih nan 。

Part II.

。 XXIV 。

再往下混 Tsai⁴ wang³ hsia¹ hün¹。 Go on this way。

生分 sheng¹ fen¹。 cheu quarrel 。

罷了得 Pa⁴ hiao³ te²。 well enough 。

合宜 Ho² i²。 相當 Suitable, general 。

願意就 Yuan⁴ i⁴ chiu⁴。 wish to accept 。

至好 chih⁴ hao³。 Very good 。

意中 i⁴ chung¹。 in my mind。
~~Intentional - (etc)~~ 。

此公 chi³ kung¹。 Settler's 。

束脩 shu⁴ hsin¹。 Salary 。

Kuan Hua Chih Hui.

•XXV•

•XXV•

往下 Wang⁴ heia⁴ If things keep on.

按着那個方子 hu⁴ cho nai⁴ ko⁴ fang⁴, according to

多事 to⁴ shih⁴, officious.

Kuan Hua Chih Hui.

•XXVI•

•XXVI•

可氣 Ko³ chi⁴, Irritating.

夥同一氣 Huo³ tung² - chi⁴, Conspired with others.

脚下 chiao³ hsia⁴, now.

引薦 Yin³ chien⁴, I introduce, make acquainted.

可贏了 ko³ ying² lao, won.

賭帳 tu³ chang⁴, Gambling Debt.

不是人行 Pu² shih⁴ jen² hsing², Is no man, no sort of a chief.

設局誑騙 She⁴ chu² kuang⁴ pien⁴, Conspiracies to defraud.

回進去了 Hui² chin⁴ chui⁴ la, He was shown in by the scots.

無賴子 Wu² lai⁴ tzu. brat rascals.

兇橫 Hsing³ heng⁴. desperate.

不說理 Pu⁴ shui⁴ li³. that sort of villainy.

財主 Tsai² chu³. magnate.

發了財 Fa⁴ la⁴ tai². mala nis fortune.

就起定更天要起直要到天快亮了。 Ching⁴ tse³ ting⁴

ching⁴ tien⁴ chui³ chi³ chih² chui³ tai⁴ tse⁴ kwei⁴ ching⁴ la.

From they began gambling at the water setting + played through the night.

發昏 Fa⁴ Hui⁴. out of your senses.

瞎了眼 Hsia⁴ la⁴ yue³. you made blind.

訛詐 O² chao⁴. do me.

刷白 Shua⁴ pai². drably pale.

不舒坦 Pu⁴ shu⁴ tan³. unwell.

管了件閒事 Kuan³ la⁴ chieh⁴ hsien² shih⁴. interfered in
transacted a foolish bit of business.

肝氣 Kan⁴ chih⁴. spleen.

對不過 Tui⁴ fu⁴ kuo⁴. false position.

情有可原 Ching² yu³ ko³ yuan². some excuse.

現成 Hsien⁴ cheng². available.

找補 Chao³ fu³. make it up.

小取 Hsiao³ chu³. meanness.

• Kuan Hua chieh huan •

• XXVII •

趕擱得日子多了 Kau³ ko¹ te² jih⁴ tzu¹ to¹ la •

Waste a good long time •

一概不懂 - Kai⁴ jiu tung³ • Knows nothing about it •

上炕認得女人下炕認得錢 Shang⁴ kang⁴ jiu⁴ te² nu³
jiu² hui⁴ kang⁴ jiu⁴ te² chieh² • Take care of No. 1 •

白事 Pai² shih⁴ • Funeral •

盡心竭力 chin⁴ hsin¹ chieh² li⁴ • used all possible care
did all they could to help him out •

道乏 Tao⁴ fa² • Thanked them for their trouble •

一低頭 - ti¹ tou² • Bowed his head •

這宗人性 che⁴ tung⁴ jiu² hui⁴ • This sort of a disposition •

• Kuan Hua chieh huan •

• XXVII •

放重利息錢 Fang⁴ chung⁴ li⁴ hui² chieh² •

Lending money at high rates •

重利盤剝 chung⁴ li⁴ pan² po¹ • Ex. arbitrate rates of interest •

刻薄成家理無久享 ko⁴ po² chung² chia¹ li³ wu² chiu³ hsiang³
"I'll get you gains but not for long" •

安心 An¹ hsin¹ • Deliberately •

II. Kuan Hua chih Han. II.

XXVIII.

XXVII.

驚恐 Ching'kung³. Fright, Shock.

火把 Huo³ pa³. Torch.

艙板 Fang'pau³. The cabin boarding.

幸虧 Hing¹ kuei¹. luckily.

夾着 chia'cho. accompanied.

時令 Shih² ling¹. Prevailing advices.

搭幫 Ta' Pang'. gives the idea of two wayfarers, accidentally meeting, and making common journey together for a distance.

同著 Tung² cho. conveys the idea of two people, or more, starting out with a common destination in view, and with the intension of being travelling companions.

Kuan Hua chih Han.

XXVIII.

XXVIII.

先伯 Hsien'po². Uncle
Father's elder brother, now dead.

甘肅 Kan'Su⁴. Kansu.

走岔了道了 Tsou³ chia⁴ la⁴ tsu⁴ la. lost the way.

掌燈的時候 Chang³ teng' ti shih² hou⁴. lamp-lighting time.

瞎走 Hsia' Tsou³. so blindly.

到快定更了 Gao⁴ kuai⁴ ting⁴ ching⁴ la.
about watch-setting time.

臨街 Lin² chieh' looking out on the street.

冷冷清清 leung³ leung³ ching¹ ching¹. lonely and deserted.

Kuan Hua chue Han

• XXVIII •

• XXVIII •

賊眉鼠眼 Tsai² mei² shui³ yau³. Dubious-looking.

犯疑 Fan⁴ i². Superstitions aroused

不住的拿眼睛瞧 Pu⁴ chui⁴ ti⁴ na² yau³ ching¹ chiao².
was not able to keep his eyes off.

出恭 chu¹ kung¹. Relieve oneself.

茅房 mao² fang². W.C.

從今以後 Tsung² chin¹ i³ hou⁴. From this on.
From this time on.

改邪歸正 Kai³ hieh² kuei¹ cheng⁴. Reform.

黑店 Hei⁴ Tien⁴. "Trap" Inn.

• Kuan Hua chue Han •

• XXVIII •

• XXVIII •

為難 Wei² nau². In great trouble.

鑣車 Piao¹ che¹. Conroy cart.

保鑣的 Pao³ piao¹ ti¹. Escort.

賊形可疑 Tsai² hsing² ho³ i². Rascally looking lot.

Kuan Hua chih hau.

•XXX•

頂着雨 Ting³ cho yiu³ in spite of the rain.

•XXX•

賭氣子 Tu³ chi⁴ tzu. went sulking away.

躲開 To³ kai¹ went away, moved away.

也不說長也不道短 Yeh pui shuo¹ chuan²
Yeh pui tao⁴ tuan³ not a word of, anybodied

窟窿 Kui lung² Hole.
did he say.

鬧賊 Nao⁴ tse² a robbery.

趁願 Chen⁴ yuan. to crow over another.

失盜 Shih¹ tao⁴ Robbery committed.

囑咐 Chu³ fu⁴ To ask, or to get me to.

Kuan Hua chih hau.

•XXX•

下夜的兵 Hsia⁴ yeh⁴ ti ping¹ night-patrol.

•XXX•

事主 Shih⁴ chu³ Person concerned.

領贖 ling³ tung¹ To reclaim goods.

頂他的名 Ting³ tai¹ ti ming² Assume his name.

收拾 Shou¹ shih² Pay him out.

慳吝 chien' lin⁴. miserly. stingy.

遭報 tsao' pao⁴. getting his deserts.

襤褸 lan² li³. all in rags.

流落 liu' lo⁴. wandered here, & there.

念其 nien¹ chi². To remember.

設法還你 she⁴ fa³ huan² ni³. Think of some
means to pay you back.

另打主意 ling⁴ ta³ chu³ i⁴. Thinks of some other plan.

為力 wei² li⁴. Give help.

掉下眼淚來 Tiao⁴ hia⁴ yau³ lai⁴ lai². To weep.

閒談 Hsien² tau². To chat.

當年 Tang¹ nien². In years gone by.

無奈 Wu² nai⁴. Unfortunatly.

借約 chieh⁴ yueh¹ yo⁰. I. O. U.

勉強 mien³ chiang³. couldnt help. Was obliged to.

術士 shue⁴ shih⁴. Conjurer.

搬運法 Pai⁴ yün⁴ fa⁰. Art of shifting things away.

Kuan Hua chih Han.

XXXII.

無賴子 wu² lai⁴ tzu. Rascal.

冷孤丁的 heng³ ku¹ ting¹ ti. All for nothing.

揪住 chui¹ chu¹. To catch hold of.

對給你 tui⁴ kei³ hi³. To receive oneself.

糧食店 liang² shih² tien⁴. To hedge oneself.
Grain Dealers.

見個情 chien⁴ ko¹ ching². As a favor.

還不遲 Hai² ju¹ chih². Still not late.

立刻 li¹ ke⁴. At once.

吵翻 chao¹ fan². To dispute & argue.

勸開 chuan⁴ kai¹. Intervene.

Kuan Hua chih Han.

XXXII.

巡檢衙門 Hsin² chien³ ya² men².
Deputy Magistrate's Chamber.

村莊 Tsun¹ chuang¹. Village.

見證 chien⁴ cheng⁴. A witness.

認了是訛詐 Jui⁴ la¹ shih⁴ o² cha⁴.
Acknowledged to was a swindle.

狡詐 chiao³ cha⁴. Rascality.

XXXII.

Kuan Hua chile hau.

~~XXXXIII~~

詫異 Cha¹ i¹,

Surprised.

未免 Wei⁴ mien³,

inevitably.

冒失 Mao⁴ shih¹,

Hasty, incautious.

不得勁 Te² ching¹,

ashamed, embarrassed.

盤一盤 Pan² - Pan²,

To count, look over.

荒唐 Huang¹ tang²,

Reckless, wild.

竟自 Ching¹ tzu¹

actually.

磨不開 Mo¹ fu kai¹

Embarrassed, lost face.

羞羞慚慚的 Hsui¹ Hsui¹ Tsai¹ Kan¹ ti. Very confused.

~~XXXXIV~~

Kuan Hua chile hau.

~~XXXXIII~~

退票 Tui¹ piao⁴,

a bad note.

收號 Shou¹ hao⁴,

Stamps' endorsement.

戳子 Che¹ tzu.

Stamps.

往回裏打 Wang³ hui² li³ ta³, Return it to the other person.

也許 Yeh³ hsi³,

It's possible.

母錢鋪 Mu³ chien² fu⁴, Would eat 13 auls.

只可我認這個苦子 Chi³ ho³ wo³ jen⁴ che¹ ho¹ ku¹ tzu.

To give and bear it, that all.

點點 Tien³ tien³,

Count.

II. Kuan Hua chih hau II.

XXXV.

犯疑 Fan⁴ i². Very suspicious.

XXXV.

打茶圍 Ta³ cha² wei². Kurking shops.

放印子為生 Fang⁴ yin⁴ tzu² wei² sheng¹.
make short loans of money.

一腦門子的氣 1⁴ nao³ men² tzu² ti⁴ chi⁴.
He glowered at me - flew into a passion.

瞪着倆眼睛 Teng⁴ cho³ lia³ yen³ ching¹.
~~He glowered at me~~
His eyes shone like lamps.

沒禮貌 hi³ mas⁴. Rudely.

嘴巴 Tzu³ pa¹. Slapped in the face.

II. Kuan Hua chih hau II.

XXXVI.

銀信 Yin² hsin⁴. letter of credit.

XXXVI.

說話之間 Shuo⁴ hua⁴ chih² chuen¹. as he was speaking.

不識字 Pu⁴ shih² tzu². I'm illiterate.

順便 Shun⁴ pien⁴. opportunistically when convenient.

現錢 Hsien⁴ chien². in cash, in specie money.

昧起 Mai⁴ chi³. To do him.

騙子手 Pien⁴ tzu² shou³. Rascal, Swindler.

夾剪 Chia⁴ chien³. Scissors.

II. Kuan Hua chih hau II.

XXXVII.

女皮襖

ni³ hi² ao³.

a fur coat,

XXXVII.

II. Kuan Hua chih hau II.

XXXVIII.

日記

ji⁴ chi⁴.

Diary.

XXXVIII.

修飾

Hei¹ shih⁴.

Putting in order.

打早尖

Ta³ tsao³ chieh¹.

Eaten breakfast. Early meals.

吊死

Tiao⁴ seu⁴.

Commit suicide by hanging

himself.

作伴

Wu³ tsu⁴.

Examiners.

往日無仇近日無冤

Wang³ jih⁴ wu² chow², chin⁴ jih⁴ wu²

Yuan¹. No old grudge, nor recent grievance.

叫他招定了

Chiao⁴ ta¹ chao¹ ting⁴ la.

Applied corporal punishment to make him confess.

白說不招

Pai² shuo¹ ju⁴ chao¹.

It was all in vain.

II. Kuan Hua chih hau II.

XXXVII.

女皮襖

hi³ hi² ao³.

a fur coat,

XXXVII.

VI. Kuan Hua chih hau II.

XXXVIII.

日記

ji⁴ chi⁴.

Diary.

修飾

Hsin' shih⁴.

Putting in order.

打早尖

Ta³ tsao³ chien¹.

Eaten breakfast. Early meals.

吊死

Tiao⁴ seu⁴.

Swim inside by hanging

himself.

件作

Wu³ tsao⁴.

Examiners.

往日無仇近日無冤

Wang³ jih⁴ wu² chow², chin⁴ jih⁴ wu²

yuau¹. No old grudge, nor recent grievances.

叫他招定了

chiao⁴ ta' chao⁴ ting⁴ la.

Applied corporal punishment to make him confess.

白說不招

Pai² shuo¹ ju⁴ chao¹.

It was all in vain.

II. Kuan Hsu chih k'au II.

XXXVIII.

鄰封 lin² feng¹. Magistrate of the adjoining district.

幹練 k'an¹ lien¹. skilled.

感情不盡 k'an³ ching² f'u⁴ chin⁴. Extremely grateful.

XXXVIII.

II. Kuan Hsu chih k'au II.

XXXIX.

無味 wu² wei⁴. Doing nothing.

滑幾拳 hua² che³ chuan². Play a few rounds.

誇口 k'ua¹ kou³. To Boast.

瞎猫碰死耗子 hia¹ ma¹ peng⁴ ssu³ ho⁴ tzu. To win by a fluke. "a blind cat bumping against a rat."

批評 pi¹ ping². Compare notes.

動手灌你 lung⁴ shou³ kuan¹ ni³. Pour it down your throat. Force you to drink.

御史 yii⁴ shih³. Censorate.

都老爺 tu¹ lao³ yeh². a censor.

XXXIX.

廿. Kua Hua chih hau 〇 II

XXXIX 搥腫 hing² chung³ Twisted. XXXIX

挖苦 wai³ ku³ Against. (of a story)

典史 tin³ shih³ District Police Master.

俸銀 fung⁴ yin² Salary.

地保 ti⁴ pao³ Deadmen?.

六路通詳 liu⁴ lu⁴ tung¹ shang² Sends circulars to six directions.

饒得了 iao² te² la. make your peace with him.

〇 II. Kua Hua chih hau 〇 II

XXXIX 打燈虎兒 ta³ tung¹ hu³ er² Guessing riddles. XXXIX

圍碁 wi² chi² a Chinese game.

象碁 xiang⁴ chi² Playing chess.

春聯 chun¹ lien² New Year scrolls.

本色 pen³ se⁴ In our line.

傳家寶 chuen² chai¹ pao³ heir-love.

Kuan Hua chiu nan .

Partello

持平和衷 chih ping ho chung
spirit of justice & fairness
高平
高平

IV. Kuan Hua chih nan IV.

王爺 Wang² yeh². Prince. I.

中堂 chung¹ tang² Grand Secretaries.

幸得相會 Hsing⁴ te² hsiang¹ hui⁴. So fortunate as to
meet.

有緣 Yu³ yuan². Predestined connection.

如何使得呢 Ju² ho³ shih³ te² ni. That is impossible.

久已 Chiu³ i³. long ago.

處事公平 Chu³ shih¹ kung¹ ping². Impartial administrator.
尤重和好 yu² chung ho² hao² value on pleasant relations.

利益 li¹ i¹. advantage.

何幸如之 Ho² hsiang¹ ju² chih¹. nothing could be more
fortunate.

•IV• Kuan Hua Chieh Nan •IV•

•I•

自愧才短 Tsu⁴ kuei⁴ tsai² tsan³
ashamed of his deficiencies.

謬膺重任 Mieh¹ ying¹ chung⁴ jen⁴
Unfitness to undertake this responsible post.

年逾六旬 Nien² yu² liu⁴ hein⁴, Passed the sixth decade.

强健 Chiang² chien⁴, Vigorous.

叨擾 Tao¹ jao³, trespassing on hospitality.

這話說遠了 Ché⁴ hua⁴ shuo³ yuan³ la. This talk is puntilious.

故交 Ku⁴ chiao¹, old friends.

賞臉 Shang³ lian³, Go to the honour.

•I•

•IV• Kuan Hua Chieh Nan •IV•

•I•

於心不安 Yu² hein¹ pu¹ an¹, Feels disturbed, (at causing trouble).

不成格局 Pu⁴ cheng² ko² chü², Quite inadequate.
盛設 shung⁴ she⁴, Sumptuous.

先敬大人一盃 Hsien¹ ching⁴ ta¹ jen² i² pei²
offer a glass of wine.

可真當不起 Ko³ cheu¹ tang¹ pu⁴ chü³,
Could not venture to accept.

恭敬不如從命 Kung¹ ching⁴ pu⁴ ju² tung² ming⁴
obedience better than deference.

周旋 別 Chou¹ huan², Do not pass the dishes.

依實 Yi¹ shih², Eat heartily.

•I•

IV. Kuan Hua chih Han. IV.

.I.

國書 Kuo² shu¹. His credentials.

幾時呈遞 chih³ shih² cheng² ti⁴.
When may he present?

奏明皇上 Tsou⁴ ming² huang² shang⁴.
Memorialized the Emperor.

告辭 Kao⁴ tzu². Take leave.

料理 liad³ li⁴. Dispose of. attend to.

何足掛齒 Ho² tzu² hua⁴ chih³. Not worth mentioning.

些須微意 Hsich¹ hsi¹ wei¹ i⁴. Must tittle

.10

IV. Kuan Hua chih Han. IV.

.II.

挂心 kuo⁴ hsin¹. Be inquiring. 承言者位掛心.

光顧 Kuang¹ ku¹. The honor of your visit.

原諒 Yuan² liang¹. Be forgiving.

供職 Kung¹ chih². Position.

學差 Hsio² chai¹. Literary Chancellor.

未及五旬 wei⁴ chi² wu³ hsin¹. Before reaching the
fiftieth year.

禁膺顯秩 Jing² ying¹ hsin³ chih². To bear held such
responsible positions.

自愧無才 Izu⁴ ku⁴ wu² tai². I am ashamed
of my want of talent.

.II.

IV. Kuan Hua chieh Han . IV.

XXXVII . II.

濫竽充數 han¹ yü' chung' shu¹. lama stop. gaff

. II. . XXXVIII .

僥倖 chias³ hsing¹ . good luck .

心領 Hsin' ling³ .

強留 chiang³ liu² .

候乘 Ho¹ cheng² . wait while you mount .

. Kuan Hua chieh Han .

. III .

聖體康泰 sheng¹ ti³ kang' tai¹ . The health.
(of the Emperor): good?

. III .

聖駕安康 sheng¹ chia¹ an' kang¹ . health good
and of yours?

福庇 Fu² pi³ . under J. Li's auspices .

新聞 Hsin' wen² . news .

古蹟 Ku³ chü¹ . Historic monuments .

關係現在國政的事情 Kuan' bei¹ hui⁴ tai¹ ku² cheng¹
ti shue⁴ ching²

as for present day politics as concerned .

如此緊急 Ju² tzu³ chin³ chü² . Hasten the
departure so .

久延 chü³ yan² . later .

Kuan Hua chih wan

III
武弁

Wu³ tien⁴, Petty Officers.

帶領

Tai⁴ ling³, Escort, to take.

護送

Hu⁴ sung⁴, Escort.

盤桓

Pan² huan², Stay a while, chat a bit.

Kuan Hua chih wan

IV
禁行

Jung² hing², Departure.

俱已

Chii⁴ i³, all.

何時啟節

Ho² shih² chi³ chih², at what time do
you begin your journey?

已初

Ssu⁴ chu⁰, 9 o'clock.

掃榻以待

Sao² ta⁴ i³ tai⁴, make preparations for
reception.

托咐

To¹ fu⁴, Tasks a favor.

只管吩咐

Chi³ kuan³ fu⁴ fu⁴, You have only to instruct

尚欠歷練

Shang⁴ chien⁴ li⁴ lian⁴, Wanting in experience.

Kuan Hua chieh nan

IV 俾伊有所遵循 Pei⁴ i² yu³ so³ tein² shun². So that he
will have some one to guide him.

則我感同身受矣 Tse² wo³ kan³ tung² shei¹ shou⁴ i³. I shall
appreciate it as a kindness to
myself.

敏捷 Min³ chieh². Intelligent.

均甚妥善 Chun¹ shu⁴ to³ shan⁴. How satisfactory.

佩服 Pei⁴ fu². Respect.

制度風土 Chih⁴ tu⁴ feng⁴ tu³. Social organization, popular ^{and customs} manners.

周知 Chou¹ chih¹. Perfectly informed.

問及 Wen⁴ chi². Applied to me.

雅囑 Ya³ hu³. In deference to your desire.

過加獎譽 Kuo⁴ chieh⁴ chuang³ yu⁴. Excessively laudatory.

而已 Erh² i³.

以慰遠念 I³ wei⁴ yuan³ nien⁴. Consolation for your absence.

Kuan Hua chieh nan

V 有何公事見諭 Ju³ ho² kung¹ shih⁴ chien⁴ yu⁴.
About what matter have we to take your instructions.

繙譯官 Fan¹ i⁴ kuan¹. Interpreter.

游歷 Ju¹ li⁴. Visited.

少見多怪 Shao³ chien⁴ to¹ kuai⁴. Ignorant curiosity.

三五成羣 Sau¹ wu³ cheung² chun². Collected in groups of
four or five.

擁擠觀看 Yung¹ chi³ kuan¹ kan⁴. And crowded together
to stare.

口出不遜 Kou³ chu¹ fu¹ heim⁴. Very rude language.

·五·

風聞 Feng' wai' 2's Hard rumours.

有意滋事 Ju' i' 4 tzu' shih' 4 intended to make trouble.

設法彈壓 She' fa' 3 tau' 2 ya' 1 To take measures to keep order

免生事端 mien' 3 sheng' 1 shih' 4 tsui' 1 To prevent disturbance.

陪客說話呢 Pai' ke' 4 shuo' 1 shua' 4 ni' 1 entertaining visitors.

科房 ke' 1 fang' 2 Board office.

滿口應允 man' 3 kou' 3 ying' 1 yun' 3 made promise/promises.

煩冗 fau' 2 ying' 3 Busy

·五·

越聚越多 Yueh' 4 chii' 4 yueh' 1 5'
In larger and larger crowds.

信口胡言 Hsin' 4 kou' 3 hu' 2 yen' 2
Freely using the most outrageous language.

VI

被 Pai¹ suffered.

船戶 chuan² hu⁴. junk master.

行走之間 Heing² tau³ chih¹ chieh¹.
while she was under way.

爭論 cheng⁴ lien⁴. what ought to be done?

各執一詞 ko¹ chih⁴ i¹ tzu². Each is different.

斟酌可否 chew¹ cho² ko³ fou³. under a thing.

暫且就要告辭 chaw⁴ chieh⁴ chin⁴ yao⁴ kao¹ tau².

I will bid goodbye for the present.

VI

VI

光臨敝署 Kuang¹ lie² pi¹ shu³.
The honour of your visit.

水腳 shui³ chiao³. Freight (on a steamer)

措辦 tsu⁴ fan⁴. To get together.

住址 chui⁴ chih³. address.

未免設疑 wai⁴ mieu³ she⁴ i². credit being
a little suspicious.

碍難照辦 ai⁴ nau² chao⁴ fan⁴. Unable to do as requested.

若以公事而論 jo⁴ i³ peng¹ shih⁴ erh² lun⁴.
officially speaking.

私交情 ssu¹ chiao¹ ching². private regard.

VI

VI ··· Huan Hwa chih hui ···

光臨敬署

俱是

措辦

住址

函致

未免設疑

扣留

函復

碍難照辦

·VII·

VI ··· Huan Hwa chih hui ···

VII ···

着落 cho² lo⁴ ··· To miss. to fail.

知會 chih⁴ hui⁴ ··· To inform officially.

通融辦理 tung¹ jing⁴ pau⁴ li⁴ ··· Done as a favor.

俱是 chii⁴ shih⁴ ··· But was simply.

函致 hau² chih⁴ ··· To write to.

扣留 kou⁴ liu² ··· Temporarily detain.

函復 hau² fu⁴ ··· A Reply.

通融辦理

籍詞挑剔 chih' tsi' tiao' ti' Tried to find fault, to make excuses.

傳案查訊 chuan' an' cha' hsin' To summon and inquire into.

不料 pu' liao' Surprised Who would think it?

稟控 ling' kong' To lodge a complaint.

並非 ping' fei' Not in the least.

藉詞推托 chih' tsi' tui' to' To get out of an engagement.

所供的情形 so' kung' ti' ching' hing' Stated in evidence.

仍舊 ying' chiu' Once more.

勒令 le' ling' To compel.

不足折服人心 pu' zu' che' fu' jin' hsin' Feel as if treated unjustly.

會訊公所 hui' hsin' kung' so' To hold a joint investigation.

立判 li' pan' To make a decision.

以為何如 yi' wei' ho' ju' What do you think of the scheme.

成見 cheng' chieh' To make up one's mind.

各供一詞 ko' kung' yi' tzu' Each one has his own version.

齊集會訊 chi' chi' hui' hsin' All assemble together.

愚見 yu' chieh' Opinion.

一面之詞 yi' mien' chi' tzu' To examine. Prima facie evidence.

訊明 hsin' ming' To examine.

盡善盡美 chin' shan' chin' mei' Still more perfectly satisfactory in every respect.

IX.

以為何如 wei² ho² ju² What do you think about it?

聘請 pin³ ching³ To engage a man - (as a comrade.)

家私變價賠償外 chia¹ sui¹ pien³ chia⁴ lei² chang² sai² Reimbursement being made by realizing on private effects.

一律攤賠各無異議 li¹ tai¹ pei² ko⁴ wu² i² i⁴

Should equally share the liability.

and there was no disagreement.

實有不解 shih² yu³ pu³ chieh³ Difficult to understand.

因何 yin¹ ho² Why, for what reason.

審訊之時 shen³ hsin⁴ gih⁴ shih⁴ For an investigation.
at the time of investigation.

頗沾他的光 po¹ chuan¹ tate¹ kuang¹ Benefited at his hands.

冤屈 yu¹ chin¹ not derived any benefit.

IX.

斷令 tsau³ ling⁴ Gave judgement.

輸服甘結 Hsu² fu² kai² chieh² Willing to accept this award.

並未十分勉強 ping⁴ wei⁴ shih² fei² mien³ chiang³ Exercised no great pressures. Had no great difficulty.

斗胆 to³ tan³ To take the liberty. (i.e. to speak)

判斷 pan⁴ tsuan⁴ Decision. Judgement.

似乎不甚公平 sei¹ hui¹ pu¹ chen¹ kung¹ ping¹ Hardly seems quite fair.

不妨明言 pu¹ fang² ming² yan² Do not hesitate to speak.

依我愚見 i¹ wo³ yu² chieh⁴ In my humble opinion.

且恐 chieh³ kung³ But.

Kuan Hua Chieh Huan

IX.

幸免之詞 hsing⁴ mien³ gih¹ tzu². Thinks it a lucky escape.

似乎不公 Sai⁴ hu¹ pu¹ kung¹. which they were not entitled to.

與此案無涉 yi³ tzu⁴ an⁴ wu² she¹. nothing to do with this case.

斷無因此案而牽涉伊等私情之理 Tuan⁴ wu¹ yin¹ tzu⁴ an⁴ er² chieh¹ she¹ i² teng³ sui³ ching² gih¹ li³. no right to consider their private transactions as bearing on the case.

設若 she⁴ jo⁴. Suppose for instance.

希圖 Hai² tu² To aim at, with a view to.

置身事外 chih¹ shen¹ shih⁴ wai⁴. To hold themselves aloof.

方為公允 Fang¹ wei² kung¹ yin³. In the interests of justice.

據理而論 chi⁴ li³ er² lun⁴. Founded on strict rule.

IX.

Kuan Hua Chieh Huan

IX.

隨勢酌情權變之法 Sui² shih⁴ chio⁴ ching² chuan² pien⁴ gih¹ fa⁴.

Modification to meet the circumstances.

從長計議 Fang² cheng² chi¹ i⁴. to devise a well-considered scheme

未為不可 wei¹ wei² pu⁴ ko³. no reason against it.

IX.

稟控 ling³ kung⁴. To lay a complaint.

催討 sui³ tao³. To press (as far as d. ct.)

傳到案 chuan² tao¹ an¹. Summons before a court.

傳訊 chuen² hsin¹. To examine.

捏詞代為 nich¹ tzu² tai⁴ wei². To bring forward a false charge.

包攬插訟 pa¹ lau³ cha⁴ sung⁴. Taking up and interfering with legal proceedings.

至於 chih² yü² with regards to.

弊病 pi⁴ ping⁴. sharps practice.

各清各帳 ko⁴ ching⁴ ko⁴ chang⁴. Each account being & characterly

牽扯 chien¹ che³. To be involved.

滋生弊端 tsu¹ sheng⁴ hi¹ tuen¹. Abuses arising.

預為防範 yü¹ wei² fang² fan¹. Precautions must be taken.

暫且失陪 chan⁴ chih³ shih⁴ pei². Meanwhile take my leave.

• XI •

賀喜 Huo⁴ hsi³ To offer congratulations.

• XI •

總未得暇 (sung³ wei⁴ te² hsi²) no time to myself.

秋審 Chiu¹ shen³ Autumn Assize.

驗放 Yen¹ fan¹ To be presented to the Committee of Scrutiny.

老兄如此大便要調首縣的 lao³ hsiung¹ ju² tzu¹ ta¹ tsai² pien¹ yao¹ kao¹ shai¹ hsi¹ ti.

with your talents Sir it won't be long before you're transferred to the leading magistracy.

那不敢指望 na¹ bu¹ gan¹ zhi¹ wang¹ That is more than is to be hoped.

I could not dare hope for such good fortune.

免有踴躍之虞 min³ yu³ chieh² chieh⁴ chieh² yu² Be saved the

fear of making some blunder.

轉恐不勝任 chuan³ kung³ tsai² fu¹ sheng¹ jen¹ not competent

for the position.

貽笑大方 yi² hsiao⁴ ta¹ fang¹ Excite general ridicule.

• XI •

候乘 Ho¹ cheng² I'll see you to your cart. As soon as you are mounted, etc.

• XI •

XII 題名錄 ti² ming² lu⁴, list of successful candidates.

學問有素 shu⁴ wen⁴ yo³ su⁴, great ability and learning.

房師 fang² shi¹, Assistant Examiner.

抱屈 bao⁴ ju¹, Failed to meet with his deserts.

批落 pi¹ lo⁴, To be busted.

出房 chi¹ fang², "Sent up".

薦卷 chian⁴ chuan⁴, Sent up for approval (i.e. Papers).

科名 ko¹ ming², literary career.

蹭蹬 tseng⁴ teng⁴, a temporary check.

公幹 kung¹ kan⁴, what employment.

XII 借您的吉言 chieh⁴ nin² ti² chi¹ yan², Thanks to your kind wishes.

太史 tai⁴ shih³, Hanlin Compiler.

交代 chieh¹ tai¹, To hand over.

覆試 fu⁴ shih¹, Test Examinations.

何妨多坐一會兒呢 ho² fang² to¹ tso⁴ i⁴ hui³ ih¹ ni¹?
Stay a bit longer.

• Kuan Hua Chih Nan •

XIII 有何見教 fu³ ho² chieh⁴ chieh⁴. What can I do for you?
let me know what it is.

茫然 maung² jan². at sea. at a loss what to do.

安置 ai⁴ jih⁴. To make proper arrangements.

經承 ching² cheng². Chief clerk.

到務 tsao⁴ wu⁴. Upon arrival at the customs.

囑咐 chui³ fu⁴. To tell. To instruct.

造化 tsao⁴ hua⁴. Good fortune.

萬無一失 wan⁴ wu⁴ i⁴ shih⁴. Certainly will be no slips.

驚弓之鳥 ching⁴ kung⁴ jih⁴ miao³. "like a bird that's
been hit - afraid of the gun".

• Kuan Hua Chih Nan •

XIII 膽戰心寒 tan³ chan⁴ hsin⁴ han². Very nervous.

萬安 wang⁴ an¹. Have no fear whatever.

佳音 chia⁴ yin¹. News.

枉顧

稍微的漸消停一點兒

能者多

• Kuan Hua chieh mau •

XIV 枉顧 wang' kai' • Honor of a visit.

稍微的漸消停一點兒 shao'wei'ti, chieh'hsieh' tung' 1 tic'ih.

In the last few days everything has eased up a bit.

能者多勞 hang' cho' to' las' 2. "A Capable man is always
Busy" 2. 2. 2. 2.

以勤補拙 i' ching' pu' cho' 1. Making up for dullness by industry.

奉請 fung' chung' 3 To invite, To bring.

聚會 chui' hui' 4. An invitation.

一見如故 i' chieh' ju' ku' 4. Such great friends on first sight.

拘此形跡 chui' tzu' hsing' chieh' 4. To take such pains.

• Kuan Hua chieh mau •

XIV 誠心 cheng' hsin' 1. Piece of attention.

聊盡地主之情 liao' chieh' to' chieh' chieh' ching' 2.

Fullfill my duties as a resident of the place.

道義中人 to' i' chung' jen' 2. Cultivated and honorable man.

賞臉賜光 shang' hien' tzu' kuang' 2. To me, a distinguished honor.

舉目無親 chui' mu' wu' chieh' 1. A total stranger.

投供 to' kang' 1. To hand in a statement of Particulars

of antecedents.
互結官 hu' chieh' kuan' 1. An official sponsor.

素識 su' shih' 4. An intimate friend.

甚巧 shen' chiao' 3. Coincidence.

XIV

互具 Hu¹ chih¹. Prepare a mutual security.

XIV

萬分湊巧 Wan¹ fen¹ tso¹ chiao³. A case in ten thousand.

XV

淵博 Yuan¹ po¹. Wide and brilliant scholarship. (學問)

仰慕得很 Yang³ mu¹ te¹ hen³. I admire it greatly.

才疎學淺 Tsai² shu² shio² chiao³. My capacity is slight & my learning scanty.

謬獎 Mei¹ chiang³. To flatter.

丁憂 Ting¹ yü¹. Father die, to have a.

給事中 Chi¹ shih¹ chung¹. Supervising Censorship.

京察 Ching¹ cha¹. Metropolitan Scrutiny.

簡放 Chien³ fang⁴. Selected for the appointments.

XV

督糧道 Fu¹ liang² tao³. Grain tutored out.

XVI

出缺 Chu¹ chü¹ ch'ü¹. Created a vacancy. died.

伯母 Po² mu².

健壯 Chien¹ chuang⁴.

庶常 Shu¹ chang².

編修 Pien¹ hsiu¹.

守制 Shou³ chih⁴.

副榜 Fu¹ pang³.

隨侍任所 Sui² shih⁴ jen⁴ so³.

一切未諳 Ich'ieh¹ wei⁴ au¹.

XV. 指教 chih³ chiao⁴ Advice. Help.

遊幕 yu² mu⁴ Begin as a Secretary.

曾就 tseng² chiu⁴ To have completed an office.

刑席 hsing² hsi² Law Secretary.

因案去任 yu⁴ an⁴ chu⁴ jen⁴ Leaving to certain proceedings
left his position.

執意邀(請) chih¹ i⁴ yao³ ching³ Bent on inviting & insist.

誼不容辭 i⁴ fu⁴ jing² tzu² Could not refuse.

國史館 kuo² shih³ kuan³ State Historiographers Office.

議敘 i⁴ hsi⁴ Favorably mentioned.

XVI. 不敢造次晉謁 pu⁴ kan³ tsao⁴ tzu⁴ chin⁴ yeh⁴ Did not dare to intrude
upon you unceremoniously.

代為先容 kai⁴ wei² Hsin¹ jing² To arrange for an interview.

久仰大名 chiu³ yang³ ta⁴ ming⁴ Known of you by reputation.

拜訪 pai⁴ fang³ To call. Pay one's respects.

深慰下懷 shen¹ wei⁴ hua⁴ huai² Affords me great gratification.

人地生疎 jen² ti⁴ sheng¹ shu¹ A stranger in the place.

諸事仰仗指教 chü¹ shih⁴ yang³ chang⁴ chih³ chiao⁴ I shall entrust all
matters entirely to your advice.

釐捐局 li² chuan⁴ chü¹ Lixin Collectorate.

貴班次 kwei⁴ pau⁴ tzu⁴ With expectations of your standing.

XVI

起服 chi³ fu² to go out of mourning.

紳衿公舉 shen chin kung chi³ publicly elected.

徒負虛名 tu fu hsi ming² Gained a reputation.

斗胆 to³ tau³ To make bold.

科名 ko ming² literary career.

率允 shuai yin³ to hinder.

得親大教 te² chin ta⁴ chiao⁴ Familiarizes himself with your teaching.

學業日新 hsue² yeh⁴ jit⁴ hsin¹ Scholarship improves daily.

何幸如之 ho² hsin⁴ ju² chih¹ Fortunate indeed.

問道於盲 wen tao⁴ yu⁴ mang² To ask instruction from my ignorant spectators.

XVI

XVI

允許 yu² hsi³ Consent.

感激非淺 kau³ chi⁴ fei⁴ chian³ Deeply obliged.

擇吉 tsai² chi² Choose a lucky day.

拜師 pai⁴ shi¹ Student's obeisance.

荒疎學業 huang¹ shu² hsi² yeh⁴ Scholarship deteriorating.

肄業 yi⁴ yeh⁴ Prostrate mis studies.

以圖上進 yi⁴ tu² shang⁴ chin¹ To make progress.

陶鎔 tau² jung² To undertake a task.

舉家感戴 ku³ chia¹ kan³ tai⁴ Have the gratitude of the whole family.

沒齒不忘 mo⁴ chih³ fu⁴ wang² Shall never forget. Remember even though I am as toothless.

XVI

游玩 Yu² wang¹. Be on a trip.

詩會 Shih¹ hui¹. Literary club.

每逢幾開會 Mei² yueh⁴ feng² chi³ kai¹ hui¹. How many times do you meet in a month? Notice the feng², in this instance.

下榻 Hsia⁴ ta¹. Sleep at. Put up at.

增光 Tsing¹ kuang¹. an additional distinction.

不長於作詩 Chang² yu² tso⁴ shih¹. not good at writing poetry.

無須介意 Wu² hsi¹ chieh⁴ i¹. Do not bother yourself.

同席吃飯各會錢 Tung² hsi² chih¹ fan¹ ko⁴ tzu⁴ hui⁴ chieh².
will mess together.

會首 Hui⁴ shou³. Club. President.

絕頂 Chueh² ting³. Ex ceptionally.

佩服 Pei⁴ fu². much impressed.

粗知大概 Tsu¹ chih¹ ta¹ kai¹. Rough and general.

毫無差別 Hsiao² wu² cha¹ bieh¹. not the slightest difference.

奉承 Fung⁴ cheng². Supplements.

罕見 Han³ chieh¹. Seldom seen. Rare.

互相討論 Hsi¹ hsiang¹ tao³ lun⁴. Discussion together.

進益 Chin⁴ i¹. Advantage.

揀發到此 Chieh³ fa¹ tao⁴ tzu³. Draw for a position.

寶眷 Pao³ chuan¹. Family of one Person.

• Kuan Hua Chih Han •

• XVIII •

年邁 nan² mai⁴ aged.

隻身 chih¹ shen¹ singly. alone.

舟車 chou¹ che¹ Boats and Carts i.e. The Road.

交際 chiao¹ chieh¹ intercourse.

均甚水乳 chun¹ shen⁴ shui³ ju³ everything very sympathetic.

欽佩 chin¹ pei⁴ inspired general respect.

不甚熟諳洋情 shu² an¹ yang² ching² not familiar with foreign affairs.

上憲 shang⁴ hsien⁴ superior officials.

交涉事件 chiao¹ she¹ shih⁴ chieh⁴ mixed cases.

不過以實心行實事 pu⁴ kue⁴ i³ shih² hsin¹ shing² shih² shih⁴ Treat bona-fide matters in a bona-fide spirit.

• XVIII •

• Kuan Hua Chih Han •

• XVIII •

兩無猜疑 liang³ wu² tsai¹ i² no distrust on either side.

推誠相信 tsui² cheng² hsiang¹ hsing⁴ unreserved mutual confidence.

自可融洽 tsu¹ ko³ jing² cha⁴ leading to mutual understanding.

面頌大教 mien¹ hui³ ta⁴ chiao⁴ do myself the honor of a personal interview.

不棄嫌 pu⁴ hsien² don't think it beneath you.

望看 wang¹ kan⁴ visit. a call.

恭候大駕 kung¹ ho⁴ ta⁴ cha⁴ ^{await} the honor of your visit.

輪流 lun² liu² to interchange. turn & turn about.

• XVIII •

• Kuan hua chih han •

• XIX •

有何吩咐 fo³ ho² fen¹ fu¹ What can I do for you?

索取此款 so³ hui¹ tzu³ kuan⁴ Dunned him for the sum.

構訟 kou¹ sung Take legal proceedings

莫逆之交 mo¹ ni⁴ jih¹ chiao¹ An unbroken friendship.

停利歸本 ting² li¹ kwei¹ pen³ Stop interest and return the principal.

如數歸還 ju² shu¹ kwei¹ huan¹ Return the whole amount.

拖欠 ta¹ chiu¹ In arrears.

一面承管 mi¹ cheng² kuan³ Personally responsible.

• Kuan hua chih han •

• XX •

通曉 tung¹ hiao³ acquainted, as with a language.

游歷 yu² li¹ On a pleasure trip.

此公 chi³ kung¹ Your friend.

結為文字之交 chih² wei² wen² tzu¹ jih¹ chiao¹ Contracted a literary friendship.

最相契厚 tsui¹ hsiang¹ chi¹ hou¹ Which because a very close and lasting

踪跡渺茫 tsung¹ chi¹ miao³ mang² lost sight of us another

似不必拘此形迹 si¹ pu¹ pi¹ chiu¹ tzu¹ hsin² chi¹ Such etiquette

幾步 chi³ pu¹ is not necessary.
in the immediate vicinity.
not far away etc.

①

The Graduate's Wooing.chap IV.冷眼看見 heng yen kan chien. To look upon with an unprejudiced eye.包含 Pao'han². To put up with, make due allowance.貪心不足. hsin pu tzu. Never satisfied.討人厭了 tau ya la. Disgust people.三心二意 San hsin erh yi (make up) Undecided mind.驕驢 ssao³li. a str-ass.Chapter V.沒見過世面 mai chün kuo shih mien. inexperienced.近視眼 chin shih yen. Short-sighted.

②

The Graduate's Wooing.chap V.俏皮話 Ch'iao⁴ pi' hua. Sweet, frothy nonsense. Chaff in speech, give a person credit for attractions he does not possess.正中下懷 chung chunghsia huai. Just hit their ideas. Seeded them exactly.噴香 pen⁴ Hsiang. Smell fragrantly.開懷暢飲 kai huai² chang⁴ yin³. Opened their hearts joyously (chang) drank (yin).禿子 Tu² tzu. a bald-headed person.刁鑽 Siao tsuan. Scheming generally depraved.均攤勻散 chin' tian' yün⁴ san. So divide share and share alike. manufacture.

③

The Graduate's Wooing.

chap. V.

出言不遜 chuyen fuh sun. Using strong language.

糟糕 Sao' Kao'. A mess. Used of a disastrous combination of circumstances.

遭殃 Sao yang. To meet with misfortune or mishap.

根基 Kun' chi². Foundation. Basis.

受賄賂 Shou hui' lu⁴. To accept bribes.

鰥寡孤獨 Kuan' kwa³ ku' tu². Aged & lonely, widows, orphans etc.

勒捐 Lo' k'ou³. To levy black-mail. Extort money from.

假公濟私 chia³ kung chi⁴ ssu'. Turn the public interests to his own account.

④

The Graduate's Wooing.

chap. V.

雷霆 Lei² ting². The emperor's anger.

縱他撒野 Sung⁴ ta sa' yeh³. Sung, to loose, sa, to scatter - yeh, wild. allowed to run wild.

全家都敗盡 chuan chia⁴ pai⁴ chin. Whole family utterly ruined.

天理昭彰 絲毫不爽 Tien li. chaochang ssu hao fu shuang. Heaven's justice, chao chang, the manifestation, ssu hao in the slightest degree, fu shuang is not incorrect. The unerring justice of Heaven.

主僕 chue' p'ue². Master and servant.

手足 Shou³ tzu. Relations between sisters, or brothers.

(5)

The Graduate's Wooing.

Chap. VI.

麻利 ma² li¹. Sprightly.

chapter VII.

謝世 Hsieh shih. To rest from the generation. withdraw from life.

和藹 ho ai³. Friendly and pleasing, courteous.

情投意合 ching tui² cho. Sited one another perfectly.
t'm, accorded.

調度 Siao tu. moving or management of troops.

勞碌 hao² lu⁴. Fatigued tired.

(6)

The Graduate's Wooing.

chapter VIII.

威武 wai¹ wu³. imposing.

翠藍 Tsui⁴ lan². Kingfisher blue.

不凡 Pai fan². uncommon.

寄居 chi⁴ chü¹. Take up temporary quarters.

逍遙快樂 Hsiao² yao² k'ai¹ lo. Without a care. easy
circumstances. Bodily comfort-
mental comfort.

走徧 Tsun³ p'ai⁴ lias. Go right around.

施主 Shih⁴ chu³. The Benefactor, used by priests in
addressing their friends.

70

The Graduate's Wooing.

Chap IX.

寶剎 Bao chia⁴ Yours respected temple.

樸實 Pu²shih. Ingenuous. Straight forward.

烟熏火燎 Yen hsiin huohiao - burned with smoke and scorchd by fire -
hsin, sooty.

募化重修 mu⁴hua²ching²hsiu¹. To beg subscriptions for the repair of a temple.
mu, to hire, hua, to change, ching, afresh.
hsiu - to repair.

劃著 Hsiao'cho. Run a risk.

8

The Graduate's Wooing.

Chapter X.

耿直 Keng chih. Outspokenness.

惹人嫌. So forsoke people.

Chapter XI.

首飾 Shou³shih'. Head ornaments.

近朱者赤近墨者黑. Chin chiu cho, i chiu ke mo cho hei.
Near red (smaller) mo is red, near ink black.
One feels the influence of one's surroundings.

慚愧. mian³ku³. Coy, bashful, modest.

一番話. I fan hua. This turn in the conversation.

捎帶 Shao'tai'. So come into join in with.

老江湖 Lao ching hui an experienced person.

一五一十的都告訴了. I wu i shih ti ten kao su la. Told all about it.

9

The Graduate's Wooing.

Chapter XI.

趁勢 ch'ien⁴ shih⁴: Seized the occasion, took advantage of the circumstances.

Chapter XII.

羞口難問 ch'ai kou nan wen. Couldn't summon up enough courage to ask.

忍耐不住 ku nai fu chu: Stand it no longer.

周旋 chou hsiuan: To accomplish, to bring about.

懵懂 mong tung: To lose one's senses, to be oblivious to the proprieties.

多嘴多舌的人 to tzu¹ to sho¹ ti jen. Gossips.

拙嘴笨頭 ch'uo tzu³ pen⁴ sai¹. A Bungler, (awkward lips and clumsy cheeks.)

The Graduate's Wooing.

Chapter 12.

謹慎 chin³ shen. Careful, attention.

敢情 kan ching: Turns out to be.

學說 hsiao shuo. Mimicked.

⑪ 景緻 miscellaneous Expressions.

⑫ 景子 ching³ tzu. Views.

⑬ 景緻 ching³ chih⁴. Views, landscape.

⑭ 奇事 chi² - chih⁴. a strange thing.

⑮ 震醒刺 chen⁴ hui³ la. awakened by a voice.

⑯ 取其吉祥 chi³ chi² chi² hui². With a view to good wishes.

⑰ 謠言 Yao² yen². False reports.

⑱ 會議 Hui⁴ i⁴. To meet for deliberation.

⑲ 歸政 Kui⁴ cheng⁴. Return of power.

⑳ 堂子 Tang² tzu. Ancestral hall, also a brothel.

㉑ 薩嫫太 Sai² mo² tai². The Emperor's Exorciser.

Miscellaneous Expressions.

⑫ 會神仙 Hui⁴ shen² hsien¹. The Festival of all spirits.

⑬ 接連不上 chih¹ lien² pu⁴ shan³. Broken apart.

⑭ 繁華世界 Fan² hua² shih⁴ chih⁴. The pomp & varieties of life. Extravagance.

⑮ 聯盟 lien² meng². An alliance. Federation of States.

⑯ 氣味 chi⁴ wei⁴. Odors, smells.

⑰ 助善 chu⁴ shan⁴. To be benevolent to aid with money.

⑱ 善會 shan⁴ hui⁴. Refers to a custom prevalent here of sending written invitations to friends of the temple. The recipients are expected to buy a certain sum, which is called 善會. as if they wish to get the temple will then be treated with a meal of "ch'ai".

⑲ 施主 shih⁴ chu³. Those who support Buddhism by charity.

⑳ 討厭 Tao³ yen⁴. To incur dislike.

Miscellaneous Expressions

② 行狀 Hsing² chuang¹. a biography or an autobiography

一眨眼兒 (chi³ yan³ er³). To wink.

白駒過隙 po¹ chü¹ kau⁴ hsi⁴. Very fast. as a white colt passes through a crev. or rather as the light of day passes through ^{the window}.

光陰似箭 Kuang¹ yin¹ ssü⁴ chün¹. Time flies.

一展眼兒 (i¹ chün³ yan³ er³). To wink. blink.

瞬息之間 Hsin⁴ hsi⁴ chih¹ chin¹. In the twinkling of an eye.

一起根兒 (chi³ ken¹ er³). at first.

起初 chi³ chi¹. at first, in the beginning.

盡仗着甚麼 ching⁴ chau⁴ chü⁴ shen⁴ me⁴. What do you

收了標喇 shui¹ la¹ k'o¹ la¹. Finish. End.
科

Miscellaneous Expressions

傳染 chuan² jän³. The spread of a disease.

融洽 jung² chü¹. Mutual consideration. To blend with.

融和 jung² ho². To understand fully.

另一經 ling⁴ i⁴ ching¹. That another matter.

溫泉 Wen¹ chuan². Hot Springs.

訪事人 Fang³ shih⁴ jin². A newspaper correspondent.

謠傳 Yao² chuan². Rumour. Gossip.

打扮 Ta³ fan⁴. To dress. get up. at the custom
as a Chinaman adopting foreign dress.

死於非命 sui³ yü² fei² ming⁴. To die prematurely.
Entry to one's first fate.

Miscellaneous Expressions

難以找主 Nan² i³ chao³ chu³. Difficult to find a husband.
Hard to find a purchaser.

窮嫌富不愛 Chung² hsi² fu⁴ ju⁴ ai⁴.
The poor reject the rich do not like.
i.e. none wants to have anything to do with 'em.

連盟 Lien² meng² An alliance. A Treaty.

降(三級)調用 Chiang⁴ san¹ chi⁴ tiao⁴ yung⁴. To be degraded.
(three ranks) and transferred.

勒索商賈 le⁴ so⁴ shang¹ ku³. To oppress. i.e. squeeze.
the merchants.

功勞 Kung¹ lao². Rank. Meritorious Services.

升, 降, 調, 遣 Sheng¹ ching⁴ hao⁴ chien³. Promotion
degradation, & transfer. and & depute.

業精於勤而荒於嬉 Yeh⁴ ching¹ yin² chin² erh² huang¹ yin² hei¹.
The essential in any art is diligence - business should not be neglected for pleasure.

財東 } tsai² tung¹
鋪東 } pu⁴ tung¹
東家 } tung¹ chia¹ } The Proprietor.

抵銷 Ti³ hiao¹. To counteract as a substance.

設壇求雨 sh⁴ tan² chiu² yü³. To perform the altar and
beseech rain.

斷屠 Tuan⁴ tu². To stop the slaughter of
animals for food.

Hsuan Feng, a whirlwind

Pao-wa - to dig. hung¹ chu¹ lai

含冤 Han Yuan. To have a grievance

冤屈 Yuan¹ chü Wrong, grievance.

委屈 Wei¹ chü. The same as above.

his colloquial expressions.

推位讓國 Tui¹ wei⁴ jan⁴ kuo⁴. To abdicate. To
turn over the reins of government.

枕頭 Chen³ tou². a Pillow.

前朝 Chin² Chao² } a former dynasty.
前代 Chin² tai⁴ }

公雞 Kung¹ chi¹ a Rooster.

草雞 tsao³ chi¹. a Hen.

打鳴 Ta ying¹. To crow.

國家將亡必有妖孽 Kuo¹ chia¹ wang², hi⁴ yu³ yao¹
nih⁴.

When the ^{country} land is about to end, there
must be an evil man.

棟折 Tung⁴ che⁴. a beam (the beam of a house)
is broken.

上蓋 Shang⁴ kai⁴. a Roof.

發祥之地 Fa⁴ hsiang² gih¹ ti⁴. The Native Place.
(of a ruler)

革命會 Ke⁴ ming⁴ hui⁴. "change luck society."

生長之地 Shang¹ chang⁵ gih¹ ti⁴. Native land
(for ordinary man)

父母之邦 Fu⁴ mu³ gih¹ pang¹. " "

隔扇 ke⁴ shan⁴.

燈籠櫃子 Tung¹ lung² kuang⁴ chui³ fan¹.

魚腮 yu² sai¹

帶髮修行 Tai¹ fai⁴ hsiu¹ hsiung¹.

拜北斗星 Pai⁴ bei³ tou³ hsiung¹.

看香煎病 Kan⁴ hsiang¹ chiao² feng⁴.

如今禁止不行 fu² chin¹ chin⁴ chih³ fu⁴ hsiung².

邪教 Hsieh² chiao⁴.

唇亡齒寒 chin² wang² chih³ han² without lips the teeth are cold

without this there is no life
輔車相依 fu³ chih¹ hsiang¹ i¹ the axle and the cart are allied

a vital matter.
Chun² chih³ hsiung¹ i¹ allied as are lips & teeth:

交鋒 chiao¹ feng¹ the meeting of the sword points, battle.

對敵 Sui⁴ ti⁴ also Battle.

愈怕愈腐虎嚇 yü⁴ pa⁴ yü⁴ fu² hu³ hsia⁴

The more we are afraid the more
we become.

暑熱無君子 shu³ je⁴ wu² chin¹ tzu³ in the "hottest days"

there are no scholars - an expression
dating from chiao lung's time and giving
the idea that in the summer's heat all men
must strip and be uncomfortable.

發往軍台効力贖罪 fa⁴ wang³ chin¹ tai² hiao² li⁴ shu² tsui¹.

Remitted to the Post Road (Mongolia) to work at their punishment.

即行正法以肅軍律 chi⁴ hsiung² cheng⁴ fa⁴ i³ sui⁴ chin¹ hui⁴.

朝夕勤讀 chao⁴ hsi⁴ chin² tu⁴ Early and late one may study.

三日不讀書則語言無味 san³ jih⁴ fu⁴ tu⁴ shu¹ tsu⁴ yü² yü² wai⁴

if for three days we do not study, our conversation lacks spice.

勸勉勤學 chuan⁴ mien³ chin² hsiu⁴ to encourage
a learner diligently, or study resolutely.

立

納涼 na² liang² To seek cooler climes.

避暑 pi² shu² To escape the heat.

書獃子 shu tai tzu: a Bookworm.

書愚 shu yü: Book-foolish.

書癡 shu chih: a Bibliomaniac.

書篋 shu lu: a Books-basket. a man who has great knowledge but cannot use it.

道學先生 tao hsiu hsin sheng: a Teacher of ethics.

富有票 fu yü piao.

立斃杖下 li fei chang hua: died under the bamboo.

受戒和尚 shu chieh ho shang: a Priest who has passed through the ritual.

開戒壇 kai chieh tang: the temple in which the ritual is held.

衣鉢戒牒 yi fet chieh tsh: the dhoti, the bowl, the diploma.

挂單和尚 (俗說雲遊僧) kua tai ho shang (Yün yü seng)

Wandering priests. Who can go to a temple & put up for a night.

方便鉢 fang pien pan: Shovels used by Buddhist Priests

on their pilgrimages to dig what treasures they may find.

錫杖 hsi chang: a Buddhist Abbot's staff.

才
挂杖 kua chang.

僧錄司 (僧官) seng lu ssu (Seng kuan) shz

Head of the Buddhists. appointed by Imperial Decree.

道錄司 (道官) tao lu ssu (tao kuan) Same for Daoists.

住持 chi chih: a Resident priest as entrusted with an temple.

香火廟 hsiang huo miao.

子孫院 su sun yuan.

出家 (剃髮) chi chia (Tsi pien tsu) To leave home & enter the church.

還俗 (留辮子) Huan¹ hsi² (liu² piau⁴ tzu)

② 不可救藥 bu⁴ ko⁴ chiu⁴ yueh⁴ medicines cannot save

① 病入膏肓 bing⁴ ju⁴ kao⁴ huang¹ when the disease gets within the vitals.

一尊飽 tsun¹ fao⁴ a cannibal. our price cannibal.

賓天 bin¹ tien¹ to die of Emperors. to be a guest of Heaven.

升遐 sheng¹ hsia² "

晏駕 yen⁴ chia⁴ "

老朽不堪 lao³ hsiu³ fan⁴ kan¹ old and cannot last. an old man.

精神強健 ching¹ shen² chiang² chien¹ nimble & active.

吃的撐得~~眼~~ chih¹ ti chong¹ k² bang¹
can eat oneself.

圍住 wei² chui⁴ surrounded.

險隘口岸 hsien³ ai⁴ kou³ an⁴ a dangerous place

神速 shen² su⁴ serious

頑戲 wan² hsi⁴ a joking way of speaking.

B.

• Notes on Documentary •
• Chinese •

• Compiled from the Wen •
• Chien • Lu •

W. D. Straight •
Peking. Aug. 25. 1902. A.D.



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The First Document.

Shanghai Duty Memo.

- 驗單 yeu³⁴ tai¹ Duty memo.
- 投報 t'ou² hao⁹ Report - merchant returns
- 裝載 chuang¹ tai³⁴ laden with.
- 計開 chi⁴ kai¹ as follows.
- 海參 hai³ shen¹ Bils de mer.
- 燕窩 yeu¹⁴ wo¹ swallows nests.
- 丁香 ting¹ hsiang¹ cloves
- 象牙 hsiang⁴ ya² ivory.
- 共計 chung¹ chi⁴ Total.

②

1st Document. Contd.

進口稅 chin¹ kou³ shui⁴. import duties.

關平銀 kuan¹ ping² yin² Hs'in Tl.

憑單 ping² tai¹ as per memo.

持赴 chih² fu⁴. To proceed to

銀號 yin² hao²⁴ Custom Bank.

交納 chiao¹ na⁴ Paym (duties)

足色 tzu² se⁴ full standard.

掣取 chieh⁴ chieh³ to take delivery of, to raise.

號收 hao²⁴ shou¹ Bank receipt

可此此照 ho¹ yeh³ tzu³⁴ chao⁴. O.K.

給單 kei² tai¹ issued.

③

No. 24. Shanghai Customs, Port Clearance

監督 chien¹ tu¹ Superintendent of Customs.

兵備道 ping¹ pei¹ tao¹ Tao-tai.

徵收鈔 cheng¹ shou¹ ch'iao¹. Collection of duties & Tonnage dues.

事據 shih⁴. chieh⁴. Evidence.

投報 tou² hao² report.

計噸科鈔 chi⁴ tun⁴ ko¹ ch'iao¹. calculating dues according to tonnage.

按貨科稅 an¹ hao¹ ko¹ tou². " " " goods.
A translation.

The Superintendent of Customs and Shanghai Territorial Tao-tai, in the matter of (為) the collection of duties and tonnage dues.

④

Documentary.

"Whereas" (an application for ^① Post clearance has come forward, after due exhibition^② of bank receipts - (showing that all duties and tonnage dues have been (E.g. for post taxes) paid)^⑤ in compliance with the Treaty Regulations. (by which) "we goods declared by any English merchant vessel. (shall therefore) be charged tonnage dues and ordinary duties. (which) to be paid (完) by the merchant. [自赴, making in person] at the Customs House as per^⑩ duty memo," (this) Post clearance is duly^⑪ issued^⑫ [given] into the hands^⑬ of the master of said^⑭ vessel. This a necessary (須至) Post clearance. ⑤

稟請 紅單 前來

Documentary.

⑤

稟請 - hing ching. To apply for.
 ① 紅單 ching tau. Post clearance.
 ② 前來 chian lai. has come forward
 ③ 呈驗 ching yen. present for examination.
 ④ 照完 chao wan. in accordance with.
 ⑤ 清楚 ching chu. to clear an account.
 ⑥ 遵照 t'iu chao. in compliance with.
 ⑦ 當經 tau ching. at that time, therefore.
 ⑧ 即 chi. then, thereafter, hence, upon and subsequent (subsequent) action.
 ⑨ 合 hui. to be. shall be. necessity of being
 ⑩ 按照 an chao. as per according to.
 ⑪ 合行 ching ho ching. duly.
 ⑫ 填發 t'ien fa. issued. filled up & issued
 ⑬ 收執 shou chih. receive & let go into hand
 ⑭ 該 kai. said, respective
 ⑮ 者 chio. omitted action.
 前來 chian lai. come forward
 of no particular use to anybody. no to be translated.

⑥

Documentary Chinese

25

25

Tientsin Duty Paid Certificate.

Chou¹, by the Imperial command² of second
beret rank. Superintendent of both the Foreign
and Native Customs of Tientsin³. Manager⁴ of
Foreign Trade Matters⁵ for Chilibi. also Tas tai
in with Military Authority in charge of Coast
defence⁶. in the matter of issuing a (Duty)
Paid Certificate (Receipt)⁷.

Now. Whereas the English firm Feng-
Chang reports the purchase⁸ in the interior⁹
of the following¹⁰ goods, in all 44 packages -
piculs. and having paid (or has paid)¹¹ the
export duties¹² and is now about to load¹³ said
goods in English Merchant Vessel no. 91, named
Man Sheug. bound¹⁴ for ^{the port of} Shanghai
for sale. (The Tientsin Customs) therefore¹⁵ issues
this certificate of payment of export duties¹⁶ ^{to be}
presented for examination¹⁷ at the port
of destination¹⁸ (To be used to port of destination.

paid destination Customs

A certificate of payment of export duties

to be presented for examination

at the port of destination

⑦

Documentary Chinese

25

25

and present for examination) that import
duties may be paid accordingly²⁰. It is
forbidden to tender²¹ this for payment of duties
at any other port. This is a necessary
(Duty) Paid Certificate.

The above²² certificate issued to British
Merchant vessel no. 91.

To be presented on the day of arrival²³.

Summary of Phrases.

① Chou. The name of the man is placed
last, the rank granted by the Emperor
first and the various positions he holds.
between and between.

② 欽加 Chin chia. By the Imperial command

③ 新鈔兩關 Hsin Chao liang Kuan. Both Foreign & Native Customs

⑧

Documentary Chinese

.25.

.25.

- ⑧ 辦理 Pan li, Managers
- ⑨ 通商事務 Tung Shang Shih Wu. Foreign Trade Matters.
- ⑩ 管海防兵備道 Kuan Hai Fang ping bei Tao.
Taipei with Military Authority in charge of Coast defense.
- ⑪ 收稅單 Shou (Shui) Tan. Duty Paid Receipts.
- ⑫ 置買 Chih mai. Purchase.
- ⑬ 內地 nei ti. Interior.
- ⑭ 後開 Hou kai. The following.
- ⑮ 已經完納 I ching wang na. Having paid.
- ⑯ 出口稅餉 Chu Kou Shui hsiang. Export duties.

⑨

Documentary Chinese

.25.

.25.

- ⑬ 今將 ling ching now about to
- ⑭ 運往 chun wang Bound for.
- ⑮ 銷售 Heiao hou to sell.
- ⑯ 合行 Ho Hsing. Therefore. (Right to etc. used as indicating obligation or necessity on the part of the authorities.
- ⑰ 稅項 Shui hsiang Duties. i.e. Export.
- ⑱ 呈驗 Cheng yen Refer for examination
- ⑲ 外洋口 Wai yang kou Port of destination.
- ⑳ 照完 Chao wang Pay duty according to
- ㉑ 作抵 Tso ti² To make substitute. or Tender instead of. etc.

10.

Documentary Chinese.

25

25

② 右照 yo chao the above certificate.

③ 限到口日呈繳. Hsien tao kou jih cheng
chiao.

must report on day of arrival.

(at later.)

④ 稅課 Shui ko.
duties.

Documentary Chinese.

15

26.

Hankow Duty Paid Certificate.

26.

The Superintendent of Customs and
Treasurer of the Hankow circuit concerning
the issue of a duty paid certificate ^① on
export goods ^②

according ^③ where it is stated ^④ in the revised

Yangtze Trade Regulations ^⑤ that "Yangtze
^⑥ native goods ^{at any of the Yangtze} ^⑦ shall all be ^{shall} ^{at the said Customs Houses} ^⑧ examined
Yangtze Customs Houses ^⑨ and duties collected ^⑩
^(by the same.) ^⑪ ^{and at the same time}

according to the treaties opening ^⑫ the
other Treaty Ports ^⑬ etc. ^⑭ therefore,

The English merchant Tai-ke's steamer
Peking, ^⑮ having ^⑯ brought ^⑰ at Hankow ^⑱ native
goods for export, which has been examined
^⑲ by the local Customs, and the bills receipt
having been presented ^⑳ showing that the
merchant himself has presented ^㉑ to the Customs
Bank and there paid duty ^㉒ according to the

Documentary Chinese

Therefore, since the full duty paid receipt as proof.
 duty means. given him this Duty Paid
 that he may carry. to the port of discharge to pass it.
 certificate is accordingly issued, (duly issued)
 into the hands in order that it may be
 presented, at the port of discharge. This
 document must accompany the goods.

This is a necessary document.

The above document is issued to the
English merchant in order that...

Application should be made for the
correction of any mistakes discovered herein.

This document no. 90, must be presented
immediately upon arrival at Shanghai.

Documentary Chinese

- ① 正稅單 cheng' shui tau' Duty Paid Certificate
- ② 出口土貨 chu' kou' tu' hu' Local goods for export.
- ③ 案查 an' cha' Whereas
- ④ 內開 nei' kai' In the
- ⑤ 長江統共章程 chang' ch'ang' tung' chung' chang' ch'eng' Revised Yangtze Trade Regulations.
- ⑥ 自行 tzu' hsing' himself, personal idea.
- ⑦ 查驗 cha' yan' Examine.
- ⑧ 征收稅餉 cheng' shou' shui' hsiang' Duties (being) collected.
- ⑨ 已開 i' kai' which opened, opening opened by, etc.

14

Documentary Chinese.

26.

26.

12) 通商各口辦理 tung shang' ko' kou' pan' li' 3.

The practices at The other Treaty Ports.

11) 等因

tung' yin' 1. The idea of etc., "and like arguments". 等由-情 "such circumstances". 事 "such matters" - 語 "such words".

12) 置辦

ji' han' 4. bought.

13) 由

yu' 2. gives the idea of the doer of the action,

14) 呈繳

cheng' chiao' 3. to present, report.

15) 交納

chiao' na' 4. pay duties.

16) 給予

chi' yu' 2. to give, to grant.

17) 合給

ho' chi' 3. to duly issue etc

15

Documentary Chinese.

26.

26.

18) 以憑 i' ping' 2. in order that.

19) 起貨之關 chi' huo' 4 gi' guan' 1. Port of discharge.

20) 單貨不得相離 tan' huo' 1 pu' te' hui' li' 2.

The goods must be accompanied by this certificate. "The document and goods must not be mutually separated".

21) 右單 yo' tan' 1. "the above document"

22) 請 chung' 3. "apply for" "make application"

23) 更正 kung' cheng' 4. "make correction, correct."

24) 核錯 ho' to' 1. discover mistakes.

Duty Proof.

The Superintendent of Chelseang Customs and Ninghsu Territorial Taktai in the matter of issuing a duty proof⁽¹⁾ whereas ~~there~~^{it is no duty} has been received⁽²⁾ from the Tsungli Yamen is ~~on record~~^{on record} stating that⁽³⁾ Coast Trade Duties⁽⁴⁾ on native goods, except⁽⁵⁾ the three Yangtze ports, where they must be paid⁽⁷⁾ beforehand at the port of exportation,⁽⁶⁾ and shall be paid at the port of importation⁽⁸⁾ and that it is hereafter not permitted, (that it is forbidden to issue any more) the Coast Trade Duty Paid Certificates⁽⁹⁾ etc. Now therefore, such & such nationality's merchant Hsii Feng has reported the former purchase of native goods, brought in Chinese vessel no. 135 from Shanghai, and

provided⁽¹⁰⁾ with a Shanghai Duty Paid Certificate which was⁽²⁾ presented for examination and Coast Trade Duty paid, at that time⁽¹³⁾ according to regulations⁽¹⁴⁾. Now, since "the goods are not yet⁽¹⁵⁾ all⁽¹⁶⁾ sold they are about to reshift⁽¹⁷⁾ the afore mentioned goods upon English merchant vessel no. 100 for retransshipment⁽¹⁸⁾ to Shanghai." etc. Since upon examination by this Custom House the goods have been found to tally,⁽²⁰⁾ besides issuing a draw-backs in exchange⁽²¹⁾ for the Coast Trade Duty certificate, collected by this Custom House, we duly fill out this proof⁽²²⁾ that the Duty Paid Certificate received from the Shanghai Custom House has already⁽²³⁾ been presented for examination, and issue

18

Documentary Chinese.

27

the same into the hands of said merchant that he may present a fore examination at Shanghai. This is a necessary proof.

Documentary Chinese.

19

Phraseology.

27

- ① 憑單 hing² tai¹. Duty proof.
- ② 行准 hing² chun³. Received.
- ③ 在案 tsai⁴ an⁴. on record.
- ④ 奉遵 fung⁴ tsun¹. Obeying that.
Recalling instructions.
- ⑤ 復進口半稅 fu⁴ chin⁴ kai³ pan⁴ shui⁴.
Coast Trade Duty.
- ⑥ 除...外 che²... wai⁴. Used as "besides" and making an "exceptional" statement out of all between.
- ⑦ 呈交 cheng² chiao¹. Paid.
- ⑧ 所出之口 so³ chu¹ gih¹ kou³. Port of Exportation.

20. Documentary Chinese

27. 所進之口 so³ chin⁴ gih¹ kou³ Ports of importation

10. 執照 chih² chao⁴ Certificate

11. 帶有 tai⁴ yu³ Provided with
carrying

12. 曾經 tseng² ching¹ Sign of the Past

13. 當已 Tang¹ i³ at that time
then, in due course

14. 照完 chao⁴ wan² paid according to regulations

15. 仍 ying² Since, yet etc.

16. 不合銷 fu⁴ ho² hsiao¹ Does not, not

17. 下入船 hsia⁴ ju⁴ chuan² to reshift

18. 原貨 yu² hu⁴ as forementioned
goods

21. Documentary Chinese

27. 轉運 chuan³ yün¹ To retransport

20. 相符 hsiang¹ fu² To tally

21. 發還存票 fa¹ huan² tsun² piao⁴ To issue a
draw book in exchange for Duty P.

22. 憑據 ping² chü⁴ Proof

23. 業已 ye⁴ i⁴ Sign of the Past

— ... 3 ... —

Shanghai Duty Exemption Certificate.

W. J. H. Superintendent of Customs and
Treasurer of the Shanghai Circuit is the
matter of issuing a Duty Exemption
Certificate.⁽¹⁾

Whereas, ^{in the case of} such⁽²⁾ merchants who having
paid all duties on imported goods wish
to send them again⁽³⁾ to some other
port for sale⁽⁴⁾ it is possible upon
ascertaining⁽⁵⁾ that the goods are in
their original packages⁽⁶⁾ and upon
being checked⁽⁷⁾ that everything tallies
with the previous entries⁽⁸⁾ and that under
no circumstances⁽⁹⁾ has there been any
tampering with or substitution of goods⁽¹⁰⁾,
to fill out and issue certificates
according to the number, and to permit
the merchant to proceed to the point
in question to present the same for

examination. In this way⁽¹¹⁾ he will
escape the payment of double duty.
Now whereas the German merchants
Kulchers and Co. report having paid
duty on the following goods which they
are about to load on English merchant
vessel 23,902 called Chung King, bound
for sale in Tientsin. Finding that
the goods tally, this duty exemption
certificate is duly issued. On account
of⁽¹²⁾ the issuance of this certificate
the said firm is permitted to take the
following goods and proceed to the
ports mentioned where, if the goods
and certificate are bound to agree.⁽¹³⁾
they will be permitted to land the
goods for sale, with no further
payment of duty. This is a
necessary Duty Exemption Certificate.

(29)

Documentary Chinese

28.

25.

This goods imported in Northern Vessel
7 1217. upon entry had a duty of 27.5.00
110.

(25)

Documentary Chinese

28.

28.

Phraseology

① 免重征執照 miên chung cheng chih chao. Duty Exempt. Certif.

② 者 chō³ After a verb has the force of a fact or a relative pronoun. Selling: no' er' hwa' chō' sell.
See "such merchant, who, being paid etc."

③ 復欲 fu' yü' again.

④ 改運別口售賣 kai' yün' pih' kai' chai' mai'. To change destination to another part of sale.

⑤ 驗明 yen' ming'. To ascertain.

⑥ 原包原貨 yuán' pao' yuán' huó'. Original packages.

⑦ 查 cha'. Examiner. Upon being written.

⑧ 底簿 ti' pu'. Entries. Book entries.

⑨ 並未 fei' wei'. Not by any means. Under no circumstances. A strong negation.

16

Documentary Chinese

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⑩ 拆動抽換 chai tung chui kuan. Tampering with or substitution of goods.

⑪ 俾 pei³. In this way so as to etc.

⑫ 為此 wei¹ tzu³. On account of this.

⑬ 照貨相符 chao huo hui fu². If the goods and certificates are found to agree.

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Documentary Chinese

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Shanghai Tonnage Dues Certificate^①

The Superintendent of Customs and Shanghai Territorial Taitai, in the matter of issuing a tonnage dues certificate.

Whereas according to English Treaty other Treaty ^② whenever merchant vessels wish to go to any port or ^③ Hong Kong ^④ the master of said ship shall apply at ^⑤ the Customs House for the issue of a special certificate ^⑥ which shall date from the day of issue ^⑦ holding good during a period of four months ^⑧. It is not necessary ^⑨ to pay duties again up to the expiration ^⑩ of this four month time limit ^⑪. Now therefore, since Merchants ... having paid duties and tonnage dues, have presented their Bauls receipt, requesting that a special certificate be issued, we duly issue to said merchant this certificate

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Documentary Chinese.

29. exam

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exempting them from any further payment
of tonnage dues, ^{during ~~the~~ ~~passage~~ ~~of~~ ~~the~~ ~~goods~~ ⁽²⁾} this is a necessary
certificate.

29

Documentary Chinese.

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Phrasology.

① 船鈔執照 chuan² chao⁴ chi² chao⁴ Tonnage dues certificate.

② 凡 fan² if, wherever, every.

③ 並 ping⁴ and, or

④ 地方 ti⁴ fang¹ used after the name of a
place is abstractly translated.

⑤ 稟明 ling³ ming² apply for, at,

⑥ 專照 chuan¹ chao⁴ Special certificate.

⑦ 自是日起 zi⁴ shi⁴ ri⁴ qi³ commencing with date of issue.

⑧ 以四個月為期 yi⁴ si⁴ ge⁴ yue⁴ wei² chi¹

yi ... 為 ... "to consider ... as ..."
to consider four months as a limit.
Good during a period of four months

29. Documentary Chinese

- ⑨ 毋庸 wu² yung[?] not necessary
- ⑩ 如未逾 ju² wei¹ yu² up to the expiration
"if - a - as long as has not expired."
- ⑪ 之限 gih¹ hien⁴ time limit
- ⑫ 以内 i³ nei⁴ inside of, within
- ⑬ 電線 chien² hien⁴ Telegraph
- ⑭ 編列 hien¹ lieli⁴ Registered

30. Documentary Chinese

30.

Huchao ①

Shen, by imperial command ②, Tostai, lowest Provincial Treasurer ③ of Kiangsu, and Superintendent of Customs at Chinkiang, in the matter of issuing a huchao.

Having received ④ from the manager ⑤ of the China Merchants Steam Navigation Co ⑥ a document sent through ⑦ the Coast Defense Office ⑦ at Tientsin, by the Commission for preparing a new Edition of the Provincial Archives ⑧ at Pekingfu, forwarding ⑨ an invoice of books ⑩ for additional purchases ⑪, instructing the Embassy ⑫ to send a special messenger ⑬ to the Provincial Printing Offices ⑭ at Nanking and Hwai-nan, to buy books ⑮ per list ⑯ and to ship the

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Documentary Chinese

.30.

.30.

same from Chinsiang to Shanghai ⁽¹⁶⁾
 and thence to Tientsin, and requesting
 exemption from duty and release upon
 examination ⁽¹⁷⁾ etc. ⁽¹⁸⁾. And now
 whereas, the Company's employe, Wu
 Huan, reports the purchase of books
 at the Nanking Press, of books, packed
 in 23 cases altogether ⁽²⁰⁾ weighing
 35 piculs, to be shipped by China Mer-
 chant's steamer from Chinsiang to
 Shanghai, and thence forwarded to
 Tientsin, and now request the
 issue of a certificate, we duly
 grant him this Huchao, on account
 of the issue of which, if he presents it
 for examination ⁽²¹⁾ at the Customs
 Barriers ⁽²²⁾ he may come across ⁽²³⁾

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Documentary Chinese

.30.

.30.

en route ⁽²⁴⁾, he will be released ⁽²⁵⁾
 in order to avoid ⁽²⁶⁾ any obstruction
 or stoppage ⁽²⁷⁾

The above document is issued
 into the hands of the China Merchant's
 Co.

It must be presented upon
 arrival for cancellation ⁽²⁸⁾

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Documentary Chinese

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Phraseology

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- ① 護照 hu chao. Passport.
- ② 欽命 chin ming. By Imperial Command.
- ③ 布政使 pu cheng shih. Provincial Treasurer.
- ④ 准 chun. To receive, used of documents.
- ⑤ 總辦 tung pan. General Manager.
- ⑥ 輪船招商局 lun chuan chao shang chii. China Harbours Co.
- ⑦ 轉准 chuan chun. To rec. a doc. for further trans.
- ⑧ 海防支應局 hai fang zhi ying chu. Coast Defense Office.
- ⑨ 修志局 hsiu zhi chii. Commission for Reparing a new edition of Provincial archives.
- ⑩ 解 chieh. To forward.

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Documentary Chinese

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- ⑩ 書價開單 shu chia kaitan. An invoice of books.
- ⑪ 續購書籍 hsiu kou shu chi. To buy additional books additional purchases.
- ⑫ 咨局 tzu chii. Instructing the Company.
- ⑬ 專人 chuan jen. To send a special messenger.
- ⑭ 官書局 kuan shu chii. Provincial printing office.
- ⑮ 照購 chao kou. To buy as per list.
- ⑯ 咨請 tzu ching. To request in a despatch.
- ⑰ 驗放 yen fang. To be released after exam.
- ⑱ 准此 chun tzu. a supplementary expression signifying the receipt of a document.

Documentary Chinese

19) 局董 chiu tung. an employe of the Embassy

20) 連箱共重 hen hsiang kung chung weighing altogether

21) 呈請查驗 cheng ching cha yen. to report for exam.

22) 關卡 kuan chia. Customs Barriers.

23) 經過 ching kuo Encounter.

24) 沿途 yen tu. en route.

25) 放行 fang hsing. to be released.

26) 以免 i mein in order to avoid.

27) 阻滯 tzu chih. to impede, to obstruct

28) 銷 chiao to cancel.

Documentary Chinese.

Huchao.

The Superintendent of Chekiang Customs, and Ningbo Territorial Taster with jurisdiction over Coast defence, in the matter of issuing a huchao.

Having whereas it is on record in a despatch received from the Tzung hi Jansen that ⁽¹⁾ whenever ⁽²⁾ officials ⁽³⁾ pass a Customs House, it is according to regulation ⁽⁴⁾ that upon being duly reported that their personal baggage ⁽⁵⁾ contained no dutiable goods ⁽⁶⁾ the Superintendent of Customs should issue a passport ⁽⁷⁾ stating ⁽⁸⁾ the number of pieces, and exempting them from examination, etc. Now therefore, the expectant che-jen ⁽⁹⁾ Chi Pei, of Wen An Prefecture Shun Tien Fu, stating ⁽¹⁰⁾ that ⁽¹¹⁾ the time has come ⁽¹²⁾ for the Triennials ⁽¹³⁾ of

Documentary Chinese

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the fu wen year, he must hasten⁽¹³⁾
 to the Examination Hall⁽⁴⁾ to answer
 to the summons⁽¹⁵⁾ request the issue
 of a passport. ~~This passport is duly
 granted by virtue thereof, as he shall
 proceed forward and present it at the
 various Customs barriers and camps~~
 for the trunks of clothes and miscellaneous
 packages⁽¹⁶⁾ which he is carrying. This
 passport is duly granted him and
 by virtue thereof, as he shall proceed
 forward and present it at the various
 customs barriers and camps⁽¹⁷⁾ for
 examination we request the he not
 be detained⁽¹⁸⁾, impeded, or obstructed in
 any way. This is an urgent matter.⁽²⁰⁾
 The above document is to be exhibited⁽²¹⁾
 at all customs barriers and guards at
 fords. en route.
 To be presented for cancellation on arrival.

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Phraseology

- ① 開 Kai' - "Stating that" "to the effect that"
- ② 凡遇 Fan' yü' - whenever
- ③ 官員人等 Kuan' yuan' jen' teng' - officials. The
 official 人等 has the force of 人們.
- ④ 照例 Chao' li' - according to regulation.
- ⑤ 並無應行納稅之貨 Ping' wu' ying' hai' na' shui'
 gih' huo' no dutiable goods and no
 ought to collect duty goods.
- ⑥ 隨帶各物 sui' tai' ko' wu'. Personal baggage.
- ⑦ 印照 Yin' chao' - sealed certificate. Bonds.
- ⑧ 註明 Che' ming' - state by way of explanation.
- ⑨ 廩生 lin' sheng'. Expectant chin-jen.

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Documentary Chinese

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⑩ 稟稱 ling³ cheng¹. To state in a petition.

⑪ 屆 chieh⁴. The time has come for.

⑫ 科鄉試 ko¹ hsiang¹ shih⁴. Triennial exams.

⑬ 馳赴 chi² fu⁴. Must proceed to hasten

⑭ 北闈 pei³ wei². Examination Hall.

⑮ 應試 ying¹ shih⁴. Report for examination.

⑯ 等件 tung³ chien⁴. Miscellaneous packages.

⑰ 營汛 ying² shun⁴. Guard houses.

⑱ 幸勿 hsing⁴ wu⁴ Please do not. You are requested not to.

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⑲ 留難 liu² nan². Raise difficulties of detention.

⑳ 切切 chieh⁴ chieh⁴. Urgent matter.

㉑ 赴 fu⁴. Exhibited. To proceed to a certain place. Exhibit idea understood.

Documentary Chinese.XXXII.XXXII.Duty Exemption Certificate.

Shaw, by Imperial command breveted to the 2nd Rank (and granted three steps of merit⁽¹⁾), Superintendent of Customs and Shanghai Territorial Taitai, in the matter of issuing a duty exemption certificate. Whereas it is on record that on the 30th day of the 5th month, 6th year of Tung Chih, a despatch was received from the Soochow Taitai⁽²⁾ stating,

"I have received a despatch⁽³⁾ from the Emperor⁽⁴⁾ stating that he has been advised⁽⁵⁾ by the Board of Revenue⁽⁶⁾ of the receipt of an Imperial edict⁽⁷⁾ issued affirming⁽⁸⁾ the memorial⁽⁹⁾ by the Imperial Censor⁽¹⁰⁾ Hung Chang Yen, petitioning⁽¹¹⁾ that in order to encourage merchants⁽¹²⁾ to buy up⁽¹³⁾ rice, paddy, and miscellaneous grain, to be shipped to Hien-tein for sale,

Documentary Chinese.XXXII.XXXII.

the payment of duties and license on both⁽¹⁴⁾ exports and imports, be discontinued.

Also again⁽¹⁵⁾, in the ninth year of Tung Chih, another despatch was received from the Board of Revenue, stating that⁽¹⁶⁾ in answer to inquiries⁽¹⁷⁾ it had been discovered that in Shuen Tuen Fu and the environs of the Capital the crops were very scarce⁽¹⁸⁾, and that it would be necessary to rely upon⁽¹⁹⁾ individual enterprise⁽²⁰⁾ to relieve⁽²¹⁾ the situation⁽²²⁾. For this reason there should be a temporary remission⁽²³⁾ in the collection of duties and license. According to the precedent⁽²⁴⁾ established by the memorial of the 1st year, etc.

It is also on record that when

Documentary Chinese

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the receipt of his despatches a proclamation was widely circulated⁽²⁵⁾

now whereas, the licensed merchants⁽²⁶⁾ Jungchi, has shipped 100 packages of rice, weighing 135 picul, by Shun Ho Ste. for Tientsin, having furnished⁽²⁷⁾ the necessary bonds⁽²⁸⁾, has applied⁽²⁹⁾ for the issue of a certificate, which when presented at the Tientsin Customs and Likin Barriers en route, will exempt them from all transit dues etc. therefore besides filing⁽³⁰⁾ the bond and reporting all details⁽³¹⁾ this certificate is^{only} issued.

This certificate being issued upon such grounds, said merchant shall upon presenting it for examination, be exempt from all duties and likin both from the Tientsin Customs and the Likin

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Barriers en route. If there be any goods not covered by this document⁽³²⁾ the usual transit dues must be paid, as per regulation. Immediately upon⁽³³⁾ return to Shanghai, this certificate shall be presented for examination & cancellation. This is very urgent.

The above document is issued to licensed merchants Jungchi. There is a time limit of six months before final presentation.

④

Documentary Chinese.XXXII.XXXII.Phrasology.① 管銅務 Kuan³ tung² wu⁴ Censor of Mints② 隨帶加三級 Sui² tai⁴ chia¹ sai¹ chi² Granted
three steps of merit. attached to the man
not to the office itself.③ 藩司 Fan² sui¹ Fan Tai Treasurer.④ 移—札—咨。 1²—Cha²—Tzu¹.
移 = a despatch rec'd from man of superior rank
the same rank. 咨 = also. 札 = from a superior.⑤ 撫憲 Su² Lien⁴ Governor or Prefect.⑥ 議復 1⁴ fu² Decided after discussion. To advise
another board, official etc.⑦ 戶部 Hu⁴ Pu¹ Board of Revenue.⑧ 旨 chi³ Imperial Edict.Documentary Chinese.

④

XXXII.XXXII.① 依議欽此 1¹ i¹ chin¹ tzu³ The Imperial Permission
has to be recommended. This is imperially dis. etc.② 摺 che² a memorial to the throne.③ 給事中 Chi⁴ shih⁴ chung¹ Imperial Censor.④ 奏請 Tsou⁴ ching⁴ To address the throne. Petition.⑤ 招商 Chao¹ shang¹ Induces merchants.⑥ 採買 Tsai³ mai³ Buy up.⑦ 概 Kai⁴ all. altogether.⑧ 嗣 Ssu¹ afterward. latter.⑨ 移咨 1² tzu¹ To state in a despatch.⑩ 查復 Cha² fu² To report upon examination.

④

Documentary Chinese

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①⑦ 歉薄 Chien⁴ ho² shortage in crops. Scarce.①⑧ 賴 hai⁴ to rely upon. Depend on.①⑨ 商販 shang¹ fan⁴ Personal Enterprise. Business.②① 接濟 Chieh¹ chi⁴ Successor Relief.②② 民食 min² shih² People's Food Situation.②③ 暫緩 chan⁴ huan³ Temporary remission.②④ 奏案辦理 tsou⁴ an⁴ pan⁴ li³ Precedent.②⑤ 曉諭 Hsiao³ yü⁴ widely circulated paper.②⑥ 號商 hao⁴ shang¹ licensed merchants.②⑦ 取具 chiu³ chiu⁴ furnish.

④

Documentary Chinese.

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②⑧ 保結 Pao³ chieh² Guarantee.②⑨ 稟求 Ping³ chiu² Petition.②⑩ 存案 Tsün² an⁴ To put on record.②⑪ 詳咨 Hsuan² tzu¹ To report all details.②⑫ 別項貨物 Pieh Hsing, huo⁴ wu⁴ Not covered by this document.②⑬ 俟 — 即 Su⁴ — chi² as soon as — then.

XXXIII.Shanghai Special Certificate.

Lin by Imperial Command created Provincial Treasurer, Shanghai Territorial Tostai with direction of coast defense, fisheries, post and salt administration and recorded ten times for merit in the Board of Civil Office. (2) in the matter of issuing a certificate.

On the 30th day, 7th month, 6th year of Kiangsu a debate was raised from the Hwang Kiang Viceroy (3) saying, "advice has been received from Sumner (4) he of Fukkien, that this year, ^{in Fukkien} in the early fall (5) there had been continuous rain (6) and many floods (7) almost amounting to a calamity (8) and that as the grain crops were bound to be affected (9) it (was necessary) to devise some scheme (10) to induce the merchants to buy and ship (grain) to

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relieve (11) the ^(relieve of the distress) prevailing distress (12) (and he had therefore) petitioned the throne, that, according to precedent, "all said merchant be exempted from the payment of duty" (13) etc.

A despatch to the same effect (14) was also received from Sumner W.

Both have come to my hands (15) and a proclamation ~~has been issued~~ that in the case of rice (16) brought up to Foochow for sale, it will be necessary to examine and the records (and issue certificates accordingly) the precedents established in the last occasion (17) of the exemption of duties in Fukkien and the Commissioner of Customs has been instructed (18) to act accordingly.

Now whereas the merchant ^{Collector (with official seal)} has bought one hundred packages of rice.

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weighing me hundred and fifty piculs. loaded upon the steamer "Cha Pien" and shipped to Foochow for sale there, has furnished his guarantee. (Therefore) besides answering his application ^{and because of the issue of this cert. which by these letters is given or} ^(incorporated) certificate is duly issued to him, and hearing this he shall proceed to the Commissioner of Customs and upon ⁽²⁾ examination he will be exempted from the payment of any duty.

② 聽候 ting hou. upon. after awaiting etc.

取具 或 呈具. The difference of taking or giving was a guarantee.

Documentary Chinese.

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Phonology.

- ① 水利驛鹽事務 shui³ li⁴ i⁴ yu² shih⁴ wu¹. Fisheries, Post, and Salt Administrations.
- ② 加十級紀錄十次 chia¹ shih² chi² chi⁴ lu⁴ shih² tzu⁴. Promoted ten times for merit, in the Board of Civil Office.
- ③ 督憲 tu¹ hsien⁴. Viceroy.
- ④ 撫部院 fu³ pu⁴ yuan⁴. Governor.
- ⑤ 交夏後 chia¹ hsia⁴ hou⁴. Early Fall. Latter Part of Summer.
- ⑥ 雨霪 yu³ yin². Continuous rain.
- ⑦ 江漲 chiang¹ chang⁴. Flood. River Risings.
- ⑧ 幾致成災 chi¹ chih⁴ cheng² tai¹. Almost amounting to calamity.
- ⑨ 不無減色 pu¹ wu² chien³ se⁴. Cannot help being injured.

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Documentary Chinese.

XXXIII.

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⑩ 設法 she¹ fa³. Try and devise a means.
To discuss a plan.

⑪ 藉以均濟 chieh⁴ i³ chin¹ chie⁴. To relieve the
wretched distress.

⑫ 概行免稅 kai¹ hing² mien³ shui⁴. All be
exempted from payment of duty.

⑬ 同前由 tung² chien² yu² On the same subject.

⑭ 各到道 ko¹ tao¹ tao¹ Both has come into
my hands.

⑮ 所有 so³ yu³. A clear rel. clause, used to
express the definite art. used where article
object are distinguished
from others of the same kind.

⑯ 米石 mi³ tan¹. Rice.

⑰ 上屆 shang¹ chieh¹. The last time, last occasion.

⑱ 函致 han² chieh⁴ To send a letter to. To instruct.

⑲ 批示 pi¹ shih⁴. To reply to the application.

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Documentary Chinese.

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① Duty paid for carrying foreign goods
into the interior.

Shao Superintendent of Customs and Shanghai
Territorial Tao tai in the matter of issuing
a duty paid certificate.

Whereas according to the Trade Regulations,
under Foreign Treaties it is stipulated
that in the case of foreign goods imported into the
interior, the merchant must give a description
of the amount and the ultimate destination
of such goods, to the Customs officials, and
upon examination pay the necessary transit
dues, said Customs House issuing in turn
a duty paid transit certificate. The merchants
shall hand this document to the Barrier
Officers who shall upon examination
affix a seal, and no matter whether the
stations be far or near the goods shall be

Documentary Chinese.

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delivered without any further payment of duty.

Also in the first article of the Five Rules regarding Transit,^{10a} it is stipulated that foreign merchants carrying foreign goods from Shanghai into the Yangtze, having arrived at any River Port, shall upon their leaving the place, convey the goods into the interior, and if they do not carry a Yangtze Transit Pass, they shall pay all customary duties and taxes. It is also^{10b} stated¹⁰ that northern and southern seaports shall be governed by the same regulations as are the Yangtze ports.

etc
affairs
in
洋
6

In the Chefoo Convention¹² it is stated that foreign goods, imported into the interior, must obtain to take out¹³ a Transit Certificate. The Tsung hi Jansen to decide upon¹⁴ a uniform

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pattern¹⁶ that Chinese¹⁶ and foreign merchants may both apply for their issue etc.

Besides, in cases where goods are imported without their having been issued a certificate, they still may act according to the Five Rules regarding Trade.

Therefore, the German merchant, Mei Chi, reports that they are about to ship the following foreign goods into King Kuo Hsien, Hing Kuo Fu, Province of Anhui, begging that a Transit Certificate be issued to them. This document is granted accordingly in order that¹⁷ they may present it for examination en route, and be dismissed upon examination.

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Phraseology

- ① 通商章程 Tung' shang' chang' cheng². Trade Reg. in For. Treat.
- ② 內載 nei' tsai³. It is stipulated.
- ③ 名目 ming' mu⁴. Description.
- ④ 若干 ya' kan¹. Amount of.
- ⑤ 往內地何處 Wang' nei' ti' ho' chu¹. Ultimate destination.
- ⑥ 內地稅項 nei' ti' shui' hsiang¹. Transit dues.
- ⑦ 向 Hsiang⁴. To, towards, to
proceed to, stand before nouns. den. obj. of verbs. & etc.
- ⑧ 各子口 ko' tzu' kou³. Barriers.
- ⑨ 蓋戳 kai' che'. To affix a seal.

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- ① 通商章程 Tung' shang' chang' cheng². Five Rules
Regarding Transit.
- ② 末後 mo' hou⁴. also in addition etc.
- ③ 聲明 sheng' ming². It is stated that, etc.
- ④ 烟台會議條款 Yei' tai' hui' i' tiao' kuan³. Chiefs' Conv.
- ⑤ 請領 ching' ling³. Petition for the issue.
- ⑥ 核定 ho' ting⁴. Decide upon. Determine.
- ⑦ 畫一款式 Hua' i' kuan' shih⁴. Uniform pattern.
- ⑧ 華 Hua². Chinese.
- ⑨ 以便 i' pien¹. In order that.

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Transit Memorandum

His Superintendent of Customs and Shanghai Territorial Tostai, in the matter of issuing a blank application for landing goods (1)

Whereas it is stated in a despatch received from the English Consul, that the English merchants, Hsing Mas, petition the issue ^{of blank} ^{certificates} ^{of declaration} ^{in order that said merchants might pay the landing goods, etc.} ^{regularly} ^{half duty, according to Customs regulations.} ^{as in os.} (2) the goods arrive (3) at the first barrier.

Therefore the local Customs duly issues the blank application in triplicate (4), and the Consul, in turn, shall instruct said merchant ^(change) ^{to sign} at the consulate, (5) (after which the certificate will) be issued and the goods permitted to pass the first barrier.

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(at which place) enter the merchant himself or his partner, ^{shall} (must) procure the three copies, and together with one of the Barrier Officers (6) examine said goods. ~~The merchant must~~ ^{as to} (7) the number of packages, with the weight of said goods, and the date (or date) they are about to be sent (8) for exportation. ^{which the merchant must state clearly in his application (7)} Of the three certificates created at the barrier; one is put into an envelope and sealed (9) and sent by courier, post haste (10) to the Customs House declared as the point of exportation, for examination. One copy shall bear a seal affixed and sent with the monthly (11) state ment, for filing (12) at the T'ungli Yamen. The remaining copy shall be kept at the barrier and the Transit Pass (13) for said goods shall be filled out accordingly, and issued to the merchant that he may present it for

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examination at all barriers en route, the goods being released after the certificate has been stamped.

afterwards upon arrival at the barrier from whence the goods are to be exported ⁽¹⁹⁾ the man in charge of the goods ⁽²⁰⁾ shall with me of the Barrier officers ⁽²¹⁾ proceed to the Custom House and ask ~~for the issue~~ ^{to take up} of a documentary book that the transit duty had been paid. (and upon this being granted) they shall be permitted to pass the barrier.

If there are any grievances against this rule ⁽²²⁾, or if any of the goods reported as destined for a certain port ⁽²³⁾ are privately sold en route, or if there be any attempt to defraud the revenue by concealment of facts ⁽²⁴⁾, besides confiscating all goods, the half duty on all goods reported by said merchant at the first barrier will be collected

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at the Custom House. If there be any false declaration of goods ⁽²⁵⁾ etc. see goods of the same denomination ⁽²⁶⁾ (i.e. with these merchandise.) will be seized.

This is a necessary certificate of Declaration.

The various goods purchased are enumerated hereafter.

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Phrasesology.

- ① 空白報單 Kung⁴ pai² hao⁴ tau⁶. Blank application for Declaration.
- ② 既 chi⁴. as soon as.
- ③ 抵 ti³. arrive.
- ④ 同樣三紙 Tung² yang⁴ sai⁴ chih³. issued in triplicate.
- ⑤ 當堂畫押 Tung⁴ tang² hua⁴ ya². at the Prober place.
i.e. the Consulate.
- ⑥ 眼同子口 yan³ tung² tzu² kou³. accompanied by me
of the Barrier Officers.
- ⑦ 註明單內 chui⁴ ming² tau¹ nei⁴. declare in the application.
- ⑧ 現往 hsien⁴ wang³. about to be shipped.
- ⑨ 蓋印加封 kai⁴ chin⁴ chia¹ feung¹. Put into an envelope
and sealed.

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- ⑩ 飛速 fei¹ sui¹. Post haste.
- ⑪ 按月 an⁴ yueh⁴. at the end of the month, monthly
with the monthly despatches.
- ⑫ 備查 pei⁴ cha². Filing for future reference.
- ⑬ 運照 yun⁴ chao⁴. Transit Pass.
- ⑭ 出口海關設卡之處 chui¹ kou³ hai³ kuan¹ she⁴ chia³ chih³ chih³.
The barrier from whence the goods are to be exported.
- ⑮ 運貨之人 yun⁴ huo⁴ chih¹ jen². Man in charge of the goods.
- ⑯ 由卡帶同 yu² chia³ tai⁴ tung². With me of the Barrier Officers.
- ⑰ 違此例 wei² tzu³ li⁴. Any offenses against this rule.
- ⑱ 指赴何口 chih³ fu⁴ ho² kou³. Destined for a certain Port.

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(19) 隱漏之弊 jin³ low⁴ chik¹ hi⁴. to defraud the revenue by concealment of facts.

(20) 匿單少報 hi⁴ tai¹ shai³ hao⁴. False declaration of goods

(21) 內同類之貨 hei⁴ tung² lei⁴ chik¹ hui⁴. all goods of the same denomination.

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Bond Certificate

The Superintendent of Customs and Newchwang Territorial Tostai, in the matter of issuing a Bond Certificate (1)

whereas it is in record that formerly it had been forbidden by law to export opium, cash, rice, grain and the like (2), now according to the newly established rules regulations, there will be a slight relaxation in the restrictions (3) and foreign merchants in the China Treaty Ports (4) will be permitted to ship from one port to another (5). Upon their either drawing up and handing in (6) a bond or giving some other material guarantee (7), a certificate will be issued to said merchants. It shall be stamped received (8) by the Superintendent of Customs at the other port and returned for cancellation within 6 months from the date of issue.

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The ships whether she be light or heavy laden must pay all Tonnage dues.

Now whereas the foreign merchant, K'ei Chih Shun, has reported loading the following goods in Chinese vessel No. 1. bound for Shanghai, and has deposited a bond in accordance with regulation, requesting that a certificate be granted there. (now), besides making certain that all details tally, and the bond having been filed, a certificate is duly issued. By virtue of this certificate the merchant will be able to ship the herein registered goods, to Shanghai. Upon arrival at the port, he must present this document at the customs for examination, that it may be endorsed (9) and sealed (10) and be returned to Shanghai for cancellation within six months. If it

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he not returned before the expiration of this time, the Bond deposit will be promptly forfeited.

This is a necessary bond certificate.

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① 印照 Yin¹ chao¹ Print certificate.

② 等物 Teng³ wu⁴. Such goods, the like.

③ 稍寬其禁 Shao¹ kuan¹ chih² chin¹. Slight
Relaxation in restrictions.

④ 通商口岸 Tung¹ shang¹ kou³ an⁴. Treaty ports.

⑤ 以此口運至彼口 Yi³ tzu³ kou³ yün¹ chih¹ pi³ kou³
From one port to the other.

⑥ 呈具 Cheng² chü⁴. Drawing up and handing in.

⑦ 結實信據 Chieh¹ shih² hsin⁴ chü⁴
Material Guarantee.

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⑧ 收到字樣 Shou¹ tao¹ tzu⁴ yang¹.
Stamped receipt.

⑨ 批註 Pi¹ chü⁴. Endorsed.

⑩ 加蓋印信 Chia¹ kai⁴ yin⁴ hsin⁴. Sealed.

XXXVII.Shanghai Customs Regulations.For Foreign Built Craft.

I. All ⁽¹⁾ merchant vessels, bound for Shanghai, once they have crossed the line running between Paohow Point and the port ⁽²⁾, opposite, are considered as having entered said port.

II. Upon arrival at the port, a customs officer will be sent to take charge ⁽³⁾ of the ships. When clearance papers have been issued, they shall be thoroughly ⁽⁴⁾ examined by the local customs.

III. All vessels entering the harbour must anchor ⁽⁵⁾ within the docking limits ⁽⁶⁾, bounded on the north by the British naval yard, and on the south by the East Gate Creek.

IV. The masters of all vessels entering the harbour must within twenty four hours take the ships register ⁽⁷⁾, and ship's manifest ⁽⁸⁾, to the custom for examination. If there be no custom the master must himself present ⁽⁹⁾ to the customs.

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If after forty eight hours, he has not reported he will be fined according to regulations.

V. The masters of all vessels entering the port are to be responsible for the correctness ⁽¹⁰⁾ of their manifest and there must be a detailed account ⁽¹¹⁾ therein

of all ⁽¹²⁾ goods, with their marks and number; If it is discovered that a false manifest has been presented, the merchant will, according to regulations, be fined \$500. If it is merely a mistake ⁽¹³⁾ application for permission to correct ⁽¹⁴⁾ must be made

(within twenty four hours after the presentation of the document) and the fine will then be remitted ⁽¹⁵⁾. Further, if there be any goods not to be landed ⁽¹⁶⁾ at this port, the base must be entered upon the manifest.

VI. All merchants will be permitted to load and unload goods and to take in ballast ⁽¹⁷⁾ only within the time limits fixed by rule, i.e. during

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the day, between sunrise and sunset,
Sundays and Holidays⁽⁷⁾ shall always
be free.

VII. All merchants in bringing the
Ship's Register, and Import Manifest⁽⁸⁾ for
examination, and desiring to unload goods,
must provide themselves with a delivery order⁽⁹⁾
giving a detailed account of the marks, number,
weight of packages, and the valuation⁽¹⁰⁾, securing
a permit to land⁽¹¹⁾, and landing goods accordingly.
If an attempt is made to clandestinely⁽¹²⁾ land
goods without the seal of the local Customs,
the goods will be seized and the vessel
master fined.

VIII. All merchants when their goods have
already landed and their vessels examined
by the Customs Officer, will be permitted to load
goods, and must according to the laws governing
unloading, make out an application to ship⁽¹³⁾

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carefully describing therein, the marks, number
and weight of the packages, and the value of the
goods, upon the granting of their request for
a shipping order, they will be permitted
to load goods accordingly. If any attempt
is made to clandestinely load goods without
the seal of this Office, the goods in the
lighters⁽¹⁴⁾ will be confiscated.

IX. All merchants when taking out
papers for loading goods, and being unable
to ship the same owing to a heavy labor strike,
must deliver the goods to the Customs jetty⁽¹⁵⁾ for
examination, before they will be permitted to
land the same.

X. All merchants when loading has been
completed⁽¹⁶⁾, must tender an export manifest⁽¹⁷⁾
describing exactly the marks, and number
of the goods included therein, If a false manifest
is tendered the master will be fined.

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XI. In the case of transshipment ⁽²⁷⁾ between ~~two~~ vessels, an application must be made beforehand for a special certificate ⁽²⁸⁾, upon the issue of which they will be permitted to proceed. In the case of clandestinely transhipped goods all the stuffs involved will be confiscated.

XII. All vessels entering the port must pay tonnage dues ⁽²⁹⁾ within forty-eight hours. The dues must be paid at the time of landing. After the expiration of 48 hours they shall be collected as per regulation.

XIII. All merchant vessels wishing to take out clearance papers must accompany the Customs Officer and check the Unloading and Shipping applications. When the Customs are satisfied ⁽³⁰⁾ that the manifests are all without mistake ⁽³¹⁾, that all duties and tonnage dues have been paid, the clearance papers will be handed back issued and the ships

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register handed back for departure
XIV. The Customs House will be opened every day at ten and close at four. On Sundays and holidays, no dues will be due ⁽³²⁾. In the above articles there be anything requiring special application ⁽³³⁾, it should be made in due course ⁽³⁴⁾ in a personal statement ⁽³⁵⁾ for the consideration of the Commissioner of Customs.

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Phonology.

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- ① 凡-者 Fan²-ch³ all - who.
- ② 砲台 Pao⁴ tai² Fort.
- ③ 管押 Kuan³ ya¹ To take charge.
- ④ 一體 It⁴ chi³ Thoroughly.
- ⑤ 停泊 Ting² po¹ must anchor.
- ⑥ 起下貨物之界限 Chi³ hia⁴ hu⁴ wu⁴ chi⁴ chieh⁴ hien⁴ The loading limits.
- ⑦ 船牌 Chuan² pai² Ship's Register.
- ⑧ 船單 Chuan¹ hou³ tau¹ Ship's manifest.
- ⑨ 認保無訛 Jau⁴ pau³ wu² o² Guarantee the correctness.

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- ⑩ 詳細載明 Hsin² hui⁴ tai³ ming² a detailed account.
- ⑪ 一切 It² chieh⁴ all.
- ⑫ 錯誤 Tso⁴ wu⁴ a mistake.
- ⑬ 請改 Ching³ kai³ Petition to rectify or change.
- ⑭ 免其議罰 Hsien² chi² i⁴ fa² Be exempted from the fine.
- ⑮ 起岸 Chi³ an⁴ To unload.
- ⑯ 押載之物 Ya¹ tsai⁴ chi⁴ wu⁴ To take or ballast.
- ⑰ 給假日 Chi³ chieh⁴ jih⁴ Holidays.
- ⑱ 進口貨單 Chin⁴ kou³ hu⁴ tau¹ Import manifest.
- ⑲ 起貨單 Chi³ hu⁴ tau¹ a delivery order.

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(23) 估價數 Ku' chiu' shu'. The correct valuation.

(24) 起貨單 Chi' huo' tau'. Permit to land.

(25) 私行 Ssu' hsing'. Claudestinely.

(26) 請下貨單 ching' hsia' huo' tau'. Application to ship.

(27) 駁船 Pa' chuan'. Lighters.

(28) 碼頭 Ma' tou'. Jetty.

(29) 下齊貨物 Hsia' chi' huo' wu'. Nothing been omitted.

(30) 出口貨單 Chu' k'ou' huo' tau'. Export manifest.

(31) 互撥貨物 Hu' po' huo' wu'. Transshipment goods.

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(29) 特准單據 Te' chün' tau' chü'. Special certificate.

(30) 核知 Ho' chi'. Satisfactory.

(31) 皆無訛誤 chie' wu' o' wu'. All without mistake.

(32) 停辦公事 ting' pau' kung' shih'. No work will be done.

(33) 隨時 Sui' shih'. In due course.

(34) 聲候 sheng' hou'. Personal statement.

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Shanghai Harbour Masters.

Regulations.

These Regulations have been jointly agreed upon⁽²⁾ by the Foreign Consuls of the Port.

- I. The space wherein foreign merchant vessels may anchor shall be limited above by the East Gate Creek, and by the centre of the British Naval Yard below.
- II. When foreign vessels entering the Port arrive at the British Naval Yard an assistant of the Harbour Master must board the vessel and point out⁽³⁾ a safe spot where she may anchor. If the vessel be towed into port by a tug⁽⁴⁾, she must slow down⁽⁵⁾, when about to arrive at the Harbour Master's office on the lower limit, to enable the assistant to board the vessel and point out her berth.
- III. Vessels that are constantly⁽⁶⁾ plying in and out of Shanghai, will be given special berths by the

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Harbour Master, and whenever they arrive in port they may proceed at once to their work without waiting for the coming of the Harbour Master's assistant. If the vessel be loaded with articles of a dangerous nature⁽⁷⁾ she must act according to Articles 11, 12, 21.

- IV. Four bunks⁽⁸⁾ must ~~not~~ be left in the upper reaches, for the use of visiting men of war.
- V. Vessels anchored in the Port must avoid directions⁽⁹⁾ from the Harbour Master. They must not change their positions⁽¹⁰⁾ without the authorization⁽¹¹⁾ of his special permit.
- VI. In case any vessel wishes to move its berth after having been anchored, either the master of the ship, the First Mate or the Pilot⁽¹²⁾, must proceed to the Harbour Master's office at the upper limit or⁽¹³⁾ the assistant's office at the lower, and report⁽¹⁴⁾ the matter.

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VII. All vessels anchored within the harbour, must always ^① have a white lantern hanging ^② from the right side of the first yard ^③ on the foremast ^④ if there are no yards it must be hung on the right side in the cargo.

VIII. Merchant vessels will not be permitted to posten ^① small boats and sampans or a movable boom ^② rigged out in the side, but when war will be permitted to use this entrance during the day, but ^③ not right it must be taken in.

IX. The anchor chains ^① of all vessels must constantly be heaved after ^② this being of special importance ^③ at full moon and new moon ^④. It will not be permitted to smooze no vessel with another. If there be any small boats astern the tow rope should be short so as to be in order ^⑤ not to block the passage.

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X. Vessels will not be permitted to fire cannon or small arms within the harbour limits without the special permission of the Harbour Master.

XI. Vessels entering port loaded with shells, cartridges ^① or a hundred pounds of powder, or 20,000 cartridges, ^② must anchor three miles outside the harbour limits and hoisting a red flag. awaits instruction from the Customs.

XII. Vessels entering port loaded with any opium goods ^① must in any case ^② not accendy or set on fire.

XIII. Vessels loading with the goods mentioned in 11 & 12 must anchor no mile outside the harbour limits and after the loading is finished shall not be permitted to proceed upon their journey ^① from this point.

XIV. Vessels loaded with inflammable oil ^① must anchor at the 4th stage. Barring on the Pootung shore, and remain there until they have finished unloading.

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XV. Vessels entering the port with infectious diseases on board must, anchor within not less than a mile of the Harbour limit, hoisting a yellow flag upon the foremast, no communication with the shore being permitted without a special permit from the Harbour Master.

XVI. No vessel master must permit his ship's people to throw ballast⁽³¹⁾, or ashes of any sort into the centre of the river.

XVII. Whenever the men on any vessel anchored within the Harbour limits, wish to go ashore⁽³²⁾ arrangements must always be made whereby enough men to handle the anchor chains shall constantly be kept on board.

XVIII. All merchant vessels on entering the harbour must rig in the jib-boom⁽³³⁾, and they will not be permitted to ship it out again without special permission

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from the Harbour Master.

XIX. Vessel masters will not be permitted of themselves, to lay down buoys or beacons⁽³⁴⁾ without first having the Harbour Master decide whether or not⁽³⁵⁾ the anchor chains and the birth are all satisfactory. If permission to lay buoys and beacons has been received, a light must be shown every night if it so happens that no vessel is attached thereto.

XX. All spaces allotted⁽³⁶⁾ for laying down buoys and beacons, shall be under the control⁽³⁷⁾ of the Harbour Master. If at any time he finds that the anchored vessel is interfering with traffic or that there is some other reason⁽³⁸⁾ the Harbour Master may order⁽³⁹⁾ the master to change his birth. If any such change be ordered and the vessel master does not immediately comply⁽⁴⁰⁾

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XXV. The Harbour Master may take up the matter ⁽⁴²⁾ and the owner will bear ⁽⁴³⁾ & stand the expense ⁽⁴⁴⁾ incurred.

XXI. If a vessel takes fire ⁽⁴⁵⁾ within the harbour limits the vessels anchored in front and behind. Must sound gongs and give danger signals ⁽⁴⁶⁾, and should according to law hoist fire-signals ⁽⁴⁷⁾, or if at night, raise and lower the lantern on the right side of the foremast, sending immediate notice to the River Police, the Harbour Master, the Postern Signal Station ⁽⁴⁸⁾ and the Municipal Councils.

XXII. If any vessel entering the port, loaded with explosive materials ⁽⁴⁹⁾ is not acting according to law the Harbour Master shall order said ship to sail back and anchor

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three miles from the Harbour limits. If this be not complied with the Customs will not permit them to load or unload goods nor will their clearance papers be granted. Any vessels not acting according to 2, 5, and 6, and anchoring in the places designated by the Harbour Master, will not be permitted to load or unload goods. If the Harbour Master reports that the conditions have been fulfilled, the Customs shall permit them to proceed according to law. If the vessel master breaks any other regulations it will come entirely within the jurisdiction of the Consulate.

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Phrasesology

① 理船廳

li³ chuan² ting¹. Harbor master.

② 公同商

kung¹ tung² shang¹. Jointly agreed upon.

③ 指引

chih³ yin³. Point out.

④ 用小火輪拖帶而入

ying¹ hsiao³ huo³ lun² to¹ tai⁴
erak² ju¹.

Towed into port by a tug.

⑤ 緩駛

Huan³ shih³. Slow down.

⑥ 常川

chang² chuan¹. Constantly.

⑦ 危險防礙之物

wai¹ hsiang³ fang² ai⁴ chih¹ wu¹.

Articles of a dangerous nature.

⑧ 步位

pu⁴ wei¹. Birth.

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⑨ 指示

chih³ shih¹. Pointed out, direct.

⑩ 移動

shu² tung³. Shift position.

⑪ 擅行

shan¹ hsing². Without authorization.

⑫ 引水人

yin³ shui³ jen². Pilot.

⑬ 亦可

ih⁴ ko³. or, will do as well.

⑭ 通報

tung¹ pao⁴. Report.

⑮ 每逢

mei⁴ peng². always, in my case.

⑯ 懸挂

Hsuan² kue¹. To hang up.

⑰ 帆柱

fai¹ kan¹. Mast, yard.

⑱ 頭桅

tau² wei². Foremast.

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(19) 拴繫 shuan' hsi'. Ties.

(20) 活機之木 huo' chi' chih' mu'. live wood.

(21) 方始 fang' shih'. But.

(22) 鉤鍊 gou' lien'. Nuclear chains.

(23) 整清 chung' ching' looks after.

(24) 尤為緊要 yu' wei' ching' yao'. Special importance.

(25) 月滿 — 月初生時 yu' man' yu' ch' sheng' shih'.
in the full — and rise of the moon

(26) 以期 i' chi'. In order.

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(27) 火藥開花彈子 huo' yao' kai' hua' tan' tzu'.
Cartridges. Shells etc.

(28) 灌藥槍彈 guan' yao' chuang' tan'. Cartridges.

(29) 自能爆開 zi' neng' hao' kai'. Explosive.
combustibles.

(30) 多寡 to' kua'. In any case.

(31) 只准向外開駛 chi' chun' hsiang' wai' kai' shih'.
From this point only, to proceed upon this journey.

(32) 能引火之油 neng' yin' huo' gih' yu'. Coal oil.

(33) 壓載重物 ya' tai' chung' wa'. Ballast.

(34) 登岸 teng' an'. Go ashore.

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(33) 船頭支出之桅 Chuan² tou² chili' chu' phi' wei².
Sit-bom.

(34) 設浮椿 She⁴ pou² chuang¹; laying buoys
or buoys.

(35) 是否 Shih⁴ pou³. whether or not.

(36) 派定 Pai⁴ ting⁴. allotted.

(37) 歸 Kuei¹ control.

(38) 他故 Ta⁴ ku⁴. other reason.

(39) 諭令 Yu⁴ ling⁴ order.

(40) 不即遵行 Pa⁴ chi² bin² hang². immediately comply.

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(42) 代為辦理 Tai⁴ wei² pan⁴ li³. may take up the
matter.

(43) 認付 Yen⁴ fu¹. To be responsible for.

(44) 使費 Shih³ fei⁴. Expense incurred.

(45) 失火 Shih³ hu³. Take fire.

(46) 鳴鑼報警 Hing² lo² hao⁴ ching³. Sound gongs and
gun danger signals.

(47) 船被焚之旂 Chuan² hei⁴ feu² chili' chi².
Fire Signal flags.

(48) 掛旂望臺 Kua⁴ chi² wau⁴ tai². Signal station.

(49) 轟爆之物 Hung⁴ hao⁴ chili' wu⁴. Explosives.

XXXVII.• XXXVIII.Supplementary Notice.⁽¹⁾

- I. Vessel entering the port must fly a flag denoting the name of the ship in order that they may be easily distinguished by the Peking Signal Station.
- II. When the Masters or Pilots of Vessels entering the Port must give notice⁽²⁾ to the Harbour Master, whether they had discovered⁽³⁾ at any place⁽⁴⁾ rocks⁽⁵⁾, shallows or wrecks, at what place they had met what ships, and from what port these vessels were coming; whether en route⁽⁶⁾ for Shanghai they had met with any storms. In what day they had sailed for and in what date arrived at Shanghai, and all such matters⁽⁷⁾. If they discovered at any place that buoys had been carried away, or if light-houses were not fulfilling their functions, they are requested to advise before the same to the

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Harbour Master.

- III. If the Captain has had disagreements⁽⁸⁾ with the Pilots or if the professional capacity⁽⁹⁾ of the latter is incomplete unsatisfactory⁽¹⁰⁾ or his conduct bad⁽¹¹⁾, the Master must report the same upon the vessel's arrival in port, and the Harbour Master will investigate the case, and act accordingly.
- IV. Inside the door of the Harbour Master's Office, at all Customs Houses, there shall be placed a board on which shall be posted⁽¹²⁾ from time to time matters of importance which vessel masters should know, a synoptical⁽¹³⁾ list of all pilots etc.
- V. The Harbour Master warns⁽¹⁴⁾ all vessel masters that they shall under no circumstances⁽¹⁵⁾ leave or enter the port with the tide⁽¹⁶⁾, for there is great danger⁽¹⁷⁾ that either his own or other vessels may be damaged by collision

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in which case the Captain of said vessel shall be solely responsible ⁽¹⁶⁾

VI. The vessel master may wait, until he has received a certificate from the Harbour master or his assistant, that the vessel is properly moored.

Wosung Anchorage Regulations

These regulations have been agreed upon by the Consular Body.

I. The anchorage zone for foreign vessels at Wosung, shall begin with the white creek gate, extend to a point in front of the white cottage beside the Chinese camp.

To all foreign vessels entering the harbour of Wosung, and desiring

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to anchor therein, must stop at a buoy outside the harbour, and hoisting a blue and white signal flag, inform the bitling officer ⁽¹⁷⁾ living at Wosung, so that he may board the vessel and assign ⁽¹⁸⁾ an anchorage. Either the Captain or the Pilot of the vessel must send a flag so that the officer will meet no difficulties in boarding the ship.

III. Vessels after entering Wosung Harbour, and wishing to cross the Bar ⁽¹⁹⁾ must take bearings when the three beacons ⁽²⁰⁾ are seen in a line ⁽²¹⁾ on the right bank, and will not be permitted to anchor in line with these or within 300 ft. above or below the line.

IV. All Harbour masters must send a befloaty & place buoys from the bar to the Harbour mouth that the channel may be easily distinguished by passing;

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vessels. Any vessel anchored in the channel and endangering the safety of passing craft, may be ordered to shift her berth.

V. If the Berthing officer has directed any vessel to shift, and if by not paying attention to these orders, either that vessel or another be injured, the vessel or master of said ship shall be responsible for all damages.

VI. Any vessel entering Woosung Harbour and not anchoring according to the directions of the Berthing Officer, shall not be permitted to load or land goods. If there be a particular reason for loading or unloading goods at Woosung, the Commissioner of Customs must first be instructed to examine the case, and upon the receipt of his permit⁽²²⁾ they may act

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accordingly.

VII. Once the anchorage has been assigned by the Berthing Officer, all jurisdiction will again be in the hands of the Captain, or the Ship's Pilot.

VIII. In the case of sailing vessels⁽²³⁾ inward bound ^{from} the army at Little Lake Creek, must be boarded by the Berthing officer who shall copy their log⁽²⁴⁾ If said vessel be towed into port, the tug must have her head at the proper time, to permit the Officer's boarding without difficulty.

If any of these regulations be broken by vessel masters, they shall be under control of their vessels.

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Phrasology

① 續議告白 Hsi¹ i¹ kao¹ kai². Supplementary notice.

② 報知 Pao⁴ chih¹. Report.

③ 見有 Chien⁴ yo³. Dissever.

④ 何處 Ho² chu¹. at any place.

⑤ 礁石 Chiao¹ shih². Stones.

⑥ 途間 Tu² chien¹. En route.

⑦ 各等情形 Ko⁴ tung³ ching² hing². Such matters.

⑧ 意有不洽 I¹ ye³ pi³ cha¹. Had disagreements.

⑨ 技藝 Chi¹ i¹. Professional skill.

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⑨ 生疏 Sheng¹ su¹. unsatisfactory, incomplete.

⑩ 性情不善 Hsing⁴ ching² pu¹ shan¹. Bad disposition, Bad character.

⑪ 粘貼 Chuan¹ tien¹. Pasted, as a notice.

⑫ 知閱 Chih¹ yueh¹. Ought to know.

⑬ 奉勸 Fung¹ chuan⁴. Warn.

⑭ 切勿 Chieh¹ wu⁴. Under no circumstances.

⑮ 順潮 Shun⁴ chao². With the tide.

⑯ 誠恐 Cheng² kung³. Gravely feared.

⑰ 一覽而知 I¹ lau³ erh² chih¹. Synoptical, Easily read.

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16 認理 jen⁴ li¹, Solely responsible.

17 指泊人 chih³ ho² jen², Boatman.

18 指示 chih³ shih⁴, Direct.

19 淺沙灘 chien³ sha¹ tau¹, Bar.

20 標桿 biao¹ kan¹, Beacon pole.

21 聯貫 lien² kuan⁴, In a line.

22 允行 yun³ hsing², Permit.

23 夾板船 chia¹ pan³ chuan², Sailing ship.

24 繕沿途情形之報函 shan⁴ yen⁴ tu² ching² hsing²
chih¹ pad⁴ huan², Copy the
ship log.

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Shanghai Customs Notice

On the 5th day of the 5th moon the local
Customs will close its public office and take
a holiday in observance of the Dragon
Festival.

Phrasing

1 停辦公事 Ting pan tung shih, To close the public office.

2 端陽節期 Tuan yang chieh chih, Dragon Festival.

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Shanghai China. Dec. 31. 1902
Rubber.

Chefoo Customs Notice.

Pan, Vice Provincial Judge,⁽¹⁾ Tao-tai of the
Chefoo Circuit and Superintendent of
Customs, concerning the rules for the
guidance of the public.⁽²⁾

Whereas, (according to the established
regulations), the goods landed from foreign
vessels must be declared⁽³⁾ before the Commissioner
of Customs and after the clearance papers
have been issued, the merchants⁽⁴⁾ shall
proceed with them to the local Customs
for examination, and if the goods tally
he will be allowed to land the same.

It was originally intended by these means to
prohibit⁽⁵⁾ false declarations⁽⁶⁾, smuggling⁽⁷⁾

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and all malpractices,⁽⁸⁾

It has lately been reminded⁽⁹⁾ that
foreign vessels have been declaring goods
as having been landed⁽¹⁰⁾, having first landed
the goods, and then reported with their
clearance papers for examination,
and has also clandestinely landed goods
fraudulently omitted in the clearance papers⁽¹¹⁾
which they had not even⁽¹²⁾ presented at the
Customs for examination.

When there is such negligence about
matters⁽¹³⁾ and so much undue advantage taken⁽¹⁴⁾
it is impossible to acknowledge⁽¹⁵⁾ that
such false declarations, smuggling
and various other malpractices, do
not exist. Therefore it is necessary
to state clearly⁽¹⁶⁾ the old regulations
for the guidance of all⁽¹⁷⁾, in order to

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restrict malpractices⁽¹⁸⁾ and to secure respect⁽¹⁹⁾ for the Imperial Revenue. Therefore I promptly issue this proclamation, on account of the general issue of which⁽¹⁹⁾ Merchants and Tradesmen, shall be thoroughly aware⁽²⁰⁾ that from this time on⁽²¹⁾ all vessels reporting goods, at the Foreign Customs and requesting the issue of clearance papers, must take the same to the Home Customs and if the goods tally, it will be stamped, showing its re-examination⁽²²⁾ and the goods may be landed. If there be any instances of first landing goods and then reporting for clearance papers, or if goods are clandestinely landed, without the papers being presented for examination, the offender will upon discovery be sent⁽²³⁾ to the Customs House for examination and trial⁽²⁴⁾.

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If the landed goods do not tally with the certificate, the merchants are liable to severe punishment⁽²⁵⁾ and not the slightest leniency will be shown⁽²⁶⁾.

This is a special order that must be strictly obeyed!⁽²⁷⁾

Documentary ChineseXb.XL.。 Phraseology.① 按察使 An cha shih. Provincial judge.② 報稅 Pao shui. Declare goods.③ 鋪商人 Pu shang jen. merchants.④ 原所以杜 Yuan so i tu. It was originally intended
to prohibit by these means.⑤ 影射 Ying she. False declarations.⑥ 夾帶 chia tai. Smuggling.⑦ 諸弊 Chu hi. All malpractices.⑧ 近聞 Chin wen. It has lately been rumoured.Documentary Chinese.Xb.XL.⑨ 報卸 Pao hsieh. Goods are reported as having been landed.⑩ 匿過紅單 ni kuo hung tau. Fraudulently omitted
in the character papers.⑪ 竟不 Ching pu. Not even.⑫ 似此 Ssu tzu. Such.⑬ 含混 Han him. Negligence.⑭ 取巧 Chii chiao. Taking undue advantage.⑮ 難保 nan pao. It would be impossible to affirm.⑯ 申明 Shen ming. To state clearly.

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17. 一體 | ti . all .

18. 以杜弊端 | tu pi tuan . In order to restrict malpractices.

19. 重國課 chung kuo kao . In order to increase respect for Imperial Revenue.

20. 示仰

20. 知悉 chih hsi . Thoroughly aware.

21. 自此次出示之後 tsu tzu tzu chu shih chih hsi .
From the time of issuing this proclamation.

22.

22. 覆驗訖戳記 Fu yen chi che chi .
Stamps showing that it had been re-examined.

23. 提關

Ti Kuan . Sent up to the Emperor's House. (as a prisoner.)

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24. 查究 cha chiu . For examination and trial.

25. 從重議罰 Tsing chung i fa .
liable to be severely punished.

26. 不稍寬貸 Pu shao kuan tai . Not the slightest leniency will be shown.

27. 各宜凜遵毋違特示 Ko i lin tun wu wei te shih .
This is a special proclamation and must be obeyed.

28. 諭旨該遵辦

Proclamation by the Superintendent.

of Customs.

The local Customs has built⁽¹⁾ a jetty, for the express purpose of examining goods, (it was never intended⁽²⁾), to act as a landing stage⁽³⁾ for merchants, or for pedestrians generally. I have heard that local prostitutes⁽⁴⁾ and singing women⁽⁵⁾, are constantly on the jetty mixing with the crowd⁽⁶⁾, and with faces besmeared with rouge⁽⁷⁾ are endeavoring to entice passers by.⁽⁸⁾ This really is⁽⁹⁾ an extremely bold game⁽⁹⁾ to play with the law. I have deputed⁽¹⁰⁾ officers to examine into the matter, and to arrest⁽¹⁰⁾ all such shameless people.⁽¹¹⁾ If they are again seen on the jetty, I shall send them to the district magistrate and they shall be severely dealt with.⁽¹²⁾

This proclamation shall be hung on the jetty in front of the Customs House.

- ① 建築 Chien⁴ chue⁴. Built.
- 專為 sp.essly
- ② 不計 Pu⁴ chi⁴. Never intended.
- ③ 上岸登舟 Shang⁴ cui⁴ tung⁴ chow⁴. Landing and Embarking. a landing stage.
- ④ 土妓游娼 Tu³ chi⁴ yu² chang⁴. Prostitutes (local) and Singing to men.
- ⑤ 混雜 Hun⁴ Tsa². Mixing with the crowd.
- ⑥ 塗朱搽粉 Tu² chui⁴ cha⁴ fen³. Faces besmeared with rouge.
- ⑦ 招搖 Chao⁴ yao². Entice passers by.
- ⑧ 賭玩 Chai⁴ wan². A bold game.
- ⑩ 嚴拏 Yen² na². To arrest.
- ⑪ 無恥之輩 Wu² chih³ gih⁴. Shameless People.
- ⑫ 重究不貸 Chung⁴ chiu⁴ pu⁴ tai⁴. Severely dealt with.

. Special Notice . by the .

. Superintendent of Customs .

"(This office has) authority to resist smugglers,
and their ⁽¹⁾, and to restrain the evasion of the
law, ⁽²⁾ any wilful offense the law ⁽³⁾ shall
be severely punished .

This proclamation in four rhymes is
identical with that heard upon the jolly
in front of the Customs House .

. Phraseology .

① 嚴拏偷漏 Ju² na² to' lou¹ . Authority to resist smugglers
(This office has) understood .

② 禁止遠越 Chin¹ chih³ jas⁴ yueh⁴ . Restrict the
evasion of the law .

③ 如敢故違 Ju² nau³ ku⁴ wei² . Wilful offense
against the law .

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Shanghai Customs Notice

"You are hereby informed" that the confiscated goods (held at present by the local customs) (and consisting of) silk, Szechwan opium, Japanese ginseng, camlets, shoes, fans and miscellaneous goods, (will be sold at auction) (by the foreign firm Louis Moore,) (on the 26th inst. at 2.0'clock in the) (Customs godown).

All those desiring to purchase shall come to the Customs House at the before-mentioned time to make bids.

Further: any intending buyer must carry with him dollars sufficient for the intended purchase.

These auction sales may be easily settled, and money delivered at the time of purchase.

(Any retraction) because (the purchaser) has not brought ready money. (will not be permitted).

This is very important. a public notice.

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Phraseology

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① 啟者 Chi³ ch³. "You are hereby informed."
② 充公 Chung¹ kung¹. "Confiscated."

③ 拍賣 Pai¹ mai⁴. See by auction.
④ 貴客 Kwei⁴ ke⁴. All those "Dear merchants."

⑤ 屆時 Chieh⁴ shih². Before-mentioned time.
⑥ 面拍 Mien⁴ pai¹. To make bids.

⑦ 酌帶銀洋若干 Cho² tai⁴ yin² yang² jo⁴ k⁴. Must carry with him dollars (cash) sufficient for the intended purchase.

⑧ 拍定 Pai¹ ting⁴. Auction sales - settling of.

⑨ 借詞推諉 Chieh⁴ tzu². Retraction. By making Apologetic arguments to shift responsibility.

⑩ 至囑 Chieh⁴ chu³. Very urgent. Be careful not to overlook.

⑪ 此佈 Tzu³ hie⁴. A Public Notice.

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Matter concerning Anchorage in
the Harbour of Chefoo.

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Pa'u, by Imperial Command, Great
Provincial Judge, Superintendent of Customs
and Tao-tai of the Chefoo Circuit, in the
matter of issuing a proclamation.

Whereas⁽¹⁾ Chefoo is a place where many⁽²⁾
vessels, both foreign and Chinese do congregate,
and whereas⁽³⁾ heretofore, all ^{of various sorts} vessels have
anchored at will, recklessly and without
any fixed limits, and when collisions occurred
both parties were forced to suffer, therefore the
Superintendent of Customs has consulted
with the Commissioner, and they have
decided that all foreign vessels
~~and~~ steamers ~~to~~ sailing ships
shall anchor to the north-east⁽³⁾
in the stretch by the Chefoo Hill

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and not going beyond the Tzu-Ta
jetty. All Chinese vessels⁽⁴⁾ must
must anchor to the south west, in the
stretch in front of the Water Customs, and extend-
ing to the Tzu-Ta jetties, ^{as a limit,} and thence⁽⁵⁾ foreign
and Chinese vessels, each having their own
fixed anchorage limits, will not ^(be like-)
ly⁽⁶⁾ (to collide) (with one another). Besides
instructing the Commissioner of Customs, this
proclamation is publicly⁽⁷⁾ issued for general
distribution, and it is expected that all
vessels will acquaint themselves with
the nature of the same, and upon entering
the Chefoo Harbour anchor within
the prescribed limits, a proclamation
to be strictly obeyed.

務照所定界限。凡船到港，各宜遵照。其（外船）
按照所定界限。

Phraseology

② 照得 Chao⁴ te² whereas.

③ 雲集之所 Yun² chih² chih so. a place where (ships)

do congregate in g. n.

④ 東北首 Tung¹ pei³ shou³ to the north-east.

⑤ 內地商船 hai¹ ti¹ shang¹ chuan² native craft.

⑥ 庶 shue¹ and thus.

⑦ 虞 yu² danger of etc. likely to.

⑧ 合亟 ho² chi² promptly.

⑨ 毋違特示 mu² wei² te¹ shih⁴ a Proclamation that must be strictly obeyed.

互相 hu² hsiang² mutually. etc.

Chefoo Customs Notice

Pau, by Imperial Decree, Best Provincial Judge, Superintendent of Customs and Chefoo Territorial Tactai, in the matter of issuing a proclamation.

whereas; it is no need, that all vessels entering the harbour of Chefoo will be permitted to dump ballast of said mud and stones in the harbour, thus blocking the fairway, and a proclamation has formerly (been issued) instructing those vessels, Chinese or foreign, wishing to dump ballast, to send the same by sampans and pile it in front of the Customs House (declaring at the same time) that any neglect of these conditions will be fined according to regulation.

now, however, since the Customs have built a jetty, it is unnecessary that the ballast should be piled as before; arrangements have accordingly been made with the Commissioner

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of Customs (that an enclosure⁽⁵⁾, shall be erected⁽⁶⁾) in front of the Native Customs, (and all vessels) being wishing to dump) ballast shall send it by sampans as before to be piled in the above-mentioned enclosure, and no where else.

This proclamation is issued with all permission for general distribution and it is expected that all vessels shall take notice thereof, and hence forward all foreign steamers and sailing ships, and all native craft from Kiangsu, Chekiang, Fukien, Kwantung, Tientsin and Kwantung, together with local craft, on entering the port, and having ballast, shall send it by sampans to be piled in the enclosure in front of the Native Customs.

If any vessel (arbitrarily⁽⁷⁾ dumps ballast) at any other place, and by so doing interferes with the traffic, in case it be a foreign vessel, the Commissioner, may be

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has examined the case shall fine the offender according to regulation; if it be a native craft, the Superintendent of Customs shall, in the same manner, fine the guilty person, no leniency shall be shown.⁽⁸⁾

This is an important proclamation and must be obeyed.

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Phraseology

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① 拋擲 Pao' chih'. To dump.

② 壓載沙土石塊 Yai' tsai' sha' tu' shih' kuai'.
Ballast of stones, mud, sand etc.

③ 致礙船行 Chih' ai' chuan' hsiung'. Block the fairway.

④ 築立 Chu' li'. To erect.

⑤ 堆積 Tui' chi'. To pile up.

⑥ 木椿 Mu' chuang'. An enclosure. found in

⑦ 設立 She' li'. To erect.

⑧ 任意 Yen' i'. Arbitrarily.

⑨ 不稍寬貸 P'u' shao' kuan' tai'. No leniency shall
be shown.

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addenda on Commercial matters.

Carefully following the clause of the Tientsin Treaty ^{which} ~~that~~ specify, that the Deputies of both countries are to assemble in Shanghai & discuss the Customs duties at the Port and in the interior; now, having arrived in Peking, the results are mutually distributed.

For China.

Kwei, Imperial Ambassador, and Minister of State, Grand Secretary, Bannerman, Tartar General and member of the Board of Punishments.

Hua, Imperial Ambassador, and Minister of State, Imperial Expounder of the Classics, President of the Board of Civil Office, Chinese General, with authority to examine, is the officer for the meeting of Foreign Envoys.

Ho, Imperial Ambassador, Minister of State, Junior Guardian of the Heir Apparent, President of the Board of War. a Censor

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and a President of the Censorate ⁽¹³⁾, and the
Vice Roy of the Kiang Kiang.

Ming. Imperial Ambassador and
 Minister of State, 3rd Rank, and a Director
of the Imperial Arsenary ⁽¹⁴⁾.

Tuan. Imperial Ambassador and Minister
 of State, 3rd Rank, affiliated in the
Grand Council ⁽¹⁵⁾ and a 2nd class Secretary ⁽¹⁶⁾
in the Board of Punishments.

For England.

Lord Elgin. Earl ⁽¹⁷⁾ and Hereditary
Baron ⁽¹⁸⁾.

Each article has been separately
 discussed, and now in addition, the following
 regulations have been drawn up. That these treaties
 may be better arranged ⁽¹⁹⁾ and more clearly understood ⁽²⁰⁾
 and to insure the observance by the people of both

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countries. of all Customs requirements,
 of the following regulations, together with
 the heretofore mentioned Treaty.
 Therefore we, the Commissioners, do sign this
 document with our own hands ⁽²¹⁾ and affix
 our official seal ⁽²²⁾ and in witness thereof ⁽²³⁾
 duly take the wholly fixed Customs duties,
 and enumerate them hereafter. ⁽²³⁾

The Trade Regulations appended to
 the Tariff, and the Supplementary Trade
 Regulations ⁽²⁴⁾.

- (I.) ^{according to} (Under) the recently fixed Customs Tariffs,
 (If there be any ^{all goods} export, where only the import and
 not the export duties are given, the duty shall
 be collected according to the import tariff. Or
 if there be any import, where only the export
 duty is given, duties shall be collected
 according to that scale. If there be any sort
 of goods not mentioned ⁽²⁵⁾ for either Export

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as equal to 139 1/3 English pounds, the Chinese 'chang' of 10 'chih', shall be considered the same as 141 English inches, 14.1 English inches make a Chinese 'chih'. 12 inches make an English foot, three feet a yard, and four yards less three inches, equal a Chinese 'chang'. This shall be regarded as the rule.

V. It was formerly forbidden to trade in opium, coffee, cash, rice, bean pulse, sulphur, or white lead, now, however, (by the new treaty regulations) these articles have been relaxed to a certain extent, and merchants will be permitted to pay duties and to transact business. The import duty on opium has been fixed at 30 ta. on a hundred catties and the merchants will only be permitted to sell it in the Treaty Ports. Once the goods have left the port, they shall be considered as Chinese, and Chinese merchants alone will be permitted to take it into the interior, foreign merchants not being allowed.

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on import duty, and if, moreover it be not in the Duty Free list, the market value shall be assessed, and a 5% ad valorem duty be assessed.

II. The following goods shall be exempt from duty as the various treaty ports. Vessels loaded solely with gold, silver or foreign baggage, whether in the hold or on deck, and all cargo shall be exempt from tonnage dues. Vessels, baggage, or other articles necessary to pay tonnage dues, carrying, in no matter what quantity, any of the other before mentioned, goods shall be required to pay, on importing goods into the interior, and, with the exception of these three sorts, shall be charged a 2 1/2% duty.

III. The importation or exportation, by any entrepoted goods such as - bullets etc. or any of the above, is strictly forbidden.

IV. In all customs transactions concerning weight or linear dimensions, the picul, weighing one hundred catties, shall be considered

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to accompany it.⁽³⁴⁾ Clause 9. of the Tientsin Treaty, stating that Englishmen carrying a passport⁽³⁵⁾ may proceed into the interior to transact business, and Clause 28, concerning the inland Customs Regulations, has nothing whatever⁽³⁶⁾ with the trade in opium, the method of levying duty⁽³⁷⁾ on these goods being carried on according to⁽³⁸⁾ Chinese Customs; if in the future there should chance to be a revision of the Customs Tariff⁽³⁹⁾, even then the opium shall not be treated as are other commodities.

While it is forbidden to export copper cash to foreign countries, trade between the Chinese Treaty Ports will be permitted by the new Regulations. The merchant must report to the Customs, the ~~value~~ value, amount and ultimate destination of the goods, and either he will be ordered to sign a bond jointly, with another business man⁽⁴⁰⁾, or else⁽⁴¹⁾

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he must obtain from the Superintendent of Customs, a proof that some other substantial security has been deposited, upon presentation of which a passport will be issued. The Superintendent of Customs at the other Port, (i.e. Port of Destination) shall "Receive" the certificate and affix his seal, and the document must be returned for cancellation (within six months after the date of issue) if this be neglected, the master shall be fined according to the original value of the copper cash⁽⁴²⁾. There shall be no export or import duties but no matter whether the vessel be "light" or heavy laden, tonnage dues will be collected.

Rice or other grain, no matter whether it be native or foreign, and no matter from whence it entered the Port, may not be exported to a foreign country. For English merchants wishing to take grain to other Treaty Ports the

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the regulations are the same as those governing copper cash. Export duties ⁽⁴³⁾ must be paid, but no import duties will be charged, though in every case the vessels must pay tonnage dues.

English merchants, will not be permitted to export ⁽⁴⁴⁾ Bean Pulse or Bean Cakes from ⁽⁴⁵⁾ Tengchow Fu or Newchwang, but they may do so from any other Treaty Port. (and will ⁽⁴⁶⁾ also be permitted to export abroad) upon the payment of the necessary duty.

Chinese ⁽⁴⁷⁾ Officials, or Chinese merchants who ⁽⁴⁸⁾ have obtained special permission in writing shall also be permitted to (import ⁽⁴⁹⁾ salt, ⁽⁵⁰⁾ white lead and ⁽⁵¹⁾ munitions of war) ⁽⁵²⁾ The Customs in case it be uncertain concerning the validity of the merchant's authorization shall not issue a permit to land. If these three articles being English merchants to trade simply with the Coast Treaty Ports and do not permit them to enter the Yangtze

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or any ⁽⁵³⁾ Interior Port, nor will they be allowed to transact goods for Chinese Merchants. Except at the Coast Treaty Ports, English Merchants will be unable to have any ⁽⁵⁴⁾ dealings in Chinese goods.

Trade in Opium, Copper Cash, Rice, Bean Pulse, Bean Cakes, Salt Petre, and white lead, must be carried on according to the new regulations. If there be any disregard of the above all goods will be confiscated.

(To be concluded)

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Phraseology for the First FiveArticles.

- ① 謹 chin³ Carefully.
- ② 面為商定 min⁴ wei² shang¹ ting¹. Having consulted in person.
- ③ 分送 fen¹ sung⁴. Distributed.
- ④ 東閣大學士 tung¹ ko² tai² shih² shih⁴. Grand Secretary.
- ⑤ 都統 tu¹ tung³. General Commanding a Provincial Army.
- ⑥ 刑部事務 heing² pi⁴ shih⁴ wu⁴. Member of the Board of Punishments.
- ⑦ 經筵講官 ching¹ yen² ching³ kuan¹. Imperial Expounder of the Classics.

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- ⑧ 吏部尚書 li⁴ pi⁴ shang¹ shu¹. President of the Board of Civil Offices.
- ⑨ 稽察會同四譯館 chi¹ cha² hui⁴ tung² sui⁴ ai⁴ kuan³. Authority to examine in the office for meeting of Foreign Envoys.
- ⑩ 太子少保 tai⁴ tai³ shao¹ bao³. Junior Guardian of Hier. Offspring.
- ⑪ 都察院 tu¹ cha² yuan⁴. Censor.
- ⑫ 右都御史 yo⁴ tu¹ yih¹ shih³. President of the Censurate.
- ⑬ 武備院卿 wu³ bei⁴ yuan⁴ ching¹. Director of the Imperial Armory.
- ⑭ 軍機處行走 chun¹ chih¹ chu⁴ hsiung² tsun³. Officiating in the Grand Council.
- ⑮ 刑部員外郎 heing² pi⁴ yuan² wai¹ lang². 2nd Class Secretary Board of Punishment.

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- ① 伯爵 Po² chueh² Earl.
- ② 世襲 shih⁴ hsi² Hereditary noblemen.
- ③ 周備 Chou⁴ Pei⁴ Better arranged.
- ④ 申明 shen⁴ ming² more clearly understood.
- ⑤ 親筆畫押 chin⁴ pi³ hua⁴ ya² Sign this document with our own hand.
- ⑥ 蓋用關防 Kai⁴ yung⁴ kuan⁴ fang⁴ affix the official seal.
- ⑦ 以昭信實 yi³ chao⁴ hsin⁴ shih² in witness thereof.
- ⑧ 開列於左 Kai⁴ lich⁴ yu² tso³ Enumerate them hereafter.
- ⑨ 通商章程善後條約 Tung⁴ shang⁴ chang⁴ cheng²
shen⁴ hou⁴ tiao² yo⁴ The Trade Regulations appended to the Tariffs and the Supplementary Trade Regulations.

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- ⑩ 未賅載 wei⁴ kai⁴ tsai³ mentioned.
- ⑪ 核估時價 Ho² ku⁴ shih² chia⁴ The market value shall be assessed.
- ⑫ 照值百抽五例征稅 chao⁴ chih² po² chow⁴ wu³ li⁴ cheng⁴
shui⁴ and a 5% ad valorem duty shall be levied.
- ⑬ 毋庸議 wu² yung⁴ i⁴ Solely. shall not be included with the exception.
- ⑭ 即係 chi² lei⁴ weighing. Equal to.
- ⑮ 以一為準 yi³ wei² chun³ To be considered as a standard.
- ⑯ 均以此為例 chun⁴ i³ tzu³ wei² li⁴ This is to be regarded as the rule.
- ⑰ 貿易 mai⁴ i⁴ To transact business.

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- (35) 祇 chih³. alone.
- (34) 護送 Hu¹ sung¹. To accompany it.
- (35) 持照 chih² chao¹. carrying a passport.
- (36) 無涉 wu² she¹. nothing whatever to do.
- (37) 如何征稅 fu² ho² cheng¹ shui¹. method of levying duty.
- (38) 聽憑 ting¹ ping². according to.
- (39) 遇修改稅則 yu¹ hui¹ kai³ shui¹ tze². a Revision in the Customs Tariffs.
- (40) 同商二人聯名 Tung² shang¹ er¹ jen² hui² ming². jointly with another business man.

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- (41) 抑或 fu¹ huo¹. or else.
- (42) 錢貨原本 chien² huo¹ yuan² fan³. The original value of the copper cash.
- (43) 照依 chao¹ i¹. according to rule. must.
- (44) 特奉准買 te¹ fung¹ chün³ mai³. Obtained special permission.
- (45) 明文 ming² wen². in writing. a document.
- (46) 軍前要物 chün¹ chien² yao¹ wu¹. merchandise of war.
- (47) 內港 nei¹ chiang³. Interior Ports.

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a continuation

- VI. In the 37th article of the English version of the Treaty of Tientsin it is stated that English vessels entering port, ^{are limited to 24 hours, within which} must report themselves ^{to their consuls} within twenty-four hours, according to the 30th article. English merchant vessels entering port, ^{(in case they do not when their hatches ^{are open to proceed to some other port} will be given two days grace.} (within which they may proceed ^{1.}) without the payment of tonnage dues. ^{(in order to} save expense ^{2.}); the time limit ^{3.} mentioned ^{(in the above articles shall, ^{whether early or late,} in every case} be reckoned from the hour the vessel enters the port ^{harbour limit} upon arrival at any of the ports ^{at the limits or at the}. The Customs shall set aside a certain portion of the harbour for the loading and unloading of goods, and that due consideration may be shown to the convenience of trade ^{4.} and that there may be no interference with the collection of duties ^{5.}

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the Consul should therefore ^{by precaution} duly inform the merchants under his jurisdiction ^{6.} to act in accordance with these conditions.

- VII. (It has been decided ^{2.} that the duty charges specified ^{7.} (in the 28th article of the Tientsin Treaty) ^{8.} shall, according to the precedents, ^{9.} be recently established, ^{10.} now be diminished by one half. All duty free goods specified in article 2, with the exception of (Foreign) Gold, Silver, ^{Foreign} Money or Baggage, which are not included ^{11.} shall upon entering the interior pay a 2 1/2 % duty. ^{12.} The nature, value, name of vessel in which goods were imported and future destination in the interior ^{13.} of all goods not mentioned in the above ^{14.} but intended for importation into the interior, must be correctly reported to the Customs and duties collected accordingly. The Customs will there

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issue a transit pass which the merchant must present at all Barriers en route, where upon examination a seal will be affixed and the goods permitted to proceed ^{no matter what the balance.} with no further collection of duties.

^{In the matter of export regulations.}

When English merchants are buying goods in the interior for exportation, upon the arrival of these goods at the 12th Barrier, ^{presented} ^{at the Subprefecture} must make out a memo stating clearly the nature and value of the goods, together with the point of debarkation, and deposit the same with the Barrier authorities. These in turn shall issue a certificate, ^{and permit them to pass, (14) (15)} to be sealed by the various Barrier authorities (en route). Upon arrival at the last barrier, ^{notice} must be sent to the Customs House, and upon payment of the Transit dues, the goods

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will be permitted ⁽¹³⁾ to pass the barrier. (The regular export duties ^{shall be} ^{being} collected) after the goods have been loaded on ship-board. 1/ (There has been any ² irregularities) (either in import or export) or if there has been any unauthorized sale of goods in transit, or goods will be confiscated, 1/ if there have been any false declarations, all goods of that particular sort will be confiscated. If the goods are not accompanied by proof that transit duties have been paid, the Customs shall order the payment of the full amount ⁽¹⁴⁾ and not ⁽¹⁵⁾ until this has been settled shall permission to land goods be granted. This is done in order to prevent any evasion of Regulations. ⁽¹⁵⁾ (Transit dues) herein and hereby arranged (are binding) and it will not be permitted to collect duty (more)

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① 他往 Tai wang³ To proceed forward.

② 以免參差爭論 I' mien³ tzu' tzu' cheug' lien⁴
To prevent confusion.

③ 時刻 Shih² ko⁴ The time. Time limits.

④ 便商 Pien⁴ shang³ That due consideration may
be shown to the conveniences of trade.

⑤ 不得有礙收稅 Pu te² yu³ ai⁴ shou' shui⁴
No interference with the collection of duties.

⑥ 本屬商民 Ben³ shu³ shang' min² merchants
under their jurisdiction.

⑦ 之議 Chih' i⁴ Specified.

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⑧ 一半為斷 Pan⁴ wei² tuan³ Diminished by one half.

⑨ 各緣由 Ko⁴ yuan² yu² etc. For these reasons.

⑩ 此外 Tzu³ wai⁴ With the exception. Outside
of these. Everything not mentioned above.

⑪ 確實 Chieh⁴ shih² Correctly, accurately.

⑫ 送貨之人 Sung⁴ huo⁴ chih' jiu² Comrade.

⑬ 方許 Fang⁴ hsiu³ Permitted.

⑭ 完清 wan² ching⁴ Settle the full amount.

⑮ 始 Shih³ Not until, not before.

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①⑤ 以杜隱漏 J³ tu¹ yin³ lou¹. To prevent
any erosion of Regulations.

①⑥ 明晰照復 Nin² hai¹ chao⁴ fu². Definitely
decided.

①⑦ 曉布 Hsiao³ hu⁴. For the information.
To inform both the English & Chinese.

①⑧ 傾鎔 ching¹ jing². mettage fees.

①⑨ 裁撤 Tsai² che⁴. abolished. Taken away.

①⑩ 議明 f¹ ming². agreed.

②① 親詣 chin¹ yeh⁴. Himself. In person.

②② 巡歷 Hsün² li⁴. To make an inspection.

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②③ 委員代辦 wei³ yuan² tai⁴ pan⁴. To deputize an
officer to do so.

②④ 任憑 jen¹ ping². By the free will of.

②⑤ 邀請 jas¹ ching³. write.

②⑥ 判定界限 Pau¹ ting⁴ kou³ chieh⁴. To define
the Port limits.

②⑦ 經費事 ching¹ fei⁴ shih⁴. Standard
Expenditures. (Customs accounts)

②⑧ 指薦干預 chih³ chieh⁴ kau¹ yih⁴. Nominate.
Suggest, or in any way interfere.

②⑨ 嚴防偷漏 yu² fang² to¹ lou⁴. To prevent
smuggling.

②⑩

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設法籌辦 she fa chou pan. managed according to the ideas of the Chinese officials.

32. 志公 Chung King. Refiscated becoming public property.

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Customs Regulations. Regarding

Clocks & Watches.

All watches & clocks entering ports and paying duty are unpermitted & must pay a 5% duty shall be levied on all watches according to the 5% rule. and clocks entering the Treaty Ports. watch and clock merchants (in reporting their goods at the Customs House) and in requesting the examination of a duty memo (for) the payment of the necessary duties. (must) besides stating clearly the quantity and value of their goods, report (also) the name of the maker and of the firm, as well as the numbers on the particular watches and clocks, they are importing, and file this list at the Customs House for future reference. The Customs shall impress a seal on each piece and this shall be considered as proof that the necessary duty has been paid. If such seals be counterfeited, besides (in every case) confiscating these goods: Chinese merchants shall be severely punished and

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^{in case of foreign merchandise}
 A The Consuls shall exert every possible effort
 to furnish the (Foreign Offenders) ⁽⁴⁾
 in case, Registered watches, ^{by re-export, returning, home,} are re-exported,
 a drawback will be given ⁽⁵⁾. (In case they)
 are re-imported they will be granted
 an exemption certificate ⁽⁶⁾. If merchants
 export for sale ⁽⁷⁾ or endeavor to re-export
 goods (that have not been registered ⁽⁸⁾)
 they shall be seized and confiscated ⁽⁹⁾.
 according to the general rule governing ⁽¹⁰⁾
 smuggling and the breaking of Customs
 Regulations. If there be any false declaration
 of quality or value ⁽¹¹⁾ the Customs will
 act as they deem best ⁽¹²⁾ and buy the
 goods ⁽¹³⁾ (according to their declared
 value ⁽¹⁴⁾) All shops which have
 now in stock watches and clocks
 in which duty has already been
 paid, will be given six months grace

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in which to ^{take} report the names of the
 makers and the respective numbers of
 their goods, and file the same at
 the Customs House ^{for reference}.
 If ^{at} the expiration of this time, they have not
 done so, ^{no drawback, not permitted} no drawback or duty free
 certificate (will be granted them), and
 hereafter goods that have not been registered
 will be liable to seizure at any time,
 and at any time may be seized and sold
 as property of the same.

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- ① 以備稽查 pei' chi' cha'. File for future reference.
- ② 按件壓印戳記 An' chieh' ya' jin' che' chieh'.
To impress a seal on each piece.
- ③ 作為 Tso' wei'. Considered as.
- ④ 從重治罪 Tsung' chung' gih' tzei'. Severely punished.
- ⑤ 從重懲辦 Tsung' chung' cheng' pan'. To exert every possible effort to punish.
- ⑥ 給以存票 Chi' i' tain' piao'. Issue a drawback.
- ⑦ 給以免單 Chi' i' mien' tau'. Issue an exemption certificate.

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- ⑧ 存行發賣 Tsin' hang' fa' mai'. Exposed for sale.
- ⑨ 未經掛號 Wei' ching' kua' hao'. Goods that have not been registered.
- ⑩ 查獲 Chia' huo'. To seize.
- ⑪ 總例 Tsung' li'.
- ⑫ 以細報粗以貴價報賤價 Hui' hao' tzu' i' kuei' chieh' hao' chieh' chieh'.
To make a false declaration of quality or value.
To report the fine coarse, and the expensive, cheap.
- ⑬ 隨事酌情 Sui' shih' chieh' ching'. Act as they deem best in the circumstances that may arise.
- ⑭ 收買 Shou' mai'. To buy (forced sale by the Customs)
- ⑮ 自開之價 Tzu' kai' gih' chieh'. According to the declared valuation.

an additional article concerning Tonnage Dues.

The Tzungi Yamen in replying to a despatch received from the Inspector General of Customs in which he says, "It is my humble opinion that collection of tonnage dues from foreign vessels should be according to certain fixed rules, and not until this is done will anything effective be accomplished. The existing conditions among the people who should pay and there also should make the payment of dues are not only originally different but vary also in the articles, which are so many and so varied, that it is impossible to systematize the matter. However if there is any necessity to alter any regulation, or to take any steps to amend a document so as to make a decision in the repeated cases of refused regulations it is impossible to do

adopt any consistent policy. I now propose to submit the different treaty regulations and orders, together with all the correspondence, and to note as well the different Port practices and Customs methods, to arrange in order all treaty articles, to examine the files and to complete an 11th Article, for the Port Regulations on the Collection and Exemption from duty, and Tonnage dues. When the lists are completed I shall trouble you to examine and decide upon them, that you may issue orders, securing against any discrepancy and making all uniform. This Yamen having carefully examined the 11th Article finds it quite correct, and besides instructing the High Commissioners of Northern and Southern Trade to transmit the orders regarding the new regulations, for the guidance of all Customs houses, and submitting the article for the approval of the Treaty Power

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ministers also duly ^{the regulations of 11th Art.} request the Inspector General to order the uniform observance of the regulations in all Treaty Ports.

The Eleventh Article.

^{the above instructions.}

Robert Hart Inspector General of Customs with the Great Seal of Provincial Treasurer, having received on the day, eleventh month ninth year of Tung Chih [the 11th article of the Tonnage dues regulations ²³]

Article all foreign vessels ^{must have tonnage dues} of over 150 tons burden shall pay 4 chien per ton, all vessels of 100 tons or under shall pay 1 chien per ton, and since the ^{at all customs. In 1702 and 1703. Great and small. for} standards of units of weight in the different ^{at all customs the August 1700 Chinese} countries are different, the English ton shall be considered as the standard, the ratio being ^{the 1702 ratio 1165 at Salatz} according to the Tables ²⁴ fixed at Salatz in 1855. which follow herewith.

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Phraseology in Part

- ① 答行 Cha'hang². In replying. Superior to inferior.
- ② 申稱 Shen'cheng¹. He speaks. Brings up.
- ③ 竊查 Chieh'cha². "It is my humble opinion"
- ④ 始為 Shih'wei². Not until this is done.
- ⑤ 免協 Yin'chieh². Anything effective.
- ⑥ 其間 Chi'chien¹. Among the people.
- ⑦ 非但一亦 Fei'tau'yi¹. Not only — but.
- ⑧ 善後所添章程 Shan'ho'so'tien'chang'cheng²
The addenda.

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- ① 齊楚 chi² chui³. To systematize.
- ⑩ 因時制宜 yii² shih² chih⁴ i⁴. Take any steps.
- ⑪ 以致 i³ chih⁴. So as to.
- ⑫ 擬議 ni³ i⁴. Make a decision.
- ⑬ 重複 chung² fu⁴. Repeated cases.
- ⑭ 核對 huo⁴ tui⁴. To compare.
- ⑮ 比較 pi³ chieh³. To note (after comparison).
- ⑯ 綜紛緒 tsung¹ fen¹ hsi¹. To arrange in order.
- ⑰ 作成 tsao¹ cheng². To complete.
- ⑱ 彙訂 Hui⁴ ting⁴. Completed.

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- ⑮ 核奪 ho⁴ to². Examine and decide.
- ⑯ 以免紛歧 i³ mien³ fen¹ chi². To insure against any discrepancy.
- ⑰ 而歸畫一 Erh² kuei¹ hua⁴ -¹. Making all uniform.
- ⑱ 尚屬周妥 shang⁴ chu³ chou⁴ to³. Find it quite correct.
- ⑳ 咨行 Tsai¹ hing². Instructing.
- ㉑ 相應 Hsiang¹ ying¹. Duly.
- ㉒ 徵免章程 cheng¹ mien³ i⁴ cheng⁴. Image & Dues Regulations.
- ㉓ 核算清單 ho⁴ suan⁴ ching¹ tan¹. The tables.

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Merchant vessels, ^{of all countries} entering the port without opening their hatches, will upon their departing at the ^{and has to intention to proceed} Custom be given a ^{will be given a limited} two days limit within which they may leave the port without paying tonnage dues. If this limit is over-reached, ^{if the hatches are opened} a permit ^{request} requested tonnage dues must be paid ^{at once}.

The masters of vessels flying between the Treaty Ports and ^{Vessels leaving port - desiring to go to any other Treaty Port} Hong Kong, Manila, Annam, Japan, and ^{and under these the merchant ships must proceed to} Nicobar, may apply at the Customs House ^{the Customs House. If the Customs House is closed a special certificate} for the issue of a special certificate, which will ^{and from the date of issue of this certificate a limit of four months} give them a term of four months beginning ^{and shall be valid for any of the also mentioned ports if} with the date of issue, within which they ^{at the time of entering the Treaty Port. If it is within the limit} may return to any of these ports without again ^{must be paid the tonnage dues.} paying tonnage dues.

Vessels of any nation may go to the Customs and request that a man be sent to ^{by said Customs} measure the boat, and they shall pay tonnage dues according to the resulting measurements, and the Customs

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shall issue a certificate of measurement as a recher ^④ Vessels of this class may move ^{upon leaving port - no matter what port or what place. all will be benefited from the} to any place whatsoever and if they reenter ^{date of issue of this certificate beginning during a limit of four} a Treaty Port within four months from the ^{months. If the vessels are happening - to going and} date of issue of this certificate they will ^{returning) between the Treaty ports. there will be no necessity for again} not be liable to a second payment of ^{paying tonnage dues. Upon the vessels entering port they must take the} tonnage dues. This certificate must be presented ^{certificates of measurement. This act is at the Customs for examination} at the Customs for examination upon the vessels entering port, in order to facilitate the collection of tonnage dues; the matter shall be treated in a uniform manner ^⑤; this is subject to change ^⑥.

^{The Treaty Ports} Vessels flying between the Treaty Ports and ^{carry merchandise, used small boats.} carrying simply, passengers, baggage, letters, ^{or duty free goods, shall not be liable} eatables, or duty free goods, shall not be liable for tonnage dues. If the boat carries dutiable ^{if its load is over 100 tons} goods she shall pay dues necessary four ^{for every ton over 100 tons} months, according to her tonnage. All vessels ^{coming from other countries, even though they} coming from other countries, even though they

carry only passengers and are not laden with goods, must still pay the regulation fees. ^{a certificate that has been four months use of in an ordinary way carrying goods to and from.} If vessels that has carried a 4 months certificate, transporting goods in the ordinary way, at a time when their certificate should be cancelled, even though they carry passengers only, they shall be forced to pay tonnage dues according to the four months rule.

In case a Mail Company, ^{as by such-and-such a country.} has contracted ^{at regular dates} for the transmission of mail, ^{to arrive from foreign ports at least for the same.} and arranged to have its vessels arrive and depart on certain fixed dates, from and for Foreign Countries, ^{the all} Customs shall not issue the four months certificate for any vessel, ^{12) Such a boat as having the cert.} because ^{13) this kind of vessel. will not} at any time another vessel of the same line may perform the service and depart on the regular fixed dates, and having already paid tonnage dues is entitled to the four months exemption. Should any other vessel of the same line enter port, not ^{not in the fixed number of vessels.} enumerated as a mail steamer,

she shall not be exempt by this rule, but shall pay tonnage dues in the usual way. This is subject to amendment.

Vessels taking refuge in a port, ^{at the time of entering port the vessel must refer the matter to the customs} shall be reported at once by the Consul, and the clearance papers issued by the last port ¹⁵⁾ must be presented for examination ¹⁶⁾. These vessels must observe the port regulations, anchoring in the place ^{with the other vessels} assigned, ¹⁷⁾ there, so that they may not interfere with the daily business of the various other merchant vessels. A watchman shall be appointed to take charge of the vessel. If she be from a foreign port, she shall, according to regulations, be exempt from duty. ^{tonnage dues and the same} If she be from another Treaty Port and has a four months certificate, the number of days she is in shelter shall be stated on the certificate and the four months extended by that time. ¹⁸⁾ Except in the cases, where goods must be unloaded and

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According to regulations to unload the goods and for the necessary stores in the godowns for the necessary repairs to the vessel, all other craft entering port empty must lie in the same condition, if they enter loaded, they must lie with the same cargo with which they entered. If after seeking refuge they load or unload cargo, they must pay tonnage dues as per regulation. If a vessel enters port either with or without a Special Certificate, the number of days in shelter shall be calculated and taken into consideration.

Vessels entering ports, to coal and immediately proceeding on their journey, in case they do not land passengers, or do not attempt to load or unload goods while in the harbour limits, shall be exempt from tonnage dues according to the Refuge Regulations. In case it is necessary to collect dues, the tonnage of the coal-bunkers and engine rooms

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shall not be considered in the Total Estimate.

Foreign chartered vessels on the Yangtze & other ports, and vessels chartered by foreign merchants for the Yangtze trade, must upon entering port pay the customary port dues. If the vessels ply between coast ports, they must pay tonnage dues every four months according to the regular tariff.

Tug Boats in the Treaty Ports must pay duty every four months.

Pilot Boats are to be distinguished from merchant vessels and shall be allowed to come and go, without paying dues.

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Phraseology① 輸納 shu' na'. Must be paid at once.② 度量 tu' liang'. To measure.③ 量船執照 liang' chuan' chih' chiao'. A certificate of measurement.④ 為憑 wai' ping'. A voucher.⑤ 以畫一辦理 yi' hua' i' fan' li'. Treated in a uniform manner.⑥ 試辦再議 shih' fan' zai' yi'. Subject to change.⑦ 他國 ta' kuo'. Other countries.⑧ 向常 xiang' chang'. Ordinary way.Documentary Chinese

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⑨ 公司輪船 ku' ssu' lun' chuan'. a mail company.⑩ 立定合同 li' ting' ho' tung'. Has contracted.⑪ 設傳文信 she' chuan' wen' hsin'. Transmission of mail.⑫ 按期定數 an' di' ting' shu'. On certain fixed dates.⑬ 指定 chih' ting'. For. Especially.⑭ 緣 yu' ai'. Because.⑮ 有時抵充 yu' shih' ti' ching'. Perform the service of or for.

The Pilotage Regulations^①

- I. Different ports shall have their own local regulations.^② as they shall decide.
as all treaty ports when (or at the time of) fixing the local rules, shall fix the harbour limits, the number of pilots, and the proper fees, etc.
 The harbour limits, the number of pilots, the necessary fees and all such matters, must be fixed by the Harbour Master after carefully considering the various circumstances.^③ and consulting^④ with the Treaty Power Consuls and the Chambers of Commerce^⑤ as to the best means of procedure.

on board limits
 all harbour limits must be carefully defined.^⑥ when own port limits.

The pilotage fees^⑦ must be definitely fixed.^⑧ all ports have their pilotage fees.

II. Rules for the selection^⑨ of Pilots.

either all Chinamen or foreigners, resident at the various treaty ports, will be eligible to fill^⑩

any vacancy that may occur, all candidates shall be examined by a regularly appointed board^⑪ in the regulations herein decided.

the regulations.
 and in the local practice, the selection^⑫ to fill

^⑬ the vacancy being made in this manner.

- III. All Treaty Ports, ^{of which have an examination board.} must, from the day of opening, have a Board of Examination.

In all Treaty Ports, the Harbour Master must consult with the various consuls and Chambers of Commerce, and prepare a list^⑭ containing the names of the men capable of being examined for pilots, and thus facilitate^⑮ the workings of the examination system. When a vacancy occurs amongst the pilots, the harbour master shall select^⑯ the names of two men, and together with the Senior Pilot shall examine the candidates.

- IV. Precautions to be taken in the Examination of Candidates.

If there be a vacancy in the list of pilots the Harbour Master must issue a proclamation to that effect, and eight days after this date a competitive examination will be held.^⑰

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11 many candidates that are (man)
 no men who, having formerly ⁽¹⁴⁾ been pilots have been
 dismissed for any reason ⁽¹⁵⁾ or who, not having
 been pilots, are still unprovided with government
 guaranties ⁽¹⁶⁾ ^{this is the class of them} will not be permitted to become certi-
 ficates for examination ⁽¹⁶⁾.

The candidates will not be expected to give the
 customary fees. The Examination Board must
 examine all ⁽¹⁷⁾ impartially ⁽¹⁸⁾ and select the man
 best fitted for the appointment ⁽¹⁹⁾. Should a case
 occur where a man although passing the best
 examination, is still ^{but not the} unfitted ⁽²⁰⁾ to become a pilot,
 it would be better to leave the vacancy open ⁽²¹⁾
 and avoid any chance of mishap ⁽²²⁾.

The Consul of a candidate, or ^{himself} countryman
 or a deputy may go to the examination hall,
 to be present at ⁽²³⁾ or take part in the super-
 intendance of ⁽²⁴⁾ the examination.

All members of the Examination Board
 have responsibility and authority ⁽²⁵⁾ to choose

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or to decide ⁽²⁶⁾ ^{for and con} upon the capabilities of a man ⁽²⁷⁾
 and the majority shall decide ⁽²⁸⁾. When Consuls
 and officials are not present and every man
 tries to hold to his own opinion ⁽²⁹⁾ ^{in that case the} the controlling
 vote ⁽³⁰⁾ ^{Harbour Master would have the deciding vote} shall be cast by the Harbour Master.

(V) The Issuing of the Pilot's License.
 All ^{all} ^{deputy} who have been duly ^{examined} by the Examination Board as pilots
 a man who has been confirmed as a pilot

must proceed to the Commissioner of Customs who,
 acting for the local Mandarin, will issue to him
 his pilot's certificate, ^{after} ^{upon his petition} ^{to} ^{obtain papers} telling him at the same
 time if he be not a Chinaman, ^{that} he must
 proceed to his consul, to present his papers
 for examination, ^{and registration} and the affixing of a seal.

Every year in the summer season, pilots must
 proceed to the Customs and there present their
 certificates for renewal paying at the same
 time the usual fee ⁽³⁰⁾ of 10 Haeleuan Tls.

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a pilot taking out his certificate will also be given the Pilot Regulations, and his official number. If any one wishes to see the above at any time, he must without delay present them for examination.

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- ① 專條 Chuan tiao. Special Regulations.
- ② 分章 fen zhang. Articles.
- ③ 若干名 yo⁴ pau² ming². The names, number of.
- ④ 準情酌理 chun ching² cho⁴ li³. considering the various circumstances.
- ⑤ 約與 Yueh⁴ yu³. To consult together.
- ⑥ 通商總局 Tung shang⁴ tung³ chiu². The Board of Trade.
- ⑦ 引費 Yin³ fai⁴. The Pilot's Fee.
- ⑧ 招募 Chai⁴ mu⁴. To select.
- ⑨ 充引水-充當 Chung yin³ shui³. chung tang⁴. To be eligible to act as pilots.
- ⑩ 考選局 Kao³ huan² chiu². A Board of Examinations.

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① 揀選 Chien³ hsiian³. The selection of men.② 克補 Chung³ fu³. To fill a vacancy.③ 預為錄示 Yü⁴ wei² lu¹ shih¹. To prepare and publish a list.④ 以資 Yi³ tzu¹. To serve as - to facilitate.⑤ 簽掣 Chien¹ che¹. To select by lot.⑥ 會齊考試 Hui⁴ chi² kao³ shih¹. A competitive examination.⑦ 曾充 Tseng² chung¹. Formerly acted as.⑧ 因事故而斥革 Yin¹ shih¹ ku¹ erh² chih¹ ke². Because of some fault.⑨ 官結 Kuan¹ chieh². Government certificate.

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① 合眾 Ho² chung¹. All.② 秉公 Ping³ kung¹. Impartially.③ 入選最優 fa⁴ hsiian³ tsui⁴ yü¹. Select the best man for the appointment.④ 本領 Pen³ ling³ Ability. (Who has not the requisite).⑤ 甯缺而毋用 Ning¹ chueh¹ erh² wu² yung¹. Leave the vacancy open.⑥ 以免貽誤 Yi³ mien³ i² wu¹. Avoid any chance of mishap.⑦ 從旁 Tsung² pang². To be present at.⑧ 監同 Chien¹ tung². To take part in the superintendence of.

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(25) 事權 Shih⁴ chüan². Responsibility and authority.

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(26) 濫膺赴考 lan⁴ ying¹ fu¹ kao³. Are able to become candidates for examinations.

(27) 選中 Hsüan³ chung¹. To decide.

(28) 與否 yii³ fou³. Who is (able) and who is not.
 是否

(29) 從衆爲定 tsung² chung¹ wei² ting⁴. The majority shall decide.

(30) 執己見 chi¹ chi³ chien⁴. Hold to his own opinions.

(31) 定評 ting¹ ping². The deciding vote.

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(32) 續領之費 Hsi¹ ling³ chi¹ fei⁴. The customary fee.

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(33) 索看 so³ kan¹. Should any one wish to see.

(Continued).

(VI) The rules for the guidance of apprentices⁽¹⁾ all pilots who have taken out papers, will be permitted to take an apprentice provided they first inform the harbour master and are willing to guarantee their men, a special certificate will be issued permitting the carrying⁽²⁾ of an apprentice.

The Harbour Master shall be empowered to permit certain of those men who have a certificate of competency⁽³⁾ from the examining board, or some other extra-ordinary qualifications⁽⁴⁾ to pilot vessels between certain fixed limits.

(VII) All Pilots are under the control of the Harbour Master.

All men having the necessary certificates may suit themselves about piloting vessels on their own account, or transacting business in partnership⁽⁵⁾ with others. The masters are all under the direction of the Harbour Master and there is a proclamation⁽⁶⁾

any proclamation issued by him shall be acted upon accordingly. If there be any disregard of the above either the papers of the Parties involved shall be temporarily seized, or shall be taken away and cancelled⁽⁶⁾. In such cases a period of three days will be given to the merchants within which they may lodge an explanation or a counter-statement⁽⁷⁾ against the original charge.

The Consul shall have jurisdiction⁽⁸⁾ over any pilot breaking the Customs or any other regulations, and the Harbor Master shall be able to temporarily suspend, or permanently seize and cancel the Pilot's Papers. The Pilot will be given three days within which he may lodge his complaints before the Consul.

In case a pilot boat be discovered without papers or in case she carries papers borrowed⁽⁹⁾ from another vessel, the harbour master shall lodge a complaint with the offenders.

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(Continued).

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The Consul shall have jurisdiction⁸ over any pilot breaking the Customs or any other regulations, and the Harbour Master shall be able to temporarily suspend, or permanently seize and cancel the Pilot Papers. The Pilot will be given three days within which he may lodge his complaints before the Consul.

In case a pilot boat be discovered without papers or in case she carries papers borrowed⁹ from another vessel, the harbour master shall lodge a complaint with the offenders,

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consul (who, in turn) shall punish him according to his own laws. In case a pilot lends his papers to another vessel, the Harbour Master shall, besides seizing and cancelling the papers, report the offender to the consul that he may be punished accordingly.

In case the Captain⁽¹⁰⁷⁾ of a Pilot Boat permits, ^{without a license} any one who has not been licensed as a pilot to perform the functions thereof, his consul shall fine him 100 Tds.

VIII. The Rules for Pilot Vessels.

Masters of all Pilot Vessels, ^{in port} must file a statement as to the name, rig, and size of their boats with the number and the names of the seamen therein. After the Harbour Master has issued the necessary certificate, the name and number of the vessel must be plainly printed on her stern⁽¹⁰⁸⁾ and sails. and she must carry a square flag, yellow above and green below.

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The ships papers may be filed either with the Consul or the Commissioner of Customs. If the Pilots act according to regulation, their vessels will be permitted to pass freely in and out of the port and the harbour limits, without paying tonnage dues. Should the Commissioner of Customs or Harbour Master have occasion to send any one back and forth in the harbor limits, or if the light ships or light Houses have any goods for transport, the Pilot Vessels will be required to lend their services.

b If at any time there be any very urgent need for a pilot vessel, use can be made⁽¹⁰⁹⁾ of boats not having taken out papers, ^{if they will be permitted} provided they hoist pilot flags for the time being. The constant use of un-licensed boats will not be permitted.

a Pilot vessels shall pay a yearly license fee of twenty taels.

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upon detection of a vessel, ^{which is not registered} carrying the pilot's flag, which not only has not taken out ship's papers, but, moreover, has ^{no} an unlicensed pilot aboard, complaint should be lodged with the proper authorities ^{of such a vessel - shall be quashed if} and the ship owner ^{or lessee} must be punished according to law.

If the pilot has not the pilot aboard - or has ^{the pilot and his apprentice are} neither of them aboard ship, the pilot's flag should not be hoisted.

Regulations for Vessels entering Port.

When a vessel is about to enter ^{and by hints} port she must hoist certain distinguishing flags ⁽¹⁴⁾

If vessels coming from other Treaty Ports from Hong Kong or Japan ^{shall hoist} must hoist a red and white flag, no. 3. of the English Signal Code. ⁽¹⁵⁾

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Vessels from Foreign Ports must hoist a blue and white flag. no. 2. Vessels sailing light, must hoist a yellow & blue flag. no. 5.

Rules for Anchoring or Entering a Port. In the Harbour there are certain fixed places for anchoring. Vessels upon arriving at ^{the anchoring place} shall be met by a pilot who shall direct them to the anchoring ground indicated by the Harbour Master. The pilot shall have charge of all shifting of berths, entering or coming out from dry docks, going to and from the jetty, and leaving port.

The Harbour Master in fixing the anchorages for vessels should ^{consult} the vessel masters. Convenience. When a vessel moves without permission, the Commissioner of Customs may (temporarily) delay her unloading and loading permits as well as her duty paid certificate and wait until changes be made, according

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regulations before proceeding further.

The location of all anchorages shall be decided by the harbour master, and vessels must wait his permission before moving.

The Harbor Master shall receive anchorage fees according to the regulations enumerated hereafter.

Steamers or sailing vessels towed by steamers must upon leaving or entering the harbour limits give per tick.

Sailing vessels, so much for tick. Vessels going between the dykes and their moorings.

Vessels changing berths.

Vessels going to and from the jetty.

The above fees must be fixed at each of the piers according to Port Practice.

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The above ten articles are merely provisional, and should any here thereof be unsatisfactory, they shall be duly reconsidered and changed accordingly.

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Phrasology.

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- ① 學徒 Hsio² lu². apprentices.
① 定制 chih² ch². Fixed rules.
- ② 攜帶 Hsi¹ tai⁴. To carry on board.
- ③ 勝選憑照 Sheng¹ hsiun³ ping² chao¹. A certificate of competency.
- ④ 外需情事 Wai¹ hsiu² ching² shih⁴. Or some other special qualification.
- ⑤ 公同 Kung¹ tung². To form a partnership.
- ⑥ 撤銷 Che¹ hsiao¹. To take away and cancel.
- ⑦ 稟訴 Ping³ su⁴. A counter statement. a statement.
- ⑧ 懲辦 Cheng² pan⁴. Shall have jurisdiction.
- ⑨ 假借 Chia³ chieh⁴. Borrowed (unlawfully).

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- ⑩ 船工 Shao¹ kung¹. The vessel master.
- ⑪ 船尾 Chuan² wei³. The stern of a boat.
- ⑫ 牌照 Pai² chao⁴. Ships papers.
- ⑬ 乘坐 Cheng² tso⁴. Use can be made.
擅行 shan² hsiung². Looked authority
- ⑭ 該管之官 Kai¹ kuan³ chih¹ kuan¹. The Proper Authorities.
- ⑮ 船戶 Chuan² hu⁴. Ship owner.
- ⑯ 分別飭掛旂號記 Fen¹ pich² chih⁴ kua¹ chi² hao⁴ chi⁴.
 To hoist certain distinguishing flags.
- ⑰ 寄信旂 Chi¹ hsiung⁴ chi². Signal code.

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(18) 照料 Chao kiao¹. To have charge .

(19) 酌體 Cho ti³. To consult .

(20) 添錨 Tien Mao². Mooring .



Tug-Boat Regulations

upon a merchant vessels entering port the passengers thereof must wait the tidewaiters permission before landing their baggage. If there be any violation of these rules an example shall be made of the master of the ship. If the Tidewater has any reason to suspect that an attempt is being made to break the regulations or evade the customs, he shall insist on the passengers opening the boxes and in case of any refusal to do so shall send the officer to the Commissioner of Customs. Three days will be allowed the owner, within which time he may proceed to the customs and make a joint examination, but at the expiration of this limit, the Customs shall themselves open the goods. If there be any disregard of regulations or attempt to evade the duties, all the goods shall be seized and the offenders fined.



If vessels entering port carry besides the passengers baggage, any of the duty free goods mentioned in Art. 2 of the Additional Regulations, they must wait the issue of a landing permit, before unloading, any goods. If without securing this certificate the (vessel's masters) on their own authority unload goods, tranship them to cargo-boats, or tranship stuffs to the shore, they shall, immediately upon discovery, not only have the goods in question sequestered, but be fined, \$500, as well. All kinds of duty free goods must be plainly entered on the ships manifest. According to the regulations for dutiable goods, the owner must first secure his loading or unloading certificate and take the goods to the customs for examination after which he will be permitted to distribute them to the various godowns, or to the ship the same. Steam tugs in the various ports must file their papers with their crews. The Crews.

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must inform all tug-boats that they are under ^{(which) not to load goods for} no circumstances to carry goods. ^{By boat for said Customs} after the vessels name has been entered in the Register ^{•L•} said tug-boat will be permitted to go ^{to} instantly back and forth without further reporting herself; or taking out clearance papers. When going to any other Treaty Port, however, the vessel master must according to ^{Treaty's fixed} regulations, proceed to the Customs and take out a clearance certificate, and to the consuls for the issue of their papers. ⁱⁿ Should any vessels of this class ^{tug boat} without taking out her clearance she shall be ^{she shall be fined 500 Tls.} fined 500 Tls.

These boats must pay ^{Said} tonnage dues ^{once} every four months. If ^{these} vessels ^{these are} clandestinely carry goods, or attempt to evade the Customs immediately upon discovery.

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Besides confiscating the goods, the ^{by the Customs in the Ship Register. Also said vessels name, and name} vessels name shall be ^{as per the Treaty's agreement} stricken from the Ship Register ^{•L•} and they shall be required ^{to} report at the Customs every time, requesting the issue of clearance papers as is clearly fixed in the Regulations for the guidance of foreign ships.

(L)

Phraseology

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- ① 以專責成 ¹chuan¹ tse¹ cheng². To make an example of.
- ② 限 ¹Hsien¹. allowed. The owner will be granted a certain number of days of grace.
- ③ 經 ¹ching¹. immediately upon discovery.
- ④ 各種 ¹ko¹ chung². all kinds.
- ⑤ 艙口單 ¹tsang¹ kou³ tai¹. ship's manifest.
- ⑥ 登簿 ¹peng¹ pu¹. To enter in a ledger. To register.
- ⑦ 拖帶簿 ¹to¹ tai¹ pu¹. A Register of licensed steam tugs.
- ⑧ 刪除 ¹shan¹ chu². To cross off. As a name from a list.

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The Joint Investigation Regulations

If in any of the Treaty Ports there are any cases connected with the Customs, according to the following regulations, the consul must settle the affair conjointly with the Commissioner of Customs either by personal ^{and when the matter has been arranged, must still act according to the} consultation or by immediate correspondence, following regulations: ^{When a foreign merchant's goods or ship, at one of the Treaty Ports, suffers seizure at the hands of a Customs official} Upon the seizure or detention by Customs officials of vessels or goods, the aforementioned officials must ^{immediately} inform the Superintendent of Customs; who, if he thinks the punishment justifiable shall, through the Commissioner of Customs inform the penalized merchant the disregard of which rule has necessitated the detention of his goods. A limit of five days, from the date of ^{receipt} issue of such a paper, will be given the offender in which to file a counter-claim with his consul. ^{Before} the expiration of this time limit, said merchant ^{may investigate} if he thinks he has been wrongfully accused. ^{Said merchant after having read the letter within the time limit, still thinks that he has broken no regulations.}

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shall have the right to ⁽⁴⁾ state the facts to ⁽⁵⁾ the Commissioner of Customs, who, in turn, shall inform the Superintendent. If the latter finds the merchant's statement correct ⁽⁶⁾ he shall have the power to release the merchant or the goods. If said merchant does not wish to proceed to the Customs, or if the Superintendent will not accede to the requests he may make, ⁽⁷⁾ he shall ^{always} be permitted to request his Consul to make an appointment with the Superintendent, in order that they may conjointly adjust the matter. The Superintendent of Customs upon receiving the despatch from the Consul must forthwith fix a day on which they shall meet and conjointly consider the case. The Consul shall then inform the merchant involved, that he may bring his

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witnesses, ^{the Consul at this time when} and the Consul must himself proceed to the Court where he shall be invited by the Superintendent to sit on the bench, together with the Commissioner of Customs. The Superintendent shall then order the official who made the seizure to come before the Court and state the points of the case, ⁽⁸⁾ after which he may according to the circumstances, make a cross examination ⁽⁹⁾ if the merchant has any counter-statements to make he shall do so to his Consul who shall cross-examine the man in detail ⁽¹⁰⁾ in order to arrive at the truth ⁽¹¹⁾ and avoid partiality. ⁽¹²⁾ Should the Superintendent or Consul not be inclined to go to the Customs House, they may send a deputy who shall have equal powers.

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If all testimony⁽¹³⁾ given by the Customs officers, the merchants or the witnesses shall be entered in the records⁽¹⁴⁾ at the time, and when these documents have been duly signed and sealed by the (Superintendent and Consul), the men shall be permitted to retire⁽¹⁵⁾ and the Consul and Superintendent shall consider the proper course to take in the matter. ^{in the vessel or goods, the Consul holds that they should be released.} In case the Consul holds that the vessel or goods should be released and the Superintendent takes the opposite view⁽¹⁵⁾, the merchant will be permitted to quit himself⁽¹⁶⁾ about requesting the Consul ^{to confer} together with the Superintendent to ^{to} prepare the signed and sealed evidence for presentation before the Tsungli-Yamen and the Foreign Ministers Resident at Peking for examination and final decision.⁽¹⁷⁾

If the Superintendent does not wish to release goods or vessel and the Consul agrees, the merchant will not be permitted to make an appeal for the goods.

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It will not be possible to claim damages⁽¹⁷⁾ in vessels or goods upon their dismissal by the joint Commission of the Tsungli Yamen and Foreign Ministers, after detention for examination. ^{that has been through the Customs examination.} ^{and are} ^{admitted, admitted, for their own delinquency, claim damages.}

Appeal may always be made to the high authorities⁽¹⁸⁾ for a decision.⁽¹⁹⁾ ^{that said merchant, according to the request} The merchants shall file a guarantee⁽²⁰⁾ to the amount of the assessed valuation of the goods, that they will thereafter bind themselves⁽²¹⁾ to abide by the decisions made and pay any fine⁽²²⁾ that may be imposed upon them. ^{and turn over for filing to} The Consul shall affix his seal and file the document with said Customs House and the Superintendent of Customs shall then turn over ships and goods (to the interested party) who shall await the findings of the High Authorities, (submitting to any fines, little or big, or to the confiscation of all the goods). ^{the merchant shall submit a case} In case the merchant does not wish to file a guarantee, he will not

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the ship and goods shall be retained and no matter what the
 be able to claim compensation ⁽²⁹⁾ no matter
 what the decision of the Court may be.)
 If in any port a man is pointed out ⁽³⁰⁾ as
 having broken a certain regulation, not one
 necessitating the total confiscation of goods,
 but one which according to treaty ⁽³¹⁾ is punishable
 with a fine, the Commissioner of Customs
 shall on the one hand inform the Superintendent
 and on the other despatch a messenger to the
 Consul notifying him of the case. ⁽²⁶⁾ The
 Consul shall then fix a certain date upon
 which the examination ⁽²⁷⁾ shall be held and
 after so doing shall inform the Commissioner
 of Customs requesting him to bring his
 witnesses ⁽²⁸⁾ to court at the time appointed.
 Either the Commissioner of Customs or his Deputy
 shall conduct the case ⁽²⁹⁾ and proceed with the exam-
 ination of witnesses. and if it be discovered that
 there is no necessity for confiscation ⁽³⁰⁾, the Consul

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shall then give judgment that the sum or sums
 specified in the Treaties and Regulations should
 be paid ⁽³⁰⁾ If there be any extenuating circumstances ⁽³¹⁾
 the power of decision shall rest with the
 Customs ⁽³²⁾, the Commissioner and the Superintendent
 making the final decision in the matter. In
 case it be discovered upon examination that no
 fine is to be collected, the Commissioner of
 Customs concurring in this opinion ⁽³³⁾
 other vessels that have been delayed on account
 of this affair shall be dismissed at the
 same time without further delay ⁽³⁴⁾ that
 there may be no further losses. ⁽³⁵⁾ The merchant
 will not be allowed to claim demurrage.
 or loss of freight etc. In case the Commissioner
 and the Consul are unable to arrive at any
 decision in the matter, the former shall
 shall inform the Superintendent who in
 turn, shall request the Tsungli Yamen

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and the Foreign Ministers to act in the matter. Before the affair has been decided ⁽³⁶⁾ the owner will be permitted to file a guarantee ^{to the amount of the proposed fine} ^{to the amount of the proposed fine deposit a later day} ^{acting according to the decision of the Chinese authorities} that he will abide by the ultimate decisions, and pay all necessary fines, and the Superintendent on the suggestion of the Consul shall then release his vessel or goods.

If the Consul and Superintendent are unable to decide on a "duty" case, they shall according to ⁽³⁷⁾ the 3rd article of these regulations permit the ^{merchant's goods} vessel to proceed on her journey without paying any duty, at the same time informing the Tsungli Yamen and the Foreign Ministers. If it be decided that the vessel shall go free, the Superintendent shall return the Guarantee to the Consul for cancellation. If it be decided that ^{the goods are dutiable} the goods are dutiable the Consul shall direct the merchant to proceed to the Customs to have his guarantee cancelled after the ^{and notify to the sum pay - and have the guarantee cancelled}

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necessary duties have been paid.

In case foreign ships or foreign goods or both are liable to confiscation, and the Superintendent and the Consul do not agree in the matter it shall be referred to the Tsungli Yamen and the Foreign Ministers for their decision ⁽³⁸⁾ ^{before the matter has been definitely settled}. The merchant may in accordance with the 3rd article of these regulations file a bond to the estimated value of his goods, to which the Consul shall affix his seal depositing the document with the Superintendent of Customs. Should there be any question about the estimate being either great or small, ^{according to the} the merchant's own figures shall be taken as correct. In case the Customs considering the matter, ^{according to their} should wish to buy the goods at this price, they shall be privileged to do so. If after the goods have been bought or forced sale it is decided that they shall be confiscated ^{or} the merchant will be obliged to return the sum

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(L.I.)

in full that the guarantee may be cancelled. In case it be decided that the goods and ship are to be released, the guarantee must be returned to the consul, and the price paid, at the forced sale considered as the purchase price of the goods. In no case will the merchant be permitted to proceed to the Customs, to try and ^{take again the money paid to the Customs} redem his goods by returning the price paid therefore. To ascertain a correct statement. (40)

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(L.I.)

(L.I.)

- ① 會訊章程 ^{of heresology} hui' hsun' ching' ching' joint investigation rules.
- ② 干涉 kai' shi' affairs connected with.
- ③ 合宜 ho' i' justifiable.
- ④ 關照 kuan' chao' to consult with one another. jointly.
- ⑤ 任便 jen' pin' to be at liberty to.
- ⑥ 陳明 chen' ming' to state facts.
- ⑦ 以一為是 yi' wai' shih' to find a statement correct.
- ⑧ 不以為然 pu' i' wai' jan' not to accede to a request made.
- ⑨ 統帶 tung' tai' to summon witnesses.

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- ⑧ 情節 ching chih. Particulars, circumstances of a case.
- ⑨ 詰問 chih wen. To cross examine.
- ⑩ 辯駁 pien po. Counter-statements.
- ⑪ 逐 chü. Item by item.
- ⑫ 以期得實 chi te shih. To arrive at the truth.
- ⑬ 而杜偏累 ih tu pien lei. To avoid partiality.
- ⑭ 遣員代往 chien yuan tai wang. Send a deputy.
- ⑮ 詢問口供 hsün wen kou kung. To ask for particulars of evidence.
- ⑯ 抄錄 chao li. To enter on the records.
- ⑰ 退去 tui chü. To retire.

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- ⑱ 任意 fen i. Use one's discretion.
- ⑲ 上控 shang kung. Request, Petition.
- ⑳ 定奪 ting to. Final decision.
- ㉑ 請索賠償 ching so fei chia. Shall not be allowed to claim damages.
- ㉒ 大憲 ta hsien. The High Authorities.
- ㉓ 定斷 ting tuan. A decision.
- ㉔ 出具切結 chi chü chieh chieh. To deposit a guarantee.
- ㉕ 情願 ching yuan. To bind oneself.
- ㉖ 遵斷 tsün tuan. To abide by the decision.

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· 21 ·

②③ 繳案 chiao³ an¹. Submit to any fine imposed.

②④ 稟請賠補 ling³ ching³ pei² pu³. To claim compensation.

②⑤ 指謂 chih³ wei⁴. A man is pointed out.

②⑥ 立案 li¹ an¹. To enter a plaint at court.

②⑦ 訊斷 shün⁴ tuan⁴. Examination. Investigation.

②⑧ 傳集人證 chuan² chi¹ jin² cheng⁴. To summon witnesses.

②⑨ 指證 chih³ cheng⁴. To indict a case. To point out the evidence.

②⑩ 無應罰 wu² ying¹ fa². No necessity for confiscation.
The "ying" seems to point out the fact that
it is a case of embezzlement.

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③① 斷令交出 suai¹ ling⁴ chiao¹ chu¹. To give judgment that (a fine) shall be paid.

③② 從寬 fung² kuan². Extenuating circumstances.

③③ 權屬在該關 chuan² shu³ tai¹ kai¹ kuan¹. The power of decision rests upon the custom in question.

③④ 無異言 wu² i¹ yen². No objections.
Concurring in this opinion.

③⑤ 耽延時日 tai² yen² shih² jih². Delay. Procrastination.

③⑥ 致該稍有費用 chih³ kai¹ hao³ yu³ fei⁴ yung¹. To prevent further losses.

③⑦ 索賠延擱貿易銀兩 so³ pei² yen² ko¹ mei¹ i¹ yu² hang³. To claim demurrage.

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③⑤ 當尚未之時 Tang' shang' wei' jih' shih²
 Before the time of — Previous to —

③⑦ 援照 Juan² chao⁴ On the ground of. According to.

③⑧ 核斷 Ho⁴ tuan⁴ To decide a case.

③⑨ 收贖 Shou' shu² To redeem.

④⑩ 以昭核實 Ch' chao⁴ ho⁴ shih² To assure a correct
 statement (of the value.).

Documentary Chinese.·L.I.·L.I.

·The Regulations for the Six Yangtze
 Trading Stations.

According to the 32 article of the Chefoo Convention, the following Yangtze ports, Ankiu, Tating and Anching, Hukow in Kiangsi, and Wusueh, Hubeikou, and Shashih in Hubei, shall be considered as inland, not as Treaty Ports. and according to the Yangtze Regulations, Foreign merchants will not be permitted to load or unload goods at these places. Now, however, it has been decided to make less stringent rules⁽¹⁾ and steamers will be permitted to anchor temporarily and merchants allowed to land with their goods, using local sampans for the purpose. According to⁽²⁾ the local regulations, all goods accompanied by "Half-Duty" certificates will be exempted from lilsin. Native goods carrying certificates, may be exported, but may not be landed

for sale. Other goods liable to payment of duty or lilsin shall be under the care of the local officials. Foreign merchants will not be allowed to reside in, or open establishments in these places.

This quotation is a general resumé, the particulars are given hereafter.

The "steamers" hereafter referred to, are not ocean going vessels, but simply ⁽⁴⁾ the regular jangtze carriers.

The "native boats" hereafter mentioned are not all the craft in the six ports, but simply those vessels that have been licensed ⁽⁵⁾ by the lilsin station.

Certificated foreign goods, upon a satisfactory examination may be loaded or unloaded, and native goods may be loaded and permitted to pass on to the reported point of shipment. The local authorities not being permitted to

buy any lilsin. Other goods unaccompanied by a certificate shall be subject to the following regulations.

Goods loaded at one of these ports for transportation to another must first pay the loading dues, at the same time reporting the point of shipment and the destination. In case no station is passed, as in a journey between Tating and Anching, or Kii Hsi and Shashih, it shall not be necessary to pay duties. In case it is necessary to pass a Customs station, as in going between Tating or Anching and Wusich, or Kii Shi, Kow or Shashih to Wusich, duties shall be paid on arrival. In both cases the vessel master may proceed to the lilsin station at the place of shipment, and after stating the number of lilsin stations he must pass en-route, there, pay the full amount. ⁽⁶⁾

In case it is necessary to pass more than one Customs station, half and full duty may be paid at the first station. The full amount of lishin according to the number of Barriers to be past before the first and after the second station, may be paid at the lishin station at the point of embarkation, as in a journey between Tating or Anching and Shashih or hiheikou, or from Shashih or hiheikou to Tating or Anching, in which case no lishin would be collected by the stations after the first or before the second customs station. In passing one Customs or not passing any no exemption may be claimed.

Goods being shipped from Shashih any of these six ports to any of the Yangtze Treaty Ports or Shanghai, shall pay lishin at the point of embarkation, reporting their

ultimate destination and upon arrival at the first Customs station shall there pay both full and half duties. lishin shall be paid at the port of embarkation according to the number of lishin barriers to be passed before reaching the first Customs station. In case the point of destination specified happens to be the first Customs, as in a journey from Tating or Anching to Kinsiang or Wusich to Haulow, or hiheikou or Shashih to Ichang, upon arrival at the Customs only half duty shall be paid.

Goods taken from Shanghai or any of the Yangtze Treaty Ports, to any of the six aforementioned stations, besides first paying full and half duty or simply full duty as the case may be. (as in a journey from Wuhu to Tating, ^{having ~~passed~~ the Customs} simply full duty shall be paid, but in shipping from Tating

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Chinhsiang to Tating, two ports must be passed and full and half duty both be paid. Even in passing three or four ports it shall be necessary simply to pay full and half duty once and for all. Half and full duties shall be paid at the point of embarkation. (all steamers must report their destinations and take out a duty certificate for presentation at the port of discharge, ^{at the Pt of discharge} lilsin shall be paid in full at the Port of Discharge, according to the number of Barriers between this port and the last customs house port. (as if the Point of embarkation should be considered as the next to last.)

In case lilsin is paid at any port of embarkation, a lilsin certificate must be filled out and given to the Merchant that he may present the same for examination at any customs house

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passed en route. or at the port of discharge. ^{has been because of for examination} If duty must be paid upon the goods at any port, the lilsin station at the point of embarkation, ^{besides} must issue ^{duty sealed} a cargo certificate ^(to the vessel master) which shall be presented to the Commissioner of Customs at the first port. (The Customs upon a merchant's (paying duty) and presenting a lilsin certificate for examination, shall issue a Duty Paid Certificate and ^{Stamp} ^{and a return} ^{of the goods} ^{at the first to discharge} ^{it may be again presented for examination} ^{at the Port of Discharge.}

If upon arrival (at the Port of Discharge or any of the lilsin stations) the Merchant is unable to produce either a Duty Paid or a lilsin Certificate, the goods shall be confiscated. Any false declaration as to the number

of them to any great distance reported as made, with an intent to defraud the Revenue.

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of lilsin stations past⁽¹⁰⁾ with intent to defraud the revenue.⁽¹¹⁾ shall upon discovery be punishable by a fine. If a steamer contrary to rules, anchors at any place for the clandestine landing of goods, said goods shall be confiscated and said steamer be treated according to regulations.

Of the six stations, ^{Hulson no Ware.} it will be necessary to formulate ^{list of duties} special regulations for Hulson, ^{Hulson} since ^H the conditions at this port have not as yet been satisfactorily determined. The other five ports shall be governed by the present regulations which are put into operation only temporarily. Hulson, however, must await further examination ^{and discuss} that the most satisfactory mode of procedure may be decided upon.

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lilsin at these six ports shall have no connection with the customs, but shall be levied at a 25% ad valorem rate. ^{the collection of lilsin and lilsin duties} ^{working to the price of goods, 200/100 like 2 percent} ^{and lilsin duties at that time} ^{lilsin duties may be levied on goods} all duties shall be collected according to the value stated⁽¹²⁾. The official scales must be the same⁽¹³⁾ in all ports where duties are collected.

In a journey between Shashih and Tating, lilsin shall be paid at the following Barriers "Shashih, Pei-ho-kou, Jing Wu chow, ^{Wushu} Tansou, five Barriers in Hupchi; Er-tas-kou, ne in Kiangsi; Hua Yang, anching and Tating three Barriers in Anhui, making altogether nine Barriers. at these six Yangtze stations, a list stating clearly, the lilsin ^{of and lilsin rates, for and near stations} stations, arranged in order⁽¹⁴⁾, and giving distances, must be hung up⁽¹⁵⁾ for examination (that all merchants

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understand) that lishin is to be paid simply between these six ports, not west of Shashih, nor east of Tatumg ^{shall understand goods}

Goods loaded at these stations must await examination and after having paid lishin, ^{when the goods pass the Customs jetties} may be loaded upon licensed sampans at the Customs jetties and thence sent to the steamer. In landing, goods must be taken ^{await examination} to the Customs jetties and there examined.

If ^{private use is made} non-licensed boats are privately used for transporting ^{lightening goods} goods, the goods shall be confiscated and the vessel master prosecuted. (16)

The lishin accounts of the six stations ^{at the six ports collected} must be kept separate and a regular date ^{fixed} for closing of accounts. ^{to insure the} detailed figures being recorded at all ^{statistics} ^{shall be clearly defined}

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authorities receive copy and return a receipt. ^{the six places for examination & forward to the regular quarterly reports.}

lishin Barriers, the Deputy in charge shall each week make a full record ⁽²⁰⁾ of the duty collected together with the amounts value and description of goods, and once a month, a general summary ⁽²¹⁾ which shall be sent to the provincial customs authorities and to the Deputy Commissioner, residing at Haulow and in charge of the six ports, who, in turn shall see a quarterly ⁽²²⁾ report to ^{those} his superiors.

The above articles are to be temporarily used for one year. If there be any points not exhaustively treated upon ⁽²³⁾ or if any difficulties should present themselves ⁽²⁴⁾ they will be altered according to requirements ⁽²⁵⁾ in order that all matters may be

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properly managed. ⁽²⁵⁾ The 1st day of
the 5th moon of the present year.
The 1st day of the 7th month by the
foreign calendar, and the 1st day
of the 6th quarter. If the above regulations
are suitable they shall be in force,
dating from the present day.

Documentary Chinese.

The Wen Chien Hui. Part 2.

①

Documentary Chinese

IV.

IV.

o Notice by the Commissioner of Customs.

When ^a medicines of any kind are imported, no matter whether they be liable for full or half duty, the variety, amount and value must be clearly stated at the time of taking out the certificate, and entered in a book, ^① that there may be no mistakes, ^② when the original goods are reexported, etc. Do not fail to comply with this notice. ^③

Kuang Hsi.

21st day. 6th month.

First Year.

as the present (when) medicines enter port, no matter whether (it shall be subject to) full duty or half duty, at the time of taking out the examination certificate, it must show, by item, date the name, weight, and price, to be entered in a book, and escape error, when these goods are exported, any error ^{is against} must not break this order.

②

Documentary Chinese.

LII.

Phraseology.

① 登底簿 Song ti fu. To enter in a book.

② 舛錯之誤 Ch'wan tso gih wen. a mistake.

③ 毋違此諭 Wu wei tzu lün. Do not disobey this order.

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Documentary Chinese.

LIV.

Notice by the Commissioner of Customs.

LIV.

A despatch has been received by the Commissioner of Customs, from the Inspector ^{country} General concerning Japanese ginseng. There ^{has heretofore been a tariff of 5 chien upon every chin of the Best quality ginseng, and of 3 chien 5. upon the 2nd Best. It has now been decided to issue certain regulations for the collection of duties on the first and second grades, to facilitate the collection of duties.}

all Japanese ginseng valued at 165. or more ^① per chin, shall be considered Best Quality, and shall be liable to a duty of 5 chien per chin.

all Japanese ginseng with values ranging between 16.5. and 16.1. per chin, shall be considered second grade and shall be liable to a duty of 3.5 chien per chin.

all Japanese ginseng valued at less than 16. per chin, shall be considered as miscellaneous and shall pay a duty of .5 chien.

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If all (other) pieces is units; no last and for that reason are
 in case there be any reluctance to pay
 duty on Japanese ginseng valued at 10.1.
 per chin, according to the tariff set for
 the miscellaneous grade, it shall be paid
 at the rate of 3.5 chien per chin, as in the
 case of the 2nd grade ginseng; since there
 are rates fixed only for the two grades mentioned.
 all customs must act uniformly in such
 matters. The merchants should be informed
 by proclamation to act accordingly. The
 Commissioner also hereby notifies all
 merchants that Japanese ginseng entering
 port must be accompanied by a memo
 or special certificate and not mixed up by
 mistake with other goods on the same list.
 The values of such goods must be clearly
 stated item by item. This is a very important
 document

(5)

Documentary Chinese

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LIV

Phraseology

- ① 以外 Yi wai. Outside, besides this etc.
- ② 以内 Yi nai. Inside, included in.
- ③ 錯雜 Tso' tsa. So mix up by mistake.
- ③ 類分逐一開明 Fen lei chu i kai ming. To classify item by item and make out a list.
- ④ 是為至要 Shih wei gih yao. This is very important.

⑥ Documentary Chinese

LV

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Notice by the Commissioner of Customs

A communication has been received from the Inspector General in re. ^{according to Customs Tariff} gross cloth. Duty has formerly been collected at the rate of 10% ^{2厘, 5厘} per hundred chin of the ^{coarser gross cloth} fine and 7.5 ^厘 per hundred chin in the coarse, gross cloth. Now however, ^{having} new regulations have been formulated to facilitate the collection of revenue.

Gross cloth ^{measured in length} having not more than forty ^{with longitudinal threads} horizontal threads ^{if it does not go above forty} to each inch of breadth shall be considered coarse and duty be collected accordingly. ^{as coarse gross cloth in the collection of duty} Anything with over forty threads to the inch shall be considered fine and duty collected accordingly. All custom houses must act uniformly. Merchants shall be instructed to act accordingly. ^{they shall} They shall be informed that it will be necessary ^{carefully examine} to make careful examination and ascertain exactly whether or no the cloth be coarse or fine ^{and it must be considered fine} that it may be reported accordingly ^{to the Customs} and mistakes be avoided thereby.

⑦ Documentary Chinese

⑦

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Phraseology

① 橫徑直紗 Heng'chung or gih she. The warps.

② 以免貽誤 mien'chih wu. To avoid mistakes.

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Involvement Cases presented to the Inspector General of Customs, for his decision, during the 87th Quarter.

I. Concerning the collection of duty on wild uncleaned honey.

The Commissioner of Customs at Kiangchow, in despatch No. 47, reports that the Foreign Merchants Ssu Bao, in exporting wild uncleaned honey, were obliged to pay duty as in the case of ordinary honey, at which rate, the duty amounts to 16% of the cost price, which is too much. The Commissioner therefore enquires if it would not be possible to levy duties at the regular 5% rate, as in all cases where the goods are not mentioned in this tariff list, and requests instructions upon this point.

In reference thereto, the Inspector General replying in despatch No. 139, that in the exportation of unclarified wild honey, the duty shall be the same as in the case of ordinary honey and that no exceptions will be made.

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II. Concerning the extension of the time limits on Tonnage dues certificates with reference to the new German Treaty.

The Canton Commissioner reports, in despatch No. 41, that according to the German Supplementary Treaty, dated 1865, China has agreed to permit German sailing vessels which have been anchored in a Chinese port for 14 days, to pay half tonnage dues for the remainder of their stay, commencing with the fifteenth day. The 5th article states that by the 5th article, China permits all German vessels, which enter ports, to repair or outboard, damaged vessels, which have sustained damage either in the port or out of it to put in for repairs, and upon ascertaining the facts of the case, to deduct the tonnage dues for this time, from the sum which the vessel would otherwise have to pay.

In the case of the German sailing vessel, Haurmochia, which entered the port on the 28th day, 9th month, 1st year of Kuang Hsi, the vessel was damaged on the 6th of the 10th month, and was then forced to remain in port, undergoing repairs, until the 16th of the month. Upon the completion of the repairs, a clearance certificate was applied for after a

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total stay in port of twenty-one days, eleven of
 which were due to the enforced delay, caused by
 the damage suffered, according to the 5th article of
 the German Treaty, the Tonnage dues certificate
 should be extended 11 days, but according to the
 second article, the vessel having been in port only
 ten days is not entitled to consideration. The
 Commissioner requests instructions, whether or not
 his action has been in accordance with the
 provisions of the Treaty.

Repeating in despatches No. 754. The Inspector
 General would say that the action of the local
 Customs has been most satisfactory. The
 two passages of the German Treaty are herewith
 explained in order that they may be
 generally understood and recorded
 in this light.

According to the second article of the German
 Treaty if this vessel had remained in port for 21
 days without having undergone any repairs, she
 would have been obliged to pay half duty from
 the 15th to the 22nd day, making seven in all, giving

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full duty for three and half days, arrangements being
 made to extend the limit four days.

In case the vessel after the repairs have all
 been made, should fail to apply for clearance papers
 on the proper day, but wait until the 29th of the
 month, and at that time request the issue of
 the same, if the certificate be granted, the vessel
 shall be able to use his own discretion about
 the day of departure. The day of issue shall not be
 considered. The vessel would have therefore been in port,
 thirty-three days altogether, which taking out eleven
 days for repairs, would give twenty-two days as dutiable.
 From the 15th to the 22nd there are eight days, giving
 four days in full payment. The Tonnage dues
 certificate must therefore be lengthened all together
 by fifteen days.

A vessel entering port either without a
 certificate or with one which for some reason, must be
 cancelled before the vessel leaves port again; must
 pay Tonnage dues on leaving the place, nor will
 it be possible to have a new certificate exchanged
 for an old one with the days in extension of an

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extension already granted.

Materials from vessels broken up for sale, or taken from duty, omitted. In despatches No. 60, the Canton Commissioner reports that according to the 6th article of the new Treaty with Germany, China has agreed that any German vessel broken up for sale, may be taken into the Chinese Treaty Ports, and there

sold without paying import duties. At the time of unloading proceedings must be conducted as in the case of all other goods, and a permit to unload secured from the customs.

If it is un-likely however, or native merchant ships enter port. He would enquire whether or no, vessels entering the port, not under the flag of any of the Treaty Powers countries, or Chinese vessels to be broken up and sold, shall or shall not be duty free under the same rulings. Whether a vessel entering port without her ships register, shall be considered in the same category as a vessel not yet broken up, and carrying certain flag, proving that she has been entered in the books of some nationality? or in case a vessel, though carrying her register enters a port where there is no consul of that particular nationality, at what place shall she

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have her ships papers, checked off & cancelled. The Inspector General oblying in despatch No. 755. states that in the future all boats built in foreign ports, shall be considered as being governable, by the 6th article of the revised German Treaty, and upon entering port for breaking up and sale, shall uniformly be exempt from the collection of duty. If said vessels are by Chinese merchants at Hongkong, Chinese merchants bringing vessels from Hongkong, and go on to Canton to be broken up, shall have the ships Register cancelled in the office of the Harbour Master at Hongkong. Vessels entering port without a ship's Register, will be allowed to present their signal flags, as evidence that they are entered in the books of some country. In case there be no consul of this certain nationality after with the local head Commissioner of Customs, taking the vessel is provided with a register, this document shall be turned over to the Commissioner of Customs, upon the vessels being broken up, and he in turn shall send all particulars to the Inspector General for filing in the archives.

Documentary Chinese.

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The Translation Literal (Chinese)

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Soft Wood Planking. The Collection of Duty Methods.

According to the Canton Commissioner's current year despatch no. 62, stating, the local port Chinese merchant firm Kuang Chi, late soft wood planks, 180 pieces, each being thick 4.6 and report for export. (On) examining the tariff although it contains "soft wood planking" that item, it has does not state clearly, thick, thin. According to foreign commercial usage⁽²²⁾ (in the matter of 四條板) four inches or four inches under, shall be considered a plank, that is local customs hitherto⁽²³⁾ has taken all four inches - or more under, as a plank, according to the tariff stated clearly, heavy (hard!) woods, thick three inches shall be considered a plank, whereas shall or shall not according to the tariff stated, heavy wood that three, take 3 inches and under (from that), or shall be according to hitherto practices⁽²⁴⁾ thicker, four inches and under it is a plank, and also 4 inches, must use what collect duty (in this matter). Use apply for instruction in this despatch.⁽²⁵⁾

Sending out said fut. 756, stating that ^{since} in the matter of tariff stating heavy wood (particulars of three inches clause, it is better to follow the rule⁽²⁶⁾ taking all timber under no rule and according to the three inches, being a plank, make calculation. Also three inches, up to 6 inches shall be considered as ten planks, in calculation.

Documentary Chinese

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• LVI •

a Translation. Literal.

• LVI •

tenfold collecting duty. Also six inches shall be mentioned as light wooden beams, and according to the Tariff, not mentioned all basins of goods, according to the 5% tariff collect duty of (pan-fan).

Imitation Gold Thread, collecting duty, method of.

According to the Centre Commissioner's current year despatch no. 99. reports, in this list there are foreign merchants who now wish to take brass, silver plated, and gilded gold thread, and report for import, they request that according to the tariff, imitation gold thread be collected duty etc. The local Customs find that the Customs Tariff deals with imitation Gold Thread that item, all is in the place ⁽²⁶⁾ manufactures gold thread which ^{has been} accordingly duty collected. If the price for each did not exceed five or six taels. Said merchants now wish to import this imitation gold thread, each tael is valued at ⁽²⁷⁾ 10 taels. This price is very different, ⁽²⁸⁾ If according to the same rules duty is collected, it is to be feared there will be dissatisfaction, finally, what must what be made. (徵收之法), a decision is requested in this matter.

Sending said list despatch no. 757 states since the tariff contains imitation gold thread the name of. Tariff all kinds of imitation Gold Thread irrespective of price or value, all are included therein, and after the rule collect duty, and shall not be differentiated etc.

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a Translation Literal.

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Additional Referring vessels miscellaneous goods exemption from duty methods.

According to the Shanghai Commissioner's present year despatch No. 145, referring to the German Additional Treaty, the seventh article, ^{therein,} printed, China shall permit all German docks, wooden ware stores, ^{mis.} to be allowed to escape duty. By the Commissioner of Customs must take the gross value of such goods and publish abroad ^{also to cut for} a clear list, as ~~to~~ ^{all} ~~that~~ ^{may} ~~be~~ ^{known} ~~etc.~~ Then, by the honored I. G. have taken orders, exempt from duty all goods and formulate a complete list, and instructing all to act accordingly, this has one hand. According to the old orders, stated therein, if there were in the "list", not mentioned goods, according to the additional regulations the eighth article, if said goods really were by such vessels used, they must take the proper duty, temporarily held as a deposit and therefor request a decision from the I. G.

at present there is the Hwang Sheng Docks, take the chain, glazed tiles, blumago, emery, oil, herbals, and these goods, and report for import, and assert they are used for the local docks referring vessels use, and respectfully request that according to exempt from duty all goods may be treated. The local Commissioner has for this at the time take the duty temporarily

Documentary Chicago.

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held indisput. in order that by further decision, said order
reported for importation all goods were really for repairing roads used
goods. Consider and whether it should on this ground ⁽³⁰⁾ be permitted
to avoid the payment of duty, and later all reported such goods
the added (1/2) amounting duty list within. So that it
may be fair ⁽³¹⁾ requests a decision.

Seeing the said first despatch no. 2,047 states, that as regards
said order this time reported for import the glazed tiles, iron chains,
plumbago, grease, oil, turpentine, these goods, as soon as it shall
have been ascertained they really are for repairing roads necessary
to road goods they must then be exempt from duty, and shall later
all have reported goods add them to the exempt from duty list, inside,
to facilitate hereafter the process as etc.

Documentary Chinese.

Phraseology.

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- ① 疑難事件 Yi² nan² shih⁴ chien⁴. Matters doubtful and difficult to decide upon.
- ② 核示遵行 Ho² shih⁴ tsun¹ hsing¹. Requests, instructions in mode of procedures.
- ③ 當經 Sang¹ ching¹. With reference to - at the beginning of a reply.
- ④ 歧異 chi² yi⁴. Difference, divergence.
- ⑤ 續修條約 Hsi⁴ hsiu² tiao² yueh¹. Supplementary Treaty.
- ⑥ 允 Yün³. So agree. So allow.
- ⑦ 減半 Chien³ pan⁴. So reduce by one half.
- ⑧ 扣算 Kou⁴ suan⁴. So deduct.
- ⑨ 完竣 Wan² chien⁴. So complete the job.
- ⑩ 申請核奪復示 Shen³ ching³ ho² to² fu⁴ shih⁴. So apply for instructions (in a despatch to a superior).

Documentary Chinese.

Phraseology.

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(11) 並無不合 ping⁴ wu² fu⁴ ho². Syno means unjust. Out's right.

(12) 解釋 chih³ shih⁴. To explain, To interpret.

(13) 以期曉然 yi³ chi³ hsiao³ jan². In order that it may be thus known.

(14) 開錄 kai¹ lu⁴. To record.

(15) 是日 shih⁴ jih⁴. The proper day.

(16) 聽船主自便 ting¹ chuan² chu³ zu⁴ pian⁴. At the option of the ship-master.

(17) 新為領換之執照 shin¹ wei² ling³ huan⁴ gih¹ gih² chao⁴. A new certificate exchanged for an old one.

(18) 接續 chih¹ hsio⁴. In continuation of.

(19) 洋式船隻 yang² shih⁴ chuan² gih¹. Boats built in foreignness.

(20) 拆毀 chai¹ hui³. To be broken up.

Documentary Chinese.

Phraseology.

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(21) 呈交備寄 Sheng² chiao¹ pei⁴ chi⁴ To deliver for filing in the archives.

(22) 貿易行市 mao⁴ yi⁴ hang² shih⁴ Commercial usage.

(23) 歷來 li⁴ lai². Hitherto.

(24) 申請酌核示遵 Shen¹ ching³ cho² ho² shih⁴ tsin¹. To apply for instructions in a despatch.

(25) 不若比例 Pu¹ jo⁴ fei³ li⁴. It is better to follow the rule.

(26) 加倍 chiao¹ pei⁴. So double - as duty.
產製 Chan² chih⁴. Manufactured.

(27) 約在估銀 Yue¹ tsai⁴ kue¹ yin². Valued at.

(28) 大相懸殊 Tai⁴ hsiang² tsuan² shu¹. Very different.

(29) 頒發 Pan¹ fa¹. To promulgate. To publish.

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Phraseology.

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(30) 援照 Yuan² chao⁴ therefore, according to, on the ground.

(31) 庶屬允當 shu⁴ shu³ yun³ tang⁴. So that it may be fair. For the sake of fairness.

(32) 總存

Documentary Chinese.

CXXXV.

a Translation literal

CXXXV.

To, Commissioner of Customs, addressing
Hsing-chuan-fung, Taitai Sun.

I beg to inform you⁽¹⁾ I have just received⁽²⁾ word
(your despatch) of your decision (旨) on the 28th day at
four o'clock, to honor with a visit⁽³⁾ my humble residence,
(宅) I rejoice at being able listen to your teaching⁽⁴⁾ and am
glad⁽⁵⁾ to personally bow down⁽⁶⁾ and of course (自) sweep
my doormat and await your chariot. I write this
in reply⁽⁷⁾ with best wishes⁽⁸⁾ I wish you merit and peace.⁽⁹⁾

The name is separately furnished.⁽¹⁰⁾

Documentary Chinese.

CXXXV.

a Translation literal

CXXXV.

To, Commissioner of Customs, addressing
Hsing-chuan-fung, Tsai Sun.

I beg to inform you⁽¹⁾ I have just received⁽²⁾ word
(your despatch) of your decision (旨) on the 28th day at
four o'clock, to honour with a visit⁽³⁾ my humble residence,
(公館) I rejoice at being able listen to your teaching⁽⁴⁾ and am
glad⁽⁵⁾ to personally bow down⁽⁶⁾ and of course (目) sweep
my doormat and await your chariot. I write this
in reply⁽⁷⁾ with best wishes⁽⁸⁾ I wish you merit and peace.⁽⁹⁾

The name is separately furnished.⁽¹⁰⁾

Documentary Chinese.

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Phraseology.

① 逕啟者 ching⁴ chi³ cho³ I beg to inform you.

② 頃承函 ching¹ chong² hau² We have received your despatch.

③ 惠臨 hui⁴ lin² So honored with a visit.

④ 幸得聆教 hsing⁴⁺² ling² chiao⁴ I shall be honored in listening to your conversation.

⑤ 快慰 kuai⁴ wei⁴ Pleased, Glad.

⑥ 屈躬 chü¹ kung¹ So personally bow down.

⑦ 泐此奉覆 lo¹ tzu³ fung⁴ fu⁴ I write this in reply.

⑧ 順請 shün⁴ ching³ with kind wishes.

⑨ 勛安 shün¹ an¹ Wishing merit and peace.

⑩ 名另具 ming² ling⁴ chi⁴ The card is enclosed.

Documentary Chinese.

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Red Letters.

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Commissioner of Customs Po addressing Te, Haskuan Wei Juan, the General in chief and the Tootai, to the same effect.⁽¹⁾

I have the honor to inform you that the current year eleventh moon 30th and twelfth moon 1st and 2nd these days being the Western Nations Gentry and Merchants⁽²⁾ Racing Horse day, (a period) the Commissioner of Customs has received⁽³⁾ all the gentry and merchants' instructions⁽³⁾ to, for them, ask or respectfully invite⁽⁴⁾ your respected Commander of Garrison⁽⁵⁾ if at the appointed time⁽⁶⁾ at noon to make his preparations⁽⁷⁾ & honor with a visit⁽⁸⁾ availing himself of the invitation⁽⁹⁾ to enjoy a view of the spectacle⁽¹⁰⁾ I shall be extremely delighted.⁽¹¹⁾ (Of this) I respectfully inform you⁽¹²⁾ wishing you promotion & peace. etc. etc.

The name is separately furnished.

(12) 肅泐 Su⁴ lo⁴. I respectfully inform you.

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Phraseology.

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- (1) 全此 同此 Tung² tzu³ To the same effect.
On the same subject.
- (2) 紳商 Shun¹ shang¹ Merchants and Gentry.
- (3) 承囑 Cheng² chu³ Has been commissioned. Received instructions.
- (4) 恭請 Kung¹ ching³ To respectfully invite.
- (5) 協鎮 Hsieh² chen⁴ - Commander of Garrison.
- (6) 屆期 Chieh² chi¹ The appointed time.
- (7) 命駕 Ming⁴ chia⁴ To order one's carriage, get ready for a visit, make preparations.
- (8) 光臨 Kuang¹ lin² Honor with a visit.
- (9) 藉邀 Chieh⁴ yao¹ Avail one's self of an invitation.
- (10) 賞鑒 Shang³ chien⁴ To enjoy the spectacle.
- (11) 曷勝欣躍 Ho² shang¹ hsin¹ yueh⁴ Be extremely delighted.

Documentary Chices

CXXXVII.

Red Letters.

CXXXVII.

Admiral ⁽¹⁾ Peng addresses Commissioner of Customs Po.

Respectfully & truly, I have had the honor to receive your flowery epistle ⁽²⁾ (concerning or informing me of the fact) that this year, 11th month 30th day, 12th month the 1st and 2nd days, shall be the Western Entry and Merchants Race days. (I have disgraced you in receiving) I have been honored by you with an invitation ⁽³⁾ and ought to, ⁽⁴⁾ as agreed to ⁽⁵⁾. (to accept). (But) yesterday having published an order to drill all the troops, the thirtieth day shall be roll call and general muster ⁽⁶⁾. The 12th month 1st day (there will be) an inspection ⁽⁷⁾ of office records. (This year, finished documents) the 2nd day (there will be) the calculation of this year's disbursements of money and rick accounts ⁽⁸⁾. For all of these things it is necessary that I myself shall be present to direct ⁽⁹⁾ and with the others ⁽¹⁰⁾ inspect, and will be unable to leave, and accept the invitation ⁽¹¹⁾ and avail myself of the opportunity of listening to your instructive conversation ⁽¹²⁾. I pray that you will regard my regret as proof of my original good intentions. ⁽¹³⁾ (To feel regret, the fact like you will

Documentary Chinese.

Red Letters.

CXXXVII.

CXXXVII.

express my sincere sympathy (the same) (perfectly
reply⁽¹⁴⁾ and present my thanks⁽¹⁵⁾ with respectful
kind inquiries⁽¹⁶⁾ and hopes that you will occasionally
give me your thoughts. (that you will see this not me).
I am etc.

Documentary Chinese.

Phraseology.

CXXXVII.

CXXXVII.

- ① 水師提督軍門 Shui shih ti tuh chun men². Admiral.
- ② 彙翰 Hui han⁴. Flowery/epistle.
- ③ 辱承見召 Ju cheng² chun⁴ chao⁴ (I have disgraced you in receiving) you have honored me beyond my deserts with an invitation.
- ④ 本當 Ben tang¹. Properly speaking. I ought to.
- ⑤ 如約 Ju yo yueh¹. As agreed to. As by Treaty/Treaty. (treaty).
- ⑥ 點名稽查弁兵勇丁數目 Dim ming chi cha pin² ping⁴ yung² ting² shu⁴ mu⁴. a general muster. officers and men.
- ⑦ 閱核 Yueh⁴ ho². To inspect.
- ⑧ 帳務 Chang⁴ wu⁴. The accounts.
- ⑨ 督率 Du shuai⁴. To superintend to direct.
- ⑩ 眼同 Yan tung². With others.

Documentary Chinese

CXXXVII

Phraseology

CXXXVII

- ⑩ 赴命 Su⁴ ming⁴. To follow a call, accept an invitation.
- ⑪ 藉聆大教 chieh⁴ ling² ta⁴ chiao⁴. To avail myself of the opportunity of listening to instructive conversation.
- ⑫ 抱歉之處希為原恕為禱 pao⁴ chiu⁴ chieh⁴ chiu⁴ hsi² tao² yuan² shu⁴ wei² tai⁴.
I pray that you may regard my regret as proof of my original good intention.
抱歉: feel uncomfortable. 原恕: original good intention.
- ⑬ 肅復 Su⁴ fu⁴. To respectfully reply.
- ⑭ 伸謝 shen⁴ hsieh⁴. To present ones thanks.
- ⑮ 敬請台安 ching⁴ ching³ tai² an². With respectful kind inquiries.
- ⑯ 惟照不一 wei² chao⁴ pu⁴ i¹. Direct your thoughts more than ever to this note.

Documentary Chinese.

Red letters.

CXXXVIII.

CXXXVIII.

Hsing-Chuan-Yung. Tantai Siin addressing Commissioner
of Customs Co.

I beg to inform that yesterday came a letter concerning the Western
native Smity and merchants racing, ⁽¹⁾ inviting (me) to go, and
I ⁽²⁾ gladly accept the invitation ⁽³⁾ in order to avail myself
of the spectacle ⁽⁴⁾. But, these days in the office we are here
important public business, and as the appointed I shall not be
able to absent myself. Your kindness ⁽⁵⁾ I am greatly indebted
for ⁽⁶⁾ and I trust you will convey my thanks, for which I shall
be greatly obliged ⁽⁷⁾ and I especially thank you in this my
reply ⁽⁸⁾ with kind regards etc. I am —

Documentary Chinese.

Phraseology.

CXXXVIII.

CXXXVII.

- ① 相邀 Hsiang' yao'. So invite, an invitation to.
- ② 本擬 Pw' ni'. First idea. Original intention.
- ③ 趨赴 Chiu' fu'. So hasten to, to readily follow an invitation.
- ④ 以資覽觀 I' tzu' lan' kuan'. In order to avail myself of a spectacle.
- ⑤ 盛情 Shung' ching'. Your kindness.
- ⑥ 心領 Hsin' ling'. Indebted for.
- ⑦ 是荷 Shih' ho'. I shall thank you for; to be obliged.
- ⑧ 專此布覆 Chuan' tzu' pu' fu'. I especially inform you of this in reply.

Documentary Chinese,

CXXXIX.

Rad. Letters.

CXXXIX.

Shu Hsuehuan Waiyuan Po - addressing Fu-missiner Po.

I beg to inform you that I have received your (honored) letter and have noted⁽¹⁾ that it is the 11th moon, 30th day and the 12th moon 1st and 2nd days. This note is by your honest greeting and merchants a raa - meet⁽²⁾. I exceedingly desire⁽³⁾ to do myself the honor of going⁽⁴⁾ to view the glory⁽⁵⁾, but because these few days, just now (16th) there are many official duties, I shall not be able to⁽⁶⁾ get away⁽⁷⁾ and go. I beg of you, most honored emissaries - to for me make my apologies⁽⁸⁾. I will thank you to⁽⁹⁾ I write respectfully - with continued evidence of undying affection, I am, etc.

Documentary Chinese.

CXXXIX.

Phraseology

CXXXIX.

- ① 得悉 Si² hsi⁴. So be informed of. So note the contents of.
- ② 極欲 chi² yü⁴ So desire very much.
- ③ 恭赴觀光 kung⁴ fu⁴ kuan¹ kuang⁴. So do oneself the honor of viewing the spectacle.
- ④ 未獲 wei⁴ huo⁴. Cannot, cannot manage to.
- ⑤ 祈 chi². Beg.
- ⑥ 告罪 ko⁴ tsui⁴. So make apologies.
- ⑦ 是幸 shih⁴ hsing⁴. I shall be pleased if you will. I will thank you to.

Documentary Chinese.

Red Letters.

CXL. The Harkness was given to addressing Po, Commissioner of Customs.

I beg to inform you I have received the Baron General's commands that on this 8th moon 19th day, enlightening ① the eightieth quarter, ordering me before and to communicate into the honored Commissioner of Customs, at the appointed time, with all haste (etc.) to take this quarter within allotted all sorts of foreign duties the same of and in a despatch send to the Customs. Haste in making out the bills ② and reporting etc. (is desirable)

On the receipt of this it was necessary ③ to inform by letter ④ the honored Commissioner of Customs, to request that he take the trouble to examine ⑤ at this time of this quarter's collection, to take all all items and send by despatch to the Customs, in order to facilitate the transmission of Report: at your earliest convenience. ⑥ I earnestly tell you this ⑦ I am etc.

Documentary Chinese.

Phraseology

CXL. ① 正屆滿 Chang chih² man³. Completing.

② 趕即造冊 Kan³ chi¹-4² te⁴. Make out lists with no delay.

③ 相應 Huang¹ ying¹. It was necessary.

④ 函達 Han² ta². So inform by letter.

⑤ 請煩查照 Ching³ fan² cha² chao⁴. Request that he take the trouble to examine.

⑥ 幸勿有緩 Hsing⁴ wu⁴ go³ huan³. At your earliest convenience.

⑦ 是所至禱 Shih⁴ so³ qin⁴ tao³. I earnestly request this.

Documentary Chinese.

CXLI.

Red Letters.

CXLI.

The Hekuan Wei Yuan 42, addresses Commissioner of Customs Po.

I beg to inform you I have ^{just} received your honored communication (what). Last night a Customs officer seized medicines all sorts, (which) for a hospital's use was prepared, and whether or not you should ~~for~~ release (the goods), & that (you) like I will consider the matter and reply. The examination of ~~what~~ various goods, all sorts, no matter of what kind, all must come to the Customs and report. Said ship master, knowing the conditions intentionally broke them. ³ Certainly ⁴ this was an 'infraction' of Customs rules, however ⁵ considering ⁶ that you, the Commissioner have informed me by letter that these (goods) are for a hospital's use prepared; I cannot very well ⁷ (strictly) according to regulations act. So besides ordering the release, I especially reply to you by letter ⁸ to inform you ⁹ and hope that you will for me tell said missionary, hereafter if he has need to send by boat ¹⁰ in a hospital necessary to use any goods, they must first order them to come to the Customs and report, and thus avoid said vessel master's seizing the occasion for floating ¹¹ & smuggling ¹². I shall be greatly obliged thereby ¹³ especially reply etc.

Documentary Chinese.

CXLI.

Phraseology.

CXLI.

① 臺示 Sai²shih⁴ Give instructions. Give letter.

② 准予 Chun³yii² Permit, is the release.

③ 明知故犯 Ming²chih¹ku⁴fan⁴ Knowing the conditions intentionally
break them.

④ 實屬 Shih²shu⁴ Certainly.

⑤ 第 Si⁴ But, however, merely.

⑥ 重以 Chung⁴i³ Considering the fact that.

⑦ 自未便 Su⁴wei⁴pien⁴ I cannot say will.

⑧ 泐覆布達 Lo¹fu⁴fu⁴ta² Inform by special reply.

⑨ 儀赴 Sai⁴fu⁴ Sending by boat.

⑩ 藉圖 Chieh⁴tu² To seize an occasion for plotting.

Documentary Chinese

CXLI.

Phraseology

CXLI.

⑪ 弊混 Pi⁴hun⁴ Irregularities, Smuggling.

⑫ 是為至荷 Shih⁴wei²gih⁴ho⁴ I shall be much obliged thereby.

Documentary Chinese

CXXXXII

Red Letters

CXXXXII

Hsing-Chuan-Yung Ts'ai Sim addressing Commissioner of Customs Po.

I try to inform you I have received your despatch. The watchmen of (from) Manila coming vessels must have a lodging⁽¹⁾, will it or will it not be possible to borrow a patrol-boat⁽²⁾. I promptly reply to you on the one hand and also communicate the result of the conference with the Commodore. I have just received his reply that the local squadrons⁽³⁾ of boats⁽³⁾ are all detached⁽⁴⁾ for all places to cruise and guard, and all have official posts⁽⁵⁾. It will be difficult to detach them⁽⁶⁾ and moreover these small boats have simply bottoms but no crews, and could not serve as residences. Because of this⁽⁷⁾ I promptly, and request the Commissioner of Customs to examine whether or not he can obtain his, or take the local Customs Ferry Boats, and in what manner he may decide, I shall rotate definite and have them prepared (之處) I must look to you⁽⁸⁾ great talents to decide⁽⁹⁾ what will do (是荷). Presumably inform you of this. I am etc.

Documentary Chinese

CXLII

Phraseology

CXLII

- ① 住宿 Chu⁴ su⁴. To stop. To lodge.
- ② 哨小艇 Shao⁴ hsiao³ ting³. Patrol-Boat.
- ③ 師船 Shih¹ chuan². Naval Boat.
- ④ 皆分派 Chieh¹ fen¹ pai⁴ are all detailed.
- ⑤ 職守 Chih² shou³. Official guards.
- ⑥ 礙難抽派 Ai⁴ nan² chow¹ pai⁴. Be difficult to detach them.
- ⑦ 用特 Yung⁴ te³. Because of this.
- ⑧ 務望 Wu⁴ wang⁴. Must look to.
- ⑨ 裁酌 Tsai² cho². To decide.

Documentary Chinese.

CXXXIII.

Red letters.

CXXXIII.

Hsing - Chuan - Jung Tsoai Siu addressing Commissioner
of Customs Co.

I have the honor to inform you that I yesterday
read⁽¹⁾ your flowery epistle⁽²⁾ and received your communication⁽³⁾
also with the enclosures⁽⁴⁾, Regulations we set, (suggesting that I)
prepare a reply - officially issuing a proclamation⁽⁵⁾, holding
the ~~draft~~ (draft (i.e. proclamation)), and that tomorrow
or the day after (you are likely) to honor us with a visit⁽⁶⁾, first
fixing a time. I would request that on the 3d afternoon
at three o'clock, you should brighten my door, that I may
purchase for good tea⁽⁷⁾ and await you⁽⁸⁾. I previously
reply. I am etc.

Documentary Chinese

Phraseology

CXLIII

CXLIII

- ① 誦 Sung⁴. To read in a murmuring tone.
- ② 華翰 Hua²han⁴. fine glossy epistle your note.
- ③ 大移 Tai⁴yi². your communication.
- ④ 附送 Fu⁴sung⁴. Enclosed, Enclosures.
- ⑤ 會銜曉示 Hui⁴hsien²hsiao³shih⁴. jointly issues a proclamation.
- ⑥ 枉顧 Wang³ku⁴. To honor with a visit.
- ⑦ 烹茗 Pung²ming². To prepare good tea.
- ⑧ 祇候 Chi²hou⁴. To respectfully await.

Documentary Chinese

LVII

LVII

The Commander of the Garrison ⁽¹⁾ at army, and
head of the central Customs Station ⁽²⁾
concerning the forwarding ⁽³⁾ ~~of~~ ^{of} percussion caps ⁽⁴⁾
the force.

Since we have received from the Commissioner of Customs
forwarded officially, seized ⁽⁵⁾ the Str. 'nan' Co., had a way
carrying clandestinely percussion caps in packages
of iron boxes, came to the Customs, at that time my predecessor ⁽⁶⁾
the Colonel ⁽⁷⁾ had reported ^{and received} to His Excellency the Baron
General and received his order to forward ⁽⁸⁾ the Army Customs
Station to examine and receive, & to send to the financial capital ⁽⁹⁾
to the armoury ⁽¹⁰⁾ to check and examine the proper
value ⁽¹¹⁾ and write officially to the army Customs Station
for the calculation of duty. finished ⁽¹²⁾ and after at the same time ⁽¹³⁾
report that the matter had been recorded.

We have now received from the Army Customs
Station a dispatch (stating that) the percussion caps are
valued at 5 Sh. 6 mace ⁽¹⁴⁾ to forward in due course ⁽¹⁵⁾
& that because of this dispatch, the Commissioner and
ask him to take the trouble to examine and reply. ⁽¹⁶⁾

This is a necessary dispatch.

Documentary Chinese

LVII.

Phraseology

⑫ 并經 ping⁴ ching¹.

⑬ 照知各在案 chao⁴ chih¹ ko⁴ tsai⁴ an⁴.

⑭ 合就照送 ho² chiu⁴ chao⁴ sung⁴.

⑮ 請煩查照賜覆 ching³ fan² cha² chao⁴ tsu⁴ fu⁴.

LVII.

Documentary Chinese

LVII.

Phraseology

① 協鎮 Hsieh² chen⁴.

② 總口通商稅務 Tsung³ kou³ tung³ shang³ shui⁴ wu⁴.

③ 照送 chao⁴ sung⁴.

④ 銅帽 Tung² ma⁴.

⑤ 緝獲 chi¹ huo⁴.

⑥ 敝前任 Pi⁴ chien² jen⁴.

⑦ 佐領府 Tso³ ling³ fu³.

⑧ 解交 chieh⁴ chiao¹.

⑨ 解省 chieh⁴ sheng³.

⑩ 軍裝所 chün¹ chuang³ so³.

⑪ 去後 chü⁴ hou⁴.

LVII.

Documentary Chinese

Rossan LVIII.

Rossan LVIII.

Shi Sungli Jansen by way of issuing an order.

Sungchi, 12th year, 9th moon, 21st day (Wed)
received from ~~the~~ the German Ho, acting envoy⁽¹⁾
stating⁽²⁾ his country recently appointed to Forchao Ho, Consul,
Ho, (the acting envoy) has requested⁽³⁾ temporarily to take
the ^{provision} capital of Fukien and the Island of Formosa, if there are
any German subjects charges against⁽⁴⁾ or criminal
offenses⁽⁵⁾ (by) all shall be sent to said Consul, to be
tried adjudged, or (he shall have jurisdiction). This
country's living at Amoy, Taiwanfu, Tamsui, consuls
shall all be under this Consul's orders⁽⁶⁾. This (arrangement)
the acting envoy temporarily to try and put into action
provisionally⁽⁷⁾. This must await the country's ministers
of State's⁽⁸⁾ decision and then⁽⁹⁾ it shall be introduced⁽¹⁰⁾ and
carried into operation⁽¹¹⁾.

again, German subjects who are in Kaungting or
the Island of Hainan if there are any charges against or criminal
offenses by, all shall be sent to this country's living at
Canton Consul (who shall) decide the case⁽¹²⁾. The Consul at
Swatow shall be under this ^{Canton} Consul's jurisdiction⁽¹³⁾. If
hereafter if (they) send a Consul to go to Hainan Island he shall
also be under (under) the Canton Consul's jurisdiction.

Documentary Chinese

LVIII

If German subjects be in Kiangsu, An hui, Hupoh, Chiangsi, Che cheang, these provinces, if there be any charges against or criminal actions, all shall be sent to this country's Consul living at Shanghai Consul for the settling of the cases. (16) This country's living at Ningbo Consul shall be under the Shanghai Consul's jurisdiction.

If in Chihli or Shantung or the province of Shantung. In the above, German subjects if there be any claims against or criminal actions, all shall be sent to this country's living at Tientsin Consul, who shall judge take those affairs, and judge the same. (17) This country's living at Newchwang, & Chefoo, vice consuls, shall both be under the Tientsin Consul.

This things have ever forward.

Perhaps we write the I. G. to examine.

This is a necessary despatch.

LVIII

Documentary Chinese

LVIII.

Phraseology.

• LVIII. •

① 署公使 Shu'kung'shik³.

② 照稱 Chao'cheng¹.

③ 令其 ling⁴chi².

④ 德意志人 Te²i⁴chih⁴jan².

⑤ 被告案件 Pei⁴kao⁴an⁴chian⁴.

⑥ 犯罪情事 Gantsui⁴ching²shih⁴.

⑦ 審判 Shun³fan⁴.

⑧ 駐紮 Chu⁴cha¹.

⑨ 督率 Su¹shuai⁴.

⑩ 擬辦試行 Ni³pan⁴shih⁴hsing².

⑪ 執政大臣 Chih²cheng⁴ta⁴chen².

Documentary Chinese

• LVIII. •

Phraseology.

• LVIII. •

⑫ 俟方 Ssu⁴-fang¹.

⑬ 立定 Li⁴ting⁴.

⑭ 施行 Shih¹hsing².

⑮ 審斷 Shun³tsuan⁴.

⑯ 督管 Su³kuan³.

⑰ 審結 Shun³chieh².

Documentary Chinese

.59 /

.59.

The Soviet Consul⁽¹⁾ Superintendent of Customs and
Commander⁽²⁾
Magistrate of Amoy.

By way of sending a despatch, now having received
the Magistrate⁽³⁾ of Amoy's^{line} remembrance, stating, and requesting
this office to depute soldiers to accompany the coffin⁽⁴⁾
and that what they are pleased to carry (in the way of) trunks,
baskets, chairs, tables and bedding, etc, altogether sixteen
pieces, was wish to embark by the sh. "Chiu Tung", from
Shanghai return to Hankow, certainly they do not carry
any prohibited articles, (and therefore) beg to be permitted
to avoid examination. ^{because of the epidemic - please} writing (a despatch) re this subject
please take official notice⁽⁵⁾. I shall be obliged if you will
communicate the contents of my despatch to⁽⁶⁾

(that) the Foreign Commissioners of Customs should issue
from Amoy to Hankow, passing all the ports, avoiding
examination. ^{certificates} ^(which you will) ^{give} The certificate please to said soldiers with
(give) ^{also} will take, in order to avoid obstructions en route⁽⁷⁾
etc. Upon receipt of this duly inform⁽⁸⁾, to request the
Commissioner of Customs to write to examine, and to give
a certificate for release.

A necessary despatch.

Documentary Chinese

LVIII.

Phrasesology.

LVIII.

① 協領 Hsi² hui³

② 廈防分府 Hsia⁴ fang² fen² fu³.

③ 扶柩 fu² chiu⁴.

④ 為此移請查照 wei⁴ tzu³ i² chui³ cha² chao⁴.

⑤ 希即轉移 Hsi¹ chih² chuan³ i².

⑥ 俾免沿途阻滯 pi⁴ mian³ yau² tu² tzu³ chih⁴.

⑦ 合就照會 Ho² chiu⁴ chao⁴ hui⁴.

Documentary choice.

LX.

also I am in duty bound. or necessarily with a reply have
this communication. and request the Commissioner of Customs.
and also ask him to take the beginning and ending of work, and
~~sent himself to the sea~~ according to the times inform us.

a necessary document.

LX.

Documentary Chinese

IX. Phraseology

- ① 照覆 chao⁴ fu⁴
- ② 建造塔燈 chiao⁴ tao⁴ ta⁴ tung⁴.
- ③ 興工 hsiung¹ kung¹.
- ④ 不日 pu¹ jih⁴.
- ⑤ 營造司 ying² sao⁴ sui¹.
- ⑥ 原勘地方 yuan² kan⁴ ti⁴ fang⁴.
- ⑦ 勘度 kan⁴ tu⁴.
- ⑧ 地勢 di⁴ shih⁴.
- ⑨ 填築 tin² chu⁴.
- ⑩ 地基 di⁴ chi¹.

IX.

Documentary Chinese

IX. Phraseology

- ⑪ 備便 bi⁴ pien⁴.
- ⑫ 動工起蓋 tung⁴ kung¹ chi³ kai⁴.
- ⑬ 毫無更改 hao² wu² kung¹ kai³.
- ⑭ 履勘 li³ kan¹.
- ⑮ 示諭居民 shih⁴ yü⁴ chü¹ min².
- ⑯ 不得阻撓生事 pu⁴ te² tsu³ nao² sheng¹ shih⁴.

⑰

Documentary Chinese.

.LXI.

.LXI.

Superintending Amoy Customs matters Colonel Cheng.
in the matter of sending a despatch.

In the present year the ninth moon the third day I received
the Commissioner's communication (concerning) ^{that} Tamsui half-
tea. would be permitted to sign a bond ⁽¹⁾ (and) avoid paying
the deposit (of a) half duty, that case. If the local port indeed ⁽²⁾
followed the Shanghai procedure (they might) expect ⁽³⁾
(that) it would be carefully observed ⁽⁴⁾ (or to every one's satisfaction)
(and need) not worry ⁽⁵⁾ (about the matter) etc. (Upon the
receipt of) or receiving this (and) examining this case
we (also) received the Commander's orders, with directions
to act accordingly. ^{(saying) through} But ⁽⁶⁾ receiving the Commissioner's
letter explaining ⁽⁷⁾ (the situation) in a most reasonable
way ⁽⁸⁾ ^{for us of that time} ^{has} must needs forwarded the report received ⁽⁹⁾ However ⁽¹⁰⁾
the thus-reported Shanghai methods, why (have they)
not yet ⁽¹¹⁾ been clearly stated ⁽¹²⁾ and for that we must needs
communicate with the Commissioner, begging him to trouble
to examine (into the matter) & take the Shanghai customs, whatsoever
methods - any regulations, and state them in detail ⁽¹³⁾ in a
despatch to facilitate the report to ⁽¹⁴⁾ the Commander, for
examination & judgement ⁽¹⁵⁾. this is really in the Public
interest ⁽¹⁶⁾. a necessary despatch.

Documentary Chinese

LXI. Phraseology.

① 具保結 Chü⁴ pao³ chieh⁴.

② 竟 Ching⁴.

③ 可期 Ko³ chi¹.

④ 慎重 Shen⁴ chung.

⑤ 不須過慮 Pi⁴ hsi¹ kuo¹ lü⁴.

⑥ 第 Si⁴.

⑦ 陳說 Chen² shuo⁴.

⑧ 俱有條理 Chü¹ yü³ kao² li³.

⑨ 轉詳 Chuan³ hsiang².

⑩ 但 Tan⁴.

LXI.

Documentary Chinese.

LXI. Phraseology.

⑪ 尚未 Shang⁴ wei⁴.

⑫ 明較 ming² hsi⁴.

⑬ 詳錄 Hsiang² lu⁴.

⑭ 轉稟 Chuan³ ping³.

⑮ 察奪 Cha⁴ to⁴.

⑯ 實為公便 Shih⁴ wei² kung¹ pien⁴.

LXI.

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LXII.

LXI.

Documentary Chinese.

LXII.

Permitted or granted (the privilege of) wearing the Blue Plume, Brevet Colonel (Hsieh Chen) superintending the Army Customs Affairs Colonel Huang, in the matter of communicating (about) edible salt the price.

Having (before) received the Commissioner's despatch (about the) seized⁽¹⁾ edible salt that case. We have ^{already} ordered⁽²⁾ the Army Revenue Station Gang an Salt Guild⁽³⁾ (to) according to the amount taken decided upon a price and given a reward⁽⁴⁾ had been done⁽⁵⁾ ^{that this has been} already corresponded about is on record.

Now this month the 17th day according to said guild's sent servants⁽⁶⁾ bringing a letter (who) arrived at the Customs requesting (that they might) take the seized edible salt, 13 packages weighing 649 chin. At the same time⁽⁷⁾ according to the present official price⁽⁸⁾ for every 72 fan yin (dollar mex.) could buy salt 215 chin. It is estimated (that) the Customs seized edible salt 644 chin. altogether ought to be valued at 2.16 taels according to regulations come to the Customs and ^{accordingly} thereupon settle the amount. Because of this despatch, the Commissioner is asked to trouble himself and receive the amount as per account⁽⁹⁾ and report⁽¹⁰⁾. This is a necessary despatch.

Documentary Chinese

Phrasology.

IXII.

IXII.

① 緝獲 *chi⁴ huo⁴*

② 移餉 *1² chih⁴*

③ 販戶 *Fan⁴ hu⁴*

④ 克賞 *Chung³ shang³*

⑤ 去後 *chi⁴ hoo⁴*

⑥ 遣丁 *Chien³ ting³*

⑦ 隨即 *Sui² chi⁴*

⑧ 場價 *Chang² chia⁴*

⑨ 照數查收 *Chao⁴ shu⁴ che² show¹*

⑩ 賜覆 *I⁴ fu⁴*

Documentary Chinese

IXIII.

IXIII.

Pa ching. Imperial decree - Fukien the Capital⁽¹⁾ Board of In Trade⁽²⁾ the High Officials⁽³⁾ in the matter of sending a despatch:

Having received Kung Pao Governor⁽⁴⁾ Ssu's (despatch) stating that⁽⁵⁾ whereas he the Governor had memorialized the King and received the Imperial reply⁽⁶⁾ to take the transferred⁽⁷⁾ to Min (Fukien) Kueichow regiment and first recall me half and turn (them) over to the newly appointed⁽⁸⁾ Yunnan Kai Hua Colonel Tsai. (that he might) lead them all back into Kueichow to rejoin their division's⁽⁹⁾ all these said Kueichow troops before from the Kueichow had had issued⁽¹⁰⁾ foreign guns 480 pieces which (they) must carry back to the Kueichow (and) turn over⁽¹¹⁾ also besides informing⁽¹¹⁾ this and, this informing in a despatch, the Kueichow Governor to examine into the matter, also addresses⁽¹²⁾ the Board to act accordingly and thus facilitates the informing of all the Foreign Customs for examination and execution without evasion etc. Upon the receipt of this we duly informed the Commissioner of Customs that he might be prepared (by examination of this despatch) if there (happen) to be any Kueichow

Documentary Chinese.

LXIII.

Soldiers come to the Customs examine them accordingly and help them on their way.⁽¹³⁾ This is a necessary despatch.

LXIII.

The above despatch to
acting amoy Foreign Customs⁽¹⁴⁾ affairs.⁽¹⁵⁾
Commissioner Jung.

Documentary Chinese

LXIII.

Phraseology.

- ① 省會 Sheng² hui⁴
- ② 通商總局 Tung² shang² tsung³ chiu²
- ③ 司道 Sui⁴ tao⁴
- ④ 巡撫部院 Hsün² fu³ pu⁴ ywan⁴
- ⑤ 牌開 Pai² kai¹
- ⑥ 奏奉諭旨 Tsou⁴ fang⁴ yü⁴ chih³
- ⑦ 調 Tiao⁴
- ⑧ 新授 Hsin¹ shou⁴
- ⑨ 歸伍 Kwei¹ wu³
- ⑩ 領獲 Ling³ huo⁴

LXIII.

Documentary Chinese

Phraseology

LXIII.

LXIII.

- ⑪ 呈繳 Cheng² chiao³
- ⑫ 施行 Shih¹ hsing²
- ⑬ 洋稅新關 Yang² shui⁴ hsin¹ kuan¹
- ⑭ 事宜 Shih⁴ i¹



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